Congressional Record

PROCEEDINGS AND DEBATES

OF THE

SECOND SESSION OF THE SEVENTY-FOURTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

VOLUME 80-PART 5

APRIL 1, 1935, TO APRIL 21, 1936 (Pages 4687 to 5828)



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON: 1936

PROCERDINGS AND DEBATIOS

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SEVENTY-FOURTH CONGRESS, SECOND SESSION

SENATE

WEDNESDAY, APRIL 1, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

As in legislative session,

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the legislative proceedings of the calendar day Tuesday, March 31, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Caraway	King	Overton
Ashurst	Carey	La Follette	Pittman
Austin	Chavez	Lewis	Pope
Bachman	Connally	Logan	Radcliffe
Bailey	Coolidge	Lonergan	Reynolds
Barbour	Copeland	Long	Robinson
Barkley	Couzens	McGill	Schwellenbach
Benson	Davis	McKellar	Sheppard
Bilbo	Donahey	McNary	Shipstead
Black	Fletcher	Maloney	Smith
Bone	Frazier	Metcalf	Thomas, Utah
Borah	George	Minton	Townsend
Brown	Gibson	Moore	Truman
Bulkley	Glass	Murphy	Tydings
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Hayden	Norris	Wagner
Byrnes	Johnson	Nye	Walsh
Capper	Keves	O'Mahoney	Wheeler

Mr. LEWIS. I announce the absence of the Senator from Alabama [Mr. Bankhead], the Senator from Rhode Island [Mr. GERRY], the Senator from California [Mr. McADOO], the Senator from Florida [Mr. TRAMMELL], and the Senator from Colorado [Mr. Costigan], all of whom are detained because of illness.

I further announce that the Senator from Missouri [Mr. CLARKI is absent because of illness in his family, and that my colleague the junior Senator from Illinois [Mr. Dieter-ICH], the Senator from West Virginia [Mr. HOLT], the Senator from Georgia [Mr. Russell], the Senator from Nevada [Mr. McCarran], the senior Senator from Oklahoma [Mr. Thomas], the Senator from Pennsylvania [Mr. Gur-FEY], the Senator from Wisconsin [Mr. Duffy], and the junior Senator from Oklahoma [Mr. Gore] are necessarily detained. I ask that this announcement stand in the RECord for the day.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson], the senior Senator from Maine [Mr. HALE], the junior Senator from Maine [Mr. WHITE], and the Senator from Oregon [Mr. STETWER] are necessarily absent.

Mr. TOWNSEND. I announce that my colleague the senior Senator from Delaware [Mr. Hastings] is necessarily absent from the Senate.

The VICE PRESIDENT. Seventy-six Senators have answered to their names. A quorum is present.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

As in legislative session,

The VICE PRESIDENT announced his signature to the

viously been signed by the Speaker of the House of Representatives:

H. R. 381. An act granting insurance to Lydia C. Spry;

H. R. 605. An act for the relief of Joseph Maier;

H. R. 685. An act for the relief of the estate of Emil Hoyer

H. R. 762. An act for the relief of Stanislaus Lipowicz;

H. R. 977. An act for the relief of Herman Schierhoff;

H. R. 2469. An act for the relief of Michael P. Lucas;

H. R. 3184. An act for the relief of H. D. Henion, Harry Wolfe, and R. W. McSorley;

H. R. 3254. An act to exempt certain small firearms from the provisions of the National Firearms Act;

H. R. 3369. An act for the relief of the State of Alabama;

H.R. 3629. An act to authorize the acquisition of additional land for the use of Walter Reed General Hospital;

H. R. 4439. An act for the relief of John T. Clark, of Seat-

H. R. 5764. An act to compensate the Grand View Hospital and Dr. A. J. O'Brien;

H. R. 6335. An act for the relief of Sam Cable;

H. R. 6645. An act to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926;
H. R. 7024. An act to authorize the sale by the United

States to the municipality of Hot Springs, N. Mex., of the north half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, New Mexico principal meridian, New Mexico;

H. R. 7788. An act for the relief of Mrs. Earl H. Smith;

H. R. 8030. An act to authorize a preliminary examination of Republican River, Smoky Hill River, and minor tributaries of Kansas River, with a view to the control of their floods;

H. R. 8032. An act for the relief of the Ward Funeral

H. R. 8038. An act for the relief of Edward C. Paxton;

H. R. 8061. An act for the relief of David Duquaine, Jr.;

H. R. 8110. An act for the relief of Thomas F. Gardiner;

H. R. 8300. An act to authorize a preliminary examination of Suwannee River in the State of Florida from Florida-Georgia State line to the Gulf of Mexico;

H. R. 8559. An act to convey certain land to the city of Enfield, Conn.;

H.R. 8577. An act to amend the Teachers' Salary Act of the District of Columbia, approved June 4, 1924, as amended, in relation to raising the trade or vocational schools to the level of junior high schools, and for other purposes;

H.R. 8797. An act to provide a preliminary examination of Onondaga Creek, in Onondaga County, State of New York, with a view to the control of its floods;

H.R. 8901. An act to provide for the establishment of a Coast Guard station at or near Apostle Islands, Wis.;

H.R. 9200. An act authorizing the erection of a marker suitably marking the site of the engagement fought at Columbus, Ga., April 16, 1865;

H. R. 9671. An act to authorize the Secretary of the Treasury to dispose of material to the sea-scout service of the Boy Scouts of America;

H. R. 10182. An act to authorize the Secretary of War to acquire the timber rights on the Gigling Military Reservation (now designated as Camp Ord) in California;

H.R. 10185. An act to amend the act approved June 18, 1934, authorizing the city of Port Arthur, Tex., or the comfollowing enrolled bills and joint resolution, which had pre- mission thereby created and its successors, to construct, maintain, and operate a bridge over Lake Sabine, at or near | Port Arthur, Tex., and to extend the times for commencing and completing the said bridge;

H. R. 10187. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

H.R. 10262. An act to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.;

H. R. 10316. An act to legalize a bridge across Poquetanuck Cove at or near Ledyard, Conn.;

H. R. 10465. An act to legalize a bridge across Second Creek, Lauderdale County, Ala.;

H. R. 10490. An act to amend chapter 9 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory and supplementary thereto;

H. R. 10975. An act authorizing a preliminary examination of Marshy Hope Creek, a tributary of the Nanticoke River, at and within a few miles of Federalsburg, Caroline County, Md., with a view to the controlling of floods;

H. R. 11045. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H.R. 11323. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of the first settlement on Long Island, N. Y .:

H. R. 11365. An act relating to the filing of copies of income returns, and for other purposes;

H. R. 11425. An act for the relief of Gustava Hanna; and H. J. Res. 305. Joint resolution accepting the invitation of the Government of France to the United States to participate in the International Exposition of Paris-Art and Technique in Modern Life, to be held at Paris, France, in 1937.

LAMAR HARDY

The VICE PRESIDENT. Under the order entered yesterday, the Senate is in executive session, and the question is, Will the Senate advise and consent to the nomination of of Lamar Hardy to be United States attorney for the southern district of New York? The Chair will state that, under the agreement, there is a limitation on debate of 10 minutes on the part of each Senator.

Mr. LA FOLLETTE. Mr. President, I shall detain the Senate for only a few moments this morning, because I realize that the outcome of this issue is a foregone conclusion. Nevertheless, under all the circumstances, I wish to place upon the record a brief statement of the reasons which compel me to vote against the confirmation of the nomination of Mr. Hardy to be United States attorney for the southern district of New York.

Mr. President, if the people of this country, and if the citizens of New York who are most directly affected by this appointment, are to have confidence in the law-enforcing arm of the Federal Government, men must be appointed and confirmed by the Senate to discharge those important functions of government who are above suspicion and whose records will command public confidence and respect.

The record in this case demonstrates conclusively that Mr. Hardy was connected with the State Title and Mortgage Corporation, was active in its management, the said corporation soliciting the investment by the general public of their savings. At the time Mr. Hardy was connected with this company and actively participating as a member of the board of directors of the corporation it circulated advertisements in the press soliciting the investment of funds, assuring the investing public that the funds would be safely invested; in fact, that they were amply protected by a socalled guaranty fund.

The report of the investigation conducted by Mr. Abraham J. Halprin shows, on pages 80 and 81, that the guaranty fund of this particular company was impaired at the very time when the advertisements were appearing in the press

the securities of this company. I quote briefly from that report:

Prior to January 2, 1930, the company kept no record of what courities constituted its guaranty fund. On January 2, 1930, a record was made on the general ledger of the company, indicating that certain securities were considered as constituting the guaranty fund of the company. The account in the ledger was entitled "Assets set aside as guaranty fund" and listed the following assets:

Stock of State Banking Co	\$2,500,000.00 1,299,232.16 1,034,167.59
Title Guarantee & Trust Co National City Bank	525, 915. 00 214, 160. 00
Total	5 573 474 75

The report comments upon this statement in the following

Of the assets listed in the above account, the following obviously do not come within the requirements of section 16 of the insur-

ance law:	
Stock of State Banking CoBuildings	\$2,500,000.00 1,299,232,16
Excess of mortgages as collateral on loans from— Title Guaranty & Trust Co National City Bank	525, 915. 00
Total	4, 535, 307. 16

I continue to read from the report:

The only asset listed by the company that fulfills the requirements of section 16 is the asset entitled "Building loans and permanent mortgages on hand", in the amount of \$1,034,167.59. The paid-in capital of the company, on January 2, 1930, was \$8,300,000. The guaranty fund requirement was therefore \$5,533,333.33. The deficiency in the guaranty fund of the company as of January 2, 1930, was \$4,499,165.74.

On December 12, 1930, the records of the company disclose the following assets as constituting its guaranty fund:

Tonowing assets as constituting its guaranty fund:	
Company's office buildings	\$1, 299, 232. 16
Stocks of subsidiary companies	2, 739, 216. 87
Building loans and permanent mortgages	3, 030, 116. 83

Total__ 7, 068, 565, 86

Of these assets listed by the company on December 12, 1930, only the building loans and permanent mortgages of \$3,030,-116.83 appear to be within the requirements of section 16 of the

Mr. President, as I read the record and as I understand it, advertisements were circulated in the press in New York to the general effect that investments in this company were protected by this guaranty fund between the dates of January 2, 1930, and December 30, 1930. The statement was made by Mr. Spence, on page 93 of the hearings, that the advertisement was circulated in June 1930, which falls between the dates mentioned in the report of Mr. Halprin, indicating definitely that this guaranty fund was seriously impaired at the very time when those advertisements were appearing in the papers and at the time when Mr. Hardy was connected with this corporation, was a member of its board of directors, and was taking a sufficiently active part in the direction of the affairs of the company so that he was receiving compensation for his services.

Mr. President, we cannot overlook the general situation existing in New York concerning companies of this kind. Millions upon millions of dollars of investments by individuals of moderate means were made upon the representation that their investments would be safe. These investors

The VICE PRESIDENT. The time of the Senator from Wisconsin has expired. The question is, Will the Senate advise and consent to the nomination of Lamar Hardy to be United States attorney for the southern district of New York?

Mr. NORRIS. Mr. President, I ask for the yeas and nays. The yeas and nays were ordered.

Mr. BARBOUR. Mr. President, while I realize that the appointment of a United States district attorney for the southern district of New York, in the direct sense, involves neither my State nor my party, still there is such a friendly association between New Jersey and New York, which relasoliciting investors to entrust their funds by investing in I tionship is especially close in the case of northern New Jersey

and southern New York, that I feel justified to say a word in vigorous endorsement of Mr. Lamar Hardy's appointment.

While I do so on my own responsibility only, nevertheless I feel I can say without qualification that Mr. Hardy is very well known in my State, is highly regarded, and enjoys a reputation of which anyone could be proud. I trust the Senate will confirm overwhelmingly, as I am sure it will, what I feel is a very appropriate and excellent appointment.

Mr. BILBO. Mr. President, in this case the Senate is being called upon to consent to the appointment of a gentleman selected by the President, and, judging from the remarks made by the two Senators from New York, without any procurement of endorsements on their part.

We are asked by those who are opposed to the confirmation of Mr. Hardy to reject this nomination in the face of the record of a life of circumspection for 56 years, during which only once has the question mark ever been raised against his integrity, his honor, and his faithfulness as a citizen and as an attorney at law.

It is rather unusual to oppose confirmation, as I understand the rules of the Senate, when both the Senators from the State are very strongly in favor of confirmation.

Personally, I know nothing of the matters charged against Mr. Hardy save what has been brought out in the hearings before the Judiciary Committee; but I wish to take occasion to make reference to the Hardy family because they are native Mississippians.

There stands in the little city of Gulfport by the Sea a bronze statue erected during my second term as Governor of the State to the memory of the father of Lamar Hardy. No man in the State has rendered greater service to the people of Mississippi than the illustrious father of the gentleman who has been nominated in this instance. He was the real dreamer of Mississippi. In the pioneer days of the State he projected what at the time was thought to be an impossible thing-the building of a railroad from Meridian, Miss., to the crescent city of New Orleans, passing over Lake Pontchartrain, which required the building over Lake Pontchartrain of a bridge which proved at the time to be the longest bridge in the world. Having accomplished this great development for his native State, he had a second dream and projected another railroad from the capital of our State to the Gulf coast, which gave birth to the beautiful metropolis of the southern part of Mississippi, known as Gulfport by the Sea.

These were some of the accomplishments of this dreamer of Mississippi, Col. W. H. Hardy. At the time of his death he was dreaming of another railroad, to be built from Gulfport to the great oil center at Baton Rouge, on the Mississippi River

Mr. Lamar Hardy, after graduating at the University of Mississippi, entered Vanderbilt Law School. At the time, I was a student in the university at Nashville. We were neighbors at that time. I later became a student at Vanderbilt, finishing my law course there in 1907. Throughout the years it has been my pleasure to know Mr. Hardy personally and socially, and I have never heard a whisper against him in any of his dealings anywhere along the line. He is a philanthropist. He went to New York when he was 20 years old, in 1900, and, after a few years of accomplishment there, was honored by being selected as the corporation counsel for the city of New York. No doubt he has made some money; and he has been spending, and is planning to spend, much of his fortune for the development of the university, his alma mater, down in Mississippi, his native State.

Knowing the family as I do, knowing their illustrious services, knowing their patriotism, I cannot be led to believe that Lamar Hardy had guilty knowledge of any of the things alleged by the Senator from Nebraska [Mr. Norris] and the Senator from Wisconsin [Mr. La Follette]. There must be a mistake somewhere, because I am sure a man who has lived blameless as long as Mr. Hardy has could not be guilty of any of the matters concerning which insinuations and innuendoes have been cast against him by the evidence produced in this case.

When the two Senators from New York, his adopted State, are sympathetic with the confirmation of this nomination, and are joined by the two Senators of his native State, all urging that the nominee be confirmed, knowing him personally and knowing his life and his services, it is beyond me to understand how any Senator can interfere with or oppose the wishes of these four Senators who know him best. I think this is a case where senatorial courtesy should have play; because if these Senators are willing to vouch for Mr. Hardy, knowing him personally, I see no reason why we should object. It will be "their funeral" if the appointment is not a good one

Mr. VAN NUYS. Mr. President, I desire to occupy just 2 or 3 minutes. I hope I may be of assistance in enlightening the distinguished Senator from Wisconsin [Mr. La Follette] concerning the guaranty fund.

The Senator referred to the testimony of Mr. Spence before the subcommittee, in which Mr. Spence, reading from an advertisement, said that the certificates and the mortgages, principal and interest, were guaranteed by a fund of \$10,000,000.

I call the attention of the Senator from Wisconsin to the fact that that fund is not the guaranty fund mentioned in the State law. That means the entire capital of the company, which at that time was \$10,000,000, paid in in cash to the State Mortgage & Title Co. There was no question at that time, as shown by the record, that the entire assets of the company were worth \$10,000,000. That advertisement simply says to the buying public that every dollar of the \$10,000,000, the total capital of the company, stands behind the guaranteed mortgages.

That was in 1930. The real-estate market did not decline until 1933. The company was wholly solvent in 1930. It paid big dividends after audits by Ernst & Ernst and other reputable firms. So, if the Senator catches my point, that was not the guaranty fund mentioned in the State law.

Mr. LA FOLLETTE. Mr. President, the Senator does not deny, however, that the report which I read from Mr. Halprin concerning the condition of the guaranty fund under section 16 was correct and that the guaranty fund was impaired.

Mr. VAN NUYS. I am coming to that right now. I desired to have the Senator from Wisconsin understand the distinction between what is referred to in that advertisement and the statutory guaranty fund.

Mr. LA FOLLETTE. Mr. President, will the Senator yield briefly further?

Mr. VAN NUYS. Yes; I yield.

Mr. LA FOLLETTE. Was not that advertisement, however, calculated to lead the investing public to believe that the guaranty fund was intact and was in a position where it could support the investors of money?

Mr. VAN NUYS. I shall not enter into a controversy over what some prospective purchaser might think from reading that advertisement; but it spoke the truth in that every dollar of the capital, which at that time was \$10,000,000, stood behind these guaranteed mortgages.

Coming now to the guaranty fund, in the Halprin report the Senator from Wisconsin objects to the item of two and a half million dollars, denominated "Stock of State Banking Co." The facts are that the State Banking Co. was a wholly owned subsidiary company of the State Title & Mortgage Co. Outside of perhaps a few qualifying shares, all the stock of the State Banking Co. was owned by the State Title & Mortgage Co.; and all the assets of the State Banking Co., in the sum of two and a half million dollars, were invested in first mortgages, the validity of which was not questioned, and the value of which was not questioned to be two and a half million dollars. By pledging all the stock of the State Banking Co. to this guaranty fund, the company actually and in fact pledged two and a half million dollars of first mortgages.

I admit that technically that stock was not eligible to the guaranty fund; but as a matter of value, as a matter of good morals, as a matter of business, the two and a half million dollars which composed all the assets of the State | Banking Co. was worth to that fund two and a half million

As to the item of buildings, the State law provided that the guaranty fund should be invested in bonds and mortgages. The company owned this building in fee simple. The building was valued at \$1,299,000. The company could have set up a dummy mortgage for that amount of money and put it on the building, and then put up the mortgage; but instead of that they allocated the building itself to the guaranty fund, and the value of the building was never controverted as being the sum of \$1,299,000.

So, as a matter of fact, while these assets were not technically bonds and mortgages, their value was as set out in the report of the Halprin committee and in the report of the subcommittee. Even if we eliminate the last two items set out, the guaranty fund was within 66% percent of the capital as provided by the State law.

Mr. LA FOLLETTE. Mr. President, will the Senator from Indiana yield for a further question?

Mr. VAN NUYS. I yield.

Mr. LA FOLLETTE. The Senator has made a study of the Halprin report.

Mr. VAN NUYS. Yes.

Mr. LA FOLLETTE. Is it not a fact that the Halprin report itself criticizes the misleading statements which were made concerning the situation which would confront the investors if they invested in securities of this company?

Mr. VAN NUYS. I think that is true; yes, it does.

Mr. NORRIS. Mr. President, I had not intended to say anything further, but since the Senator from Indiana has referred to what he believes to be the fact that this guaranty fund never was impaired, I wish to say that no man can read the evidence and get any other idea than that the guaranty fund was impaired practically all the time.

Outside of the guaranty fund, there was a lot of crookedness. In answer to the quotations read by the Senator from Indiana, I desire to read some of the testimony of Mr. Spence, as found on the bottom of page 94 of the hearings. He said:

Now, to get back to the situation under which that company-

That means the guaranty company-

was operating, in 1930 and 1931, it still continues to sell to the public property which had been foreclosed, and sold such mortgages to the public for 3 or 4 years.

We hear talk about good business sense and good moral conduct. Whether we want to protect a guaranty fund or not, I wish to ask what kind of conduct that was? I read further:

Not only that, but that company sold to the chamberlain of the city of New York over \$3,000,000 of securities, mortgage certificates, and straight mortgages. All but some \$250,000 of those mortgages are in default.

Mr. HARRISON. Mr. President, the Senator from Nebraska has just mentioned Mr. Spence and his testimony. Turning to the page to which the Senator referred, I desire to read further what Mr. Spence said.

Mr. NORRIS. From what page is the Senator about to

Mr. HARRISON. Page 94, the same page from which the Senator read. Mr. Spence stated:

Mr Stever started the whole activity against the mortgage companies

Senator DIETERICH. Who is Mr. Steuer?

Mr. Spence. Mr. Max D. Steuer, who is here today. It was due to his desire to help the public.

I notice also in another part of the hearings that Mr. Cook paid a very fine tribute to Max Steuer as a public-spirited fellow who had helped these poor unfortunate people, many of whom lost their money.

I read from Mr. Steuer's testimony the following, speaking of Mr. Hardy, the nominee here:

It is claimed that Mr. Hardy is a defendant in a lawsuit-

This is Steuer speaking, about whom both Mr. Cook and Mr. Spence spoke-

and that, by reason of that fact, by reason of the existence of that lawsuit, there is an implication of something wrong on Mr. Hardy's part. Mr. Chairman, may I say to you that in the 16 similar complaints served by the superintendent of insurance the flower of the bar of the city of New York, of the southern district of New York, are named as defendants. The most prominent lawyers, the law firms having the largest business, whose integrity has never been questioned by anybody, are named as defendants, and have taken recisely the same attitude from the beginning to the end that Mr. Hardy has taken.

Of course, Mr. Hardy was never indicted. He was one of those named in the civil actions, which it has been said have been compromised in large part.

Mr. LA FOLLETTE. Mr. President, will the Senator yield? Mr. HARRISON. I yield.

Mr. LA FOLLETTE. I understood the Senator to say that the civil suits had been compromised.

Mr. HARRISON. As I understand, some of them have been compromised.

Mr. LA FOLLETTE. It is not my understanding that they have been compromised. It is my understanding that an offer in compromise was made, but that it was rejected by the judge who was hearing the matter.

Mr. HARRISON. I may be mistaken about that. I understood that some of them had been compromised or are in the course of compromise.

In one part of these hearings, though I cannot put my hand on the place now, Mr. Steuer, in speaking of Mr. Hardy, stated that if one should pick from the whole city of New York he could not find a cleaner, higher grade man, a man abler to serve as district attorney of New York, than Mr. Hardy. He pays him one of the most glowing tributes that could possibly be paid to a public servant, or to one whose name was before the Senate for confirmation.

Here it is. This is what Max Steuer, whom Mr. Spence and Mr. Cook speak so highly of, says about Mr. Hardy:

I have known Mr. Hardy about 25 years. I have practiced law in the city of New York for 42 years. * *

I have had personal contact with every United States attorney in the southern district of New York who has served the Government in that capacity during the past 40 years. I do say that of all of them, that they were men of the highest integrity, very great ability, devoted to their duties, and gave everything they had to the discharge of those duties.

I will say that Mr. Hardy possesses ability at least equal to any

I will say that Mr. Hardy possesses ability, at least equal to any of them; that his character is the equal of any man I have ever met; that his integrity has never been the subject of inquiry; and that his learning is such as to qualify him to hold any position for which a legal education is essential.

I have the feeling that the President of the United States could not have selected any individual from among the lawyers of the southern district of New York who would have served the Government with more singleness of purpose, with more absolute devotion, and at the same time have conserved the interests of every litigant before that court, every defendant under criminal charges, any more faithfully, any more notably, any more capably and efficiently than Mr. Hardy.

That is a high tribute indeed, and it comes from one of the great lawyers of the New York bar.

Mr. President, I must admit, to be perfectly frank with the Senate, that I read the hearings somewhat biased for Mr. Hardy. One just cannot get out of his mind and out of his heart such a feeling when he knows one as well as I know Lamar Hardy. I have known him since he was a young fellow, 19 years of age. I served as district attorney for a number of years under his father, who was circuit judge. I join with my colleague in the high tribute he pays to his father.

Mr. President, I saw this boy as he left Mississippi following his graduation from the University of Mississippi and from Vanderbilt, when he went to New York City. I watched his rise in the great city of New York, because it is not an easy matter for a young fellow striving to climb the ladder in the legal profession without influence or means to succeed in a great city like New York. One necessarily must battle against many great obstacles. His course and his progress were matters of very deep pride to me as a Mississippian. I remember when he had risen to that high degree of prominence that he was appointed corporation counsel. I listened yesterday to the fine compliments paid him as corporation counsel under that fine independent mayor of New York City, John Purroy Mitchel.

Knowing Mr. Hardy as I do, and excluding for the moment any consideration of his connection with this mortgage company, if I were worth as much money as some gentlemen who sit here, and into whose faces I now look, and of whom I am most fond, I do not know anyone I would rather have appointed as executor without bond of my estate than Lamar Hardy. His whole life gives the lie to his intentional wrongdoing. His record and philosophy of things were built upon a finer conception and a more enduring foundation.

Yes; Lamar Hardy was counsel and director of one of these companies, and chairman of the executive committee until in 1931. The men who were appointed by the State laws of the State of New York and who examined those companies until the time Mr. Hardy left passed on the solvency and deportment of these companies and approved The report of the gentleman about whom much has been said, Mr. Halprin, was made in 1934, 3 years after Mr. Hardy had resigned and severed his connection from this organization, and as I read the testimony of ex-Governor Miller, of New York State, than whom, as I understand, there is no better lawyer in the great city of New York, and, although he is a Republican, all admire and respect his honesty, he voluntarily went before the bar association and made the statement, and it is in the record here, that from all the investigation, this company was solvent when Mr. Hardy left it. That fact was pointed out by the Senator from Indiana [Mr. Van Nuys], a member of the subcommittee that considered this nomination. I am sorry that the other members of the subcommittee, the Senator from Delaware [Mr. Hastings] and the Senator from Illinois [Mr. DIETERICH], are not present, but the Senate appreciates that the report on the nomination was unanimous. Were they not in a very good and favorable position to reach the right conclusion? They went into every phase of the controversy and their investigation was certainly most thorough. I do not believe there is the slightest ground for rejecting this nomination. One thought and I am through.

Ex-Governor Miller said in the hearing that the company of which Mr. Hardy was a director was solvent up until the time and after Mr. Hardy left, and, as he pointed out, real estate is one of the last things that start to rise; the market can go up, but real estate lags behind, and it is one of the last to start down after a collapse comes. As we all know, the price of real estate did not start down in 1929, when the collapse came in the stock market; it did not start to go down until about 1932; it remained high. You cannot fairly judge the value of real-estate assets for years 1929, 1930, and 1931 through the losses of 1934. It is an entirely different picture, and every Senator here knows, and most have experienced it. If real estate in New York City takes a rise, these securities once so valuable may again reach the peak of 1929, 1930, and 1931.

The PRESIDING OFFICER (Mr. MINTON in the chair). The time of the Senator has expired.

The question is, Will the Senate advise and consent to the nomination of Lamar Hardy to be United States attorney for the southern district of New York? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARKLEY (when his name was called). I have a pair with the senior Senator from Delaware [Mr. Hastings], who is unavoidably absent from the Senate. I am informed that if present he would vote as I intend to vote. Therefore I feel at liberty to vote. I vote "yea."

Mr. BILBO (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. Dickinson]. I transfer my pair to the junior Senator from Wisconsin [Mr. Duffy], who is necessarily detained from the Senate, and vote. I vote "yea."

Mr. NYE (when Mr. Clark's name was called). The Senator from Missouri [Mr. Clark] is absent from the Senate today owing to illness in his family. I have a pair with that Senator. If he were present and voting, he would vote "yea." If I were permitted to vote, I should vote "nay."

Mr. KING (when his name was called). I have a pair with the Senator from California [Mr. McApool, who is de-

tained from the Senate on account of illness. If he were present, he would vote "yea." If I were at liberty to vote, I should vote "nay."

Mr. POPE (when his name was called). I have a pair with the junior Senator from Pennsylvania [Mr. Guffey], who is unavoidably detained. I understand if he were present he would vote "yea." If permitted to vote, I should vote "nav."

Mr. VANDENBERG (when his name was called). On this vote I am paired with the junior Senator from Florida [Mr. Trammell], who is necessarily absent on account of sickness. Not knowing how he would vote on this question, I withhold my vote.

The roll call was concluded.

Mr. LEWIS. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. Costigan], and the Senator from Rhode Island [Mr. Gerry] are detained from the Senate on account of illness.

The junior Senator from Oklahoma [Mr. Gore], the Senator from West Virginia [Mr. Holt], the Senator from Louisiana [Mrs. Long], the Senator from Nevada [Mr. McCarran], the Senator from Georgia [Mr. Russell], and the senior Senator from Oklahoma [Mr. Thomas] are unavoidably detained.

I also announce that the Senator from Ohio [Mr. Don-AHEY], the Senator from Montana [Mr. Murray], and the Senator from Massachusetts [Mr. Walsh] are detained on important departmental matters.

I further announce at the request of my colleague [Mr. Dieterich], who served upon the subcommittee which considered the nomination of Mr. Hardy, that if he were present he would vote "yea."

Mr. AUSTIN. I announce the necessary absence of the Senator from Maine [Mr. Hale], the Senator from Delaware [Mr. Hastings], the Senator from Rhode Island [Mr. Metcalf], the Senator from Oregon [Mr. Steiwer], and the Senator from Maine [Mr. White]. I am advised that if present all these Senators would vote "yea."

Mr. TYDINGS (after having voted in the affirmative). On this vote I have a general pair with the senior Senator from Rhode Island [Mr. Metcalf]. I understand if he were present he would vote as I have voted, so I allow my vote to stand.

The result was announced—yeas 57, nays 9, as follows:

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Byrnes

PACCEPATED	m-2 - m-0-0	many work	**COCCULING
Ashurst	Caraway	Johnson	Reynolds
Austin	Carey	Lewis	Robinson
Bachman	Chavez	Logan	Schwellenbach
Bailey	Connally	Lonergan	Sheppard
Barbour	Coolidge	McGill	Smith
Barkley	Copeland	McKellar	Thomas, Utah
Benson	Couzens	McNary	Townsend
Bilbo	Davis	Maloney	Truman
Black	Fletcher	Minton	Tydings
Bone	George	Moore	Van Nuys
Brown	Gibson	Neely	Wagner
Bulkley	Glass	O'Mahoney	
Burke	Harrison	Overton	
Byrd	Hatch	Pittman	
	1	NAYS-9	
Borah	Frazier	Murphy	Shipstead
Bulow	La Follette	Norris	Wheeler
Capper			
	NOT	VOTING-30	
Bankhead	Gore	McAdoo	Steiwer
Clark	Guffey	McCarran	Thomas, Okla.
Costigan	Hale	Metcalf	Trammell
Dickinson	Hastings	Murray	Vandenberg
Dieterich	Holt	Norbeck	Walsh
Donahey	Keyes	Nye	White
Duffy	King	Pope	
Gerry	Long	Russell	

So the nomination of Lamar Hardy to be district attorney for the southern district of New York was confirmed.

Mr. COPELAND subsequently said: Mr. President, I ask that the President be notified of the confirmation of the nomination of Mr. Hardy. There are reasons why in the organization of the office it is necessary that there should be haste in this matter.

Mr. COUZENS. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

ADDITIONAL EXECUTIVE BUSINESS

Mr. ROBINSON. Mr. President, I suggest that the Senate proceed with the consideration of the Executive Calendar.

The PRESIDING OFFICER. Without objection, the Senate will continue the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the next nomination in order on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc. The PRESIDING OFFICER. Without objection, the post-office nominations are confirmed en bloc.

That completes the calendar.

LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

FEBRUARY REPORT OF THE R. F. C.

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation, reporting, pursuant to law, on the activities and expenditures of the Corporation for February 1936, including statements of authorizations made during that month, showing the name, amount, and rate of interest or dividend in each case, which, with the accompanying papers, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by Local No. 1 of the Utah Workers Alliance of America, Salt Lake City, Utah, favoring an appropriation of \$1,500,000,000 for the continuation of the activities of the W. P. A., which was referred to the Committee on Appropria-

He also laid before the Senate a resolution adopted by Local No. 1 of the Utah Workers Alliance of America, Salt Lake City, Utah, protesting against the alleged action of W. P. A. officials in the State of Utah in not providing for continuous projects, so as to guarantee steady employment to workers, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by Local No. 1 of the Utah Workers Alliance of America, Salt Lake City, Utah, favoring the enactment of the bill (S. 3475) to provide for the establishment of a Nation-wide system of social insurance, which was referred to the Committee on Finance.

Mr. WALSH presented a resolution adopted at a meeting of the Stoneham (Mass.) League for Peace Action, protesting against the making of increased appropriations for the Army and Navy, and favoring the adoption of adequate measures to keep the Nation out of war, which was referred to the Committee on Appropriations.

He also presented resolutions adopted by mass meetings of citizens and textile workers at Holyoke and Northampton, Mass., favoring the prompt enactment of the so-called Ellenbogen bill, pertaining to the textile industry, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by a mass meeting held under the auspices of the Central Labor Union and Branch No. 12 of the Hosiery Workers Federation, of Holyoke, Mass., protesting against the alleged action of the Massachusetts Knitting Mills, or one of its affiliates, in conjunction with municipal officials of Philadelphia, Miss., seeking to obtain funds from the Works Progress Adminis- illustration, as a Senate document.

tration by making application for grants for the erection of a vocational school, which was referred to the Committee on Education and Labor.

He also presented a letter in the nature of a petition from the Lynn (Mass.) Central Labor Union, praying for the enactment of the bill (H. R. 4340) to restrict habitual commuting of aliens from foreign contiguous territory to engage in skilled or unskilled labor or employment in continental United States, which was referred to the Committee on Immigration.

He also presented a resolution of the board of directors of the Boston (Mass.) Grain and Flour Exchange, opposing the enactment of the so-called Crosser bill (House bill 11609), being a substitute for section 7 of the Emergency Transportation Act, which was referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a petition from Mrs. Nellie B. Miller, of West Chesterfield, Mass., praying for the enactment of legislation to regulate the blockbooking and blind-selling of motion pictures, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the Woman's Christian Temperance Union of Chesterfield, Mass., favoring the enactment of legislation to regulate the block-booking and blind-selling of motion pictures, which was referred to the Committee on Interstate Commerce.

He also presented a resolution endorsed by the People's Political Club, of Bristol County, Mass., favoring the enactment of legislation providing for the manufacture of all munitions of war by Government plants operated under civil-service laws and rules, which was referred to the Committee on Military Affairs.

He also presented petitions of sundry citizens of Brockton and Stoneham, Mass., praying for the enactment of the socalled Nye-Kvale bill, amending the National Defense Act so as to prohibit Federal aid to nonmilitary schools for Reserve officer training where such training is compulsory, which were referred to the Committee on Military Affairs.

Mr. COPELAND presented a memorial of sundry citizens of Springville, N. Y., remonstrating against the making of increased appropriations for the Navy, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by Local No. 10. National Federation of Post Office Clerks, of New York City, N. Y., favoring the enactment of the bill (S. 3475) to provide for the establishment of a Nation-wide system of social insurance, which was referred to the Committee on Finance.

He also presented memorials of sundry citizens of Jamestown and vicinity, in the State of New York, remonstrating against the enactment of legislation that might weaken the alien and immigration laws, which were referred to the Committee on Immigration.

He also presented a resolution adopted by St. Albans Post, No. 2030, Veterans of Foreign Wars of the United States, Queens County Council, N. Y., favoring the prompt enactment of legislation requiring the registration of all aliens and the collection of necessary information for their identification, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the North Harlem (N. Y.) Community Council, endorsing the so-called Costigan-Wagner antilynching bill, which was ordered to lie on the table.

REPORT OF NAVAL AFFAIRS COMMITTEE

Mr. BYRD, from the Committee on Naval Affairs, to which was referred the bill (H. R. 7092) for the relief of Capt. Percy Wright Foote, United States Navy, reported it with an amendment and submitted a report (No. 1740) thereon.

PRINTING OF A HISTORY OF THE STATE OF ARKANSAS (1836-1936)

Mr. HAYDEN, from the Committee on Printing, reported a resolution (S. Res. 275), which was considered by unanimous consent and agreed to, as follows:

Resolved, That the manuscript entitled "A History of the State of Arkansas (1836-1936)", being a study of its growth and characteristics in observance of its centenary, be printed, with an

ENROLLED RULL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 31, 1936, that committee presented to the President of the United States the enrolled bill (S. 4212) to amend section 2 of the National Housing Act, relating to the insurance of loans and advances for improvements upon real property, and for other purposes.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARBOUR:

A bill (S. 4407) to incorporate the Military Order of the Purple Heart; to the Committee on the Judiciary.

By Mr. NEELY:

A bill (S. 4408) for the relief of Walling Oswald Naumann; to the Committee on Naval Affairs.

A bill (S. 4409) for the relief of Samuel Pelfrey; to the Committee on Pensions.

A bill (S. 4410) to provide for the establishment of a Coast Guard station on the shore of the Ohio River, at or near Wheeling, W. Va.; to the Committee on Commerce.

By Mr. CHAVEZ:

A bill (S. 4411) for the relief of the estate of Sigmund Lindauer; to the Committee on Claims.

A bill (S. 4412) for the relief of Emmett Murphy; to the Committee on Military Affairs.

(Mr. Harrison (for Mr. Costigan) introduced Senate bill 4413, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. SMITH:

A joint resolution (S. J. Res. 242) authorizing and directing the Commodity Credit Corporation to facilitate the liquidation of loans to cotton producers; to the Committee on Agriculture and Forestry.

By Mr. WHEELER:

A joint resolution (S. J. Res. 243) authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; to the Committee on Indian Affairs.

AMENDMENT OF JONES-COSTIGAN SUGAR ACT

Mr. HARRISON. Mr. President, I ask unanimous consent to introduce a bill at the request of the Senator from Colorado [Mr. Costigan], who is necessarily absent on account of his health. In connection with the introduction of the bill, I may say that I have not read it; I know not what its provisions are, but the Senator from Colorado asked me to introduce this bill, which pertains to certain amendments relating to the Sugar Act, known as the Jones-Costigan Sugar Act of 1935.

I invite the attention of Senators, especially from sugargrowing States and also from Louisiana, to this bill, and ask that it be referred to the Committee on Finance. I may state that the Committee on Finance will immediately call on the Agricultural Department and those in authority to study the provisions of the bill and to report thereon.

The VICE PRESIDENT. Without objection, the bill will be received and referred to the Committee on Finance.

The bill (S. 4413) to protect the welfare of domestic producers and processors of sugar beets and sugarcane and domestic consumers of sugar, to regulate commerce with foreign nations and among the several States with respect to sugar, to enable the United States to carry out its obligations to the Commonwealth of the Philippine Islands and more effectively to meet its obligations to Cuba, and for other purposes, was read twice by its title and referred to the Committee on Finance.

INVESTIGATION OF THE DOMESTIC POTASH INDUSTRY

Mr. PITTMAN submitted the following resolution (S. Res. 274), which was referred to the Committee on Public Lands and Surveys:

Whereas dependence on foreign sources for an adequate supply of potash was brought forcibly to our attention when in May 1910, a potash law was enacted in Germany which required the American consumer to pay \$32.98 (c. 1. 1. Atlantic and Gulf ports) per

metric ton, the syndicate price, instead of the contract price of \$20.40 theretofore fixed by certain independent producers in Germany, and when the syndicate price was advanced in 1912 to \$38.05 and in 1914 to \$39.07, followed on January 30, 1915, by an embargo on the exportation of potash salts from Germany, an embargo on the exportation of potash saits from Germany, forcing the American consumer to pay as high as \$600 per ton for small quantities available during the war period; and

Whereas since 1910 the Congress has appropriated in excess of \$3,000,000 to find and develop domestic sources of potash and methods for the extraction and use thereof; and

Whereas two domestic sources have been developed, namely, the

brines of Searles Lake, San Bernardino County, Calif., and the deep mines near Carisbad, Eddy County, N. Mex.; the Searles Lake area having been withdrawn from settlement, location, sale, or

area having been withdrawn from settlement, location, sale, or entry, by Executive order of February 21, 1913, and the New Mexico deposits by Executive order of March 11, 1926; and Whereas notwithstanding the withdrawal of the Searles Lake area in 1913, and the establishment of a leasing policy thereon by the Potash Act of 1917 (40 Stat. 297), a foreign-owned company received patents in 1918, 1919, and 1920, covering placer claims embracing 3,319.33 acres within the reserved area, based on a decision by Assistant Secretary Vogelsang, over the protest of the Land Office; and since 1920, said patented land has been the only source of potash production from the reserved area, the operators, who are now pumping more than 2,000,000 gallons daily, having already pumped 5,000,000,000 gallons of the brines, and produced therefrom more than a million tons of muriate and half a million tons of borax, also sodium sulphate and soda ash, with a total tons of borax, also sodium sulphate and soda ash, with a total market value of more than \$40,000,000, without any restraining action by the Government, although the boundaries of the subsurface lake of brines are known to extend far beyond the exterior limits of these places of the subsurface lake of brines are known to extend far beyond the exterior limits of these placer claims into adjoining land still held by the Government under the 1913 withdrawal, and although there has never been any legislation permitting mineral location of brines with the possible exception of that permitting the location of one placer claim on salt springs; and

Whereas at least partly because the production of borax as a byproduct by the Searles Lake operator interfered with the control of the borax market by the foreign-owned borax trust, the original New Mexico producer of potash was financed in 1930 by the Pacific Coast Borax Co., and acquired six contiguous Federal leases of 2,560 acres each, in addition to a large acreage of State leases on lands granted to the State of New Mexico prior to the discovery of potash therein; and

of potash therein; and

Whereas following development of additional sources of potash
in Spain, Russia, the Dead Sea, and the United States, the German Kali Syndicate (which had quickly regained control over
French and Polish production shortly after the World War) temporarily lost its power to maintain world prices, and under date
of June 1, 1934, the Searles Lake producer, American Potash &
Chemical Co., issued a new price list, followed July 3, 1934, by
the New Mexico producer, United States Potash Co., and on July
7, 1934, by the German syndicate, through the New York office
of the N. V. Potash Export My., Inc., of Amsterdam, Holland,
each quoting muriates at \$22 per (short) ton, as compared with a
price of about \$34.50 maintained since 1921; and thereafter some
sales were required below \$20; and

price of about \$34.50 maintained since 1921; and thereafter some sales were required below \$20; and
Whereas reflecting the beneficial effects (to German producers) of the marketing agreement concluded in May 1935 between the German Kali Syndicate and the Spanish producers, and of the institution in July 1935, of a more effective system of export subsidization by the German Government, exports of German potash fertilizer salts increased almost 10 percent in the second half, over

the first half, of 1935; and

the first half, of 1935; and

Whereas a Potash Institute was organized at Washington in
May 1935 by domestic producers and importers of potash salts,
with Dr. J. W. Turrentine, formerly with the Department of
Agriculture, as president, and G. J. Callister, formerly connected
with the German syndicate, as vice president and secretary, with a
declared purpose to carry on scientific and agricultural investigations to promote the efficient and profitable use of potash in crop
production; the N. V. Potash Export My., Inc., the American
Potash & Chemical Co., the United States Potash Co., and the
Potash & Co. of America (second New Mexico producer), each
selecting two members of the board of directors; and about that
time the domestic prices of potash began to stiffen, and the domestic producers continued to yield more than half of the domestic
market to the importers, notwithstanding the present capacity of

market to the importers, notwithstanding the present capacity of domestic producers to supply the entire domestic demand for chlorides; and

Whereas although the large proportion of imports is partly due to the fact that the world is still dependent on Germany alone for sulphates, imports of sulphates (pofassium and potassium for sulphates, imports of sulphates (potassium and potassium magnesium) generally average only about one-sixth of the total potash imports, and it is claimed that both potassium sulphate and potassium-magnesium sulphates can be economically produced from the New Mexico deposits, and potassium sulphates from the Searles Lake brines, at a cost below the syndicate quotations (\$30.80 and \$19.80, respectively, c. i. f. customary United States Atlantic, Gulf, and Pacific ports); and

Whereas neither the Potash Act of 1917 nor the Potash Act of 1927 (44 Stat. 1057) could be expected to anticipate all the rapidly changing factors in the production and marketing of potash, and disturbed conditions in the industry impelled the Secretary of the Interior, charged with the administration of both acts, to suspend affirmative action thereunder on April 5, 1934, in the interest of the public, and continue the suspension in effect thereafter for an indefinite period; with the result that many inquiries are being addressed daily to Members of Congress concerning the administration of the law; and

Whereas successful farming in the United States is bound to

become more and more dependent each year upon the ability of the farmer to secure an adequate supply of fertilizing material at a reasonable price; and while the phosphate and nitrate indus-tries seem to be fairly well stabilized, the potash situation un-doubtedly requires immediate attention; and

doubtedly requires immediate attention; and

Whereas it appears imperative to adopt some wise policy of
conservation of natural mineral resources to minimize overproduction and attendant waste; yet accusations of fostering a
monopoly which will demand exorbitant prices from the farmer
will inevitably follow any attempt to limit the field to producers
adequately financed and capably, competently, and conservatively
managed, even though it be indisputable that a relatively few
efficient operators, under proper governmental control and protection, would give strength to the domestic potash industry and
assure the American farmer that he may always obtain an adequate supply of all grades of potash at a reasonable and stable
price: Therefore be it

Resolved, That the Committee on Public Lands and Surveys be.

Resolved, That the Committee on Public Lands and Surveys be, and it is hereby, authorized and directed to institute and conduct a thorough investigation of all phases of the subject matter hereof.

For the purposes of this resolution the said committee, or any subcommittee thereof, is authorized to hold hearings; to sit and act at such times and places during the sessions and recesses of the Congress until the final report is submitted; to require by or otherwise the attendance of such witnesses subpens or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall be not in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman. The committee is further authorized to accept the services of professional or technical employees of any department of the Government and to pay cal employees of any department of the Government and to pay the expenses of said employees, exclusive of salaries and other compensation, said salaries or other compensation to still be paid by the department to which they are attached. The committee shall report at the next session of Congress the results of its investigation, together with its recommendations, if any, for necessary legislation.

ADDRESS BY SENATOR REYNOLDS TO THE DEMOCRATIC STATE CONVENTION OF MAINE

Mr. BAILEY. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by my colleague the junior Senator from North Carolina [Mr. Rey-NOLDS] before the State Democratic Convention of Maine, at Lewiston, Maine, on Tuesday, March 31, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, ladies, and gentlemen, how could I better preface my remarks to you than to quote from that immortal American poet who had his childhood and his education in the State of Maine—Henry Wadsworth Longfellow. From his The Building of the Ship come these verses:

"Thou, too, sail on, O Ship of State! Sail on, O Union, strong and great! Humanity with all its fears With all its hopes of future years Is hanging breathless on thy fate!"

Through the years that Union and all humanity has been helped in more ways than can be told by the sturdy sons and daughters of this honorable State. My own State of North Carolina may have preceded Maine into the Union, but it cannot claim—and can no other—a more distinguished list of citizens, a more splendid array of public servants, finer students of arts and letters, than have been produced on your tree-clad hills and beside your blue and beautiful lakes and rivers.

It makes no difference whether you be Democrat or Benevities.

It makes no difference whether you be Democrat or Republican, It makes no difference whether you be Democrat or Republican, you can nod with pride at the mention of such names as Captain Lovewell, the Indian fighter; John Phinney, who built his cabin by Fort Hill, and who was followed there by Hugh McLellan and Jacob Hamlin. Who does not remember Capt. Jeremiah O'Brien, that bold Maine seaman who captured the first British ship in the Revolution, the Margaretta? I could dwell for hours upon the records of Hannibal Hamlin, James G. Blaine, Nelson Dingley, Commodore Preble, and Cyrus H. K. Curtis.

perhaps, yet they are full of meaning to you and your fellows. Neal Dow, William P. Frye, Hugh McCullock, Gen. Oliver Howard, and Gen. Joshua Chamberlain; these and innumerable others have

carved their places in the granite faces of the memory of Maine.

There is another man whose name will long be remembered by There is another man whose name will long be remembered by you, citizens of this State. He is not a native of Maine; but he has sailed its 2,000 miles of sea coast and swam in its cool, sparkling waters many, many times in his life. Naturally, he holds this State in high esteem and is happy in your progress and prosperity, while the misery and misfortune of even the least of you stirs a ready sympathy in him. You can quess, I think, that I have in mind our great President, Franklin D. Roosevelt. It is of his New Deal and what it has meant to Maine and the Nation that I have the hoppy and privilege to address you today.

of his New Deal and what it has meant to Maine and the Nation that I have the honor and privilege to address you today.

I am sure that all of you heard or read the President's masterful Jackson Day speech. You will remember that he appealed to all, to constitute themselves as committees of one, to carry the facts of the administration's program to every nook and corner of the United States. He feels certain, as I likewise do, that if an honest statement of the situation confronting him at inauguration time in 1933, and what he has done since to correct the serious conditions that had developed before his assuming office, then the citizens will be competent to make a fair appraisal of this New Deal. It is perfectly obvious that the steadily declining rate of business and industrial activity in the United States was directly responsible for the decrease in employment. For a time local and private charities were able to care for those unable to find work. Others, with savings, were able to sustain themselves. The wave of bank failures, the continued drying up of employment, however, eventually brought many millions formerly employed in industry to the brink of starvation.

the brink of starvation.

The evaporation of purchasing power caused the bankruptcy of countless retail firms. This meant a narrowing of the outlets for manufactured goods. Wholesalers and producers also soon felt the pinch and more and more men and women were dropped from the pay rolls. As purchasing power dwindled, prices for necessities of life followed the trend. Producers of farm commodities were obliged to accept lower and lower prices in the domestic markets while exports decreased heavily. Let me recite to you prices of some farm commodities at the end of 1932 and today:

	December 1932	Feb. 15, 1936
Wheat per bushel	\$0.38 .32 .065 2.73	\$0, 919 . 555 . 11 9, 34

It is evident that practically no profit, if any at all, was realized

There are some 30,000,000 people living on farms and dependent upon farm income for funds with which to make purchases. Therefore nearly 25 percent of the Nation's population in 1932 was rendered unable to buy the products of the shops, mills, and factories. Rural merchandise sales dropped 37 percent below the average for the 2 years preceding 1932, which has been taken as the base period.

Understand, I am not pointing out these things with the idea of indulging in abuse of the previous administration. I have no intention of wasting your time and mine in a useless denunciation of mistakes of Mr. Roosevelt's predecessor in office. What I want to do is to make perfectly clear that President Roosevelt was faced with a dire emergency that had to be met immediately if our Nation was to be wrested from the vicious forces of deflation and depression.

depression.

Maine raises potatoes and mighty good ones-Maine raises potatoes and mighty good ones—I know, because your splendid Governor Brann sent me a bushel of them; but it must have been small comfort to your farmers to make a good crop, say, in 1932, only to receive 21 cents a bushel. I can readily sympathize with your farmers, because in North Carolina many of my friends are potato growers. How much better off they are now. The December 1935 farm price for potatoes in Maine was reported as 60 cents a bushel—nearly three times as much in 3 years!

Congress has enacted measures that, while they were designed to meet the immediate emergency, were so constructed as to provide the foundation for the building of a structure of prosperity on a principle; not new, as some would have you think; not radical, as the reactionaries cry, but as old as mankind. Old as the very first and halting expression of thought itself. It has been uttered many times and in many places.

Jefferson put it in the Declaration of Independence; during his time in the White House he saw it incorporated in the Bill of Rights. Andrew Jackson fought for it and saw it blossom into being

that bold Maine seaman who captured the first British ship in the Revolution, the Margaretta? I could dwell for hours upon the records of Hannibal Hamlin, James G. Blaine, Nelson Dingley, Commodore Preble, and Cyrus H. K. Curtis.

Who has not read Nathaniel Hawthorne and Kate Douglas Wiggin as a child? Who has not thrilled to the delicate simplicity of Earah Orne Jewett's delightful tales of New England?

Charles H. Browne, better know as Artemus Ward, has delighted millions of readers for two generations.

History has never been given in less tiresome doses than that administered by "Bill" Nye, who answered to the name of Edgar as a boy here in Maine, and whose mortal remains now rest in Calvary Cemetery, in western North Carolina near Asheville.

And as we travel down through the years, the pages of the history of this State are filled with other names, less well known,

Who would undertake to guess the condition of the banks of the country today if the old banking policies and practices had continued? The record silences any claim that the New Deal banking policies have not contributed to the present sound, strong, and safe condition of American financial institutions.

Let me tell you something about what has been done for the banks during this administration.

banks during this administration.

The most immediate problem confronting the new administration was the frightful condition of the banking system. Roosevelt's forthright action in declaring the banking holiday and providing for orderly reopening of such banks as were still solvent and the rapid liquidation of the institutions that could not continue operations undoubtedly salvaged the credit of America.

Compare for yourselves these figures: In the 13-year period between January 1, 1921, and December 31, 1933, there were 188 bank suspensions in the six New England States involving deposits of about \$511,533,000. This includes 111 banks with deposits of over \$278,400,000 which could not be licensed to reopen after the 1933 bank holiday. Some of the latter have since been reopened. This is an average of about 15 bank failures and suspensions annually.

Now, between January 1, 1934, and December 31, 1935—a 2-year period—and during the first 2 years of the Federal Deposit Insurance Corporation, under the Roosevelt administration—no bank

closed in New England.

Similar figures for the entire United States show a startling improvement that brings home forcibly what President Roosevelt has done for the safety of the Nation's savings.

done for the safety of the Nation's savings.

During that same 13-year period, 1921 to 1933, prior to Mr. Roosevelt's taking office, more than 11,000 banks closed their doors, tying up deposits of over \$4,000,000,000. This is an annual average of more than 850 bank failures. Think of it. In the 2-year period ending December 31, 1935, 91 licensed banks, with deposits of approximately \$47,000,000, suspended. Thirty-five of those banks were insured. Even though you may all have been fortunate enough to have escaped the dread experience of being caught in a bank failure, I am sure you can appreciate what it means to those depositors to get back immediately 100 cents on every dollar up to five thousand.

Instead of wiping out of life savings or the loss of much-needed cash, instead of destitution, there is a safety in banks to a degree cash, instead of destitution, there is a safety in banks to a degree never before dreamed of. Security, and the knowledge that everything cannot be swept away—if your money is in an insured bank—has replaced the constant fear of loss that prevailed everywhere during those terrible years before March 4, 1933. And at what cost? To maintain the insurance fund, participating banks pay in a sum equaling one-twelfth of 1 percent of total deposits. This amounts to less than \$35,000,000 annually. All banks, National and State, which are members of the Federal Reserve System, and some 8,000 others, are protected by deposit insurance. Will someone tell me what would have happened to the unemployed and their dependents if the present administration had not brought the Federal Government to their support? Tell me, if you can, what would have happened not only to them but to the cities, the counties, and the States?

the cities, the counties, and the States?

In 3 years we have passed from economic confusion and despair

In 3 years we have passed from economic confusion and despair to sound and substantial improvement in our growing economic and commercial life. We can go about the business of living without the constant, haunting fear of loss of savings, loss of homes, and loss of jobs. We have gone a long way under the policies of Mr. Roosevelt, and we are going the rest of the way to return good times to all classes of Americans.

Now, about relief. Where can you find any responsible American leader who would, if he could, stop emergency-relief spending today? Even the Liberty League would not do it. The moneyed gentlemen who compose this organization would be afraid to stop it. They know too well what would have happened to the country—what would have happened to their investments and their property—if the administration had not assumed the relief burden; and they know what would happen if relief was abolished today. The relief program of this administration has not only kept millions of unemployed from starving, but it has kept the employed from losing their property. their property.

I am sure no one will be bold enough to claim that the 1,320,000 young men who have been trained and disciplined in Cinam that the 1,320,000 young men who have been trained and disciplined in Cinam Conservation camps, I am sure that no one will be bold enough to claim that the millions of acres of land reforested, and I am further sure that no one would be bold enough to claim that the whole great soil-conservation undertaking would or could have been created except through the direct action of the Federal Government.

Government.

No amount of deception or insidious propaganda can fool the people of this country into believing that the New Deal program has not made a definite, invaluable, and, indeed, indispensable and permanent contribution to the measure of recovery that has been accomplished. I unhesitatingly say that but for this emergency program or something of the same beneficial character the political and economic systems of this country would by this time have undergone or be undergoing changes little short of revolutionary in character.

tionary in character.

My friends, make no mistake about it! The upward swing in business and industry now in progress is a direct result of New Deal policies, and not the result of these so-called natural forces of recovery which no one has ever been able to define. At this time in your own communities you know of the funds being expended to care for the unemployed and the destitute, who otherwise would be compelled to seek relief from municipal and State funds and private charities. I say this money now being expended

by the Federal Government is the measure between good times and sperate times in New England, as well as elsewhere

desperate times in New England, as well as elsewhere.

After the long strain of the depression most of the merchants in this section of the country are making money again and their books have passed out of the red and into the black. The retailers, the storekeepers, the butchers, the bakers, the doctors, and the dentists who go to make up the great middle class are tasting good times again because the people have money to spend and can pay their bills. There is a better spirit prevailing everywhere—and this condition I found personally in 32 States of the Union, from coast to coast, visited by me last September during an 11,500-mile automobile tour for the purpose of securing first-hand information as to conditions throughout the country.

The fact is that under the emergency appropriations voted by Congress actually more than \$825,000,000 has come into New England in the heroic battle to turn the tide and restore prosperity. That money saved a tremendous number of merchants and manu-

That money saved a tremendous number of merchants and manu facturers from ruin, and a good portion of it today is resting in the bank accounts of thrifty citizens. It wasn't thrown away, as our opponents would have you believe. That money prevented an unbelievable amount of suffering. Can any fair-minded man criticize President Roosevelt for having the courage to adopt such a humane

policy?

President Roosevelt, with the aid and courage of such patriots as Vice President John Nance Garner, beloved by all; Senator Joseph Robinson, of Arkansas, our brilliant floor leader; and others, are now accomplishing something worth while for American labor, capital, and industry in which all will share. Our President is carefully protecting the Nation's credit, sponsoring policies to revive industry, and at the same time carrying out the moral obligation to care for the unemployed who, unfortunately, are unable to care for themselves.

The practical application of the plans that have been in the

The practical application of the plans that have been in the President's mind for many years, through the New Deal, puts us within reach of a balanced national life. There are those who admit that the New Deal program has contributed to recovery in

within reach of a balanced national life. There are those who admit that the New Deal program has contributed to recovery in all the ways I have mentioned; that it has saved homes and farms and business institutions and has kept people from starving, but they condemn it all because the Budget is out of balance. They seem to think that the primary and only purpose of government is to balance the Budget. It makes no difference whether homes are sold under mortgage, it makes no difference whether people are well fed or starving to death, just so the Budget is balanced. Those people apparently would cut off all appropriations, they would stop all Government spending for emergency relief and, instead, they would supply relief agencies with statements showing a balanced Budget to be handed out to people who plead for bread; and those balance-Budget boys would demand that these hungry folks go away happy.

For 115 years this Government has sponsored the practice of protection to industry. The tariff in many instances has raised a barrier to competitive foreign goods. Successive provisions of import duties has raised this barrier almost to the point of their complete exclusion. We recognize more and more forcibly that we cannot expect to find markets abroad for our farm products and manufactures unless we are willing to purchase the goods of other nations. The experience of the new trade agreement with Canada, the older treaties with Colombia, Haiti, and Cuba is demonstrating that benefits do accrue from a freer interchange of trade under certain arrangements.

I have toured every continent upon the face of the globe and only recently with a congressional delegation, among whom were

demonstrating that benefits do accrue from a freer interchange of trade under certain arrangements.

I have toured every continent upon the face of the globe and only recently with a congressional delegation, among whom were two North Carolina Congressmen. I visited British Columbia, Japan, China, en route to the Philippines to acquaint myself with present world affairs, as I had in September acquainted myself with the conditions in the United States. I proceeded with United States Senator Wheeler to many other countries of the Orient, including India, Egypt, and then on to Italy and France, thus completing my third trip around the world. I learned that countries with which we are trading are demanding that we purchase from them in the same amount that they are buying from us. They demand reciprocal-trade agreements.

Because of this tariff policy, for one thing, business in the United States has grown to vast proportions. A recent survey shows two-thirds of American business is done by 600 corporations which are controlled by 100 men. Ten million businessmen account for the other third. Should the same trend continue, in another generation or two, virtually all of the business of the country would be controlled by 100 corporations owned by perhaps a dozen men. The danger of such a situation you can readily see.

The protection of labor has not kept apace with the advanced strength of capital. Capital can be only as safe and strong as is labor. By labor I refer to the fifty million men and women who

strength of capital. Capital can be only as safe and strong as is labor. By labor I refer to the fifty million men and women who seek employment to sustain life.

President Roosevelt has recognized the need for improvement of labor's position. Greater numbers employed at better hourly wages as a result of the return to this stage of prosperity is not enough, the President thinks. In consequence he has instituted machinery to bring about a closer relationship and a finer understanding between the workers and their employers.

The N. R. A. was designed to bring about immediate improvement, and this experiment was the seed of permanent betterment. Minimum wages and maximum hours of work have been accepted by progressive businessmen as a vital part of the Nation's new

succeed because it has a mighty goal in view. A happy army of workers in concert with friendly capital can speed the United States toward new and greater fields of endeavor; opening new markets, absorbing unemployment, and creating a sane and lasting prosperity. This is no Utopia I am predicting.

There is another point I want you to think about. as well as I know, that there are millions of men and women in America today who are constantly faced with the fear of loss of employment, even in good times. This fear of enforced idleness through no fault of their own has an insidious way of disturbing their thoughts to the extent of lowering their efficiency. With that gnawing fear removed they can do better work.

Unemployment insurance is an important part of the President's

Unemployment insurance is an important part of the President's social-security program. Employers and employees alike join in laying aside stated sums in a reserve fund that may be drawn upon to aid those who lose their livelihood due to economic dislocation. This is not a dole. It will eliminate the need for heavy government outlay for relief. Great portions of our population will not be suddenly and totally withdrawn from the markets. Because of this the balance will be restored far sooner and with less drastic shocks than formerly. drastic shocks than formerly.

This program of social security has other phases, too, that are ef equal value. Destitute mothers whose children need care will be aided through the cooperation between the States and the Federal Government. Aid for the blind is being prepared. When the program swings into full operation the terror of a penniless old age will no longer stalk the trail of our citizens; the poorhouse, that monument to misery, will be abolished. With the cooperation of the State and Federal Governments old-age pensions will be provided for those who have reached the evenings of their lives. lives

When you return to your homes and commence your work you have a host of things to tell your friends and neighbors. You can tell them, for instance, about the 992,000 homes that were saved from mortgage foreclosure in the United States, with 3,161 of them in your State of Maine. You can tell them about the investment in natural resources, relief, and physical improvement to young men, amounting to \$425,000,000, through the C. C. C. camps in the Nation. You can tell them that there are 16 camps in Maine caring for 3,200 enrollees and spending \$10,000,000 on constructive activities. And, of course, you all know about the gigantic power project at 'Quoddy Bay that has absorbed so many hundreds of jobless.

These are some of the things the New Deal is doing for you

These are some of the things the New Deal is doing for you and yours. These are really Democratic objectives. They will endure when we are dust. It took brave Franklin D. Reosevelt to inaugurate these benefits which I have enumerated and we owe it not only to him but to ourselves and the future of our country to continue him in office. We are cathered here to leave the leavest and the statement of the statement not only to him but to ourselves and the future of our country to continue him in office. We are gathered here today to lay the groundwork for this campaign. We are gathered here to bring about victory for our great party. We are gathered here today to continue peace and bring about a more general prosperity for our cherished America. I think you realize the importance of this work you are preparing to do. I think you know that the President wants to carry the issue to the voters upon a high plane, free of bitter invective and cheap mudslinging politics. He stands in glory and we look with pride upon his record of achievement.

It seems almost as though Longfellow wrote with the vision of

It seems almost as though Longfellow wrote with the vision of a prophet and I can close in no better way than to quote another stanza from The Building of the Ship—

"Our hearts, our hopes, are all with thee, Our hearts, our hopes, our prayers, our tears, Our faith triumphant o'er our fears, Are all with thee are all with thee!"

THE PUBLIC DEBT-ADDRESS BY SENATOR METCALF

Mr. McNARY. Mr. President, I ask unanimous consent to have printed in the RECORD an informative and interesting radio address, together with the accompanying table, delivered by the senior Senator from Rhode Island [Mr. METCALF], on Tuesday evening, March 31, 1936. The subject of the address is Your Family and the Public Debt.

There being no objection, the address, with the accompanying table, was ordered to be printed in the RECORD, as

I am going to discuss the public debt from the standpoint of

or your family.

The World War left the National Government with a debt amounting to over \$25,000,000,000. Believing the country should not carry this debt indefinitely, the Republican Presidents who followed Woodrow Wilson began curtailing its principal. By 1930 it had been cut to a little more than \$16,000,000,000. When the depression hit, the Hoover administration inaugurated a number of emergency agencies which, with decreased tax receipts, caused another debt increase of something less than \$6,000,000,000 up to the time President Roosevelt came into office. Much of this the time President Roosevelt came into office. Much of this \$6,000,000,000 represented loans which have since been repaid or

\$6,000,000,000 represented to ans which have since been repaid or are collectible.

When President Roosevelt was inaugurated the National Government owed nearly \$22,000,000,000. That was 3 years ago. Today the national debt, exclusive of guaranteed obligations—that means guaranteed mortgages, such as mortgages on homes and farms—is approximately \$31,000,000,000 as of June 30.

When the New Deal mathematicians try to tell you that the public debt has been but slightly increased they are engaging in trick bookkeeping, such as subtracting the amount of guaranteed loans, the amount of obligated cash in the Treasury, and many other such items.

Other such items.

But suppose we take a figure which we all know to be true. Let us assume for these few minutes that the public debt at the end of the next fiscal year will be about \$32,000,000,000. What does that mean to each family in this country? When I say "family" I do not refer to people of large income, or even to people of moderate income. I mean the average farm or industrial family.

In order to appreciate how the public debt affects the average family we should first the terrate of the public debt affects the average family.

amily we should first try to get some idea of the magnitude of a billion dollars. If you should earn a dollar a minute during every hour of the day, it would take you nearly 2,000 years to earn a billion dollars. Yet the New Deal manages in some way or other to spend some seven times that much money in a single year. Over and above the ordinary costs of Government, the New Deal has gone into debt more than \$300 for every family of four in the United States

United States.

Suppose you are a farmer living on good land in Missouri, and your county and school district debt is \$30 for every person within the region. In addition, each person in Missouri owes \$30 as his share of the State debt and \$242 as his portion of the national debt. You and your wife and three children owe \$1,512 as your share of the public debt. Year after year you go on paying interest on this amount, while the public money is being spent so much faster than it comes in that the principal itself increases with the momentum of a snowball.

When you approve the spending program of this administra-

increases with the momentum of a snowball.

When you approve the spending program of this administration you are incurring a debt which you cannot pay within your lifetime. Instead, you are obligating your children and your children's children to repay something you have borrowed. This certainly is neither sensible nor fair. Should we try to borrow our way to a false prosperity at the expense of our children? Would you buy a new automobile and tell the dealer that your children will pay for it when they grow up? Of course not. Then why not apply the same good sense to public affairs which we use in private business?

When the farmer I have just mentioned receives a check from

When the farmer I have just mentioned receives a check from the Government for falling to raise a few more pigs, he certainly is temporarily in better financial condition. If he receives a check is temporarily in better financial condition. If he receives a check for \$400, he naturally reasons that he is that much better off than he was the day before. One farmer, I understand, received over \$200,000 for not raising hogs on his 445-acre farm. The best part of it is that he appears to be getting something for nothing. He doesn't stop to think that the money he is getting does not come from some beneficent magician of the New Deal, but that it is borrowed money which he has contracted to repay through his sweat and that of his children. Nor does he realize that increased taxes are necessary in order that interest and sinking funds may be properly established to retire this debt.

When a man on relief buys a package of cigarettes, he will notice a green stamp pasted across the top of the package. This means that the Government is collecting 6 cents in taxes from him to pay the expenses of the administration. Nearly one-half of what this man pays for these cigarettes goes toward paying such ridiculous items as the \$200,000 for not raising hogs on a 445-acre farm.

of what this man pays for these cigarettes goes toward paying such ridiculous items as the \$200,000 for not raising hogs on a 445-acre farm.

Is this farmer's family any better off in the long run for having received a Government check? Heavier taxes must naturally increase the cost of living. He has to pay more for his overalls, more for his plows, and more for the supplies he buys from the village store. Between March 1933 and January 1936 the cost of living has increased 18 percent. In addition to that he has more State and local taxes to pay, or if they are not assessed now they will always be threatening his land as a sort of "sword of Damocles", ready to strike him and his family during a bad crop year, or during another depression.

There is a mistaken idea that the more money we can get from the Government the better off we are individually because the taxes come from the rich and from great corporations, where they will never be felt. We all know this to be untrue. Taxes must be added to the cost of articles we produce. Let us take, for example, the products which are most important to the farmer—his agricultural implements. What is the result of generally increased taxes? Some of these taxes are collected from the steel mills which make metal for these tools, resulting in higher prices of raw material; some are collected from salesmen, from the trucker, from the railroad, and from the hardware store where the farm family makes its purchases. In the end, of course, the heaviest taxes which hogo into farm equipment come from the company which manufactures it. Who knows what part of your implements is taxes, and what part labor, profit, and materials? Many estimates attribute one-third of the cost to taxes.

Taxes are as much a part of the cost of production as raw material. If you pick up the financial statement of any company you will find that most taxes are carried as primary operating costs. Even a loaf of bread has been estimated to gather 53 kinds of taxes from the time the farmer grows the wheat

You will remember the Supreme Court decision which declared You will remember the Supreme Court decision which deciared processing taxes unconstitutional. Some 5 cents in taxes were collected from the processor of every bushel of corn. This money, supposedly, was to go to the farmer. Many had the idea this increased the value of corn by just that much. The truth is that after the processing tax was taken off the farmer was actually receiving more for his corn than when the tax was collected. In other words the price of corn went up intered of down. The same other words, the price of corn went up instead of down. The same was true of wheat and hogs. Part of this money was being used was true of wheat and hogs. Part of this money was being used in Washington to pay the salaries of thousands of public employees and to engage in experimental control of American farms. The purpose of this bureaucracy was to tell the farmer when to grow something and how much of it to grow. In order to get him to agree to this program, the Government sent him a check. That same farmer should have in mind the fact that the taxes on his wheat and corn partly went to defray the salaries of 285,000 additional employees of the Federal Government.

These efforts to artificially increase the cost of living have re-

tional employees of the Federal Government.

These efforts to artificially increase the cost of living have resulted in another great damage to the American farmer. During the time he was plowing under corn, laying aside his wheat lands, and driving his pigs to be slaughtered and thrown into rivers this administration encouraged and permitted the importation of enormous quantities of farm products.

Before this administration, America helped feed the world. Now, the world helps feed America. In 1933 only 160,000 bushels of corn were imported. Last year more than 43,000,000 bushels were brought into the United States from foreign countries. It would take more than 2,000,000 acres of American land to raise this corn. How would you like to have had your share of this? Wouldn't it have been far better than to endure the bureaucratic rule now forced upon you? rule now forced upon you?

In 1933 cnly 27,000 bushels of wheat were imported from foreign countries. Last year more than 27,000,000 bushels of wheat were imported from foreign countries. At 27 bushels per acre this would provide a crop for more than a million acres of American

Since the New Deal was inaugurated we have imported for consumption in this country over 240,000,000 pounds of meat products.

Is the New Deal trying to break the American farmer and make a slave of him through the use of a "gentle rain of checks"? I am convinced that our farmers are too fine and too steeped in square

convinced that our farmers are too line and too steeped in square dealing to tolerate such an administration much longer.

Many of us are afraid that this rapidly growing bureaucracy will result in complete dictatorship and communism. This is much nearer a fact than most people like to believe, for today more than half the population of the country, or some 65,000,000 people, are getting all or part of their living from public funds. If any of my listeners are interested in a chart indicating just who are these 65,000,000 people, I shall be glad to send it if you will write me in Washington. me in Washington.

Persons Supported Wholly or in Part, Directly or Indirectly, From Public Funds

This table indicates the number of persons supported, directly or indirectly, wholly or in part, from public funds. In many cases the figures are estimates, as accurate tabulations are not available. As far as possible, the sources are given.

Most persons included are employed in service vital to the public welfare. This chart is given simply for the purpose of demonstrating the vast and far-reaching influence of Government and to emphasize the need for cutting down the constantly growing sysm of paternalism.

tem or paternation.	
Category 1 (with 3 dependents):	
(a) Federal employees	812,025
(b) Local public employees	1 007 000
	1,067,000
(c) Payments to veterans	3, 514, 931
(d) P. W. A. workers	
(e) W. P. A. workers	3, 394, 000
(f) Farmers' payments	1,700,000
(g) Indirect workers on (e)	1,000,000
(h) Indirect workers on (d)	
(i) Other indirect workers	
(j) Dependents of above	38, 672, 070
Subtotal	51, 562, 760
	MICHELIA III
Category 2 (with 2 dependents):	The supposed the
(k) Public-school teachers	1, 231, 000
(I) Military establishments	298, 000
(m) Dependents	1, 529, 000
Subtotal	3, 058, 000
Davout	
Category 3 (with 1 dependent):	
(n) C. C. C.	459,000
(n) 0. 0. 0	209,000
(o) Pensioners	
(p) Dependents	1, 155, 000
Subtotal	2, 310, 000
Category 4 (individuals):	2511/12 1
(q) Inmates of institutions	827,000
(q) Inmates of Institutions	047,000
(r) On relief	6, 000, 000
(s) Student aid	300,000
Subtotal	7, 127, 000
The first of the second second second second	64 057 760

Category 1: Persons in this category are assumed to be of the average family with three dependents. (a) Civil Service Commission. (b) Congressional Intelligence Service, March 1, 1936. (c) Veterans' Administration. This includes bonus payments due in sion. (b) Congressional Intelligence Service, March 1, 1936. (c) Veterans' Administration. This includes bonus payments due in 1936, but does not include compensation or pensions. (d) P. W. A. (e) W. P. A. Statistical Division, February 29, 1936. (f) Department of Agriculture. Approximately 7,000,000 contracts signed; part have not yet been paid. Department has no figures of the number of farmers signing contracts, but estimates 3,386,000. One-half of this figure is assumed to be the number of farmers who are now benefiting, or will benefit during 1936. (g) W. P. A. estimates one indirect worker for each direct worker; and the Bureau of Public Roads estimates 1.7 indirect worker; and the Bureau of Public Roads estimates 1.7 indirect workers for each direct worker. These are persons producing and transporting materials. On W. P. A. this estimate has been divided by 4, as more money goes for labor and less for material. (h) Explained above. (i) Indirect workers estimated necessary to produce and transport supplies, etc., for all except public-project workers in this category. (j) Dependents of persons in this category on the assumption of the average family.

Category 2: These persons are assumed to have but two dependents. (k) Foreign and domestic commerce, 1936. (l) Civil Service Commission. (m) On basis of two dependents.

Category 3: Persons in this group are assumed to have one dependent. C. C. C. workers, for example, are required to contribute at least to one person. (n) W. P. A., February 29, 1936. (o) This includes pensioners of all kinds—States, counties, cities, and towns. (p) Dependents on basis of one for each person.

Category 4: These individuals are assumed to have no dependents. (q) Bureau of Census. Inmates of institutions, include the daily-average population of tax-supported institutions for the

ents. (q) Bureau of Census. Inmates of institutions, include the daily-average population of tax-supported institutions for the insane, blind, deaf and dumb, poor farms, prisons, etc. W. P. A., February 29, 1936. (s) W. P. A., February 29, 1936.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3806) to establish a commercial airport for the District of Columbia: that the House insisted upon its disagreement to the amendment of the Senate to the said bill, asked a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Palmisano, Mr. Nichols, and Mr. DIRKSEN were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SNYDER of Pennsylvania, Mr. Ludlow, Mr. Zioncheck, Mr. Dockweiler, Mr. Moran, and Mr. Powers were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 3998. An act to enable the Commodity Credit Corporation to better serve the farmers in orderly marketing, and to provide credit and facilities for carrying surpluses from season to season; and

H. R. 11945. An act granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts.

FREEDOM OF THE PRESS

[Mr. Schwellenbach resumed and concluded the speech begun by him yesterday.]

Mr. SCHWELLENBACH. Mr. President, at the time the Senate yesterday proceeded to the impeachment proceedings we had just finished the discussion of the activity of Mr. William Randolph Hearst in the Spanish-American War, and I had pointed out the very successful promotion of that war by Mr. Hearst. I say "successful" because of the fact that as the direct result of that war the circulation of the New York Journal was increased to 1,600,000 daily.

I now desire to proceed with the consideration of Mr. Hearst's next activity for the purpose of securing circulation. Total______ 64,057,760 | I think it may be designated as the most cowardly in all the sordid career of journalism which that man has pursued. I refer to his activities in reference to President William McKinley. And here again, Mr. President, in discussing this phase of his activities I do not rely upon my own information. I do not rely upon my own words, but 1 refer Senators and will quote again from a distinguished American, who certainly cannot be accused of being radical in his point of view or radical in the statements that he might make-the Honorable Elihu Root, who was Secretary of State, in a speech made in Utica, N. Y., on November 1, 1906. That speech was made in the course of the campaign for the governorship of the State of New York between the present Chief Justice Charles E. Hughes and Mr. William Randolph Hearst. Secretary of State Root was there on behalf of the candidate Hughes. He said this, among other things:

It is not the calm and lawful redress of wrongs which he-

Meaning Mr. Hearst

seeks; it is the turmoil of inflamed passions and the terrorism of revengeful force; he spreads the spirit, he follows the methods, and he is guided by the selfish motives of the revolutionist; and he would plunge our peaceful land into the turmoil and discord of perpetual conflict, out of which the republics of South America

perpetual conflict, out of which the republics of South America are now happily passing.

Does anyone question the justice of these statements? Then let him turn to the pages of the newspapers through the ownership of which Mr. Hearst is pressing his political fortunes.

What political servant honored by the people's trust has he not assailed with vile and vulgar epithets; what branch of our free Government has he not taught his readers to believe a corrupt agency of oppression!

Listen to this, of the Journal:

Listen to this, of the Journal:

"It is the sad duty of the Journal to announce to the people of the United States that their President, William McKinley, has deliberately tricked Congress and the country.

* *

"McKinley and the Wall Street Cabinet are ready to surrender

every particle of national honor and dignity.'

Let me digress at this point, Mr. President, to say that it seemed to me a couple of days ago that possibly the junior Senator from Indiana [Mr. MINTON] felt that he and others in this Congress had been singled out for calumny, and well he may have believed so and resented, as the other Senators might have resented, the attacks made last Saturday by the Hearst papers upon them. I desire to assure the Senator that in that respect he was in very good company, and that the other leaders of this Congress were in very good company, because, as Mr. Elihu Root pointed out in his speech in Utica in 1906, the methods used by Mr. Hearst today in attacking men in public life are precisely the same methods that he has always used in his conduct toward those who were engaged in public life.

Mr. Root gave more examples. Mr. Hearst called Joseph Choate, the leader of the American bar, "a servile lickspittle of corporations."

Charles A. Towne, a radical Congressman, was referred to by Mr. Hearst as a "rat."

Secretary Bonaparte was referred to as a "cab horsesnob."

Alton B. Parker, chief justice of the State of New York, was referred to as a "cockroach and water bug."

John Hay, the Secretary of State, was delineated in the Hearst papers as a "guy in a ruff and a red coat."

Grover Cleveland, twice President of the United States, was described as "no more, no less, than a living, breathing crime in breeches."

Theodore Roosevelt, President of the United States, was called by Mr. Hearst a "loose-tongued demagogue", "woman killer", a "flagrant tax dodger", a "player to the colored gallery", a "man with the caste feeling", one who "has sold himself to the devil and will live up to the bar-

Concerning President McKinley, Mr. Root included in his address the following quotation from the Hearst newspapers:

McKinley condones the treacherous murder of our sailors at Habana and talks of his confidence in the honor of Spain. He plays the coward and shivers white-faced at the footfall of approaching war. He makes an international cur of his country. roaching He is an abject, weak, futile, incompetent poltroon.

Another quotation from Mr. Root's speech in which he quotes from Mr. Hearst's newspapers, is as follows:

McKinley, bar one girthy Princeton person, who came to be no more nor less than a living, breathing crime in breeches, is, there-fore, the most despised and hated creature in the hemisphere; his name is hooted; his figure is burned in effigy.

Then follows a poem Mr. Hearst had printed about McKinley:

> The bullet that pierced Goebel's chest Cannot be found in all the West; Good reason, it is speeding here To stretch McKinley on his bier,

Then, in April 1901:

Institutions, like men, will last until they die; and if bad institutions and bad men can be got rid of only by killing, then the killing must be done.

Then, in June 1901:

There has been much assassination in the world, from the assassination of some old rulers who needed assassination to the as-sassination of men in England who, driven to steal by hunger, were caught and hanged most legally.

Another quotation from the Hearst newspapers, cited by Mr. Root in his Utica address:

Did not the murder of Lincoln, uniting in sympathy and regret all good people in the North and South, hasten the era of American good feeling and perhaps prevent the renewal of fighting between brothers?

Another quotation just prior to the assassination of President McKinley:

The murder of Caesar certainly changed the history of Europe besides preventing that great man from ultimately displaying vanity as great as his ability.

When wise old sayings, such as that of Disraeli about assassination, are taken up it is worth while, instead of swallowing them whole, to analyze them. We invite our readers to think over this question. The time devoted to it will not be wasted.

In the meantime, after these attacks upon President Mc-Kinley had been made, the assassin struck him down, as the people of the country were advised by Mr. Hearst might be desirable for the country.

Mr. Root ended his address in this way:

President Roosevelt and Mr. Hearst stand as far as the poles asunder. Listen to what President Roosevelt himself has said of Mr. Hearst and his kind. In President Roosevelt's first message to Congress, in speaking of the assassin of McKinley, he spoke of him as inflamed "by the reckless utterances of those who, on the stump and in the public press, appeal to the dark and evil spirits of malice and greed, envy, and sullen hatred. The wind is sowed by the men who preach such doctrines, and they cannot escape their share of responsibility for the whirlwind that is reaped. This applies alike to the deliberate demagogue, to the exploiter of sensationalism, and to the crude and foolish visionary who, for whatever reason, apologizes for crime or excites aimles discontent."

I say, by the President's authority, that in penning these words, with the horror of President McKinley's murder fresh before him, he had Mr. Hearst specifically in his mind.

And I say, by his authority, that what he thought of Mr. Hearst then, he thinks of Mr. Hearst now.

Can there be a more clear delineation of the fact that the then President of the United States, Theodore Roosevelt, directly charged William Randolph Hearst with the murder by assassination of President William McKinley?

Mr. MURPHY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Iowa?

Mr. SCHWELLENBACH. Certainly.

Mr. MURPHY. There was another choice characterization Mr. Hearst employed of a public man with reference to Charles Evans Hughes, now Chief Justice of the Supreme Court of the United States. He called Mr. Hughes an "animated feather duster." [Laughter.]

Mr. SCHWELLENBACH. I thank the Senator from Iowa, and I feel possibly that after these statements and references to the distinguished leaders of our country perhaps the junior Senator from Indiana will feel that he is in distinguished company when he is referred to as among a group of "Gadarene swine."

The next activity we find on the part of the Hearst newspapers which attracted unusual attention came during the year 1903. I am getting back now to the precise question of the stealing of telegrams.

On February 9, 1903, there appeared in the New York American a telegram. The name of the Senator to whom it was directed was not included in the first printing in the newspaper: the name was left blank, but the telegram was printed, and the inference was left by the newspaper that this telegram had been sent to a number of Members of the Senate. The telegram reads as follows:

We are opposed to the Nelson amendment to the Department of Commerce bill. It should be defeated. Our lawyer will be in Washington in the morning.

(Signed) JOHN D. ROCKEFELLER.

From that time on the New York American and other Hearst newspapers proceeded to take credit to themselves for the fact that because these telegrams had been printed great influence was exerted on the Senate, resulting in the adoption of the amendment to which Mr. Rockefeller objected.

Finally, on February 13, 1903, for the first time, the New York American comes out with the name of the Senator to whom the telegram was sent:

Quay admits he received Oil Trust's order. American's exposé stirs Nation. Democrats who believe with Lincoln in the plain people honor his day.

At that time there was no information as to precisely the place and the way in which this telegram was secured by the

The campaign of 1908 approached, in which Mr. Hearst was supporting an independent candidate for the Presidency of the United States. Then he proceeded to unload all the telegrams he had; he made a speaking campaign throughout the country; and he read telegram after telegram signed by John D. Rockefeller or Mr. Archbold, of the Standard Oil Co. The Hearst newspapers proceeded to have a riot of glee because of the fact that they had secured another coup. These telegrams, mind you, Mr. President, were secured by Mr. Hearst as far back as 1903 and 1904. They were not, with the exception of the Quay telegram, made public until 1908 and 1912. I read from the New York American of October 1, 1908, in which it is stated:

In an address at Denver by the Independence Party chairman-

That is Mr. Hearst-

points out that Standard Oil, driven from Republican ranks, is now

allied with the Democracy.

Mr. Hearst exploded another bomb in the camp of the Republican Party by reading before the largest political gathering ever held in this city new letters that further establish the connection of Senator Joseph B. Foraker with the Standard Oil Co. One of the letters showed that Foraker has received \$——; another showed that he had received \$—— from John Archbold from the unfailing supply at No. 26 Broadway.

On October 4, 1908, from the New York American:

Hearst flays Bailey before constituents. Senator's deals with Standard Oil exposed in letters and sworn testimony. Puts evidence up to voters of the Lone Star State. Speaks to big meeting at night in city of El Paso. In address quotes Bailey's eulogy of Sibley and Bailey. Proofs shown that, while Foraker repaid one of his loans, Bailey loans were charged to profit and loss. Calls Haskell "political coyote."

On October 11:

Hearst's telling oil blows stir native city.

The speech referred to was delivered at the Central Theater in San Francisco.

On October 17:

Hearst, sued by Haskell, reiterates charges.

On October 23, Mr. Hearst was back in New York, and the New York American said:

HEARST WILL READ MORE LETTERS HERE

There was a rush at Independence League State headquarters yesterday for tickets to the Carnegie Hall rally tomorrow evening, due to the announcement of William Randolph Hearst that he will sensational disclosures from letters not previously made public

On October 25:

Hearst reads new oil letters at two rallies.

Remembering, Mr. President, that within the past 6 weeks Mr. William Randolph Hearst, through the medium of his press and through the medium of a suit started in the Federal courts, has taken upon himself the task of defending the

sanctity of telegrams, the sanctity of personal documents, the sanctity of private letters, it becomes interesting to know how Mr. Hearst acquired the Quay telegram, how he acquired the Archbold telegrams in 1903 and 1908. I read from an article in Collier's Weekly for October 24, 1908, an article which was never denied by Mr. Hearst, as a matter of fact, and I will read later quotations in which Mr. Hearst rather boasts of the fact. The article is entitled "Mr. Hearst's Thieves." I do not want to take the time of the Senate to go into all the details of the way in which the Archbold and Rockefeller letters were secured. It is rather briefly stated in one paragraph here:

The Standard Oil letters of John D. Archbold to Senator Foraker, The Standard Oil letters of John D. Archbold to Senator Foraker, Representative Sibley, and other eminent politicians, of which Mr. Hearst has made effective use through the present campaign, were sold to the New York American office by Charles Stump, a confidential messenger of the Standard Oil Co. The letters were brought to him by William W. Winfield, a Negro in the office of John D. Archbold. Winfield is a stepson of Mr. Archbold's butler. Stump and Winfield cleared a trifle over \$12,000 by the transaction and made merry through 1905 on the proceeds, running a saloon, playing the races, and leading a swift metropolitan life.

In other words, what happened? For the sum of \$12,000 this man who now denounces a Senate committee because of the fact that we are using the power of the Senate to subpena telegrams for which the committee may have possible future use, to unfold to the American people the insidious story of lobbying activities in this country, this man who now parades himself as all that is sanctimonious and holy in the matter of confidential communications, who raises his hands in horror because he says some private telegram might be read by somebody—this man paid \$12,000 to two confidential employees who stole the letters out of the office of John D. Archbold.

The article shows how the letters were stolen. These men got into the offices because of the confidential positions they occupied, and night after night those letters were taken out of the offices of Archbold, taken to a photostatic office and there photostated, and those photostatic copies of the lekers were taken to Mr. William Randolph Hearst personally. Knowing they had been stolen, knowing the confidence which had been placed in these employees had been betrayed, knowing that he was taking letters and information which had been secured through the medium of larceny, he paid \$12,000 for them and then went around the country and printed in his newspapers articles and editorials about the wonderful service he did for the country in making them public.

Let us see what William Randolph Hearst had to say about that activity. Remembering now the editorials which we have read in the last few weeks in our American newspapers, and particularly in the Hearst newspapers, let us see what Mr. Hearst had to say. In Hearst Magazine for May 1912 appeared an article by Mr. Hearst in which he

If I had found a document which showed our country about to be invaded by an enemy and if I had failed to deliver that document to the constituted authorities and to those responsible for the protection of our country I would have been little better than a traitor.

I felt then, and I have always felt since, that if I had failed to

apprise the citizens of the conspiracy against them I would have failed in my duty to my fellow citizens.

Now, let the other newspapers, the Washington Post, the other respectable newspapers of the country which are criticizing the committee take note of these words of Mr. Hearst in 1912:

Of course, the organs of special privilege, unable to deny the letters and unable to defend the writers of them, had nothing left to do but to attack the propriety of their publication.

They have joined hands with Mr. Hearst, and he is now their leader in attacking the publication of information of interest to the public.

These attorneys of the trusts declare that the letters were private letters

Just as Mr. Hearst is declaring now that the telegrams in question are private telegrams-

and that to make them public was to betray a private correspondence. In answer to those critics, I published the following reply, and I have nothing to add to it.

This is William Randolph Hearst speaking:

If I discover any more letters which tend to show that the people's rights are in the pay of the privileged interests and are traitorously betraying the people to those privileged interests, I will certainly inform the people of those dangerous and disgraceful conditions.

There has been a great deal of hypocritical cant, chiefly from those whose rascality has been exposed, about the impropriety of publicly reading private letters.

In the last few weeks, Members of the Senate, there has been "a lot of hypocritical cant", chiefly from Mr. William Randolph Hearst and the American Liberty League and the Du Ponts, "chiefly from those whose rascality has been exposed, about the impropriety of publicly reading private letters."

Mr. Hearst in 1912 said:

I do not consider that letters written to public men on matters affecting the public interests and threatening the public welfare are private letters.

What a change between 1912 and 1936 in the attitude of William Randolph Hearst!

· I do not consider that the offer of a \$15,000 bribe by a privileged corporation to a public servant to betray a public trust is a private transaction.

If any man found a letter which indicated that an official of the Government was betraying the interests of the Government to a foreign enemy, it would be his duty to make it public, and he would be faithless to his duty if he did not make it public.

But because the Senator from Alabama [Mr. Black], the Senator from Indiana [Mr. MINTON], the Senator from Vermont [Mr. Gibson], the Senator from North Dakota [Mr. Frazier], and I make public some of Mr. Hearst's affairs, though we have not even made public any private affairs, but directions by Mr. Hearst to his editors to attack the chairman of the Military Affairs Committee of the House of Representatives-well, Senators will remember some of the language that has been used about the "Black-guard committee.'

If any man finds the proof that an official in public life is betraying the trust that the people repose in him to any criminal corporation for any corrupt compensation, it is the duty of that man to inform the citizens of the fact, and if I find such proof I will surrender it to the citizens and do my best to help the citizens bring the guilty culprit to justice.

Let us see what he said in July 1913 in Hearst Magazine:

Were it not for the newspaper press and periodicals of the Hearst's Magazine sort, interests like Mr. Archbold and Standard Oil long ago would have stolen everything to the public back fence. As matters stand, their villian pillage has hardly stopped short of it. Also it wasn't the law but the printing press which halted them. The press is the policeman of popular right.

Washington has seldom seen so numerous, so industrious, or

wasnington has seidom seen so numerous, so industrious, or so insidious a lobby. The newspapers are being filled with paid advertisements calculated to mislead the judgment of public men not only but also the public opinion of the country itself. There is every evidence that money without limit is being spent to sustain this lobby, and to create an appearance of a pressure of public opinion antagonistic to some of the chief items of the tariff bill

If we would substitute for the words "tariff bill" the words "Wheeler-Rayburn bill" of last year, what more typical and characteristic description could be made than that of William Randolph Hearst who condemned others for using paid advertisements and thereby attempting to control the editorial policy of newspapers.

It will be remembered that the thing that really brought down the wrath of Mr. Hearst upon this committee was the fact that Mr. Hopson, of the Associated Gas & Electric Co., gave to each of Mr. Hearst's papers about twice the amount of advertising money as was given to any other paper in the country, and that from time to time Mr. Hopson would wire Mr. Hearst a thought or idea about an editorial, and 1 or 2 days later that editorial would appear in the columns of the Hearst papers of the country.

Talk about selling themselves out to the corrupt interests! Talk about permitting advertisers to control the editorial policy of newspapers! There never was a more flagrant or glaring example of it than during the Wheeler-Rayburn campaign when Hopson, of the Associated Gas & Electric Co., controlled the editorial policies of the Hearst papers of the

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Montana?

Mr. SCHWELLENBACH. I yield.

Mr. WHEELER. I invite the Senator's attention to the fact that I am informed that Representative O'CONNOR, in the House of Representatives, and he particularly was not friendly to the Wheeler-Rayburn bill, as everybody knows, a few days ago made a statement that \$20,000,000 was spent by the utility interests for the purpose of defeating that bill.

Also I should like to invite the Senator's attention to the fact that he should not get too excited about what the newspapers say about these investigations and investigating committees. If he will go back to the time when an investigation was made by my late colleague, former Senator Walsh, and examine the cartoons and read the editorials which were published about Senator Walsh and about the methods and tactics which it was claimed were adopted by him to get information, the Senator will find that the press of the country was almost unanimously against the committee at that time and strongly denounced my colleague. Yet after the investigation was over and after the situation had been exposed and it was known that Fall had accepted money from Doheny, then the same respectable press which had denounced Senator Walsh during the time the investigation was going on, after the public had been aroused by the exposures made by the committee, all proclaimed Senator Walsh as a great man.

Likewise in the so-called Daugherty investigation, which I helped to conduct, every paper in the United States, almost without exception-both the old guard Democratic papers and the old guard Republican papers—denounced me, denounced the investigation, and wrote editorials upholding and supporting Harry M. Daugherty. Until after the investigation got to the point where the papers could not any longer stand it, that continued, but eventually they were compelled to switch over.

As a matter of fact, during that investigation the Associated Press would carry what the committee brought out during the hearings, and above that they would carry every night a story as to what Daugherty said, and what his comment was upon the committee's hearings. They repeatedly. through the press, denounced me for not calling Daugherty; and when I finally did ask him to come before the committee, and he refused to come, there was hardly a single editorial denouncing him until after he had been reluctantly thrown out of office by President Coolidge, after public sentiment had been so aroused at what Daugherty had been doing. Notwithstanding that, almost the entire press of the country was against both the Walsh investigation and the Daugherty investigation.

If it had not been for those investigations, most of those men would have continued to hold public office. Most of them would have continued to carry on their thievery, for it could not be characterized as anything else. Most of them would have gone on exploiting the public domain, and most of them would have gone on debauching the Government of the United States; and yet I say it is a sad commentary that the press of the country, both Republican and Democratic, denounce every investigation carried on by the Congress of the United States.

I wish to say, for my part, that I feel that one of the most beneficial things the Senate has done since I have been in Congress has been to expose corruption and crookedness in high places, and likewise to expose the corrupting influences that are used to oppose the passage of legislation in the interest of the masses of the people of the United States.

The Senate has done more, in my opinion, to preserve a democracy in this country through those investigations than almost anything else, because, in my humble judgment, if it were not for the investigatory powers of Congress, and the fear of exposure on the part of some individuals high up in some of the industries of the country, our Government would not last very long.

I think the members of the Black committee are to be congratulated upon the work they have carried on, and I do Mr. WHEELER. Mr. President, will the Senator yield? | not think they should take very seriously what Mr. Hearst these other individuals say.

The people of the country desire to have these things exposed, and they desire to have crookedness shown up. The committee of which the Senator is a member has not done differently than the Walsh committee did. It has not done differently than the Daugherty committee did. It has not done differently than any other committee did which subpensed telegrams. The Black committee did the only thing it could do in order to get information with reference to these crooked lobbyists, and the crooked companies that were back of the crooked lobbyists.

Mr. SCHWELLENBACH. Mr. President, I desire to thank the Senator from Montana for his valued statement in reference to the activities of investigating committees. I wish to assure him, however, that I am not, and I do not think any member of the committee is, particularly excited over these criticisms, and I assure him that no member of the committee is in any way worried about what the newspapers may say about us. Personally, I know of no greater compliment I may ever receive than to have been called a "blackguard" by William Randolph Hearst.

Referring back to the Hearst Magazine of July 1913, I continue to read a quotation from Mr. Hearst:

What papers and magazines yielded to Mr. Archibold's enrollment and accepted his bounty repaid that little intriguing Standard Oiler in more fashions than one. Be sure that Standard Oil has received a full return for what thousands Mr. Archibold paid such publications as the Pittsburgh Times, the Southern Farm Magazine, the Manufacturers' Record, and Gunton's Magazine.

I have no doubt that what Mr. Hearst said at that time was true. Probably those like the Standard Oil Co. who contributed to these other magazines and newspapers in that period received just as full value for their money as did Mr. Hopson, of the Associated Gas & Electric Co., for the money he paid to Mr. William Randolph Hearst last year.

Again quoting from Mr. Hearst in the March 1913 issue of Hearst's Magazine:

These are the men who own the dollars, and dollars are above the law. * * Dollars can influence newspapers or things that are called newspapers. Dollars can influence editors or things that call themselves editors. Greeley and Raymond and Jones and Pulitzer are dead, and the journalism that represented the people is dying with them.

That was in 1913. It certainly died sometime between 1913 and 1936, if the actions of the present Hearst newspapers are in any way typical of the press of the country today.

The modern editor is a business manager, or, better still, an advertising solicitor. He stands with bent back in the ante-chamber of dollars or sits with hungry eyes at the feet of dollars. He is fed like a latter-day Lazarus with crumbs swept into his lap from the table of Dives. He is an editor in that he writes editorials to please dollars—

Just imagine! "He writes editorials to please dollars!"the way Hopson gave his orders to Hearst last summerand distorts the news to please dollars, and deceives the people to advantage dollars, and betrays the State to enrich dollars. Dollars are supreme. This is the day of dollars. This is a government of dollars, by dollars, and for dollars. * * Dollars are the ideals of this modern Republic. Dollars are its object, and unless God save it, dollars will be its end.

The next activity we find upon the part of Mr. Hearst in the matter of stealing papers is reported by John K. Winkler, who published a book in 1928.

Mr. WHEELER. Mr. President, if the Senator will again yield, how regrettable it is that Mr. Hearst does not still follow what he preached back in 1913 or 1914 in that article.

Mr. SCHWELLENBACH. May I put the matter in this way to the Senator from Montana: How regrettable it is that Mr. Hearst never did follow his preachings, either of 1913 or otherwise, even back in the days in San Francisco when he started the San Francisco Examiner.

John K. Winkler in 1928 published a book entitled "W. R. Hearst, an American Phenomenon." I wish to read two paragraphs from that book. He refers to the 1910 campaign

says, or what the owner of the Washington Post says, or what | for election in which Mr. Hearst was defeated by Judge Gaynor in the mayoralty campaign in the city of New York.

Six weeks after the election-

I am quoting from Mr. Winkler-

Hearst threw the town into an uproar when he began publishing a batch of letters to Charles F. Murphy—notes written by the leader's lieutenants to him while he was resting at Mount Clemens, Mich. Murphy charged a maid had been bribed to turn over to a Hearst agent the torn contents of Murphy's wastepaper basket.

The letters to a boss at ease showed that Murphy and Mayor-elect Gaynor were working in harmony. The Mount Clemens basket yielded much of the inside of the game of getting jobs for Tammany men. The letters, portraying nothing that was not known to insiders, were a revelation to laymen.

That is his 1910 activity-dipping his hand down into wastepaper baskets.

Then we come to 1914. I hold in my hand a photostatic copy of the front page of the New York American for May 30, 1914. In the left-hand column of that newspaper I read these headlines:

Carranza wants war; sharp note to envoys—"When I get to Mexico City I shall be glad to receive proposals," writes the rebel, refusing to grant armistice—"Unless he grants it he will be allowed no voice in the protocol" is the answer reached by the mediators.

The date line is Niagara Falls, Ontario, May 31, 1914.

Gen. Venustiano Carranza would greatly oblige the A. B. C. mediators and also Secretary Bryan if he would kindly sit in the game and "take cards."

But Gen. Venustiano Carranza unkindly refuses. The mediators have less influence with the victorious rebel chiefs in Mexico than with the fallen or falling Huerta and the peace-loving Bryan.

In plain words, Carranza is holding up the peace protocol. The terms have been substantially agreed to by the United States and Mexico (Huerterites), but Carranza, the conqueror, refuses even to consult with the mediators or to tell Secretary Bryan his

CARRANZA'S MESSAGE

After many days' patient waiting and persistent urging by both Secretary Bryan and the mediators, General Carranza sent an envoy to Niagara Falls today. He was Juan F. Urquidi, an able diplomatist. He delivered a note to Ambassador Da Gama, of Brazil, mediator in chief, couched in polite language, giving no information but asking for much.

In substance, the New York American is reliably informed, General Carranza's message was:

"As the representative of four-fifths of the people of Mexico, I respectfully make a few inquiries of your honorable body.

"What are you mediating that concerns the Mexican people, the great majority of which is not represented?

"What has happened since you began your sessions at Niagara

"How can you have arrived at any basis of adjustment which you are ready to place before President Wilson and Huerta, according to the published reports?

"You have never heard our side. How can you reach a basis for settling anything pertaining to Mexican affairs without infor-mation from our side?

"When I go into the Mexican capital, as I shall soon do, I shall be glad to receive any proposals concerning Mexico's problems and future guidance. Your reply is honorably awaited.'

The New York American printed that story on its front page. Apparently it was a story which had been received from Niagara Falls from the American's reporter who was there.

I read from Harper's Weekly of July 25, 1914, an explanation of that story. It says:

The New York American, owned by W. R. Hearst, sent a message to one of its reporters during a critical moment in the progress of peace negotiations at Niagara. "Be resigned without resigning", the

peace negotiations at Niagara. "Be resigned without resigning", the message read.

It was dated May 30. On the morning of that day the Hearst newspapers had published a telegraphic dispatch from Niagara containing what, if true, was most disquieting news. The dispatch stated that the Hearst papers had become aware of the contents of a message sent to the mediators by Carranza. The text of the so-called Carranza message was given in the dispatch in full.

The Hearst reporter then on duty in Niagara was Roscoe Conkling Mitchell. So far as the public could guess, the New York American had actually received over the telegraph wires from Niagara a dishad actually received over the telegraph whres from Niagara a dispatch, part of which was the text of a confidential message to the mediators. Mitchell knew that he had sent no such dispatch to his paper. The telegraph operator knew that he had not transmitted any such dispatch. The mediators knew that they had not received any such message as that printed. Every newspaperman in Niagara who was worthy of the confidence of the American delegates knew that Hearst was faking.

Mitchell resigned from Mr. Hearst's service by telegraph.

The resignation was received in Niagara with joy. Newspapermen who were famous for work in several continents formed themselves into an impromptu committee and rushed in three automobiles to Mitchell's hotel to tell him while he was packing up what a fine stand they thought he had taken, for standards to which Mr. Hearst has not vet risen.

The American delegates even held for Mitchell an impromptu reception, during which Justice Frederick W. Lehmann made a short speech congratulating the reporter.

Thus Mitchell made his exit from Niagara alone, and without

a tob.

In other words, the dispatch which Mitchell has sent on the day before was not satisfactory to the Hearst papers. They were not satisfied with the story which their reporter had received, so they simply faked a story, and in that story they included a specific message from Carranza which was never at any time written.

Before Mr. Hearst's downcast reporter left Niagara Falls he received in confidence the information that the alleged Carranza message which had been inserted by Hearst into his disranza message which had been inserted by hearst into his dis-patch, as if it had had an actual existence in Niagara, was an utter fake. How great a fake it actually was came out 10 days later, when the genuine text of the Carranza message became public for the first time.

We have seen him stealing communications and messages; we have seen him stealing messages from post offices; we have seen him bribing employees to get them to steal messages; we have seen him sticking his hands down into wastepaper baskets, but, not being satisfied with those things, we now find him absolutely, totally, and unequivocally faking a story, the result of which might have been a complete disruption of the efforts to bring about peace in the Central American countries, which efforts were of extreme importance to the United States.

Speaking of faking, here is another example of Mr. Hearst's faking. This occurred in 1915. I read from Harper's Weekly of November 6, 1915:

William Randolph Hearst has recently given a further testi-monial of his news-gathering proficiency. Not content with en-dowing Europe with a few dozen highly imaginary war correspond-

monial of his news-gathering proficiency. Not content with endowing Europe with a few dozen highly imaginary war correspondents, he has now opened operations on the western frontier. He has discovered that Japan is about to "invade and conquer" the United States. In fact, she might already have descended upon us had not Mr. Hearst stood in the way. Her organization was complete; her plans were prepared; she was colled for the spring—when Mr. Hearst stepped in and saved the country.

He stepped in with two double-page articles, appearing on September 26 and October 3, in his celebrated Sunday magazine section. There, bordered on one side by Recent Important Progress in Determining the Cause of Diabetes and on the other by Science Explains Why Chorus Girls are Suffering from a Love Famine, Mr. Hearst makes his patriotic appeal to his fellow countrymen to prepare themselves against Japan.

The articles are of the typical American type, with a set of bizarre pictures and a shivery, inch-high headline, running all the way across the top: "Japan's plans", it reads, "to invade and conquer the United States revealed by its own Bernhardi." Following this display of Hearst pyrotechnics there comes "a literal translation" of the Japanese book in which these plans are revealed. One might imagine "Japan's own Bernhardi" was an unimportant, anarchistic individual with a love for sensationalism. But Mr. Hearst would not devote two pages of his Sunday magazine section to the exposure of a piker. He is after bigger game. And this book, he tells us, this book "cunningly devised to fan hatred against the United States", is written "not by one author but by a very powerful society known as the National Defense Association", and that naval officers, cabinet and government officers are members of this society; that its president was the ex-Premier Count Yamamoto."

Mr. President, what are the facts? The facts are that

Mr. President, what are the facts? The facts are that there was no such society known as the National Defense Association of Japan; that there was no such association in which these premiers were the leaders; that the book was not printed by them; that it was a fanciful story written by a Hearst correspondent and put in the papers, with the pictures which Mr. Hearst supplied, simply for the purpose of attempting to inflame the people of this country against

This, it will be remembered, was in October 1914, just 3 months after the declaration of war in Europe, at a time when the world was aflame with war fervor, at a time when the people of the world were willing and anxious to take up some kind of war, at a time when it was most dangerous to the future of this country for anyone even to tell the truth about the situation, let alone, because of a selfish desire to

sell newspapers, to fake a book of this kind and try to give it some official standing in the nation of Japan.

During the last few months apparently there has been an alinement between certain of the Democrats and those of the opposition to this administration. Certain Democratic leaders have joined with the opposition, apparently; at least, they say that if they do not join they are not going to do any walking around the Democratic camp.

I think it might be interesting to know what one of these leaders thinks of Mr. William Randolph Hearst, and I read an excerpt from a speech by Alfred E. Smith, made at Carnegie Hall on October 29, 1919. I quote from Governor Smith:

But, in the last analysis, there is nothing very remarkable about But, in the last analysis, there is nothing very remarkable about the assault upon me. Follow back the history of this man's newspapers since he came to this part of the country and you will have to read out of his newspapers this remarkable fact: That in this great democracy, in this land of the free and in this home of the brave, there has never been a man elected to office yet that has not been tainted in some way. Is that right or is it wrong? That is not a severe statement to make, because that is the truth.

If the Hearst newspapers were the textbooks for the children of our schools, they would have to spell out of its very line that no man can be trusted in this country after he is put into public office; that no man thinks enough about it; no man has enough of regard for it; no man has enough of real Christian charity to do the thing right; no man that ever held great public office had enough of respect and regard for his mother and his wife and his children and his friend to be right in office. About that there can be no question, because no public man in this State, from Grover Cleveland right down to today, has ever escaped this fellow. We all know that. The children on the street know it.

I wonder what Governor Smith thinks of some of the attacks Mr. Hearst is making upon the administration at this time, and whether he joins with them, or still entertains his 1919 estimate of Mr. Hearst.

I desire to read now a few brief quotations from some of the statements made by Mr. Hearst in reference to lobbying. They are interesting now because of the attitude Mr. Hearst is taking in regard to the investigation of lobbying at this

I read from the Washington Herald of February 6, 1924:

The powerful "social lobby" of Washington, which former Senator Kenyon denounced, is trying to block or divert the Walsh committee. They fear Walsh's investigation of the books of Washington stock broker concerns, perhaps resulting in revelations that Washington's elect were tipped by Fall to get in on Sinclair stock and "clean up" when the stock spurted upward as Fall announced the lease of Teapot Dome to Harry F. Sinclair. The enemies in the investigation are raising the cry that the welfare of the Republic is at stake. They insist that if any more prominent leaders of the big political parties are shown to wear

prominent leaders of the big political parties are shown to wear the livery of the oil kings, the people will lose confidence in their Government and we shall have bolshevism or worse.

I read now an editorial from the Washington Herald appearing on February 7, 1924, entitled "Let Us Keep the Springs of Public Opinion Clean":

Senator James A. Reed, of Missouri, introduced and the United States Senate adopted a resolution to investigate "whether there is any organized effort being made to control public opinion and the action of Congress upon legislative matters through propa-"whether there the action of Congress upon legislative matters through propaganda or by the use of money, by advertising, or by the control of publicity; and especially to inquire what, if any, such methods are being employed to control the action of Congress upon revenue measures, and whether or not the profiteers of the war are now contributing to defeat the soldiers' adjusted-compensation bill by money or influence, and what, if any, such influences are being employed either by American citizens or the representatives of foreign governments or foreign institutions to control or affect the foreign or domestic policies of the United States."

In pursuance of this mandate a committee, of which Mr Reed is chairman, is now at work.

Because it began with a subject at the moment in the fore-ground, the Bok "peace plan", advertised as an appeal to the people "over the heads of Senators", and because many enthusiasts for peace resent inquiry into anything using that magic word as a label or float, the Reed committee's purposes have been misun-

except when hysteria eclipses their constitutional rights the American people enjoy freedom of speech, press, assembly, and petition. This freedom should never be abridged.

But the American people have other rights as well. As Senator Reed pointed out on January 21, they have the right "to know whether propaganda is being carried on to affect legislation or official action; to know the extent of that propaganda, the amount of money that is being expended, the influences employed—this regardless of the merits or demerits of any particular controversy."

In other words, Mr. President, in this editorial on February 7, 1924, in the Washington Herald Mr. Hearst, through his editorial writer, specifically said it is true that the American people are entitled to the protection of freedom of the press, but the American people have other rights as well, and those rights are to know whether propaganda is being carried on to affect legislation or official action, which is precisely the purpose for which the present Lobby Committee in the Senate is today operating, in order to see whether or not there are influences in this country today attempting to influence legislation.

I should now like to read to the Senate what Mr. Hearst in 1924 really thought an investigating committee ought to do. He was referring to the Walsh committee. I refer to an editorial in the Washington Herald dated February 8, 1924. The heading is:

OIL SCANDAL CIRCUS AT CAPITAL A MERRY ONE, BUT IT WON'T LAST What a merry circus in Washington! Mr. Doheny, the oil king, gives his dear old chum, the Secretary of the Interior, \$100,000 in cash, and gets a collection of oil wells.

All very pretty. Very, very pretty. And prettiest of all is the

chorus of righteous investigators:
"We will investigate this matter to the very bottom, let the crash hit whom it may!"

Yes, it's a merry circus, and the audience is enjoying it. But it will not last. The performers will soon get tired and go home to supper.

Now, supposing-

This is Mr. Hearst's editorial-

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Now, supposing * * * the Standard Oil Co. or the United States Steel Corporation owned the United States of America and had all the power that the United States Senate has. Have you any idea what they would do under these circumstances? No? Well, let us tell you. They would investigate.

They would get every Cabinet official who is alive today and examine him. They would get every first, second, and third secretary of every Washington department and examine him.

And, O my dear! it would be some examination! They would examine his bank books and the books of the banks in which he had his accounts. And they would examine the bank account of his wife and his children and his brother and his uncle and his niece and his stenographer and his maidservant and his manservant.

That is the kind of an investigation Mr. Hearst favored in

They would find out who ever received a visit from the man with the satchel.

They would find out who ever made one penny out of Sinclair Oil or Mammoth Oil or Mexican Oil or Pan American Oil. They would find out who ever made one penny out of railroads or public utilities or wheat or cotton or public lands or foreign relations or war contracts or any other thing that could in any way come before a public official.

Oh, yes, they would do it. And, even if it annoyed or embar-rassed a few dozen honest officials to have their pockets turned inside out, the Standard Oil Co. or the United States Steel Corpo-

ration would say to them:

"We are sorry. We are terribly sorry. But we have 110,000,000 customers who are worried so sick over this suspicious situation that we've just got to sacrifice your feelings and our own to get at the truth."

That is what Mr. Hearst thought should be done in 1924 by an investigating committee. But when our committee goes down to the telegraph company and gets a few telegrams, then we are invading the constitutional rights of Mr. Hearst and the rest of the interests for whom he today

Mr. BLACK. Mr. President-

The PRESIDING OFFICER (Mr. Lewis in the chair). Does the Senator from Washington yield to the Senator from Alabama?

Mr. SCHWELLENBACH. I yield.

Mr. BLACK. In other words, we obtained what we sought by subpena, and evidence which the Senator has been reading shows that Mr. Hearst's methods are to obtain what he wants by stealing the records or paying the thieves who had stolen the records from those who have them. That, in short, is the difference, is it not?

Mr. Hearst in the past. However, I was particularly reading this, because it contained the quotation that "even if it annoyed or embarrassed a few dozen honest officials to have their pockets turned inside out" it ought to be done. And yet when we attempt to expose the methods used by Mr. Hearst in attempting to control public opinion in this country, then Mr. Hearst contends we are attempting to avoid the constitutional limitation upon our rights.

Mr. President, I come now to what I believe is the darkest point in American journalism. I said that I thought that Mr. Hearst's activities in reference to President McKinley were his most cowardly, and I retain that opinion. But so far as delving down into the blackness of American journalism is concerned. I believe what I am about to state represents that point.

On November 13, 1927, there appeared on the front page of the Washington Herald a box notice headed:

AMAZING REVELATIONS

An important series of articles of vital interest to the people of the United States will start in tomorrow's Washington Herald. These unprecedented disclosures will show the activities of foreign powers in interfering with the internal and external affairs of this country.

It will repay every citizen to follow these revelations.

That was the little lead that was put out to catch the unwary.

On November 14, the Washington Herald carried a streamer headline across the first page:

Mexican plot against United States—Documents prove President Calles financed anti-American revolution in Nicaragua-Hearst papers secure secrets from archives which justify Coolidge.

On November 15, 1927, the Washington Herald carried this headline:

CALLES THREAT BLOCKED COOLIDGE PEACE CONFERENCE IN NICARAGUA FIRST AGAIN

Twice within the last 2 weeks, the Washington Herald has startled the country with exclusive news beats.

On November 1, the Herald printed the first news that jury

tampering would cause a mistrial in the Fall-Sinclair oil con-

on November 14, the Herald printed the first of a series of articles to prove that President Calles and the Mexican Government fomented the revolution in Nicaragua in the early part of this year.

Other important exclusive stories showing the activities of foreign powers in interfering with the internal and external affairs of this country will be printed from day to day.

They started on November 14. That was from the issue of November 15.

On November 17, the Washington Herald carried this headline:

Mexico calls Nicaragua documents forgeries. Foreign secretary declares papers were offered for sale to Los Angeles consulate for

On November 21, we find this headline in the Washington Herald:

Calles financed Chinese Reds. \$50,000 sent by President to aid Soviet plot in East. This sum and \$100,000 more sent to New York fiscal agent for transfer to Mexican envoys. Revealed by records. Documents from secret archives show Executive's desire to advance

And then the article in that paper. November 23, 1927, the Washington Herald carried the following headlines:

Mexico helped finance 1926 British coal strike. Calles contributed \$100,000 to strikers. \$250,000 also sent Arcos, Ltd., raided by English police. Letter shows Mexican fiscal agent in New York cabled cash to London ambassador in secrecy to avoid possible

Washington Herald, November 25, 1927:

Calles ordered payment of \$100,000 to arbiter of claims made by United States. Pay warrant to Dr. Octavio is given from secret funds. Brazilian jurist who was to serve on neutral commission named as beneficiary. Listed as "recompense." Seven months after money was paid a decision against claims was handed down.

On November 27 the Washington Herald contained the following:

Mr. SCHWELLENBACH. That is the difference between the method used by our committee and the methods used by

On November 28 the Washington Herald contained the

Secret treaty revealed. Nicaraguan rebel promised Mexico to scrap United States canal pact. Sacassa was to allow privilege of colonizing route in return for a \$5,000,000 loan to finance revolt.

On November 30 the following appeared:

Mexico sought Japanese aid. * * Documents in possession of Hearst papers show pact was ordered delivered to Prime Minister of Nippon.

And then, Mr. President, on December 9, 1927, there appeared in the Washington Herald a startling headline:

One million two hundred and fifteen thousand dollars ordered paid four Senators by Mexico. Fund given to agent for division. Official documents in possession of Hearst papers give names of alleged beneficiaries at Capital.

Then they print a letter, written in Spanish, under the heading:

Urgent and secret.

In that letter, first printed in the Washington Herald of December 9, 1927, the names of the four accused Senators were blotted out. That was the story printed by the Washington Herald of that date.

An investigation by this body occurred, Mr. President. A committee was appointed to investigate. Of course, Mr. Hearst knew when he printed this story, contending that a million two hundred and fifteen thousand dollars had been paid to four unnamed Members of the United States Senate, that he was at that time making a charge against every Member of the United States Senate and that an investigation was necessary.

Once again I do not want to rely upon my own reactions toward a proposal or a proposition of this kind. I quote from an open letter written by the distinguished senior Senator from the State of Nebraska [Mr. Norris] to William Randolph Hearst. I quote excerpts from that letter which was printed in the Washington Herald on December 21, 1927:

TO Mr. WILLIAM RANDOLPH HEARST:

It is not necessary to consider any other evidence in order to It is not necessary to consider any other evidence in order to reach the fair conclusion that in them you are making an attempt not only to besmirch the character of some of our own officials and journalists but that you are trying to excite an animosity and a hatred on the part of our people against the Mexican Government, which, if your articles and alleged official documents were true, would inevitably lead to war between the two countries.

You know, therefore, to begin with, that the action you had taken would bring about the publication of the names and you cannot, in ordinary honesty, shield yourself or excuse yourself for the failure to give publicity to the names in the beginning.

Moreover, if these allegations are true, there is no reason why the identity of the individual Senators should be suppressed. Your testimony-

And he quotes from the testimony of Mr. Hearst before the Senate investigating committee-

Your testimony shows the reason why you suppressed them.

You testified in part as follows:

Q. Did you investigate whether money had been actually paid to United States Senators?—A. No, sir; we didn't.

Q. Did you go to the Senators mentioned and ask them?—A. No; we could not without revealing the contents.

Q. Have you any evidence that any Senator received any such money as mentioned here?—A. No. In fact, I do not believe they

did receive any money.

Q. Have you ever heard of any evidence to sustain such a charge?—A. No; I do not believe the charge.

This is William Randolph Hearst, who had printed on the 9th of the month this charge against four United States Senators, and he says in his testimony, "No; I do not believe the charge."

Q. Did you consider the liability for the libel you might be subjected to?—A. Yes; I guess so.
Q. You had that liability in mind when you did not use the

names?-A. Probably.

Continuing further with Senator Norris' letter, I quote as

You must have known what was common knowledge among the newspapermen of the United States that many alleged official documents from Mexico were being offered for sale to all kinds of organizations and to all sorts of publications. * * *

To charge you with ignorance of this condition is to ascribe to you a stupidity that would be equaled only by your heartless malice in trying to wreck the good names of officials, both in Mexico and in America, in order to carry out some scheme of your own.

. On the 14th day of November 1927 the Hearst papers, among things, contained the following reference to the alleged documents:

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"The documents which will be published in the American were therefore brought to this country by these officials intimately connected with the Mexican Government, and were delivered to the Hearst publications merely because these officials realized that in this manner they would secure the widest publication of the facts contained in these Government files.

* There is no question of the authenticity of these telegrams as records of the Government of Mexico.'

That is what the Hearst newspapers said on November 14. Mr. Hearst at that time had before him the charge against the four United States Senators, and yet he testified a couple of weeks later that he did not believe the charge at the time of the investigation or at the time he had printed the documents.

Resuming the reading of the letter of the Senator from Nebraska [Mr. Norris]:

And when the Hearst papers published, in the same article, that there was no question about the authenticity of these documents, every man connected with your publication, including yourself, knew that the statement was false.

The ordinary observer will not cease to take notice that the four Senators mentioned were all prominent in the Senate in their opposition to interference by our Government in the affairs of Mexico. It is rather remarkable that it is only this class of Senators whose reputations are attacked. These men were standing as forcefully as they knew how against a policy in Mexico which you were in favor of. which you were in favor of.

This is only a demonstration of the unfairness; yes, the venom that has run through all these articles and that is being continued after the truth is beginning to creep out. It shows a malice that cannot exist in a heart that is pure or moved by lofty

motives.

What is your motive, Mr. Hearst? You have testified before the committee that you have very valuable properties in Mexico. It is almost common knowledge that you were in favor of the overthrow of the present Government. You evidently believed that if a revolution could be started it would mean financial benefit for your investments in Mexico. For the sake of making a few paltry dollars you are willing to blacken the character of honest journalists in your own profession. You were willing to cast suspicion upon the loyalty and the integrity of Members of the United States Senate. You were willing to charge that the President of a friendly republic is a traitor to his country.

You were willing and apparently anxious to do something that

You were willing and apparently anxious to do something that would cause our Government to intervene in Mexico.

In other words, for the sake of your financial investments you were not only willing to ruin the reputation of honest and innocent men but you were willing to plunge our country into war with a friendly neighbor and thus increase the army of widows and orphans and wounded and crippled soldiers.

Now, let us consider the investigation for just a moment or two. It is rather interesting. I have read some of the testimony which was included in the letter of the Senator from Nebraska to Mr. Hearst. This was the situation, as I understand it from reading the record: A man, whose name was not disclosed to the committee because of the fact it was represented to the committee-and probably correctly so-that if his name were made public it would be dangerous for him in Mexico, approached a Mr. Clark, who was the financial manager of Mr. Hearst's properties in California, and told him of the knowledge of certain documents in Mexico which would be of interest to Mr. Hearst. Those documents were supposed to be official documents in the official files of the Mexican Government. They were supposed to be available through the medium of a lady, a stenographer, an office employee in the Mexican Government

So the matter was taken up with Mr. Hearst, and it was decided that Mr. Page, a reporter for the Hearst newspaper, was to go down to see if he could get the documents. He went down there and contacted a man by the name of Avila, a Mexican. Avila was put on the pay roll of the Hearst newspapers at \$50 a week. I wish to read just briefly from what a prominent citizen of this country who had for many years had business dealings and resided in Mexico City had to say about Mr. Avila. Frank Y. McLaughlin, of Superior, Wis., was called before the committee and testified that for many years, because of his business relationship, he had been in Mexico and Mexico City:

Mr. McLaughlin. My knowledge, Senator is this: This traffic in documents is a business in Mexico City; it is a regular business. You can get any kind of a document that you want. Avila is one of the purveyors of those documents. Now, he is notoriously known for that thing in Mexico City.

That was the man whom the representatives of the Hearst newspapers went down and tried to use in order to contact the woman in the Mexican Government offices so as to obtain these secret documents. They did not have much success at working through this particular woman. So finally they decided that they would work through other sources in Mexico City. Mr. Page testified about their conference with Mr. Hearst in which they discussed the question of securing these documents. You will remember, Mr. President, that this is the same William Randolph Hearst who now believes telegrams are sacred. Mr. Page was the representative of the man who wrote the articles from which I have read:

The CHAIRMAN. When you got to New York, whom did you see?

Mr. Page. First we saw Mr. Clark.
The Chairman. The gentleman who has just testified?
Mr. Page. Yes, sir. And Mr. Clark took us to Mr. Hearst's residence

The CHAIRMAN. You showed the papers to him?

Mr. Page. Yes, sir. The Chairman. What did he say?

Mr. Page. Mr. Hearst, of course, was unable to judge as to their authenticity, but the contents, he said, were very startling, indeed, and we told him there was a possibility of getting additional and related documents; that the Mexican Government employees from whom we had obtained these documents had offered to bring others to Mexico City and show them to us, and if we wanted them we must pay for them; if we did not want them, we could give them back, and perhaps they would try to peddle them elsewhere, although they did not say that to us.

The CHAIRMAN. They did not threaten to peddle them elsewhere?

Mr. Page. No, sir; they did not say that.

The CHARMAN. Well, what did Mr. Hearst say to that?

Mr. Page. Mr. Hearst said by all means to go back to San Antonio and wait for these two employees and get their additional documents, but to try to hold them to a limit of \$10,000; he did not think that he wanted to pay more than \$10,000. And then he said, apparently as an afterthought, "You might pay \$12,000."

This is William Randolph Hearst who was directing his employees to go to Mexico City and bribe two employees of the Mexican Government, paying them \$10,000 and not more than \$12,000 in order to secure secret documents from the files of the Mexican Government.

They got the documents and took them to New York. When they got to New York, then for the first time some effort was made to determine their authenticity. Up to that time there had not been any such effort made. Afterward the documents were taken to the State Department. They declared them spurious and forgeries. They were taken to the Mexican consulate. They declared them spurious and forgeries. They were taken to President Coolidge himself and he refused to have anything to do with them, declaring they were spurious and forgeries.

They were taken to New York and the only effort made to authenticate them came in the city of New York. What method did they use? They used this same man Avila and their method was to try to steal some more documents out of the Mexican consulate's office in New York with the hope that they might authenticate the documents which Avila had secured in Mexico City. In other words, Mr. Hearst's paper hired Avila, who was notoriously a purveyor of forged documents in Mexico City. He got the documents and brought them to New York and the only effort they made to authenticate them was to have this same man Avila pretend to bring them other documents which he said he had stolen out of the Mexican consulate's office in the city of New York.

Mr. Edmund D. Coblentz was manager of the New York American at that time and he was the one who testified. I read from his testimony:

Mr. Cobleniz. Mr. Avila, after several weeks spent around the office and toward the end of October, informed me, at my solicitation, whether it was possible to get any documents. We did not know what they were, but that might tend to substantiate these other documents, I do not mean the subject matter but the authenticity of the documents, whether there were any such documents in the files, and he said he did not know but would try

to find out. He became friendly with a clerk, and from that clerk obtained information that there were some documents. He came to me, and this was on a Wednesday, and I stated that I should like to obtain those documents if possible and take a look at them. On the Saturday following we had some of these documents. The reason there were not more documents obtained that first time was the fact that one of the employees of Mr. Elias entered the office while the documents—this is according to my information, you understand—were being extracted. Saturday was selected as the day because on Saturday is a half holiday and Mr. Elias was away, and his clerk, I believe, was working overtime. The following Saturday the remainder of those documents were abstracted in the same way.

The Chairman. When these papers were abstracted from the Mexican consulate general in New York, was money paid to the clerk who abstracted them?

Mr. Coblentz. I believe so. The CHAIRMAN. How much?

The CHAIRMAN. How Inden?

Mr. COBLENTZ. A total of \$3,500.

The CHAIRMAN. Did you make the payment?

Mr. COBLENTZ. I gave the money to Mr. Avila.

The CHAIRMAN. And you believe that he made the payment?

Mr. COBLENTZ. I am quite sure that he made the payment.

The Chairman. Why are you sure?
Mr. Coblentz. Because of the man's dealings in the matter, which have been thoroughly honest.

Thoroughly honest! This man whom they had hired to bribe employees of the Mexican office in Mexico City and the Mexican consulate's office in the city of New York was "thoroughly honest." They gave him \$3,500 and this Hearst representative said the reason he was sure he paid over the money was that Mr. Avilla was so "thoroughly honest." That is the type of honesty of Mr. William Randolph Hearst and his organization.

The Senate committee had no difficulty in disproving the authenticity of those documents. They were forgeries upon their face. By the employment of handwriting experts and experts in the examination of documents, it was very clearly and very conclusively proved that they were not authentic. but were forgeries. One of the experts called was asked the question, "Do you consider this document to be a forgery?" He said, "No; I would not even dignify it by using the word 'forgery.' It is a very poor imitation.'

When he was paying \$20,000, as ultimately he paid for these documents, Mr. Hearst had at his command the employment of handwriting experts and the employment of experts who could examine documents; but he made no effort to determine their authenticity because of the fact that if he had done so it might not have been possible for him to have printed the articles in his newspapers.

I refer to an editorial in the Washington Herald of December 21, 1927, which I believe discloses the motive of Mr. Hearst in what I have called the darkest period of American journalism:

Mr. Hearst has made clear that the real public interest in the matter does not relate to vindicating a g charges that nobody has made against them. a group of Senators of

That nobody had made against them?

I recall to the minds of Senators the front page of the Washington Herald for December 9, 1927, now on the desk of my colleague, which stated in the headlines:

One million two hundred and fifteen thousand dollars paid four Senators by Mexico.

Yet Mr. Hearst says nobody has made those charges against

Mr. Hearst has made clear that the real public interest in the matter does not relate to vindicating a group of Senators of charges that nobody had made against them. The real issue concerns the business, social, and political relations between the United States and Mexico. It involves, indeed, not only the United States and Mexico, but the United States and all Latin America. America.

American commerce and enterprise are constantly being adjured to turn their attention to the countries south of us. There, it is persistently reiterated, is the field of enterprise and opportunity for a long future. That is all true, provided proper guaranties are maintained for the rights of persons and properties in those countries. Most Latin American countries—all of the highly developed and cultured ones—have maintained such guaranties. There can be no doubt of their desire to continue them.

It is such considerations as these that urge for a complete un-covering of facts about recent relations between these two councovering of facts about recent relations between these two countries. It would be a gigantic disaster to the whole fabric of Pan American relationships if the immoralities of a Bolshevik regime in one country should initiate such a thing. The danger is so great that it cries out for vigorous and immediate measures of prevention. Obviously, the first of such measures is thorough and unhestitating investigating of all the facts. That investigation should proceed, even though it involve some embarrassments to the normal processes of polite diplomacy. The issues are bigger and broader than merely personal ones. There can be no doubt of their overweening importance, and there should be no lack of determination to press the matter to a final and a right conclusion.

Reading that editorial by William Randolph Hearst, having in mind the fact that he had printed a series of editorials and newspaper articles which were entirely false and had no basis of fact behind them, knowing Mr. Hearst had millions of dollars invested in property in Mexico, that he has consistently urged intervention of the United States in Mexico, no reasonable man can disagree with the statement made by the Senator from Nebraska [Mr. Norris] in the letter from which I read a few minutes ago that Mr. Hearst's interests in Mexico and his desire to protect those interests was the thing that caused Mr. Hearst to print this group of forged and spurious

I now wish to read briefly from a few editorials which appeared in he Hearst newspapers at the time of the appointment of the Caraway committee in 1929. Mr. Hearst makes his announcement in the form of an editorial on October 3, 1929, saying that a committee distinguished for its courage, sincerity, and devotion to public welfare had been appointed-Senator Borah, Senator Caraway, Senator Walsh, and Senator Norris. Throughout the course of that investigation Mr. Hearst took an attitude toward lobbying which is of interest because of his present activities against the investigation of lobbying.

In an editorial on October 22, 1929, published in the Washington Herald, he said this:

First fruits of the Senate's investigation of the lobby evil fully justify the demand persistently made by the Hearst newspapers that the Senate investigate the entire field of lobbying.

Startling disclosures by the Hearst newspapers of the insidious activities of certain lobbyists supported this demand.

And it was in the wake of these disclosures and in response to

this demand that the Senate quickly adopted, by unanimous vote, the resolution of Senator Caraway under which a fearless subcommittee of the Committee on the Judiciary has launched a dragnet investigation of all lobbyists.

I think the Senator from Alabama [Mr. Black] will be interested to know that at that time Mr. Hearst praised what he called a "dragnet investigation."

Here at the very outset of the Senate investigation of lobbyists, their insidious methods and their vicious purposes, is offered absolute proof of a conspiracy to influence the Executive and deceive the legislative branch of the Federal Government in the framing of a tariff law.

But this initial revelation of the national danger and the nabut this initial reveiation of the national danger and the national disgrace which the lobby evil constitutes should keep the senatorial investigators hot on the trail until all lobbyists and all lobbies are exposed to view and the special interests that hire and maintain them are identified and held up to public scorn.

On November 4, 1929, Mr. Hearst printed in the Washington Herald another editorial which will be of particular interest to the Senator from Alabama [Mr. Black], in view of the fact that it refers to two gentlemen of whom the most fulsome praise has been given during the past few days in the Hearst newspapers throughout the country.

The title of the editorial is:

The law jails jury tamperers. Lobbyists deserve same penalty.

In other words, Mr. Hearst was proposing that certain lobbyists should go to jail. Now, for whom do you suppose he was favoring a jail sentence? He says:

Apparently no part of the United States is free from the curse of the lobby evil. Revelations before the Caraway committee show that the trail of this insidious enemy of popular government extends to every corner of the country.

And until any attempt to influence legislation except by public expect is made by law a criminal offense the lobbyist will continue

appeal is made by law a criminal offense the lobbyist will continue to ply his nefarious trade by direct and indirect methods.

Some of the indirect methods of lobbying were brought to light by the Caraway committee in the examination of John H. Kirby, of Texas, and his "volunteer assistant", J. A. Arnold.

Mr. Kirby, as you know, is the man whom the Hearst newspapers today are parading around the country as the leader of the Southern Association to Uphold the Constitution; and Mr. Arnold is the man who received such praise a few days ago because he designated the lobby investigating committee as a "polecat" committee.

As president of the Southern Tariff Association and of the National Council of State Legislatures, Mr. Kirby heads a lobby that operates in every State of the Union. And the activities of Mr. Arnold as manager of the American Taxpayers' League are no less national in their scope. On cross-examination Lobbyist Kirby admitted to the Caraway

committee that his organizations have paid the expenses of State and municipal officials to meetings called for the purpose of influencing tariff and tax legislation.

Six such meetings already have been financed from this source

Then the editorial ends up:

The way to rid this country of the curse of the lobby evil-

The editor has been talking about Arnold and Kirby-

is for the Congress to pass a law making it a criminal offense to attempt to influence any public official in the performance of his public duty except through a public appeal. When Congress takes the lead in this vital matter the States will soon follow its example.

Such a law would put it in the power of a public official to expose the crime of lobbying and in the power of the courts to send the convicted lobbyist to jail.

That is where the law sends the man who attempts to "in-

fluence" a judge or to tamper with a jury.

And tampering with the legislators or the administrators of the people is of a piece with seducing a judge or tampering with a jury of the people.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. Certainly.

Mr. BLACK. Is that the same Arnold who testified before the committee a few days ago that he had been in touch with Mr. Bainbridge Colby in order to make contacts with Mr. Hearst, and that he had been operating chiefly in a section of New York where he could have the use of Mr. Hearst's radio free?

Mr. SCHWELLENBACH. It is precisely the same Mr. Arnold whom, in 1929, Mr. Hearst gave a first-class recommendation to some Federal penitentiary.

Mr. BLACK. And the Senator really means that this man Arnold whom Mr. Hearst is writing about in that editorial is the one Mr. Hearst has been permitting to use his radio for nothing, in order to continue to carry on the operations of this American Taxpayers' Committee?

Mr. SCHWELLENBACH. That is correct, sir.

I have another editorial by Mr. Hearst, printed on the next day, in which he says:

MAKE LOBBYING A PENAL OFFENSE, THEN ENFORCE THE LAW RIGIDLY Thanks to the thoroughness with which the Caraway committee is probing the lobby evil, all its poisonous roots are being dragged into the light.

It now appears from the testimony of Lobbyist Arnold, of the Southern Tariff Association and the American Taxpayers' League, that the President, as well as the Congress, was a target for the lobbying activities of these organizations.

Senator Walsh, of Montana, put Mr. Arnold through a course of questions that brought from him the admission that "stiffening the backbone of the President" so that he would accept the high rates of the tariff bill passed by the House was part of this lobby's program.

With a view to bringing the President into line with the program of the Arnold lobbies, "interested parties" in widely scattered parts of the country were given to understand that "a campaign of education" in support of the House schedule for sugar and other commodities might have the desired effect upon the President.

All the while southern Democratic Senators opposed to the House bill were being subjected to an attack from their own States, while the being subjected to an attack from their own States, while the being subjected to an attack from their own States, while the being subjected to an attack from their own States, while the subject of the state of

was being bought and paid for by the lobbies operated by Mr. Arnold and his associates.

Arnold and his associates.

And the objective of all this direct and indirect lobbying was to mislead both the President and the Congress, if not intimidate them, into supporting a tariff bill acceptable to the special interests supporting the Arnold lobbies.

Not content with attempting to pollute legislation at the source, these lobbyists appear to have been trying to intimidate both the President and the Congress with a stuffed club in the form of manufactured "public opinion" bought and paid for by lobbyists. The revelations before the Caraway committee are becoming more astounding with each day's testimony. They go to show that the lobby evil is not only a disgrace to the American people but a grave danger to the integrity of their Government.

And no half-way measures will suffice to eradicate this plague.

It must be dealt a body blow.

Lobbying must be made a penal offense and the law against lobbying rigidly enforced before the lobby evil can be eradicated.

Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. BLACK. I believe the Senator read there that Mr. Hearst referred to Mr. Arnold in the editorial as "Lobbyist Arnold."

Mr. SCHWELLENBACH. That is correct.

Mr. BLACK. Am I correct in my recollection that Mr. Arnold testified a few days ago that Mr. Bainbridge Colby had been present at the meetings of this organization in order to advise with them as to the best procedure to accomplish certain of the purposes of the organization? Did Mr. Arnold testify to that, in substance?

Mr. SCHWELLENBACH. He testified to that. He also testified, as the Senator from Alabama will remember, that he has a definition of a lobbyist—that if you are on his side you are not a lobbyist; but if you are against him, you are a lobbyist. Apparently, that is Mr. Hearst's attitude. If you are with Mr. Hearst, you are a very high-class gentleman, with whom he will permit Mr. Bainbridge Colby and the rest of his paid satellites to associate; but if you are not on his side, you are a lobbyist and should be sent to some Federal penitentiary.

Mr. BLACK. Then the fact seems to be, as to this gentleman whom Mr. Hearst so thoroughly and roundly denounced as a lobbyist, and seemingly indicated, from what the Senator has read, that the man ought to be in the penitentiary, that since they did not succeed in sending him to the penitentiary, since they could not whip him, they decided that they had better join him. I will say that that seems to be indicated by what the Senator has read.

Mr. SCHWELLENBACH. Let me refer to one further editorial, on November 30, 1929, which indicates Mr. Hearst's attitude about the method of investigation at that time. He says:

When the Senate committee investigating the lobby evil resumes tis session next week, its every member should join in a declaration of purpose not to close that inquiry until the entire field of lobbying has been opened up to public view.

That was the promise given to the public when the Senate adopted the Caraway resolution under which the lobby investigation.

tion has proceeded to date.

And nothing less than the faithful fulfillment of that promise will meet the demands of public sentiment.

Let the Senate committee investigating the lobby evil do its full duty and unearth all lobbies now operating in Washington and round up all lobbyists now tampering with administration or legislation.

Then Congress will have the evidence on which to base an antilobby law whose enforcement the whole country will support.

I read you those editorials from the Hearst newspapers in 1929 in order that you may know the attitude Mr. Hearst took when a Senate committee investigating lobbying happened to be upon Mr. Hearst's side.

I wish to conclude reference to Mr. Hearst's activities with just one more event, and that is a matter which is now in progress out in the city of Milwaukee.

Before referring to the strike of the employees of the Wisconsin News, the Hearst newspaper in that city, I wish to read an editorial from Mr. Hearst dated October 18, 1931. It was written by William Randolph Hearst personally:

I think we should declare vigorously for the 6-hour day.

I believe in the 6-hour day and believe it soon should be and soon can be an accomplished fact.

There is nothing revolutionary in it. Hours have decreased from 14 hours a day at the beginning of the nineteenth century to 8 hours a day at the beginning of the twentieth century. It is time for another reduction in hours.

Labor-saving machinery makes a reduction of hours possible and. in fact, necessary.

Otherwise vast numbers of working people will be thrown out of employment.

en the habit of the employing classes to take the full benefit of labor-saving machinery and capitalize it, depriving the working people of their due share of this benefit.

The advantage * * * should be distributed to the employers

The advantage * * * should be distributed to the employers in greater profits, to be sure, and to the consumers in cheaper

prices; but, above all, to the working people in shorter hours, better wages, and better living conditions.

We should not have to have strikes of the working people for them to get what is justly theirs. We are in an uncivilized state if we have to have war between

labor and capital in order to secure a just distribution of the benefits of human progress.

Employers should realize that they have no moral right to monopolize these benfits and should have no legal right to do so.

They must, in common justice, common morality, and common advantage, distribute these benefits.

Mr. BONE. Mr. President, will my colleague yield?

Mr. SCHWELLENBACH. I yield.

Mr. BONE. Was the Senator reading a Hearst editorial on the 30-hour week?

Mr. SCHWELLENBACH. Yes, sir.

Mr. BONE. That must be a frightful error, because I have in my hand a Hearst editorial which refers to the 30-hour bill proposal as a specious effort, as a quack remedy, a fake, and a fraud. We must have our wires crossed.

Mr. SCHWELLENBACH. When was that?

Mr. BONE. This is an editorial in the Seattle Post-Intelligencer of March 6, 1935. There must be a terrible error somewhere.

Mr. SCHWELLENBACH. Oh, well, if my colleague will permit me to say so, that was in 1935. What I have read was in 1931-October 18, 1931. Mr. Hearst could not be expected to stay on the same side of a question for a period of 4 years. [Laughter.] He probably switched back and forth half a dozen times in the meantime. But that was his attitude in 1931—that fine, lofty statement.

What has been the result so far as the employees of the Hearst papers are concerned? I pointed out yesterday that, despite the fact that the standard of wages of the Hearst employees was lower than of any other employer of the country, three 10-percent cuts had been taken, and that there has been no return, despite the fact that the profits of the Hearst papers have increased since under this administration the strain of the depression has been lessened.

In Milwaukee, Wis., in the office of the Wisconsin News, a system known as the speed-up policy was adopted, whereby there was used with the editorial writers of that paper precisely the same sort of a speed-up policy, the matter of speeding up work in order to increase production, that has been instituted in the great industrial plants of the country. Wage cuts since the first of the depression were as high as 60 percent. Reporters were earning as little as \$15 a week and copy readers as little as \$18.05. The top salary in the photograph department was \$28. Although Milwaukee has over 500,000 residents, salaries on the News were below the average of those paid in any other city in the United States with a population of more than 50,000.

Mr. BLACK. Mr. President-

The PRESIDING OFFICER (Mr. BENSON in the chair). Does the Senator from Washington yield to the Senator from Alahama?

Mr. SCHWELLENBACH. I yield.

Mr. BLACK. Did I understand the figures correctly, that the wages had been cut as much as 60 percent?

Mr. SCHWELLENBACH. As much as 60 percent, and they have not been returned to the old level, despite the fact that under this administration the depression has lessened, and Mr. Hearst's profits have again returned to Hearst-profit normalcy.

Finally, the newspaper guild, the organization established and maintained in this country in order that those people employed in the newspaper profession may have protection against the rapacity and against the selfishness and the avarice and the greed of newspaper publishers, took the matter in hand and attempted to secure a change in conditions in the Wisconsin News. Conferences were held, and those conferences continued through last fall.

It was of interest to me, reading this story of conditions under which the employees of Mr. Hearst's Milwaukee newspaper were working, to make a comparison between those conditions and the conditions under which Mr. Hearst lived out in his Bavarian castle in northern California. It was even of interest to me to make a comparison between the conditions under which these people were living and the conditions under which Mr. William Randolph Hearst, Mr. Paul Block, and other individuals connected with the Hearst papers, were traveling about the country in December, as reported in the magazine Time for December 23, 1935. I read from the article:

Most spectacular Topeka arrivals, aptly symbolizing the kind of backing every Presidential hopeful needs, were two private cars and a chartered Pullman, which rolled into the railroad yards of the "great economizer's" capital last week. From one private car descended New Deal-hating Publisher Paul Block. From the Pullman descended New Deal-hating Publisher William Randolph Hearst, who arrived to look for the first time on the homely face of the man he began edging toward the White House 3 months ago. With "the chief" was his columnist, Arthur Brisbane.

In other words, the sage of San Simeon and Wyntoon was coming to Topeka, Kans., to try to get some friend of the common people, rolling in there in the luxury of a private car, in order that he might choose a new President for the people of this country, while his employees up in Milwaukee, a comparatively few miles away, were living under conditions brought about because of the unwillingness of Mr. Hearst to give them more than \$15 a week for beginners, or more than \$27 a week for those who had been employed by that paper not less than 7 years, grinding down those employees, and at the same time traveling around this country attempting to find a friend of the people to occupy the Presidency for the benefit of the people, riding around in luxurious parlor cars and luxurious private cars, visiting the "great economizer", the great man to balance the Budget for us, just the same as Mr. Hearst has balanced the budget for the Wisconsin News.

Mr. President, I started this discussion of Mr. Hearst with a quotation from Mr. Villard. I desire to end it with another quotation from him, if I may. But before I turn to that I desire to read a statement made by a historian of the country last year. This was reported in the New York Times on February 25, 1935. The statement was made on February 24, 1935, at Atlantic City, at the Sixty-fifth Annual Convention of the Department of Superintendence of the National Education Association held February 24, 1935, at Atlantic City. I quote from Charles A. Beard, who is recognized as a leading and noted historian. Mr. Beard said:

In the course of the past 50 years I have talked with Presidents of the United States, Senators, Justices of the Supreme Court, Members of the House of Representatives, governors, mayors, bankers, editors, college presidents (including that great scholar and thinker, Charles W. Eliot), leading men of science, Nobel prize winners in science and letters, and I have never found one single person who for talents and character commands the respect of the American people who has not agreed with me that William Randolph Hearst has pandered to deprayed tastes and has been an enemy of everything that is noblest and best in our American tradition.

There is not a cesspool of vice and crime which Hearst has not raked and exploited for money-making purposes. No person with intellectual honesty or moral integrity will touch him with a 10-foot pole for any purpose or to gain any end. Unless those who represent American scholarship, science, and the right of a free people to discuss public questions freely stand together against his insidious influences he will assassinate them individually by every method known to yellow journalism. Only cowards can be intimidated by Hearst.

As I said a few moments ago, I started this discussion with a quotation from Mr. Villard. Insofar as discussing Mr. Hearst is concerned, I desire to conclude with another quotation from Mr. Villard, the concluding paragraph in his discussion of Mr. William Randolph Hearst:

As one considers these men and the injury they have done, one is mindful of Lowell's question: "Why should a man by choice go down to live in his cellar instead of mounting to those fair upper chambers which look toward the sunrise?"

Complaint is made that the activities of the Senate Lobby Committee operate as a restraint which may result in an impingment upon the constitutional guaranty of freedom of the press. I would be the last to condone such a restraint. My attitude upon the question of this constitutional guaranty was succinctly stated a few weeks ago in an article entitled "Our President and Our Newspapers", by Edward A. Filene, of Boston. He said:

I am glad I live in a country in which the press can attack the administration and even attack it angrily and unfairly. If we were to stop unfair criticism, we would soon be stopping all criticism and American liberty would be destroyed.

The newspaper fraternity of America, however, must realize that the privilege granted to it of immunity from restraint under constitutional guaranties is a privilege endowed, not for the benefit of the individual publisher, not as a protection of the profits which the newspaper may derive, but rather as a privilege in the nature of a trust for the benefit of all of the people.

My constitutional guaranty to bear arms or to be protected in my home, or to worship under a religion of my own choosing, is a personal right. The public's only interest in my protection is that if I am deprived of the privilege, other individuals of the public may also be deprived of the same privilege. No public trust is imposed upon me in the exercise of that privilege since it is personal. The public's interest in the protection of the freedom of the press comes from its desire to secure and the necessity of its securing information on all subjects. That information must be accurate, truthful, and unbiased.

The foregoing analysis gives the reason for the distinction made between the method of protection against restraints upon this constitutional guaranty as compared with other constitutional guaranties. Concerning it, Blackstone said:

The liberty of the press is indeed essential to the nature of a free state; but this consists in laying no previous restraints upon publications and not in freedom from censor from criminal matter when published. Every freeman has an undoubted right to lay what sentiments he pleases before the public; to forbid this is to destroy the freedom of the press; but if he publishes what is improper, mischievous, or illegal, he must take the consequences of his own temerity.

Our own Supreme Court recognized the correctness of the Blackstonian theory in the case Near v. Minnesota (283 U. S. 691), in the following language:

The general principle that the constitutional guaranty of the liberty of the press gives immunity from previous restraints has been approved in the decisions under the provisions of the State constitution. * * * Subsequent punishments from such abuses as may exist is the appropriate remedy. * * * It is recognized that punishment for the abuse of the liberty accorded to the press is essential to the protection of the public. * * * The law of criminal libel rests upon that secure foundation. There is also the conceded authority of courts to punish for contempt when publications directly tend to prevent the proper discharge of judicial functions.

That question was very ably discussed in the case of Toledo Newspaper Co. v. United States (247 U. S. 402). I quote briefly from that opinion. This was a case in which the newspaper company had been cited and sentenced for contempt and was appealing to the Supreme Court of the United States. The Court sets out first the argument of the newspaper company:

2. The asserted inapplicability of the statute under the assumption that the publications complained of related to a matter of public concern and were safeguarded from being made the basis of contempt proceedings by the assuredly secured freedom of the press.

The Supreme Court said this:

We might well pass the proposition by, because to state it is to answer it, since it involves in its very statement the contention that the freedom of the press is the freedom to do wrong with impunity and implies the right to frustrate and defeat the discharge of those governmental duties upon the performance of which the freedom of all, including that of the press, depends. The safeguarding and fructification of free and constitutional institutions is the very basis and mainstay upon which the freedom of the press rests, and that freedom, therefore, does not and cannot be held to include the right virtually to destroy such institutions. It suffices to say that however complete is the right of the press to state public things and discuss them, that right, as every other right enjoyed in human society, is subject to the restraints which separate right from wrongdoing.

I end the quotation from the Toledo newspaper case.

Since the purpose of immunity is to afford to the public the greatest opportunity for the acquisition of information, and since the immunity applies only to previous restraint, no person can logically contend that the constitutional guaranty is endangered by any action which will give to the public further information upon the subject involved in the publi-

cation. The public is entitled to know the source from which | the published information came. It is entitled to any information that will enable it to judge the accuracy of the published information. It is entitled to know the motive or motives that may have actuated the giving or securing of the information, and what may have actuated the publisher in its publication. Dissemination of information of this sort not only is not restraint upon the public's opportunity to acquire information in accordance with the constitutional guaranty but actually adds to the rights and privileges to which the public is entitled under the Constitution.

It must, therefore, be obvious to any fair-minded, logicalthinking individual that the complaint of the newspapers against your committee has no basis or foundation. Our efforts are and have been exerted merely for the purpose of acquiring information which may aid in enacting legislation which will result in giving to the American public information from which the public might determine the sources, the accuracy, and the motives involved in the publication of material in the press. To sustain the position of Mr. Hearst and the American press that follows him would, in itself, be a most serious stricture upon the constitutional guaranty of freedom of the press.

Mr. BONE. I should like to ask the Senator from Alabama [Mr. Black] or my colleague [Mr. Schwellenbach], who has just finished speaking, a question relative to one matter of law having to do with the investigations now being carried on by our Lobby Committee.

If a power company in order to influence my vote in this body takes a telephone book or a city directory and copies out hundreds of names and sends me hundreds of fake telegrams which were never authorized by the people whose names were signed to those telegrams, is there anything on our statute books which makes that a criminal offense? That is a form of forgery, and that was done repeatedly in connection with the utilities bill. Certainly if that thing is not a criminal offense it ought to be made one, and the ones who did that ought to be put behind the bars in the American penitentiaries. As a Member of this body I have the right to know when a telegram reaches me that the name of the man on that telegram is the name of the man who actually sent the telegram, and that the telegram is not a fake or a fraud. I am wondering whether there is any legislation proposed or in existence which can reach the sort of thing which has been occurring here right along?

Every Member of this body is entitled to know when he gets a telegram that it is not a fake, a fraud, and a forgery. Such a telegram as I have described is a forgery. I am wondering whether there is any way of prosecuting these men in the power companies who did that to the Members of the Senate and the House in connection with the utilities bill. I should be glad to have the Senator from Alabama state whether there is any possibility to get at that.

Mr. BLACK. I will state to the Senator that under the laws of some of the States that is a forgery. While I have not made an investigation, I believe there are a number of States in which the particular action referred to is made a forgery.

Mr. BONE. If that were done to me I would not have any hesitancy in going to a United States district attorney and insisting on the prosecution of the officers of a power company or any other group which did that to me. I think that my brethren in the Senate or in the other branch of the Congress should have the right to know that when they get telegrams they are bona-fide telegrams and not fakes. Otherwise propaganda can be worked up by the fellow who has the longest purse. That is sometimes done. Before this session of Congress shall have been concluded I think that inasmuch as the telegrams themselves are a form of interstate commerce there ought to be some legislation introduced in the Lobby Committee in an endeavor to put an end to such a practice as we have been discussing.

LEGISLATIVE APPROPRIATIONS

The PRESIDING OFFICER (Mr. George in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to listration, I stated explicitly that my one purpose in so doing

the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRNES. I move that the Senate insist on its amendments, agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Tydings, Mr. Byrnes, Mr. Coolidge, Mr. Hale, and Mr. Townsend conferees on the part of the Senate.

THE WORKS PROGRESS ADMINISTRATION-FLOOD RELIEF

Mr. DAVIS. Mr. President, yesterday, while I was absent for a few minutes from the Senate Chamber, my colleague [Mr. Guffey] inserted in the Record two newspaper articles from the Pittsburgh Press, regarding Works Progress Administration workers in the flood districts of Pennsylvania, and he referred to me in his brief remarks.

Mr. President, I endeavored to notify my colleague before making any response to his remarks of yesterday, but was advised that he was absent from the city, so I do not feel that I am doing him any injustice when I now speak.

In the RECORD of yesterday, March 31, pages 4647 and 4648, I read with interest and astonishment a statement presented by my colleague, directing my attention to two editorials printed in one of the prominent newspapers of Pittsburgh. the Pittsburgh Press, entitled "W. P. A. Workers Unsung Heroes of Recent Flood", and one by Kermit McFarland, dealing with the same subject.

In this extension of remarks my colleague suggests that if I need additional information concerning the heroic endeavors of the men of Pennsylvania, under the direction of the Works Progress Administration, to render needed aid to the flood-stricken areas of Pennsylvania, I should interview any one of the Moose Lodges in the State of Pennsylvania or else visit my home town of Sharon. May I say to my colleague from Pennsylvania that I had already read these articles in the Pittsburgh Press and had put them aside, so that I might be able to present them to the Committee on Expenditures in the Executive Departments just as soon as the Senate adopts the resolution giving the committee the power to hold the hearings in a full investigation of the Works Progress Administration.

The articles in the Pittsburgh Press speak of the "individual acts of heroism and long hours of labor without rest" which fell to the lot of the men of the Works Progress Administration in their efforts to relieve the distress occasioned by the floods. Statements are made of the "acts of dramatic heroism and men risking their lives time and again to carry children and aged persons to safety." Knowing the men of Pennsylvania as I do after more than 50 years of active association with them, I am not all surprised that they should have responded to this need in such a gallant way. I know these men; I know the stern stuff of which they are made; I know how they can work, for I have worked with them. I should expect them to carry on in a heroic way and I am astonished that my colleague thought it necessary to attempt to give me this information through the agency of the Congressional Record.

May I further say to my colleague that I am not one who believes in obscuring the good, no matter where it may be found and regardless of its source, whatever it may be. I believe these workers, the stalwart men of Pennsylvania, are entitled to the highest praise, irrespective of the governmental authority under which they were working. Their heroic service is no less admirable in my eyes because it was performed under the direction of the Works Progress Administration. I am aware of many worthy activities of the Works Progress Administration. I have no desire whatsoever to attempt to belittle any good which it has accomplished or to cast aspersions against the good name of those who are worthily employed on its pay rolls.

When I submitted the resolution March 9, asking for a thorough-going investigation of the Works Progress Adminwas to keep relief out of politics. I made it clear to the Senate at the time I presented my resolution and later in the radio speech delivered by me at Pittsburgh March 14, that I was not interested in asking for the names and salaries of those in the lower brackets of the W. P. A. pay rolls. I had in mind those who received more than \$100 a month and those who it has been alleged have been compelled to change their party registration to Democratic in order to hold their jobs or who have been given jobs primarily because they were members of the Democratic Party.

It would be just as ill-advised and dangerous to public welfare to make political capital out of abuses connected with the administration of work relief as to continue to tolerate such abuses. I wish to suggest to my colleague that both courses of action would appear entirely unworthy of those to whom the responsibilities of high office have been entrusted. Naturally the public has a right to know how taxpayers' money is being spent, and public business should be conducted in such a way that it will bear public scrutiny.

In submitting my resolution I made only the friendliest kind of comment of those who are working on the W. P. A. to protect their families and striving to keep body and soul together. I have called to the attention of the Senate the fact that I have voted for practically all appropriations for relief and work relief. I expect to continue to vote for such additional appropriations as may be necessary for the public welfare.

My colleague has referred to articles appearing in the Pittsburgh Press, one of our powerful newspapers, and one which is very friendly to the national administration. From the same newspaper, I called attention to an article showing evidences of the appointment of W. P. A. workers on the basis of partisan politics in Indiana County, Pa. For the convenience of my colleague, I will ask that the article, entitled "Indiana County Scandal", be printed again in the RECORD at this point, and I will call his attention to the fact that the statements made in the article have not been denied.

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

The article referred to is as follows:

INDIANA COUNTY SCANDAL

INDIANA COUNTY SCANDAL

The charge that relief workers in Indiana County were solicited for campaign contributions by the local Democratic organization, under a threat of blacklisting, should be sifted to the bottom.

If true, every individual involved should be publicly exposed and whatever other steps are possible, both to punish the perpetrators and to clean up such conditions, should be taken.

Senator A. H. Vandenberg, of Michigan, has written W. P. A. Administrator Harry L. Hopkins a letter quoting from a letter which was sent to an Indiana County relief worker on the stationery of the Democratic committee of that county, signed by Harry W. Fee, county chairman. The letter quoted by Senator Vandenberg was written on December 4, 1935.

Today the Press, on page 4 of this section, publishes a facsimile of another letter—the wording of both being identical—written to another relief worker on December 3.

The fact that identical letters were written to different workers on different days indicates that the practice was widespread in that county.

that county.

The charge will be made, of course, that Senator Vandenberg, who is mentioned as a Republican Presidential possibility, is motivated by politics.

Perhaps he is.

But, nevertheless, that is not a sufficient answer.

The fact remains that County Chairman Fee wrote letters to relief workers in which he said: "I am very much surprised that you have not responded to our previous letter requesting your contribution in the amount of \$27 to Indiana County Democratic campaign committee, as I was sure that you appreciated your position to such an extent that you would make this contribution willingly and promptly."

The fact remains that Chairman Fee then directly threatened.

The fact remains that Chairman Fee then directly threatened those to whom the letters were sent by advising them that "unless your contribution in the above amount is received promptly it will be necessary to place your name on the list of those who will

will be necessary to place your name on the list of those who will not be given consideration for any other appointment after the termination of the emergency relief work."

This is a cruel threat, made to a low-paid relief worker, from whom more than one-fourth of a month's salary—more than a week's pay—was demanded as a political contribution.

Director Hopkins, we are certain, does not condone and tolerate such actions. He has repeatedly shown his desire to keep politics out of relief. President Roosevelt has also repeatedly warned against such practices. against such practices.

Unfortunately relief has to be administered through a far-flung organization, and under such situations dishonesty and insincerity

and abuse are certain to turn up here and there. But when they do drastic action is imperative.

Senator Vandenberg and ex-Governor Pinchot have both made serious charges of politics in Pennsylvania's work-relief administration. It is even hinted in Washington that a scandal sufficlently grave to menace Democratic success in Pennsylvania may be developed if a sweeping investigation is made. We doubt it; but regardless of political consequence, we urge that the investigation be carried through.

Get the guilty ones, no matter who they are.

Mr. DAVIS. Mr. President, I had hoped, when there were two vacanies on the Committee on Expenditures in the Executive Departments, to which my resolution asking for an investigation of the W. P. A. was referred, that my colleague would urge the leader of the Senate majority to appoint him as a member of the committee, in view of the fact that the distinguished Senators from Illinois and Indiana [Mr. Lewis and Mr. Van Nuys] had suggested that conditions in Pennsvlvania be first taken up in the investigation. It is not as yet too late for him to be added to this committee, inasmuch as he is familiar with all these activities in our State.

I wish to call to the attention of my colleague a letter which I wrote to the President of the United States, urging him to use W. P. A. funds so as to put fifty or sixty thousand men at work for flood relief immediately upon hearing of the catastrophe which had overwhelmed western Pennsylvania. Mr. President, at this point I ask unanimous consent to have inserted in the RECORD the letter, dated March 18, 1936, addressed by me to the President of the United States.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 18, 1936.

Hon. Franklin D. Roosevelt,

The President, The White House.

DEAR MR. PRESIDENT: Thousands of the citizens of this country have been driven from their homes because of raging floods in have been driven from their homes because of raging floods in the last 48 hours. Conditions throughout the Johnstown-Pitts-burgh area are unspeakably bad. I do not recall a time during the last 50 years of intimate association with that part of the country when such havoc has been wrought by uncontrolled and flooded rivers. The damage to property, the loss of homes, the loss of life and danger to health have been beyond calculation, and words cannot express this distressing condition.

As I now write measures are being taken to rescue the victims As I now write measures are being taken to rescue the victims of the flood and to provide for the spread of sickness and epidemic. However, these are but temporary measures. They do not insure protection against the repetition of this disaster and this we should earnestly consider. Flood control is now being carried on at different places in the country and is desperately needed in the Johnstown-Pittsburgh area. Work for 50,000 or 60,000 men of great value to the Nation could be started at once if W. P. A. funds were made available at prevailing wage rates for adequate flood-control projects. This would be an expenditure adequate flood-control projects. This would be an expenditure bringing a permanent value to the Nation and would set a higher standard of work-relief projects. I advocate that Federal funds for this purpose be made available immediately.

Most cordially yours,

JAMES J. DAVIS.

Mr. DAVIS. Mr. President, I want my colleague to know that in my younger days I walked from the South Side of Pittsburgh, a location he knows very well, on Brownsville Road to Highland Park, and there worked as a common laborer with pick and shovel during the depression period following the panic of 1893 to 1896. I worked 6 days a week for a dollar a day. Hence, it is that today, when it is alleged that men working for the W. P. A. are sent out to shovel snow in cold and storm weather, without sufficient clothing, I know how to appreciate their suffering. I have urged that additional clothing be given to them, because their wages often are insufficient to do more than hold soul and body together. Only one who has had experience of this sort in trying times can understand in an adequate way the suffering caused by unemployment, especially if a man has a family dependent upon him. The good fortune which has been my lot in later years has not changed my heart or hardened my feeling toward those who today are bearing heavy burdens under conditions of great distress. I have consistently voted for every measure presented by the administration for relief to these people.

The chairman of the Committee to Audit and Control the Contingent Expenses of the Senate has informed me that there will be a meeting of his committee this week, perhaps today or tomorrow, to take action looking toward | the necessary appropriation to conduct an investigation of the W. P. A. I am not anxious to have this problem presented to the Senate before it has been thoroughly considered in a committee session in an orderly way following usual Senate commitee procedure. As a Senator I am interested in this investigation only to the extent that it may be possible for the Senate to obtain sufficient information to serve as a basis for the enactment of adequate and permanent legislation for the solution of this ever-pressing problem of relief. I have steadfastly maintained that politics has no proper place in relief, and, insofar as I have relation to this investigation, I wish to have it conducted on that

My original resolution called for an investigation of the W. P. A. only. The Committee on Expenditures in the Executive Departments, to which the resolution was referred. asked that an investigation of the F. E. R. A. be included. I did not object to that being done. In view of the fact that the purpose of the investigation is to discover the difficulties of relief administration, so that a repetition of errors may be made unnecessary, it is evident that there is an advantage in including the F. E. R. A. in the scope of this study.

I have consistently advocated that work-relief funds should be used for projects of a permanent nature so far as possible, and that the compensation be in accordance with prevailing wage scales.

The articles which my colleague has cited from the Pittsburgh Press call attention to the use of W. P. A. assistance in flood relief. I wish to say that I have advocated measures of this kind. Knowing the area around Sharon intimately, through years of close association there. I knew the advantage which has come to that vicinity through the construction of the Pymatuning Resorvoir, which was completed about 2 years ago.

This reservoir served to protect the people of the Shenango and Beaver River valleys from inundation during the recent floods. Hence it was that these people who, without the protection of this reservoir, would have been rendered helpless and destitute, were able to add their share to the relief of the victims of the flood. The Pymatuning Reservoir has almost paid for itself in the past few weeks by the flood protection which it has afforded. We have every reason to believe that the system of 13 flood reservoirs, which are now being considered by the Senate Commerce Committee, will serve a purpose just as useful and on a much larger scale; so that Pittsburgh, which has suffered such devastation from recent floods, the upper reaches of the Ohio River, and the Nation as a whole may have adequate protection. This is a national question, because that which is done in one part of the country vitally affects the lives and property of people in other sections. The construction of these reservoirs must be accepted as a national responsibility in order that unified control and equalized benefits may be achieved. Doubtless W. P. A. funds and W. P. A. workers can add much to the satisfactory accomplishment of these projects, especially if wages are paid on the standard wage scales.

I am interested in an investigation of the W. P. A. from the standpoint of the liberty of the voter. Pennsylvania voters have come to me saying that they were Republicans, but that in order to get jobs on the W. P. A. they have had to register with the Democratic Party. The Senate has adopted a resolution sponsored by my friend of 40 years, the distinguished senior Senator from Indiana [Mr. Nuys], to the effect that employers shall be prevented from coercing their employees to vote contrary to their own desire. I believe in this measure, but I think it even more essential that it be made impossible for the Government, through its constituted agencies, to coerce the men and women on its pay rolls to vote contrary to their desires. I resent with all my being a system whereby political pressure is brought to bear on men and women forcing them to vote as directed by partisan leaders in order to hold their jobs with the Government.

I know what it means to have the pressure of vested interests directed against me in elections. I have had such

pressure brought to bear against me when I came up for election as a candidate for a city office, county office, and for the office which I now hold in the Senate. I am therefore opposed to any group which seeks to control political opinion through force, irrespective of whether such group operates in or outside of governmental agencies. Such procedure is doubly to be deplored in an agency of government; and if it is widely prevalent in the W. P. A. today, the citizens of this country have a right to know about it.

In closing, and for the benefit of my colleague, I wish to ask that a letter which I addressed to Mr. Harry Hopkins, Director of the W. P. A., under date of March 19, 1936, be published in the RECORD. In the letter I explained to Mr. Hopkins fully my reasons for asking for an investigation of the W. P. A. at this time. This request was referred to the authorities in Pennsylvania. To date I have received no answer to the letter giving me the information which I courteously requested.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

MARCH 19, 1936.

Washington, D. C.

Mr. HARRY HOPKINS,

Administrator, the Works Progress Administration

MY DEAR MR. HOPKINS: I have read your statement carried by the Associated Press in which you say: "No employee of the Works Progress Administration, either administrative or engaged on a Progress Administration, either administrative or engaged on a project, is required to make any contribution to any political party. No Works Progress Administration employee's job will be in jeopardy because of the failure of said employee to make such contribution. No employee of the Works Progress Administration shall at any time solicit contributions for any political party, and evidence of such solicitation will be cause for immediate discharge. The question of whether or not to contribute to any political party is a matter entirely for the voluntary decision of said employee. No person shall be employed or discharged by the Works Progress Administration on the ground of his support or nonsupport of any candidate of any political organization."

I believe this to be a step in the right direction. However, it is only one of a number of decisive actions which, in my judgment, should be taken if relief is to be kept out of politics in the future. Unfortunately, conditions have been allowed to develop to such an extent and the difficulty of control of the national organization of the W. P. A. from Washington is so great that no mere statement of policy such as you have made, sincere and thoroughgoing as it

the W. P. A. from Washington is so great that no mere statement of policy such as you have made, sincere and thoroughgoing as it doubtless is, can solve this problem.

My approach to this question has been governed very largely by the definite statements made by those in authority that they desired relief kept out of politics. On April 28, 1935, President Roosevelt said: "The most effective means of preventing such evils in this work-relief program will be the eternal vigilance of the American people themselves. I call upon my fellow citizens everywhere to cooperate with me in making this the most efficient and the cleanest example of public enterprise the world has ever seen. It is time to provide a smashing answer for those cynics who say that a democracy cannot be honest and efficient. If you will help, this can be done. I, therefore, hope you will watch the work in this can be done. I, therefore, hope you will watch the work in every corner of this Nation. Feel free to criticize. Tell me of instances where work can be done better or where improper pracinstances where work can be done better or where improper practices prevail. Neither you nor I want criticism in a purely fault-finding or partisan spirit, but I am jealous of the right of every citizen to call to the attention of his or her Government examples of how the public money can be more effectively spent for the benefit of the American people." This statement, coupled with your own as quoted above, indicates a desire for honest, efficient administration which is to be admired.

However, statements of this sort are not sufficient to insure the desired results. Evidence of waste, partisan use of W. P. A. funds, and needless red tape is found on every hand. Without solicitation of any kind, letters have come to me from all over the country revealing a state of affairs which, in many instances, is positively revealing a state of affairs which, in many instances, is positively vicious. I can cite example after example of wicked practice, such as is found in the case of a Republican W. P. A. supervisor, with a wife and seven children dependent upon him, replaced by a Democrat, with but two persons dependent upon him, for no reason other than partisan issues. These are not isolated cases. Situations of this kind prevail all over the country. You have doubtless read the account given by Mr. Johnson, formerly State supervisor of the W. P. A. in Pennsylvania, in the last issue of the Saturday Evening Post. Certainly conditions as reported by Mr. Johnson in the State of Pennsylvania cannot be corrected simply by dictating the State of Pennsylvania cannot be corrected simply by dictating an office memo.

I have asked for a full and complete investigation of the Works

3. Evidence already in hand points indisputably to the fact that relief money, in many instances, is being spent for partisan and political appointments contrary to the purpose for which work-relief appropriations were made. Without an investigation no person can estimate the extent of this evil. Those who administer these funds have repeatedly declared that they desire to keep relief out of politics. They should welcome this investigation, for it will help them to accomplish the efficient administration of their task. Taxpayers have the right to know how their money is being spent.

out of politics. They should welcome this investigation, for it will help them to accomplish the efficient administration of their task. Taxpayers have the right to know how their money is being spent, and the only way this can be determined is through an investigation.

4. Attempts on the part of the work-relief administrative authorities to investigate their own organization problems have not solved them and could not solve them. The extension of work-relief administrative authority is so vast, so much money and so many people are involved, that taxpayers are warranted in asking for a senatorial investigation, as in the case of all other matters pertaining to the public welfare. Charges of abuses will multiply until an impartial investigation is made. This would be particularly unfortunate during a national-election year.

5. There is no necessity to give undue publicity to the ordinary routine of work-relief administration. The names and salaries of workers in the lower brackets need not be made public. However, all information whatsoever pertaining to the administration of work-relief funds should be made available to a Senate investigating committee. Publicity should be given only through the ordinary channels in regular committee hearings.

6. The work-relief budget for the coming year, asking for an additional \$1,500,000,000, has just been placed before Congress. Taxpayers are justified in knowing how previous appropriations have been spent before authority is delegated to make new expenditures without congressional counsel or appropriate legislation. I favor work-relief appropriations. I have voted for them consistently. I favor additional appropriations. However, I believe the people of this country are justified in asking how much money has been spent in the past, how it has been spent, and how it may be spent in the future to the greatest advantage of the Nation. Information, acceptable to all concerned, can be obtained only through an impartial investigation under present circumstances.

The Senate circumstances.

The Senate Committee on Expenditures in the Executive Departments, to which my resolution was referred and of which I am a member, reported favorably on the resolution today. This com-

a member, reported favorably on the resolution today. This committee, if authorized to make such an investigation, would be expected to report its findings to the Senate as soon as possible, together with its recommendations, if any, for necessary legislation. In view of your statement to the press, which points in the right direction, would it not be helpful to set up nonpartisan citizens' committees in every State, county, city, and governmental unit where W. P. A. workers are employed who would have power to pass on work-relief administrative appointments in order to assure that they are nonpartisan in character? Such committees could also serve as a clearing house for troubles and committees could also serve as a clearing house for troubles and committees could also serve as a clearing house for troubles and complaints which cannot secure satisfactory settlement through the ordinary channels of W. P. A. administrative authority. I believe that a plan such as this, coupled with other suggestions which I have in mind, would do much to make practical your expressed desire to keep relief out of politics.

Sincerely

STOCKYARDS AND MEAT PACKING

The Senate resumed the consideration of the bill (S. 1424) to amend the Packers and Stockyards Act, 1921.

Mr. ROBINSON. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Caraway	King	Overton
Ashurst	Carey	La Follette	Pittman
Austin	Chavez	Lewis	Pope
Bachman	Connally	Logan	Radcliffe
Bailey	Coolidge	Lonergan	Reynolds
Barbour	Copeland	Long	Robinson
Barkley	Couzens	McGill	Schwellenbach
Benson	Davis	McKellar	Sheppard
Bilbo	Donahey	McNary	Shipstead
Black	Fletcher	Maloney	Smith
Bone	Frazier	Metcalf	Thomas, Utah
Borah	George	Minton	Townsend
Brown	Gibson	Moore	Truman
Bulkley	Glass	Murphy	Tydings
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Hayden	Norris	Wagner
Byrnes	Johnson	Nye	Walsh
Capper	Keyes	O'Mahoney	Wheeler

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present. The question is on the amendment in the nature of a substitute of the Senator from Texas [Mr. Connally].

Mr. CONNALLY. Mr. President, I desire to submit some remarks about some of the provisions of the so-called Capper bill. Without any reflection on Senators, I feel that the other day, when the vote was had on my motion to recom-

mit the bill, many Senators were not adequately informed as to the terms of the Capper bill.

In the Capper bill is a provision which would prevent packing plants from buying cattle and thereafter feeding them in order to properly prepare them for killing. I am not concerned with the practice as such, but I have just talked with the Bureau of Animal Industry of the Department of Agriculture, and the officials of that Bureau inform me that that provision alone in the Capper bill would put a number of small packing houses practically out of business, thereby removing those small plants from competition with the larger packers, which seems to be the object of the sponsors of the bill.

Why would that occur? For instance, there is a packing plant at El Paso, Tex., about which I am sure the Senators from New Mexico know.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. CONNALLY. Certainly.

Mr. HATCH. I have been having some correspondence about that packing plant. There is considerable opposition to the bill on exactly the ground the Senator has just men-

Mr. CONNALLY. That small packing plant at El Paso, Tex., serves New Mexico, Arizona, and a portion of Texas. If we prohibit that plant from buying cattle and feeding them for the purpose of slaughtering in that plant, we thereby practically destroy that packing house. Why is that so? It is because that packing plant would then have to go to Kansas City, Omaha, Chicago, or somewhere else to buy fat cattle. It could not possibly reship those cattle from Kansas City or Chicago or Omaha back to El Paso and continue business in competition with the packers in Kansas City, Omaha, or St. Louis.

Why should a packing house of that kind be prohibited from buying cattle and feeding them? Very often such a plant furnishes a market to a man who has a cow or two which he wants to sell because he does not feel justified in paying out more money for feed to put into the cow because

of the increased cost of feed.

The Department of Agriculture says the provision in the Capper bill to which I have referred would reduce competition instead of increasing it. Do Senators want to do that? Where in the Constitution is there any authority for Congress to say that a packing house or an individual or anyone else cannot feed a cow? That is just what this provision in the Capper bill means. It would not permit a packer to feed cattle that he bought; in fact, he could not buy them except for immediate slaughter, buying them one day and killing them the next day. Where in the Constitution is there authority for any such prohibition as that? Senators will remember that in recent decisions the Supreme Court has announced repeatedly that Congress has no jurisdiction over purely intrastate transactions of that character.

Do we wish to have another contest with the courts? We have lost about three falls already. It does not seem to me we ought to invite another one. But, constitutional or not constitutional, what is the sense of the proposal? Where is the justice of it? How will it help the cowman; how will it help the farmer to narrow his market?

Here is a ranchman with a lot of cattle. They are not ready for market. He wishes to sell them; he needs the money; yet under this bill he is not permitted to sell them to a packer. He has to sell them to somebody else and let him feed them.

If there is a packer there contending for those cattle, and another feeder from Iowa or Kansas who wishes to buy them and take them up to Kansas and feed them his corn, is not that better than narrowing the ranchman's market? it not better to let the packer bid, and let the feeder bid, and thereby give the producer a better market, than by law to narrow it and say, "No; you shall not do that"?

Mr. President, I have voted for a number of Government regulations, but I am not yet convinced that the Government in its wisdom is wiser and better able than every individual to attend to his business. I think there ought to be some little reservation, some little haven of refuge for the citizen, in which he may attend to some of his own business, I without the Secretary of Agriculture telling him what he shall and what he shall not do.

You remember that in the old days there were cities of refuge to which the persecuted and the oppressed might flee for sanctuary; and once within the walls of the sanctuary they were safe, at least for the time being. Let us leave to the American citizen somewhere a sanctuary in which he may at least attend to his own little business about his cow and his calf. Let us not take that right away from him.

Mr. President, the Capper bill is simply a broadening of the power of the Government to reach in and grab somebody and say, "You must do this in this way, and if you do not do it in this way you are going to be put in jail"; and yet the bill is presented in behalf of the producer.

Who furnishes the market for cattle in America? Why, in the final analysis, of course, it is the people who butcher them. Who else, behind the packer, furnishes the market? It is the consumer. If we destroy the packer, if we wipe him out, will that help the cattle producer? Will it help the cattle producer to put under Government restrictions every little market where 35,000 head of hogs or cattle are sold annually? Will it raise the price of the farmer's cattle to charge a commission that some agent is going to collect for selling the cattle in a central market? Will it increase the farmer's price to make him pay feed bills which he now does not pay? Will it increase the farmer's price to narrow the scope of competition and say, "You shall not sell your cattle except to certain interests"?

I appeal to Senators to consider what they are about to do. Oh, but Senators say, "We had a telegram from the Farm Bureau, and therefore we shall have to vote that way. We

had a telegram from the Farm Bureau."

Well, that is all right. You had a telegram from some fellow up here in Washington who is lobbying, and he is telegraphing back to somebody, "Send your Senator a telegram, because I want to hold my job, and I have to keep on agitating for some sort of legislation or some sort of a bill to keep my income coming in." I think we know just as much about these bills as some of the so-called representatives of the farmer.

I. myself, am a farmer. I do not have to hire anybody to tell me about a cow or a yearling. I do not have to hire some man to advise me as to what is good for the cotton farmer, or the cow farmer, or the hog farmer. If you Senators are as good politicians as you pretend to be, all of you ought to know about it, instead of going out in the lobby and listening to some Farm Bureau fellow who sends you a telegram and a letter.

That is what is the matter with this bill-too many telegrams. I invite the attention of the Black committee to the flood of telegrams that Senators are getting about the Capper bill. Where have all the members of the committee gone? They are all out looking for Mr. Hearst, I presume. [Laughter.]

Senators, I am serious about this. You do not know the scope of this bill. It is not in the interest of the cattle producer. It is in the interest of the persons who are going to run these stockyards, who will get a commission from what the farmer sells, because under the bill he has to ship his cattle to the stockyards. It is in the interest of the commission merchant, the cattle commission man, who wishes to have the cattle sent into these official yards, so that the farmer and the stock raiser will have to pay him a commission. The cattlemen do not want these yards.

I read here the other day a long list of resolutions from the people who produce cattle who do not wish to have this bill enacted; and the Senator from Wyoming [Mr. CAREY] put into the RECORD a report from the Department of Agriculture. I will ask the Senator from Wyoming on what page the report appears.

Mr. CAREY. It is in Monday's RECORD. I have not the page before me.

Mr. CONNALLY. I shall ask to have the page looked up. The Department of Agriculture did not report favorably on this bill. It pointed out, in its report, that the provision | nurturing and assisting.

which would deny packers the right to feed cattle would be to the harm and to the detriment of the producer. Do you want to do that? Who knows more about it-the Department of Agriculture, or some man who wrote a bill and handed it to the Senator from Kansas?

The Department of Agriculture is operating this system. It knows its effect, and it says that when we limit the right of the packers to buy, we put out of business a number of packers all over the country.

Mr. HATCH. Mr. President, will the Senator yield to me for a moment?

Mr. CONNALLY. I yield.

Mr. HATCH. I am just thinking of the provision the Senator was discussing awhile ago, on page 2, prohibiting packers from buying for any purpose except slaughter and processing.

Suppose a cattleman in our western part of the country has a bunch of cattle for sale. I am just wondering whether all the cattle in any bunch of cattle in our part of the country are always ready for slaughter. Are there not necessarily, in every bunch of cattle, a few head, at least-possibly a great majority of them-that would have to have some feeding before slaughtering?

Mr. CONNALLY. Why, of course! The Senator from New Mexico is absolutely correct.

Mr. HATCH. Then the packer would be prohibited from buying those cattle which were not ready for slaughter at the moment he purchased them?

Mr. CONNALLY. The packer would have to cull out of the herd the good, fat ones and turn back to the farmer or the cattleman all that were not immediately ready for slaughter.

Mr. HATCH. Then he would have to sell those as cut-

Mr. CONNALLY. Certainly. That is one of the effects of this great measure to "help the producer"-to destroy, in a degree, his market.

Mr. CAREY. Mr. President-

Mr. CONNALLY. I yield to the Senator from Wyoming.

Mr. CAREY. I should like to call the attention of the Senator to the fact that if a packer bought, say, 100 head of cattle, and among those there were 5 head that were not fit for slaughter, under the bill the packer could not feed those 5, nor could be sell those 5. Under the terms of the bill he could buy only for slaughter.

Mr. CONNALLY. That is correct.

Mr. CAREY. If a packer wished to buy a man's cattle, he would have to cut back and leave a few head that were not fit for slaughter, because he would have no way of disposing of them under the bill. He could not sell them, and he could not fatten them.

Mr. CONNALLY. The Senator from Wyoming is a practical cattleman. He knows what the effect of this bill, if enacted, will be. The Senator from Wyoming is not interested in the packers. He is interested in seeing the cowman get a decent price for his cattle. He has properly pointed out that if Congress should enact the Capper bill, and a packer should buy a herd of cattle and find some of the herd not fit for immediate slaughter, the packer could neither feed them to make them fit for slaughter nor could be sell them. He would have to send them to the taxidermist and have them stuffed for antiques, I suppose. [Laughter.]

Mr. President, I call the attention of Senators to the report by the Secretary of Agriculture to the Committee on Agriculture and Forestry with regard to this bill. It appears on page 4571 of the RECORD. I set this official report, by men who know, off against the few stray telegrams that

Senators are receiving.

Mr. President, I do not wish to weary the Senate; but if you pass this bill you are going to weary the cattleman much more than I am wearying the Senate. I yield the floor, in the hope that the Senate will send this bill back to the committee along with the Murphy bill, in order that the committee may take some action on the subject and report here a measure which will not destroy what we are supposed to be

Mr. ASHURST. Mr. President, I did not expect to address the Senate this afternoon, and I shall be brief. I should not speak at all except for the feeling that if I were to remain silent in such circumstances I might be justly accused of remissness in duty toward those persons, particularly in the Western States, whose burdens and struggles I have so long known.

Mr. President, I left the range years ago. The sympathies I then had for the stockmen who were struggling against inclement weather, predatory animals, and uncertain markets are still with me, and will be forever.

I am convinced that it is my duty at this time to declare that, as I understand this bill, it is a devastating blow against the livestock interests, so far as I know those in-

Since my boyhood days the stockmen of the Western States have struggled to secure markets. It was always their hope that markets would expand, open, increase, and grow, rather than be restricted. I long ago adopted the idea that it is no reflection upon a Senator to oppose his bill, and to characterize the bill which the Senator introduces as a bad remedy or a "gold brick." That is no reflection upon the Senator from Kansas [Mr. CAPPER]. He has a right to introduce and speak for such bills as he believes to be correct. Therefore, my criticism of the pending bill is not to be construed as any criticism of its author, the Senator from Kansas; but I do say that the Senator from Texas [Mr. CONNALLY] did not overstate the case, he indulged in no overemphasis, when he said this bill would have a paralyzing effect upon the markets of the cattlemen.

Whether intended to be or not, the bill is for the benefit of the commission men. It is a bill to take from the cattle grower the right to bargain as he pleases and to sell his cattle if and when he pleases, to whom he pleases; it is a bill to require him to sell the product of his range through one particular agency; in other words, to drive all his herds through the neck of one bottle.

I thought that our business and function, if we had any business at all, was to try to increase and expand markets, not to restrict them. My judgment of the pending bill is that it is a bill to restrict markets, to give to the commission men unjust and undue advantages, and I but use the language of the Senator from Nebraska when he said yesterday that there is nothing wrong in being a commission man. It is a legitimate calling. It is wrong, however, for Senators to take from the livestock producer his natural right, to say nothing of his legal rights, to sell his herds and the products of his toil and care, if and when he chooses, to whom he chooses, for what he pleases to accept. It is not right for any law-making body to restrict his market and say, "Sir, you must sell your produce through the market we name and that market only."

I presume the Senate is tired of listening to suggestions that this or that might be unconstitutional. The Senator from Wyoming [Mr. O'MAHONEY] and others pointed out, if not yesterday, the day before, a provision so ridiculous that no court would listen to it for 1 minute.

Mr. CONNALLY. Mr. President-

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Texas?

Mr. ASHURST. I yield.

Mr. CONNALLY. Does the Senator realize that the bill also provides that at the 600 new places throughout the country which would come under the provisions of the bill the Secretary of Agriculture would dictate as to how much they should knock off for what they call "fill"? The Senator knows what "fill" is?

Mr. ASHURST. Yes. Mr. CONNALLY. And that the dealer and seller are not to make their own trade, but they are to go through all this

Mr. ASHURST. If a visitor in the gallery, let us say from some other country, were to be told that that was in the bill, he would doubt it; but the Senator from Texas has spoken correctly, it does take from citizens their right to bargain and sell their produce.

I have seen many bills which seemed to restrict the natural and legal rights of the citizen, but the pending bill is so shocking I do not wonder that the livestock interests of the West are petitioning their Senators, and in a proper way, to oppose the bill.

The Senator from Texas, with that pungency of intellect. with that accuracy of rhetoric, which so characterize him, spoke about the telegrams he had received, and he invited the Black committee to look into some telegrams. I am not afraid of lobbyists. They do not bother me, because I know how to talk to them. With a gentle irony one can get rid of them in a moment; or he can thrust them from his office.

A virtue which requires a sentinel by its side all the time is a poor, feeble virtue. I am in favor, indeed, of antilobbying bills to protect weak and timid souls, who cannot stand alone. who must have a guardian by their sides. I vote for antilobby bills so that wayfaring and unsuspecting men will not be overthrown. But if there be a lobby on the pending bill at all, it is for the bill. I do not criticize the lobby as wrong. Citizens have a right to telegraph Senators. I received a telegram a few days ago from an important institution in my State urging me to oppose this bill. I filed the telegram away. Now comes a telegram saying, "We have reversed our attitude, and we now want you to favor this bill."

There was no argument in the telegram as to why they desired that I should change my attitude; but I would be a most unpretending simpleton if I did not know that commission men in Chicago or Kansas City have urged the interested persons to telegraph me. I do not need a detective to tell me that such is the fact. A man's intuition tells him such things. So, as I have said, not characterizing it as an improper lobby at all, I repeat that in this case, if there be a lobby at all, it is in favor of the bill.

The stockman, riding beneath the summer's sultry sun, or under the cold stars, in the inclement winds of winter, has no time or opportunity, and frequently has not expense money, to send telegrams to his Senators. He must depend upon the natural ability and the judgment of his Senators as to what is right and what is wrong.

I now embrace this opportunity to say that two dozen years ago tomorrow I took my seat in the Senate, and I think that the cowboys, the knights of the remuda, that brilliant and fascinating throng of men who drive the thundering herds, have always felt, and I suspect justly felt, that during my long service in the Senate I have never really done anything for them. That probably arises from the circumstance that the free, upstanding cowboy does not want anybody to do anything for him. He will make his way: he will carve out from the obdurate face of nature his own independence, his own property, and pay his taxes as he goes, and he wants nothing from the Government. I should at least say this much for the American cowboy, particularly when he has sustained me so long.

So, whilst the American cowboy has never asked from his Government any bounty, any charity, any gift, or any grant, at the public expense, he has a right to expect that we will not assassinate the markets he builds up through his own initiative, his own courage, and his own industriousness.

We are wandering far from the principles which promote upstanding men. The Government was not created to feed people; the Government was not created to give men jobs; the Government was not created for such purposes. Men must support the Government, not the Government support them. We must soon or late reverse our steps, we must retrace them, if we are to continue to have a Government. The American cowboy may proudly stand among the great throng of American people and say, "Look you, sirs, I never asked any charity from my Government; I do not expect to ask anything from my Government in the form of gifts and bounties; but I do ask that you do not strike down every effort I make to secure a free and unrestricted market. I have a right to ask you, sirs, that you do not destroy my markets.'

Mr. President, I feel that it would be a neglect of duty on my part if I failed to protest when the markets of the stockmen were assailed and sought to be restricted. It

makes little difference whether such restriction comes under the Old Deal or the New Deal. It is not a square deal.

When I speak of a "square deal" I apologize for using words drawn from the nomenclature of the poker table. It is a peculiar thing that the English people draw for political phrases upon the nomenclature of the sea, while in American public life we draw upon the nomenclature of the poker table-"stand pat", "square deal", "full house." Resorting again to the nomenclature of the poker table, I say this bill is not a "square deal." I oppose it.

I ask my learned friend, the Senator from Texas, Has the Secretary of Agriculture sent in a favorable report on this bill?

Mr. CONNALLY. I will say to the Senator that he has not; and in a little while I expect to quote some excerpts from his report.

Mr. ASHURST. I am no defender of the Secretary of Agriculture. He has done some things of which I do not approve, and he has done many excellent things for which he should have public commendation; but at least he had the courage, he had sufficient understanding of American principles of government and American rights of free citizens, never to approve this bill. What argument then, forsooth, can be presented to us at a time when we are trying to build up markets, for the passage of a bill that will restrict markets?

Mr. President, purely from the suspicion that I have already said enough, and for fear I shall say something I should not say, I surrender the floor.

Mr. CONNALLY. Mr. President, the Senator from Arizona, in replying to an inquiry by the Senator from Texas, asked whether the Secretary of Agriculture has approved the pending bill. He has not. He wrote a letter on June 6, 1935, to Hon. E. D. SMITH, chairman, Senate Committee on Agriculture and Forestry, from which I wish to read excerpts. I shall not read the whole of the letter.

What does the Secretary say about the provision to which I referred a moment ago, prohibiting packing plants anywhere-little ones, big ones, whether in Chicago, whether in Kansas City, whether in Houston, Tex., or whether out on the Pacific coast-from buying cattle and then feeding them? Here is what the Secretary of Agriculture says. This is not some fellow who got two telegrams asking him to vote for the bill. This is the Secretary of Agriculture speaking:

Packers located in the Southwest and in the Pacific Coast

I invite the attention of the Senator from Oregon [Mr. McNary], and the Senators from California and from other States adjacent to the Pacific coast-

Packers located in the Southwest and in the Pacific Coast States have followed this practice for many years.

That is, buying cattle and then feeding them and then slaughtering them.

Many of these packers are located some distance from public livestock markets and usually obtain their livestock supplies over a relatively wide area by direct purchase from producers.

That is what this bill seeks to destroy-direct purchases from the producers.

What does the Secretary further say:

Since relatively little intensive feeding of cattle and lambs is done by stockmen or farmers in their territory, these packers—

And these are the little fellows out in the West and in the South-

these packers claim that they have found it necessary-

They have found it necessary, Senators-

to feed livestock in order to insure themselves of a dependable supply of the better grades of animals for their trade require-

Wipe these little packers out! Buy everything from the big packers! Yet it is said that the big packers are controlling the market! How much more effectively will they control it when the little packer is destroyed?

I continue to read from the Secretary's letter:

in order to insure themselves of a dependable supply of the better grades of animals for their trade requirements. In buying livestock from a producer these packers often purchase all animals offered, even though some may be unsuitable for immediate slaughter. Those not suitable for immediate slaughter are either fed out in the packers' own feed lots or they are assembled and reshipped to public markets where they can be sold to those desiring them. In this way livestock producers, especially those in areas having few public markets, have been provided with an economic service economic service

And that is the service this bill is designed to destroyan economic service which apparently has been beneficial to

The Department of Agriculture says that direct buying, permitting packers to feed in their own areas, has been beneficial to the producers, and yet the pending bill seeks to destroy that benefit.

Mr. ASHURST. Mr. President, will the Senator yield to me at that point?

Mr. CONNALLY. I yield.

Mr. ASHURST. If the contract arrangement and purchase price are directly between the purchaser and the seller, obviously there is no commission.

Mr. CONNALLY. Then there is no commission.

Mr. ASHURST. If these purchases are to be made through the commission houses, the commission men do not work for nothing. Somebody gets those commissions.

Mr. CONNALLY. Exactly.

Mr. ASHURST. I do not say it is wrong to be in the commission business

Mr. CONNALLY. No. Mr. ASHURST. But it means that the seller loses the price of the commission, or the consumer must pay it. Is not that true?

Mr. CONNALLY. Certainly. The Senator from Arizona has put his finger upon the most sensitive and delicate spot in this thing. Of course, if we force the cattle into these public markets, the commission men, like the craps-table operators, get a percentage, and if we keep on giving them a percentage long enough they will have everything except the rump steak and the jowls.

Now, Mr. President, what else? The Secretary of Agriculture says that this service has been beneficial to the producer of cattle.

Therefore the Senator from Kansas wishes to destroy it. Mr. ASHURST. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. ASHURST. Individual buying is referred to as beneficial, is it?

Mr. CONNALLY. Individual buying, and letting the little packer feed and then slaughter, instead of his having to go to Chicago or to Kansas City to buy his cattle.

Mr. ASHURST. And that is what the Secretary of Agriculture says has been beneficial to the livestock interests?

Mr. CONNALLY. Yes; that is what he says has been beneficial to the livestock interests. Since it has been beneficial, let us do away with it!

Mr. CAREY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. CAREY. I should like also to call attention to the fact that when the packers are feeding the animals, they in most instances are buying feed from farmers who would have no market for it if the cattle went to the Kansas City market. for example.

Mr. CONNALLY. Exactly. You men from Iowa, with your corn, and you men from other States in the Middle West, do you not want that corn to be eaten by somebody else's cattle, hogs, and livestock? The more you feed them the more corn they are going to require. Yet this bill says, "No; you must not feed them."

Let us see what the Secretary of Agriculture, who comes from Iowa, says. Listen. I have already pointed out that he says this service is beneficial to the producer:

In addition there is reason to believe that the practice on the part of some packers in certain areas of buying all livestock offered and of feeding livestock to insure a steady supply of slaughter

animals makes for greater price stability in those areas than might otherwise prevail.

The Secretary says it is a good thing to stabilize the price and furnish a steady market to the farmer, but the pending bill seeks to destroy it.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. FRAZIER. I should like to ask the Senator from Texas if he does not think it would be better for the Secretary of Agriculture to advocate plans whereby the farmer could feed his own cattle, and get all the profit there is in them, instead of selling the cattle to somebody else who feeds them and makes a profit on them. Selling cattle before they are ready for the market is not profitable to anybody, either to the packer or the farmer.

Mr. CONNALLY. All right; I assume the Senator from North Dakota wants a bill under the terms of which the farmer is told that he may raise a cow, and he may bring it to maturity, but he may not sell it until it gets fat, and he is not to be the judge of when it is fat. The farmer must have some little bureaucrat come out from Washington, at Government expense, probably in an airplane, to look at his cow and say whether or not she is fat enough for the market. That bureaucrat would be the one to decide whether she is fat enough for the market. That is not to be decided by the man who sweated over her, and saved her when she was little, and doctored her for screw-worms, and got the cockleburs out of her tail. He is not the man who has any interest. No; he must not sell the cow until she gets fat according to Government standards and requirements. That is what the Senator from North Dakota wants.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. NORRIS. The Senator was referring to some little bureaucrat coming out and telling the farmer what to do. I suppose that bureaucrat is a representative of the Secretary of Agriculture, this great man who, the Senator says, is opposed to the pending bill?

Mr. CONNALLY. No; I am talking about what the Senator from North Dakota wants. He said there ought to be a law not to allow the farmer to sell a cow until it gets fat

enough for market.

Mr. NORRIS. No, Mr. President; he did not.

Mr. FRAZIER. I did not say anything of the kind.

Mr. CONNALLY. I should rather let the Senator from North Dakota say what he said. What did the Senator say?

Mr. FRAZIER. Mr. President, I asked the Senator if he did not think it would be better for the Secretary of Agriculture to advocate some plan whereby the farmer could afford to feed and fatten the cattle himself.

Mr. CONNALLY. Why can he not do it now?

Mr. FRAZIER. Because in many instances he cannot make enough money to feed cattle.

Mr. CONNALLY. You do not feed cattle money; you feed them corn and hay and oats.

Mr. CAREY. Mr. President, will the Senator yield?

Mr. CONNALLY. I shall yield in a moment. I wish to answer the Senator from North Dakota.

The Senator from North Dakota, who poses as the outstanding representative of the farmers of the United States, is contending that the farmer ought to be able to fatten his own cattle. Of course he ought to. I am for that. But if the farmer will raise feed on his farm, if he will raise hay, if he will raise corn and things of that kind, why should he not feed his cow and keep her fat? I suppose the Senator from North Dakota wishes the Government to furnish the feed for the cow, and let the farmer feed her until she gets fat. I do not know of anything in my part of the country that keeps our farmers from feeding their own stock, and they do; but they dig out of the ground the feed which they give the cow, and they do not ask the Government to furnish it.

Mr. CAREY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. CAREY. I find, in most parts of the country, that any tion I have submitted to the starmer who has insufficient feed to feed livestock can borrow ducers are opposed to the bill.

money, either through the Production Credit Corporation, which is established by the Government, or through some private bank. But there are many farmers who do not wish to feed, regardless of the fact that they have feed.

Mr. CONNALLY. Certainly.

Mr. CAREY. And there are other farmers who have insufficient feed.

Mr. CONNALLY. Certainly.

Mr. CAREY. Those who have a sufficient market to sell their feed can borrow money. The bill is not necessary for a farmer who has sufficient feed.

Mr. CONNALLY. Of course. There are more governmental agencies provided to lend money to the farmers now than any other agencies I know, and I represent a farmer constituency, and I know all about the Government agencies in the United States. They can borrow money from the farm-credit organizations in my State, and they do, and carry their cattle, and wherever they have any feed they themselves feed the cattle. The idea here seems to be that if you yourself have any feed you cannot sell the cattle to somebody else who has feed.

Mr. HAYDEN. Mr. President, it seems to me the crux of this situation is that if direct marketing is to stop we shall deprive the owner of cattle of the privilege of saying to a buyer, regardless of whom he represents, whether or not the owner will sell his cattle. If the buyer does not offer the owner of the livestock a satisfactory price, the owner can turn them back on the range. That is his privilege. But if we compel him to send them to a central market he may not want to take what he can get, and yet he cannot drive them clear back home, and is compelled to take what is offered.

Mr. CONNALLY. The Senator from Arizona knows something about cattle and how they are handled. He has stated the situation clearly. The producer is in the enjoyment of the greatest freedom as to whether he shall sell or not when he is standing on his own soil. A man comes out to buy his cattle, but he does not have to sell them unless he gets a proper price and therefore he waits until he gets a satisfactory price. If we force him to ship those cattle to a central market, they will have to be put in the public stockyards at so much per head and the longer they stay the larger the charges, and the result is that the farmer and ranchman have to sell for whatever they can get because otherwise the charges and expenses involved would eat up all the profits and more.

I want to quote further from the Secretary of Agriculture. What did he say further about the Capper bill?

It is difficult to determine, short of a comprehensive and detailed study, the extent to which packers find it necessary to feed livestock for slaughter in order to secure a dependable supply of slaughter animals of the different grades. * * * It is possible, therefore, that the prohibition upon feeding of livestock by packers might be a distinct disadvantage to producers in the territory adjacent to these packing plants by restricting their market outlet for unfinished cattle and lambs.

Mr. ASHURST. Mr. President, I do not wish to interrupt the Senator, but will he be so kind as to let me make a further observation?

Mr. CONNALLY. I yield to the Senator from Arizona.

Mr. ASHURST. After investigation and relying on authority upon whose judgment I am accustomed to depend in the stock business, I find this to be true: All of the producers and producing organizations are opposed to the bill. Those organizations which have stockyard interests or commission interests are in favor of the bill.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. CONNALLY. Certainly.

Mr. FRAZIER. The ordinary, everyday farmer who practices general farming and raises a few hogs or cattle is in favor of the bill. Many of the big stock raisers are opposed to it. The packers are against it.

Mr. ASHURST. I do not question the accuracy of the Senator's statement if he says the packers are against the bill. My information was that they were not opposed to it, but that does not impeach the correctness of the information I have submitted to the Senate—to wit, that the producers are opposed to the bill.

If the Senator from Texas will indulge me further, notwithstanding the romance which clusters around cattle raising and sheep raising, it is a severe and grueling task to raise cattle or sheep in the section of country from which I come, and which country I know.

Here are my worthy friends, the able Senators from New Mexico. If I make an error in what I say as to the section of the country which embraces New Mexico, as well as Colorado, Utah, Wyoming, and all that great section which we call the intermountain States, if I have misstated the situation or have overstated the burdens which fall upon stock raisers, I ask them to correct me.

Mr. HATCH. Mr. President, I had just suggested to the Senator sotto voce that I desired him to include my State with his in the remarks he was making.

Mr. ASHURST. I shall do that. I thank the Senator for his very fair and frank reference and for his desire to have his State included in the number of States to which I have referred. The problems of the stockmen of New Mexico are almost identical with the problems besetting stock raisers in Arizona, Utah, Nevada, Wyoming, Montana, Idaho, and Texas.

Mr. CONNALLY, I thank the eminent Senator from Arizona.

Mr. President, what else did the Secretary say? I read:

It is possible therefore that the prohibition upon the feeding of livestock by packers might be a distinct disadvantage to producers in the territory adjacent to these packing plants by restricting their market outlet for unfinished cattle and lambs.

The Secretary said the bill does restrict the outlets. Do Senators want to do that? Do they want to narrow the markets? Do they want to make it more difficult for the ranchmen and the farmers to sell their cows? That is what the bill proposes to do.

I read further:

The bill would amend section 302 (a) of the act by defining a new type of stockyards. Such yards would be any place where live cattle, sheep, swine, or goats are received incident to or in connection with the sale to packers and where the total number of animals received in the preceding calendar year was more than 35,000 head.

Listen to what the Secretary had to say:

It is our understanding that there are quite a number of yards which would fall within this description.

The Senator from Iowa [Mr. Murphy] said the number would be 600.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. CONNALLY. Certainly.

Mr. MURPHY. I made that statement in my remarks to the Senate the other day on the authority of the Bureau of Agricultural Economics. A gentleman, whose name I think is Mr. Hildebrand, and who is the representative of some livestock association, called me this morning to say that this is in error; that it would affect not 600 yards but 60. He accounted for the statement made to me by the Bureau of Agricultural Economics with the explanation that the Bureau probably had in view all the stock in those yards rather than those intended to be purchased and slaughtered by packers.

Mr. CONNALLY. For the moment it is not important how many there are. The Secretary said:

It is our understanding that there are quite a number of yards which would fall within this description, and this, of course, would considerably enlarge our supervisory activities and require a substantial increase in the appropriations to enforce the act.

That is true. Although the bill provides that it shall not cost the Government anything, it sets up machinery and says that no one shall be appointed to operate it. Let us see if the bill is in harmony with the President's Budget. Here is what the Secretary had to say about the Budget, and I commend this to the responsible leaders on both sides of the aisle:

Upon reference of this matter to the Budget Bureau, as required by Budget Circular 49, the Department was advised by the Assistant Director thereof, under date of June 1, 1935, that, insofar as this proposed legislation would extend the scope of the Packers and Stockyards Act of 1921, the additional expenditures for administration and enforcement which would thereby be involved

would not be in accord with the financial program of the President.

That is what the Secretary says. He submitted this bill to the Budget Bureau. The Budget Bureau says it is not in accord with the President's financial program; and yet Senators say, "We are going to have it anyway. We are going to pass this bill, the President's financial program to the contrary notwithstanding."

Do you wish to build up another bureaucracy? Do you wish to add thousands of men to the pay rolls, to do what? To restrict markets; to strike down the opportunity to feed cattle; to take away the right of the stock raiser to get the best obtainable price; and all this in the name of Government regulation. The Senator from Kansas says it will not cost a cent.

Mr. BENSON. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield. I am about to yield the floor.

Mr. BENSON. I desire to ask the Senator a question.

Mr. CONNALLY. Very well; I yield.

Mr. BENSON. The Senator has indicated that the cost of this bill may be very large. Is there any indication as to how much the cost might possibly be?

Mr. CONNALLY. There are no figures; no.

Mr. BENSON. I suppose the Senator realizes that just a few days ago we voted, here in the United States Senate, to appropriate more than \$600,000,000 for carrying on war. The Senator is not intimating that this bill will cost more than that, is he?

Mr. CONNALLY. And, therefore, we have less money now than we had then, and, therefore, we ought to spend more.

Is that the Senator's logic?

Mr. BENSON. No; my logic is this: If the Senator is intimating that this bill is going to cost a lot of money, we might consider the \$600,000,000 appropriation a little more seriously than we have.

Mr. CONNALLY. I am not discussing the Army bill. The Senator from Minnesota was here the other day when it was acted on. I suppose he voted his sentiments. I voted mine. That, for the moment, is water over the wheel. I am quoting the Secretary of Agriculture. The Senator from Texas is making no insinuations. He is reading what the Secretary of Agriculture says, not about the Army bill, which has been passed, but about this bill, which is now up for discussion.

Mr. BENSON. But the Senator mentioned something about the cost of the bill without saying how much it was going to cost.

Mr. CONNALLY. I do not know how much it is going to cost. The Secretary of Agriculture does not say. He says the cost will be considerable. I shall read what he said.

Mr. BENSON. May I ask the Senator another question? Mr. CONNALLY. Let me answer this one first. Here is what the Secretary says. All I am doing is quoting him:

It is our understanding that there are quite a number of yards which would fall within this description, and this, of course, would considerably enlarge our supervisory activities and require a substantial increase in the appropriations to enforce the act.

If the Senator from Texas has sinned in quoting statements of that kind from the Secretary of Agriculture, he is sorry; but that is all he is doing.

Mr. BENSON. Do not misunderstand me. I do not think the Senator from Texas ever sins.

Mr. CONNALLY. Ah! Then the Senator is laboring under a misapprehension.

Mr. BENSON. Let me ask the Senator a question. He indicated a moment ago, and I believe the Senator from Arizona [Mr. Ashurst] also indicated, that this bill will restrict or prohibit the direct buying of livestock.

Mr. CONNALLY. Yes.

Mr. BENSON. Just where in the bill does it prohibit or restrict the direct buying of livestock?

Mr. CONNALLY. I do not say the bill absolutely prohibits it everywhere, but it does restrict it, and the Secretary of Agriculture points out why it is to be restricted.

Mr. BENSON. I mean, I should like to have the Senator point out to me where the bill restricts or prohibits the direct buying of cattle.

Mr. CONNALLY. If the Senator please, it says packers shall not feed cattle that they buy.

Mr. BENSON. Does that restrict direct buying?

Mr. CONNALLY. Yes; it restricts it to some extent.

Mr. BENSON. Then I do not understand the direct buying of livestock.

Mr. CONNALLY. I am sorry the Senator does not. Neither do I. [Laughter.] The Senator from Minnesota is in no worse fix that I am; but I understand that the direct buying of livestock is the practice whereby any man who wishes to buy, whether he is a feeder in Kansas, a feeder in Iowa, or a representative of the packers, sends his agent down into Arizona or New Mexico or Texas, where the cattle are. It is necessary to get the buyer and the cow together. The agent goes down there and buys the cattle, either at the ranch or on the farm or anywhere else. That is direct buying. This bill is designed to restrict that and to establish a number of public markets; and under the bill, if a cow goes through one of those public markets she can be sold only according to the regulations of the Department of Agriculture. The Department of Agriculture tells the farmer how much he must knock off because the cow is hungry and thirsty and fills up with feed and water just before she is weighed. That is what is called "fill." The Secretary of Agriculture comes out and looks over the old cow, and says, "Well, now, Mr. Farmer, that cow looks awfully thin, and she looks as if she is going to drink a lot of water and eat a lot of feed just before she is weighed, and we will make you knock off 100 pounds", or 50 pounds, or 25 pounds, or 3 pounds. The farmer has to do what the Secretary says. The seller and the buyer cannot agree-oh, no; that will not do. A Government inspector has to look over the cow, open her mouth, look at her teeth-

Mr. McKELLAR. Milk her.

Mr. CONNALLY. The Senator from Tennessee says, "Milk her." I will leave that to the Senator from Tennessee. The inspector has to thump the cow around and see whether she is full or whether she is empty and then tell the buyer how much he may knock off because of the added feed and the added water. That is part of the directions in this bill.

Mr. CAREY. Mr. President, will the Senator yield?

Mr. CONNALLY. I will yield to the Senator in a moment; but let me ask him a question before I yield: Is not that true? Is not that what "fill" means? Do not you cattlemen feed your cattle just before you weigh them?

Mr. CAREY. Oh, yes; and we water them, too.

Mr. CONNALLY. Generally you give them more water

Mr. BARKLEY. Mr. President, does the Senator from Texas contend that water ought to be paid for under the guise of a cow?

Mr. CONNALLY. Oh, no! Mr. BARKLEY. Does the Senator from Texas contend that because the cow has been filled up with water in order to make her weigh more the consumer ought to be charged for that water?

Mr. CONNALLY. Oh, no; but the Senator from Kentucky is concerned now about water. How would you sell the cow? You cannot dissect her. That is what the packers do; they dissect her. Of course, when you weigh cows, you have to weigh them as an entirety. You cannot weigh the tail, and then weigh the head, and weigh the legs separately. cow is going to drink some water, of course. I thought the Senator from Kentucky knew that cattle drink water. What I am talking about is simply a sample of how these Government regulations go.

Mr. BARKLEY. If the water is to be weighed, why not weigh it before making the cow drink it?

Mr. CONNALLY. Oh, the Senator from Kentucky is not serious in that.

Mr. BARKLEY. I think I am as serious as the Senator from Texas has been in most of his remarks.

Mr. CONNALLY. That may be, because the Senator from Kentucky has been very quiet; and the quieter he is the more serious he is.

Mr. CAREY. Mr. President, will the Senator yield? Mr. CONNALLY. I yield.

Mr. CAREY. In regard to the question which the Senator from Minnesota [Mr. Benson] asked the Senator from Texas as to how this bill restricts buying, I should like to call the Senator's attention to section 303 of the bill, which provides

After the expiration of 30 days after the Secretary has given public notice that any stockyard is within the definition of section 302, by posting copies of such notice in the stockyard, no person 302, by posting copies of such notice in the stockyard, no person shall carry on the business of a market agency or dealer at such stockyard unless he has registered with the Secretary, under such rules and regulations as the Secretary may prescribe, his name and address, the character of the business in which he is engaged, and the kinds of stockyard services, if any, which he furnishes at such stockyard, and unless he has filed a reasonable bond, under such rules and regulations as the Secretary may prescribe, to secure the performance of his financial obligations as such market agency or dealer.

I contend that that section would make it impossible for anyone who happened along in a stockyard who desired to deal in livestock to deal until he had registered with the Secretary and complied with certain rules and regulations.

Mr. CONNALLY. The Senator from Wyoming is correct about that.

The Senator from Kentucky wishes to know about the water. I am not concerned about how much water the cow drinks, but the buyer and the seller know from long experience. There is a regular established practice about that. I was simply using that as an illustration of the extent to which this bill would put those things under Government regulation; that was all. The Senator from Texas is not trying to be funny. In a contest with the Senator from Kentucky the Senator from Texas does not ever try to be

Mr. ASHURST. Mr. President, will the Senator yield? Mr. CONNALLY. I yield.

Mr. ASHURST. There is no more shrewd, prudent, careful, or cautious man than the cattle buyer. He is not going to buy water, and if my learned friend from Kentucky got the idea that any cattle buyer is going to buy water-watered stock, watered cattle-he may dismiss such an alarm from his mind, because, I repeat, the men who buy cattle make it a life's work. They train their sons to it. No one is going to sell them any cattle that have been watered.

Mr. BARKLEY. Mr. President, if the Senator from Texas will yield to me, even I have sense enough to know that. The Senator from Texas seemed to be complaining because there is to be a certain amount of weight knocked off under some governmental regulation because of an extra amount of water put in the cow just before she is weighed.

Mr. CONNALLY. Oh, no.

Mr. BARKLEY. That is the only reason why I brought that matter into the discussion. The Senator from Texas was ridiculing this Government regulation which requires some knock-off on account of water, or on account of feeding just before weighing.

Mr. ASHURST. Mr. President, I drew the impression that the Senator from Texas was using that as an illustration of the ridiculous ends to which such a law would ultimately drive the growers of cattle.

Mr. CONNALLY. It is in the bill.

Mr. BARKLEY. After all, it seems to me there is nothing unreasonable about a Government regulation that a certain amount shall be discounted for unusual attention given to a cow in the way of feed and water just before she is driven on the scales, because, after all, I suppose the regulation is based on reason.

Mr. CONNALLY. Mr. President, I was not complaining at that. Any man who buys a cow knows that they fill the cows up with water, and if he did not know it, when he looked at it he could tell it, because the old cow is all stretched; she looks as if her skin is as tight as Dick's hatband. I was using that simply as an illustration of the ridiculous ends to which the bill goes.

The man who buys the cow knows how much to knock off, and the man who fills her up with water knows how much to knock off. I was not complaining about that. But the Senator from Kentucky, evidently not being familiar with cattle practices, asked me the question, and I tried to reply to him, and it seems to have offended him.

Mr. BARKLEY. No; it did not even seem to offend me.
Mr. McKELLAR. Would not the buyer and the seller
know more about it than the Secretary of Agriculture?

Mr. CONNALLY. Certainly, and that is all the Senator from Texas is trying to point out.

I have endeavored to point out that the bill is harmful to the producer, and it is antagonistic to the President's financial program, according to the Secretary of Agriculture, and according to the Budget Director. Why the urge to pass the bill? What are the influences which are pushing this bill, when it is against the President's program, the Secretary of Agriculture does not want it, and has reported adversely on it? Who is advocating the bill, and why is it being pushed? I submit, Mr. President, that the bill ought to be sent back to the committee.

Mr. ROBINSON. I inquire of the Senator whether he makes a motion to that effect?

Mr. CONNALLY. I do. I move that the bill be recommitted, with my amendment, which is the bill presented by the Senator from Iowa [Mr. Murphy].

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas that the bill be recommitted.

Mr. CAPPER. Mr. President, what is the motion of the Senator from Texas?

Mr. CONNALLY. My motion is to recommit the bill, with the pending amendment.

Mr. CAPPER. The Senate has already voted on a motion to recommit.

Mr. CONNALLY. I know that, but it can vote on it again. Mr. CAPPER. I submit that is not a proper motion.

Mr. CONNALLY. Mr. President, I withdraw the motion to recommit. Let us have a vote on the amendment I have offered, which is the bill presented by the Senator from Iowa [Mr. Murphy]. If the Senate wants this bill, it can have it. I think it would be acting very imprudently if it passed it.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Texas [Mr. Connally].

Mr. O'MAHONEY. I suggest the absence of a quorum.
The PRESIDING OFFICER. The clerk will call the roll.
The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Caraway	King	Overton
Ashurst	Carey	La Follette	Pittman
Austin	Chavez	Lewis	Pope
Bachman	Connally	Logan	Radcliffe
Bailey	Coolidge	Lonergan	Reynolds
Barbour	Copeland	Long	Robinson
Barkley	Couzens	McGill	Schwellenbach
Benson	Davis	McKellar	Sheppard
Bilbo	Donahey	McNary	Shipstead
Black	Fletcher	Maloney	Smith
Bone	Frazier	Metcalf	Thomas, Utah
Borah	George	Minton	Townsend
Brown	Gibson	Moore	Truman
Bulkley	Glass	Murphy	Tydings
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Hayden	Norris	Wagner
Byrnes	Johnson	Nye	Walsh
Capper	Keyes	O'Mahoney	Wheeler

The VICE PRESIDENT. Seventy-six Senators having answered to their names, a quorum is present.

Mr. CAPPER. Mr. President, I should like to suggest to the minority leader that there are several Senators who wish to discuss the bill, and I do not believe we can conclude the discussion this evening.

Mr. ROBINSON. Mr. President, in view of the statement of the Senator from Kansas that a number of Senators intend to speak on the bill, I presume it would not be practicable to attempt to conclude its consideration this afternoon. Is that the thought of the Senator from Kansas?

Mr. CAPPER. It is.

Mr. McNARY. Mr. President, the Senator from Kansas and three other Members of the body would like to speak to the motion. For that reason I should like to have the motion to substitute the Murphy bill for the unfinished business go over until tomorrow.

Mr. ROBINSON. Very well.

TERMS OF UNITED STATES COURT, MIDDLE DISTRICT OF PENNSYLVANIA

Mr. ASHURST. Mr. President, on the front page of our calendar for today there is an order for a final vote on House bill 11098 tomorrow at not later than 3 o'clock. I feel that courtesy to the Senators from New York requires that I should say that they have been appointed members of a committee to attend the funeral of a Representative from the State of New York who has departed this life. I ask unanimous consent, therefore, that the vote which was to be taken at or before 3 o'clock tomorrow be taken at 1 o'clock p. m. on April 15.

Mr. ROBINSON. Mr. President, will the Senator from Arizona yield in order that I may make a suggestion to him?

Mr. ASHURST. I yield.

Mr. ROBINSON. It is my suggestion that, in order to accomplish the same purpose, he ask that the unanimous-consent agreement heretofore entered into respecting House bill 11098, be rescinded, and that the Senate proceed to vote on the bill at 1 o'clock on Wednesday, April 15.

Mr. ASHURST. Yes; if the Senators from New York are

agreeable to that, I make that request.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Arizona? The Chair hears none, and it is so ordered.

DISTRICT COMMERCIAL AIRPORT

The VICE PRESIDENT laid before the Senate the action of the House of Representatives insisting upon its disagreement to the amendment of the Senate to the bill (H. R. 3806) to establish a commercial airport for the District of Columbia, and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. KING. I move that the Senate insist upon its amendment, agree to the request of the House for a further conference on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. King, Mr. Tydings, and Mr. Austin conferees on the part of the Senate.

ARMY DAY

Mr. SHEPPARD. Mr. President, I ask unanimous consent for the present consideration of Senate Concurrent Resolution 30, being Calendar No. 1744.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas?

There being no objection, the concurrent resolution (S. Con. Res. 30) to recognize April 6, 1936, as Army Day, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That Monday, April 6, 1936, be recognized by the Senate and House of Representatives of the United States of America, as Army Day, and that the President of the United States be requested, as Commander in Chief, to order military units throughout the United States to assist civic bodies in appropriate celebration to such extent as he may deem advisable; to issue a proclamation declaring April 6, 1936, as Army Day, and in such proclamation to invite the Governors of the various States to issue Army Day proclamations.

INVESTIGATION OF CAMPAIGN EXPENDITURES IN 1936

Mr. ROBINSON. Mr. President, some days ago, the Senate agreed to Senate Resolution 225, providing for a special committee to investigate campaign expenditures of presidential, vice presidential, and senatorial candidates in 1936. Subsequently, the Senator from Oregon [Mr. McNary] gave notice of intention to move a reconsideration, stating, I believe, at the time he made the motion, that he desired that an opportunity be afforded the Senator from Delaware [Mr. Hastings] to offer an amendment to the resolution; and the Senator from Delaware, at the time being ill, the Senator from Oregon himself gave the notice. We have discussed the matter and have agreed upon an amendment; and I therefore ask that the vote by which the resolution was adopted be reconsidered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. ROBINSON. Now, Mr. President, I will offer the amendment which has been agreed on, or the Senator from Oregon may offer it. On page 1, line 11, after the word "patronage", it is proposed to insert "or use of any public

The VICE PRESIDENT. The question is on agreeing to

The amendment was agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That a special committee consisting of five Senators, to be appointed by the Vice President, is hereby authorized and directed to investigate the campaign expenditures of the various Presidential candidates, Vice Presidential candidates, and candidates for the United States Senate, in both parties, the names of the persons, firms, or corporations subscribing, the amount contributed, the method of expenditure of said sums, and all facts in relation thereto, not only as to the subscriptions of money and expenditures thereof but as to the use of any other means or influence, including the promise or use of patronage, or use of any public funds, and all other facts in relation thereto which would not only be of public interest but which would aid the Senate in enacting any remedial legislation or in deciding any contests which might be instituted involving the right to a seat in the United States Senate.

No Senator shall be appointed upon said committee from a State Resolved, That a special committee consisting of five Senators, to

No Senator shall be appointed upon said committee from a State in which a Senator is to be elected at the general election in 1936.

The investigation hereby provided for, in all the respects above enumerated, shall apply to candidates and contests before primaries, conventions, and the contests and campaign terminating in the general election in 1936.

in the general election in 1936.

Said committee is hereby authorized to act upon its own initiative and upon such information as in its judgment may be reasonable or reliable. Upon complaint being made before said committee, under oath, by any person, persons, candidate, or political committee, setting forth allegations as to facts which, under this resolution, it would be the duty of said committee to investigate, the said committee shall investigate such charges as fully as though it were acting upon its own motion, unless, after a hearing upon such complaint, the committee shall find that the allegations in said complaint are immaterial or untrue.

Said committee is hereby authorized in the performance of its

Said committee is hereby authorized, in the performance of its duties, to sit at such times and places, either in the District of Columbia or elsewhere, as it deems necessary or proper. It is specifically authorized to require the attendance of witnesses by subpena or otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, clerical and other assistants; and to employ stenographers at a cost not exceeding 25 cents per 100 words.

Said committee is hereby specifically authorized to act through any subcommittee authorized to be appointed by said committee. The chairman of said committee or any member of any subcommittee may administer oaths to witnesses and sign subpenas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee or who appears and refuses to answer questions pertinent to said investigation shall be punished as prescribed by law.

The expenses of said investigation, not exceeding in the aggregate \$_____, shall be paid from the contingent fund of the Senate on vouchers signed by the chairman of the committee or the chairman of any subcommittee.

All hearings before said committee shall be public, and all orders or decisions of the committee shall be public.

The committee shall make a full report to the Senate on the first day of the next session of the Congress.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to: and (at 4 o'clock and 37 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 2, 1936, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 1 (legislative day of Feb. 24), 1936

UNITED STATES ATTORNEY

Lamar Hardy to be United States attorney, southern district of New York.

POSTMASTERS

ALABAMA

Margie Gardner, Aliceville. Ora B. Wann, Madison. Prentiss B. Snodgrass, Scottsboro. PENNSYLVANIA

Michael Heffren, Jr., Adah. Seth J. Morley, Athens. Ralph M. Dysart, Bellwood. Edward B. Walker, Berlin. Howard P. Schaeffer, Bernharts. Stewart Heffley, Boswell. Kathryn L. Monahan, Centralia. P. Louise Brant, Garrett. Raymond P. Smith, Jerome. Eva S. Schurr, Linfield. Hugh G. Provins, Masontown. Alfred E. Cavalcante, McClellandtown. Joseph G. Weakland, Meyersdale. Samuel C. Green, Mont Alto. S. Burton Flickner, Point Marion. Christain S. Lichliter, Salisbury. Gordon H. Fish, South Montrose. Frank J. Fulton, Stoystown.

WASHINGTON

Rose M. Illy, Uniontown,

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 1, 1936

The House met at 12 o'clock noon. The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We praise Thee, O God, for the Teacher of Nazareth. Amid the drama of human life He was infinite love in the presence of throbbing human need. How wondrous is the scarlet thread that runs through His whole earthly ministry: "I am among you as one that serveth." We pray that our obligations may be sacred trusts, planning and spending our strength in the blessing of our fellow men. Lead us, blessed Lord, to seek them not alone for their temporal welfare but for their spiritual and eternal well-being. In their mingled lights and shadows, joys and sorrows, dreams and illusions, may we not fail them. What thoughts come to us, merciful Father, as we stand with the Master at Bethesda's pool pitying the afflicted. We beseech Thee to accept our gratitude for Him who was worn and lonely for our sakes and who turned aside to make glad the weary. Keep us, O God, in Thy righteousness and make Thy way straight before us. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 11691. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 11035) entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1937, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COPELAND, Mr. HAYDEN, Mr. SHEPPARD, Mr. NORBECK, and Mr. Townsend to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 8372) entitled "An act to authorize the acquisition of lands in the vicinity of Miami, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Walsh, Mr. Typings, and Mr. Hale to be the conferees on the part of the Senate.

the following resolution:

Senate Resolution 273

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. Stephen A. Rudd, late a Representative from the State of New York.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 12

COMMERCIAL AIRPORT FOR THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up a conference report on the bill (H. R. 3806) to establish a commercial airport for the District of Columbia, and I ask unanimous consent that the House disagree to the conference report, further insist on its disagreement to the Senate amendments, and ask for a further conference on the bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. SNELL. Reserving the right to object, I do not know just what this is.

This is a bill on which there is a confer-The SPEAKER. ence report, and the gentleman from Maryland asks unanimous consent to disagree to the same and send the bill back to conference.

Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. Palmisano, Mr. Nichols, and Mr. Dirksen.

LEGISLATIVE APPROPRIATION BILL, 1937

Mr. SNYDER of Pennsylvania. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania

Mr. RICH. Reserving the right to object, Mr. Speaker, I should like to ask the gentleman from Pennsylvania if there has been any increase in that bill by the Senate?

Mr. SNYDER of Pennsylvania. If the gentleman will read yesterday's RECORD, he will notice that Senator ROBINson commended the committee of the House on its appropriation and said that the Senate had only added \$4,000, less than it had added to any one bill for a long time.

Mr. RICH. I wish to congratulate the gentleman. This is the first appropriation bill that has come into the House that is less than it was a year ago. I congratulate the gentleman, and I hope he can convince other Members of the House that we should do the same thing with other appropriation bills.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]? [After a pause.] The Chair hears none and appoints the following conferees: Mr. SNYDER of Pennsylvania, Mr. Ludlow, Mr. ZIONCHECK, Mr. DOCKWEILER, Mr. MORAN, and Mr. POWERS.

REHABILITATION LOANS FOR FLOOD DAMAGE

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

Mr. SNELL. Mr. Speaker, reserving the right to object, I understand there is a rule out for the consideration of this bill. I do not know if there is any opposition on this side rience I have every reason to be skeptical.

The message also announced that the Senate had adopted of the House to the bill itself, but we do desire some time to discuss its provisions and the program that is to be followed by the Reconstruction Finance Corporation in carrying out the provisions of the bill. I am perfectly willing, in the interest of time, to adopt the rule by unanimous consent, but we want the hour for discussion of the bill.

The SPEAKER. Then the gentleman from New York objects to the request?

Mr. SNELL. I would have to, Mr. Speaker.

Mr. KOPPLEMANN. Would the gentleman withhold it for a moment?

Mr. SNELL. Yes; I will withhold the objection for a moment.

Mr. KOPPLEMANN. This is a measure which has been before the Committee on Banking and Currency of the House, has been before the Senate, had been widely publicized, and the Members of Congress who are interested in this measure, because of the condition in their districts, are very well acquainted with it. It seems to me this is an unnecessary delay to those who are afflicted and it is an unnecessary waste of time on the part of the House.

Mr. SNELL. Mr. Speaker, further reserving the right to object, this is not any unnecessary delay. On a proposition of this kind to spend \$25,000,000, we have a right to know something about what is proposed. If the gentleman continues that kind of tactics it will be some time before he gets this bill through. I do not desire to delay it at all, but we have certain rights and I demand them.

The SPEAKER. Objection is heard. Mr. O'CONNOR. Mr. Speaker, I call up House Resolution

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the considera-tion of H. R. 11968, a bill relating to the authority of the Recon-struction Finance Corporation to make rehabilitation loans for struction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, this is an open rule for the consideration of the bill H. R. 11968, relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes. This bill was introduced by the gentleman from Connecticut [Mr. KOPPLEMANN], but similar bills were introduced by the gentleman from Massachusetts [Mr. GRANFIELD], the gentleman from Massachusetts [Mr. Russell], and the gentleman from Massachusetts [Mr. TREADWAY], all reaching the same end, empowering not over \$14,000,000 to be used for the relief of sufferers in flooded districts.

Is there any desire for time?

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield to me 5 minutes?

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. Martin].

Mr. MARTIN of Massachusetts. Mr. Speaker, I am in favor of the rule and the legislation which is under consideration. I do want to express the hope these industries stricken through the disastrous flood will not find this legislation merely a mirage, promising aid that is never secured. That has been the way industrial aid has worked out in the past. Twice Congress tried to encourage industry to get back onto its feet and put to work at their regular jobs some of the unemployed army. The Reconstruction Finance Corporation has not been oversympathetic. I hope we will achieve better results through this legislation, but, frankly, from past expeThe Roosevelt administration has spent untold millions for boundoggling; untold millions for any fantastic experiment that some young "brain truster" might suggest. When it came to helping legitimate industry put people to work at their regular occupations very little money has been available.

I represent one of the largest and most varied industrial districts in the United States. I represent a district where the unemployment is great and a district whose industries have been seriously injured by the legislation passed at the direct request of President Roosevelt. Yet this district has found it practically impossible to receive any help from the R. F. C. To my knowledge, only one concern has been helped. Many have been rejected, where a little assistance would have put many people to work and have taken them off the relief rolls. Some of those rejected had good security and were reasonable risks; much better than the \$3,800,000 loan made to establish a new paper concern in Arkansas to compete with existing concerns in the North. Somehow or other, the applicants from my section did not possess the magic touch which was apparently required.

Fortunately my district was only slightly touched by the devastating flood of recent days. Therefore they will not be forced to chase rainbows as a result of this legislation. I sincerely hope that in this instance something real is accomplished and that the effort will be productive of good rather

than the mere ballyhoo of the past.

It is a dramatic appeal which is presented to Congress, and it cannot fail to touch the chords of human sympathy. Perhaps it will even penetrate the Reconstruction Finance Corporation. At least, I hope so, and for this reason I am glad to support the legislation.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, the industries of New England were for so long the chief beneficiary of a high protective tariff that they should not need any loans from the Government.

Mr. Speaker, I move the previous question on the resolution. The previous question was ordered.

The resolution was agreed to.

Mr. GOLDSBOROUGH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11968, with Mr. Faddis in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, bills identical with the one now under consideration were introduced by the gentleman from Massachusetts [Mr. Granfield], the gentleman from Massachusetts [Mr. Russell], and the gentleman from Massachusetts [Mr. Treadway].

In 1934 the Congress passed an act permitting the Reconstruction Finance Corporation to make loans to nonprofit corporations organized for the purpose of in turn making loans in flooded areas. Eleven million dollars was appropriated for the purposes. Ten million dollars has been used. This bill provides an additional \$14,000,000 and also permits loans to be made by the Reconstruction Finance Corporation directly instead of through these intermediary corporations.

Another difference is that whereas under the previous law full and adequate security was required, under this bill the language used is "so secured as to reasonably assure repayment thereof." This is similar to the language used in the Reconstruction Finance Corporation Act in the matter of industrial loans.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. TREADWAY. Will the gentleman explain the use of the phrase "real and personal" inserted as a committee amendment in lines 14 and 15 of page 2?

Mr. GOLDSBOROUGH. The attempt was made to make the act as broad as possible. Cattle or horses might be

destroyed.

Mr. TREADWAY. That is the explanation I wanted the gentleman to make; that is, that the possibilities to make loans are extended.

Mr. GOLDSBOROUGH. That is correct.

Mr. RICH. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does the gentleman believe that \$25,000,000 will be a sufficient amount to assist those who are in dire need to secure funds in order to continue their business in the flooded areas of New England, New York, Pennsylvania, West Virginia, Ohio, and other States?

Mr. GOLDSBOROUGH. Under the act of 1934 only \$10,000,000 has been used, leaving a balance of \$1,000,000 in the fund. With the authorization raised to \$25,000,000 a net

total of \$15,000,000 will be available.

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. This provides that the money will be used only for taking care of those who met with disaster growing out of the flood, and not from other conditions?

Mr. RICH. The gentleman believes this will be sufficient to take care of those who are actually in need due to the floods?

Mr. GOLDSBOROUGH. That is what we think.

Mr. FOCHT. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Pennsylvania.

Mr. FOCHT. In case this sum is inadequate would it be possible to get a deficiency?

Mr. GOLDSBOROUGH. This bill is subject to amendment, of course.

Mr. FOCHT. I mean if this amount is used between now and the next session of Congress?

Mr. GOLDSBOROUGH. They could not use \$15,000,000 between now and next January.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Minnesota.

Mr. CHRISTIANSON. Can the gentleman give us any assurance that the R. F. C. will be more liberal in extending loans in these cases than it was in the ordinary operation of its business with small corporations?

Mr. GOLDSBOROUGH. Under the present act the R. F. C. has been very liberal in making loans to those affected by the floods. For instance, on a lot worth \$1,000 it has loaned as much as \$4,000 for the construction of a building. It has only required a 20-percent margin in the making of loans in flood-control areas.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield myself 3 additional minutes.

Mr. CHRISTIANSON. I may say to the gentleman that I have received numerous complaints from my constituents who insist they cannot get loans from the R. F. C., except on such basis as they could secure adequate credit from established banking institutions.

Mr. GOLDSBOROUGH. That is not the condition existing in flood areas. The condition which the gentleman speaks of does not apply in the flood areas, I may say, because the R. F. C. has only demanded a margin of 20 percent in those areas.

Mr. CHRISTIANSON. I may say that if the R. F. C. is going to impose conditions as strict as those imposed by ordinary banking institutions, then all the Government

would be accomplishing by the maintenance of this system of credit would be a duplication of existing facilities.

Mr. WHITE. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Idaho.

Mr. WHITE. Does not the R. F. C. have discretion as to the conditions under which they will make these loans?

Mr. GOLDSBOROUGH. They have very great discretion. The loans have to be so secured as to reasonably insure repayment.

Mr. WHITE. They might make these loans only on the sound basis of banking institutions. Is that not in their discretion?

Mr. GOLDSBOROUGH. They should not do that under this language, and they have not done it under the existing Flood Control Act. They have not been rigid in their requirements.

Mr. COLDEN. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from

Mr. COLDEN. Does the existing law or the proposed amendment make any provision whatever for disasters outside of flood control, such as tornadoes and earthquakes?

Mr. GOLDSBOROUGH. Yes. It includes earthquakes, conflagrations, tornadoes, hurricanes, floods, and so forth. Mr. BROOKS. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Pennsylvania.

Mr. BROOKS. In many instances in Pittsburgh the banks have refused to make loans until they can get some information about this bill. Will the banks borrow from the Reconstruction Finance Corporation and then distribute the loans?

Mr. GOLDSBOROUGH. No; the loans will be made direct by the Reconstruction Finance Corporation to the individual borrowers.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. Treadway].

Mr. TREADWAY. Mr. Chairman, as much of a partisan as I am, I am very sorry that the gentleman-from New York [Mr. O'CONNOR] made the statement he did a few minutes ago in reference to New England. New England has suffered a very severe calamity, as has other sections of the country, and I want to congratulate the Committee on Banking and Currency for the manner in which it has conducted the hearings relative to this matter. There has been a complete absence of partisanship, and a desire on the part of everyone to hasten the efforts to aid recovery from the great calamity that our area, as well as other areas, has suffered.

Mr. Chairman, the whole purpose of this bill is simply to facilitate loans in the existing emergency. Other methods, of course, will have to be indulged in for complete recovery and rehabilitation, but industry must have aid now. This facilitates the method under which the Reconstruction Finance Corporation may offer aid to industry.

The counsel for the R. F. C. appeared before the Committee on Banking and Currency and made a very explicit and plain statement as to what can and what cannot be done under existing law. The result was that certain changes were made in the bills that several Members had introduced. There was one bill first introduced, I think, by the gentleman from Connecticut [Mr. Kopplemann], another one by my colleague from Massachusetts [Mr. Russell] and other Members, as well as myself, all identical.

I visited the stricken area in western Massachusetts on March 20, 21, and 22. I should dislike to bring to the Members of this House the picture of desolation that I saw at that time. It was terrible, and we cannot possibly appreciate the sufferings from that condition. Our main highways in many places have been completely washed away, and instead of automobiles traveling over them boats must be used to get to stores, mills, and homes. Under those circumstances, one can readily imagine the result of that natural loss.

The water in the Connecticut River, which runs through my district, the Army engineers tell me, rose 3 feet higher legislation. It is my than it has ever been, and the situation which obtains on the Connecticut River also exists on the Merrimack, the Housa-logical of the recent flood.

tonic, and all of our other rivers. You can therefore picture the desolation resulting both to industry and the home.

The home problem is a different one. This measure is to aid industry; and certainly, when you see the mills absolutely torn to pieces, and when you see the damage done to the farms, you cannot help but realize what must be done to restore normal conditions in this area.

My district, to quite a large extent, is a farming area. I visited one section where are located not only fine farms but celebrated schools, and there I saw a barn absolutely under water. The water rose so rapidly that the owner of the farm could not reach the barns to liberate the cattle, and 346 head of the very finest registered Jersey cattle were drowned, due to the fact that the water rushed in so rapidly no one was able to save them.

This is a form of rehabilitation that must be cared for, and this condition applies not only to the farms but to industry everywhere. Mills had their dams torn away, the mill property itself destroyed, and the electrical plant put out of business.

All of these problems, under such an emergency as now exists, I am sure the R. F. C. stands ready to meet and to relieve the people of tremendous loss to the extent they can in fairness to the business of the country.

So I ask, Mr. Chairman, that this bill be treated as emergency and passed with the unanimous approval of this House. [Applause.]

Although I have given a brief description of the situation in western Massachusetts, I want to add my word of commendation to the officials of the various afflicted communities for the splendid way in which those in the counties, the muncipalities, and the towns have met the emergency arising from the floods. They had the active cooperation of the employees of public-service corporations who exerted themselves almost beyond human endurance in endeavoring to bring some degree of order out of the chaos which existed. Fortunately, there are numerous C. C. C. camps in this section, and the services rendered by the boys were most valuable. They cheerfully cooperated in the difficult work and are entitled to share the praise with others. There were also numerous instances of individual heroism in rescuing marooned people where the waters inundated buildings and homes and made the work of rescue both difficult and

The section faces three major problems: First, under the restoration of normal conditions the question of public health, repair of homes, and rehabilitation of farms and industry are all included; second, construction and repair of numerous bridges. There are several large bridges which are either in a dangerous condition or entirely washed out. For instance, there is a stretch of 40 miles through a thickly inhabited section where there is not a safe crossing on the Connecticut River. Fortunately, the State of Massachusetts has to its credit under the United States Bureau of Public Roads a large amount of money which should be promptly requisitioned by the Massachusetts State highway officials.

The third item is that of future flood control and prevention. This is applicable to all the streams in the State. The Army Engineers state that in the recent floods the waters of the various rivers rose higher than at any previous time. While this work will require more time for surveys and studies, it seems to me to be the duty of Congress to follow up the matter of flood prevention as rapidly as the facilities of the Government will permit. The appeal of all flooded areas in this respect is identical. We will hope for the best of results and the active cooperation of all agencies toward restoration of normal conditions.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. Russell].

Mr. RUSSELL. Mr. Chairman, there is very little I can add to the able statement of the Chairman of the Banking and Currency Committee on this bill to authorize loans by the Reconstruction Finance Corporation to victims of the recent flood disasters. There is but little that is new in this piece of legislation. It is merely an attempt to adapt existing legislation to an emergency condition that has arisen as a result of the recent flood.

The purpose of the bill is to extend the powers of the Reconstruction Finance Corporation in a very limited way so that it may grant the same type of relief to flood victims that has been granted before from coast to coast, from California to Florida, and from the Canadian border to the Gulf of Mexico to the sufferers in other disasters. It provides, as our chairman has stated, two or three modifications in the

In the first place, it eliminates a cumbersome piece of machinery now provided for, that these loans shall be made through a nonprofit corporation. Such procedure incurs delay and expense. It has been estimated that it costs in the vicinity of \$1,000 to organize one of these nonprofit corporations, and because one must be organized in every district requiring any relief, the delay has been very great in negotiating such loans. This bill would authorize the Reconstruction Finance Corporation to make direct loans.

The next change is a slight modification in the requirements with respect to security. This bill liberalizes the requirements and at the same time provides for security. It is in no sense a provision for a grant. This proposed legislation provides for a business transaction that is sought by this piece of legislation-a loan to those in need to rehabilitate their property.

Finally, the most important change in existing law which the enactment of this bill would accomplish consists of increasing the amount of the authorization from \$11,000,000 in the present law to \$25,000,000.

Mr. Chairman, it so happens that my district is not affected by these floods, and so I feel I can speak on this matter without bias. I recognize the tremendous distress that has been brought about by this extraordinary calamity. I say extraordinary, because it is the kind of thing that we in New England are not accustomed to. These floods are not recurring events. This is absolutely unprecedented. There has been nothing like it in the history of this section of the country, and we are totally unequipped to cope with this particular situation without some assistance. Since assistance we ask is in the nature of a business transaction and does not require a single dollar of appropriation, I trust the measure will pass.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. SPENCE. It has been stated here that this bill is only for the rehabilitation of industry. Is it not the gentleman's opinion that a home owner could secure relief under this bill if it is passed?

That is distinctly my impression. Mr. RUSSELL. studied the bill with that thought in mind and I personally am satisfied that the bill is broad enough in its terms to authorize loans for the reconstruction and rehabilitation of homes as well as industry. [Applause.]

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. Focht].

Mr. FOCHT. Mr. Chairman, I ask unanimous consent to extend my remarks and also to include a letter from the gentleman from Pennsylvania [Mr. Doutrich], who is absent today attending the funeral of a friend.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FOCHT. Mr. Chairman and members of the Committee, there is certainly nothing about this bill which could be regarded as controversial. It gives the finest possible expression of the great heart of the American people for the relief of distress.

I assume that every Member is fully informed of the great disaster that has befallen various sections of the country. I am particularly familiar with what happened in Pennsylvania in those valleys that were flooded—the Susquehanna, the Juniata, the Ohio, and the tributaries, the Monongahela and the Allegheny.

I, of course, am in hearty accord with the provisions of the bill, and, in fact, I am willing to go as far as anyone when it

bill, and, in fact, I am willing to go as far as anyone when it comes to a question of this kind.

There are, however, several things I should like to call attention to. One is the fact that you appropriated several

Hon. Benjamin K. Focht,

House Office Building, Washington, D. C.

My Dear Colleague: The funeral of a very dear friend makes it impossible for me to be in Washington today.

years ago a sum of money for a kindred purpose, and they have not used all of that amount because the conditions imposed were too hard to comply with.

We must not overlook the fact that you have not had any such ruin or desolation as we had several weeks ago, and, of course, have not needed much money. Therefore, I am of the firm conviction that \$25,000,000 proposed here will be wholly inadequate. It may be possible that they will not be able to judiciously expend this amount of money within the period of the present Congress, but Congress convenes next January and there will be an opportunity to meet any deficiency there may be at that time. I trust the chairman and members of the committee have those needs in mind, for the \$25,000,000 will not go far toward rehabilitation.

There are three ways of meeting this situation: One is by the method of long-term, low-interest-bearing obligations on the part of the recipients of the funds.

Then the W. P. A., which functions in every section of the country, taking care of broken sewers and the repair of streets; and then, for people who require clothing, medicine, food, the Red Cross will take care of that.

The Reconstruction Finance Corporation is one great agency that must do the business. I wish to say that I am in accord with Mr. Doutrich, a Member of Congress from the city of Harrisburg, on the Susquehanna, a portion of whose district was swept by the flood.

I may say that I talked with my son, who has charge of my business in Lewisburg, and who knows about the flood on the Susquehanna and Juniata. He told me that he could not, by any imagination, picture the desolation in that country over which he went Sunday and Monday.

He read the situation the country was in in the floods of 1889 and 1894, and said there was nothing in them comparable to what he saw on these several days. After the flood of 1891 those on the Susquehanna River built more substantial structures, and there were not so many bridges swept away, but this year there was a greater amount of other property and more valuable. The rivers were higher and overflowed their banks, and all this was done, as was suggested here this morning, so suddenly that merchants were unable to remove their goods from their windows and their shelves on the first floors of their stores, and their entire stocks were destroyed. In the towns of Williamsport, Lock Haven, Milton, Sunbury, Lewistown, Huntingdon, Everett, Mount Union, Mifflin, Newport, and Duncannon there has been great destruction. All along the Juniata River there is not a bridge left from the headwaters clear through to the Susquehanna River at Harrisburg. They have all been swept away. I would not be here, I suppose, if that were not the case, but I cannot get from one county to another in my district to make a canvass because the bridges are gone and in many sections there is no way of communication over the lateral highways. That is how bad it is. That is why we come here to congratulate the committee and congratulate the House on their high purpose. Let us do this thing right; let us be sure that the \$25,000,000 will be adequate; let us be sure that we finish the job and that we do not delay. We get so many delays here that it is discouraging. We were talking about housing yesterday. You were talking about housing 3 years ago, and you are still talking about it, and the poor fellow down in the valley does not yet have a house and he has not got the required \$2,000 with which to build one.

I received a letter from our colleague, Mr. Doutrich, previously referred to. He had time granted here and expected to speak, but he could not be here on account of the death of a friend. Mr. Doutrich is an important businessman. He and I went over this bill yesterday, and on the train he examined the bill, and he told me last night that he had talked with a number of businessmen in Harrisburg, and this is their reaction to this bill, and expressed in this letter. The letter reads as follows:

WASHINGTON, D. C., March 31, 1936.

I am extremely interested in H. R. 11968, which is scheduled for discussion this afternoon. My interest in the subject of this bill is made doubly keen because parts of my district suffered severe damage during the floods of this month.

H. R. 11968 is, in my opinion, a splendid start on the right path.

However, I feel it does not go far enough. Under its provisions a corporation, partnership, or individual must be in the position to offer as security a "paramount lien." It is fair to say that many of those businessmen who were affected by the flood are occupying rented quarters, or if they are in their own buildings they have already given substantial mortgages against their properties. properties.

In my district the loss to buildings has been less than one-third the loss to merchandise. Complete stocks of goods have been washed from wholesalers' shelves. They face a very dark future if they cannot secure funds on reasonable terms. Small and large retail stores must go into the markets to replenish their stocks. I sincerely trust that some amendment may be made to H. R.

11968 so that businessmen may have some agency to which they may turn to secure funds to make it possible for them to resume business on a basis somewhat commensurate with their

before the flood. I am confident that every Member of this Congress whose district was affected by the flood will agree with me in the statement that relief cannot come through any act which has such rigid credit requirements as H. R. 11968

f will greatly appreciate your making the above views known to our honorable colleagues.

Sincerely yours

I. H. DOUTRICH. Member of Congress.

That is the point. I have seen it demonstrated with the farmers of my district. One after another has come to my office and laid down the proposition offered them and the requirements demanded in order to get a loan, and I may say of nearly every one of them that while prior to these loans I seldom heard of a farmer being sold out in my community, one after another has been sold out by the Government, making them worse off by far through these conditions. That is what I want to see avoided here, and ample loans, liberally made to men and women of known integrity who may have no other security than that and the good will of

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. FOCHT. Yes,

Mr. GOLDSBOROUGH. The language used here is-So secured as to reasonably assure the payment thereof.

Mr. FOCHT. But who is to interpret the word "reasonably"?

Mr. GOLDSBOROUGH. But we cannot administer the

Mr. FOCHT. And that is the trouble with most of our laws. Many of them are put into the hands of administrators to interpret the laws instead of writing them here.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FOCHT. Yes.

Mr. GOLDSBOROUGH. Has the gentleman anything to suggest that would be better than this? If he has, the committee wants to know what it is,

Mr. FOCHT. I suggest that it be liberalized in some way since any amendment must come from your committee.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FOCHT. Yes.

Mr. RICH. I have received requests from the mayors of Lock Haven, Renovo, and Williamsport. They say there are small individual merchants who will never be able to start up business again if it were not for a bill of this character whereby they may readily and easily secure funds from the Federal Government.

Mr. FOCHT. The gentleman will notice that Mr. DOUTRICH says that you cannot readily get anything, that the conditions imposed are too drastic, and, furthermore, restoration cannot be made with the amount proposed, the damage being too great and the country is too large.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. KOPPLEMANN].

Mr. KOPPLEMANN. Mr. Chairman, debate on this resolution is not necessary to assure its passage. I am satisfied there will not be a dissenting vote. I simply take the floor

for the purpose of discussing for a moment matters that have been suggested here by gentlemen who have preceded me. The remarks concerning loans under a liberal interpretation are pertinent in these difficult times. In 1934 in the banking bill we provided \$580,000,000 for the benefit of distressed industries and business, which loans were to be made on the basis of need and reemployment.

Unfortunately the interpretation of the language of that act was such as to make almost impossible any loan. I am satisfied, from the sentiment expressed here today on the floor of this House and from thousands of communications in my files, and from expressions of sound financial men in Washington and throughout the Nation, that were a measure presented on the floor of this House and in the Chamber at the other end of the Capitol, it would pass with the same kind of a vote as the measure that is now before us.

I am in entire sympathy with the statements that have been made here to give business and industry a chance that is not given to them by the financial institutions of this country, notably the banks. If I had the power and the agreement of the committee and the House, I would amend the measure before us by including among the reasons for a loan being made also the economic depression. I would add that, and I would include the years 1929, 1930, 1931, and 1932, and then instead of \$25,000,000. I would take the unexpended appropriation that was made to the Reconstruction Finance Corporation. They were given \$300,000,000 in 1934, and expected to expend it within 6 months. They have actually disbursed about \$60,000,000. I would change the \$25,000,000 to \$200,000,000, and then we would have a bill which would take care of business and industry needing help due to the depression as well as to floods, hurricanes, and tornadoes.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman vield?

Mr. KOPPLEMANN. I yield.

Mr. ELLENBOGEN. Will the gentleman not concur with me in the thought that this bill will not accomplish the purpose of helping the merchants in the flooded areas?

Mr. KOPPLEMANN. I will not agree to that in whole. had several talks with members of the Reconstruction Finance Corporation, and this morning I had a final talk at their offices. I am satisfied they will put a liberal interpretation upon this measure.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. HOLLISTER. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, as far as the intent and purpose of this bill is concerned I am in sympathy with it. I think there is an opportunity to do a great deal of good to industry that is suffering as a result of some of the catastrophes that have happened in the country during the last 2 or 3 weeks or months.

The only question in my mind is the attitude of the Reconstruction Finance Corporation, and just what methods they intend to use in loaning this money. If the money is loaned fairly and equitably in every part of the country, that is one thing. If it is going to be loaned to special favorites. that is another thing. I can say in this respect that I have been one of the most ardent supporters of the Reconstruction Finance Corporation from the time it was first started. I am not quite so ardent a supporter now as I was in the past. I do not know, but perhaps the requests for money in my section of the country have all been poor. Perhaps they were poorer than those that came from other parts of the country, but as far as I have been concerned individually, the only thing I have ever received from the Reconstruction Finance Corporation is honeyed words and a pleasant smile. They tell me what a good fellow I am and how interested they are in my case, but as far as nickels are concerned I never get one.

Now, whether it is absolutely necessary to have Democratic influence to get some of this money or not I am not in a position to make a definite statement, but I have some

yield?

Mr. SNELL. Yes; I yield.

Mr. O'CONNOR. I can assure the gentleman that Democratic influence is of no account down there. The Democrats have the same experience as the Republican leader has

Mr. SNELL. Well, I hope that is true, but I know of some things that have happened during the past 2 or 3 years that rather clouds my mind along that line. I know that certain parts of the country have been more successful in getting loans than other parts. I simply want to say that I hope, if we give them this added money, they will use a little common sense and they will distribute this money fairly to those parts of the country that actually need it, and where there is a real opportunity to assist honest industry and put it into a position to employ labor.

If the security was good enough, they could borrow money at the banks and they would not have to go to the Reconstruction Finance Corporation; but my idea has always been that while they should not loan money without some hope of getting it back, they should take some chance to help industry on the question of reemployment. That is very important at this time, and that is the real reason we have provided this fund for the Reconstruction Finance Corporation, and that is what Congress had in mind when it granted the R. F. C. some of the powers it now has along this line. I hope that in the distribution of this \$25,000,000 they will be fair and give every part of the country and every individual a fair shake in considering his application for a loan.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HOLLISTER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. SNELL. I yield to the gentleman from Iowa [Mr. THURSTON].

Mr. THURSTON. I should like to amplify what the minority leader has stated in regard to obtaining loans. It is practically impossible for any industry in a small city or town in the country to obtain a loan from this organization. Apparently they have devoted all of their funds to making loans to large concerns in the large cities of the country.

Mr. SNELL. That has been my experience. Several small corporations that I thought were reasonably entitled to some help were absolutely unable to get anything from the Reconstruction Finance Corporation. It is the small corporation that needs the assistance that is intended under this legislation, and it is practically impossible for them to get it.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. QUINN].

Mr. QUINN. Mr. Chairman, I was much interested in the remarks of the gentleman from Massachusetts this morning, who stated that he represented one of the great industrial districts of this land. I regret indeed to hear him say that the recovery of industry in his district has been so slow.

Mr. Chairman, I represent the greatest industrial district in the world, the industrial district of Pittsburgh, and I am happy to say that we were well on the way to recovery before the flood. The most extensive expansion program of the United States Steel Corporation was in the course of being carried out at Homestead, Braddock, and Clairton. What effect the flood will have on that I do not know.

Everybody seems to be in favor of this bill. I regret to sound a sour note, but I do not favor it. Do you realize how insufficient \$25,000,000 is to meet the need? Just a brief example is that of the Westinghouse Electric Manufacturing plant at East Pittsburgh, covering about 10 times the floor space occupied by the Department of Agriculture. This plant was covered with 9 feet of water, and its loss is estimated at \$6,000,000. The loss in my district, one of

Mr. O'CONNOR. Mr. Chairman, will the gentleman five congressional districts in the county, is greater than the \$25,000,000 authorized in the bill.

I shall offer amendments to this bill suggested by the gentleman from Connecticut [Mr. KOPPLEMANN]. I think there should be outright grants to municipal subdivisions for the reconstruction of waterworks and such things, and I ask Members on both sides of the aisle to support the amendment to make the maximum \$200,000,000.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. QUINN. I yield. Mr. WHITE. Have not these large industrial concerns money, or ample security, so they could easily obtain money from the banks to rebuild their plants?

Mr. QUINN. The Westinghouse Co. was in the blue for 6 years. I do not know how much reserve they have.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. QUINN. I yield.

Mr. RICH. A large corporation that has suffered great damage, but which has good financial backing can get all the money it needs from local banking institutions.

Mr. QUINN. Not in Pittsburgh—the gentleman does not know the Pittsburgh banks.

Answering the gentleman from New York [Mr. Snell] regarding the Federal Refinance Corporation, I may say they have the briefest vocabulary of any crowd of men I ever met. It consists of the one word, "No." The moment you enter the door they begin to shake their heads "No."

Mr. Chairman, I ask the Members of the House to follow the suggestion of the gentleman from Connecticut [Mr. KOPPLEMANN], and to vote for the amendments I intend to offer.

Mr. CONNERY. Mr. Chairman, will the gentleman yield? Mr. QUINN. I yield.

Mr. CONNERY. The gentleman from New York stated his experience, but he did not include the two notable instances of loans made to Republicans, one of \$90,000,000 to the Dawes Bank and the other the loan to the Pennsylvania Railroad.

Mr. QUINN. I tried to get some loans for corporations that did not belong to my side of the House, and they shook their heads "no." I had no more luck with Republicans than I did with Democrats.

Mr. RICH. Mr. Chairman, will the gentleman yield further?

Mr. QUINN. I yield. Mr. RICH. I may say for the information of the gentleman that I do know to be an absolute fact that any business concern in Pennsylvania or in this country with a good financial statement can get money from the Pittsburgh banks. I know this to be an actual fact. They can get money at very reasonable rates, providing they have a good financial statement.

Mr. KOPPLEMANN. Mr. Chairman, will the gentleman permit me to remark upon that statement?

Mr. QUINN. I yield.

What the gentleman from Pennsyl-Mr. KOPPLEMANN. vania said about the Pittsburgh bank is said of all banks throughout the country, but my own experience and the experience of those I know has been that those words mean

Mr. RICH. What I am interested in is to see help extended to the small fellow who has not got financial backing.

Mr. QUINN. The difficulty seems to be they have not sufficient backing.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 4 minutes to the gentlewoman from Massachusetts [Mrs. Rogers].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have in my hand photographs taken of the flood in the city of Lowell, where I live. I cannot tell you how grateful I am to the Committee on Banking and Currency for reporting out this bill so promptly.

We have in Lowell, I think, an almost unique condition, at least I trust so. The city itself is in financial straits. The damage to property there, according to an estimate recently presented by the mayor, is over \$3,000,000. More has not been a complaint from a single member of any of these families, even though they have lost their homes and everything they possess, probably forever.

From the mayor down to the lowest-paid laborer, the city employees deserve the highest praise for their work during the emergency. Not enough can be said for the wonderful unselfish spirit of the various organizations throughout the flood area; the veterans' organizations again proved their patriotism, working day and night to help relieve the suffering. The churches of all denominations worked hand in hand to take care of those who were homeless. All opened their hearts and their homes, realizing that only in that manner could the emergency be met. Selfishness seemed to be forgotten. I saw this with my own eyes. Other towns of my district came to the rescue with all the means at their command. I have not overemphasized the seriousness of the situation when I say that a part of the area will have to be condemned. There were moments when it appeared that the whole city would be lost; it was only saved by the effectiveness of the Francis gate. I would like also to pay my tribute to the W. P. A. head in Boston, Mass., Mr. Paul Edwards, and his staff of workers in Lowell. He has given the city of Lowell every bit of help and cooperation he possibly could.

Mr. ZIONCHECK. Is he a Democrat?

Mrs. ROGERS of Massachusetts. The gentleman from Washington asks if Mr. Edwards is a Democrat. I do not know whether he is a Democrat or not. He has been a very fair and a very humane person.

I also wish to be fair to the Reconstruction Finance Corporation. According to their lights they have been very helpful to me in the past in making small loans to the industries in my district. I wish they could be more lenient, and I trust they will be extremely lenient in lending to the industries in the flood-stricken area. If they are not, this bill will be of little use.

Many of our people are out of work as a result of the forced closing of various industries. I understand the larger industries later on will try to operate, and perhaps will not ask for loans, but the smaller industries are desperately in need of such loans at the present time.

Our welfare list is very heavy. We have many people on relief. At a later date I hope the House will be generous in legislation affecting home owners and allow more liberal loans to these individuals. I trust, Mr. Chairman, we will be able to receive outright grants, because Lowell for a long time will not be able to pay back these loans.

Mr. CONNERY. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. CONNERY. Does not my colleague from Massachusetts think this amount should be raised to at least \$50,000,-000? There is the Connecticut Valley; the Pittsburgh, Pa., district; there is Massachusetts, Maine, and New England. The sum of \$25,000,000 will not go far.

Mrs. ROGERS of Massachusetts. The gentleman from Massachusetts is quite correct in his statement. Mr. Chairman, we also must have money for flood control in the Merrimack River. A certain sum has been placed in the Senate bill, the Copeland bill, for flood control in the upper Merrimack, and the House must increase this amount, I may say to the gentleman from Massachusetts, to take care of river protection in the cities of Lowell and Lawrence, Mass. [Applause.]

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. STUBBS].

Mr. STUBBS. Mr. Chairman, may I say I hope there will not be one single vote cast against this measure. A goodly part of our American continent and a goodly number of our fine American citizens have been brought to a condition of distress because of too much water. I represent a part of the country that suffers from lack of water. I can really appreciate and understand just exactly the necessity and

than 2,000 families were driven from their homes. Never real need for this type of legislation. I think I bespeak the have I seen such courage in my life, Mr. Chairman. There sentiments of the people of the far West when I say this measure does not go far enough in the alleviation of suffering and distress of the people of the East. I hope when our reclamation and conservation-of-water projects come before this Congress for consideration that each one of you will give those measures very serious and careful consideration. [Applause.]

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Chairman, we of southern New York have experienced the third flood in the last 9 months. Last July we had a terrible flood that cost 50 lives and some \$28,000,000 in loss of property. We had a hard time gathering ourselves together after that flood. Later on, in November, we had another flood, and now we have suffered from a third flood that the other sections of the country have suffered from. So we know how to sympathize with you who have had these troubles, and we are ready and willing to help bring relief to these various sections.

In our section of the country we had a survey by the Army engineers in order that we may build dams to prevent further floods. Had those dams been constructed recently the great loss in Pennsylvania would not have been experienced.

Mr. Chairman, I think the amount proposed in this bill is too small. Various industries in my district and many mercantile establishments and manufacturers have been wiped out, and it will take a great deal of money to rehabilitate them. I believe the amount indicated in this bill should be much greater. I would put it at about \$200,000,000 instead of \$25,000,000. It does not have to be used unless needed, and I believe it will be needed. We will have to rehabilitate industries so that we may give employment to the people. Many of these manufacturers will never be able to get back on their feet by themselves. They have been wiped out. They have not the money. But if they are given encouragement in the way of funds, they may bring their industries back and give a great deal of employment to people.

Mr. Chairman, I hope every Member will vote for the bill, and that the bill may be amended so that we will have a greater sum of money, because I feel sure it will be needed.

Mr. BROOKS. Will the gentleman yield?

Mr. LORD. I yield to the gentleman from Pennsylvania.

Mr. BROOKS. As long as these loans are going to be secured, why is there any reason for limiting the bill to \$25,000,000? As long as they are going to be good loans, why can we not call for \$100,000,000?

Mr. LORD. I would call for \$200,000,000.

Mr. BROOKS. All right, \$200,000,000. We know \$25,-000,000 will not do the job.

Mr. LORD. I think the amount should be increased and I believe the loans will be secured. This is a case where the little manufacturer should be given a break. The R. F. C. should not be quite so particular. It has been the experience that many big fellows can get loans easily, but the man who was not quite so secure had a great deal of trouble getting a loan. I think in these times the Government should take a little chance in helping these businessmen to get started again.

Mr. HAINES. Will the gentleman yield?

Mr. LORD. I yield to the gentleman from Pennsylvania. Mr. HAINES. What provision, if any, has been made to take care of the men who have no equity, no security to

Mr. LORD. Mr. Chairman, answering the gentleman's question, I do not know; but I think that should be considered very carefully. Men of good reputation, who may not have much security to give, should be assisted to establish their business again. They will no doubt get started and make good if they can get the help that they need now.

Mr. HAINES. My attention was called to a situation the other day by a gentleman who does not live in my district, but whose district has been very vitally affected by the recent flood. He told me of a wholesale grocer who last year paid an income tax of \$2,700, and in 1934 an income tax of \$7,000. but today is completely wiped out. He has not anything left. The flood has completely destroyed him. What are we going to do for a fellow like that who may need some help at this time?

Mr. LORD. I hope the R. F. C. will give him the consideration each individual case merits.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Moritz].

Mr. MORITZ. Mr. Chairman, I am in complete sympathy with any bill that will affect the small home owner and the poor people. I suppose this bill is principally for the assistance of the small home owner and the wage earners who cannot borrow great sums of money from banks. That must have been the thought in the mind of the members of the committee. A liberal policy should be pursued in reference to this matter, but at the same time we must recognize the responsibility of the R. F. C.

The loans provided for in this bill are for the owners of small homes or small business establishments. I hope the Members will liberalize the requirements, because even the business people in Pittsburgh now have no money and no way of borrowing any money, because their resources have been washed away by the flood. Unless the restrictions are removed and the terms made very liberal, this bill will be a mere gesture and will do no good whatever.

I hope the managers of the R. F. C. who are to administer this law will see to it that the requirements are liberalized, otherwise we would simply be making an idle gesture and prompting false hope. [Applause.] [Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. ELLENBOGEN].

Mr. ELLENBOGEN. Mr. Chairman, I am in full accord with the purposes of this bill, but I am very sorry I cannot say that the bill will accomplish very much for the suffering merchants in the Pittsburgh district.

If the Members will look at the language of the bill, on page 2, lines 19 and 20, they will find that security is required to be furnished by these merchants in language similar to the language that has always been interpreted by the R. F. C. to mean either a paramount lien on real estate, which these merchants cannot give, or collateral security to cover the loan.

This will not help us very much; and what is the use of passing a law that will merely arouse the hopes of the people and then when they come to the R. F. C. they will be told,

"We cannot help you"?

I shall offer an amendment, which I hope the chairman will accept, to permit the R. F. C., in cases where a merchant has a splendid record for meeting his bills and obligations, to make character loans, which means loans based upon the character of the borrower.

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. I yield to my distinguished colleague. Mr. GOLDSBOROUGH. The language is:

So secured as to reasonably assure repayment thereof.

This permits the Reconstruction Finance Corporation to make a character loan.

Mr. ELLENBOGEN. But the gentleman from Maryland knows that the R. F. C. has always interpreted the same language, or similar language, to mean collateral security.

Mr. GOLDSBOROUGH. That is not what the bill states. Mr. ELLENBOGEN. But that is the way the language has been interpreted.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 1 minu to the gentleman from Connecticut [Mr. CITRON].

Mr. CITRON. Mr. Chairman, I am in favor of the purpose and intent of this bill, and shall support and vote for it. However, I hope the Reconstruction Finance Corporation will liberally and equitably interpret the provisions of this bill in order that the objectives sought will be quickly attained.

I favor immediate loans to manufacturers, businessmen. home owners, and any other owners of property in the flooded

To obtain these ends this bill should be perfected. Thousands of small businessmen whose stock in trade and merchandise were lost on account of the floods are hoping that this Government can come to their assistance. Otherwise they face ruin. I agree with some of the remarks of the previous speaker, when he stated that we must not raise false hopes among small merchants who have been ruined by floods. I want to help them. I hope we amend this bill so that it will explicitly state what we intend. As the bill is now written, it will not help them.

Now, permit me to explain this. The bill requires security from the borrower; for example, a retail merchant. He cannot obtain a loan in a bank. But we desire to assist him because he is a flood sufferer. He is in no position to offer any security or collateral, and according to this bill, if he cannot offer security, he cannot obtain a loan. In my opinion, I am sorry to state, the bill as it is now written may never help many of these flood victims.

I also call the attention of the Committee to paragraph (a), on page 2, which requires a paramount lien for loans to private individuals. If a person has a retail or manufacturing business and has stock in trade or merchandise, he certainly cannot give a "paramount lien." In fact, he cannot give any lien upon such personal property, because when a lien is placed upon merchandise it cannot be sold. I therefore suggest that this bill be amended to permit character loans to merchants and manufacturers. Frankly, I want to come to their rescue, and the part of this bill about liens or personalty should be corrected.

[Here the gavel fell.]

The CHAIRMAN. The Clerk will read the bill for amend-

The Clerk read as follows:

Be it enacted, etc., That the act entitled "An act authorizing the Reconstruction Finance Corporation to make loans to non-profit corporations for the repair of damages caused by floods or other catastrophes, and for other purposes", approved April 13, 1934, as amended, is amended to read as follows:

"That the Reconstruction Finance Corporation is authorized and empowered, through such existing agency or agencies as it may designate, to make loans to corporations, partnerships, or indidesignate, to make loans to corporations, partnerships, or individuals for the purpose of financing the repair, construction, reconstruction, or rehabilitation of structures or buildings, including such equipment, appliances, fixtures, machinery, and appurtenances as shall be deemed necessary or appropriate by the Reconstruction Finance Corporation, and for the purpose of financing the repair, construction, reconstruction, or rehabilitation of water, irrigation, gas, electric, sewer, drainage, flood-control, communication, or transportation systems damaged or destroyed by earthquake, conflagration, tornado, cyclone, hurricane, flood, or other catastrophe in the years 1933, 1934, 1935, 1936, and 1937, and for the purpose of financing the acquisition of structures, buildings, or property, in replacement of structures, buildings, or property, when such repair, construction, reconstruction, rehabilitation, or acquisition is deemed by the Reconstruction Finance Corporation to be economically useful or necessary, said loans to be made upon sufficient security. sufficient security.

sufficient security.

"Obligations accepted hereunder shall be collateraled—

"(a) In the case of loans for the acquisition, repair, construction, reconstruction, or rehabilitation of private property, by the obligations of the owner of such property, secured by a paramount lien except as to taxes and special assessments not delinquent on the property to be acquired, repaired, constructed, reconstructed, or rehabilitated, or on other property of the borrowers;

"(b) In case of loans for the repair, construction, reconstruction, or rehabilitation of privately owned water, gas, electric communi-

or rehabilitation of privately owned water, gas, electric, communication, or transportation systems, by the obligations of the owners of such water, gas, electric, communication, or transportation systems, secured by a lien thereon; and

"(c) In case of loans for the repair, construction, reconstruction, or republishing of property of provide politics, or political.

tion, or rehabilitation of property of municipalities or political subdivisions of States or of their public agencies, including public-school boards and public-school districts, and water, irrigation, sewer, drainage, and flood-control districts, by an obligation of such municipality, political subdivision, public agency, board, or district, payable from any source, including taxation or taxanticipation warrants.

'The collateral obligations shall have maturities not exceeding 10 years in case of loans made under paragraph (a) of this act and not exceeding 20 years in case of loans under paragraphs (b)

and (c) of this act.
"The Corporation shall prescribe such regulations as will most effectively expedite the repair, construction, reconstruction, and rehabilitation provided for by this act and effectively carry out |

renamination provided for by this act and electively carry out the emergency-relief purposes of this act.

"Notwithstanding any other provision of law, disbursement may be made at any time prior to January 23, 1939, on any commitment made by the Corporation under the terms of this act, as amended.

The aggregate of loans made under this act shall not exceed \$25,000,000

That the title of the said act is amended to read as follows: "An act authorizing the Reconstruction Finance Corporation to make loans for the repair of damages caused by floods or other catastrophes, and for other purposes."

With the following committee amendment:

Page 2, line 13, after the word "property", insert "real and personal."

FEDERAL RESERVE BANKS

Mr. PATMAN. Mr. Chairman, I ask for recognition on the committee amendment.

Mr. Chairman, I am asking for this time in order to invite your attention to charges that are being made by the Federal Reserve banks against the Reconstruction Finance Corporation. The Reconstruction Finance Corporation is paying about \$2,000,000 a year to the 12 Federal Reserve banks for the service that these banks should render absolutely free of charge.

In 1913, on December 23, when the Federal Reserve bill was enacted into law, it said that when the surplus accumulated above 6-percent earnings to the member banks the surplus funds should flow into the Treasury of the United States as a franchise tax or as compensation to the Government for the use of the Government's credit.

This was the original law. Later, changes were made to enable these banks to build up their surplus funds to a certain amount without such funds going into the Treasury. Later amendments were made that enabled these banks to purchase real estate and build on these lots fine buildings costing as much as \$25,000,000. All this money was money that should have gone into the Treasury as a franchise tax to the Government or as compensation to the Government for the use of its own credit.

Two or three years ago a bill came in here which said that hereafter all profits above 6 percent earned by the Federal Reserve banks shall go into the surplus fund of each Federal Reserve bank; in other words, nothing to be paid to the Government for the use of its own credit.

We made a fight on this amendment. I made a motion to strike it out and it was stricken out by an overwhelming vote on the floor of this House. The Senate, however, passed it and when the bill went to conference it was put back in the bill, and Congress passed that law that gives to these banks all their profits. They use the credit of this Nation absolutely free. They pay nothing as a franchise tax. They are exempt from all taxes on all their transactions, although they are doing two or three hundred billion dollars' worth of business a year. They are paying no taxes to the Government of the United States or to any State except taxes on the actual real estate in which they have their places of business. It is actually a racket insofar as the Government credit is concerned. If there ever was a racket that was condoned and encouraged by the Congress of the United States, this is the greatest racket, because it is a billiondollar racket, and as we have been passing these laws we have been compelling the R. F. C. and the other corporations that have been set up to make the Federal Reserve Banking System their agent, saying nothing about the fees or the charges, and the Federal Reserve banks are charging now the R. F. C. and the other agencies for keeping their bonds and their valuable papers and things like that in their vaults that were paid for with the Government's money, fees amounting to enormous sums.

[Here the gavel fell.]

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to proceed for 2 more minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. In other words, Federal Reserve banks charge them for keeping these valuable papers in vaults that

the people's money paid for. Not only that, they have got a new schedule of charges. They charged about four and a half million dollars last year, and now they have a new schedule of charges within the last few days which will increase the amount to more than \$6,000,000.

Now, considering the fact that these banks are operating with Government credit, they issue blanket mortgages on the property of the people and they pay no tax but pay as high salaries as they want to pay, they are not accountable to Congress for the earnings, with the sky as a limit to the salaries and their expenses except where buildings are involved, it seems to me that a correction should be made. This money ought to be in the Treasury of the United States. I for one protest against it. I commend the committee for bringing in this bill, and I would like to commend them for bringing in a bill that would stop this practice that I have alluded to. [Applause.]

Mr. GOLDSBOROUGH. Mr. Chairman, has not all time expired on this amendment?

The CHAIRMAN. All time has expired, and the question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

Page 2, line 14, after the word "property", insert the words "real and personal."

Mr. ELLENBOGEN. Mr. Chairman, I rise in opposition to the committee amendment. Mr. Chairman and members of the committee, I shall not oppose the committee amendment, but I would like to discuss the language of the amendment with the committee so that we may understand what it means.

I begin with this assumption, that the language should apply to character loans for small merchants, because in the majority of cases the stock and merchandise of these merchants have been wiped out and destroyed, or rendered unfit by the water that came into the buildings.

Look at the amendment on page 2, line 20: "So secured as to reasonably assure repayment thereof." That means not the character of the merchant shall assure the payment but the security behind the loan. Note the language "The loan shall be so secured as to reasonably assure repayment thereof." That means that the only thing the Reconstruction Finance Corporation can look at is security and not the character of the merchant.

Mr. GOLDSBOROUGH. Will the gentleman yield?

Mr. ELLENBOGEN. Yes; I shall be happy to yield to my distinguished friend.

Mr. GOLDSBOROUGH. "So secured as to reasonably assure the repayment thereof." Under that language the Reconstruction Finance Corporation in any given case can make the loan if there is reasonable assurance that it will be repaid. They can make that loan without any security whatever.

Mr. ELLENBOGEN. The counsel for the Reconstruction Finance Corporation has construed it to mean security. If what the gentleman has in mind is true, if that is the purpose of the committee, why not say so in plain language, such as I will offer.

I propose the following amendment:

On page 2, at the end of line 20, add:
"Provided, however, That in cases where the applicant enjoys a good credit standing and where his past business record shows that the applicant has met his obligations promptly, and that his business ethics are such that he may reasonably be expected to repay such loans, the furnishing of collateral on such part of such loans as applies to such personal property may be waived."

As far as real property is concerned, he can, of course, give a lien on the real property. If that is the intention of the committee, I hope the committee will go along with that amendment.

Mr. GRANFIELD. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. Yes; I shall gladly yield to my distinguished colleague.

Mr. GRANFIELD. The gentleman from Pennsylvania is to be congratulated upon the suggestions contained in his amendment. It has for its purpose an instruction to the Reconstruction Finance Corporation Board to give consideration to businessmen who have established a reputation of good credit, and that is about all the flood has left for them.

Unless this group, and it is a large one, can be provided with funds, thousands of the small businessmen not only in the Connecticut Valley but in other sections of the country cannot be provided for. In my own section hundreds of these men have sustained a complete loss, and unless this aid is granted, based upon their character, it will be impossible for them to return to their former occupations.

Whether or not the gentleman's amendment passes, it will at least bring to the attention of the Reconstruction Finance Corporation the attitude of several Members of this Congress who are absolutely in favor of having the Kopplemann and Russell amendment to the Reconstruction Finance Cor-

poration Act administered humanely.

I understand that the Committee on Banking and Currency at the present time is considering other legislation to provide amendments to the Home Owners' Loan Act and the Federal Housing Act, so that provision will be made for the home owners throughout the flood areas. The Works Progress Administration has already provided millions of dollars for immediate relief.

Mr. ELLENBOGEN. I thank the gentleman for his excellent remarks. In fact, to pass this bill without my amendment for character loans, would mean to give very little aid, although it is desperately needed. It would be merely a gesture which will arouse hopes that cannot be fulfilled.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. Yes; gladly.

Mr. TREADWAY. I realize the interest of the gentleman from Pennsylvania, but at the same time, it seems to me that the language that he is proposing places a condition on the R. F. C. that we do not want to establish.

Mr. ELLENBOGEN. And what is that condition?

Mr. TREADWAY. The broader you give your permission to loan, the better it is. The gentleman's amendment ties the R. F. C. down.

Mr. ELLENBOGEN. The gentleman is mistaken. My amendment is a mandate to the R. F. C. to make character loans to small merchants.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DUNN of Pennsylvania. Mr. Chairman, I move to strike out the last word, for the purpose of interrogating the chairman of the committee to obtain information. I would like to know if this bill provides any funds for the unfortunate victims of the recent floods, and to what extent.

Mr. GOLDSBOROUGH. This bill is a loaning bill. It is not a relief bill.

Mr. KOPPLEMANN. Is it not an emergency loan, and would that not be interpreted as relief?

Mr. GOLDSBOROUGH. Does that answer satisfy the gentleman?

Mr. DUNN of Pennsylvania. Would it be in order to offer an amendment to ask for more money to provide necessities

for the unfortunates who are victims in the flooded areas?

Mr. GOLDSBOROUGH. That would be subject to the point of order on this legislation, but I am informed reliably that the relief agencies, such as the Red Cross, have sufficient funds to take care of relief.

Mr. DUNN of Pennsylvania. Last Sunday I attended a meeting in McKees Rocks, Pa., one of the towns in my district, and I heard an agent of the Red Cross say that they are not authorized to take care of the people who are without homes because of the flood; but they are willing to assist those people whose property was damaged. Mr. Chairman, I think we ought to do something, and do it right away, for the people who are victims of the flood. I maintain that the Government is not doing very much to help the victims of the recent disaster. Many bills have been introduced asking for appropriations to help them, and I know

that money will be appropriated, but the amount will be insufficient.

I do know that if every Congressman's district had been visited by the floods we would be able to get an appropriation to take care of the situation.

Therefore, Mr. Chairman, I do hope that if an amendment is offered which will provide sufficient money—and I am willing to offer such an amendment—that it will be held germane. As I once stated, amendments are very often declared not germane, but they should be declared germane because often the amendments are humane. Therefore I shall offer an amendment which will be humane, and I hope that it will be declared germane.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 19, strike out the words "made upon sufficient security" and insert "so secured as to reasonably assure repayment thereof."

Mr. GOLDSBOROUGH. Mr. Chairman, I hope that nothing will be done to limit the power of the Reconstruction Finance Corporation to give every possible assistance that it can to the flood-stricken areas. The Committee on Banking and Currency had before it a bill which provided that said loans shall be made upon sufficient security. We thought that language meant not character security in any case but physical security, which had an immediate market value, and we felt that language did not give a proper latitude to the Reconstruction Finance Corporation. Therefore we changed it to read:

So secured as to reasonably assure repayment thereof.

Under that language the Reconstruction Finance Corporation has the widest possible discretion. It can loan on real-property security, on personal-property security, or on character security if they are satisfied with it.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. Not now. What we are trying to do in this Committee is to render legitimate aid without violating every democratic principle.

It is absolutely out of the question for this Congress to undertake to make actual grants to individuals or to firms or corporations. The money must be loaned. Suppose, for instance, that in August of this year we should have a drought on the Eastern Shore of Maryland and it killed every tomato over there, would the people be listened to from the Eastern Shore if they were to come here and say, "We have been afflicted by an act of God, and therefore we should have a grant from the Federal Government to restore the value of the property which the act of God has destroyed"? When you embark upon a system which seems to be advocated by some of my colleagues in their remarks today, we are embarking upon a system of socialism unrestrained [applause], and one that we cannot embark upon. We have tried to go as far as we possibly can go in the matter of loans. We have given the Reconstruction Finance Corporation the widest possible latitude. This is not a matter of relief. In matters of relief all red tape should be cut, and the people should be fed, clothed, housed.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. GOLDSBOROUGH. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. WHITE. Reserving the right to object, I should like to know if the gentleman proposes to answer any questions in that 5 minutes?

Mr. GOLDSBOROUGH. That is the reason I have asked for the additional time.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. HEALEY. Does the gentleman feel that under the language of the amendment these-loans may be made expeditiously? Under the former practice it required anywhere from 6 months to more than a year before these loans were finally examined. They were sent from the office out in the field to the Washington office and back again, and a long time expired before they were finally approved or disapproved. Will that practice obtain on applications for these flood-relief loans, where time, of course, is of the essence?

Mr. GOLDSBOROUGH. Of course, I will not administer the law, but I will say to the gentleman that I discussed that very situation with the directors of the Reconstruction Finance Corporation and told them that unless this thing was going to be administered in a practical way it would be of no use, and they assured me it would be administered

expeditiously.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WHITE. This provision is designed to assist the merchant, the businessman, and the manufacturers, is it not?

Mr. GOLDSBOROUGH. Among others; yes.

Mr. WHITE. What about the agriculturalist and the farmer? Is there any provision that a farmer, no matter how much his loss, or how great his need, could get a dime under this law?

Mr. GOLDSBOROUGH. This provides for damages from earthquakes, conflagrations, tornadoes, cyclones, hurricanes,

floods, or other catastrophes.

Mr. WHITE. But under the rules and regulations of the Reconstruction Finance Corporation, where could a farmer or an agriculturalist get one dime under the provisions of this amendment?

Mr. GOLDSBOROUGH. The bill provides "for the purpose of financing the repair, construction, reconstruction, or rehabilitation of structures or buildings, including such equipment, appliances, fixtures, machinery, and appurtenances as shall be deemed necessary", and further provides for financing the acquisition of structures, buildings, or property, real and personal, in replacement of structures, buildings, or property, real and personal, and so on.

Mr. WHITE. If a farmer should make application, if he had great need and had ample security, could he get a dime

from the Reconstruction Finance Corporation?

Mr. GOLDSBOROUGH. I do not see why he could not. Mr. WHITE. Well, has it ever been done? Is he not referred to the farm land bank or some other agency?

Mr. GOLDSBOROUGH. Well, I just cannot answer that question.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. TREADWAY. I should like to help explain the situation, as I see it, about farm lands and farm property. I think the language is extremely plain—that the Reconstruction Finance Corporation can loan on real and personal property—the language just inserted by the committee amendment. Certainly material used by a farmer, both his implements and his stock, are all personal property.

Mr. WHITE. To what agency would he apply to get any relief?

Mr. TREADWAY. He would apply to the Reconstruction Finance Corporation, under this revised law. Further than that, may I say you have taken out the stumbling block, as I see it, where the Reconstruction Finance Corporation required the organization of a non-profit-sharing corporation before they could make loans on this sort of property. That language is done away with. It is liberalized.

Mr. WHITE. Is it the gentleman's idea that a man engaged in agriculture can get a dime under this bill?

Mr. GOLDSBOROUGH. Yes. There is no reason why he could not, under this bill.

Mr. CITRON. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Connecticut.

Mr. CITRON. What kind of security would be required of a merchant who purchases stock in trade? I ask that question because the language of section (a) provides that the obligation is to be secured by a paramount lien. A person cannot give a lien on stock in trade or merchandise if it is to be sold to customers. Such personal property is different from fixtures, for example.

Mr. SMITH of Connecticut. Mr. Chairman, will the gen-

tleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. SMITH of Connecticut. It is not confined under (a) to real property.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. McCORMACK. I was wondering why you required a paramount lien from anybody who owned property and you did not require it for the repair, construction, reconstruction, or rehabilitation of privately owned water, gas, electric, communication, or transportation systems?

Why not require a lien on both? The paramount lien, I think, is going to defeat the very object the gentleman has in mind. I think if we were to require a lien on just the industrial plant, or from the farmer who suffered flood damage in case he comes within the purview of the bill, it would be sufficient. I think the word "paramount"—and I submit it to my friend's judgment, which I respect—is going to create practically an insurmountable obstacle to the obtaining of a loan.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Maryland may proceed for 5 additional minutes, for this is a very important matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GOLDSBOROUGH. The language of the bill reads: Paramount lien except as to taxes and special assessments not delinquent.

It is not a paramount lien on delinquent taxes.

Mr. McCORMACK. It simply means that if there is a first mortgage on the property of a man whose business has suffered, in order for him to get a loan to repair his factory or to purchase goods, the present mortgagee would have to agree that the R. F. C. would be substituted in his place as the first mortgagee.

Mr. CITRON. He would have to be subordinated.

Mr. McCORMACK. Yes. It seems to me this is going to present extreme difficulty. I think if the word "paramount" is stricken out it would be much better and would not in any way embarrass the Reconstruction Finance Corporation. It would allow greater flexibility, and we will not be confronted in the future with the experience of loans being turned down with the criticism that a paramount lien could not be placed on the property.

Mr. BROWN of Michigan. Mr. Chairman, will the gen-

tleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. BROWN of Michigan. It would seem to me, after full consideration of the matter, that inasmuch as the language in line 20 reads "so secured as to reasonably assure repayment thereof", this portion of the bill dealing with the nature of the security required, we could get along without the use of the word "paramount."

Mr. GOLDSBOROUGH. I agree with the gentleman from Michigan.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. FORD of California. I think the word "paramount" should be retained for this reason: Let us take, for illustration, a valuable lot improved with a fine building which will probably require \$4,000 or \$5,000 of new work to place it again in first-class condition. If the mortgagee has to take the property over in its present condition he might as well

burn his mortgage, but if the Government steps in through the Reconstruction Finance Corporation, asks him to subordinate his interest, and then puts the property back in shape he has got a going piece of property on which, true, he has a second lien; but if he did not have the second lien under these circumstances his first lien would not be worth anything. So I think the word "paramount" should be retained to cover this class of cases.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. TREADWAY. Did I understand the gentleman from Maryland to say he felt the suggestion of my colleague from Massachusetts [Mr. McCormack] was a good one and that the word "paramount" could just as well be taken out of the bill?

Mr. GOLDSBOROUGH. I have no objection to that.

Mr. TREADWAY. Would the gentleman, then, be willing to offer an amendment to this effect?

Mr. GOLDSBOROUGH. Yes.

Mr. HOLLISTER. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. HOLLISTER. I understand the gentleman is speaking for himself personally.

Mr. GOLDSBOROUGH. I was not speaking for the committee.

Mr. TREADWAY. I did not ask him to do it for the committee.

Mr. CITRON. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. CITRON. I think we must go a little further to cover the case of stock in trade, because a merchant could not give any kind of lien on stock in trade which he keeps only to sell.

Mr. GOLDSBOROUGH. The Federal Government cannot give this money away.

Mr. CITRON. Nobody is asking that the Federal Government give the money away. The question is what kind of security should be required from these merchants in the flooded areas.

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the proposition that has just been under discussion is perhaps the most important amendment the House will have in connection with the bill. It has been the purpose of the Committee on Banking and Currency, as I said earlier in the day, to liberalize the lending provisions of the R. F. C. to care for the emergency that now exists in many areas of our country. The retention of the word "paramount" in the bill would undoubtedly very seriously hamper the making of loans, because a construction might be put on the language which would prevent these loans reaching the very people who need them most. So I am very much pleased that the chairman of the Committee on Banking and Currency is willing to offer the amendment to strike out the word "paramount." I think my colleague from Massachusetts covered the point admirably when he said it would hamper the very object of the measure; and I trust when the gentleman offers the amendment it will be accepted by the

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. FORD of California. Is not the gentleman afraid this would defeat the very purpose of the bill? I do not believe the Reconstruction Finance Corporation will make a loan where there is a first mortgage existing.

Mr. TREADWAY. I may say in answer to the gentleman that counsel for the R. F. C. appeared before the Banking and Currency Committee and showed a very marked desire to further the cause of these loans to those in need of help at this time. So I, for one, am willing to trust to them to carry out the purposes of the legislation.

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Connecticut. Mr. KOPPLEMANN. Continuing the statement that the gentleman from Massachusetts made, may I say that in discussing this matter with the Chairman of the Reconstruction Finance Corporation, I asked him if the bill would mean anything, and he said that if too much was not offered the people it would be satisfactory, but the great difficulty is that people expect more than the bill itself gives them the right to expect. In view of the discussion that has come up, the requests which have been made, and calling attention to various words in this measure, I hope the House will liberalize it so that the R. F. C. may understand the temper and the desire of the Members of the House.

Mr. TREADWAY. Mr. Chairman, I think the discussion that has taken place here today and the remarks of all Members who have spoken on this bill will go far to convince the R. F. C. authorities that they have been perhaps too conservative and too businesslike in their general methods. An emergency exists, and I am sure they are men of judgment, who will understand perfectly well what is meant by this discussion today.

[Here the gavel fell.]

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. Mr. Chairman, what is now pending before the committee?

The CHAIRMAN. A committee amendment is pending.

Mr. BANKHEAD. Has not debate been exhausted on the committee amendment?

The CHAIRMAN. No.

Mr. BANKHEAD. Mr. Chairman, I hope we will be able to make some progress toward a vote on this bill. The matter has taken up much more time than anticipated. Of course, I know this is an important matter, but we have an appropriation bill that has been waiting here a week to be taken up.

Mr. HOLLISTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it has become quite evident that this bill will be subjected by those who represent districts which have been injured by the recent floods to all kinds of pressure for liberalization. My own district happens to have been just flooded by the Ohio River, although perhaps not as severely as some other districts, so I am naturally sympathetic to this bill. I wish, however, that the members of the Committee would give due consideration to what they are asking the Reconstruction Finance Corporation to do.

The bill before us today has in it the provision which we are now discussing for the giving of paramount liens on loans. Exactly the same provision is contained in the existing law which was passed 2 years ago to give aid to sufferers from floods, earthquakes, fires, and so forth. We are increasing the amount by five times and we are to some extent liberalizing it in other places.

Mr. Chairman, may I point out that the Reconstruction Finance Corporation is not a relief agency in any sense of the word. If we want to make this a relief matter, it should be brought up by a separate bill and should be paid for out of some of the relief funds which are in the hands of the President for expenditure in one way or the other. We should not put the Reconstruction Finance Corporation in the relief business. The Reconstruction Finance Corporation, when it comes to lending money, should not go beyond what is a reasonably sound risk. As far as the question of a paramount lien is concerned, it must be manifest that if property is injured in a flood those interested in the property should be willing to allow the Reconstruction Finance Corporation to have a paramount lien if that organization is going to come to the rescue and put some money in the property so that it may be rehabilitated.

Mr. Chairman, I hope the Members of the Committee will think this over very carefully and give consideration to what the actual functions of the Reconstruction Finance Corporation are, and in their desire to help the flooded districts I hope they will not carry this measure way beyond what is just and reasonable.

[Here the gavel fell.]

Mr. ELLENBOGEN. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Mr. Ellenbogen offers an amendment to the committee amendment. On page 2, line 20, after the word "thereof", insert: "Provided, however, That in cases where the applicant enjoys a good credit standing and where his past business record shows that the applicant has met his obligations promptly, and that his business ethics are such that he may reasonably be expected to repay such loans, the furnishing of collateral for such part of said loan as applies to personal property may be waived."

Mr. ELLENBOGEN. Mr. Chairman, I think there should be very little difficulty about this amendment to the committee amendment. My amendment leaves the committee amendment intact, but adds language which provides that merchants who by character and reputation proved by conduct during their past business years may be expected to repay the loan. My amendment applies only to a loan on personal property—which means the stock of goods—on such loans the collateral security may be waived under my amendment.

The language as now contained in the bill says that the loans shall be so secured as to reasonably insure payment thereof. The gentleman from Maryland said that security means a lien or collateral or character.

Mr. GOLDSBOROUGH. I did not say that. What I said was "reasonably secured" included a character loan.

Mr. ELLENBOGEN. I thank the gentleman for the correction, but under the present language the loan cannot be given without security, because the legal meaning of "security" is what can be put down on the counter. If you have to secure a loan it means the putting up of security, whether it be a mortgage, bonds, stock, or whatever it may be. It must be security. In a majority of the cases the merchants cannot put up security as far as the stock of goods is concerned, because they cannot give a mortgage on it and they cannot give collateral security because their property has been wiped out.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield? Mr. ELLENBOGEN. In just a moment. I hope the gentleman will defer his request for just a moment.

I hope the Members of the Committee will go along with this amendment, for without it I am frank to say it might, perhaps, be better not to have this bill, because it will arouse false hopes that are bound to be disappointed.

We have had several committees come down from the Pittsburgh territory, which includes not only Pittsburgh but parts of Ohio, West Virginia, and New York, that have told us that what the small merchants need are character loans. So, for God's sake, give the Reconstruction Finance Corporation, in unmistakable language, the power to make character loans. If you do not intend to do this, why do you not say so? Why say something and not mean it? If you intend to have them make character loans, give them the chance to do so.

Now, I shall be very pleased to yield to the distinguished majority leader.

Mr. BANKHEAD. I understand the gentleman's position to be that the Government of the United States, despite the great distress that exists in this region and as exists in many others, should lend money without any character or type of security other than a man's reputation.

Mr. ELLENBOGEN. I mean to say that in cases where real property is involved, the Government should have a lien on the property; but where the Government lends a part of the fund for the purchase of a stock of goods, for instance, such loans should be made on character only, if necessary, because otherwise, I may say to the gentleman, frankly, it might be wiser not to pass this bill.

Mr. TAYLOR of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. I will be pleased to yield to the gentleman.

Mr. TAYLOR of South Carolina. If you are going to take care of situations such as the gentleman has indicated, why not advance a loan on character to a man who wants to go into business anew?

Mr. ELLENBOGEN. There is, of course, a distinct difference between a successful and honest businessman, who has been wiped out by the flood waters, and a man who is not now or never has been in business.

And let us not forget, gentlemen, that if the Federal Government during the last 30 years had done its duty and carried out a proper flood-control program, these merchants would not have suffered such great or perhaps any losses.

[Here the gavel fell.]

Mr. BROWN of Michigan. Mr. Chairman, I rise in opposition to the Ellenbogen amendment to the committee amendment.

Mr. Chairman, I hope the members of the Committee will give me their attention for a few minutes. I think, as the gentleman from Ohio well said, if we keep on as we have been for the past hour we are going to make it impossible to pass any kind of bill that will be of assistance to those who have lost their businesses or homes in these flooded areas.

I think we must realize that the Reconstruction Finance Corporation is not a charitable organization. This was not the purpose of setting up the Corporation. The purpose was to make loans that were reasonably well secured, and the administration of the act by its present and its past management has been such that they have succeeded to a remarkable degree in doing a great deal of good to the country without any appreciable loss to the Treasury of the United States; probably without any loss.

We do not want to forget that the President has appropriated out of funds in his control the sum of \$43,000,000 for the stricken areas, and there is no question but that he will go further if it becomes necessary.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. No; I regret I cannot yield at the present time, I will say to the gentleman.

We cannot yet know what the full loss has been, neither do we know what the recoveries are going to be, but there is a large amount of insurance carried in various parts of the country upon losses of this kind, use and occupation and flood insurance, and there are a large number of business people who, because of the character they have indicated by their past experience, are going to be able to get their help from the usual local agencies—the banks and other financial institutions. I do not think we should emasculate this bill by opening the doors of the Treasury to all persons who apply to it for "character" loans without security.

The Democratic side, at least, of the Banking and Currency Committee, through its chairman, has indicated that we are willing to take the word "paramount" out of line 25. on page 2, so that any lien which reasonably assures repayment of the loan will be sufficient under the law, relying upon the phrase in line 20 of page 2, reading "so secured as reasonably to assure repayment thereof", to provide an adequate safeguard. I can recognize that there are many times when a second lien upon one piece of property is better than a first lien upon another property, and I do not want to hamstring the administration of this particular act by saying that every lien must be a paramount lien, but let us not open the way to what the gentleman calls "character" loans. Character loans are loans that can well be granted by people who understand the character of the people to whom they are making the loans, and the Reconstruction Finance Corporation or any Government agency here in Washington is treading on very dangerous ground when it attempts to appraise the responsibility of a citizen who applies to it for a loan on the basis of character. I sincerely hope we will leave the matter of character loans to the financial institutions that know the type of people they are doing business with, and that we will retain the safeguards we now have of requiring sufficient security on loans made by the Reconstruction Finance Corporation.

Mr. FULMER. Mr. Chairman, will the gentleman yield? Mr. BROWN of Michigan. I yield to the gentleman from South Carolina.

Mr. FULMER. In reply to what the gentleman from Pennsylvania [Mr. Ellenbogen] stated a few moments ago in

know of any such loans being made. They put up collateral in every instance.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan may have 5 minutes more in order that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HOLLISTER. I would like to ask the gentleman if he would not go further in the argument that he has been making, because it is one of the most important questions in this matter. That is the question whether or not the Reconstruction Finance Corporation is in a position to consider character loans. The gentleman from Michigan knows that in ordinary banking business the making of character loans and the making of security loans are each on a different basis. The gentleman from Michigan knows that it is impossible for the Reconstruction Finance Corporation to make character loans.

Mr. BROWN of Michigan. I agree with the gentleman. I can say further that the Reconstruction Finance Corporation as now constituted, with the agencies it has to handle these matters, is able to make loans upon a security basis, but they have no organization to determine the responsibility of individuals.

I say as a practical proposition that it would take from 3 to 6 months to set up that kind of an organization, and obviously, if that is necessary, no good could be accomplished by this act, under which we want immediate action. Consider, in addition, the danger of charges of political favoritism. As long as a note is reasonably secured there is little justifiable reason for criticism, but the moment that a governmental agency says that it considers Jones' character to be such that it can loan him money, but Smith's character to be so bad that he does not rate a loan, it is on dangerous ground. I plead with you to leave decisions of this kind where they now rest. Do not further burden this Government with this thankless task.

Attempts to add greatly to the available money will be made this afternoon, and we may as well now face the issue. This bill, if it is to accomplish its purpose, must not be amended so as to open the Treasury because of an unknown loss which arouses our sympathies. Let us face the facts. We are dealing with a supplementary loaning agency, not with a charitable institution. Let us first see what the selfreliant people in these communities can do for themselves. Let us maintain the integrity of the Reconstruction Finance Corporation as a loaning agency. If, after the man who has suffered loss has appraised his own assets, has applied to his friends and associates who know him, to his community bank, and to the R. F. C. under the provisions of the bill as reported, it appears that more help is needed, this great Government will not turn away. If that condition results, as in the past this humane administration will perform its duty generously.

Mr. GOLDSBOROUGH. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

Mr. CONNERY. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes on this question.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that he may proceed for 5 minutes. Is there objection?

There was no objection.

Mr. CONNERY. Mr. Chairman and gentlemen of the Committee, I think this is one of the most important amendments to this bill. I hope the amendment offered by the gentleman from Pennsylvania [Mr. Ellenbogen] will be adopted. The experience of any Member of this House who has gone before the Reconstruction Finance Corporation will show that the hope of getting a character loan from that Corporation under present law is entirely unfounded. The Reconstruction Finance Corporation goes into all sorts of facts with relation to a man's character now in

regard to character loans to farmers, I may state that I do not | reference to a loan and then only the favorites seem to get any loans.

However, anyone who has had experience in these loans will tell you that a character loan is the safe loan. That is the real loan. It is that kind of a loan that J. P. Morgan makes. It is the character loan that brings the money back. Those in the small-loan business will tell you that the safe loan is the character loan—the man who pays back the \$200. It is the \$90,000,000 loans that do not come back.

I think this amendment is vital. I have been down before the R. F. C. on the case of one business in my own district, a business that had prospects of \$700,000 worth of orders in the coming year in leather. They wanted to borrow \$180,000. Talk about character! They went into every phase of that business. They went into the fact that the man had paid union wages, and that the business had existed for years and years and had taken care of its employees. But that did not make any difference when it came down to the final analysis. No; they did not have this cushion and that cushion. They would not take the last drop of blood out of their workers in order to get this loan. So that business which paid good wages did not get the loan. So this amendment of the gentleman from Pennsylvania [Mr. Ellenbogen] hits at the root of the R. F. C. It tells the R. F. C. that the Congress of the United States wants loans made to the ordinary American citizen who is doing business, who is honest, who will pay back the money, and not merely to the large corporations of the United States who have influence and can go into the R. F. C. and get loans to the extent of millions of dollars. We are looking for thousands of dollars worth of loans for small-business men. You need not worry about the language in this bill. The R. F. C. will go on just as they always have, and I know that the intentions of my good friend from Connecticut [Mr. KOPPLEMANN] are all right. He wants to get this money for the people, the common people, of the flood areas, but he will not get it under the R. F. C. set-up unless there is an amendment attached to it like the Ellenbogen amendment. I hope that that amendment will pass.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. The question is on the amendment to the committee amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. Dunn of Pennsylvania) there were-ayes 9, noes 58.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question now is on the committee amendment.

The committee amendment was agreed to.

Mr. CONNERY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Connery: Page 4, line 8, after the word "exceed", strike out "\$25,000,000" and insert in lieu thereof "\$100,000,000."

Mr. CONNERY. Mr. Chairman, now that the committee amendment has been agreed to and we are sure that we are going to get absolute security for every loan after people give their right eye and left eye as security to the R. F. C. and we have a flood area extending all down through New England, through New York, Pennsylvania, Ohio, and Kentucky, now that you are sure that you will get the money back for the United States without any danger of losing a nickel, why not put in there an amount of money that will take care of those flood areas? Twenty-five million dollars, we all know, is only a drop in the bucket and will be of little material help in such a wide flood-swept area. It will not take care of Pittsburgh alone, let alone the other flood areas of the country. As long as we are sure of getting our money back, and we need not worry on that phase of it, why not loan sufficient money at good security to the people of these flood areas and see that they are well taken care of all through the country? That is why I am offering this amendment to make the amount \$100,000,000 and not \$25,000,000. Wait until Congress adjourns and the smallbusiness men of these areas try to make loans, and the R. F. C. will be quick to reply, "Well, we would like to loan you the money, but Congress would not give it to us to loan." I hope the House will pass this amendment so that \$100,000,-000 will be available for the borrowing needs of the small-business men in the flooded areas when Congress has adjourned. At least, the money will be there if needed; and if not needed, so much the better.

Mr. GOLDSBOROUGH. Mr. Chairman, we do not want to become mawkish and hysterical about this matter. There is another bill introduced by me before the Banking and Currency Committee to give increased powers to the Federal Housing Commission in the matter of flood relief. There is a resolution pending in the matter of flood control. I do not want anyone to get the impression that there is any lack of sympathy on the part of those who are opposing this amendment. Immediately after this flood the Maryland delegation called a meeting of all Members from flood areas to consider legislation, and as a result of that meeting came these three resolutions. The Reconstruction Finance Corporation was not created to do everything. We have consulted the directors of the Corporation, and they tell us that between now and January 1 they cannot possibly loan more than \$15,000,000 involved in this legislation.

Mr. KOPPLEMANN. Twenty-five million dollars.

Mr. GOLDSBOROUGH. But \$10,000,000 has been loaned already, and there will be \$15,000,000 more. I hope that this Committee will not be controlled entirely by emotion, but by good judgment and understanding. When the bill was reported to the House by the Committee on Banking and Currency that committee itself had been emotionally affected and we went as far as we thought we could to keep within any bounds whatever. I hope the amendment will be voted down.

Mr. CONNERY. Mr. Chairman, will the gentleman yield? Mr. GOLDSBOROUGH. Yes.

Mr. CONNERY. I do not want my friend from Maryland to think for a moment that I think he is without sympathy for the flood sufferers in the flooded areas, but what possible harm could come through turning over \$100,000,000 to the R. F. C.? If they do not spend it, it goes back to the Treasury.

Mr. GOLDSBOROUGH. The gentleman could just as well call for a billion dollars as for \$100,000,000. The R. F. C. say they cannot loan any more than the amount I have stated between now and when Congress convenes again.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. Connery) there were—ayes 19, noes 58.

So the amendment was rejected.

Mr. RUSSELL. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Russell: On page 2, line 24, after the word "property", strike out the remainder of line 24, all of line 25, and lines 1, 2, and 3, on page 3, and insert in lieu thereof the following: "secured by a lien thereon."

Mr. RUSSELL. Mr. Chairman, I offer an amendment. The purpose of this amendment is to eliminate from the bill the word "paramount" in describing the lien to be required to secure loans, which has been objected to, making the security required in paragraph (a) identical with the security required under paragraph (b). In other words, if would permit a certain amount of discretion in the Reconstruction Finance Corporation as to the kind of security it would require. That, coupled with the language at the end of the previous paragraph, line 20, "said loans to be so secured as reasonably to assure repayment thereof", provides ample security and at the same time a certain amount of elasticity and discretion on the part of the Reconstruction Finance Corporation.

Mr. KOPPLEMANN. Mr. Chairman, will the gentleman

Mr. RUSSELL. I yield.

Mr. KOPPLEMANN. In other words, that would give to the Reconstruction Finance Corporation the right to decide as between paramount and not paramount liens?

Mr. RUSSELL. That is correct.

Mr. ROGERS of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. ROGERS of New Hampshire. And that would also make uniformity, which is not now in the bill?

Mr. RUSSELL. That is true. It would make paragraphs (a) and (b) consistent, which they are not now.

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Russell].

The question was taken; and on a division (demanded by Mr. Hollister) there were ayes 40 and noes 16.

So the amendment was agreed to.

Mr. WHITE. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. White: On page 2, line 10, after the word "flood", insert the word "freeze."

Mr. WHITE. Mr. Chairman, all this does is add one more cause of these catastrophes. I might state to the Committee that last fall a disastrous freeze struck the apple-growing districts of the Northwest. The producers of apples had expended \$100 per acre to produce a crop in pruning, spraying, and thinning, in producing their fruit; but just as they were ready to gather the apple crop a freeze struck that apple country in Washington, Idaho, and the entire Northwest, practically destroying their crops, and put those producers in a terrible financial condition. The Northwest congressional delegation has endeavored to find some means of assisting them. We have tried to get some governmental agency to supply the funds to rehabilitate their industry. It is proposed to add one simple word to this bill which will permit the Reconstruction Finance Corporation to save that industry. I submit to the Members of this Committee it is just as important, just as necessary to help these people as it is to rehabilitate the people in the flooded areas.

I ask the chairman of the committee if he will not accept this amendment to add the word "freeze" after the word "flood", bringing the apple grower under the provision of the

Mr. GOLDSBOROUGH. I have no authority to accept it for the committee.

Mr. WHITE. I ask that the committee vote for the amendment.

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. White].

The amendment was rejected.

Mr. SUTPHIN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Sutphin: On page 2, line 14, after word "buildings", insert "groins, jettles, and bulkheads."

Mr. SUTPHIN. Mr. Chairman, for years those who live along the seaboard have been subjected to many catastrophes in the form of severe storms and tidal waves. I am asking that these words be inserted in the bill. I have discussed it with the members of the committee, and I hope the committee will approve the amendment. It is of tremendous importance and absolutely essential.

Mr. GOLDSBOROUGH. Mr. Chairman, I have not consulted the Members on the Republican side, but the Members of the committee on the Democratic side do not object to the amendment.

Mr. GREEN. Mr. Chairman, I rise in support of the amendment.

Mr. GREEN. Mr. Chairman, I shall be glad to see the committee accept this amendment, because our Florida coastal towns are all interested in it.

We are deeply interested in any measure which will protect the coastal and tidal beaches and margins of our country. Erosion, whether by floods or tidal water, is an expensive should well look.

I have in mind the beaches of my own State, which are the greatest recreational centers in the world. On these beaches have grown up great health resorts which are frequented by people from the entire world, who are there in an effort to maintain or regain their health. Of right, such magnificent beaches and water fronts are of such national interest as to claim from the Congress an attention on a parity with the national parks of our country.

In some places of my State the waters of the Atlantic Ocean are gradually destroying the usefulness and beauty of some of these water fronts, which are the most wonderful beaches in the world. We should give further thought to a comprehensive program in this direction, and it is my purpose at a later date to request of the Congress definite action along

May I now call to your attention another matter most important?

NO JOBS FOR ILLEGAL FOREIGNERS-ALIEN DEPORTATION

Mr. Chairman and my colleagues, one of the most important problems facing the Congress today is the urgent necessity for the passage of legislation which will prevent the employment of aliens who entered America illegally. As long as we have American citizens who are unemployed and who are forced to ask the Federal Government and local agencies for relief, aliens who entered America illegally should not be employed, particularly by the Government. Neither should the Government uphold their illegal entry and illegal residence by granting such persons relief or loans.

I have introduced H. R. 12083, which prohibits such employment and the administering of such relief. It is estimated that we have now in America more than 16,000,000 persons of foreign birth, over 7,000,000 of whom are illegally in this country. This bill, H. R. 12083, would not only prevent the employment of these aliens but provides for their immediate deportation. If we have 10,000,000 people in America unemployed and almost 4,000,000 deportable aliens, it is obvious that if these aliens can be promptly deported, then the unemployment-relief problem in our country would become negligible.

I have also pending H. R. 7079, which would not only deport habitual aliens, habitual alien criminals, enemies of our Government, dope peddlers, alien smugglers, aliens carrying machine and sawed-off shotguns, as practically all racketeers and gangsters do, but it would further restrict immigration by reducing existing European quotas 75 percent and applying the quota system of restrictions to countries of this hemisphere, reserving 75 percent of those quotas for the very near relatives, such as aged parents and the like, of naturalized foreign-born and foreign-born residents lawfully in the United States able to support them.

Daily aliens are entering illegally. The Immigration Service reports a 50-percent increase in alien stowaways, deserting seamen, and the like over the previous year, and that alien smuggling is on the increase-boats, automobiles, and even a number of airplanes being apprehended smuggling aliens into our country. A current release of the Department of State on the immigration work of the Department calls attention to the startling facts that our consular offices report a waiting list of over a quarter million and that there are in 47 of the 68 European quota countries alone about 1,000,000 aliens desirous of coming to the United States.

The last census reveals a large number of foreign-born, over 14,000,000; a large foreign-stock population, over 40,-000,000; and aliens, over 6,000,000. What we need is an immigration holiday; and my bill's enactment would give it to us by reducing existing quotas 75 percent, reserving them practically for parents and other near relatives, and extending quota restrictions to countries of this hemisphere whose immigrants are not now numerically limited and which countries absolutely exclude our nationals from entry for permanent residence or to work. We have over 10,000,000 unemployed and do not need and ought not to have the hundreds of alien skilled and unskilled workers and job

and destructive element toward the control of which Congress | hunters that are entering our country. We have too many unemployed as it is, without importing another one. Not only have we too many unemployed, but we have too many applicants for relief, too many dependents, defectives, and delinquents without allowing another one to be imported. Each country should care for its own unemployed and dependents. Charity should begin at home. Immigration should be further restricted and entirely suspended.

DEPORT ALIENS

If enacted, the bill will not only really restrict immigration, but it will deport the three or four million aliens illegally and unlawfully in the country, and by so doing go a long way toward solving our unemployment and relief problems, because the bill expressly provides that all aliens must get naturalized forthwith or get out, and aliens illegally here cannot produce the necessary certificate of legal entry absolutely necessary for naturalization.

STOP IMMIGRATION ENTIRELY

I would go further than H. R. 7079 provides by the enactment of H. R. 11741, which I have introduced. This bill provides for the suspension of immigration of aliens into the country. In other words, under its provisions immigration would be stopped altogether. Our country would be far better off to stop absolutely immigration of foreigners into our country until we can Americanize foreigners who are now here. I introduced this bill and earnestly advocate its passage, but it appears that many of my colleagues feel that its provisions are too drastic. Surely such colleagues could not object to the provisions of H. R. 7079.

FINGERPRINT ALIENS

I would call your attention also to H. R. 11740 which I have introduced and which is a bill to provide for the registration of aliens and a certificate of identification. I quote from this bill as follows:

That every alien in the United States shall, within 3 months after the enactment of this act, apply to the Bureau of Naturalization for an identification certificate. Every alien, after the enactment of this act, before being admitted into the United States for temporary stay or permanent residence, shall apply for an identification certificate at the port of entry, and such application shall be a condition of admission.

Application for identification certificate shall be in duplicate and sworn to or affirmed by applicant. It shall state place and date of birth, sex, nationality, married or single, dependents, occupation, height, weight, fingerprints, and such other descriptive facts as may be required by the Secretary of Labor. A photograph shall be attached to each copy of application, and an additional photograph shall be furnished by applicant for certificate. Every alien under 18 years of age shall be registered by parent or guardian.

A certificate of identification upon proper application shall be issued to each alien who is above 18 years of age. It shall contain a photograph of alien furnished by him, signature, fingerprints, age, height, weight, and other apparent distinguishing characteristics of alien, with address which shall be on a card of suitable size for carrying in pocket or purse. Every immigrant shall have his address entered upon his certificate within 3 months after entry by an officer authorized by the Secretary of Labor.

SEC. 2. Every alien shall, on demand, exhibit his certificate of identification to a representative of the Department of Labor and to any court of the United States, of any State, or subdivision of any State, or to any constable, sheriff, police officer, or other peace officer, local, State, or National. Refusal or failure of alien to produce and exhibit said certificate of identification shall be prima-facile evidence of illegal entry and such alien shall be deported.

If the Congress will pass this bill, our immigration and unemployment problems will both be settled favorably and permanently. It will cause the registration of every alien in the country and the immediate deportation of everyone who has entered illegally or who, although entered legally, commits any crime after his or her entrance into the United States. All lawfully entered aliens in our country who desire to become American citizens undoubtedly should have no objection to this registration.

I call the attention of my colleagues to these bills which I have introduced and which are now before the Committee on Immigration and Naturalization, and urge your cooperation in my effort to obtain the passage of these bills before adjournment. The passage of either one of these bills will be a great step toward making and preserving America for Americans. My position on immigration matters is well known to my colleagues. Ever since I have been a Member of the House I have worked consistently for restriction of immigration and for the deportation of undesirable aliens. Since I have been a Member of the Congress immigration has been restricted by about 90 percent, but our laws, particularly deportation laws, are too lax and must be better enforced if we are to stamp out communism and other "isms" which are contrary to the principles upon which our Government is founded.

No legislation of greater importance to our country can claim our attention, and no other measure is quite as important as a relief measure. I urge your support and cooperation in the passage of this legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. Sutphin].

The amendment was agreed to.

Mr. DUNN of Pennsylvania. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Dunn of Pennsylvania: On page 4, line 8, strike out "\$25,000,000" and insert "\$300,000,000."

Mr. DUNN of Pennsylvania. Mr. Chairman, I shall not consume the 5 minutes. Three hundred million dollars, of course, is not as large as a billion dollars. Last week I introduced a bill for an appropriation of a billion dollars to take care of the unfortunate people who were visited by terrible floods and fires. May I say it has been reported there has been more than \$2,000,000,000 damage done by the disaster. I would have offered an amendment asking for a billion dollars, but it was suggested to reduce the amount to \$300,000,000, and that amount may be considered. In my opinion, that is not asking for too much money.

Mr. Chairman, I tried to get a number of Members to yield to me, but I was unsuccessful. This is what I want to learn: What advantage is this bill to the person in distress if he must show good security before he can obtain a loan

from the R. F. C.?

In other words, a man who does not have anything cannot be considered, yet there are hundreds of thousands of people who lost their homes in the recent floods who, under this measure, will not be considered and cannot get anything because they cannot produce security. I ask, therefore, what is the difference between the R. F. C. under this legislation and a banking institution or a building-and-loan association? A banking institution or a building-and-loan association is willing to lend money to any person who has good security. In my opinion, this bill is nothing but a farce if it will not be possible to give a man a little assistance unless he can produce security.

I maintain, Mr. Chairman, that even \$300,000,000 is insuffi-

cient to cope with the flood situation.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. DUNN of Pennsylvania. I yield.

Mr. BLANTON. Does our friend from Pennsylvania contend that the Government of the United States ought to make good every loss that occurred in the flood?

Mr. DUNN of Pennsylvania. Yes; the gentleman from

Pennsylvania contends just that.

Mr. BLANTON. We would be in a terrible financial situation if that were done. Why not, then, make good all flood losses back to the days of Noah, in our supreme national generosity?

Mr. DUNN of Pennsylvania. I may state to the gentleman from Texas that if his State needed money to relieve people in distress caused by floods or dust storms I would be more than willing to support a measure to give the necessary relief. The House voted \$3,000,000 for the Texas Centennial Celebration. The gentleman from Texas voted for that appropriation. I also voted for it.

In closing, Mr. Chairman, I repeat that \$300,000,000 is not too much to be appropriated by the Federal Government when the money is to be used for human relief. I hope that my amendment will be adopted.

Mr. GOLDSBOROUGH. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

Mr. GOLDSBOROUGH. Mr. Chairman, I move that all debate on the bill and all amendments thereto close in 15 minutes.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Dunn].

The question was taken; and on a division (demanded by Mr. Dunn of Pennsylvania) there were—ayes 2, noes 28.

So the amendment was rejected.

Mr. GILDEA. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Gildea: On page 3, line 10, after the word "construction", insert "maintenance."

Mr. GILDEA. Mr. Chairman, the word "maintenance" merely clarifies the word "rehabilitation."

Mr. BROWN of Michigan. Mr. Chairman, I ask unanimous consent that the amendment may be again read by the Clerk.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the amendment.

Mr. BROWN of Michigan. Mr. Chairman, I reserve a point of order against the amendment.

Mr. GILDEA. Adding the word "maintenance" to section C merely clarifies what is meant by rehabilitation of property of municipalities or political subdivisions. As this section reads at present the Reconstruction Finance Corporation could limit loans to the repair, construction, reconstruction, or rehabilitation of physical property only.

Political subdivisions will suffer through inability to collect current taxes. Maintenance and operation of schools and municipalities will become a problem unless provision is made that money be advanced on tax-anticipation warrants. I feel the committee has this in mind in the original language of the bill, but I fear the intention could be misinterpreted.

Direct aid to home owners can only be given through tax exemption now in the hour of emergency. Cities and school districts can be counted upon to liberally provide merited exemption if given a source through which they can borrow operating expenses. Unquestionably the need justifies this provision. I ask that the amendment may be accepted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. Gilbea) there were—ayes 7, noes 35.

So the amendment was rejected.

Mr. SMITH of Connecticut. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Connecticut: On page 2, line 23, after the word "private", insert "real."

Mr. SMITH of Connecticut. Mr. Chairman, as the bill is now written, with the amendments that have been adopted, a lien is required on property which is acquired or to be repaired or constructed. The lien is not now limited to real property. Because of this a lien is now required on both real and personal property which may be acquired under this act. The requirement of the preceding paragraph as to security, I think, is sufficiently strong that we need not fear the Reconstruction Finance Corporation will make loans without sufficient security to guarantee their repayment. The requirement of a lien, however, makes it impossible for the Reconstruction Finance Corporation to make loans under this act for the purchase of personal property if the personal property is to be sold by the borrower. The requirements for security, I think, are sufficient without requiring the lien. The requirement of the lien will limit any loans under this act to loans on real property or on personal property which becomes attached to the real property.

I ask the chairman of the Committee on Banking and Currency whether the committee will not agree to limit the lien requirement to real property as this amendment does?

Mr. GOLDSBOROUGH. The gentleman means they could lend on personal property without taking a lien?

Mr. SMITH of Connecticut. Yes; because it is impossible to obtain a lien on certain property, particularly in the case of stock in trade.

Mr. GOLDSBOROUGH. I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

Mr. BROWN of Michigan. Mr. Chairman, I ask unanimous consent to correct the grammar in line 20 by putting the word "reasonably" ahead of the word "to", to avoid committing the sin of using a split infinitive.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Faddis, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, pursuant to House Resolution 470, he reported the same back to the House with sundry amendments agreed to in Committee.

The SPEAKER. Under the rule the previous question is ordered on the bill and amendments to final passage.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill H. R. 11968, just passed by the House, may have 5 legislative days in which to extend their remarks in the RECORD on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

LEGISLATIVE RECORD OF THE ROOSEVELT ADMINISTRATION

Mr. GRANFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address which my colleague the gentleman from Massachusetts [Mr. Connery] made over the radio.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GRANFIELD. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following radio address delivered by the Honorable William P. Connery, Jr., of Massachusetts, over Station WJSV, of Washington, D. C., on March 19, 1936:

To my friends in the old Bay State, through the courtesy of the Yankee network I am privileged tonight to address my fellow citizens of Massachusetts and relate, in the brief time at my disposal, some of the outstanding congressional happenings of the past 3

While it is well known that I have found it impossible to support some of the legislation enacted since March 4, 1933, as I never qualified as a rubber stamp, in either private or public life, it is also true that most of the important legislative measures proposed by the Roosevelt administration have had my unqualified approval and support.

No administration in my memory ever took control of the affairs of our Nation with the morale of our people so low as handicapped President Roosevelt when he took office at noon on March 4, 1933.

His task was truly one which was enough to sicken the heart of

anyone.

Bear in mind, if you will, that it was necessary to close all of our banks; that but little confidence remained in the solvency of our gigantic life-insurance companies; that millions of home owners faced the loss, through foreclosures, of their homes, which represented, in too many cases, their life savings; that some 14,000,000 of our workers were unemployed and unable to secure employment; that business and industrial concerns were threatened with bankruptcy through their inability to collect their bills; that

millions of farm owners were unable to sell their products at prices which would make possible the payment of their bills or the payment of the interest on their mortgages; that thousands of schools were closed; and that States, cities, and towns had pleaded their inability to provide for those in need.

President Roosevelt had promised the American people that none of our people would be without food or shelter, and he has, in the

main, made good that promise.

Conditions were such in 1933 that thousands of our graduates of schools and colleges, unable to find work in their own localities, were roaming the country and daily becoming more disgruntled. These men and women constituted a most fertile field for the Communists and others who seek the overthrow of our Government.

Federal aid alone could solve this gigantic and heart-rending

problem.

Some will allege that mistakes were made. some will admit that mistakes were made. Any intelligent person will admit that mistakes were made. But will anyone be blind enough or can anyone say that at least honest efforts were not made to provide for these of our people who needed help?

One of the earliest and most constructive measures enacted,

following the opening of our banks and the installation of confidence in the financial stability of banks and life-insurance companies, was the creation of the Civilian Conservation Corps. This measure when first proposed was not acceptable to those of us who rightfully fear the placing of too much power in the hands of Army officials. However, after amendments were placed on the bill after much effort on the part of myself and other members of the Labor Committee, we enacted a measure which has proved most beneficial to hundreds of thousands of our young people and their parents.

The Federal Government's guaranty of bank deposits of \$5,000 or less has freed the thrifty and the small businessman from the tyranny of financial fear. The creation of the Home Owners' Loan tyranny of mancial fear. The creation of the Home Owners Loan Corporation, headed by and most capably managed by two sons of Massachusetts—I refer to Mr. John H. Fahey, of Worcester, and Mr. Charles F. Cotter, of Lynn—has saved to our many thousands of thrifty home owners, who were faced with foreclosure and the loss of their homes, those homes which they sacrificed so much to

It is well to bear in mind that our country's greatest asset, far more valuable than all of our material possessions, is our own people. A person who is without work and unable to secure food and shelter for his little ones is not an asset but a pronounced liability to the continued peace and happiness of all of

our people.

Through the Federal Emergency Relief Administration, the Public Works Administration, and the Works Progress Administration we have provided for the millions of those in need of food,

shelter, and employment.

At one time, if I recall correctly, more than 20,000,000 of our people were wholly or partially dependent upon the relief they secured from governmental agencies. They needed help and they got it.

While some are now criticizing the work of Harry Hopkins and his administration of the Works Progress Administration, I want to say, considering the gigantic problem which President Roosevelt to say, considering the gigantic problem which President Roosevelt has imposed upon him, that, to my mind, and from my observations, he has handled the job, which is materially helping millions of those unable to help themselves, more capably, more honestly, and with less waste and graft than all of those who criticize him would even dare to attempt if they were given the chance. The enactment of the Security Exchange and Control Act protects our people from those unscruplous financial pirates who have yearly been depriving and defrauding our people of billions of dollars of their hard-earned dollars.

Incidentally, two other sons of Massachusetts, Mr. Joseph A.

Incidentally, two other sons of Massachusetts, Mr. Joseph A. Kennedy, of Boston, and Judge John J. Burns were called upon by President Roosevelt to steer off the rocks upon which it might crash, this measure which might have foundered in the hands of others less capable and with less interest in the welfare of all of our people.

our people.

The National Industrial Recovery Act, which was recently outlawed by the Supreme Court, while properly administered, and before it came under the domination and control of big business, which had placed their minions in key positions so that the workers could not secure the protection which the Congress had intended they should have, made possible employment opportunities for millions of those unemployed; it shortened the hours of labor and increased the minimum wages of millions of those who were grossly underpoid and it did outlaw child labor.

were grossly underpaid, and it did outlaw child labor

It will interest many to know that the National Industrial Re-covery Act was conceived and enacted in order to forestall legislation, unanimously reported to the House of Representatives by the House Committee on Labor, of which I have the honor of being chairman, which legislation called for a universal flexible being chairman, which legislation called for a universal flexible 30-hour workweek for all workers without any reduction in their weekly wages. This beneficial legislation was set aside, partially, as a result of the opposition of those international bankers, who realized that they could not continue to derive a profit through the importation and sale in the American market of the products of the low-wage-paid workers of Europe and Asia, which products compete in the American market with the products of American workers, because those foreign-made products would, according to the terms of the Connery bill, be produced under conditions comparable to those which prevail in America.

We all know that American workers seek work and not charity, and it was my hope that through the enactment of the Connery.

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flexible 30-hour workweek bill that we would provide employment opportunities for many of the millions, then and now, unem-

Every student of American life knows and most of them will admit that, owing to the mechanization of our industries, the adoption of the speed-up and the stretch-out systems, if some of the millions of our unemployed workers are again to secure permanent employment in private industry it is necessary; yes, it is essential, that we create and that we maintain a purchasing market for those products of American labor and American industry.

industry.

Those on relief do not receive any more than is necessary upon which to exist. Surely, those who are able to purchase only the bare necessities of life do not, and cannot create a purchasing

market.

Today we have some 11,000,000 of workers unemployed, and yet industry is producing as much as was produced 8 years ago when we had less than 3,000,000 unemployed.

This production is made possible only by forcing those workers now employed, such as the textile workers, to speed up their machines and for the workers to care for three and sometimes six times as many machines as they were called upon to handle in former years. Despite the increase in volume and the increase in value of the products, the workers, in most cases are today receiving less for their work than they received in years gone by. Here in Washington there is hardly a Government official who has given any thought and study to the problem of caring for the millions of our unemployed, but who will readily admit that

millions of our unemployed, but who will readily admit that workers must either secure the same or a larger weekly income for 30 hours work than they now receive for the longer workweek; or we, as a nation, must continue to care for by a dole at least 5,000,000 of our fellow Americans.

Even with a 30-hour workweek I personally believe that we must provide for some two or three millions of workers who will be unable to secure employment unless we reduce the speed of our machinery and eliminate the stretch-out system now so prevalent

machinery and eliminate the stretch-out system now so prevalent among our mechanized industries.

There are some remedies which I believe are all-important and which are wholly necessary to provide properly for the maintenance of peace and happiness of all of our people.

First, we should protect the employment opportunities of our American workers by immediately enacting legislation preventing the products of foreign workers, which products compete in the American market with the products of American workers, from entering our markets at total landed costs, which costs are than the wholesale selling price of comparable American-made than the wholesale selling price of comparable American-made goods

I have a bill now pending before the Ways and Means Committee in Congress which would carry out this program.

The United States Tariff Commission recently issued a report

The United States Tariff Commission recently issued a report on the pottery industry which report and findings showed that 85 percent of all our imports of pottery are the products of Japanese workers who receive a wage of less than \$4 for a week of 60 hours. This report further showed that because the Japanese manufacturers feared that Congress would pass the bill which I presented they had increased the price of Japanese pottery some 50 percent, and even then they were able to land their goods at less than American costs of production.

Secondly, we should immediately enact the Connery flexible 30-hour-work-week bill without any reduction in the weekly pay of the workers, thus making possible employment opportunities for some four or five million of those now unemployed and at present unable to secure profitable employment.

Third, we should enact legislation which will eliminate and make unprofitable the continuation of the speed-up and the stretch-out systems. This we can accomplish by the levying of a tax on the power used in the operation of our mechanized industries.

It is my intention, at the next session of the Congress, to sponsor an amendment to the Social Security Act whereby we will repeal the tax now levied upon pay rolls, which tax, directly and indirectly, is charged to the workers, and to substitute therefor a tax upon installed power, which tax will be sufficient to pay a weekly or a monthly income to those workers denied an opportunity of amplements.

tunity of employment.

tunity of employment.

Of course, I realize that in sponsoring such constructive and beneficial legislation I am sure to bring upon myself the wrath, the indignation, and the opposition of the Power Trust, a body of financial racketeers, who, according to the findings of governmental agencies, spent more than \$5,000,000 last year in attempting to defeat legislation which has already saved to the people of Massachusetts several millions of dollars in reduced rates and which will, I have reason to believe, in years to come save to our people additional millions of dollars in still lower rates for electric power. electric power.

There is urgent need for all of the foregoing legislation to which I have referred if we are to bring about social justice here in the richest country in the world.

United States Treasury returns this week show millions of dol-

United States Treasury returns this week snow millions of dol-lars in income taxes pouring into the Treasury. The big corpo-rations and rich individuals are making plenty of money while 11,000,000 Americans are walking the streets, looking for work. Accumulation of wealth in the hands of a few, whilst millions have only the bare necessities of life is not conducive to a peace-ful and contented nation. Social justice must come and will come in the near future by legislation in the Congress of the United States of America.

STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS APPROPRIA-TION BILL, 1937

Mr. McMILLAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes; and pending that motion, may I ask the gentleman from New York [Mr. Bacon] about the division of time?

Mr. BACON. I suggest to the gentleman that we better run along for today in general debate without coming to any definite conclusion as to when general debate shall be con-

Mr. McMILLAN. That is entirely agreeable to me.

Mr. Speaker, pending the motion, I ask unanimous consent that general debate may continue today, to be equally divided between the gentleman from New York [Mr. Bacon] and myself.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12098, with Mr. HARLAN in the

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. McMILLAN. Mr. Chairman, I yield 10 minutes to the

gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, in the consideration of this bill under the 5-minute rule, I trust an agreement will be reached by Members of the Committee which will permit of a more liberal appropriation for the development of aviation. I want to compliment the committee because of the fact that in this bill there is a break-down of the various items making up the appropriation for this division of Government, and a provision which will prevent the use of this money for purposes other than those intended by the Con-

Mr. Chairman, aviation is the subject of an investigation both by this House and the Senate. There exists in the minds of some Members of Congress a desire to create a single agency to take over and manage the affairs of aviation. There are some who believe it should be given over to the Interstate Commerce Commission, while others hold that it ought to remain with the Bureau of Air Commerce in the Department of Commerce. I believe for the moment we ought to forget all about the possibilities of placing aviation in any agency of the Government and content ourselves with improving aviation as it now exists.

Safety in aviation depends a great deal upon the human element. We can boast of the best flying corps of air-line pilots in commercial aviation that exists in any nation of the world. Our pilot personnel, to be efficient, must, of course, be freed of all mental hazards with regard to working conditions, hours of service, and matters of like nature.

On Monday a bill-S. 2496-will be considered in the House which will bring the pilots in commercial aviation under the jurisdiction of the National Mediation Board, and in that way their grievances may be adjusted without disturbing this fine personnel. The Post Office Department, the air transport industry, the pilots, and other air workers have come to an agreement, and I trust that the bill will receive the approval of the House, it having already passed the Senate. When we have our personnel in the air transport industry properly taken care of we will have gone a long way in improving the safety of aviation.

So far as the physical make-up of our ships is concerned, improvements are being made right along, and the progress has been very marked since the time the various air-mail companies were given more adequate compensation by the Interstate Commerce Commission.

The safety equipment of the ships can be improved, and I believe regulations should be immediately promulgated that will force all the ships to carry a sufficient complement of equipment to promote safety in aviation. As an illustration, most of our ships have two-way radio service—every ship should have it. In addition they should also be equipped with stand-by duplicate emergency equipment, so that if by chance one of the radio sets goes out, the pilots would be able to utilize the stand-by emergency sets and avert a serious emergency.

The future of our aviation is bright because of the present status of the air-mail situation in this country. Under the Interstate Commerce Commission, which now has jurisdiction, rates will be adjusted from time to time in keeping with the cost of the service.

Our present policy and the great need of our day in the promotion of safety in aviation is to provide the Department with sufficient funds, and to earmark such funds so that they will be used to properly safeguard and promote safety.

The most important factor of safety needed, as I see it today, is the development and installation of a system of airtraffic control for airports of the country. Aviation has grown tremendously and we find today many ships seeking to take off or land at a given port at the same time, and in bad weather it is dangerous under existing conditions. We need this air-traffic control so that we may guide our ships to and from our airports in safety, and I hope before the consideration of this bill is completed an earmarked sum of money will be set aside for the creation and maintenance of an adequate system of air-traffic control.

Mr. BACON. Mr. Chairman, will the gentleman yield? Mr. MEAD. I yield to the gentleman from New York.

Mr. BACON. The gentleman will be pleased, I am sure, to know that the committee has added the sum of \$175,000 to Mr. Cone's Division of Air Commerce for the specific purpose of controlling the air traffic at the eight main airports; and in the hearings, which the gentleman will find in the supplement, the gentleman will note that we went into the matter very carefully and made the suggestion to Mr. Cone that in respect to the larger airports of the country they should not permit any plane, private or otherwise, to come into the airport unless it has a two-way radio.

Mr. MEAD. I thank the gentleman for his statement, and I may say that the gentleman has been an enthusiast in the promotion of safety in aviation. I trust this money will be earmarked in the bill when it goes to the Senate, so that we may set up our first air traffic safety control system, and that it will be built up as time goes on and as the normal expansion of the industry warrants such development.

The State of New Jersey at the present time is considering a similar measure, and I trust it will not be necessary for the 48 States of the Union to go into this subject, because it is primarily a matter for the Federal Government.

I have some information which reached me only recently from the Air Line Pilots' Association, which gives a clear illustration of the need of proper airport and airway traffic control.

Ten years ago we had in the neighborhood of 8,000 airroute miles in this country. Today we are flying upwards of 160,000 miles on our airways each day. The result is that the air traffic on our centrally located airports and airways has become dangerously congested.

Another thing that has very materially increased this danger is the fact that there has been a greatly increased volume of instrument flying in and above clouds and overcast, which makes some form of traffic control imperative for the civil airways and major airports of the United States. New York, Cleveland, and Chicago airports are outstanding, and a number of others are rapidly becoming dangerously congested.

Developments in instrument flying have been such that airmen now fly in weather which formerly would have been prohibitive. As a result air lines are able to adhere more closely to schedules, and other operators find it possible to use their airplanes more regularly. However, with airplanes

operating under conditions of visibility and ceiling which prevent pilots from seeing ahead, or, in other words, when the planes are flying in, climbing through, or descending through solid or broken clouds there is introduced a collision hazard which has to be avoided by controlling the movements of aircraft so that they will not come together in the air.

The air-line pilots have recently informed me that fatal collisions of large air liners carrying capacity loads of human cargo coming into congested airports and flying on certain of our busy airways have only been averted by the skill of the pilots, and in several instances only by the merest chance. Something must be done about uniformly controlling the ever-increasing air traffic around our major airports and, particularly all of our airways, if public safety is to be served.

I have been told that on October 4 and again on October 24 the Air Line Pilots' Association wrote to Maj. R. W. Schroeder, Chief, Air Line Inspection Service, Bureau of Air Commerce, calling his attention to the seriousness of this situation. On November 12, 13, and 14, 1935, the Bureau of Air Commerce called a meeting in Washington to discuss airtraffic control problems. Forty-seven outstanding representatives from all branches of the industry attended. Much good was accomplished at this meeting. Careful studies were made, and all those attending agreed that something should be done at once or a terrible loss of life due to air collisions was inevitable.

However, at the present time this whole proposition of creating the very necessary regulations and furnishing the necessary experienced air traffic control personnel and facilities is at a standstill because of no funds. Here is one place where a very nominal sum of money properly expended would add immeasurably to public safety in air travel. A part of the money appropriated under the Department of Commerce appropriations bill for 1937 should be aliocated to and definitely earmarked only to be used to develop an adequate and uniform airport and airways traffic control system.

The seriousness of this situation is further definitely shown by the fact that the State Legislature of the State of New Jersey introduced a bill February 10, 1936 (S. 186), concerning the regulation of the flight of aircraft around and in the vicinity of congested airports. In other words, this is a fore-runner of legislation by the States on a problem that is purely interstate and should be controlled and legislated for by the Federal Government. Our failure to do this has resulted in the States beginning to recognize the seriousness of this situation, which is evidenced by the bill introduced in the New Jersey Legislature. This is definite proof that it is high time action is taken by the Federal Government, or we shall be faced with as many different kinds of air traffic control laws as there are States, which will strangle and hamper the industry to a point where progress will be impossible.

In order to promote safety, we must inaugurate this system of control; and in addition to this, we need liberal allowances for proper inspection of ships, and we need ships equipped with proper safety devices. This contribution should be made to this service without regard to the transfer of the authority of the agency concerned from one department to another. When we make this service safe and secure from the standpoint of proper inspection and maintenance and very much needed duplicate safety equipment and from the standpoint of proper air-traffic control, and then make it possible for the personnel in aviation to settle their differences and their grievances in an orderly way, we shall have gone far in the promotion of sound and safe aviation in this country. [Applause.]

Early during this session of Congress the Subcommittee on

Early during this session of Congress the Subcommittee on Air Safety of the Post Office and Post Roads Committee promulgated and sent to all air-line pilots a very extensive safety questionnaire. There were included in this questionnaire some 30 questions, dealing with all branches of air transportation and their relationship to increased public safety.

The percentage of returns on these questionnaires was most gratifying and denotes a keen interest on the part of the men who are actually piloting our air lines carrying passengers, express, and the air mail.

Much very valuable information has been gleaned from these safety questionnaires from which it will be possible to set up a well-defined program for increasing safety on our air lines. Among other things, these questionnaires revealed an urgent need for additional airways facilities as well as the need for the modernization of existing Federal aids. These answers also informed us that there should be a more infallible system set up for the proper servicing and inspection of all Federal aids to air navigation.

It is also revealed that certain sections of our airways are operating with no Federal aids such as fields, lights, beam stations, and so forth.

To further illustrate the needs of our airways, the following is one of the questions included in the safety questionnaire and a number of the answers verbatim:

Question. Are the airway facilities (fields, radio, lights, etc.) adequate on your division? If not, what specific additional facilities are needed, and where?

American: Need radio ranges between Cincinnati and Washington; also airway lights. At present have to go via Pittsburgh.

United: With larger ships, larger fields will be needed.

cago to New York.)

cago to New York.)

Braniff: Facilities are very poor. Flying is hazardous due to no radio beacons or broadcast at Brownsville and Corpus Christi. Emergency fields are useless 75 percent of year due to softness—mud. Belton, Tex., field dangerous; useless 100 percent of year. Eastern Air: Need recognized and lighted fields along the route, Atlanta to Charleston, S. C. Need beacon lights along the same route. Need a directional radio station at Augusta, Ga. Need a

National Parks: Fields should be rolled with each heavy snow in winter, or otherwise conditioned. Need lights from Helena to Great Falls, Mont., and also into West Yellowstone. Require ra-

Great Falls, Mont., and also into West Yellowstone. Require radio facilities, including ranges at Malad, Pocatello, and Dubois, Idaho, and Dillon, Whitehall, and Great Falls, Mont.

Hanford: Hourly weather reporting service by teletype at Tarkio and St. Joseph, Mo.; also radio range station at Sioux Falls, S. Dak.; and beacon lights, Omaha to St. Paul, Minn.

Western Air: Reliable weather stations at strategic points, adequate and reliable range facilities entire course, and some changes in locations of emergency fields, and some additional hazard lights on present fields. This is the first airway (San Diego-Los Angeles-Las Vegas-Salt Lake City) established by the Department of Commerce, and to date there is little in the way of facilities on the route. We are badly in need of teletype, radio beams, and weather route. We are badly in need of teletype, radio beams, and weather reporting stations.

United: More ranges that are reliable in this mountainous

country and marker stations. The present ones are far from good. (Seattle, Wash.-Oakland, Calif.)

Eastern Air: All Department of Commerce directional radio beam stations should be improved and equipped with the new type TL antenna. Present beams endanger lives. Also need MRL type radio marker beacons at hundred-mile intervals on airways. Large airport at Washington needed

Large airport at Washington needed.

airways. Large airport at Washington needed.

United: We need two more radio ranges, one at Baker, Oreg., and one at King Hill, Idaho, or Jerome, Idaho, providing adequate field were provided. We need additional weather reporting stations between King Hill, Idaho, and Burley, Idaho—distance is too long without better weather facilities. We need obstruction lights at west end of Boise, Idaho, field. We need many more lights in the Columbia River gorge. We need urgently an intermediate field at Hood River, Oreg., with hourly weather reports—now merely on call. Pendleton, Oreg., airport is too small and should have another beacon to the west. Boise, Idaho, airport should be moved from the narrow hollow to a broad area on the "bench." Beacons between Northdalles, Wash., and Umatilla, Oreg., should be realined to form a straight line and beacons removed from low hollows and be put on tops of rolling hills. * * * Many other recommendations, too numerous to cover in this report. tions, too numerous to cover in this report.

I quote another of the more important questions:

Do you believe that copilots (two pilots on each plane) should be supplied on all passenger schedules?

The answer to this question, with not more than one or two exceptions, was a definite "yes." I think all of our passenger air liners are carrying two pilots, a first pilot and a copilot. If they are not, steps should be taken to compel them to do so. There is a very definite need for two pilots in the interest of safety.

I repeat, that sufficient funds should be made available for this division of the Government so they can properly carry out their work; but I concur with the committee that in this bill there should be a break-down of the various items making up the appropriation which will prevent the use of this money for purposes other than that which Congress intended.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. Fuller].

Mr. FULLER. Mr. Chairman, recently the undergraduates of Princeton University organized what they call the Veterans of Future Wars and an auxiliary organization has been formed by the girls of Vassar College to be known as the Association of Gold Star Mothers of Veterans of Future Wars. So much publicity has been given to this unwarranted and un-American movement that it is high time it should be given attention. These so-called future veterans demand immediate payment of a \$1,000 bonus due January 1, 1965. This movement is too serious to be considered as merely ridicule. It is a slander, and seeks to degrade our World War heroes, many of whom made the supreme sacrifice. There is no danger of any of these college organizers ever, of their own accord, becoming veterans in defense of America. Their actions clearly show they are yellow and have no respect for the uniform of American soldiers. In the event of war they would never volunteer and if drafted would use the influence and wealth of their parents to avoid service or would seek exemption on the ground of conscientious convictions against war. In my opinion, they should have as president of their association Grover Bergdoll, who is no doubt their idol and who is now in Germany repenting in sackcloth and ashes. [Laughter.]

This organization has every earmark of communism. It invites Fascists and pacifists for membership. It is a boringfrom-within against our form of government and national defense. It is comparable to a parade that I saw not long ago in Washington of those dissatisfied with the Government of the United States, who were seeking a living without work and proclaiming communism, white women walking arm in arm with Negro men, and at the head of every group was a Russian Jew singing their un-American and communistic

songs.

The Washington Sunday papers carried a statement that this organization had applied for the right to participate in the Army Day parade. This would be comparable to the communistic parade but will never happen. In their organization no reference is made to war profiteers; evidently they approve of such a course, and in all probability their fathers were beneficiaries. The pathetic part of this insult to patriotic Americanism is the Auxiliary of Gold Star Mothers, who are demanding free trips to Europe to view future graves of their yet unborn sons. Can you imagine schoolgirls talking about having baby sons? There is little danger of any of their membership becoming mothers of war veterans. The birth, rearing to manhood, and furnishing to their country in time of war a son is the last thing in their minds. In my opinion, they would prefer to devote their time and attention to lipsticks, cosmetics, society, and a study of birth control. [Laughter.] It is a serious matter, affecting the welfare of our Nation, that we should have girls in great colleges who become so unthoughtful and so unpatriotic that they would slander and cause heartaches to American mothers who have gone through the valley of the shadow of death to bring into being and sent to the front the flower of American manhood to be killed in combat and buried in foreign soil amongst a people whose language they did not know. It is an assault on sacred motherhood. Shame to citizens who would ridicule these real patriotic mothers the little pleasure, mixed with sadness and disappointment, who were granted the privilege by an American Congress to visit the graves of their beloved sons buried in the poppy fields of France!

My honest opinion is these young women have been misled and unduly influenced by communistic and un-American so-called manhood. These students cannot escape by saying their organizations were intended as a joke and a reflection on Congress and the veterans of America. Their conduct shows they are saturated with communism, foreign influence, and a total disregard of true American patriotism.

Mr. CULKIN. Will the gentleman yield?

Mr. FULLER. For a question.
Mr. CULKIN. Does the gentleman know that the young women have recognized that they were unduly ambitious in their title and they have now waived the former title and are known as the Lady Auxiliaries of the Veterans of Future Wars. I thought that might interest the gentleman.

Mr. FULLER. I thank the gentleman for the statement, | Summary of United States air transport operations, Jan. 1, 1936-The history of the world is a history showing that the veterans of every war have received preference at the hands of their governments and have ruled their nation during their generation. The veterans of America, their relatives and loyal friends can be depended upon to see that no bunch of hybrids successfully spread communism in this country, insult their mothers and their record of heroic achievements.

The various veterans' organizations should investigate these organizations and the colleges in connection therewith, with a view of ascertaining as to whether or not the faculty approves or acquiesces in such procedure and in such teachings. The American people in recent years have been led to believe that there is much communism and red ideas emanating from these colleges. If they are free from this contamination we should know it. If guilty the Nation should know it in order that we may administer the proper remedy and keep our children from such un-American institutions. [Applause.] I cannot believe that the faculties of our colleges are un-American. It is high time in this day of communism that those who are not in favor of our Government should be known, and, if possible, deported.

I regret to give such a movement recognition in the Halls of Congress, but the metropolitan newspapers all over the Nation gave it recognition and carried it as a matter of fact, and the injury is just as serious to be shot accidentally as on purpose. Back of it all, in my opinion, is a move on behalf of these students to ridicule the veterans and the Congress and to insult the veterans and the mothers of the recent World War.

Such organizations are unworthy of public notice and should be denounced by every true American. [Applause.] Mr. BACON. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, in discussing this bill I first of all want to thank the acting chairman of our subcommittee for his very great kindness to the minority members in permitting them full latitude to ask such questions during our hearings as they desired.

We have been working on the bill for the last 8 weeks. This afternoon I want to discuss the question of safety in the air and safety at sea, both of which subjects come under the Department of Commerce.

I listened with a great deal of interest to the gentleman from New York [Mr. MEAD], who discussed some of the things that are necessary to make life in the air safe. I agree with what he said, but he did not go far enough.

The United States Government, under the interstate-commerce clause of the Constitution, is charged with the duty by Congress of regulating and making safe interstate transportation. The Interstate Commerce Commission regulates the safety of the railroads and recently the interstate traffic of busses on the highways.

To the Department of Commerce is assigned a similar duty of looking after the safety of life at sea on American vessels and of regulating and safeguarding safety of life in the air.

Safety at sea comes within the jurisdiction of the Bureau of Navigation and Steamboat Inspection, and also under the Bureau of Lighthouses and the Coast and Geodetic Survey.

Safety in the air comes under the Bureau of Air Commerce. Let us first discuss the Bureau of Air Commerce.

It regulates, inspects, and licenses one of our newest and fastest-growing industries, namely, aviation and air transportation.

To show the magnitude and growth of this industry, a few figures may perhaps be interesting.

Summary of United States air transport operations, Jan. 1, 1936 Miles of American-operated air transport routes: Domestic__ 28, 267

Foreign	32, 184
Total	60, 451
Miles in operation with United States mail: Domestic	25, 968 25, 460

Miles in operation with passengers:	
Domestic	28, 267
Foreign	24, 120
Total	
Miles in operation with express:	als vinyens
Domestic	28, 267
Foreign	32, 110
Total	60, 377
Airplane-miles scheduled daily (average):	CE STATE OF STATE
Domestic	160, 815
Foreign	16, 715
Total	177 590
With United States mail:	
Domestic	128, 162
Foreign	12, 644
	140 906
	140, 800
With passengers:	
Domestic	158, 269
Foreign	14, 366
	172, 635
With express: Domestic	
Domestic	160, 815
Foreign	16, 649
	177, 464
Number of air-transport services in operation	109
Mail	74
Passenger	105
Express	108
Domestic routes	8F
Mail	60
Passenger	83
Express	85
Foreign routes	24
Mail	14
Passenger	22
Express	23
Number of scheduled air-transport operators 1	27
The state of the s	21
Domestic	23

¹ Three companies operated both domestic and foreign services.

In addition we find that in 1935 there was a total of 55,380,353 miles flown in continental United States. The total of miles flown in the five most important air-minded countries of Europe for 1935 were:

England	7, 655, 000
France	6, 035, 539
Germany	6, 424, 310
Holland	1, 208, 891
Italy	2, 736, 050

Or a total for these five countries of 24,059,790 miles flown, or less than half that of the United States.

The comparison of passenger-miles flown is equally illuminating, and the figures of the growth of passenger-miles flown in the United States since 1931 is quite startling.

Growth of passenger-miles flown in the United States:

1931	106, 442, 375
1932	127, 039, 798
1933	173, 492, 119
1934	187, 858, 629
1935	313, 905, 508

The passenger-miles flown in three countries in Europe for

France	18, 496, 314
Germany	15, 946, 096
Italy	11, 688, 383

The figures for England and Holland are not known.

In 1935 the Bureau of Air Commerce had supervision over 28,267 miles of fixed airways, of which 22,012 miles are lighted for night flying, and the remainder a little over 6,000 are unlighted.

We find that in 1935 there were 7,371 licensed planes in operation and 1,701 unlicensed planes. This is exclusive of the Army and Navy.

We also discover that there are today 14,805 licensed airplane pilots, and in addition there have been issued 25,314 permits for student pilots.

The total airports in the United States are 2,369, of which 698 are lighted for night landing. Recently relief funds to the amount of \$21,000,000 have been released and allocated for new landing fields and the improvement of some existing

These figures are cited to give some idea of the size and importance of this industry, regulated and supervised and safeguarded by law by the Bureau of Air Commerce.

To perform its duties this Bureau was given in 1936 the sum of \$5,909,800, and in this bill your committee has allowed a total of \$6,545,000, an increase of \$535,200, though under by a small amount about \$131,000 of what the Bureau of the Budget allowed in the estimate submitted to the Con-

Let us now examine some of the duties and activities of the Bureau of Air Commerce.

First of all, the Bureau is divided into two main divisions, called:

First. Aircraft in commerce. Second. Air-navigation facilities.

1. AIRCRAFT IN COMMERCE

Aircraft in commerce is the regulation division which has supervision over pilots and planes and rules of the air. All air-line companies are inspected and given certificates of authority to operate. Air-line pilots are examined and licensed. Student pilots are examined, supervised, and licensed. All planes are inspected and licensed. And in general all regulations involving safety in the air are issued by this division and enforced by the inspectors of this division. Of course, this involves a large force of inspectors. Budget has allowed and your committee has concurred in allowing an increase in this inspection force. This increase has been allowed, particularly, to enable this division to undertake a new activity vitally important to safe flying, particularly in connection with the air lines. This activity is traffic control at the larger airports. The air-line companies have been trying to undertake this important work and have subscribed \$60,000 to it. But practically every air line is operated at a loss today, and they have not the resources to do it.

Let me digress a moment to discuss a serious question, and that is that practically every air line is in the red in spite of the mail subsidy. I am wondering how much the highhanded illegal cancelation of air-mail contracts early in 1934 has had to do with this. The evidence I think is that this cancelation of contracts has had a great deal to do with this unhappy situation. The more serious question is the effect of this deficit on safety. I think it must be conceded that if air-line companies are not earning even their operating charges, there is a natural and understandable tendency to skimp and economize. This tendency may result in cutting down on the pay of their instructive and laudable efforts to maintain safety standards and finally result in lessening their high-grade efficiency, all to the detriment of progress, in which America now leads the world. If the airline companies are still struggling to make the grade of highest efficiency and because of Government interference cannot do the efficient job that they would like to, the American public can only blame politics.

This raises a very vital question. Since this Bureau was established all personnel except in low-paid brackets has been exempted from the civil service. Under Major Young's regime there was an earnest effort to get efficient men. Now all pretense at merit appointments has been cast overboard. Today no matter how poorly qualified the applicant for position may be, the only question asked is, "Is he a new dealer?" There have been 475 separations since 1933 and 326 new appointments.

The inspectors of the Interstate Commerce Commission are appointed only after 8 years personal experience on railroads and after the severest competitive tests and in 18 years there has been no whisper of politics.

The inspectors of air commerce should be chosen on the

service tests. Today political considerations and Democratic endorsements seem to be more important than ability. Some of the present inspectors are excellent but there are many complaints that many are not qualified, and yet safety of life in the air may largely depend on their technical efficiency.

I personally believe that Mr. Cone, and his assistant, Mr. Schroeder, who are in charge of this division will agree to this statement. They are able men who are trying to do a good job. If they were given a free hand, I am sure they would appoint all inspectors because of merit and high technical qualifications and would disregard all political pressure for appointments of incompetents. As it is they are handicapped by politics, departmental red tape, departmental jealousies, and interference of others who are incompetent and inexperienced.

The other main division of the Bureau of Air Commerce is called in our bill the division of air-navigation facilities.

Their duties involve the installation, maintenance, and operaton of the Federal airway system. They have charge of all the various so-called aids to air navigation, such as for example, the lighting of the airways, weather reporting, radio beacons, and radio and communication stations.

The safety of our air lines and the safety of the thousands of passengers they carry may depend to a degree on the efficiency of these aids to navigation and the care and skill with which they are maintained and kept up in perfect working order, like railroad block systems, except more so, so trains can stop.

The skill of our pilots, the reliability of our planes have progressed to such a high state of efficiency that ground aids are not needed in fine, clear flying weather. However, in fog, snow, rain, bad weather, and at night these air navigation aids may be vital. When they are needed they are needed badly and must be functioning as nearly perfect as possible.

From testimony before the Copeland committee, admissions from the Bureau, conversations with experts, pilots, and air-line operators, I think it is fair to assert that these mechanical aids, maintain and operated by this Bureau, are about 55 percent efficient. I firmly believe that with proper maintenance by highly skilled technical personnel these aids could be made 98 percent efficient.

The truth of the matter is that the efficiency of pilots and planes is about 5 years ahead of the efficiency, or lack of efficiency, skill or lack of skill, knowledge or lack of knowledge, of the division of air-navigation facilities.

The best brains and talents, the best technical knowledge and ability in aviation, are privately employed and cannot be found in this division of the Bureau of Air Commerce. In fact, I doubt if anyone in this division in the Washington office, and particularly the assistant chief in charge of the division, could even get employment with an air-line company.

Bureau officials are constantly falling back on the excuse that flying is a new art that is constantly changing and developing rapidly. So it is, but there should be no reason why the Bureau of Air Commerce, and particularly this division of air-navigation facilities, should lag so far behind private enterprise.

Congress has always given them the necessary money. Budget estimates have rarely been cut. There has been no lack of funds. Appropriations have been more than sufficient.

The moneys given, however, have been recklessly wasted and inefficiently spent. The maintenance of existing airnavigation facilities has been notoriously inefficient. has not been due to lack of funds but to incompetence. Last year the testimony will show that funds given by Congress for maintenance have been used for other purposes.

If anyone in this air-navigation division shows any initiative and brings forth any constructive suggestions, he is immediately "cracked down" on. The little clique of incompetents who run this division do not want to be bothered with constructive advice. They do not want any competent, highly trained technical man to bother them or talk to them.

The most flagrant case of cracking down on a critic which basis of their technical qualifications after competitive civil- has come to my attention is that of Mr. Jay A. Mount, who was summarily dismissed as superintendent of maintenance in the Bureau of Air Commerce, Department of Commerce, last November. He had been promoted to this position after 15 years' service on July 1, 1934.

As superintendent of all landing-field maintenance and blind-flying equipment, Mr. Mount was directly in charge of the Commerce Department's whole system of aids to air transport. He energetically tackled the job and tried to find out what was wrong. He introduced a system of "check up" which proved too revealing.

He was dismissed because he submitted from there numerous reports charging inadequate maintenance of these vital facilities.

Briefly, Mr. Mount's criticism of the air-navigation services were three:

First. That some \$500,000 of the maintenance appropriation for the 1935 fiscal year had been diverted to new construction work, at the cost of a serious deterioration in the radio-beam plants and beacon lights.

Second. That inexperienced personnel had been widely placed throughout the field service, causing a dangerous relaxation in maintenance standards.

I have already cited you some figures to show that 475 experienced men had been eliminated from the service since 1933 and were replaced by those who were not so experienced.

Third. That the Bureau of Air Commerce on numerous occasions delayed in correcting dangerous conditions in radio equipment after they had been reported formally by field inspectors.

The gentlemen of this House will recall that a select subcommittee of the Senate Committee on Commerce was appointed last July to investigate the air crash at Kirksville, Mo., last May 6, in which Senator Bronson Cutting and four others were killed. It was perfectly natural that in their inquiry the members of the subcommittee should have sent for the superintendent of maintenance in the Commerce Department's aeronautics bureau.

Mr. Mount has appeared before this committee on three different occasions. I want to read a section of his report—a part of the official record in that inquiry. He says, describing the flight which cost Senator Cutting's life:

That the accident was the direct result of improper functioning of aids to air navigation installed and maintained by the Department of Commerce * * *.

That the radio range course between Kansas City, Mo., and Burlington, Iowa, upon which the pilot was depending for guidance, instead of being correctly alined directly over the Kirksville field was misdirected and lead the pilot about 18 miles south of his true course.

But not only was the radio beam out of line—and it had been so reported by at least four pilots and inspectors prior to May 6, but the field radio at Kirksville was functioning very poorly. Mount's report on this station says—

The signals from the Kirksville radio station were so weak they were not audible more than 5 miles away.

It has been pointed out that under normal operating standards and proper maintenance the signals from this station should have been audible for at least 25 miles, in which case the 18-mile distortion of the Kansas City-Burlington course still would have brought the plane within the range of the Kirksville landing beam.

An official report has pointed out that unless these radio beams are maintained with the highest precision they are worse than useless. When a pilot begins flying blind on a radio beam he is compelled to follow that beam and to forego his other usual navigation aids—if the beam is out of line it is worse than useless.

This pilot, when he crashed, was 18 miles off his course to Kirksville, but he was flying on the radio beam, and the beam being off, he was led astray. If the Kirksville radio station had been functioning properly he would have heard it, even though he was 18 miles off his course, but the Kirksville station could only be heard for 5 miles. With this in mind, I want now to read another conclusion from a report on the Cutting crash.

That the conditions which led to this accident are by no means Mr. confined to the area in which the crash occurred but are general merce.

throughout the airways system, consisting of 22,000 miles of aids to air navigation, and unless corrected will most certainly take further toll in life and property.

I am informed that since the Cutting crash the Bureau of Air Commerce has improved conditions at Kirksville materially. Also, however, it has rooted out of the Government, after some 15 years of continuous service in the aeronautics branches, the man whose duty it was to report, and who did report, these conditions prior to the accident.

Mr. Chairman, at this point I want to ask unanimous consent that at the conclusion of my remarks I may include three official reports made by the maintenance engineer of air-line-navigation facilities, taken from the Department's own records.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. Bacon]?

There was no objection.

Mr. BACON. Mr. Chairman, now I wish to call the attention of the House to the fact that Kirksville was not the only beam to lead a pilot into trouble. On February 6, 1936, a transport plane flying north from Jacksonville, Fla., ran into heavy weather and turned around. The pilot picked up the Jacksonville beam. The pilot's report, as presented before the Copeland committee, reads:

The beam volume steadily increased, and we got the A and N and were riding definitely on the north leg of the Jacksonville with a compass course of 200°. The volume continued to increase, and I turned it down constantly.

This pilot followed the Jacksonville beam until he concluded from his time calculations that he should be in the vicinity of Jacksonville. He dropped down to 400 feet to take a look, was lost, and, thanks to good judgment, finally made his way back to Pensacola, Fla., almost 200 miles from the point to which he believed the beam was leading him.

In other words, bad weather is liable to affect the radio beam; and unless they are immediately and properly checked and maintined, the very time you need a beam you may find it out of line due to lack of skillful maintenance. In this case the Jacksonville beam had spread so that it had a range of about 200 miles wide. It was no good at all. This pilot followed the Jacksonville beam, which was not properly functioning, until he concluded from his time calculations that he should be in the vicinity of Jacksonville. As I said, he landed in Pensacola, 200 miles away.

Another witness described the Nashville, Tenn., beam as so erratic as to be practically useless.

Speaking of the pilot, this witness said:

He does not know what it is telling him, whether he can believe it or not, and in that case you can readily see the frame of mind the pilot would be in.

This is the testimony of Mr. C. C. Shangraw, technical expert of the Air Transportation Association, before the Senate committee. He told of one air-mail plane flying this Nashville, Tenn., beam out of Louisville, and I now quote from the transcript of the Senate hearing:

Senator Johnson. What happened to your ship?
Mr. Shangraw. The ship landed down in Tennessee, something like a hundred miles, I believe it was, from Nashville, at Sunbright, Tenn. A mail airplane and a pilot was lost. He lost his life.

Senator Johnson. What was it due to? To the inaccuracy of

the range?

Mr. Shangraw. Senator, when one of these ranges operate so erratically, the pilot has absolutely no confidence in it. He does not know what it is telling him, whether he can believe it or not * * . He relies more upon his compass and dead reckoning than he does upon his radio range, because he does not know where it is leading him to.

Another witness before the committee, Mr. D. W. Tomlinson, a research flyer for T. W. A., corroborated the findings as to inefficient radio maintenance. He told of the St. Louis beam having been out of commission for more than a whole day on one occasion, because they had no emergency equipment there. On another occasion, on a flight from Kansas City eastward, he found the radio beam at Columbia, Mo., out of commission.

Again, I quote the transcript of the hearing:

Senator Johnson. Who is responsible for that condition? Mr. Tomlinson. That comes under the Department of Commerce.

Another aviation official, Mr. H. M. Berry, told of an incident in which the Pittsburgh beam was switched to a new set of signals without notice to any of the flyers using it. I quote from Mr. Berry's testimony:

Some persons might have been notified, but I was not. one of the big transportation ships was not notified, because we came up to Pittsburgh on top, and I heard this beam, that we did not recognize, running, and I stalled around up there for about an hour and finally got down. But the airliners with passengers could not afford to take a chance, and they went on to Columbus. Ohio, and landed there and left five passengers stand-Columbus, Ohio, and landed there and left five passengers stand-

ing on the ground there.

When I got down I found out they were trying out an experimental beacon and had cut off the old signals.

This same witness reported a 60-mile deviation in the radio beam from Bellefonte, Pa., and yet another just east of Salt Lake City, Utah. Asked to explain the apparent relaxation of standards in the Government air-navigation service, the witness, Berry, responded:

In the first place, the Department of Commerce, as I see it,

* * I think has gotten into politics. And they allow a ward committeeman in Chicago to replace a man in the Department of Commerce that should be left there as a career.

At another point Mr. Berry testified:

I know of several cases where incompetency has been allowed to creep in among the personnel.

At another point he testified:

There were some men of my own knowledge let out from the western division out there, and eight, if I remember correctly, were sent in whom the gentlemen in the Department of Commerce had never seen before or never heard of, and they never had any previous experience.

Further testimony touching the patronage-appointment system in the Bureau of Air Commerce came from Mr. Franklin K. Lane, who was a member of President Roosevelt's special aviation commission appointed to liquidate the air-mail cancelation fiasco. In his testimony before the Senate committee, Mr. Lane was asked for broad general suggestions for the improvement of safety in air travel. He responded in part:

We believed, and so recommended, that the Bureau of Air Commerce should be regarded as a professional service and the tenure in that office should be more or less permanent; that advancement and progression should be made within the Department and without change of the personnel.

Supporting Mr. Berry's conclusions regarding patronage appointments in this vital service, Col. Edgar S. Gorrell, president of the Air Transportation Association testified:

This is the industry's opinion, and it is widely spread, sir.

A few minutes later Senator Johnson reverted to the question of personnel:

Senator Johnson. The inspection to which you allude is not up

Colonel Gorrell. Some men, some of the inspectors, are up to standard, but the great number of them are not, I am told, sir.

On February 10 Mr. Carl Dolan, an experienced aviation engineer, testified before the Copeland committee that the official Commerce Department reports showed a 60-percent failure of their ground radio over a period of several months' intensive checking of the field service. He directed the attention of the committee to the recent laxity in the Commerce Department inspection service. "The Department of Commerce are inspecting the outside and not inspecting their own stations", he said.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman vield?

Mr. BACON. I yield.

Mr. DICKSTEIN. Has the gentleman any suggestion to make? He has been making a rather strong case.

Mr. BACON. I have. I am going to conclude my remarks with some suggestions.

Mr. DICKSTEIN. That will cure the very evils which the gentleman has been talking about?

Mr. BACON. It will go a long way toward it.

In the hearings of both the Copeland committee and the President's special aviation commission, witness after witabreast of the advances in aviation. One of them stressed this point by calling the attention of the Copeland committee to the fact that this blind instrument flying had been authorized only about 2 years. The control, operation, supervision, and maintenance of these radio-beam stations constitutes technical work of the highest professional category. It is precision work of the most meticulous sort. The evidence shows clearly, and it has been confirmed in our hearings on this bill, that the Department's navigation services have not marched forward step by step with the industry.

Mr. SNELL. Mr. Chairman, will the gentleman yield?
Mr. BACON. I yield.
Mr. SNELL. I take it this information which the gentleman has been giving us came out in the hearings before the committee?

Mr. BACON. Not all of it. Mr. SNELL. But part of it?

Mr. BACON. Part of it. But I will say to the gentleman from New York that I have examined the testimony before the Copeland committee with great care. This has all come out in testimony before either the committee in the House or in the Senate.

Mr. SNELL. What reason did they give for letting experienced men go, and putting new men in their places when this is such technical work?

Mr. BACON. Man after man has told me that the men who were put in their places had to produce endorsements which had to be checked down at the Democratic National Committee.

Mr. SNELL. Does the gentleman mean to say that in technical work, where there is such opportunity for loss of life as in the aircraft in the Department of Commerce, that is put on a purely political basis, and if a man has a recommendation he can get a job there regardless of his experience or qualifications?

Mr. BACON. It would appear so. For instance, Mr. Barry, a witness before the Copeland committee, when interrogated about this, responded:

In the first place, the Department of Commerce, as I see it, I think, has gotten into politics, and they allowed a ward committeeman in Chicago to replace men in the Department of Commerce that should be left there as a career.

At another point Mr. Barry testified:

I know of several cases where incompetence has been allowed to creep in among the personnel. At another point there were some men, of my own knowledge, let out from the western division out there, and eight, if I remember correctly, were sent in, whom gentlemen in the Department of Commerce had never seen before and never heard of, and they never had had any previous experience.

Mrs. KAHN. Mr. Chairman, will the gentleman yield? Mr. BACON. I yield.

Mrs. KAHN. I think it might be interesting for the House to know who it was succeeded Mr. Mount after he made the report on the eight divisional directors.

Mr. BACON. That is a very good question. Mr. Mount, after he was appointed chief of maintenance, as anybody would have done, immediately inspected the air-navigation facilities throughout the country, and he installed a system of accounting of property and checking of maintenance that was very irksome to the incompetents throughout the Department. One man in particular, one of the divisional directors, Mr. Prial, refused to cooperate in these new maintenance systems and property-accounting systems. When Mount was fired this man was brought in and put in his place.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield for a further question?

Mr. BACON. Yes; but I want to get down to the conclusions and recommendations I told the gentleman I had to

Mr. DICKSTEIN. Has the Department made any inquiry regarding the complaints the gentleman is talking about, or has the Copeland committee made such inquiries?

Mr. BACON. If the gentleman will read the testimony ness testified that the Commerce Department has not kept | before Senator Copeland's committee, I think he will find it very revealing; for example, the cost-accounting system | Mr. Mount put in as maintenance engineer reveals some \$3,000,000 of property scattered throughout the country that had never before been accounted for and for which there was no record here in Washington. Some of the property was still in original packing boxes. Some of it consisted of batteries that had long since deteriorated so they no longer could be used, and some of the property was found around in farmers' barns along the airways, and there was no record of it here in Washington.

Calling attention to the testimony, \$15,000,000 has been spent on property for these airways for which there has been no accounting. There is no way of knowing where it has been put. They never had a decent accounting system until Mr. Mount put one in, and as soon as he put one in they started after him and they got him. They even put postal inspectors on his trail.

After a Nation-wide survey in the fall of 1934, in which he covered some 18,000 miles, Mount submitted a report to his chief. In summary, he said the whole system of navigation aids "were operated at approximately 55-percent efficiency" (Copeland hearings, p. 257). On this point, he continued:

I submitted a report on that to Mr. Martin (Rex Martin, assistant director of airways), stating in that report that without the expenditure of another dime that equipment could be brought up to a state of 98-percent operating efficiency, and that such conditions were dangerous to human life.

Note that we now have in the record two separate surveys of the aeronautics division radio plant, one from witness Dolan and one by their own superintendent of maintenance. The first reports 60-percent efficiency, and their own report showed 55 percent, with a strong recommendation that without any more appropriations but simply by competent and intelligent administration in Washington this plant could be brought up to 98-percent efficiency.

And the man who made this latter report was rewarded by being kicked out of the service.

I have here a transcription of Mr. Mount's inspection report as submitted to Assistant Director Rex Martin under date of June 29, 1935, about 7 weeks after the Cutting crash. In one part it says-

It is interesting to note that in every instance some major difficulty was located in the equipment which either directly affected the operation of the station or affected its reliability.

Just let me read his report on one or two stations.

Harrisburg, Pa.: Range course out of alinement. Towers improperly tuned. Broadcast transmitter speech quality poor, due

properly tuned. Broadcast transmitter special to trouble in speech equipment.

Washington, D. C.: Range antenna equipment was improperly connected, affecting reliability of courses. Tubes in transmitter very poor, reducing distance range of the station. Transmitter improperly tuned. Hum in broadcast transmitter amplifier due to defective condenser impairing speech quality.

Minneapolis: Defective tap switch in broadcast transmitter had been jumpered with battery clips instead of having proper repairs made. Jumper failed and maintenance supervisor put heavy load on transmitter. * * * An open circuit was found heavy load on transmitter. * * * The enrepairs made. Jumper failed and maintenance supervisor put heavy load on transmitter. * * * An open circuit was found in the condenser microphone head amplifier. * * * The engine-generator emergency power supply was not properly connected and its starting battery was disconnected.

Miami, Fla.: Intermittent trouble in range broadcast transmitter was found to be due to broken connection. Prior to this inspection trouble of long standing was located in a ground of the

power wiring. Batteries were defective.

So this report runs-through every one of the 26 radio stations inspected. In every one of them the equipment was faulty, out of gear, improperly operated, or otherwise in a state of reduced efficiency. And this is the equipment upon which the whole air transport of the United States moves every day and night.

Now what is the background of the man who is thus tossed around by the bureaucrats who direct the Commerce Air Service? He served in the Army Air Corps from December 1917 to January 1919. He was trained in every department of aviation mechanics and technology, having attended every Army school maintained by the Air Service. He qualified as an Army pilot during the war.

After the war he entered the post-office Air Mail Service

This was the period when the Air Mail Service was being developed. Mount was a ground mechanic, crew chief, field manager, weather reporter, and dispatcher. He helped develop the light beacons and work out their placement. In 1926 he was transferred to the Department of Commerce, airways division, as construction engineer.

On July 1, 1934, he was promoted to superintendent of maintenance in the reorganized Bureau of Air Commerce. Thus he has had 15 years continuous service in the Government aeronautical branches. And this is the man who is summarily dismissed from the service without a hearing.

Mount also submitted graphs illustrating how the improper pitching of radio beacons might completely overcome their effectiveness to pilots flying as high as 1,000 feet. A beacon pitched at a careless angle is not visible 5 miles away, whereas a beacon properly pitched to the horizon will be visible at 16 miles. Mount's report showed that two beacons out of every three were improperly pitched.

This same report set forth with considerable emphasis that never had the Commerce Department maintained a system of supervision and checking upon the newly installed radio equipment. He reported, as I have stated, that at every radio station among the 26 inspected, he found some improper adjustment of the equipment, which seriously interferred with the efficiency of the plant. Specifically his report of January 4 cited the bad adjustment in the station at Hager City, Wis. Here the marker station was broadcasting the wrong signal—the on-course signal of a range

This must have been very confusing to pilots-

and it is surprising that no criticism had been given, as this condition had apparently existed for months.

In a word, Mr. Mount reminded his superiors that the \$10,000,000 Government plant built up over a decade to aid air transport, and maintained at a cost of about \$4,000,000 a year, was operating on the whole at about one-half its expected efficiency.

He was emphatic in the point that the efficiency could be raised to about 98 percent without any increase whatever in the maintenance and supervisory budget.

From these reports forward Mr. Mount was a marked man in the Commerce Department. Postal inspectors were put on his trail in February 1935, about a month after these reports were submitted, and on April 4 he was suspended and appeared before the Department Personnel Board on charges made by postal inspectors' reports.

Incidentally, I am interested to know since when the Postal Inspection Service has been converted into a secretservice agency to spy on other Government departments? The record shows that one memorandum covering the investigation and trailing of Mr. Mount was signed by the Chief Postal Inspector, Aldridge, in person.

On May 1 the Departmental Personnel Committee dismissed the charges against Mount and he was restored to his assignment by Mr. Vidal but found his work had been diverted to another person of the Bureau, as Mr. Martin refused to recognize the order of his superior.

On May 1 he was required to appear before the Personnel Board a second time. On this occasion, when Mr. Utterback appeared informally as his counsel, Mount described the general inefficiencies of the aerial navigation aids and predicted that a spectacular crash involving some national figure probably would have to occur before this service was brought up to standard. Five days later the crash of the Sky Chief near Kirksville, Mo., which cost Senator Cutting's life, occurred.

The misalinement of the Kansas City-Burlington beam, which took the pilot 16 miles off his course, was held to be the primary cause of this tragedy.

Early in July of 1935 the Senate authorized the investigation now under way by the Copeland committee. I am informed that Senator Johnson had suggested examination of the superintendent of maintenance. On August 6, Mount in 1922, and remained in that service constantly until 1926. has testified, he was ordered out of town "before sundown"

by superiors in the Aeronautics Bureau. He was sent to a small station at Waycross, Ga., where the summons of the Copeland committee finally reached him on August 12. He appeared before the committee in an executive session on August 19 and was dismissed from the service on September 14. His accumulated annual leave continued his pay until

On September 23 Senator Copeland telegraphed Secretary Roper from his home town a vigorous protest against Mount's reported dismissal.

At this point I wish to read the telegram which Senator COPELAND sent from his home in Suffolk, N. Y., on September 23, addressed to Secretary Roper. I quote from page 533 of the Senate hearings of February 15, 1936:

If J. A. Mount is being dismissed from the Department, either directly or indirectly, because of his testimony before us, I most vigorously protest in the name of the Senate committee investi-I am amazed that any bureau would attempt gating aviation. interfere with the work of our committee by so crude an effort to dispose of an important witness. I assure you we cannot excuse what seems to us an outrage. If the Bureau is unwilling to demonstrate it.

Despite his dismissal from the Service, Mount did appear before the Copeland committee, however, and his story and his records are now a part of the official testimony. He has appeared before the committee three different times-August 19, 1935; February 15, 1936; and March 20, 1936.

I wish to go back now again to August 1935. Just about the time Mount was shipped off to Waycross, Ga., Mr. Howard C. Stark, recognized as one of the best equipped blind flyers in the world, was engaged by the Commerce Department for the special assignment of checking the serious charges as to the inefficiency of the radio beams maintained by the Department of Commerce. In January of this year he started out on an inspection tour in a specially equipped plane. Somewhere in the vicinity of Salt Lake City he disappeared, and to this day no trace has been found of him or his plane.

In connection with this tragedy I wish now to read an inspection report on the radio equipment at Wendover, Utah, from his report of June 29, 1935:

Wendover, Utah: One teletype machine was practically inoper ative through wrong adjustment and missing parts. Keying device, motor, and gear box improperly adjusted and maintained, resulting in motor trouble and outage of marker transmitter.

Now Stark was not an amateur at instrument flying. He was a recognized expert, one of the pioneers in the field, and had written a textbook on blind flying which is used today for the instruction of Army pilots. He was lost while flying a beam just a short way east of Salt Lake City, and no trace has been found to this day of his plane or any part of it.

[Here the gavel fell.]

Mr. BACON. Mr. Chairman, I yield myself an additional 20 minutes.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. BACON. I yield.

Mr. CULKIN. Can the gentleman tell me whether or not J. Monroe Johnson, Assistant Secretary of Commerce, late of South Carolina, is in charge of aviation?

Mr. BACON. He is Assistant Secretary of Commerce. He only recently came into the Department of Commerce, and I do not think the things I am charging can be laid at his doorstep.

Mr. CULKIN. He is a road builder, is he not?

Mr. BACON. I do not know anything about him.

Now, as to what should be done about the situation, the Interstate Commerce Commission has operated for many years without the faintest whisper or charge of politics. The safety inspectors who examine the safety of railroads are required to serve 8 years on railroads and get practical experience before they are even permitted to take a stiff examination to become an inspector of the Interstate Commerce Commission. The Interstate Commerce Commission has charge of the safety of railroads. It has charge of the safety of bus and truck transportation in interstate commerce. It is a nonpolitical, semijudicial body. I do not!

believe you will ever get proper efficiency as long as the Bureau of Air Commerce remains in the Department of Commerce

Briefly, I wish now to summarize certain other conclusions which have been presented in testimony before the Appropriations Committee and in the Senate inquiry into the Cutting crash.

First. That there is no degree of coordination whatever between the Post Office Department and the Bureau of Air Commerce in the matter of establishing new routes. Time and again during the last 3 years the Postmaster General has designated new routes without even consulting the Commerce Department as to what is available along those routes in the way of navigational aids. As a result, several hundred miles of airways are wholly without these vital navigation aids, such as radio beams, beacon lights, or emergency landing fields. It seems to me it might be a proper function of Congress to require some degree of coordination in these matters, at least to the extent of requiring some synchronization between the Commerce Department's construction programs and the designation of new air routes.

Second. The present system of weather reporting for airplane guidance is largely obsolete. In many points, the testimony shows, the weather report for the special air navigation service is done by the old part-time reporters of the Weather Bureau, storekeepers, farmers-anybody in the community who might be available.

Let me read the conclusion of Mr. Franklin K. Lane, who was a member of the President's Special Aviation Commission, before the Copeland committee, page 235:

Another witness, Charles H. Payne, vice president of an aeronautical service in New York, told the committee of a private flight south from Washington last summer.

Here is his story from page 290 of the Senate hearings:

Before leaving Washington at 11:25 we got the weather report from Charlottesville. They were unable to locate the weather man. A woman answered the phone. We asked her, "What is the weather?" She said, "I reckon from where I am sitting, it is

There is a single pilot, a trimotor ship, relying on a woman who says, "Don't spout those technical questions at me, but from where I sit, I reckon it is cloudy."

Third. That the Department of Commerce, despite adequate appropriations, has not developed adequate systems of traffic control at the principal terminals, such as Kansas City, Chicago, Los Angeles, and Newark.

It is the unanimous conclusion of the industry that aviation technology as applied by the principal transport lines in their own equipment and services is about 5 years ahead of the Commerce Department today.

Here is the conclusion of Mr. Edward P. Warner, the former Assistant Secretary of the Navy for Aviation, and recognized as one of the foremost aviation engineers in the world. In a letter addressed to Senator Copeland under date of February 5, 1936, presenting the conclusions of the President's Aviation Commission, of which he also was a member. Mr. Warner said (p. 243):

If I were now to summarize in a single sentence the vital structure of that part of our study specifically relating to transport, I would say that aviation, like the merchant marine, has outgrown the Post Office.

At another point Mr. Warner characterized this maintenance of air-navigation aids as "one of the most delicate and dangerous functions that a government ever has to perform." He recommended, both as a member of the President's Commission and in his letter to Senator Copeland, that the job of maintaining these aids is "inherently and necessarily quasijudicial and absolutely nonpolitical in nature." He suggested that these controls and aids be administered by a governmental agency having "nonpolitical characteristics."

Fourth. The final factor in this general picture is one which appears to me to be of the utmost significance. As we all know, it is the duty of the Commerce Department to investigate all airplane crashes. In every case it makes its general findings and conclusions public.

Under this authority, it has investigated 101 plane crashes between the period of 1927 and June 1935, involving the deaths of 250 persons.

In not one of these reports has the Commerce Department ever accepted one iota of responsibility either directly or indirectly for the mishap. It has not even accepted in any case on record a collateral responsibility.

In every case the accident has been attributed to a failure of airline personnel, or equipment, or to the weather (Copeland hearings, p. 100).

I think these facts, which are all a matter of public record, warrant the conclusion that the Commerce Department Air Service has been overwhelmed by bureaucratic tendencies, politics, and incompetence.

My suggestion is that the Bureau of Air Commerce be eliminated and the duty of looking after the safety of air navigation and the safety of life in the air be turned over to the Interstate Commerce Commission. When that is done I am sure you will find there will be a big improvement all the way down the line.

As far as the Bureau of Navigation and Steamboat Inspection is concerned, we have a little different story, although one equally arresting and interesting. You have all heard of the Mohawk disaster and the furor that that caused. There is no doubt in my mind that the Bureau of Steamboat Inspection has been trying to function with a very small and inadequately paid personnel. The inspectors of the Steamboat Inspection Service are paid less than the inspectors of the Interstate Commerce Commission. The testimony before our committee was quite full. We had the testimony of Mr. Weaver, and incidentally I may say that Mr. Weaver is a very able and efficient man. He is a businessman of long and splendid standing and good reputation. He was brought down here to take charge of the Steamboat Inspection Service because there was a real necessity for doing a job there. But ever since Mr. Weaver has been here he has been handicapped by the little clique of bureaucrats in the Department of Commerce. When he was away on the Pacific coast a little while ago two of his principal assistants who came to the Bureau with him and on whom he relied, were dismissed from the service on ridiculous, trumped-up, and foolish charges.

I firmly believe that the reason Commander Jones and Mr. Adams were dismissed was because the Department of Commerce wanted to get rid of Weaver. They thought if they threw out his most important aides while he was absent on the Pacific coast he would probably resign; but he had the good of the service at heart, and he has not resigned, and I think they are very unhappy because he has not.

Mr. Chairman, the committee went into this Bureau very carefully. We recognized the inadequacy of the personnel. For example, when I tell you that only one out of every five steamers leaving San Francisco is inspected because of lack of personnel, you can see how difficult it is to enforce the laws that Congress has made for the safety of life at sea. I am addressing myself this afternoon to the failure of the Department of Commerce to safeguard life in the air and to safeguard life at sea. The Bureau of Steamboat Inspection and Navigation has been the "Little Orphan Annie" bureau of the Department of Commerce. Imagine when the laws of Congress require every American boat to be inspected at least once a year and reinspected three additional times only one boat out of five leaving San Francisco is inspected.

It will be recalled that last year the steamship *Iowa* left Portland, Oreg., and was lost with all hands. The testimony showed that sine was not inspected before she went out, because there was no inspector available to inspect her. I am not charging incompetence in this Bureau, but I am charging a deplorable lack of interest on the part of the Department itself with the affairs of this Bureau. This boat went out and the testimony seems to indicate she was badly loaded; her bow was so high in the air she could not hold to her course and she was swept on to a reef and all hands lost.

There are also indications that the navigation aids were missing and not functioning at this time.

The trouble is when anything happens, instead of manfully coming to the Congress and going to the country at large and saying, "This is awful; we will try to correct it". the Department of Commerce tries to cover up. They have six boats in the inspection service which are used by the Department in enforcing rules for safety of life at sea. the five boats in the service before June 1935, three of them were so old and in such bad condition that they would not stand the inspection of their own service. Two of them are in fair shape. One is the All Alone, and the other is a boat called the Eala. They need more ships to carry on this inspection work. Yet we find that one of these ships, the Eala, over half the year has been used for political joy rides. This winter she has been down at Miami, Fla. During the winter of 1934 and 1935 she was also in Florida. In that winter only three boats out of the five then in the service were in commission, and more were needed to do the work. The Eala was assigned to Florida to assist in the winter inspection service due to the many boats that used the Florida waters during the winter. Yet from November 10, 1934, to April 20, 1935, no inspections were made.

This winter the boat has worked on enforcing the laws for safety of sea and other navigation laws approximately 21 days. What has she been doing? She has been used for political joy rides. When she is not in Florida waters she is up here on the Chesapeake Bay where she may be handy to political Washington for political joy rides.

On August 2, 3, and 4, 1935, the *Eala* was assigned to Mr. Fred Roper and five guests. On August 5 to Fred Roper and one guest. On August 17, 18, 19, 20, and 21 the *Eala* was assigned to Lt. H. Roper, wife, and child. On August 25, 26, 27, 28, 29, 30, and 31 to Fred Roper and seven guests. On July 19, 20, 21, and 22 the *Eala* was assigned to Miss Wrenn and five guests. For your information, Miss Wrenn is a stenographer or secretary in the Department of Commerce.

I have a daily report showing where this boat was all along the line for the last 2 years. She has been used to take parties and friends from Washington to Annapolis and from Annapolis down the river. It is a wonderful record!

Here is the record of the Eala: Baltimore to Oxford and return with party on board. Washington to St. Marys and return with party on board. Washington to St. Georges Island and return with party. Washington to Chesterfield and return with party on board. And so on all the way down the line, dozens of records of trips around Washington and Annapolis with parties on board.

I understand that on February 23 of this year the boat was down in Miami with Mr. Fred Roper and a party of guests on board. Before that she was tied up at the dock in Miami and was not going out to enforce the laws for the promotion of safety of life at sea, and the record of this boat shows that for 5 months and 10 days in the winter of 1934-35 she was engaged in this joy-riding business with private parties on board, and was not engaged in any work of inspection or enforcing the safety-of-life-at-sea laws. It costs \$40,000 a year, approximately, to maintain and operate this boat, so we may assume that about \$20,000 of this money was used for political joy riding, and this is the Bureau that is short of boats. This is the Bureau that has been trying to get additional equipment to enforce the laws for the promotion of safety at sea. This is the Bureau, having only three boats in service, that permitted the use of one of them for political joy riding, and thus callously disregarded its responsibility and duty in preserving safety at sea.

It seems to me that the suggestion I made about transferring the Bureau of Air Commerce from the Department of Commerce over to the Interstate Commerce Commission might also apply to this Bureau of Steamboat Inspection. The railroads are inspected, the trucks and busses are regulated and looked after by the Interstate Commerce Commission; why not put all transportation under that Commission and take the regulation and administration of the laws to promote safety of life in the air and safety of life at sea

out of this political department and put it in a quasi-judicial body like the Interstate Commerce Commission, where politics does not enter?

These are my suggestions, and if I have said anything that will stop this joy riding at Government expense by these department officials, their families, their friends, their secretaries, and others, I may have done something that will save the Government a little money. [Applause.]

I include herewith three official reports showing the lack of efficient and proper maintenance of aids for air navigation, to which I have referred.

JANUARY 4, 1935.

Memorandum to the Assistant Director. Subject: Efficiency of aids for air navigation.

The property-accounting system indicates that some \$4,000,000 are invested in communications facilities and some \$3,500,000 in lighting facilities now in operation on civil airways. A recent survey of the airways in five districts leads to the conclusion that the average operating efficiency on all aids is not more than 60 percent. While this may appear to be an exaggeration, I contend that it is more conservative than exaggerated. The following is a brief summary in support of my contention, which is further supplemented by detailed reports submitted:

Efficiency of lighting aids: At the request of the writer, Mr. W. A. Pennow, illumination and sales engineer for the Westinghouse Electric & Manufacturing Co., Cleveland, Ohio, had a light analyzer especially built which permits accurate reading of the output of airways beacons and other lights in beam-candles. This analyzer alrways beacons and other lights in beam-candles. This analyzer is graduated up to 5,000,000 beam-candles. During the recent inspection trip made in company with Assistant Airways Engineer Collins, this instrument was secured in Cleveland, Ohio, and readings taken on beacons picked at random in three districts. The attached tabulation (exhibit A, dated Jan. 4, 1935) has been prepared from these readings.

It will be noted that the first tabulation expecting at the top of

It will be noted that the first tabulation, appearing at the top of the page, is prepared from readings obtained on standard airways beacons at the Bureau of Standards in the presence of Dr. Breckenridge and his assistant. The second tabulation is of the readings obtained in the field.

obtained in the field.

It will be noted from columns 6 and 7 that the average operating efficiency of the lights tested was 55 percent. It will be further noted that after voltage adjustment a 68-percent increase in efficiency was obtained. By reference to column 12 it will be noted that certain beacons were low in efficiency of output even after adjustment, and that the average efficiency after voltage adjustment was 84 percent. This loss is undoubtedly due to improper focusing, blackened lamps, and dirty glassware, since no attempt was made to properly focus the lamps or clean the glassware. It was noted that those beacons low in efficiency had blackened lamps. A comparison of the readings obtained at the Bureau of Standards at the time of the demonstration of the light analyzer and the results obtained in field readings, together with the lamping

ards at the time of the demonstration of the light analyzer and the results obtained in field readings, together with the lamping chart issued by the Mazda Lamp Co. (copy attached) indicates that the efficiency of output can be accurately determined by knowing the line voltage and the voltage rating of the lamp installed thereon. It may therefore be concluded that even though voltage adjustment at commercial power type sites was not possible when making the field tests, the same degree of inefficiency exists at these sites as was found at sites energized by engine-

generators.

It is therefore my contention that the average efficiency of the entire airway-lighting system can be increased at least 40 percent merely by adjusting line voltage to the rated voltage of the lamps, or vice versa. The Mazda Lamp Co. chart indicates that for a drop of potential of 10 volts between lamp rating and socket voltage, the output of the light is but 77 percent of maximum, and that for a 15-volt drop, the output is but 58 percent of

There is attached a sketch indicating lamping, socket voltages, and resulting efficiency of all lights installed on the field at Blue Canyon, Calif. It is my opinion that this field is not below the average in efficiency. From the average efficiency shown, it would appear that fields are operating at a lower percentage of efficiency

appear that fields are operating at a lower percentage of efficiency than are beacons. It is also interesting to note that the lowest efficiency is at the points where the most important lights are installed; that is, runway lights.

It appears, that mechanicians have long since discovered that lamps of higher voltage rating installed on low voltage circuits required much less frequent replacement; therefore, in most districts they have requested and obtained 120-volt lamps for use on all circuits. As a result, the lumen output has been drastically reduced. reduced.

In addition to the loss in efficiency by improper lamping, In addition to the loss in efficiency by improper lamping, a great deal more is lost through improper focusing. Arrangements have been made with Mr. Pennow and a tentative design drawn up for furnishing a focusing device by means of which accurate focusing of beacons may be assured. This device will locate the lamp filament accurately in the optical center of the reflector. One of the greatest losses in efficiency appears to be due to improper elevation of beams. In Nebraska four beacons were noted to the proper center the beams of which struck the ground less than a on one sector, the beams of which struck the ground less than a mile away. At Tylertown, Pa., the beam struck the ground a few hundred yards away. At Tylertown, a United Airlines representa-

tive was aware that the beam was too low but indicated that no formal complaint had been made. Mechanicians indicated that am elevation had been fixed they left it alone regardless of whether it appeared to be properly adjusted, and since it is apparent that not many representatives of this office or of the district offices drive the airways at night, a considerable portion of the beacons are quite ineffectual from this cause. It is questionable if mechanicians are aware that if the filament of the lamp be one-half inch too high the beam will be depressed ap-

of the beacons are quite lieuectual from this cause. It is questionable if mechanicians are aware that if the filament of the lamp be one-half inch too high the beam will be depressed approximately 2½ degrees.

Efficiency of communications facilities: While it is not possible to evaluate the present efficiency of the output of communications radio aids in percentages, analysis of the reports of maintenance supervisors (Communications) covering their inspections in accordance with the new maintenance procedure indicates that the increase in efficiency from systematized maintenance will even exceed that anticipated in lighting. Without single exception, the maintenance supervisors who have been making these inspections have stated that they had no idea that such an increase in efficiency was possible, nor were they aware that the equipment was in such a bad state of adjustment. Their reports indicate that even at newly commissioned stations equipment has never before been given proper adjustment with the result that even the new equipment in many cases gave unsatisfactory results.

An illustration which would be ludicrous were it not for the seriousness of the error is the station (marker) at Hager City, Wis. While supervising the inspection of the equipment installed with the transmitter was connected in such a manner that the signal transmitted by the marker beacon was exactly the same as an on-course signal of a range station. Instead of the normal marker beacon signal (0), which all published information showed that the station was transmitting, the marker had been transmitting a continuous on-course signal. This must have been very confusing to pilots and it is surprising that no criticism had been given as this condition had apparently existed for months.

Other excerpts from Mr. Teunisson's report covering this same station follow: "The transmitter was poorly adjusted resulting in much poorer speech quality than the transmitter was capable of producing." "The high-frequency receiver was found to have a bro

tine maintenance inspection and adjustment was, in his opinion, the best move toward better service that had ever been made. He advised that much of his equipment had never operated properly even when new until adjusted in accordance with the maintenance procedure.

Maintenance Supervisors McKinley and Stevens, of the sixth district, who undoubtedly have covered more stations and made more adjustments than the supervisors in any other district, state that the quality of service rendered the flying public will undoubtedly tremendously improved.

be tremendously improved.

Since so few stations have been inspected and adjusted and since the adjustments have produced such satisfactory results at all stations, your attention is invited to the reports on the inspection of communications facilities being submitted. I feel confident that after perusal of these reports you will agree that even though the increase in efficiency cannot be stated in percentages, the benefits to be obtained are equal to if not greater than those to be obtained in the lighting facilities.

Lay A MOUNT

JAY A. MOUNT, Superintendent of Maintenance.

JANUARY 18, 1935.

Memorandum to the Assistant Director:

1. Upon taking over the Air Navigation Division, you made a survey of its organization, the results of which led you to conclude that certain changes in policy were desirable. Following

were the conclusions reached:

(a) That the old cost system, being a makeshift adaption of that used by the Lighthouse Bureau, actually served no useful purpose as a cost-finding system which would give not only correct costs of operation but permit a ready analysis looking toward accomplical operation.

more economical operation.

(b) That no real system of property records had ever been set up. That property records existed were incomplete, confusing, and of no practical value.

and of no practical value.

(c) That apparently from force of habit formed during previous years of building and expanding, the energies of the service were almost entirely concentrated on construction and relocation activities, with scant attention being given proper maintenance of existing aids to assure dependable and efficient operation of a system so vital to the safety of air navigation. Due to no system of maintenance having been formulated, the airways revealed an amazing lack of standardization, together with the attendant evils, i. e., complexity of servicing and high operating costs.

2. In outlining your policies to correct the conditions mentioned above, you delegated me to act as follows:

(a) To immediately inventory all property and establish a simple and accurate system of property records whereby all airways property would be brought under Bureau control to be utilized most efficiently in operating and expanding the airways.

(d) To establish a cost-finding system which would reflect true costs of maintaining each type of aid as well as give an index of the efficiency of all individuals within the organization through comparative costs of like activities.

(c) The third step was to inaugurate a standardized maintenance procedure which not only standardizes maintenance activities throughout the service but actually delegates specific responsibility and outlines in detail the work to be accomplished at specified intervals, thus insuring dependability of operation, maximum operating efficiency of all aids, and reduces wear and

depreciation to a minimum.

3. You will recall that when you gave me this assignment I forecasted storms in certain quarters. In fact, I recall that I predicted, among other things, passive and active resistance, noncompliance with instructions, and attempts to discredit me as as the new systems and methods you have ordered developed.

1 hardly need offer comments on the accuracy of my forecast.
4. Ground work for the property system was started in the districts as early as July 1933. By letter of Septembr 26, 1933, inventory of all district storerooms was ordered and instructions for installing the property system at mechanicians' headquarters were furnished, with prompt action requested. Only by reviewing the correspondence, which shows the great amount of detailed planning in this office to simplify and expedite the work, can you fully realize how simply could the system have been installed had instructions been followed. Knowing that several districts had completely ignored instructions, making no move toward installation, a letter was written on November 14, 1933, setting December 31, 1933, as the deadline for the installation and proper functioning of the property system. Subsequent to this the writer visited most districts, finding in some that no move had yet been made to comply. All possible assistance was rendered to expedite the work. On December 31 all districts had certified verbally or in writing that the system had been installed and was in satisfactory

5. Despite this certification it was learned that in no district was the system installed. On March 16, 1934, a letter to all districts stated that despite their certification the system was not yet in satisfactory operation. This letter ordered a thorough check of the installation with field supervision and instruction by supervisory percentages. This letter also was personnel, including the district manager. This letter also was generally ignored. Finally it became necessary to issue detailed instructions (Bulletin C-1) for the guidance of all field personnel. This was necessary mainly because of lack of interest and constructive help from district heads.

What seemed a simple task has not yet been accomplished to our complete satisfaction. However, \$2,700,000 in surplus equipment and supplies were located and recorded. A third of a million dollars' worth of hitherto unknown and unlisted equipment was furnished for the construction of new airways. Where the records formals listed but \$200,000 in equipment against \$15,000 to poor formerly listed but \$300,000 in equipment, some \$15,000,000 is now recorded. Supply requirements hitherto guessed at are now known from records of previous requirements. Standardization has resulted and annual contracts are being negotiated. A standard supply catalog is nearly completed. It has been necessary in most cases to overcome stubborn resistance at each step.

6. On July 1 instructions covering the cost-accounting system,

which had been worked up in collaboration with the General Accounting Office, were issued. On July 23 the writer, together with Mr. T. G. Lindner, of the General Accounting Office, visited the first district and made a model installation, sending sample pages of the cost ledger and detailed instructions to all districts. These of the cost ledger and detailed instructions to all districts. These sample pages and the instructions discussing the method of installation should have made the installation of the cost system most simple. The difficulties encountered in the districts was due to their not having installed the property system correctly, since the cost-analysis system was predicated on the correct installation of the property system. Therefore the difficulties encountered are directly traceable to the districts not having followed their instructions. tions.

7. The third step was the installation of the standard maintenance procedure. Bulletin C-2, which outlined in complete detail the maintenance procedure, was furnished all districts, together with an organization chart, clearly defining the duties of each individual, was furnished the districts July 1 with instructions that they become effective upon receipt. This standard maintenance procedure, with its attending forms, prevents duplication and so organizes the activities of the district personnel as to prevent overlapping of duties, yet insure proper attention to the maintenance lapping of duties, yet insure proper attention to the maintenance of their facilities. Details as to the work to be accomplished at or their racinties. Details as to the work to be accomplished at specified regular intervals are set forth, thus insuring dependability of operation, maximum output from equipment, and the reduction of wear and depreciation to a minimum. A system of interlocking reports are furnished which isolate and bring to light weaknesses in equipment, neglect in proper servicing, wasteful methods, etc. By spending a few hours each month in the analysis of these forms, district managers can keep themselves informed

sis of these forms, district managers can keep themselves informed of all activities within their district.

8. District offices were as dilatory in complying with the instructions relative standard maintenance procedure as they had been with the property system. In the first district no action was taken regarding the inspection of communication station maintenance until this office directed the district manager to have his mainteuntil this office directed the district manager to have his maintenance supervisor meet Principal Maintenance Supervisor Teunisson at the Washington station for the purpose of inaugurating the procedure. This first inspection was started August 30, 1934. Judging from the dates on the forms covering inspection of lighting facilities, the first inspection was made October 12, 1934.

In the second district inspection of communication stations appears to have been started September 5, 1934, and inspection of lighting facilities started October 11, 1934.

In the third district inspection of communication stations was again not started until Principal Maintenance Supervisor Teunisson started the procedure on October 8, 1934. Inspection of lighting facilities in this district was started August 22, 1934.

In the fourth district inspection of communication facilities had not been started January 1, 1935. Lighting facilities in this district were inspected in accordance with instructions.

In the fifth district inspection of communication facilities was

not started until the arrival of Principal Maintenance Supervisor Teunison. In this connection see detailed report covering the Salt Lake district, in which it is shown that the district manager was manufacturing excuses to delay the procedure. Inspection of lighting facilities had not been started December 15; however, this may have been due to lack of maintenance supervisors.

In the sixth district inspection of communication facilities was started September 11, 1934, but only at the insistence of the writer. Inspection of lighting facilities had not been started

December 15.

9. The excuse generally offered for not having followed your

9. The excuse generally offered for not having followed your instructions is that the press of construction work had made it impossible to find time to devote to maintenance. I do not see how consideration can be given this excuse for two reasons:

First, you definitely laid down a policy by which districts were to give prime consideration to maintenance and in no case allow construction to interfere with the execution of the maintenance procedure.

Second, that this construction work is either initiated by the

Second, that this construction work is either initiated by the districts themselves or is assigned to them only after they have expressed a willingness and ability to accomplish it.

Another excuse commonly given is the lack of adequate personnel to properly perform the maintenance procedure. Actually the lack is not in personnel but in lack of proper supervision of the personnel available. If district managers had made the assignments as shown on the organization charts and given each man an Instruction Bulletin C-2, telling him to follow the procedure outlined, there would have been sufficient time and, in most cases, sufficient personnel for following your instructions to the letter. Instead, in most cases inferences were given, or instructions actually given, to the effect that your policies were not to be carried out. I have carefully reviewed the papers concerning the assignment of construction work to the districts and have found no case where these assignments were not made with the consent or at the request of the district managers.

request of the district managers.

10. Field forms were recently called in for audit. This audit indicates that district managers have not availed themselves of the information so readily available, with the result that servicing is still being carried on in the haphazard manner which is the outgrowth of lack of organization in the past. Detailed reports covering the audit of servicing records prove an unbelievable neglect of maintenance. In the 4-month period which the audit covers regular monthly service was neglected as follows:

	Sites
First District	. 152
Third District	. 87
Fifth District	. 231

Sites where major servicing is not indicated in a 3-month period as required:

	Sites
First District	150
Third District	170
Fifth District	1 200

¹ Impossible to check accurately due to failure to furnish all

In the first district nine sites were neglected for 2 months, five sites were neglected for 3 months, and four sites were neglected for 4 months. The mileage driven in all cases was greatly in excess of that necessary for servicing sectors. Despite the neglect mechaof that necessary for servicing sectors. Despite the neglect mechanicians worked but an average of 13 days per month in servicing their sectors.

Based on the time required by this office to audit the reports, had district managers spent I hour per month in auditing they could have learned of conditions and taken corrective steps. Had the auditing been delegated, 5 minutes would have been sufficient. Correspondence relative to the action taken by districts indicate

complete ignorance of such neglect.

11. The property system has certainly been justified by the results already achieved, to say nothing of future benefits. The cost system permits for the first time analysis of true costs. The need system permits for the first time analysis of true costs. The need for the standard maintenance procedure has been established in many ways. Again referring to my memorandum Efficiency of Aids to Air Navigation, dated January 4, 1935, it is pointed out that the average operating efficiency of aids is but 60 percent of maximum. Let us consider this from two phases:

(a) From a monetary point of view aids to air navigation represent an investment of \$10,000,000, and the yearly cost of upkeep is approximately \$4,000,000. If, as I contend, these aids are operating 40 percent below maximum efficiency, then \$1,600,000 per year is wasted in upkeep, to say nothing of the original investment.

(b) If these aids are necessary to safeguard the lives of air passengers, and the investment for their installation and upkeep is so justified, then, conversely, their inefficiency must jeopardize

so justified, then, conversely, their inefficiency must jeopardize human life. In light of the above, I would most certainly feel derelict in my duty did I not inform you of existing conditions. These conditions have not come into existence within the past year but are the results of years of neglect of maintenance, due to the press of construction work. In the preceding paragraph I have shown the neglect of maintenance men in caring for their aids. This system was designed to and will insure proper main-

tenance, provided it is given a chance.

It appears useless to further continue to dictate policy and issue instructions from the Bureau unless wholehearted support of the districts is assured. When I state from intimate knowledge that noncompliance and desistance of certain district managers has reached serious proportions and is unwarranted, I trust you will concede my singerity of numbers concede my sincerity of purpose.

JAY A. MOUNT, Superintendent of Maintenance.

JUNE 29, 1935.

Memorandum to the Assistant Director (Air Navigation): Subject: Correction of defects at radio stations by standard maintenance procedure.

In analyzing reports of Principal Maintenance Supervisor Teunisson covering the inspection of radio stations in all districts while son covering the inspection of radio stations in all districts while supervising and giving instructions to district maintenance supervisors relative the procedure, it is interesting to note that in every instance some major difficulty was located in the equipment which either directly affected the operation of the station or affected its reliability. Following is a brief outline of these conditions together with conditions found by maintenance supervisors when Mr. Teunisson was not present. Only major items are being included. I note that in practically every case adjustment of the receiving equipment was badly needed and that the proper adjustment resulted in greatly increased sensitivity of the receivers. Details concerning these conditions will be found in the individual reports.

greatly increased sensitivity of the receivers. Details concerning these conditions will be found in the individual reports.

Washington, D. C.: Range-antenna equipment was improperly connected, affecting reliability of courses. Tubes in transmitter very poor, reducing distance range of the station. Transmitter improperly tuned. Hum in broadcast transmitter amplifier due to defective condenser impairing speech quality.

Harrisburg: Range courses out of alinement. Towers improperly tuned. Broadcast transmitter speech quality poor due to trouble in speech equipment.

in speech equipment.

Chicago: Considerable hum in voice broadcast due to defective

condenser and speech amplifier.

Minneapolis: Defective tap switch in broadcast transmitter had been jumpered with battery clips instead of having proper repairs made. Jumper failed and maintenance supervisor put heavy load on transmitter. This failure could have occurred at any time and made. Jumper failed and maintenance supervisor put heavy load on transmitter. This failure could have occurred at any time and resulted in interruption of service. An open circuit was found in the condenser microphone head amplifier. The high-frequency transmitter was poorly wired and its operation very unreliable. The engine-generator emergency power supply not properly connected, and its starting battery was disconnected.

Hager City, Wis.: At this station the wrong type of keying device had been installed, resulting in the station's transmitting an oncourse signal rather than a marker beacon signal. The station was transmitting an incorrect characteristic letter. Voice-transmitter tube voltages improperly adjusted.

La Crosse: The range transmitter was improperly tuned and a power-amplifier tube was bad. Upon arrival at the station the transmitter could be operated only on low power. The crystal temperature even was defective and no steps had been taken to correct it. The broadcast transmitter was not properly tuned to prevent harmonic radiation after recent frequency change. This resulted in unnecessary interference by general public.

Lone Rock, Wis.: The bias batteries were entirely dead, due to a charger not having been installed. The tuning fork to furnish audible signal for range was unreliable, due to wrong connection. Keying-device motor was not being properly maintained.

Fernley, Nev.: There was a dead tube in station speech amplifier. Speech quality was poor, due to the noise from R. F. or A. C. pick-up in speech line to transmitter. Airways keepers were not familiar with the proper manner of changing range equipment from commercial power to emergency power supply from engine generator.

Humboldt, Nev.: Spare teletype was inoperative and in need of

generator.

Humboldt, Nev.: Spare teletype was inoperative and in need of

overhaul. The regular teletype was in need of overhaul. Elko, Nev.: An unsuitable relay of inadequate size was being Elko, Nev.: An unsuitable relay of inadequate size was being used for antenna change over during range or broadcast operation and was improperly installed. Range and broadcast transmitters were improperly adjusted to same frequency.

Beowawe, Nev.: Tube voltage adjustments in voice transmitter were incorrect resulting in poor speech quality.

Wendover, Utah: One teletype machine was practically inoperative through wrong adjustment and missing parts. Keying device motor and gear box improperly adjusted and maintained resulting in motor trouble and outage of marker transmitter.

Denner Summit: This station has a stand-by range and voice transmitter, however, remote control has not been installed for the stand-by transmitter nor was the speech line connected to it. Blue Canyon, Calif.: Output of the voice transmitter was much

Blue Canyon, Calif.: Output of the voice transmitter was much lower than normal.

Oakland, Calif.: Stand-by range transmitter was operating at very low power due to low percentage modulation. The station just recently constructed by bureau personnel had never been completed. The overload relay was very sluggish and did not pro-

tect equipment from overload.

Seattle, Wash.: Poor speech quality was found to be due to trouble in telephone company's lines. Remote control equipment was being improperly maintained.

Portland, Oreg.: Range antenna towers improperly tuned (prior to combining of station).

Fresno, Calif.: Remote control batteries were defective due to having been stored a considerable time prior to installation

Alma, Ga.: Transmitter was inoperative at the time of inspec-tion due to defective transformer insulation. Very unsteady power supply causes unnecessarily heavy strain on transmitter and tubes

and interrupts range service.

Miami, Fla.: Intermittent trouble in range broadcast transmitter was found to be due to a broken connection. Prior to this inspection trouble of long standing was located in a ground of the power wiring. Bias batteries were defective.

wiring. Bias batteries were defective.

Key West, Fla.: The range transmitter was being operated on a very low power due to trouble in intermediate power amplifier tube socket. The output was low on account of bad tubes. Grounds in the wiring caused intermittent trouble in the broadcast transmitter. A short circuit in the motor generator had been causing intermittent interruptions of the radio range service significant.

Titusville, Fla.: This station has always been operated on low power since trouble had developed as soon as it was placed on normal power. The trouble was found and corrected and the

normal power. The trouble was found and corrected and the station placed on normal power.

Jacksonville, Fla.: Some tube voltages in broadcast transmitter of incorrect value. The cause was located as incorrect wiring. Lack of a wiring diagram of transmitter wiring prevented complete correction of trouble immediately upon location of the cause.

Oklahoma City, Okla.: Range equipment was improperly connected and adjusted One of the gas-engine generators for furnishing power for the range was inoperative. A broadcast transmitter was temporarily installed.

Acomita: The output of both the voice and high-frequency transmitters was weak but was increased by proper tuning and

transmitters was weak but was increased by proper tuning and replacement of defective tubes.

El Morro: Output of range voice and high-frequency transmitters was weak but was increased by properly tuning the transmitters and tightening the connections.

mitters and tightening the connections.

It will be noted that at every station corrections have been made which not only increase the output, but increase the dependability of service. Since mine is the first system ever inaugurated in the Air Navigation Division to insure proper operation of the aids and insure dependability of operation, I believe you would be interested in knowing some of the results obtained.

As a matter of further interest, not only was the quality of maintenance greatly increased, but the cost was reduced over \$900,000 using previous costs as a basis. Likewise, in the maintenance of field and lighting facilities, not only have steps been taken to greatly increase the efficiency of output and insure more dependable operation, but the cost of maintenance has been reduced approximately \$3,000,000 per annum. In this connection see my memorandum Efficiency of Aids to Air Navigation. It is of considerable satisfaction for me to be able to make this report inasmuch as the three systems, namely, the cost system, the inasmuch as the three systems, namely, the cost system, the property system, and the standard maintenance system, each of which was designed by me, were the instruments which made these results possible.

JAY A. MOUNT, Superintendent of Maintenance.

Mr. McMILLAN. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. GRISWOLD].

Mr. GRISWOLD. Mr. Chairman, in general debate on the Labor Department appropriation bill I think it is peculiarly apropos that I call the attention of the House to the Connery resolution—House Resolution 429—now pending before the Rules Committee.

This resolution provides for an investigation, and gives power to the Committee on Labor to summon witnesses and investigate the silicosis situation throughout the country. This committee received its first knowledge of silicosis existing in the United States through a resolution introduced by the gentleman from New York [Mr. MARCANTONIO]. There are many things about which I do not agree with the gentleman from New York, but I think he is to be commended for calling the attention of the House to the situation at Gauley Bridge. Gauley Bridge, in relation to the whole silicosis situation in the United States, is but an incident. It was the vehicle by which this matter was brought to the attention of the country.

I do not want to go into the findings of the subcommittee with respect to the situation at Gauley Bridge, but I do want at this time, Mr. Chairman, to ask unanimous consent to insert in the Record a report of the subcommittee which investigated this matter.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to insert in his remarks the report of the subcommittee investigating the silicosis situation. Is there objection?

Mr. CHRISTIANSON. Mr. Chairman, reserving the right to object, I should like to know what is this publication the gentleman desires to put in the RECORD?

Mr. GRISWOLD. It is a report of the subcommittee of the Committee on Labor that investigated the silicosis situation.

Mr. CHRISTIANSON. It has not been printed in any other form?

Mr. GRISWOLD. Not in any form that will reach the House or the RECORD. It is a report filed by the subcommittee with the chairman of the entire committee.

Mr. CHRISTIANSON. Are committee copies of the report available?

Mr. GRISWOLD. Committee copies only. The report is about one typewritten page of the ordinary size.

Mr. CHRISTIANSON. I have no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The matter referred to is as follows:

FEBRUARY 5, 1936.

Hon. WILLIAM P. CONNERY, Chairman, Committee on Labor, Washington, D. C.

Dear Mr. Chairman: The subcommittee appointed to consider H. J. Res. 449, a resolution to authorize the Secretary of Labor to appoint a board of inquiry to ascertain the facts relating to health conditions of workers employed in the construction and maintenance of public utilities, respectfully submit the following report of its investigation.

Your committee held hearings from January 16, 1936, to February 4, 1936, inclusive, and heard many witnesses who testified to the conditions under which workmen were employed at the Hawk's Nest tunnel, Gauley Bridge, W. Va.

Nest tunnel, Gauley Bridge, W. Va.

From the testimony of numerous witnesses, ranging from actual workers on the project to experts from the Federal Bureau of Mines, the subcommittee finds as follows:

That the Hawk's Nest tunnel was constructed by the contracting firm of Dennis & Rinehart, of Charlottesville, Va., for the New Kanawha Power Co., a subsidiary of the Union Carbide & Carbon Co. That a tunnel was drilled for an approximate distance of 3.75 miles to divert water from New River to a hydroelectric plant at Gauley Junction.

Gauley Junction.

That in most of the tunnel the rock which was drilled contained more than 90 percent silica. That in some of the headings it ran as high as 99 percent pure silica. That this is a fact that was known, or by the exercise of ordinary and reasonable care should have been known, to the New Kanawha Power Co. and the firm of

Dennis & Rinehart.

That silica is a dangerous element to health. That when submitted to contact with silica dust, the lungs of human beings become infected with a respiratory disease known as silicosis.

become infected with a respiratory disease known as silicosis. This disease is caused by breathing into the lungs silica dust. That the effect of breathing silica dust is well known to the medical profession and to all properly qualified mining engineers. The disease is incurable. It always results in physical incapacity and in a majority of cases is fatal. That for more than 20 years the United States Bureau of Mines has been issuing warnings and information while conducting the educational campaign on the dangers of silicosis and means of prevention. That the principal means of prevention are wet drilling, adequate and proper ventilation, and circulation of air, the use of respirators by the workmen and drills equipped with a suction or vacuum-cup appliance.

men, and drills equipped with a suction or vacuum-cup appliance.

The subcommittee finds that there was an utter disregard for all and any of these approved methods of prevention in the construction of this tunnel. That the dust was allowed to collect in such quantities and became so dense that visibility of workmen was quantities and became so dense that visibility of workmen was lowered to a few feet. That workmen left the tunnel at the close of a working shift with their clothing and bodies covered with a dense coating of white silica dust. That the air-circulating system was inadequate, insufficient, and out of repair. That respirators were not furnished to or used by the employees of Dennis & Rinehart. That the majority of drills in use were used for dry drilling. That dry drilling is more rapid and effects a large saving in time and labor costs. That no appliances were used on the drills to prevent concentration of dust in the tunnel. That gasoline locomotives were used in the headings as well as the tunnel entrance, and that as a result there was great suffering from monoxide gas among the workers.

from monoxide gas among the workers.

That the whole driving of the tunnel was begun, continued, and completed with grave and inhuman disregard of all consideration for the health, lives, and future of the employees.

That as a result many workmen became infected with silicosis; that many died of the disease and many not yet dead are doomed to die from the ravages of the disease as a result of their employment and the negligence of the employing contractor. That such negligence was either willful or the result of inexcusable and indefensible ignorance there can be no doubt on the face of the

indefensible ignorance there can be no doubt on the face of the evidence presented to the committee.

Your subcommittee further finds that the disease of silicosis is prevalent in many States where mine and tunnel operations are now, or have been in the past, in progress. The subcommittee is of the opinion that the investigation thus far has but laid the groundwork and opened the subject for further investigation. That silicosis is one of the greatest menaces among occupational diseases and the State laws coverning negative compensations. diseases and that State laws governing prevention and compensation are totally inadequate.

It is impossible in this report to go into details concerning all of the testimony. We suggest that the hearings be read in their entirety. The record presents a story of a condition that is hardly conceivable in a democratic government in the present century. It would be more representative of the Middle Ages. It is the story of a tragedy worthy of the pen of Victor Hugo—the story of men in the darkest days of the depression, with work hard to secure, driven by despair and the stark fear of hunger to work for a mere existence wage under almost intolerable conditions.

The officials of the contracting firm Mr. P. H. Faulconer, the

The officials of the contracting firm, Mr. P. H. Faulconer, the president, and Mr. E. J. Perkins, the vice president, were requested to appear before the subcommittee but declined to do so, stating that they had no knowledge of any deaths from silicosis contracted on the work. The record, however, shows the firm paid some claims for death from the disease.

The subcommittee is of the opinion that these officials should be brought before a committee, bringing with them their books and records.

and records.

The committee, therefore, recommends that a resolution be presented to the House asking for sufficient funds and authority to require the attendance of witnesses and to do all things neces-

sary to procure a full and complete investigation.

Your subcommittee can do no more. Congress should do no less than to see that these citizens from many States who have paid the price for the electricity to be developed from the tunnel are vindicated.

If hy these

If by their suffering and death they will have made life safer in future for the men who go beneath the earth to work, if they will have been able to establish a new and greater regard for human life in industry, their suffering may not have been in vain.

Respectfully,

GLENN GRISWOLD. Chairman, Subcommittee.
VITO MARCANTONIO.
W. P. LAMBERTSON. MATTHEW A. DUNN.

Mr. CULKIN. Mr. Chairman, will the gentleman yield? Mr. GRISWOLD. I yield.

Mr. CULKIN. I understand this situation developed in the State of West Virginia.

Mr. GRISWOLD. It did; yes.

Mr. CULKIN. Does not the State of West Virginia owe some duty in this connection which it has not performed? I know that my State enforces the law in this respect.

Mr. GRISWOLD. I may say in answer to the gentleman's question that only 11 States in the United States have laws dealing with silicosis and other occupational diseases. There are today in this country 1,000,000 people who are potential victims of silicosis. There are actually 500,000 people in the United States today with silicosis, and from all the evidence we have been able to procure, silicosis is an absolutely incurable disease.

Mr. CULKIN. Then, must not the attack come from the States in the first instance, and is it not one of their highest functions to prevent the growth or spread of this disease or

do away with the cause of it?

Mr. GRISWOLD. I will agree with the gentleman that it might be a State function, but I shall also insist that it ought to be a Federal function because the basic law creating the Bureau of Mines provides that this Bureau shall investigate these diseases and handle them. The trouble today is that the country is not silicosis conscious. The States have not had an opportunity to investigate and show just what it is. There is no adequate way in which they can investigate.

I may say further that since we have started this inquiry the Secretary of Labor has taken action. Never before, during all these years, did the Department of Labor make any attempt to take action, but now the Department has appointed a conference committee composed of 12 men.

This conference met on the 25th of February and again on the 11th of March, and, although they say they wanted to obtain information on silicosis, they failed to have any representative of the Bureau of Mines before it. They also failed to have any member of the Labor Committee. In all the years the Bureau of Mines is the only organization that has made any attempt to do anything about the silicosis situation or take any means of prevention.

Mr. CULKIN. Will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. CULKIN. I want to commend the work of the gentleman's committee. It has been splendid. It is my belief that the State ought to definitely function as well as the Government.

Mr. GRISWOLD. I agree with the gentleman.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. GRISWOLD. I yield.

Mr. MARCANTONIO. This disease has been known since the days of ancient Egypt. Only 11 States have legislation in reference to it. In my own State of New York a bill is pending before the State legislature on the subject of silicosis, but it is most inadequate to deal with the situation. We ought to have a law to require the Federal Power Commission to provide safety devices to protect the workers in these tunnels, and that is entirely for the Congress.

Mr. WITHROW. Will the gentleman yield? Mr. GRISWOLD. I yield.

Mr. WITHROW. Did I understand the gentleman to say that there are possibly a million people afflicted with this terrible disease?

Mr. GRISWOLD. The best information we can get is that there are a million people potentially subject to this disease. Mr. WITHROW. And it is not confined to any given

Mr. GRISWOLD. The Bureau of Mines says it is likely to occur in 30 States. We have had it over a period of years. It has been disastrous in Butte, Mont., and even in the gentleman's State of New York, in the Catskill tunnel, it developed in large proportions. As late as last month a survey conducted by the New York health authorities showed that stonecutters and granite workers-of over 50 percent of those examined had silicosis. Silicosis might be prevented by proper education and protective measures, but they are not being used.

Mr. WITHROW. I was under the impression that the investigations are being carried on now. What is the difficulty with the committee; did they not have authority to subpena

witnesses to get proper information?

Mr. GRISWOLD. In the investigation of the Gauley Bridge situation the committee had no power to subpena witnesses and enforce their attendance. We heard people who came voluntarily, the Bureau of Mines, and the Department of Health, but when we tried to get the employer he refused, and we had no authority to force the witnesses. Dr. Hayhurst, who conducted a series of investigations at Gauley Bridge, refused to come because we had no authority to compel him. He conducted an investigation of the workers on the project, and is one of the greatest authorities on silicosis in the Nation.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. GRISWOLD. Will the gentleman yield me 5 minutes more?

Mr. BACON. Mr. Chairman, I yield the gentleman from Indiana 5 minutes.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. GRISWOLD. Yes. Mr. WITHROW. Then, this is the case, that in investigating old-age pensions, and campaign expenditures and the like, in investigating lobbying expenditures and lobbying about the Capitol, we give proper authority to subpena witnesses and do as they please with them, but when it comes to making an investigation of a terrible disease, such as this, we hamstring the committee making the investigation by not permitting it to properly function and allowing it the authority to make it mandatory that these people who are not doing as they should do may be brought before the committee and compelled to testify.

Mr. GRISWOLD. I think the gentleman has the correct This is the situation today. The Department of Labor, which never tried to investigate anything, functioning through a committee under the Secretary of Labor, decided that it would find out the cost of silicosis in dollars and cents, when a million of people in this country are suffering from a disease worse than consumption. We need a committee of Congress with power and authority to really

investigate.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. GRISWOLD. Yes.

Mr. DUNN of Pennsylvania. Is it not a fact, from the information we obtained before the committee, that at least 250 to 300 people died within a period of 2 or 21/2 years because of this silicosis, which they developed in mines in West Virginia?

Mr. GRISWOLD. That is true of the Gauley Bridge situation.

Mr. DUNN of Pennsylvania. I agree with the gentleman from Wisconsin [Mr. Withrow]. We are spending money investigating the Townsend old-age-pension system and other organizations that do not need any investigation, but if we ask for a few thousand dollars to make an investigation of corporations that are deliberately and maliciously murdering human beings, we cannot get anything, so I think whoever is responsible for holding up this bill needs to be chastized and I would be willing to do it if they do not give it to us.

Mr. GRISWOLD. I might say to the members not familiar with the matter of silicosis, that the laboring men throughout the country who are most susceptible to this disease do not know anything about it. It comes from silica sand that gets into the lungs. The sand does not do the injury, but it is the chemical reaction. In one part of the country they call it "tunnelitis", and these company doctors have called it that. It is also called miners' pneumonia in other parts of the country, and if a man lingers a long time they call it miners' consumption. A man may become infected with silicosis for months and not know anything about what is the matter with him. The medical testimony developed that after being exposed to silica dust, sometimes 14 years have elapsed before a man dies from the disease. The disease itself is incurable. You can arrest it, but it leaves a man in a disabled condition, just as arrested tuberculosis leaves a man.

Mr. SCOTT. Is it not possible, in these tunnels, to put in machinery that carries the dust away so that it lessens the possibility of silicosis?

Mr. GRISWOLD. Yes; it is possible through wet drilling. The committee discovered this especially at the Gauley Bridge, that 16 drills were working and that there were six of them wet. The rest of them were worked dry, because they could work more quickly with dry drilling. They could do the work in one-third time that they could with a wet drill. Silica is present in many mining operations, other than tunnelling, but in this particular place at Gauley Bridge, they were drilling through rock that was 97 percent silica.

Mr. SCOTT. And did not your investigation also develop that when the inspectors came in, those parts of the tunnel were closed up as if nothing were going on, and when the inspectors left, they were opened up again?

Mr. GRISWOLD. Our investigation developed that silica dust was so thick in that tunnel that they could not see an electric light 10 feet away. The testimony is that they rang buzzers to let them know when inspectors were coming, and the workers then stopped the dry drilling until the coast was again clear.

The CHAIRMAN. The time of the gentleman from Indiana has again expired.

Mr. McMILLAN. Mr. Chairman, I yield myself 5 minutes. I am quite sure the Committee has listened with a great deal of interest this afternoon to the remarks made by my colleague the gentleman from New York [Mr. Bacon], covering especially two of the Bureaus of the Department of Commerce, the Bureau of Air Commerce, and the Bureau of Steamboat and Navigation Service. I think it proper at this time to make a few remarks in reply to what my able and delightful friend from New York has said. First, so far as the Bureau of Air Commerce is concerned, I think it only fair to state to the Committee that at the hearing which has been under way in the Senate for the past month or more the Bureau of Air Commerce officials have not yet been heard by the committee; and while the testimony may or may not be damaging in some respects, I am sure that no one will undertake to pass judgment on the issues before the committee until at least both sides have been heard.

Now, with respect to these accidents-and, of course, we | all deplore accidents. We dislike to see loss of life which sometimes occur by reason of failure of operation, whether it be in the personnel or in mechanical equipment, but at the same time it seems to me only fair that both sides should be heard; and the issue should not be determined until these officials in the Department have had an opportunity of presenting their case.

We must recognize that this is a pioneering industry. It is relatively new. It is admitted by the air officials of the Bureau that we are bound to have these accidents. It is also admitted that a great deal of this equipment, while it may be perfectly modern today, may be obsolete tomorrow.

Now, with respect to these aids to air navigation, I might call attention to the fact that last September a questionnaire was sent out by the Bureau of Air Commerce to 7,000 transport pilots. Eleven hundred of those pilots answered that questionnaire. On page 12 of this bulletin, the title of which is "Composite Report of the Transport Pilots' Questionnaire, sent out by Air Navigation Division of the Bureau of Air Commerce", we find this question asked:

What percentage of reliability do you obtain from radio range

Fifty-nine percent of the pilots so reporting replied that they had an average of 85 percent reliability.

Another question:

What percentage of radio range courses do you find as adver-

Fifty-two percent of those reporting replied that an average of 83 percent as advertised.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. Yes. I did not ask my friend any questions when he had the floor.

Mr. BACON. I will not ask the gentleman if it embar-

Mr. McMILLAN. Not at all. I yield to the gentleman.

Mr. BACON. On those figures-85 percent efficiency and 82 percent efficiency—that means that on 15 flights out of every hundred they run into danger in the one instance and on 17 flights out of 100 they run into danger in the other instance.

Mr. McMILLAN. I think our Government officials themselves admit there are defects and there is room for improvement, but I do not want to make a mountain out of a mole hill on a condition of this kind.

On page 26 of this same report another question was

Do you consider the personnel of the air-navigation division competent and properly cooperative?

Ninety-seven percent of the transport air pilots answered in the affirmative.

I might say to the gentleman from New York [Mr. Cul-KIN], who has raised the question about the Assistant Secretary of Commerce, Colonel Johnson, that he was recently appointed to that position, and a great many of the troubles within the department about which complaint is made are matters that were there when he assumed office, and a great deal of it was there before the Democrats assumed control.

The records show that from 1927 to 1932, during a Republican administration, there were two and a half or three million dollars worth of equipment purchased in that timewas found in barns, stables, and backyards in this country. So, when all is said and done, I do not think it is proper here to charge the Democrats with those conditions. I will say to the gentleman that Colonel Johnson is a man whom I have known for many years, and he is a square shooter. Whatever is wrong, if there is anything wrong in this Department, you may rely on Colonel Johnson to correct it.

Mr. COLDEN. Will the gentleman yield? Mr. McMILLAN. I yield.

Mr. COLDEN. The distinguished gentleman from New York mentioned something about joy-riding. Does the gen-

misled by the conduct of their predecessors or by bad examples in the past?

Mr. McMILLAN. I may say there might be more truth than poetry in that statement.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. CULKIN. The gentleman referred to my reference to the distinguished Assistant Secretary of State, who is from the gentleman's own State, I assume, and the gentleman is doubtless proud of him, but does not the gentleman know that the efforts to clear up this safety-at-sea proposition which the gentleman from New York [Mr. BACON] described in his remarks, has been in fact hampered by General Johnson, who, of course, is entirely new in this

Mr. McMILLAN. I do not think so. Colonel Johnson is going into this matter and I am certain, knowing the gentleman as I do, these conditions about which complaint is made here today will certainly be remedied if it is within his power to do so.

Mr. CULKIN. I do not know whether the gentleman knows or not, but is it a fact that Colonel Johnson was instrumental in firing Commander Jones and his associate?

Mr. McMILLAN. Oh, we will not go into that at this time. I have heard for some years past that there have been others instrumental in firing men, perhaps without any rhyme or reason for it, so that is foreign to the issue here today. What I want to do is to inform this committee that in Colonel Johnson you can rely upon having a man who will improve conditions if there are any remedies of any character that can be brought about

Now, with respect to the steamboat-navigation service.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. McMILLAN. I yield myself 3 additional minutes, Mr. Chairman.

We regret these disasters, the Mohawk, the Morro Castle, and the wreck on the west coast, to which reference has been made. We regret to see lives lost at sea, and the committee appreciates its responsibility. To remedy these conditions the committee has exceeded the Budget and has recommended to the House an item providing between forty and fifty additional inspectors, at an increase of \$163,500 over the Budget estimate. It is our hope that with these additional inspectors a remedy will be found in part, at least, to avoid this loss of life.

I think it only fair at this time that I make these remarks in reply to my friend the gentleman from New York.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. Palmisano].

Mr. PALMISANO. Mr. Chairman, I wish to call to the attention of the Members of the House the resolution that is before the Labor Committee asking for a survey of laborsaving devices.

In the last three Congresses there has been considerable money appropriated, running into billions of dollars, to take care of unemployment, some having been given by way of relief and some by way of public improvements. Notwithstanding these large appropriations, while the unemployment situation has been somewhat improved, the problem to date has not been solved. That situation caused me to introduce in the Seventy-third Congress and again in the Seventyfourth Congress, House Resolution No. 49.

This resolution requests the Department of Labor to make a survey of labor-saving devices for the sole purpose of giving the Government data that it may use to tax laborsaving devices in the event that the unemployment situation is not solved.

I live in the heart of Baltimore city, which, 20 years ago was the center of the can industry, the cigarette and cigar industry, the packing industry, and the lumber industry. Today, there is absolutely none of these concerns that is in existence due to the monopoly which was caused by laborsaving devices. While I may not be able to give you a technical explanation of what has been done, I know from my tleman believe that these Democratic officials have been own observation what has occurred. For instance, in the

can industry I will say that within a stone's throw of my home there were 10 different concerns making cans. As a rule they would work during the entire year and they would store their product during the winter; then in the summertime they were able to more or less catch up with the demands caused by the packing season. Today all of these concerns referred to are out of business. One concern, due to their labor-saving devices, is able to fill an order for a million cans overnight. So you can see that whereas there were hundreds and thousands of men employed the year round, today two or three hundred men in 3 months can supply the industry for a year. The same thing applies with respect to the mills and the cigarette and cigar industry.

This is a serious problem. It is so serious that the following letter was addressed to the Honorable Franklin D. Roosevelt, President of the United States:

MARCH 14, 1934.

Hon. Franklin D. Roosevelt,
President of the United States of America,

Washington, D. C.

DEAR Mr. ROOSEVELT: Please, for the sake of humanity and our
Nation, retire enough of the nonconsuming, productive, labordisplacing machinery to allow man, the consumer of the products of the farm and factory, to have employment and a purchasing

of the farm and factory, to have employment and a purchasing power.

Industry has exploited labor through the medium of the machines until labor is placed in the scrap heap with no purchasing or consuming power. Unemployed labor has automatically deprived the farmer of a profitable market, and consequently he has no purchasing or consuming power. Now, with these two great organizations without a purchasing and consuming power, it is only sound economics to realize and see that all other branches of business and professional endeavor will suffer.

If the industries could only see and realize it, even though the machines have created for them much wealth, if they retain this machinery it will make them poor again, for the machines consume nothing and man, with no purchasing and consuming power, cannot buy the products of the machine, and this situation heads industry for inevitable bankruptcy. When industrial heads realize that the consumer plays a very important part in the success or failure of their business, they should be glad to replace the non-consuming machine with man, the consumer of their product.

If stocks, bonds, and real estate are ever to return to their par value; if the merchant, banker, lawyer, insurance companies, and their agents hope to prosper; if the cities and States hope to get back to normal; if the schools, the churches, lodges, and civic clubs hope to function—then it is absolutely necessary to get labor employed at productive work.

With labor employed and with a nurchasing nower consumition.

labor employed at productive work.

With labor employed and with a purchasing power, consumption will start, and this will automatically create a profitable market for the farmer and he will have a purchasing and consuming power. Now, with labor with employment and a purchasing and consuming power. Now, with labor with employment and a purchasing and consuming power and the farmer with a profitable market and a consuming power, it is only sound economics to realize that all other branches of endeavor, business and professional, will prosper.

branches of endeavor, business and professional, will prosper.

To restrict the production of the vitals of human existence in order to increase the price of farm products, with the consumer left with no increased buying power, is very unwise and is approaching a man-made famine. Unless we increase the purchasing power of the consumer and let the inevitable law of supply and demand operate, the situation cannot improve. To save the farmer and the industries we must first save the consumer. and the industries we must first save the consumer.

and the industries we must first save the consumer.

Remove the loading machines from the coal mines; complete all public work with manpower; take the tractor off the farms; go into the various industries and remove enough labor-displacing machines to make employment for labor. This move, added to the great N. R. A. plan, will restore prosperity; and we ask of you, who have the Nation's destiny in your hands, to retire the machines in time of peace and end this depression.

Wishing you the most successful administration; we are,

Respectfully yours.

Respectfully yours,

EDGAR BOLES, President. Calvin Johnson, Secretary. John Carrigan, Secretary.

Representing 650 men and families of Local Union, No. 106, Progressive Miners, of Harrisburg, Ill.

I think the Members of the House are familiar with the Henderson report relating to the automobile industry. I may quote an article from the Baltimore Sun of February 8. 1935. Speaking of the Henderson report, Glorious Achievements, and referring to the glorious achievements, it says:

Imbedded in the Federal report made public today on working conditions in the automobile industry is a section illustrative of what the report calls the industry's "glorious achievements" in production and design.

It is a section on recent technological developments in the industry, and from it the following samples are culled:

Elimination of wood has enabled one body manufacturer to wipe out his entire wood mill, which in 1928 employed 3,000 men.

That takes me back to what I saw in my own neighborhood 20 years ago when there were six or seven mills in operation, but which have now been put out of business.

One company this year has begun turning out the underbody of a car with a single stamping operation in place of the 50 manhours of work previously required.

A \$65,000 installation of door-making machines enabled one

company to save \$325,000 in labor costs.

Introduction of a device for stamping out auto body tops in a single operation did away with 53 man-hours of work per top. Machinery installations cut the labor cost per door in one company from \$4 in 1929 to 15 cents at present.

In turning out eight-cylinder motor blocks, one factory now gets more production out of 19 men than it got out of 250 men back

Since early 1934, when he then employed 1,100 men, one manufacturer of roller bearings has reduced his force by 150 men and increased production 15 percent.

Now, Mr. Chairman, something should be done by the Government not to put the labor-saving devices and machinery out of business, but so that the Government may be prepared to say to these people, "Yes, you may operate, and you may operate at a profit; but you should do so in such a way that you will permit the American people to earn a livelihood." If you find that the machinery is supplanting the men and they are unable to earn a livelihood, then slack up and permit them to work. Otherwise, we are compelled to give them relief, and if the machine causes the granting of relief we must have an extra tax, so we will have to tax the machine according to the manpower that it supplants, and in that way we will get sufficient money to pay the relief or the old-age pension and the unemployment insur-

Mr. Chairman, some people raise the question of the constitutionality of a tax on labor-saving devices, and they urge a sales tax instead of a tax on machinery. I voted against a sales tax in the Seventy-second Congress, and, so far as I am concerned, I will never vote for a sales tax, because that taxes the unfortunate who is least able to pay. In these days the very man to whom we are giving relief would necessarily have to pay the tax on what he purchases. I cannot understand some of the friends who are inclined to have the views of the Liberty Leaguers, who state that a tax on machinery is unconstitutional. If that is so, it prevents the Government from taxing its very creatures. Whenever a government is unable to tax the creatures that it creates and protects, as in this case the Patent Office, it is time that the Government abolish the Patent Office and close the doors of the courts to its protection. I do not fear the constitutionality of this act.

The State government and every municipality tries to make each agency pay for itself and be self-supporting. For instance, we tax the gasoline in order to maintain the roads in good condition. That is the principle of it. Apply the same principle to labor-saving devices. I do not think anybody will dispute it. I say that the Government should have sufficient taxes to pay the old-age pensions and to pay for the unemployment insurance. If we cannot do that, then we should close the Patent Office.

Let us have this data prepared in order to get this revenue if they do not check the operations so as to permit men to go to work. That is all I ask. Under this resolution no cost is involved. I feel that the Department of Labor has sufficient employees to get together this data, and particularly at this time, when it can cooperate with the Public Works Administrator, who is now collecting data, although perhaps not in the form called for under this resolution.

You will note this resolution says:

(1) To compile a list of the labor-saving devices, mechanical and otherwise, put in operation in the United States after December 31, 1912, which are still in use; (2) to estimate the number of persons in the United States now unemployed by reason of the use of each kind or type of such devices; (3) to estimate the number of persons who would be employed in the United States in each of the various divisions of industry, compared and agriculture, but are not see divisions of industry, commerce, and agriculture, but are not so employed by reason of the use of such devices.

You will note there that I am trying to ascertain the number of men that each and every machine supplants in order that each machine may be taxed according to its manpower that it supplants if it is necessary to place a tax. If one

machine supplants one man you might tax it, as an illustration, 10 cents or \$1, but if another machine supplants 20 men, it should be taxed 20 times as much. And the Secretary of Labor is to report her findings in detail to the House of Representatives.

Mr. Chairman, the Subcommittee on Labor, which committee has under consideration House Resolution No. 49, held a hearing on February 13, 1936, at which hearing there was a considerable number of reporters and considerable notes were taken by these reporters, but not a line appeared in the newspapers. Why the newspapers did not carry this news I do not know. It might have been that the manufacturers who use these labor-saving devices have sufficient influence to keep this information from the public. In many instances, I suppose, they actually own the newspapers. There was testimony given at the hearing by a representative of the Federation of Labor of the railroads, who said in substance that in the last 10 years the railroad had decreased the number of men in this country from 1.900.000 to less than 800.000, a reduction of more than 57 percent. Notwithstanding testimony of that kind, the newspapers did not see fit to carry it.

If the Members of the House do not sanction the attitude of these papers in a matter of this kind, I would suggest that they make a speech on the floor of the House or extend their remarks on the subject and send them out to their constituents. In that way a great part of the people of the country would know what is going on. In that connection I might quote my colleague, Mr. Eagle, of Texas, who said:

The only remaining place for free discussion in America today is the Congress of the United States and the only remaining uncensored publication in the United States is the Congressional Record.

It seems to me, Mr. Chairman, that is the only way in which we can get the information to the public.

On October 12, 1931, at a Columbus Day banquet held at the Lord Baltimore Hotel in Baltimore City, I contended that something should be done with the 500 men of the country who possess more wealth than the balance of 122,000,000 people.

I believe the income tax passed in the first session of this Congress will eventually cure that evil, and I do not mean by the share-of-the-wealth method; but I cannot sanction, Mr. Chairman, the remarks of a gentleman on the other side of the Chamber who, in turn, defends a man who in 1929 paid \$4,563,988.87 income tax. According to the newspapers, the income of that gentleman was approximately \$35,000,000. Think of that. At a time when the country was beginning to collapse this man earned \$35,000,000. Can anyone, Mr. Chairman, earn such a sum of money by his own labor unless it is brought on by labor-saving devices?

Let us have approval of House Resolution No. 49. Let us have an intelligent attempt to remedy such inequalities in the earning power of our citizens. Let us have a situation in this country which will guarantee that every man willing to work will have a chance to work without the unbeatable competition of machines.

[Here the gavel fell.]

Mr. BACON. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. Christianson].

Mr. CHRISTIANSON. Mr. Chairman, today is April 1—All Fools' Day. Today also marks the passing of one of the most cruel jokes ever perpetrated on the American people, the so-called National Industrial Recovery Act.

N. R. A. was designed to regulate and limit production. It was based on the economics of scarcity. It assumed that if things were made scarce enough they would become dear, and if they became dear enough people would buy them. Of course, that ran counter to all human experience, but so does most of the New Deal. One is not supposed to understand the New Deal—one is supposed to accept it. If you do not accept it, somebody "cracks down" on you. That is probably what is meant by the "new freedom."

Much has been said of late about the responsibility of the Republican Party as the party of opposition. If the Republican Party has one responsibility today—more important, more urgent than any other—it is to destroy once and

for all time the philosophy that it is desirable to create scarcity. While there is still a single mouth to be fed, a single back to be clothed, a single family to be sheltered, and a single home to be warmed, there is no justification for curbing production. The studies of the Brookings Institution show that we have never had enough resources and equipment to supply every human want. Every one of our 12,000,000 unemployed who is able and willing to work could be given employment if people only had the incomes with which to buy what they produced. And in this lies the tragedy of N. R. A.—that in a nation already suffering from too great a disparity between wealth and poverty it set up codes which reduced the buying power of the people by causing prices to advance more than wages, and thereby increased the disparity.

If you want one striking instance of what happened under the New Deal, I would cite the case of Reynolds Tobacco Co. Higher wages and shorter hours, required by N. R. A. codes, and the processing tax on tobacco, imposed by A. A. A., increased the company's costs \$10,000,000. Thereupon the company raised wholesale prices \$60,000,000. Then the President of the United States put the seal of his approval upon the transaction by appointing Clay Williams, president of the Reynolds Tobacco Co., chairman of the N. R. A. board.

The wise provisions of the Sherman antitrust law and the Clayton Act, enacted by Republican Congresses, were set aside, and monopoly, drafting its own codes and making its own laws, was permitted to ride roughshod over the American people. The "industrial masters", whom the present administration promised to curb, were permitted to write their own ticket. Doing business on a cost-plus basis, it made little difference to them that labor costs were increased when the rules were so changed that price competition was eliminated. They could well afford to give the workingman another dollar if in turn they could take \$2 away from him as a consumer.

It is significant that during the first year the National Recovery Act was in force incomes of \$10,000 or less dropped 5 percent, incomes of \$50,000 or more increased 10 percent, and the number of those reporting incomes of more than \$1,000,000 increased 130 percent. It is significant, too, that during that period the economic wage of the industrial worker dropped 2 percent and the number of unemployed increased 550,000. It is significant that after 2 years under the Blue Eagle there were 20,500,000 names on the relief rolls of the Nation.

It would, of course, be wrong to say that the whole N. R. A. account was on the debit side of the ledger. Everybody approves of higher wages and shorter hours, of the abolition of child labor, and the elimination of unfair competition. But the losses charged up against these gains were so great that the net balance must be written in red ink. In exchange for the few gains, we paid too dear a price. We gave up cherished rights and abandoned time-honored principles. To surrender these for material prosperity would have been a questionable bargain, even if we got prosperity. Failing to get it, we must plead guilty to having been unfaithful as well as foolish stewards.

I cannot help but wonder how our Democratic friends feel about the way Thomas Jefferson has been scuttled. On one occasion he said:

I would rather be exposed to the inconveniences attending too much liberty than those attending too small a degree of it.

I can believe that his dust would stir uneasily in his tomb at Monticello if he could know that men having the inalienable rights of "life, liberty, and the pursuit of happiness" have been arrested in this country for violating executive orders that were not published or even filed, and that a tailor was put in jail for charging 35 cents instead of 40, presumably on the theory that pressing pants is interstate commerce.

I said that there were a few gains in N. R. A. that should be conserved. Such code provisions as are worth retaining should be written into the statutory law of the land, and their enforcement turned over to the Federal Trade Com- | mission. The sophomores with Ph. D. degrees should be sent home. The antitrust laws, whose operation was suspended by the so-called Recovery Act, should be enforced. The war against monopoly begun by the former Roosevelt should be resumed. If the Republican Party in 1936 will raise as its issue the policies of Theodore Roosevelt against those of Franklin D. Roosevelt, it may with confidence await the verdict of the people. [Applause.]

Mr. McMILLAN. Mr. Chairman, I yield the gentleman from New York [Mr. Dickstein] such time as he may

desire.

Mr. DICKSTEIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point by inserting an article by the Reverend Walter Carl Subke, pastor of a Presbyterian Church, on the subject of Hitler's Liberty

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Chairman, reserving the right to object, this is not the proper time to ask for such an extension as

Mr. DICKSTEIN. I was yielded time by the chairman of the subcommittee and am using my time for this purpose.

Mr. SNELL. A request for a general extension, such as the gentleman has just made, cannot be made in committee, but I am not going to object.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The article is as follows:

HITLER'S "LIBERTY MOVEMENT"

Believe it or not, Adolf Hitler once dubbed his enterprise a "liberty movement." Now the third anniversary of his advent to power is drawing near. On January 30 Nazi Germany will thoroughly celebrate that occasion. How shall we Americans observe oughly celebrate that ocasion. How shall we Americans observe it? We shall do well to celebrate as thoroughly as the Nazis celebrate. As thoughtful singers of freedom's song we cannot risk too long an indifference to freedom wronged. A liberty-praising people cannot afford to ignore that which has become a libertyrazing power.

Nazi-ism is such a power today. A far-reaching American celebration should concern itself with the menace of that power. Americans should be as concerned about nazi-ism in the world as one would be about the presence of a malignant growth in one's body. Such a growth is sustained by feeding on the organism it is thereby destroying. Nazi-ism sends its roots into and therefore menaces the very life of all institutions born of, nourished by, or administered through religious or political liberty. Already it has destroyed or terribly infected all of such institutions in Germany. Unless the potent radium of widespread and well-informed public opinion is steadily focused on nazi-ism, that malignant growth may infect, corrupt, and finally destroy the world's body of just human liberties.

Germany that growth has made freedom groan with the pain of thousands of tortured, robbed, and humiliated people, Christians and non-Christians, Aryans as well as Semites. All those people deserve the spiritual and moral support of every liberty-loving American. They with others were promised the bread of liberty but were given the stone of tyranny. Now they are being

pressed down under the weight of that stone.

In our large and round room of thought we have been looking through many windows at the animated cyclorama of Hitlerism. Those many windows are the many testimonies, press reports, editorials, magazine articles, and public addresses against Hitlerism brought to our attention during these 3 years. From the inside of our large and round room of thought we have been looking through those many windows at that gruesome cyclorama of Hitlerism. We have seen nazi-ism's determined and brutal assaults against all who for racial reasons could not (if they had wanted to), or who for reasons of conscience would not conform to Nazi regimentation, Hitler's "liberty movement." It seems incredible that a sane man could call such an enterprise a liberty movement. The equal of such unparalled effrontery will be as hard to find as the intelligence behind it.

Germany has had nearly 3 years of that liberty movement. Nearing the eve of its third anniversary we Americans must agree with Hitler. Those 3 years prove Hitlerism is a liberty movement-liberty for terrorism to tread down the inalienable rights of man; liberty for uniformed vandals to invade homes, arrest, of man; liberty for uniformed vandats to invade nomes, arrest, beat, torture, and even murder defenseless citizens; liberty to disband the labor unions it had promised to protect; liberty to crush and virtually disown Germany's own war veterans; liberty for the ruthless feet of barbarism to tramp down the noblest flowers of civilization. Yes; it is a liberty movement—liberty for official mediocrity to sit in judgment on science, religion, music, and literature; liberty for insanity to supplant reason.

It is a liberty movement—liberty to withhold the sportsmanship it promised to maintain; liberty to degrade the German athlete by compelling his political acquiescence as a prior condition for receiving the honors of athletic victories. Yes; Hitlerism is a liberty movement—liberty to crush all the organizations of free and enlightened German womanhood; liberty to reduce the state of German womanhood; liberty to reduce the stat of German women to a mere primitive serfdom to man in which their function is to be little more than "breeders of soldiers" for future wars of invasion.

In looking over these 3 years of Hitlerism we are indeed moved to agree with Hitler. His enterprise is a "liberty movement", liberty for brutality to take the place of brains, liberty to instill hate in children in place of love, liberty for hell to invade heaven, liberty for paganism to blaspheme the blessed Christ, liberty for liberty for paganism to blaspheme the blessed Christ, liberty for nitwits to drive even an Einstein out of the land and confiscate his property, liberty to break the heart of a Wassermann unto death, liberty for larceny to become lawful, liberty to torture, and worse than torture, to terribly humiliate the race to which Christians are indebted for the very roots of their religion, liberty to impose upon the race which gave Moses, the prophets, and Jesus to the world all the forms of sadistic villainy which the ingenuity and indignity of unbridled hate can invent. It is a "liberty movement", liberty to bring the headsman, his ax, block, and basket out of the Dark Ages to lop off the heads of women, liberty to murder a man solely for his political beliefs, liberty for a pathological mediocrity to sabotage the world-famed greatness of pre-Nazi Germany, liberty to attempt the crushing of a free Christian ministry into a mere mouthpiece for more of Hitler's brand of "liberty." If Hitlerism is a "liberty movement", the cry of the German patriot should be "give me slavery or give me death!"

Liberty-loving America has witnessed nearly 3 years of liberty-

Liberty-loving America has witnessed nearly 3 years of libertyraping Hitlerism. Has not the time come when discussion must be supplanted by indictment? Such a time has come. It is the It is this product of a thorough cerebration concerning Hitlerism. American indictment of nazi-ism by merely pointing out Hitler-ism's indictment of itself. We thus indict Hitlerism lest by our indifference we invite the roots of that malignant growth to menace the life and health of our treasured traditions and principles of religious and political liberty. We believe this indictment of Hitlerism is in keeping with "eternal vigilance, the price of freedom."

Rev. WALTER CARL SUBKE,

Pastor, Greenwich Presbyterian Church New York City.

Mr. BACON. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Chairman, I am not going to address my remarks to the bill in question, but I do want to refer to an incident that happened late last Saturday night, March 28, which might very well have been a terrible

Mose Albright, a trusted and experienced engineer on the Baltimore & Ohio Railroad, while operating the crack flyer between Washington and Chicago, dropped dead at the throttle of his engine. A catastrophe was averted because the fireman, O. W. Thompson, grew uneasy because the big Baltimore & Ohio flyer did not slow down in recognition of a 20-mile slow order at St. Johns Run, W. Va. Realizing that it was not like Mose Albright to disregard an order, Thompson sprang across the gangway and found the engineer slumped over the throttle dead. He immediately stopped the train. Fireman Thompson is indeed entitled to great credit for his alertness and his attention to his duty.

Mr. Chairman, I bring this to the attention of the Congress at this time because a terrible accident was averted because there were two men in the cab of that locomotive, and because in the very near future the Members of Congress are going to have to pass on legislation dealing with the proper manning of trains and engines. On many railroads in the United States, diesel electric engines are being operated on trains, having an average scheduled speed of more than 70 miles an hour and making a maximum speed of more than 100 miles an hour at times. A great many of these diesel electric-powered trains are being operated with but one man in the cab. Had the Baltimore & Ohio flyer been powered with one of these engines with but one man, namely, Engineer Albright, in the engine, a terrible accident could not have been avoided. No one can say what the cost of life would have been, nor can anyone say what the property damage would certainly have amounted to.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. WITHROW. I yield to the gentleman from New York.

Mr. MARCANTONIO. How about the dead man's control we hear so much about?

Mr. WITHROW. The dead man's control is indeed theoretical and does not in most cases operate. I do not know if there was a dead man's control in operation on this locomotive. I assume there was, because it was a modern locomotive. The dead man's control operates upon the theory that a slight pressure will always be exerted by the hand upon the throttle. However, if an engineer collapses at the throttle of an engine, nine times out of ten he will slump forward, keeping the pressure on the dead man's control and prevent it from stopping the train. This has been demonstrated time and again. Trains cannot be operated with any degree of safety with but one man in the cab.

The passengers on this train slept peacefully, never dreaming that they had been riding into the night with a dead man at the throttle. I cannot emphasize too strongly the fact that a terrible catastrophe was averted because this engine was properly manned, namely, with two men in the cab. [Applause.]

Mr. McMILLAN. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. This bill provides for an appropriation for Federal prisons, including Alcatraz Island Prison.

MY FIRST INTEREST IN ALCATRAZ ISLAND

In 1917, during the World War I was in the Regular Army, and one morning received substantially the following written

Corporal PATMAN, you are directed to take charge of Prisoner (John Doe), who is sentenced by a general court-martial to serve 20 years at hard labor for evading the draft, and proceed at once with him to the United States Disciplinary Barracks, Alcatraz Island, San Francisco, Calif., and deliver him into the custody of the warden of said institution.

When we left the dock at San Francisco going toward the 12-acre rock prison 11/2 miles from shore, the island was not visible, as the fog was exceedingly heavy and fog horns were blowing in every direction. After going through this dense fog for a while we landed at the island, and taking the prisoner 175 feet as near straight up as one can go, he was delivered into the custody of the warden. Considering the fact that one could see only a few feet and the fog horns were making such a terrific noise that one could hardly hear anyone speak, I was anxious to leave the island as quickly as possible.

I did, however, learn something about the history of this place. I was told that only one prisoner had ever escaped from the island. Many had tried to swim to shore but never succeeded. Their bodies were always found.

THE ONE PRISONER TO ESCAPE

The one prisoner who escaped was a trusty. One of the military officers on the island had died and his widow had ordered from San Francisco appropriate mourning clothes. The trusty was sent to the boat to receive this package. Immediately he went into the nearest hiding place in one of the buildings, put on the widow's clothing with black hat and black veil, and went back on the returning boat and sat with the other passengers until the boat landed at San Francisco, where he escaped.

This was more than 18 years ago. The island is now a Federal prison. At that time it was in charge of the War Department. There were trusties then. There are no trusties there now.

SIZE OF ISLAND

The "rock" as it is often called or the "grey pile" as some refer to it, is exactly 12 acres in size. Swirling tides and deep water surround it. There is not a grain of soil on the island that was not carried there in a sack nor vegetation of any kind except that grown in soil carried to the island. It is a solid rock, the top of which has been worked and chiseled down to the size of 12 acres and the apex is 175 feet above the level of the water.

VIEW FROM ALCATRAZ

From Alcatraz Island most any day except during a fog, the following places are plainly visible: The city of San Francisco about 1½ miles away; the Golden Gate 2 miles away-Golden Gate Bridge is under construction. It has a

\$35,000,000); Goat Island, a Navy training station, 21/2 miles away; Oakland, another beautiful California city, 4 miles away; Berkeley, where the University of California is located, 4 miles away; the longest and most expensive bridge in the United States, extending from the mainland of California over San Francisco bay, across Goat Island, through a long tunnel, to San Francisco (it is 81/4 miles long and will cost \$70,000,000); Mount Tamalpais, a few miles to the northwest, the great redwood forest to the north, with the giant trees sufficiently large at the trunk for a roadway through which automobiles may be driven directly, and Sausalito to the northwest.

MOST SUCCESSFUL PRISON SYSTEM IN WORLD

I believe that we have the most successful prison system of any country in the world. Its success is due principally to the efforts of two men, the Attorney General of the United States, the Honorable Homer S. Cummings, and the Honorable Sanford Bates, Director of the Bureau of Prisons.

In 1930, Congress authorized the establishment of a Bureau of Prisons in the Department of Justice, together with several new institutions. In connection with this legislation it stated:

It is hereby declared to be the policy of the Congress that the said institutions be so planned and limited in size as to facilitate the development of an integrated Federal penal and correctional system which will assure the proper classification and segregation of Federal prisoners according to their character, the nature of the crime they have committed, their mental condition, and such other factors as should be taken into consideration in providing an individualized system of discipline, care, and treatment of the persons committed to such institutions.

In pursuance of this mandate the Bureau of Prisons has constructed and is administering a group of classified institutions. Boys of immature age are placed in the National Training School for Boys in Washington or in appropriate local juvenile institutions. Young men of the reformable type may be sent to the reformatory at Chillicothe, Ohio, or to the Southwestern Reformatory at El Reno, Okla. Women are in a separate institution at Alderson, W. Va. Prison camps have been established where prisoners who can be trusted are obliged to work at hard labor in the open air. One of the five penitentiaries has been reserved for persons convicted of the Drug Act or suffering from drug addiction. Another penitentiary at Lewisburg, Pa., has been planned with the emphasis upon the educational requirements of the prisoners and is suitable for the more reformable type of penitentiary inmate. Even a hospital presided over by officers of the United States Public Health Service has been set apart at Springfield, Mo., for the treatment of insane Federal prisoners, those suffering from tuberculosis and other chronic degenerative diseases.

It was realized that a further classification should be made to provide for that small number of prisoners who do not readily accustom themselves to the discipline of the ordinary penitentiary, and especially for the agitators and disturbersthose who have led the life of crime and cannot be reconciled or resist the temptation to escape and are continually plotting to accomplish that end. These men are all guilty of serious crimes and their activities make it difficult for prison authorities to maintain discipline, and they retard the efforts of authorities to rehabilitate the greater percentage of our prison population. Therefore the Bureau of Prisons felt the need of an institution with maximum security devices where this group could be safely quartered. Alcatraz Island was converted into a place of safekeeping of America's most dangerous public enemies. Al Capone, "Machine-Gun" George Kelly, Harvey Bailey, Albert Bates, John Paul Chase, and others are imprisoned there. A structually escape-proof prison to serve the purpose was constructed.

AUTOMATIC GUN DETECTOR

The 600 old soft steel cell fronts in place while the institution was a disciplinary barracks for the Army were removed, and tool-proof steel with automatic locking devices replaced them. Tool-proof steel bars were installed in the windows. Tear-gas outlets were provided and a special group of trained, experienced guards were recruited from the other 4,200-foot span with towers 746 feet high and will cost | Federal penitentiaries. A zone in the water was marked out with buoys into which boats are forbidden to enter. A new invention known as the automatic gun detector was placed at the dock and in the doorways to the cell blocks, which records the presence of any secreted metal on the person of any individual who passes through these openings. New guard towers were erected, floodlights put in place, and additional barriers built around the steep cliffs of the little island. Maintenance shops and the laundry provide work opportunities. Gun galleries at each end of the cell block control the interior of the building, while the island is controlled by a system of towers connected by overhead walks. The Alcatraz Island Penitentiary is intended as a place of maximum security for the incarceration of the worst type of Federal prisoner.

WARDEN JOHNSTON

I believe that the Department was fortunate in being able to secure the services of James A. Johnston, of San Francisco, as warden of the new prison. He has had experience in both of the large California State penitentiaries, San Quentin and Folsom, and later was a successful businessman and respected civic leader in the Bay section. He has been warden of Alcatraz Prison since it was established, after being taken over by the Department of Justice from the War Department.

RECENT VISIT TO ISLAND

Less than 90 days ago, along with Hon. James A. De Paoli, vice mayor of Oakland, and the Honorable Chris N. Jespersen, member of the State senate in California, I visited this prison again. Warden Johnston, at the request of Attorney General Cummings, showed us through the institution, and I was very much impressed with the following:

First. Cleanliness and beautiful appearance of grounds and buildings

Second. Adequate hospital facilities with all up-to-date, modern equipment, with good doctors and nurses in charge.

Third. The good, well-prepared food that was served to the prisoners.

Fourth. The comfortable, single-cell quarters.

Fifth. Proper rules and regulations for the management of an institution that has in its charge 259 of the worst criminals on earth.

Sixth. The sympathetic and kindly spirit manifested by Warden Johnston for the prisoners consistent, however, with safety, prevention of trouble, and escape.

Seventh. The absolute impossibility of prisoners escaping. Naturally the discipline at Alcatraz Penitentiary is more onerous than at the other prisons, but Warden Johnston can be relied upon to carry out the instructions of the Bureau that no brutality or inhumanity shall be practiced. The prison has a chaplain, and library books are available. Steady work is provided for the prisoners. Although the prison is built for more than 500 inmates, it is now occupied by only 259. This is a hopeful sign since there are now more than 14,000 prisoners in the Federal system.

THE FIRST MUTINY

At the time I was on the island, the first mutiny since the prison was established was in progress. Over 100 inmates were in sullen rows of the Nation's one-time top racketeers, crouched in darkened cells on this rock island, fighting the work-or-starve ultimatum. As boats would come by the nearest point allowed to this grim island, these 100 and more inmates, the Nation's most desperate criminals, would scream and shriek out in unison, often shouting curses. The leaders were placed in solitary confinement and the others were kept in special isolation cells. No violence occurred. The uprising involved almost half the prison population. It was soon stopped and no disorders or disruption of routine have occurred since.

NO PUBLICITY

Newspapers are not permitted on Alcatraz Island. There is only one outside telephone, and it is in the warden's office. The prisoners may read books and magazines considered suitable for them to read, but all articles relating to crime and sex are eliminated. Removing their public and applause is part of their punishment.

The prisoners are furnished their meals cafeteria style. The food is good—the same food that is eaten by the well-trained officers of the island, and if a prisoner takes more food than he consumes, the next day he must do without that particular meal.

PRISON RULES

It is my understanding that the principal rules are substantially as follows:

First. Alcatraz Penitentiary is maintained on the principle of maximum security with every precaution taken to insure safekeeping of prisoners and to prevent possibility of escape. Second. Privileges are limited.

Third. The privilege of having visitors has to be earned. During the first 3 months no prisoner allowed visitors. Subsequently one visit per month is permitted, visiting days being semimonthly, staggered throughout the year.

Fourth. No group visiting with prisoners.

Fifth. Not more than two persons are permitted to visit a prisoner at the same time.

Sixth. At time of entrance each inmate is required to furnish names and relationship of persons with whom he would like to correspond and from whom he expects visits.

Seventh. Former inmates of any penal institution are not permitted to visit prisoners.

Eighth. Facilities for religious services and opportunity for spiritual advice are afforded under the direction and control of the resident chaplain and accredited representatives of established churches, in accordance with schedule approved by the warden.

Ninth. There are no direct commitments from the courts to Alcatraz Island. Persons are sent to that institution by transfer only.

Tenth. Lawyers employed by and desiring to visit inmates must obtain written permission for such visits from the Director of Prisons.

Eleventh. The usual institutional library is provided, and educational facilities are furnished.

Twelfth. Mail privileges are limited. No original letters are delivered. Such letters as are permitted are typed and copy given prisoners. No newspapers are permitted.

Thirteenth. Radio and motion pictures are not used for entertainment but may be employed by the warden for education and improvement of the inmates when he deems it advisable in the interest of good discipline.

Fourteenth. Arrangements have been made so that a representative of the institution has an office on the mainland. Visits of salesmen and other representatives of the various industries are prohibited on the island, facilities being given at the mainland office for persons who wish to transact business.

Fifteenth. No floating equipment is permitted to land at the island except that owned and operated by the Government, unless specific written authority is granted by the warden in each special case.

ESCAPE PROOF

As one enters the main door of the prison, if he has on his person the tiniest piece of metal, an indicator will disclose it; the person will then be told to remove all metal and go back through the door again for another test. A prisoner attempted to carry with him into the institution a small watch spring concealed in his ear. The detector caused it to be discovered. No one person can go through the prison, not even the warden himself, without help from others. There are double doors at every entrance and exit. The outer guard has a key to the first door which he can place in the keyhole of the large prison door lock, but he cannot turn the key and unlock the door until he looks at the one in charge in the warden's office, is recognized as the proper person to unlock the door, and the switch is turned in the warden's office, which permits the key to be turned by the guard in the lock and the door opened. The outer guard, accompanied by ourselves the day of my visit, then went into the corridor between two doors. The inner guard inserted the key in the door, and after the proper switch was turned in the warden's office the door was opened and we were allowed to enter.

The guards among the prisoners do not carry weapons of any kind. There are guards above, well armed and well protected from the prisoners, who could, if necessary, take the life of any prisoner at any spot in the prison. No prisoner in the building can possibly protect himself from the fire of the guards above, although circumstances have never caused a prisoner to be injured by these armed guards.

RIGID RULES NECESSARY

If prisoners are good, they can see visitors occasionally and can write and send about one letter a week. Each letter is tested to determine if it contains invisible writing, signs, and so forth. The original letters received at the prison for prisoners are not delivered to them. Such letters and such parts of them as the warden believes the prisoner should see are copied on typewriter and given to them.

The most modern devices and expertly trained personnel have been installed to guard against escape and to quell disturbances. Extreme care is taken in the matter of visitors. A prisoner cannot touch a visitor nor can the visitor touch the prisoner. The visitor occupies a chair opposite the prisoner with a steel wall between. There is a glass, however, which permits the visitor to see the prisoner, but one cannot touch the other. By talking as one usually talks in ordinary conversation one can hear the other. To some, possibly this seems hard, but the fact that these men are our worst criminals must be considered. They have violated paroles and pardons, escaped from penitentiaries and jails, and committed the most heinous crimes, including murder and kidnaping, and usually are members of dangerous gangs. They cannot safely be kept elsewhere, and it is in the interest of the entire prison population and the safety of the public that the rules be rigid and properly administered as Warden Johnston is administering them.

EFFECT ON OTHER PRISONERS

The very fact that this prison is there has a wonderful effect on the other Federal prisoners. It is the best evidence that the Department of Justice is not going to permit a small number of prisoners to defeat it in its larger and more important purpose of deterrent punishment for the gangster and the rehabilitation of the reformable type of prisoner for the better security of society.

OTHER TYPES OF PRISONS

Certain institutions have been set aside for the care and treatment of special groups which are marked by one outstanding characteristic and inmates showing these characteristics are transferred to these centers as follows:

(a) Offenders against the narcotic laws and other offenders addicted to the use of narcotics, to Leavenworth Annex.

(b) Selected narcotic addicts from Leavenworth Annex to the United States Narcotic Farm, Lexington, Ky.

(c) Narcotic informers to United States Detention Farm,

Milan, Mich.

(d) Insane, tuberculous, and prisoners suffering with chronic, degenerative diseases, to the Department of Justice Hospital for Defective Delinquents at Springfield, Mo., within the limits of the custodial facilities of Springfield and with the exception of tuberculous and chronically ill narcotic addicts who are either held at Leavenworth Annex or transferred to Lexington.

(e) Persistently intractable prisoners and prisoners with serious records of violent crimes, to Alcatraz.

GENERAL POPULATION

The Department is working toward a simple division of the remainder of the general population into those who seem to offer favorable prospects for rehabilitation and those who do not. In making this differentiation there is no single characteristic upon which to rely as there is in the case of the special groups listed above. Judgment is based upon the careful consideration of all factors, including age, previous criminal record, personality characteristics, and social background. Although we are still far short of our requirements in terms of personnel, we have what is probably the most complete set-up in the country for obtaining this necessary information. The responsibility for weighing the information about each case and determining which class

an individual prisoner belongs in is exercised jointly by the institution staffs through the classification committees and the Department of Justice.

On the basis of this simple subdivision of the general population the Department is working toward a distribution, through transfers, which will place the most hopeful offenders in those institutions which offer the best rehabilitative opportunities. For the present their efforts are directed principally toward the eastern section of the country and involve Leavenworth, Atlanta, Camp Lee, Northeastern Penitentiary, and the United States Industrial Reformatory, as

(a) The most hopeful cases, with special emphasis being given to youthfulness, lack of major previous record, ability to take vocational training, and suitability for medium or minimum custody, to Chillicothe.

(b) Men capable of profiting by intensive rehabilitative treatment but not suitable for Chillicothe because of age, previous record, or custodial requirements, to Northeastern Penitentiary.

(c) Men suitable for medium or minimum custody but lacking the native ability to profit by the education and vocational training offered at Chillicothe, to Camp Lee.

(d) Men showing a history of habitual criminality at a professional level, and who do not appear to belong in the group of more hopeful rehabilitative prospects, to Atlanta and Leavenworth.

El Reno, at present, is not a classified institution. Because of the overcrowded conditions at Leavenworth, El Reno is forced to house all but the most dangerous inmates committed there. This, together with the demand for camp men from that institution, has held back the development of the reformatory program. It is expected that as soon as additional institutions are acquired, thereby relieving Leavenworth, that the Department will be able to redistribute the Leavenworth and El Reno populations to give El Reno the hopeful, reformatory group for which it is intended.

On the west coast McNeil Penitentiary is taking care of all except the special groups listed under I. Because of the expense involved in sending prisoners from McNeil to either El Reno or Chillicothe, the proper treatment of reformatory cases must necessarily await further contemplated development of the island.

FOUR MAIN POINTS CONCERNING ALCATRAZ PRISON

Alcatraz is considered one of the world's most scientific prisons. According to one of its few former prisoners, it includes four main points-maximum security, minimum of privilege, complete isolation of its convicts from the outside world, and 100-percent humanity.

At the time Alcatraz Prison was ordered established Attorney General Cummings authorized the following statement:

It has been wisely said that the people of this country can have as much or as little crime as they really want. It is likewise cer-tain that the present unwholesome and dangerous conditions in many of our communities will not be materially improved all of our citizens are prepared to make their share of sacrifice to bring about such a situation and to cooperate with the States and the Federal Government in the accomplishment of the important and difficult task of crime reduction.

and difficult task of crime reduction.

On many sides it is being reluctantly admitted that law-enforcing agencies in many of our States have fallen down, and the demand is being made with increasing emphasis that the Federal Government take a hand in the situation. The power of Federal agencies in the detection, apprehension, and treatment of criminals has long been respected. Through its freedom from local affiliations, its greater resources, and its generally trained personnel, the Federal Government is being recognized as an efficient ally of the local law-enforcement agencies and the present comparing by the Department of Justice to gurb the activities of campaign by the Department of Justice to curb the activities of

campaign by the Department of Justice to curb the activities of racketeers is a natural development.

In the last 2 decades many Federal statutes have been passed broadening the scope of Federal activities in the apprehension of offenders. Twenty years ago there were 2,000 in Federal prisons; today there are 11,000, and the tendency today is to pass more Federal statutes, on the insistent demand of the communities themselves, giving greater power and opportunity to the Central Government along these lines.

In the case of its convicted offenders and in their reformation and rehabilitation, wherever possible, it is of fundamental importance that prisoners be properly classified and segregated. First

offenders, boys, victims of circumstance, men with families, persons who have broken under the economic strain, and others who make up the great bulk of our criminal population should not be housed in the same institution with those who may be classed as enemies of society. The establishment by the Department of Jusenemies of society. The establishment by the Department of Justice of a Federal prison at Alcatraz Island is a necessary part of the Government's campaign against predatory crime.

Much misunderstanding has been engendered with reference to Much misunderstanding has been engendered with reference to the operation of this prison. It will not be a Devil's Island. It will be an integral part of the Federal prison system, operated in conformity with advanced ideas of penology, and with the ulti-mate object in view of protecting all of our communities. Com-pared to the large State institutions, such as San Quentin and Folsom, it will house but a mere handful of men. The Department of Justice pledges itself to take every possible precaution, structurally and administratively, to prevent escapes.

Attorney General Cummings prepared the following article on Alcatraz Prison:

In years past those who violated Federal criminal laws were sent In years past those who violated Federal criminal laws were sent to the penitentiaries at Atlanta, Ga., Leavenworth, Kans., or Mc-Neil Island, Wash. However, in 1929, after a congressional investigation, an integrated Federal penal system was established, with the object, according to the statute, of "assuring proper classification and segregation of Federal prisoners according to their character, the nature of the crime they have committed, their mental condition, and such other factors as should be taken into consideration in providing an individualized system of discipline, care, and treatment of the persons committed to such institutions." and treatment of the persons committed to such institutions.'

The problem of separating the less tractable prisoners from the more orderly has long been a matter of serious concern. Such a process of segregation accords with sound principles of penology. It also tends to diminish the difficulties incident to prison discipline. Certain types of prisoners are a constant menace. They create an atmosphere of tension and unrest wherever they are confined. They break down the morale of the more promising inmates and are constantly plotting violence, sabotage, riot, or

A secure place for the segregation of such prisoners has for a long time been an imperative need. Our new penitentiary at Alcatraz is, therefore, an essential part of the prison system. It is admirably adapted to the purposes in view. Alcatraz Island is a precipitous rock, jutting out in San Francisco Bay. In 1775 the bold explorer, Don Manuel Ayala, salling through the Golden Gate, passed by this islet. The only inhabitants on its 12 acres of craggy surface were pelicans, from which the name, Isla de Alcatrices (Isle of Pelicans) is derived. It is about a mile and a half from the mainland, in the current of a swift tide, and among the swirling eddies between the ocean and the great bay. It is relatively inaccessible, and the chance of escape is reduced to a minimum.

minimum.

Until very recently it has been the site of a military prison. The buildings on the island, which are now being remodeled, are modern and sanitary. The 600 cells are arranged in three tiers. Each cell is for one prisoner and is furnished with a bed of strap steel, a mattress, blankets, pillows, sheets, and pillowcases. It is also equipped with a washbasin, tollet, and a shelf. Prisoners on good behavior may read and write in their cells, and will have access to a library. An overhead light in each cell burns until 9 p. m. There is an exercise ward. Most of the prisoner's time will be spent in the industries buildings on the west end of the small island. small island.

Over the men there will be a staff of prison officers who have graduated from the prison officers' training school. These officers have chosen this work as a life occupation and obtain their

positions on merit only.

In general, our Federal prison system may now be regarded as well-founded and reasonably complete. It is under the skilled and competent direction of Sanford Bates, a recognized expert in such matters. While improvements are desirable and will from time to time be made, it is fair to assert that our prisons are well conceived, excellently planned, and honestly administered.

DO NOT REPRESENT AVERAGE

Do not consider that the prisoners on Alcatraz Island represent the average prisoner. They do not. These, the toughest and most dangerous criminals on earth, represent only about 2 percent of the Federal prison population. They represent the exceptions, not the general rule. The knowledge among prisoners that Alcatraz Island is a place to which they can be transferred has a salutary effect on the prisoners in addition to the good effect of removing the hardened convict who cannot be reformed from the side and association of those who can be reformed.

NECESSITY FOR SIMILAR ARRANGEMENTS IN STATES

How obviously salutary it would be if each State should have a place of the type of Alcatraz to which it could send its worst criminals, the troublemakers, the jail breakers, the incorrigible, and the like. If all the bad prisoners in the State prisons know it is possible for them to be transferred to an

though humane discipline and treatment, it would certainly lighten the problem of prison management throughout the country and would have a much-to-be-desired effect upon the prisoners themselves.

The people of this Nation owe Attorney General Cummings, Hon. Sanford Bates, Director of the United States Bureau of Prisons, and Warden Johnston a debt of gratitude for the constructive work they are doing in behalf of the prisoners and the country.

(Mr. Patman asked and was given permission to extend his remarks in the RECORD and include therein certain excerpts from statements made by Attorney General Cummings.)

Mr. RABAUT. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. Lublow].

Mr. LUDLOW. Mr. Chairman, disturbing news coming out of Kentucky impels me to take the floor today.

I wish to make a serious protest against the ruling of Attorney General Beverly M. Vincent, of Kentucky, who has sought with one fell blow to strike down that famous and picturesque institution known as the Kentucky colonel.

The indefensible and inexplicable ruling of the attorney general comes closely home to us in the House, for if it becomes effective, it will strip our beloved minority leader of the title of "colonel", which he so proudly and worthily wears.

In such a crisis affection is more than skin deep. We are all brothers on both sides of the aisle, all having cause to feel deeply worried and distressed over the probable effect of the ruling of the attorney general of Kentucky on the morale, the esprit de corps, and the legislative efficiency of the National House of Representatives.

On March 1, 1935, Gov. Ruby Laffoon signed a commission conferring the title of a Kentucky colonel, with all of its rights and privileges and emoluments, and all of the mystic powers appertaining thereunto, on the distinguished minority leader of the House of Representatives, Hon. BERTRAND H. SNELL, and the commission was delivered with impressive rites in this historic Chamber on March 5 of that year. There was much effulgence of oratory; praise ran riot and vocabularies were strained as Members arose and expressed their appreciation of the high distinction which the Governor of the Dark and Bloody Ground had bestowed upon our fellow Member [Mr. SNELL], whom we all ardently love. The presentation was made by Mr. TREADWAY, of Massachusetts, who never discharged an oratorical task with greater eclat or with more abundant credit to himself. The commission itself was universally admired. It was adorned with the great seal of the Commonwealth of Kentucky and with an attestation in ornamental script showing that it was done at Frankfort on March 1 in the year of our Lord 1935, and in the one hundred and forty-third year of the Commonwealth. Mr. SNELL arose, his cheeks suffused with blushes, and in a choked voice expressed his thanks and gratitude as best he could in the pervading atmosphere of suppressed excitement and under the emotions of the hour. [Laughter.]

Then what happened? The divine afflatus that goes with a Kentucky colonelcy took hold. There was an immediate improvement in the genius of the minority leader for military planning and execution. Whereas prior to that time his forces had been divided into unorganized guerrilla bands, sometimes mistaking each other for the enemy and firing on each other, every soldier out of step with his regiment, the new colonel brought order and system out of chaos and developed a teamwork that has since harassed the enemy sorely. besides adding to the anxious moments and sleepless nights of Speaker Byrns.

Improvement was immediately noticed in the Republican strategy. Representative Rich, of Pennsylvania, began that fine military maneuver of rushing to the firing line and demanding to be informed by the Democrats where they are going "to get the money." Representative John Taber's sledge-hammer blows became more ponderous and deadly than ever. Representative DEWEY SHORT became even more brilliant as well as louder and funnier. The efficiency of Repinstitution of this kind, in complete isolation and under rigid | resentatives Treadway, Hoffman, Gifford, Martin, and Fish

in taking the hide off the Democratic mule increased 100 percent. Reverend Eaton, of New Jersey, our spiritual adviser, became truculent in the last degree, and now slays and buries Democrats without benefit of clergy. In short, the bewitching influence of a Kentucky colonelcy, operating through our minority leader, has transformed the Republican membership of this House into a superbly organized goose-step outfit, ready to do and die on the slightest notice at the beck and call of its military leader. [Laugher.]

Ours, Mr. Chairman, was intended to be, and is, a government of checks and balances. Sometimes the checks are rubber and the balances do not balance, but that is because we have wandered so far from the philosophy of the fathers. A perusal of the debates of the Constitutional Convention will show that the ideal of a government of checks and balances was uppermost in the minds of the founding fathers. A strong, well-organized and skillful minority party is always a good thing. A weak, disorganized guerilla party is a menace to good government.

I appeal, therefore, to the attorney general of Kentucky to rescind his unfortunate ruling which abolishes 17,000 Kentucky colonels. I have no special interest in 16,999 of these colonels, but in behalf of good government, as a patriot addressing a patriot, I do protest most vehemently against the decoloneling of our minority leader. [Applause.]

Mr. McMILLAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. HARLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, had come to no resolution thereon.

RAMEY BROS., OF EL PASO, TEX.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1362) for the relief of Ramey Bros., of El Paso, Tex., with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That jurisdiction is hereby conferred upon the United States District Court for the Western District of Texas to hear, determine, and render judgment upon the claim of R. A. Ramey, doing business as Ramey Bros., of El Paso, Tex., against the United States, for additional compensation in connection with the reconditioning of the pipe line serving the city reservoir at the Marine Hospital, Fort Stanton, N. Mex., under contract no. T2sa-2930, dated September 11, 1931.

"SEC. 2. In the determination of such claim, the United States shall not be held liable for any amount in excess of \$8,432,22.

"SEC. 2. In the determination of such claim, the United States shall not be held liable for any amount in excess of \$8,432.22.

"SEC. 3. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction under the provisions of payments the section 24 of the Judget. provisions of paragraph 'twentieth' of section 24 of the Judicial Code, as amended."

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. KEN-NEDY of Maryland, Mr. RAMSPECK, and Mr. PITTENGER.

THE TRANSACTION TAX

Mr. LEA of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEA of California. Mr. Speaker, thousands of letters I have received from supporters of the Townsend plan convince me that the average advocate of that plan is unconscious of the cruel burden of debt it would place on our people and the extent to which it would tax the poor and people in moderate circumstances to maintain others under far more favorable conditions.

The practice of taxing the poor to maintain others in idleness and on a better income than the taxpayer or the average American can enjoy, is a form of benevolence no nation has ever approved. Persons of the greatest generosity and highest idealism have not advocated such a plan. Yet that is what the Townsend plan proposes and on a vast scale.

The transaction tax is primarily a tax of the poor and the people of moderate incomes. They spend their earnings for living expenses and therefore would pay a tax on all they earn. The rich man pays an equal tax on what he consumes, but on his business transactions the tax is passed on to the consumers of his products. Those consumers are the great masses of the American people.

There is a moral limit of the right to tax one man for the benefit of another.

To be generous with our own money is a virtue; to be generous with the money of others, particularly of the poor,

FACTS CONCEALED

The Townsend plan literature is deceptive in its explanation of the transaction tax.

It is deceptive in claiming the tax would not be burdensome. It would be a greater tax than our country has heretofore known.

It is deceptive as to the amount of money a 2-percent tax would raise. The pensions would require a much higher tax.

All explanations of the Townsend plan overlook or minimize the pyramiding effect of the transaction tax.

All explanations exaggerate the amount of taxable transactions that occur. No recognition is given to the fact that a 2-percent transaction tax would prohibit many business transactions. Two percent is 4 months' interest at the rate of 6 percent a year. Three turnovers in the form of business transactions would take 6 percent out of the year's income.

All explanations fail to recognize that tax money represents somebody's labor and savings.

Recently I received a statement from an able, conscientious man, eligible for a pension under the Townsend plan, giving the substance of what I now present to the House.

NUMBER OF PENSIONERS

A 2-percent transaction tax is the main reliance proposed to finance the Townsend plan.

In 1930 there were 10,385,000 persons in the United States over 60 years of age. This was 8.5 percent of the population. With the increases since 1930 we now have over 11,000,000 persons over 60 years of age.

We have about 500,000 aliens of that age. That leaves over 10,500,000 eligible persons, certainly at least 10,000,000 could qualify.

Dr. Townsend now estimates that 7,500,000, or 75 percent, of these will apply for pensions.

This estimate is obviously too low. The sexes are practically equal. Nearly half of these 10,000,000 are women. Only about 10 percent of women over 60 are gainfully employed or have any considerable income.

This leaves over 5,000,000 men of pensionable age. How many of these will apply? Ask any member of a Townsend Club, "How many men over 60 are so well off that they will not apply?" Few of that age have a job with a satisfactory income. What will be the cost if 90 percent, or even 75 percent, of eligible persons apply?

THE TAX BURDEN

The people of my congressional district are as well fixed financially as the people of an average district in the United States. They pay their part for maintaining the Federal Government. If the Townsend plan is adopted, they must pay their proportion of its cost.

From the standpoint of the merit or lack of merit of the plan, it makes little difference whether 7,000,000 or 10,000,-000 apply. In either case, the burden would be unjustifiable and the tax exactions morally indefensible.

The following table illustrates the stupendous cost this plan would be to the people of our district. In one column will be found the cost to each county if 90 percent of the

eligibles apply. In another, the cost if but 75 percent apply. In the last column will be found the total amount of current county taxes paid for the fiscal year 1934-35.

Annual cost under Townsend plan to the people of the First Congressional District of California, and comparison with current taxes paid to each county, 1934-35

	of eligible	Number	Cost of Townsend plan		Current
County		pensioners (8 per- cent of popula-	If 90 percent eligibles apply	If 75 percent eligibles apply	county taxes paid, 1934-35 (excluding back taxes)
Sonoma. Humboldt. Marin Butte. Mendocino. Sutter. Yuba. Glenn Colusa. Lake. Del Norte.	62, 222 43, 233 41, 648 34, 093 23, 505 14, 618 11, 331 10, 935 10, 258 7, 165 4, 739	4, 480 3, 459 3, 332 2, 727 1, 880 1, 052 906 875 821 573 379	\$10, 752, 000 7, 473, 600 7, 197, 600 5, 892, 200 3, 060, 800 2, 524, 800 1, 956, 000 1, 891, 200 1, 773, 600 1, 238, 400 818, 400	\$8, 959, 200 6, 228, 000 5, 997, 600 4, 910, 400 3, 384, 000 2, 104, 800 1, 629, 600 1, 574, 400 1, 478, 400 1, 032, 000 681, 600	\$1, 284, 721. 91 870, 478. 30 865, 701. 60 801, 744. 60 477, 743. 71 466, 484. 12 280, 983. 90 332, 439. 03 157, 406. 63 59, 025. 67
Total	263, 747	20, 484	44, 578, 600	38, 180, 000	5, 855, 076. 40

From this table it will be seen that the total current taxes paid the counties in the First California District in 1 year was \$5,855,076.40. The additional amount our people would have to pay to carry the Townsend plan, even if only 75 percent of those eligible applied, would be \$38,180,000, or over six times the total taxes our people paid the counties in 1935

If 90 percent of the eligibles apply, the tax would be over \$44,500,000, or seven times the tax now paid to our counties.

This vast debt burden places the Townsend plan beyond practical consideration, either as a pension plan or a recovery plan.

If 90 percent of the eligibles applied, the plan would require that, on the average, every man, woman, and child in our district must pay each year \$169.02.

The head of a family of five would pay each year \$845.10. It means that on each of the 365 days of the year the head of the average family of five must pay in taxes \$2.31.

These payments are to be made to maintain about 8 percent of the population in affluent idleness on \$200 per month.

The workingman who dies before 60 would get nothing for his money. The debt load he would carry in supporting pensioners under the Townsend plan would make him unable to save to support his family after his death.

THE TRANSACTION TAX

The following table, based on 90 percent of the eligibles receiving pensions, shows the proportionate amount of business which must be done annually in each county of this congressional district in order for a 2-percent transaction tax to pay the pensioners \$200 per month:

Amount of transactions in each county necessary to raise the 2-per-cent tax required to pay \$200 per month pension to each pen-sioner in such county

Sonoma	\$537, 600, 000
Humboldt	873, 680, 000
Marin	294, 610, 000
Butte	294, 610, 000
Mendocino	153, 040, 000
Sutter	126, 240, 000
Yuba	97, 800, 000
Glenn	94, 560, 000
Colusa	88, 680, 000
Lake	61, 920, 000
Del Norte	40, 920, 000
Total	2, 163, 660, 000

It will be noticed that in order to raise the taxes required to pay the pensions transactions amounting to \$2,163,660,000 must take place in our district within 1 year. This is so far in excess of any volume of business now conceivable that we

must be made in the sum of \$8,641.36. It means that the head of each family of five who transacts the business of the family must make transactions in the sum of \$43,206.80.

Let each man now figure out the amount of taxable transactions he engages in and he will soon realize the impossibility of our people paying any such taxes as would be necessary to support the pensioners under the Townsend plan.

THE BIG RICH MAN

The people are told this transaction tax will be paid by the big rich man in the big city. Of course, Mr. "Big Man", manufacturer, and so forth, will pay a tax, but he adds it to his price. He computes his cost of production, adds the tax, adds his profit on the combined cost of production and tax, and passes the whole on to the consumer who buys his product.

The consumer is mainly the little man in the little town, in the big city, on the farm, everywhere. He pays the tax.

Look at the stamp on a pack of cigarettes. First, the manufacturer paid the tax, but passed it on. Finally the smoker pays the tax in the form of the increased price.

LOOK AT REALITIES

The American people must finally judge the Townsend plan in the light of their own practical experience, free from unreliable promises and prophecies, and free from emotional appeals that ignore the realities of life.

In this connection the words of Donald Richberg, formerly attorney for the railroad brotherhoods, is enlightening:

If anyone proposed to take away from every American who is earning a living one-third of his entire income in order to support eight or ten million unemployed persons in comparative luxury, he would be hooted off every platform from which he spoke.

That is precisely what is proposed in the Townsend plan.

He further states:

That plan is being advocated with such deceptive, confusing explanations that the vast majority of those supporting it evidently do not know either what it is or how it would operate. As soon as it is described in plain language it appears so unjust, so unworkable * * that it can no longer be seriously discussed.

A VACANCY IN THE WHITE HOUSE

Mr. REECE. Mr. Speaker, I ask unanimous consent to extend by remarks in the Record by printing an article on the twentieth amendment of the Constitution.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE. Mr. Speaker, under leave to extend my remarks, I submit a very interesting and informative article on the twentieth amendment to the Constitution by Mr. Ira E. Bennett, one of America's outstanding editors and writers.

The article is as follows:

The process of choosing and installing a President of the United States is now subject to the provisions of the twentieth ("lame duck") amendment. This amendment makes changes in dates duck") amendment. This amendment makes changes in dates which affect the terms of Congress and the President, the meeting of the electoral college, the counting of the vote, and the election of President and Vice President by the House and Senate, respectively, when that duty falls upon them.

These changes destroy old safeguards and increase the danger of a vacancy in the White House.

Under the twentieth amendment, Congress convenes on January 20 only 2 only

Under the twentieth amendment, Congress convenes on January 3 every year. Inauguration day is changed to January 20, only 17 days after Congress convenes. As the terms of Congressmen now expire on January 3 every second year, it is a new House which convenes at noon on that day in inauguration years. The new House must organize by electing a Speaker and swearing in Members before it can meet with the Senate to count the electoral vote. Congress has named January 6 as the date for this joint meeting. Only 3 days are allowed for organization of the House. Beginning January 6, the two Houses will count the electoral vote and declare the result. If the November election has resulted beyond question in election of a President and Vice President, this fact can be ascertained by Congress within a few hours. If the people have not chosen a President and Vice President, or if controversies arise over the electoral vote, several days may be consumed by Congress in ascertaining and declaring the outcome of the November election. Inauguration day, January 20, is dangerously near at hand.

must pass into a business fairyland, reached only by the road of wild, destructive inflation, before such conditions can exist.

Payment of such sums would mean that on the average for each man, woman, and child in the district transactions in the November election. Inauguration day, January 20, is dangerously near at hand.

If no President and Vice President have been chosen by the electors, it will be necessary for the House to elect a President and for the Senate to elect a Vice President. As matters stand, the longest time allowed for this election is 14 days; that is, the period between January 6 and January 20. Delay by Congress in

counting and declaring the electoral vote may cut down this ina few days or even a few hours before the hour of inauguration.

The twentieth amendment provides that if the President-elect shall have failed to qualify, the Vice-President-elect shall act as President until a President shall have qualified. Congress is authorized to declare who shall act as President in case both the President-elect and Vice-President-elect shall have failed to

qualify.

But Congress has not enacted any law on this subject, and the twentieth amendment makes no provision for filling the Presidency in case no one is elected President or Vice President. Thus a vacancy in the White House is possible, either through failure of elected persons to qualify or through failure to elect at all.

In 1877 the House was unable to elect a President, and it was

only by an expedient not provided for by the Constitution that a President was chosen in time to avoid a vacancy in the White House. The dangers then encountered are now intensified because of the much shorter time allowed for election by the House

It is believed by many persons that the so-called Presidential Succession Act takes care of the situation resulting from failure to elect a President and Vice President or their failure to qualify by inauguration day. But this is an erroneous assumption. The act, which specifies that the Secretary of State or other officers of the Cabinet in their turn shall act as President, applies only to a vacancy arising from death, resignation, or inability of the President and Vice President already in office. It provides a sub-stitute to carry on the Presidency until a President is elected, not to fill a vacancy resulting from failure to elect or failure of elected

officers to qualify.

It will be interesting to observe the workings of the twentieth amendment after the election of November 1936, and in succeeding Presidential elections. In their eagerness to abolish what were regarded as the evils of the old "lame duck" system the framers of the twentieth amendment overlooked the probability of other and greater evils arising from their tampering with the process of elect-

greater evils arising from their tampering with the process of electing a President.

The same political conditions that affect a Presidential contest will now affect the election of the House of Representatives. If the country should be split into blocs and factions resulting in three or more political parties, it is possible that no candidate for the Presidency will receive a majority. In that case the election would be thrown into a House whose newly elected Members would have been chosen by the same divided electorate. In voting for President in the House each State delegation has but one vote; and split delegations might create a deadlock or a tie, in which case the State could not vote. A majority of all the States is necessary to elect a President. With three candidates dividing the Nation's vote, would it be possible for one of them to command the votes of 25 States in the House? Would Members fresh from passionate campaign battles be willing to forget their struggles and vote for a man whom they had recently bitterly opposed in the campaign? campaign?

In a three-cornered Presidential-congressional campaign it is In a three-cornered Presidential-congressional campaign it is reasonable to assume that the three parties would be represented in the newly elected House. Therefore a struggle over election of a Speaker would follow, with strong probability of a deadlock. Members would be aware of the fact if the November election had failed to produce a President, there would be an incentive to block the election of a Speaker in order to block election of a President opposed by two of the three parties.

The claim would be made that the House is forbidden to function until it has elected a Speaker. The law provides that the first

tion until it has elected a Speaker. The law provides that the first duty of a newly elected House is to elect a Speaker, who administers the oath to Members after having taken it himself. He is sworn in by any Member, according to law, but by custom the old-est Member in point of service administers the oath to the Speaker, who in turn is required by law to administer the oath to all Members and Delegates present, "previous to entering on any other

It was asserted during debate on the twentieth amendment that the House has constitutional power to function notwithstanding its failure to elect a Speaker. But if a three-cornered struggle over election of a President by the House should be impending it is obvious that much stress would be laid on the claim that the House cannot function without a Speaker and therefore that it could not sit with the Senate to count the electoral vote.

Bearing in mind that the Constitution under the new amend-

ment requires Congress to count the electoral vote on January 6, 3 days after convening, and bearing in mind also the fact that two factions out of three would have strong inducement to block election of a leading candidate for President, it is evident that the new system opens the way for intrigue, corruption, and failure to elect a President.

elect a President.

The House has had several memorable struggles over election of a Speaker. Under the old regime the contests paralyzed the operations of Congress, and it is reasonable to suppose that a similar contest now would do likewise. But formerly a prolonged Speakership fight could not affect election of a President by the House, since it was a hold-over or "lame duck" House, in an expiring session of an expiring Congress that was called upon to elect. The House had long ago elected a Speaker and was otherwise organized, and it could not fail to meet with the Senate to count the electoral vote. It did so on the second Wednesday of February, and it had time from that date until March 4 in which to elect a President.

In 1849 the House was deadlocked 19 days, electing Howell Cobb, Speaker after 62 ballots. In 1855-56 the House deadlocked from Speaker after 62 ballots. In 1855-56 the House deadlocked from the first Monday in December until February 6, finally electing Nathaniel P. Banks, Speaker after 137 ballots. In 1859-60 the House was again deadlocked for 2 months before it elected William Pennington, Speaker. Shorter contests over the Speaker-ship have been numerous, several of which under the new regime would have passed the date fixed by the Constitution for meeting with the Senate to count the vote for President and Vice President.

Another change under the twentieth amendment which makes for mischief is the shortened time between election day and the meeting of presidential electors. Formerly about 60 days intervened, during which contests could be heard and settled. Now only 41 days intervene, and it is contended that this is not sufficient time in which the method to president the content of the content vened, during which contests could be heard and settled. Now only 41 days intervene, and it is contended that this is not sufficient time in which to settle contests involving electors upon whom the outcome of the Presidential election may depend. Accordingly, Chairman Sumners of the House Committee on the Judiciary has proposed that the date of the general election be advanced to the Monday after the second Tuesday in October. But objection is made to this suggestion by those who think that the least possible time should elapse between the heat and fury of election and hair-trigger legislation by Congress in obedience to the election mandate. These individuals boast of abolishing "lame duck" Members of Congress, but they forget that a "lame duck" remains in the White House to send in an annual message and a Budget to a Congress that within 17 days will hear an entirely different message from a new President. Incidentally the new President, if he differs politically from his predecessor, will be burdened with the duty of presenting a new Budget before he has warmed the executive chair and before he knows what the Government requires. His Cabinet, composed of green men, will be called to advise equally green Members of Congress how to put into effect the fresh green orders of the people.

Even assuming that the new system will install a President and Congress in office without a hitch, it must be admitted that wisdom has been shown in enlarging the working facilities of the United States Surreme Court to dispose of legislative rubbish.

wisdom has been shown in enlarging the working facilities of the United States Supreme Court to dispose of legislative rubbish.

But we are dealing now with the possibility if not the probability of a break-down of the new system provided for choosing and installing a President. What should be done to make more certain the orderly transference of the executive power from one man to another?

man to another?

In the first place, Congress should not delay in providing for the case wherein neither a President-elect nor a Vice-President-elect shall have qualified, by declaring who shall then act as President, or the manner in which one who is to act shall be selected. The law should make it clear that the person temporarily acting as President is a mere substitute and debarred from claiming that he is entitled to serve 4 years. It should also be made clear that the term of a President elected after inauguration day dates from January 20, and not from the time when he takes day dates from January 20, and not from the time when he takes

When the election of a President and Vice President is thrown into Congress, the House is restricted to the selection of one of the into Congress, the House is restricted to the selection of one of the three presidential candidates receiving the highest electoral vote, and the Senate must choose for Vice President one of the two candidates receiving the highest electoral vote. If any candidate thus made eligible should die before the House or Senate acts, serious political disturbances might follow. The twentieth amendment authorizes Congress to make provision for avoiding this contingency, but Congress has not done so. Prudence suggests that Congress should act before the next election.

This appears to be all that can be done, short of another amendment of the Constitution. Through neglect and indifference, the people have unwittingly accepted a situation which makes the inauguration of the President dependent upon a contingency. That contingency is the organization of the House of Representatives as a necessary prelude to the counting of the electoral vote and the election of a President by the House if the electors have failed to elect.

That is the vital flaw in the twentieth amendment. But the danger is made worse by shortening the time between election, counting the vote, and inauguration day. The situation thus created can be remedied only by a new constitutional amendment.

CEREMONY IN HONOR OF SENATORS AND REPRESENTATIVES WHO VOTED AGAINST DECLARATION OF WAR AGAINST GERMANY

Mr. MARCANTONIO. Mr. Speaker, on behalf of the gentleman from California [Mr. Scott] I ask unanimous consent that he may have permission to extend his remarks in the RECORD

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SCOTT. Mr. Speaker, on Monday next a brief. wreath-laying ceremony in honor of the 6 Senators and 50 Congressmen who voted against our declaration of war on Germany will be conducted by the National Council for Prevention of War at the statue of the late Senator from Wisconsin, Robert M. La Follette, Sr. Senator George Norris, Representative Ernest Lundeen, and Representative Harold KNUTSON, three of the men who voted against the war and who are now in Congress, are expected to be present.

In preparation for this ceremony I would ask all Members of this House to read in the Congressional Record for March 20, on page 4083, the extension of remarks of the Honorable Burton K. Wheeler, Senator from Montana, being a reprint of an article entitled "Six Martyred Senators" taken from the magazine Real America for March 1936.

I would paraphrase a part of that article that it may be a

part of my remarks:

As Europe rushes madly toward another war, and the United States is once more bombarded with insidious propaganda from foreign countries, international bankers, professional patriots, and war mongers, we will do well to remember the six Senators who in 1917 dared defy the propagandainspired war hysteria. Six men who retained—we should not forget the 50 in the House—a true perspective, six men who were branded as traitors, six men who are slowly being recognized as among the greatest of American patriots. Perhaps their courageous stand 19 years ago will help America remain sane in the years to come.

The six Senators were Gronna, of North Dakota; Lane, of Oregon; La Follette, of Wisconsin; Norris, of Nebraska; Stone, of Missouri; and Vardaman, of Mississippi.

Upon these men descended an avalanche of abuse and derision without parallel in the history of our country. They were denounced as traitors. Their lives were threatened. They became objects of scorn. They were burned in The people were aflame with the spirit of war.

Senator Lane died as a result of the abuse heaped upon him. Senator La Follette called him a martyr to the cause

of peace. Senator Stone was the second to die a victim of hate and hysteria.

La Follette said, "The children may live to see the day when sentiment will change toward me. I never shall."

Each of the six men suffered abuse until his death with the exception of Norris who has lived to see his stand vindicated.

Will this all happen again in the near future? One way to prevent it is by signing the petition on the Speaker's desk to bring to the floor for action House Joint Resolution 167, introduced by Congressman Luplow, of Indiana.

This resolution proposes an amendment to the Constitution as follows:

Except in the event of an invasion of the United States or its territorial possessions and attack upon its citizens residing therein, the authority of Congress to declare war shall not become effective until confirmed by a majority of all votes cast thereon in a Nationwide referendum.

THE UNEMPLOYMENT PROBLEM

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered by my colleague the gentleman from Massachusetts [Mr. Connery] over station WORC.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHANLEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered by the Honorable WILLIAM P. CONNERY, Jr., of Massachusetts, over station WORC, of Worcester, Mass., on Monday, February 24, 1936:

My friends, the most momentous question now confronting the American people is, When and how will we make it possible for the ten or more millions of America's unemployed workers to return to profitable employment?

Every person who has given this momentous question serious consideration realizes that the American Treasury cannot continue to pay out relief funds amounting to some four or five

tinue to pay out relief funds amounting to soll billions of dollars yearly.

Yet every real American believes that the Government must be secure work or those whom the local

ret every real American beneves that the Government must provide for those unable to secure work or those whom the local communities are unable to or unwilling to care for.

Some years ago, after a careful survey of actual conditions existing in American industry, and, after extended hearings before the House Labor Committee, of which I have the honor of being chairman, that committee reported to the House of Representatives and recommended unanimously the passage of the Connery

flexible 30-hour workweek bill.

The House, I am positive, was prepared to enact the Connery bill, and the administration looked with favor on the proposed

bill until the international bankers and those they were able to influence realized that the Connery 30-hour workweek bill protected the jobs of American workers by denying entry into our country of those goods which compete in the American market with the product of America's workers unless the landed costs of such foreign-made goods was at least equal to the costs of pro-

duction of the products of American workers.

The international bankers contended that such a provision would deprive them of the profits they were making out of for-eign exchange and the sale and distribution in the American mareign exchange and the sale and distribution in the American market of goods, the products of foreign workers, which could and were underselling the product of American workers. I was told that if we would strike this provision out of the bill that the House leaders would permit the bill to pass. Naturally, I refused to eliminate this protective provision, as by so doing, instead of providing job opportunities for the millions of America's unemployed we would be transferring their jobs to foreigners, and, I regret to say, most of these jobs would be given to Japanese workers who were then and are now working some 70 hours per week at an average wage of less than 5 cents per hour.

In the meantime the N. I. R. A. was drafted, and we were told

average wage of less than 5 cents per hour.

In the meantime the N. I. R. A. was drafted, and we were told that it must be tried out. It was. During the first year of its operation, before those in charge granted almost all the exemptions the chiseling industrialists asked for, it made it possible for some hundreds of thousands of workers to secure profitable employment. At its best it failed to provide jobs for several millions of the proposed workers.

of unemployed workers.

Many of those who protest against the enactment of the Connery flexible 30-hour workweek bill fail to consider the tremendous strides made in productivity in industry during the past 10 years through the development and installation of labor-saving

devices.

Despite the expenditure of several billions of dollars since 1933

we still have to consider the plight of the ten or more millions of our unemployed workers.

It is essential that we find work for these Americans or that we continue to appropriate billions of dollars yearly to provide sus-

American workers do not want charity; they want work.

If American industry is to provide employment for even those now employed, it is essential that there exist a market for the products of industry. The Government alone, directly and indirectly, through grants or loans, through public works, etc., cannot continue to provide this market. They work that the market is the continue to provide this market. continue to provide this market. Everyone knows that this will

soon stop.

The Connery 30-hour workweek bill will not strangle any American industry or business. It will not place any undue burden on any industry. It will provide employment or job oppor-tunities for some six or eight millions of those now unemployed. The Connery 30-hour workweek bill is simple. It provides that

all American industries which ship in or receive goods or products in interstate commerce must have a license. There is a board of three created, one to be the Secretary of Labor, one to be a representative industrial worker, and one to be a representative industralist.

Any person who ships or receives in interstate commerce may secure a license by simply agreeing to the conditions laid down in the license issued by the Board.

The simple conditions of the license are that the workers shall have the right to organize and the employer agrees that he will bargain collectively with the representatives of his workers. No person will be permitted to work more than 30 hours in 1 week. The employers, who have long and strenuously asked for exemptions from the antitrust acts, are granted such exemptions.

In any industry where it can be shown that there are not suffi-

cient workers to operate the plant or the industry the Board is authorized to grant the necessary exemptions. Any plant may operate 30 or 60 or 90 or 120 hours on shifts, but they must pay their workers for 30 hours, the wages they now receive for working over 30 hours.

Incidentally the products of American labor which now compete in the American market with the products of foreign workers such as the products of the Japs, who work 70 hours per week at an average wage of 5 cents per hour, are freed from that unfair and intolerable competition in another Connery bill now before the Ways and Means Committee.

Those are the high spots or the essential features of the Connery

30-hour workweek bill.

It is generally conceded, and it should be obvious, that economic recovery and providing job opportunities for the millions of those now unemployed depends on an effective demand for a quantity of goods sufficient to keep the wheels of industry turning. This demand for goods must consist of money or purchasing power distributed among the masses of our population, for it is in them that the great aggregate of needs is centered. In order that mass production factories may operate, it is essential that mass produc-

production factories may operate, it is essential that mass production have an outlet in mass consumption.

There are several methods by which mass purchasing power may be created, namely, there are several ways in which the money or purchasing power may be placed in the hands of the people. The normal or usual method is through the payment of wages in return for labor, but, when through the break-down of the economic machine this method fails, other methods must be and have been resorted to. The Government, during the last few years, has had to come to the rescue of those unable to find employment, and to create work through public works, the dole, or direct relief, or grants and loans to States, to cities and towns, as well as to private industry.

These expenditures have, however, created public debts which inevitably must be paid by industry in the future. As these debts can only be paid by levying of taxes, it means that the market for goods is decreased to that amount.

The question before the American people is obvious, either we must provide jobs for those able and willing to work or we must continue to levy taxes which in the end reduce the purchasing power of all of our workers and employers alike.

Industry must relieve the Government of the burden it has been carrying or the day is not too far distant when Government control over private industry will necessarily and inevitably be extended

to a point that few yet seem to visualize.

It is now well known that mechanization of production has reached a stage which permits of a greater volume of production with fewer workers than was possible or even dreamed of 20 years ago. The Committee on Recent Economic Changes reported 3 years ago that productivity per worker had increased 41 percent in 1927 or 1921.

1927 or 1921.

In the midsummer of 1933 the physical volume of factory production reached 100 percent of the 1923-25 average, according to the statistics of the Department of Labor. Yet the average hours worked in industry as a whole in July, August, and September of 1933, when production was at its height, was only 38 hours per week. This means that with our gainfully employed working only 40 hours per week, and, with 10 or more millions unemployed, we produce in volume an amount equal to what we had produced in 1923-25 when we were not wrestling with the question of unemployment.

unemployment.

In 1919 the railways employed 2,022,832 workers to move 2,185,-285,000 tons of revenue freight. In 1929 they employed 1,660,850 workers, or some 382,000 fewer men, to move 2,584,333,000 tons of freight, or 399,000,000 tons more than in 1919. The tonnage moved per man increased some 44 percent. In the cigarette industry from 1927 to 1931 production increased 25 percent, while employment declined 6 percent. In the boot and shoe industry we find that in 1927, 203,110 workers produced 343,000,000 pairs of shoes, while in 1933, 190,000 workers produced 350,000,000 pairs of shoes. In other words, 13,000 fewer workers produced 7,000,000 more pairs of shoes. In 1929, 19,097 workers produced 1,597,000,000 pounds of dairy butter, while in 1931 it required 3,500 fewer workers to produce 69,000,000 more pounds than was produced in 1929. These statistics which I have cited are taken from the Statistical Abstract of the United States and other governmental In 1919 the railways employed 2,022,832 workers to move 2,185,-Statistical Abstract of the United States and other governmental agencies.

This sort of unemployment cannot be laid to lack of business;

This sort of unemployment cannot be laid to lack of business; it is the technological origin. What is the answer?

Labor's share of the wholesale value of the product of manufacturing industries declined 12 percent from 1921 to 1929.

The records show that with 10,000,000 or more unemployed the industrial and distributive machine of the United States, working at a rate of slightly less than 40 hours per week, can and is now producing and distributing a physical volume of goods equal to that produced and distributed in the years 1923-25. That is what we are confronted with. What are we going to do about it?

The only possible way out, as I see it, is to shorten the work-week and to spread employment, not with 30 hours pay for 30 hours work at the present rate of wages but with at least the present income for the 30 hours which the workers now receive for longer hours.

Those interested colors in the same and the same an

Those interested solely in dollars have contended that the cost of a 30-hour workweek would be tremendous. Let us see. At the present time the labor costs average some 16 percent of the cost of the product. Based on a present 40-hour workweek, a reduction of the workweek to 30 hours, without reduction in the present weekly income of the workers, would mean an additional cost of one-third of 16 percent, or something like an increase of 5 percent. That would leave the present costs of goods instead of 100 percent, 105 percent. Yet, with factories or workshops operating at full capacity, instead of at 40 percent and 50 percent of capacity, as at present, this would mean an appreciable reduction in over-head costs, which many estimate would almost wipe out the additional labor costs.

There is another way of determining the cost of the 30-hour orkweek. If we multiply the estimated purchasing power of the workweek. If we multiply the estimated purchasing power of the at least 4,000,000 now unemployed workers who would secure employment at an assumed wage of \$1,000 per year, we find that we have increased the purchasing power some \$4,000,000,000. Whether \$4,000,000,000 is an excessive cost for industry and trade to pay for economic recovery is a question which it should not be difficult to answer. The employment of these additional 4,000,000 workers would bring about a sufficient demand for goods to lead to an increase in output and a substantial decrease in the unit costs.

At the present time these 4,000,000 workers are receiving from the

Government, directly and through administrative expenses, some

\$2,000,000,000.

Is it not better to pay out this additional cost in wages and pro-

Is it not better to pay out this additional cost in wages and provide profitable employment for American workers than to continue to pay it out in the form of a dole or made work?

The answer is one which industry and trade alone can make.

I feel confident in saying that despite the great outcry and protests which may arise from industrialists and those who pay surtaxes at the present time the Government of the United States will continue to provide for those unable to secure profitable employment.

The remedy is in the hands of private industry. Provide employment for the workers unable to secure employment and thus

lessen the burden on the Government, and taxes will be reduced; continue to evade the responsibility which is solely that of industry, and trade and private industry must continue to pay excessive taxes. Robert Johnson, of Johnson & Johnson, millionaire manufacturer of medical supplies, and W. K. Kellogg, of Kellogg breakfast food fame have seen the light on the 30-hour week. When will other industrialists realize that the 30-hour week means increased efficiency, better wages, and more profits? Soon,

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as

To Mr. Higgins of Connecticut, for 10 days, on account of investigating flood damage.

To Mr. Schuetz, at the request of Mr. Thompson, on account of important business.

To Mr. Shanley, for 1 day, on account of official business. SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1318. An act to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes; to the Committee on Indian Affairs.

S. 1871. An act granting certain public lands to the State of Montana for the use and benefit of the Northern Montana Agricultural and Manual Training School; to the Committee on the Public Lands.

S. 1880. An act to authorize the award of a decoration for distinguished service to Col. John A. Lockwood, United States Army, retired; to the Committee on Military Affairs.

S. 2553. An act conferring jurisdiction upon the United States District Court for the Eastern District of Arkansas to hear, determine, and render judgment upon the claim of C. C. Young; to the Committee on Claims.

S. 2926. An act to authorize the Commissioner of Education in the Department of the Interior to conduct a study and disseminate his findings and recommendations regarding suitable aviation instruction courses for the public schools. and for other purposes; to the Committee on Education.

S. 3167. An act to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to the Territory of Alaska; to the Committee on Education.

S. 3247. An act to amend title II of the National Industrial Recovery Act, as amended by the Emergency Appropriation Act, fiscal year 1935, and as extended by the Emergency Relief Appropriation Act of 1935; to the Committee on Ways and Means.

S. 3450. An act to regulate the sales of goods in the District of Columbia; to the Committee on the District of Columbia.

S. 3477. An act relating to the jurisdiction of the judge for the northern and middle districts of Alabama; to the Committee on the Judiciary.

S. 3516. An act for the relief of Alice D. Hollis; to the Committee on Claims.

S. 3720. An act to authorize the Secretary of the Navy to accept on behalf of the United States the bequest of the late Henry H. Rogers, and for other purposes; to the Committee on Naval Affairs.

S. 3748. An act to authorize the Bureau of Mines to conduct certain studies, investigations, and experiments with respect to subbituminous and lignite coal, and for other purposes; to the Committee on Mines and Mining.

S. 3836. An act to amend the Criminal Code with respect to the manner of inflicting the punishment of death; to the Committee on the Judiciary.

S. 3842. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the establishment of the Territorial Government of Wisconsin, and to assist in the celebration of the Wisconsin Centennial during the year of 1936; to the Committee on Coinage, Weights, and Measures.

S. 3870. An act granting a leave of absence to settlers of homestead lands during the year 1936; to the Committee on Public Lands.

S. 3945. An act to extend the times for commencing and completing the construction of certain free highway bridges across the Red River, from Moorhead, Minn., to Fargo, N. Dak.; to the Committee on Interstate and Foreign Commerce.

S. 3976. An act to amend the act approved February 27, 1931, known as the District of Columbia Traffic Act; to the

Committee on the District of Columbia.

S. 4020. An act to authorize the acquisition of lands in the city of Alameda, county of Alameda, State of California, as a site for a naval air station and to authorize the construction and installation of a naval air station thereon; to the Committee on Naval Affairs.

S. 4132. An act to amend section 4b of the National Defense Act, as amended, relating to certain enlisted men of the Army; to the Committee on Military Affairs.

S. 4135. An act for the relief of Helen Curtis; to the Com-

mittee on Claims.

S. 4165. An act amending the District of Columbia Unemployment Act; to the Committee on the District of Columbia.

S. 4190. An act to amend the act approved February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, Arkansas, and for other purposes; to the Committee on Military Affairs.

S. 4229. An act to authorize the coinage of 50-cent pieces in commemoration of the one-hundredth anniversary of the incorporation of Bridgeport, Conn., as a city; to the Com-

mittee on Coinage, Weights, and Measures.

S. 4335. An act to authorize the coinage of 50-cent pieces in commemoration of the centennial celebration of Cleveland, Ohio, to be known as the Great Lakes Exposition; to the Committee on Coinage, Weights, and Measures.

S. J. Res. 38. Joint resolution for the adjustment and settlement of losses sustained by the cooperative marketing

associations; to the Committee on Agriculture.

S. J. Res. 215. Joint resolution authorizing the selection of a site and the erection of a pedestal for the Albert Gallatin statue in Washington, D. C.; to the Committee on the Library.

S.J. Res. 231. Joint resolution to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Swedes in Delaware; to the Committee on Coinage, Weights, and Measures.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 11945. An act granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts.

The SPEAKER announced his signature to an enrolled bill

of the Senate of the following title:

S. 3998. An act to enable the Commodity Credit Corporation to better serve the farmers in orderly marketing, and to provide credit and facilities for carrying surpluses from season to season.

ADJOURNMENT

Mr. McMILLAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.) the House adjourned until tomorrow, Thursday, April 2, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

757. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting for the consideration of Congress an estimate of appropriation submitted by the Commissioners of the District of Columbia to pay claims and suits which have been settled by them under the provisions of the act entitled "An act authorizing the

Commissioners of the District of Columbia to settle claims and suits against the District of Columbia", approved February 11, 1929 (45 Stat. 1160), as amended by the act approved June 5, 1930 (46 Stat. 500), amounting to \$7,414.34 (H. Doc. No. 439); was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CROWE: Committee on the Territories. H. R. 8766. A bill to authorize municipal corporations in the Territory of Alaska to incur bonded indebtedness, and for other purposes; with amendment (Rept. No. 2290). Referred to the House Calendar.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 11331. A bill to authorize the sale and conveyance by the Department of the Interior to the State of Minnesota of the southwest quarter northwest quarter section 3, township 159 north, range 35 west, fifth principal meridian, in the State of Minnesota; without amendment (Rept. No. 2291). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 6286. A bill to authorize the conveyance by the United States to the State of Minnesota of certain lands in Morrison County, Minn.; with amendment (Rept. No. 2292). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 9113. A bill to provide for the residence of the United States commissioners appointed for the national parks, and for other purposes; with amendment (Rept. No. 2293). Referred to the Committee of the Whole House on the state of the Union.

Mr. Derouen: Committee on the Public Lands. H. R. 11799. A bill to repeal the proviso of the act of May 18, 1928 (ch. 626, 45 Stat. 603), making additions to the Absaroka and Gallatin National Forests and improving and extending the winter-feed facilities of the elk, antelope, and other game animals of Yellowstone National Park and adjacent land; and for other purposes; without amendment (Rept. No. 2295). Referred to the Committee of the Whole House on the state of the Union.

Mr. Derouen: Committee on the Public Lands. H. R. 11791. A bill to make available for national-park purposes certain lands within the area of the proposed Mammoth Cave National Park, Ky.; with amendment (Rept. No. 2296). Referred to the Committee of the Whole House on the state of the Union.

Mr. DARDEN: Committee on Naval Affairs. H. R. 10273. A bill to authorize the Secretary of the Navy to accept on behalf of the United States the bequest of the late Henry H. Rogers, and for other purposes; without amendment (Rept. No. 2297). Referred to the Committee of the Whole House on the state of the Union.

Mr. SEARS: Committee on Naval Affairs. S. 3395. An act to authorize the acquisition of the railroad tracks, trestle, and right-of-way of the Gulf Power Co. at the naval air station, Pensacola, Fla.; without amendment (Rept. No. 2298). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 11302. A bill to authorize the Secretary of War to lend to the Reunion Committee of the United Confederate Veterans 3,000 blankets, olive drab, no. 4, 1,500 canvas cots, to be used at their annual encampment to be held at Shreveport, La., in June 1936; without amendment (Rept. No. 2300). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 11747. A bill extending the time for making the report of the commission to study the subject of Hernando De Soto's Expedition; without amendment (Rept. No. 2339). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 11848. A bill to authorize retirement annuities for persons who serve as Librarian of Congress for 35 years; without amendment (Rept. No. 2340). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 12027. A bill to authorize the execution of plans for a permanent memorial to Thomas Jefferson; without amendment (Rept. No. 2341). Referred to the Committee of the Whole House on the state of the Union.

Mr. GOLDSBOROUGH: Committee on Banking and Currency. H. R. 11844. A bill to extend to July 1, 1938, the power of the Federal Deposit Insurance Corporation to make loans, purchases of assets, or guaranties to reduce or avert threatened insurance losses; without amendment (Rept. No. 2342). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. AYERS: Committee on the Public Lands. H. R. 10642. A bill conditionally validating a homestead entry for Fort Peck Indian land; without amendment (Rept. No. 2294). Referred to the Committee of the Whole House.

Mr. THOMASON: Committee on Military Affairs. S. 2021. An act to recognize the service of Brig. Gen. Edward R. Chrisman; without amendment (Rept. No. 2299). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 1361. A bill for the relief of Ellen Kline; with amendment (Rept. No. 2301). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 1754. A bill to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James M. Winter; with amendment (Rept. No. 2302). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 3706. A bill for the relief of Nell Mullen; with amendment (Rept. No. 2303). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 3763. A bill for the relief of William Randolph Cason; with amendment (Rept. No. 2304). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 4276. A bill for the relief of Kate Carter Lyons; with amendment (Rept. No. 2305). Referred to the Committee of the Whole House.

Mr. DALY: Committee on Claims. H. R. 5491. A bill for the relief of Bethlehem Fabricators, Inc.; with amendment (Rept. No. 2306). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 5625. A bill for the relief of Sperry Gyroscope Co., Inc., of New York; with amendment (Rept. No. 2307). Referred to the Committee of the Whole House.

Mr. STACK: Committee on Claims. H. R. 5754. A bill for the relief of Emma M. Pearson; with amendment (Rept. No. 2308). Referred to the Committee of the Whole House.

Mr. SOUTH: Committee on Claims. H. R. 6520. A bill for the relief of Preston Brooks Massey; with amendment (Rept. No. 2309). Referred to the Committee of the Whole House.

Mr. SOUTH: Committee on Claims. H. R. 6522. A bill for the relief of Asa C. Ketcham; with amendment (Rept. No. 2310). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 6611. A bill for the relief of Martin J. Blazevich; with amendment (Rept. No. 2311). Referred to the Committee of the Whole House

Mr. HOUSTON: Committee on Claims. H. R. 6813. A bill for the relief of Jennie Williams; with amendment (Rept. No. 2312). Referred to the Committee of the Whole House.

Mr. SOUTH: Committee on Claims. H. R. 6821. A bill for the relief of Alfred J. White and M. J. Banker; with amendment (Rept. No. 2313). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 7382. A bill for the relief of Emanuel Hribal and Marie Hribal; with amendment (Rept. No. 2314). Referred to the Committee of the Whole House.

Mr. DALY: Committee on Claims. H. R. 7471. A bill for the relief of the Acme Wire & Iron Works; with amendment (Rept. No. 2315). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 7640. A bill for the relief of Dr. Samuel A. Riddick; with amendment (Rept. No. 2316). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 7861. A bill for the relief of Mrs. J. A. Joullian; with amendment (Rept. No. 2317). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 7864. A bill for the relief of Edward P. Oldham, Jr.; with amendment (Rept. No. 2318). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 7886. A bill for the relief of Merritt Rea; with amendment (Rept. No. 2319). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 8705. A bill for the relief of Claude Curteman; with amendment (Rept. No. 2320). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 8706. A bill for the relief of Frank Polansky; with amendment (Rept. No. 2321). Referred to the Committee of the Whole House.

Mr. SOUTH: Committee on Claims. H. R. 9125. A bill for the relief of Dr. F. U. Painter, Dr. H. A. White, Dr. C. P. Yeager, Dr. W. C. Barnard, Mrs. G. C. Oliphant, Amelia A. Daimwood, the Sun Pharmacy, Bruno's Pharmacy, Viola Doyle Maguire, Louise Harmon, Mrs. J. B. Wilkinson, Sisters of Charity of the Incarnate Word, Grace Hinnant, and Jennie Chapman; with amendment (Rept. No. 2322). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 9153. A bill for the relief of Evelyn Harriett B. Johnstone; with amendment (Rept. No. 2323). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 9190. A bill for the relief of J. P. Moore; with amendment (Rept. No. 2324). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 9208. A bill for the relief of Foot's Transfer & Storage Co., Ltd.; with amendment (Rept. No. 2325). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 10225. A bill for the relief of W. D. Lovell; with amendment (Rept. No. 2326). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 10565. A bill for the relief of Mr. and Mrs. William O'Brien; with amendment (Rept. No. 2327). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 10575. A bill for the relief of Catharine L. Klein, widow of Nelson B. Klein, special agent of the Federal Bureau of Investigation of the Department of Justice, who was killed in line of duty; with amendment (Rept. No. 2328). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 10991. A bill for the relief of Harry Wallace; with amendment (Rept. No. 2329). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 11346. A bill for the relief of H. R. Heinicke, Inc.; with amendment (Rept. No. 2330). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 11486. A bill for the relief of Mary Hemke; with amendment (Rept. No. 2331). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. H. R. 11573. A bill to amend the act entitled "An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey", approved August 19, 1935; with amendment

(Rept. No. 2332). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 1041. An act for the relief of Cohen, Goldman & Co., Inc.; without amendment (Rept. No. 2333). Referred to the Committee of the Whole House.

Mr. EKWALL: Committee on Claims. S. 1824. An act for the relief of Abraham Green; with amendment (Rept. No. 2334). Referred to the Committee of the Whole House,

Mr. TOLAN: Committee on Claims. S. 2697. An act for the relief of the United Pocahontas Coal Co., Crumpler, W. Va.; with amendment (Rept. No. 2335). Referred to the Committee of the Whole House.

Mr. SOUTH: Committee on Claims. S. 2747. An act conferring jurisdiction upon the United States Court of Claims to hear the claim of the Canal Dredging Co.; without amendment (Rept. No. 2336). Referred to the Committee of the Whole House.

Mr. STACK: Committee on Claims. S. 2922. An act for the relief of Rose Stratton; without amendment (Rept. No. 2337). Referred to the Committee of the Whole House.

Mr. SEGER: Committee on Claims. S. 3655. An act for the relief of the Vermont Transit Co., Inc.; without amendment (Rept. No. 2338). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. VINSON of Georgia: Committee on Naval Affairs. House Resolution 432. Resolution requesting information with respect to the naval hospital at Philadelphia; without amendment (Rept. No. 2343). Ordered to be printed.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 12090) granting a pension to Grace A. Beatty; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11812) granting a pension to Lizzie Dudley; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11413) for the relief of Elizabeth Butcher; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 11412) for the relief of Lily Singleton Osburn; Committee on Claims discharged, and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURNHAM: A bill (H. R. 12112) providing for the refund of profits realized by the Reconstruction Finance Corporation from the sale of collateral; to the Committee on Banking and Currency.

By Mr. RABAUT: A bill (H. R. 12113) to provide funds for acquisition of a site, erection of buildings, and the furnishing thereof for the use of the diplomatic and consular establishments of the United States at Brussels, Belgium; to the Committee on Foreign Affairs.

By Mr. MAAS: A bill (H. R. 12114) to limit the consideration by boards convened by the Secretary of the Navy to select officers of the line and staff corps of the Navy for promotion to the professional records of eligible officers, and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 12115) making it unlawful for any Senator, Senator-elect, Representative, Representative-elect, Delegate, Delegate-elect, Resident Commissioner, Resident Commissioner-elect, to recommend any person for appointment to or promotion in the classified civil service of the United States, and prescribing a penalty for its violation; to the Committee on the Civil Service.

By Mrs. NORTON (by request): A bill (H. R. 12116) to provide for the operation of bathing pools in the District of Columbia under the jurisdiction of the Secretary of the Interior, and for other purposes; to the Committee on the District of Columbia.

By Mr. POWERS: A bill (H. R. 12117) for the relief of the State of New Jersey; to the Committee on the Judiciary. By Mr. SUTPHIN: A bill (H. R. 12118) for the relief of the city of New Brunswick, N. J.; to the Committee on Claims.

By Mr. IGLESIAS: A bill (H. R. 12119) to amend sections 13 and 19 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes"; to the Committee on Insular Affairs.

By Mr. DEEN: A bill (H. R. 12120) to provide for the further development of vocational education in the several States and Territories; to the Committee on Education.

By Mr. GOLDSBOROUGH: A bill (H. R. 12121) to amend the National Housing Act for flood-relief purposes, and for other purposes; to the Committee on Banking and Currency.

By Mr. AYERS: Joint resolution (H. J. Res. 554) authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; to the Committee on Indian Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DEMPSEY: A bill (H. R. 12122) granting a pension to Mrs. Peter M. Shelley; to the Committee on Pensions.

By Mr. DORSEY: A bill (H. R. 12123) for the relief of Michael Charles; to the Committee on Military Affairs.

By Mr. GINGERY: A bill (H. R. 12124) granting a pension to Lana Miller; to the Committee on Invalid Pensions. By Mr. MAIN: A bill (H. R. 12125) for the relief of Lee

S. Robbins; to the Committee on Military Affairs.

By Mr. MERRITT of New York: A bill (H. R. 12126) to correct and complete the naval record of Robert Prentice Crowe; to the Committee on Naval Affairs.

By Mr. OLIVER: A bill (H. R. 12127) for the relief of Frank and Indiana Idrell, Essie Evans, Ella Bell Hudson, Mary Johnson, and Willie Witt, Sr.; to the Committee on Claims

By Mr. SISSON: A bill (H. R. 12128) granting an increase of pension to Nora White; to the Committee on Invalid Pensions.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 12129) granting an increase of pension to Margaret J. Hicks; to the Committee on Invalid Pensions.

By Mr. WIGGLESWORTH: A bill (H. R. 12130) granting a pension to Frank W. Carpenter; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10636. By Mr. ENGEL: Petition of Mrs. John M. Beem and others of Fremont, Mich., urging support of the Neely-Pettengill bill to outlaw block selling and blind booking of movie films; to the Committee on Interstate and Foreign Commerce.

10637. By Mr. FITZPATRICK: Petition of Local Union No. 463 of the United Associations of Plumbers and Gasfitters, Boroughs of Manhattan and Bronx, New York City, N. Y., endorsing the passage of the appropriation bill to carry on the Works Progress Administration and Public Works Administration projects; to the Committee on Appropriations.

10638. By Mr. LARRABEE: Petition of Mae L. Kile and others, of Indianapolis, Ind., asking support of the Dies bill (H. R. 7120); to the Committee on Immigration and Naturalization.

10639. By Mr. PFEIFER: Petition of Albert Ehlers, Inc., Brooklyn, N. Y., concerning House bill 10382, to amend the national bankruptcy law; to the Committee on the Judiciary.

10640. Also, petition of F. H. VonDamm, flour and grain dealers, Brooklyn, N. Y., concerning the Healey bill (H. R. 11554); to the Committee on the Judiciary.

10641. By Mr. PLUMLEY: Petition of the Central Labor Union of Barre, Vt., and vicinity, by Cecil V. Crawford, vice president, and W. H. Eager, secretary, opposing the Tydings-McCormack disaffection bill and urging its defeat; to the Committee on Military Affairs.

10642. Also, petition of the Central Labor Union of Barre, Vt., and vicinity, by Cecil V. Crawford, vice president, and W. H. Eager, secretary, opposing the Kramer utterance bill (H. R. 6427) and urging its defeat; to the Committee on the

Judiciary.

10643. Also, letter of protest from F. B. Morton and about 40 other residents of St. Albans, Vt., to the enactment of the so-called Robinson-Patman bill, for the reasons therein set forth; to the Committee on the Judiciary.

10644. By Mr. POWERS (by request): Petition of Mrs. Frank J. Bowen and others, supporting House bill 8739; to

the Committee on the District of Columbia.

10645. By Mr. SCOTT: Petition of the Public Works and Unemployed Union, Berkeley, Local No 8, protesting against the enactment of the McCormack-Tydings, the Dies, and the Kramer bills; to the Committee on Immigration and Naturalization.

10646. Also, petition of the executive board of the California Federation of Women's Clubs, endorsing bill no. 11225 of the House of Representatives, which provides for establishing in the District of Columbia a national academy of public affairs, for the purpose of training young men and women for Government positions; to the Committee on the District of Columbia.

10647. By Mr. SISSON: Petition of residents of Herkimer County, urging passage of House bill 8739, Guyer bill; to

the Committee on the District of Columbia.

SENATE

THURSDAY, APRIL 2, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, April 1, 1936, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1362) for the relief of Ramey Bros., of El Paso, Tex., asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Kennedy of Maryland, Mr. Ramspeck, and Mr. Pittenger were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 11963) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bulow	Donahey	King
Ashurst	Burke	Duffy	La Follette
Austin	Byrd	Fletcher	Lewis
Bachman	Byrnes	Frazier	Logan
Bailey	Capper	George	Lonergan
Barbour	Caraway	Gibson	Long
Barkley	Carey	Glass	McGill
Benson	Chavez	Guffey	McKellar
Bilbo	Clark	Harrison	McNary
Black	Connally	Hatch	Maloney
Bone	Coolidge	Hayden	Minton
Borah	Copeland	Holt	Moore
Brown	Couzens	Johnson	Murphy
Bulkley	Davis	Keyes	Murray

Neely Norris Nye O'Mahoney Overton

Pope Radcliffe Reynolds Robinson Schwellenbach Sheppard Shipstead Smith Thomas, Okla. Thomas, Utah Townsend Truman Tydings Vandenberg Van Nuys Wagner Walsh Wheeler

Mr. LEWIS. I announce the absence of the Senator from Alabama [Mr. Bankhead], the Senator from Florida [Mr. Trammell], the Senator from Rhode Island [Mr. Gerry], the Senator from Colorado [Mr. Costigan], and the Senator from California [Mr. McAdoo], caused by illness.

I further announce that my colleague the junior Senator from Illinois [Mr. Dieterich], the Senator from Georgia [Mr. Russell], the Senator from Nevada [Mr. McCarran], and the Senator from Oklahoma [Mr. Gore] are unavoid-

ably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson], the senior Senator from Maine [Mr. Hale], the Senator from Rhode Island [Mr. Metcalf], the Senator from Oregon [Mr. Steiwer], and the junior Senator from Maine [Mr. White] are absent necessarily from the Senate.

Mr. TOWNSEND. I announce that my colleague the senior Senator from Delaware [Mr. Hastings] is necessarily absent.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

TERMS OF UNITED STATES COURT, MIDDLE DISTRICT OF PENNSYL-VANIA—UNANIMOUS-CONSENT AGREEMENT

Mr. COPELAND. Mr. President, I was absent from the Chamber yesterday in my committee room when a unanimous-consent agreement into which the Senate had entered, concerning House bill 11098, the judges' bill, was changed. By the original order the Senate was at 1 o'clock today to set aside temporarily the unfinished business, proceed to the consideration of the bill referred to, and then to vote at 3 o'clock. Now, to my astonishment, I find from the calendar that in my absence yesterday, by unanimous consent, the agreement was altered so as to provide for a final vote on Wednesday, April 15, at 1 o'clock.

Mr. President, I assume that the intention was temporarily to lay aside the unfinished business at 1 o'clock and to vote at 3 o'clock on April 15, as was arranged previously for today. It would be quite unfair for an order to be entered to vote at 1 o'clock without any previous arrangement as to debate of the subject, because I assure the Senate

there will be some debate thereon.

Mr. ROBINSON. Mr. President, the Senator from Arizona [Mr. Ashurst], as will be recalled, first submitted the proposed unanimous-consent agreement, and both he and I were informed that the order which was entered was satisfactory and, indeed, pleasing to the Senator from New York.

In view of the statement which the Senator has just made, I ask unanimous consent for a modification of the unani-

mous-consent agreement, as follows:

That on Wednesday, April 15, 1936, at 1 o'clock p. m., the Senate proceed to the further consideration of the bill (H. R. 11098) to provide for terms of the United States District Court for the Middle District of Pennsylvania to be held at Wilkes-Barre, Pa., and that at not later than 3 o'clock the Senate proceed to vote upon the bill and all amendments that may be offered or that may be pending thereto.

Mr. COPELAND. That will be eminently satisfactory to me, if the Senator will fix the time for the vote at 4 o'clock

instead of 3 o'clock.

Mr. ROBINSON. Under the original agreement the time for the vote was fixed for today at 3 o'clock. I am putting into the modified agreement the same time that was previously fixed for today.

Mr. COPELAND. Very well.

The VICE PRESIDENT. Is there objection to the unanimous-consent request submitted by the Senator from Arkansas? The Chair hears none, and it is so ordered.

MEMORIAL

The VICE PRESIDENT laid before the Senate a letter in the nature of a memorial from Local No. 525, United Brick and Clay Workers of America, of Lawton, Ky., remonstrating against delays in the operation of the so-called Wagner Labor | Act, and praying for the delegation of more representatives to take care of the work under that act, which was referred to the Committee on Education and Labor.

ALBERT C. RITCHIE

Mr. WALSH presented resolutions adopted by the Massachusetts Women's Political Club, assembled at the Hotel Vendome, Boston, Mass., as a tribute to the memory of the late Albert C. Ritchie, formerly Governor of the State of Maryland, and expressing the condolences of that organization on his death, which were ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. BARBOUR, from the Committee on Military Affairs to which was referred the bill (S. 4207) for the relief of Reuben M. Wright, reported it with an amendment and submitted a report (No. 1741) thereon.

Mr. WALSH, from the Committee on Finance, to which was referred the bill (S. 3843) to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea, and all other exhibits for exposition purposes, reported it without amendment and submitted a report (No. 1742) thereon.

Mr. HARRISON, from the Committee on Finance, to which was referred the resolution (S. Res. 250) directing the Tariff Commission to investigate the production costs of certain pelts (submitted by Mr. Pope on Mar. 12, 1936), reported it with an amendment.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 4414) for the relief of James E. Dodson; to the Committee on Military Affairs.

By Mr. LA FOLLETTE:

A bill (S. 4415) for the relief of Charlotte E. Hunter; to the Committee on the District of Columbia.

By Mr. BYRD:

A bill (S. 4416) for the relief of Josephine Russell; to the Committee on Claims.

By Mr. FLETCHER:

A bill (S. 4417) granting an honorable discharge to Roy Wesley Allen, ex-fireman, second-class, United States Navy; to the Committee on Naval Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 4418) for the relief of Farley J. Holloman; to the Committee on Claims.

(By request.) A bill (S. 4419) to authorize the collection of penalties, damages, and costs for stock trespassing on Indian lands; and

(By request.) A bill (S. 4420) to extend certain provisions of the act approved June 18, 1934, commonly known as the Wheeler-Howard Act (Public Law No. 383, 73d Cong., 48 Stat. 984), to the Territory of Alaska, to provide for the designation of Indian reservations in Alaska, and for other purposes; to the Committee on Indian Affairs.

By Mr. BYRNES:

A bill (S. 4421) to provide compensation for services of cotton ginners in the administration of the Bankhead Act; to the Committee on Agriculture and Forestry.

By Mr. McNARY:

A bill (S. 4422) to provide \$25,000 for the restoring and preserving of the home of Dr. John McLoughlin at Oregon City, Oreg.; to the Committee on Public Lands and Surveys.

By Mr. McGILL: A joint resolution (S. J. Res. 244) for the relief of William W. Brunswick; to the Committee on Claims.

By Mr. WHEELER:

A joint resolution (S. J. Res. 245) authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; to the Committee on Indian Affairs.

The bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation | the chairman.

loans for the repair of damages caused by floods or other catastrophes, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

DEPORTATION OF ALIENS-AMENDMENT

Mr. AUSTIN. I ask unanimous consent to submit and to have printed in the RECORD an amendment which I propose to offer to the committee amendment in the nature of a substitute to Senate bill 2969.

The VICE PRESIDENT. Without objection, the proposed amendment will be received, lie on the table, and be printed, and printed in the RECORD.

The amendment intended to be proposed by Mr. Austin is as follows:

Amendment intended to be proposed by Mr. Austin to the committee amendment (in the nature of a substitute) to the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the non-criminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes,

On page 4, lines 7 to 10, strike out all after "1917" in line 7, to and including the word "turpitude" in line 10, and substitute therefor the following: "(39 Stat. 874) relating to classes excluded entry thereby and classes excluded entry by laws referred to therein and not altered thereby, and classes deportable for causes other than having entered or being found in the United States without an immigration visa or a record of admission for permanent residence."

MENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. WEELER submitted an amendment intended to be proposed by him to the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following:

At the proper place in the bill to insert the following:

"That part of the \$100,000 authorized to be appropriated by the act entitled 'An act to provide funds for cooperation with public-school districts in Glacier County, Mont., in the improvement and extension of school buildings to be available to both Indian and white children', approved June 7, 1935, and appropriated by the Second Deficiency Act, fiscal year 1935, to be used in the improvement and extension of school buildings in public-school districts in Glacier County, Mont., other than School District No. 9, shall also be available for expenditure by the Secretary of the Interior in such School District No. 9 for the same purposes and subject to the same limitations applicable to expenditures of such money in the same limitations applicable to expenditures of such money in other districts in such county."

INVESTIGATION OF SO-CALLED BOOK TRUST

Mr. McKELLAR submitted the following resolution (S. Res. 276), which was referred to the Committee on Education and Labor:

Whereas it has been openly published and charged for a period of years that the American Book Co. and other textbook concerns, commonly known as the Book Trust, all dealing in textbooks and school books, throughout the country have been engaged in unlawful practices in obtaining of contracts for furnishing school books through State legislation and from public officials in States, and that in the obtention of these contracts to furnish textbooks it is charged that they have used large sums of money for entertainment and use of various officials; and

ment and use of various officials; and

Whereas it was published in the newspapers on Saturday, May 5,
1934, that in a secret N. R. A. code hearing held in Washington,
D. C., in April 1934 it was disclosed that \$500,000 had been paid
out by the textbook manufacturers for meals and other gratuities to public officials having to do with the purchase of school
textbooks for the children and the youth of our country; and
Whereas these books are sold in interstate commerce: Now,

therefore, be it

Resolved, That the President of the Senate be, and he is hereby, authorized and directed to appoint a committee of five Members of the Senate, not more than three Members from any one political party, which committee is authorized and directed during the session of the Senate and during the recess of the Congress to examine into such charges made concerning the book manufacturers selling books in interstate commerce and report its findings to the next Congres

For the purpose of this resolution the committee, or any subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Congress until the final report is submitted, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman. times and places during the sessions and recesses of the Congress

ADDRESS BY SENATOR CONNALLY BEFORE NORTHWESTERN DEMO-CRATIC CLUB, BALTIMORE, MD.

Mr. RADCLIFFE. Mr. President, I ask unanimous consent to have printed in the RECORD an exceedingly interesting and able address delivered by the Senator from Texas [Mr. Connally] before the Northwestern Democratic Club, at Baltimore, Md., on March 28, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Toastmaster, members of the Northwestern Democratic Club, allow me to express my thanks for the opportunity to attend this dinner given by the Democracy of Baltimore. It is attend this dinner given by the Democracy of Baltimore. It is gratifying to observe the attendance of such a magnificient audience in which businessmen, those of the professions, and of the various avocations and callings of our people are gathered to participate in a social occasion like this and to discuss and exchange views with regard to public questions and particularly with respect to the impending Presidential campaign.

However, there is missing tonight in this conspleuous conclave

of Democrats a figure long honored and loved by the Democracy of Maryland and respected and admired by the Democracy of the Nation—that aggressive and courageous Democrat, Gov. Albert C. Ritchie. I know how greatly the Democracy of Maryland is grieved at his untimely death, and I give you assurance that the Democracy of the Nation sympathizes deeply with you and those who loved him. loved him

loved him.

For some years I served in the House of Representatives and later for 7 years in the Senate with the distinguished toastmaster of tonight, your able and popular senior Senator, Millard E. Tydings. Since January 1934, I have been associated in the Senate with the scholarly, efficient, and genial junior Senator, George L. Radcliffe. The people of Maryland are indeed fortunate in having in their service two Senators so universally esteemed, so highly respected, and so capable as Senators Tydings and Radcliffe, and as one of their associates I congratulate the Commonwealth of Maryland upon their eminent services.

JACKSON'S BIRTHDAY

This dinner is being given in observance of the birthday of one This dinner is being given in observance of the birthday of one of the greatest Democrats who ever triumphed over an enemy on the battlefield or waged a victorious fight in behalf of the people in the public forum, Andrew Jackson. The name of Jackson is a rallying cry to Democrats everywhere. It is appropriate in this year in which we face a national contest—when the Democratic administration of the past 3 years is being challenged—when the forces of reaction and negation in their dugouts of detraction and in their pill boxes of privilege are seeking to overthrow the liberal, enlightened, and reviving policies of democracy, we should gather under the inspiration of Jefferson and Jackson and reassert and maintain and carry to triumph the doctrines which they and maintain and carry to triumph the doctrines which they espoused, and wage again a battle in behalf of the people just as they courageously and unflinchingly battled in behalf of the people in the early days of the Republic.

ROOSEVELT ADMINISTRATION

On March 4, 1933, Franklin D. Roosevelt was inaugurated President of the United States. For a little more than 3 years the administration of the affairs of the National Government have been in control of the Democratic Party. The American people are aware of the marvelous achievements in that short duration of time. They require no reiteration tonight. It is not necessary to catalog in detail to the intelligent reading public the variety of measures or the magnitude of accomplishment of the President and the Congress. and the Congress

The country knows what has been done for agriculture and the farmer in higher prices for farm products and lower interest

and easier terms on farm mortgages and credit.

Depositors are aware of what has been done to guarantee and safeguard their savings and their earnings.

Stockholders and the banks of America have not forgotten that

but for President Roosevelt there would have been neither banks nor bankers.

The honest industrialist knows what has happened to factory

production and output since 1933 and the unemployed know that their ranks have been substantially reduced since March of 1933, when our army of unemployed, greater than any force that ever gathered under the banners of hostile armies, marched the highways and roadsides of America.

ways and roadsides of America.

Cities and towns and counties throughout the United States are enjoying public improvements through the Fublic Works Administration, which could not be financed except by the Federal Government. Today through the Works Progress Administration thousands upon thousands of men are busy with the implements of honest toil who have been recruited from the breadlines.

Millions of men and women and little children received Government bounty on the relief rolls who otherwise would have been vanquished by the cruel forces of hunger and despair. Tonight millions of families in the country and in the city are sheltered by the roofs of their own homes because the Democratic administration prevented the eviction of their owners.

DEVALUATION OF THE DOLLAR

The devaluation of the dollar, or the reduction of the gold content of the dollar, was one of the most fundamental and far-reaching measures of the administration and the Congress. Somewhat complicated and abstruse, its importance and potency have

not been clearly grasped by the American people. It has enabled debtors to discharge their obligations with a dollar somewhat comparable to that in which the obligations were incurred. It has increased the volume of money and credit. It has stimulated and quickened every avenue of finance and of industry and business. It has prevented wild paper inflation. It has given the United States a stable and sound currency. Its indirect but no less vital influence upon the entire economic structure of the United States has been incalculable.

RESCUE OF BUSINESS AND CORPORATIONS

Tonight the stockholders and the assets of thousands of insurance companies, banks, railroads, trust companies, mortgage and loan companies, and a variety of other corporations are secure because the Reconstruction Finance Corporation came to their rescue in time of peril and economic distress.

Tonight millions of businessmen everywhere in America-from Fifth Avenue and Broadway, from Baltimore and Charles Streets, to the nameless streets of country villages in distant parts of the Republic—are enjoying increased volume of business, enhanced profits, and security in their investment because in March 1933 an administration with courage and with a determined dedication to the public welfare took charge of the national affairs to replace an administration without vision welflating and uncertain wander. administration without vision, vacillating and uncertain, wandering aimlessly without chart or compass in a bewildering and dazzling maze of difficulties which it neither knew how to meet nor had the courage to challenge and attack.

That is the record of Franklin D. Roosevelt and the Democratic Congress for 3 years. It is crowded with achievement. It is literally crammed with daring action. It is filled with substantial, tangible, and concrete results. America is now awake. It is no longer in a business and commercial coma. It feels the strength that is within its arms and muscles. American business and industry and agriculture and labor and finance are on the march, and there are not enough defeatists and captious critics and un-reasoning obstructionists in all the land to halt her ownard march or to turn back those who brought her back from the brink of destruction and put her on her feet again.

ATTACKS ON THE RECORD

ATTACKS ON THE RECORD

And who are they who are now attacking us? What interests are seeking our overthrow? Who are they who man the heaviest guns of criticism? Whence comes the heaviest artillery of denunciation? Some say the bankers are bitterly opposed to the administration. Surely such cannot be true. Can the bankers oppose an administration which saved them from ruin? Can they justly criticize measures and policies which have placed in their vaults heavier volumes of deposits than have ever existed in the history of the Republic? Can they complain at the return of good times which has made their bank reserves bigger than at any time in a hundred years? Surely the bankers, in their revived security and hundred years? Surely the bankers, in their revived security and in their prosperity, will not turn upon those who proved their saviors in their tragic hour of wreck and ruin.

BUSINESS RESTORED

In some sections of America those who are called businessmen are in opposition. Let us look at the record.

INCREASED VALUE OF STOCKS

On March 1, 1933, the average price of all listed stocks on the New York Stock Exchange was \$15.20 per share. On March 1, 1936, the average price of all listed stocks was \$38.71 per share, or an increase of 154.6 percent. Increase in value of all listed stocks was from \$19,700,985,961 on March 1, 1933, to \$51,201,637,902 on March 1, 1936, or an added value of \$31,500,651,941.

How can stockholders and the owners of corporations and businessmen complain when in 3 years their corporate holdings have increased in value 154 percent? Had the destructive and devastating forces in operation on March 1, 1933, not been halted and arrested by the wise and courageous measures of this administration many of these values would have been entirely dissipated or destroyed. destroyed.

INCREASED BANK DEPOSITS

Statistics of the Federal Reserve Board reveal that total adjusted bank deposits were \$22,744,000,000 on June 9, 1929. They fell to \$15,163,000,000 on June 30, 1932. What are they today? They now stand at \$22,833,000,000, a little more than in June 1929. The quoted value of listed bonds computed late in 1935 as compared to early 1933 shows an increase of more than \$7,000,-000,000 in value. It is estimated that the indebtedness of the people has been reduced billions of dollars. The national income has risen from the low point of less than forty billions annually during the dark days of the depression to an estimated sixty billions for 1935, or a gain of twenty billions. lions for 1935, or a gain of twenty billions.

RISE IN REAL ESTATE

It is estimated that the increase in real-estate values, in farms and homesteads and residences in cities and towns, has amounted to several times the amount of the increase in the national debt.

PUBLIC DEBT

Complaint is heard in business and corporate quarters as to the increase of the public debt. The increase in the value of corporate stocks alone (\$31,500,651,941) is sufficient to pay off the entire bonded debt of the United States. Assume that the debt has been increased seven and a half billions of dollars. Four times that increase has been handed to the owners of corporations in the increased value of their properties.

CORPORATE EARNINGS

As an example of increased earnings to corporations it may be noted that the E. I. du Pont de Nemours Co. in 1932 reported a net profit of \$26,234,779 and in 1935 a net profit of \$62,085,410. The General Motors in 1932 had a profit of a hundred and sixty-five millions and in 1935 a hundred and sixty-seven millions. The Chrysler Corporation had a deficit of eleven millions in 1932 and a profit of thirty-four millions in 1935. It will be remembered that the Du Ponts, the owners of the Du Ponts, and heavy holders of General Motors stocks are the main financial backers of the Liberty League, which has been bombarding and assaulting and sniping at President Roosevelt and the Democratic administration, and is continuing to foment and agitate opposition and criticism.

THE SO-CALLED LIBERTY LEAGUE

The Liberty League presents a motley array. Officered by the disappointed and the disgruntled, staffed by the dissatisfied, financed by those who have profited by measures of the administration, it has recruited its ranks from many sources. Republicans, Democrats, profiteers, patrioteers, those who have no politics except the politics of selfishness and personal interest, all are welcomed to its ranks. No questions are asked of applicants as to past affiliation, political belief, theories of government—all that is required to attain membership is a declaration against Roosevelt and the New Deal. Many good men have joined the Roosevelt and the New Deal. Many good men have joined the league without knowledge of its real purpose—who will not longer be misled. We urge them to unite with Democrats everywill not where in the pending campaign.

where in the pending campaign.

Democrats may differ as to details but when the battle is on, let us stand united and militant. The American people are not being deceived by the American Liberty League. They realize that the liberty for which they are contending is not that which Thomas Jefferson asserted in his great declaration nor that for which Washington suffered at Valley Forge and triumphed at Yorktown, but the liberty which holds them together and which they are fighting to reinstate and preserve is the liberty to exploit and to profiteer upon the American people.

"BLUE SKY" MANIPULATORS

The Roosevelt administration has destroyed the freedom of the stock gamblers and the "blue sky" manipulators to fleece American investors through fraudulent stocks and bonds. The Roosevalt administration has done much to curtail the liberty of great banking institutions through subsidiaries to speculate in the stocks and bonds of railroads and industrial corporations.

HOLDING COMPANY MEASURES

The liberty of manipulators to exploit the American people through pyramided holding companies and the sale of fictitious and imaginary stocks in utility companies has been overthrown by the Democratic administration. These lost liberties furnish an example of the kind of liberty under whose banner the Liberty League is carrying on a campaign of denunciation and vilification against those who in behalf of the American people have asserted the doctrine that the people are entitled to freedom from unjust exactions and are entitled to industrial and economic liberty, as well as political liberty. well as political liberty.

WHAT ARE THE CHARGES?

What are the indictments that are being drawn against the New

SUPREME COURT

There are those who assail it because the Supreme Court has declared acts of Congress unconstitutional. It is true that the Court has held invalid a number of important acts. Is that a new occurrence in the history of the United States? Has not the Court many times in the past determined that acts of Congress were beyond its powers under the Constitution? Is it not true that in most of the decisions the Court itself was divided? Is it strange that in cases where the Court itself cannot agree that laymen may fall into error?

LINCOLN AND GRANT AND THE SUPREME COURT

Is it not true that in the administration of Abraham Lincoln seven acts of Congress were declared unconstitutional? Does not the country remember that during the administration of President Grant 12 important acts of that administration were nullified by the Supreme Court? Is it not true that in many other administrations acts have been held invalid?

PERPLEXING PROBLEMS PACED

It ought to be remembered, however, that the difficulties which faced the administration and the country in 1933 were the most complicated, the most titanic, that ever wrapped their python-like forms around the business and industry of a great people. Mild measures would not have been effective. New departures had to

forms around the business and industry of a great people. Mild measures would not have been effective. New departures had to be adopted. New paths had to be blazed.

Like the Italian Army in the jungles of Ethiopia, new roadways had to be carved in the wilderness. It took courage; it took more than courage; it took daring to undertake these gigantic tasks. Nothing like it had ever happened in the history of the Republic. New plans and new weapons had to be employed. No travelers' footsteps had ever been there before. Is it strange? Is it any wonder? Is it anything at which to marvel that these new and far-reaching remedies which were emergent in their nature and hastly designed to accomplish a great purpose, finally, after the most meticulous dissection by learned lawyers and abstruse research in a calm courtroom, after weeks and months of considera-

tion by a learned Court, be found to exceed in their application but not always in their theory the powers of Congress under the Constitution as construed by the precedents of the Court?

The administration has made no effort to circumvent the deci-

sions of the Court. The Democratic Party believes in the integrity and maintenance of the Court. The Democratic Party was the author of the first ten amendments to the Constitution, which guarantee the personal rights, privileges, and immunity of the citizen against the powers of the Government. The Democratic Party today stands for those rights as it stood for them in the days of Madison and the other patriots whose labor had planted them in the Constitution as a part of its basic structure.

HOOVER DEFICIT

It is charged that the public debt has been increased and that Federal expenditures are greater than Federal income and the Budget is out of balance. It is true that the public debt has been increased. It is true that the Federal expenditures are greater than the Federal income. At the end of the Hoover administration there was a Federal deficit of \$5,000,000,000 below Federal income. Was the Budget then unbalanced? Was not the public debt increased by five billions? For the increase in the public debt under the Democratic administration we have the restoration of business and agrifive billions? For the increase in the public debt under the Democratic administration we have the restoration of business and agriculture and bank deposits and bank reserves, the increase of corporate values and all of the other evidences of a returning prosperity. Let us assume that the public debt has been increased seven or eight billions of dollars. Corporate values alone have been increased thirty-one billions, the value of homes in city and farms in the country have been enhanced, the incomes of thousands of corporations and millions of American citizens have been lifted to higher levels.

higher levels.

With an increase in listed stocks of thirty-one billion five hundred million, with an increased value in listed bonds of seven billions, with an increase in the national income of twenty billions and an increase of bank deposits of more than seven billions, with an increase of real-estate values several times more than the increase of the public debt, it may be safely said that for the seven or eight billions of dollars expended the values of property in the hands of American taxpayers have been increased in an amount tenfold as great as the increase in the public debt. great as the increase in the public debt.

NO DENIAL OF ERRORS

There is no denial that errors have been committed. There is no denial that errors have been committed. There is no denial that defects have been discovered in policies and in measures. It would have been beyond the ability or the vision of any human being or group of human beings swamped by a myriad of difficulties baffling and amazing as they were to have devised a long catalog of remedial and emergency measures all perfect in form, all complete in every detail, all meticulously exact in their application to every citizen and every interest and every corporation in America. To demand any such achievement is to require of men tasks which Zeus on Olympus himself could not have achieved.

However, let it be said that wherever errors have been discovered or hardships have been revealed, earnest and determined effort has

or hardships have been revealed, earnest and determined effort has been made for their correction.

been made for their correction.

The program must be judged as a whole. Was there ever an administration as to which you approved every act and policy? I opposed and voted against some of the measures in the Senate. Other Senators voted against this or that measure. Was there ever a program perfect in all its parts? Is there a great corporation or business that has made no mistake? Is there in existence an individual or group that has never blundered? Where is the batter that has hit every ball? Where is the lawyer who never lost a case? Where is there a doctor who has never lost a patient?

Judgment should be on the basis of intent and purpose and results. The American people know that whatever mistakes or errors have been committed, the Roosevelt administration has been hon-

Judgment should be on the basis of intent and purpose and results. The American people know that whatever mistakes or errors have been committed, the Roosevelt administration has been honestly and earnestly devoted to the welfare of the great body of the American people. Their burden has been its burden. Any errors have been committed in an effort to serve their interests. The opposition which it has accumulated is opposition encountered in its battles for their freedom and their rehabilitation. The enemies which it has made have been the enemies of its policies in their behalf

SO-CALLED DICTATORSHIP

And then there is the charge that President Roosevelt has become a dictator. Where is the man whose liberty is restrained? Where is there a court that is not open to the petition of any citizen? Where is there any fundamental right that cannot be asserted and maintained? It is true that the President of the United States was invested with unusual and emergency powers. Those powers were conferred by the Congress of the United States—by the representatives of the people elected by the representatives of the people elected by the representatives. by the representatives of the people, elected by the people under the Constitution—under the same Constitution of which we hear so much in criticism. The unprecedented crisis required the exer-tion of unusual power and authority by the Executive. In Franklin Roosevelt the American people and the Congress

recognize a leader of courage, a man with a program and a purpose, a President devoted to the interests and the welfare of all of the American people, and they trusted him, and trusting him as a leader they committed to his care the execution of functions and powers which no legislative or judicial body could efficiently or appropriately exercise. No power was conferred that cannot be reclaimed. No authority was conveyed that cannot be recalled. The character and scope of these functions have been greatly exaggerated and magnified. Such as were vested in the Executive were not given to him as his private prerogative; they were not conferred for his personal or political glorification; they were temporarily deposited with him under his lofty oath to observe the Constitution and to serve all of the American people. It was a trust imposed upon him as the head of the Nation and the loyal leader of a great people. The ends sought were the public welfare and not private power or profit.

THE DICTATORSHIP OF WRECKAGE AND RUIN

They speak of a dictatorship. What have they to say of the dictatorship that ruled us for 4 years prior to March 1933? A dictatorship that ruled us with a scepter greater than that of the Caesars—a dictatorship whose tyranny was as galling as that of a crowned monarch—the dictatorship that put on the streets in idlecrowned monarch—the dictatorship that put on the streets in idleness and surrounded with hunger and want millions of men whose weeping wives and crying children begged them for bread—a dictatorship that destroyed fortunes and made paupers of those who once were prosperous—a dictatorship that paralyzed the arms of transportation and palsied the hands of business—a dictatorship that slammed the doors of banks in the faces of their distressed depositors—a dictatorship that imperiled the life-insurance policies of helpless widows and orphans—a dictatorship that impoverished in the presence of their growing crops those who produce the food for the world—a dictatorship that shrivelled our foreign trade and stagnated every artery and vein of commerce and of business and stagnated every artery and vein of commerce and of business and of industry—a dictatorship of business ruin and industrial wreckage and agricultural squalor and misery—a dictatorship of foreclosed homes and farms—a dictatorship that loosed upon a happy and once prosperous people the cruel and rentless and grip ping forces that spread ruin throughout a fair land and implanted fear and despair in the hearts and in the gloomy spirits of a mighty and once invincible people.

AMERICA NOW FREE

From that dictatorship we are now free. We have overthrown the tyrant. We have broken his chains. We have routed the mercenary soldiers which he sent against us. The people of America are enfranchised. They have reclaimed their liberties. Their feet are on the ground. They are on the way to claim again their industrial and business heritage. If I must choose between the dictatorship which we have overthrown and the so-called dictatorship of the general under whose leadership we have vanguished and routed the forces which tormented and convressed. vanquished and routed the forces which tormented and oppressed us, I shall not hesitate a moment to take my stand under the banners of democracy marshaled under the leadership of Franklin D. Roosevelt.

D. Roosevelt.

How have these responsibilities been discharged? How has the high trust reposed in the President been met? How has the confidence in a trusted leader been justified? Where is there a critic so caustic, where is there an enemy so bold, where is there an opponent so unjust as to charge that Franklin Roosevelt, the President of the people; that Franklin Roosevelt, the responsible head of the Government of the United States; that Franklin Roosevelt, the daring leader of the national determination to shake off the shackles and chains that bound a proud people in misery and to reclaim their imperiled industrial and financial liberty, has been untrue to his official trust, has been unfaithful to the people, or has betrayed the great confidence of the men and women of America? If such there be, let him stand forth and make the charge; and when he does a storm of protest from the throats of the plain men and women of America and an the throats of the plain men and women of America and an avalanche of ballots from their hands will engulf him in November 1936.

COST OF THE NEW DEAL-EDITORIAL FROM CHICAGO DAILY TIMES

Mr. LEWIS. Mr. President, I offer for printing in the CONGRESSIONAL RECORD an editorial which was published in the Chicago Daily Times of Wednesday, March 4, 1936, touching the matter of the course of the President in connection with legislation. May I say incidentally for the Chicago Times that it is one of the great rising public organs of America

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Chicago Daily Times of Mar. 4, 1936] BALANCED BUDGET-OR OATH?

This third anniversary of the inauguration of President Roosevelt is a fitting day for plain speaking about the cost of the New Deal and Mr. Roosevelt's "broken promises."

The editorial on the opposite page shows briefly how the New Deal has made good on its 1932 platform.

We take up here the "broken" plank on public economy. It advocated "an immediate and drastic reduction of Government expenditures * * * to accomplish a saving of not less than 25 percent in the cost of Government" and also "a Federal Budget annually balanced."

The National Budget has not been balanced. Government expenses have not been reduced.

Result: Abuse of the President as a promise breaker, a political

racketeer, and a confidence man.

By one speech to his countrymen the President could shame his detractors if he would discuss in all their naked terror the events that made it not only impossible but unwise and positively dangerous to public welfare and safety to reduce expenses or balance the Rudget.

Mr. Roosevelt's critics know that no President can control events in a great national emergency. Lincoln's adversaries rode him with

abuse until he asked himself privately: "Abraham Lincoln, are you a man or a dog?" Publicly he said:
"I claim not to have controlled events, but confess plainly that events have controlled me."

So with Roosevelt.

Now for Mr. Roosevelt's promises.

The one supreme promise by Mr. Roosevelt was made 3 years ago today when he repeated before the Chief Justice of the United States his oath that he would to the best of his ability faithfully execute the office of President and preserve, protect, and defend the Constitution the Constitution.

the Constitution.

That was a higher promise than any made by Franklin D. Roosevelt in any party platform or any campaign speech.

That promise bound him to preserve government at any cost. He has preserved that government.

The cost has been \$10,000,000,000. It has been a big job. It has cost a big price.

In preserving democratic government Mr. Roosevelt has been accused of heading the Nation into bankruptcy. The fact is that he pulled it out of bankruptcy and is now heading it the other way.

While preserving government Mr. Roosevelt has been smeared as a Socialist, a Communist, a Fascist, and a dictator. His administration has been called the "Roosevelt revolution."

The fact is that he probably has saved his country from socialism, communism, fascism, dictatorship, and even incipient

revolution.

Now for the events.

When Mr. Roosevelt took office on March 4, 1933, local government in many States had so broken down that it could not enforce the provisions of National or State Constitutions involving property rights. Mobs forcibly interfered with the orders of judges who tried to enforce the constitutional clause about contracts. They came as near revolution as this country should

tracts. They came as near revolution as this country should ever want to get.

The people had risen up against the enforcement of foreclosure on mortgages involving their homes and farms. Beginning in the Hoover administration, one State after another—until the total was 29 States—suspended mortgage foreclosures by police power. This assault on property rights reached the Supreme Court. That Court upheld the Minnesota mortgage-moratorium law.

In its decision the Supreme Court said:

"The policy of protecting contracts against impairment presupposes the maintenance of a government by virtue of which contractual relations are worth while—a government which retains adequate authority to secure the peace and good order of society."

In other words, the Supreme Court asked: "What good is a con-

In other words, the Supreme Court asked: "What good is a contract if there isn't a government to enforce it?"

The first duty of government is to preserve itself. And a test of governmental authority by mobs was being made when Mr. Roosevelt took his oath of office. Read the statement made before the Supreme Court by the attorney general of Minnesota:

"For many months prior to the passage of the act (April 1933) many serious breaches of the peace occurred from time to time throughout the State (Minnesota), especially in the rural districts, in connection with mortgage-foreclosure sales, and in many instances these sales were interrupted and prevented by mobs of people, otherwise peaceful and law-abiding, who had been driven to desperation by the fear of losing their homes.

"In some instances mobs comprising more than a thousand people gathered together and forcibly prevented the holding of

people gathered together and forcibly prevented the holding of foreclosure sales.

"These disturbances increased in violence and in number until the Governor of the State, in the interest of preserving the public peace and the safety of the community, was compelled to issue an executive order.

* * *

executive order. * * *
"Many of our farmers have lost * "Many of our farmers have lost * * their homes by tax sales or mortgage foreclosures, and the prices of farm products will scarcely pay taxes and interest. The home owners of the cities are in no better plight." * That language describes the "state of the Union" when Mr. Roosevelt took his cather of office. The Supreme Court took judicial

notice of the conditions.

The Supreme Court took process. The Supreme Court took process.

The Supreme Court of the land held that the enforcement of property rights had been suspended legally so that the police power could "prevent the impending ruin" of both mortgagor and

mortgagee.
"Impending ruin!"
Words from the Supreme Court!

Why do those critics who now damn Mr. Roosevelt so maliciously conveniently forget the "impending ruin" that drove citizens to desperate means of escape from the things against which government had been unable to protect them?

ment had been unable to protect them?

The "impending ruin", however, was not confined to persons who owned property and those who had lent them money on mortgages. The States were unable to handle the bank situation, with billions of savings lost to depositors.

Nor could the States take care of the relief problem. And in the relief problem there was more danger of recourse to mobs—more by a thousandfold—than there was in the panic over mortgages.

As we look back today on 1932, we realize that no individual, not even Mr. Hoover; no party, not even the Republican Party; no group, not even all the newspaper editors and publishers, or the bankers, or the Chamber of Commerce of the United States, or all the Governors, or all the Members of Congress, or all the judges of the Supreme Court, knew just how bad the depression was.

We're quite sure that Mr. Roosevelt couldn't know. The tide of |

events was against his knowing.

Mr. Roosevelt proved his earnestness to keep expenses down in a message to Congress, March 10, 1933, 6 days after he was inaugurated. On that day he asked Congress for power to effect the platform economies. He demanded "drastic retrenchment at this time." Even then he set himself to force a balanced Budget within a year within a year.

An impossible hope on the President's part. Events were

against it.

Arkansas had recourse to its police power the February before. So had Wisconsin. And in the month the President wrote to Congress about reduced expenditures and a balanced Budget Arizona, Idaho, Iowa, South Carolina, Montana, Oklahoma, Oregon, and other States fell back on their police powers to prevent assaults against court processes.

We dislike to talk about mobs, but the record of how mobs were shaping the events that upset the Budget is printed in the proceedings before the United States Supreme Court.

Today there is no talk of mobs in the United States

What has happened in the meantime?

Mr. Roosevelt had to resort to what the Supreme Court has called "a living power" in democracy to meet any emergency.

Mr. Roosevelt had to make a choice. Would he accomplish a balanced Budget or save a balanced democracy?

One course invited the use of the national police power—perhaps the Army. The other led to the use of the national money power. Dollars, not men in khaki, became Mr. Roosevelt's soldiers. soldiers.

soldiers.

He drafted the dollars. He decided to spend, so that people could meet their contracts, including the obligation of nature to provide food and shelter for their families.

Mr. Roosevelt used the "living power" to banish "impending ruin" for millions. He successfully met the worst of the emergency. It has cost \$10,000,000,000 up to date. It will cost much more before the emergency is over.

Three years ago property rights were shaky. Today Americans can say that nowhere in the world is property so safe and so well protected as in America under Roosevelt.

well protected as in America under Roosevelt.

But the emergency cannot be said to be over just because business is better, because large corporations are more prosperous and earning dividends, and because farmers are more prosperous, meet-

ing their mortgages, and buying automobiles.

No; there is still an emergency with 10,000,000 to 12,000,000 people out of work and more than 20,000,000 people depending

Three years ago today Mr. Roosevelt took an oath to make Government function for them.

Expenses are not down, the Budget isn't balanced. But the President is meeting the obligation of his oath.

The greatest promise in this country is the guaranty of equal rights to all under the Constitution. It's more than a promise—

it's a contract.

The President has restored government to the vigor it needs to

make that contract good.

THE ROOSEVELT ADMINISTRATION-EDITORIAL FROM ROANOKE RAPIDS HERALD

Mr. REYNOLDS. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Let's Be Reasonable", published in the March 26 issue of the Roanoke Rapids Herald, of Roanoke Rapids, N. C.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET'S EE REASONABLE

We would coin a new phrase, "Let's be reasonable with Roose-velt."

There are those who believe our strong pro-Roosevelt editorial policy is prompted by pure partisanship or by some ulterior selfish purpose. We deny both charges; we are willing to admit mistakes have been made and do not let blind partisanship permit us to do otherwise; we have asked nothing, expect nothing, for ourselves from this administration or from the party.

Our attitude toward the President is prompted by the record; by the net profits shown on the record; by that last line toward which the eye is magically drawn.

Those opposed to the administration say there has been waste, inefficiency, politics played, feelings and prejudices aroused, liberties curtailed, individualism hampered, initiative throttled, etc. etc. by the Roosevelt policies in battling the depression, unemployment, and hunger.

Let us here admit that such things have crept into the vast program carried out by the administration.

But let us add that the critics are looking too far up the balance sheet; they have been so intent in picking flaws in the method and holding up individual cases of misadministration try-

ing to prove the rule that they have lost sight of the real benefits.

We would ask them to be reasonable with Roosevelt and wait for the sum total, for the final reckoning before uttering eternal condemnation.

Perhaps they would have gone at the whole grave problem in a different way; perhaps they would have finally reached the same goal by another road. That point will always be debatable but it also can be granted.

Whatever the method, they would have spent millions of dollars in providing employment for the unemployed, in priming industry, in feeding the hungry and clothing the naked, in making jobs some way to keep citizens with some degree of self-respect, in creating demand for all goods that millions might be kept busy supplying those demands. We believe every sincere critic of Roosevelt will agree that they, in his place, would have turned heaven and earth to do something to stimulate business and to take care of those in need. Surely they do not begrudge the millions of dollars that were spent rightfully for these purposes, even though they may find where other moneys were not so judiciously invested.

All right. Now, while these millions of folks were being cared for by the Roosevelt New Deal what was happening to the great business interests of the country?

Let the record speak. What was at the bottom of the page for

Let the record speak. What was at the bottom of the page for the leading corporations of the country? Did the New Deal ruin them, send them into the red and bankruptcy courts, destroy their

markets and profits?

Let's be reasonable with Roosevelt. What did he do for them?

Here are the final returns from 32 of the leading corporations of the country. In the first column is listed their annual report for 1932 under a Republican administration, in the second column is their annual report for 1935 under the Roosevelt New Deal; 13 industrial classifications are listed to give a cross section of conditions. conditions.

	Profit (+) and deficit (-)	
	1932	1935
Building materials:		Marin Diego
U. S. Gypsum Co	+\$1,599,416	+\$4,038,806
Johns-Manvilla	-2, 829, 062	+2, 151, 570
Certain-Teed Products	-1,600,077	+259, 978
Glass:	and the second	- Control of
Pittsburgh Plate Glass	-60,737	+11, 398, 739
Owens-Illinois Co	+2,067,886	+7, 883, 496
Mail-order houses:	- Indiana Contra	
Montgomery Ward	-5, 686, 784	+9, 161, 054
Sears, Roebuck	-2, 543, 651	+15,020,551
Chemicals:	COUNTY CONTRACTOR OF THE PARTY	wisdram on
E. I. duPont de Nemours Co	+26, 234, 779	+62, 085, 410
American Cyanamid Co	+349, 725	+7, 738, 825
Monsento Chemical Co	+1,012,698	+4,009,872
Communications; Western Union	-842, 596	+5, 258, 078
Heavy machinery:		
Fairbanks Morse	-2, 547, 231	+1, 465, 799
Briggs Manufacturing Co	-1, 798, 470	+9, 258, 046
Worthington Pump Co	-1, 668, 287	-95, 387
Mesta Machine Co	+327,871	+3, 114, 527
Farm Implements: International Harvester	-7, 582, 879	+19, 618, 238
J. I. Case Co.	-2, 611, 082	
Deere & Co		+1, 804, 835
Textiles:	-5, 167, 104	+6, 105, 452
American Woolen Co	-7, 269, 822	+2, 740, 598
Ludlow Manufacturing Associates	-400, 632	+1, 509, 045
Amusements: Radio-Keith-Orpheum	-10, 695, 503	+665, 297
Steel:	10, 000, 000	7 000, 201
U. S. Steel Corporation	-71, 175, 705	+1,084,917
Crucible Steel Co.	-3, 613, 616	+1, 267, 176
National Steel Co	+1,662,920	+11, 136, 000
Jones & Laughlin Corporation	-7, 910, 149	-398, 716
Other metals:	1,010,110	000,110
Anaconda Copper Co	-7, 571, 946	+11, 181, 348
Anaconda Copper Co	-4, 506, 175	+13, 768, 153
Motors:		1 201 1001 200
Chrysler Corporation	-11, 254, 232	+34, 975, 000
General Motors Corporation	+165,000	+167,000,000
Oils:		The second second
Phillips Petroleum Co	+775, 766	+13, 421, 703
Sun Oil Co	+4, 198, 046	+7, 100, 239
Electrical supplies: Westinghouse Electric	-8, 615, 398	+11,983,380

We ask you to read the above list again. The years in between—1933 and 1934—showed steady and healthy improvement in every case, 1934 being better than the year before, 1935 better

Not only did Roosevelt help the little man, the poor man, the man in moderate circumstances, but the above figures prove that he helped the well-to-do and made it possible for that man to operate his plants and stores full time, providing steady employment to millions of skilled laborers and other employees who might otherwise have joined the ranks of the unemployed.

Read that list once more, and admit with us that, regardless of the method, the end attained must stand to the President's credit. All we ask is that every citizen study the record and be

reasonable with Roosevelt.

He promised to whip the depression. He has. The record above

FLOOD CONTROL

Mr. ROBINSON. Mr. President, it is my custom, usually, to refrain from taking note of misrepresentations published concerning my official activities. Editors, like Senators and other individuals, are liable to error. If important public interests were not involved, I should not now take note of an editorial published today in the Washington Post entitled "Politics and Flood Control."

In the editorial the following statement is made:

It is particularly unpleasant to see the Senate majority leader in the vanguard of those who are demanding special consideration. Senator Robinson comes up for reelection in November. One can easily understand his desire to make a good impression upon the voters of Arkansas. But when he drops out of his responsible roll of administration leader to wheedle the Commerce Committee into including in its bill new projects in the Arkansas River Basin, it doesn't look so good.

As the bill was originally drawn it provided for the construction

of eight projects in the Arkansas River Basin at a cost of nearly \$35,000,000. That ought to satisfy the Senator. Otherwise, the appetite for pork will prove contagious for every other Member of Congress who must face the electorate in November. Then the flood-control bill will be distorted beyond recognition, and the result is likely to be no legislation at all.

The bill to which the editorial relates was a tentative proposal, not prepared by the committee but drafted by someone connected with the office of the Chief of Engineers. It omitted practically all the projects to be constructed in Arkansas embraced in the House bill which had been pending before the Commerce Committee of the Senate since the last day of the preceding session.

The tentative bill embraced only one project within the State of Arkansas, namely, a levee at Newport estimated to cost \$138,000.

In the House bill, after months of study by the Flood Control Committee, were incorporated a number of levees and reservoirs to be constructed within the basins of the Arkansas and White Rivers which, as the editor must know, are among the main-stem tributaries of the Mississippi River.

The tentative draft embraced no flood-control works on the White River save a levee at Poplar Bluff, Mo., and the levee above-mentioned at Newport, Ark. It included certain reservoirs on the Arkansas and its tributaries in the States of Kansas and Oklahoma; none in Arkansas.

No reason was assigned for this palpable discrimination, as all of the projects to which I referred and advocated as necessary in the basins of the Arkansas and White, some of which were to be constructed in the State of Arkansas, and have been approved and recommended by both the Mississippi River Commission and the Board of Engineers in reports to which I referred in my remarks to the Commerce Committee. These reports already were before the committee and were familiar to many of its members.

I did not suggest a single new project for the Arkansas River Basin. Every project which I mentioned had been surveyed and approved by the engineers.

It does not appear to me that the charge of sinister political motive is justified.

Again, the editorial declares:

Now that a serious condition has developed in the Eastern States it is certainly reasonable to ask that essential protection to lives and property be afforded.

This, considered with other language in the editorial, is an implication that I have taken a position inconsistent with the construction of necessary projects in the areas devastated by floods. The unfairness of such an implication is disclosed by the following quoted literally from my statement submitted to the committee:

During the present session consideration has been given to the subject matter of H. R. 8455, and it is my understanding that a tentative proposal has been submitted by the Board of Engineers eliminating a large number of the projects incorporated by the House and inserting new projects for the authorization of construction within the areas in the eastern and northeastern portion of the United States swept by the disastrous and destructive floods which recently occurred, destroying 178 lives and \$300,000,000 worth

of property.

The necessity and desirability of flood protection and control of waters in the areas now being referred to are prominent in the thought of everyone, and any plan of national flood control which may be worked out would prove inadequate and partial if it omitted them.

The difficulty and magnitude of the task before the committee is recognized. It cannot be properly and successfully accomplished immediately, because it involves many details and dis-

I also stated to the committee-

fail to do so will make certain the recurrence of disastrous floods which from time to time during the last 50 years have brought ruin to large portions of the Mississippi Valley.

In the last paragraph of the Washington Post editorial is a statement that

The time is ripe for conservation measures . for the control of streams. If administration spokesmen are permitted to frustrate these highly desirable measures by pork-barrel tactics the result will be an ironical commentary on national planning.

If the editor had taken the trouble to read my statements to the committee, he would have known that it elaborated the same thought in the following language, quoted literally:

The President has views on the subject. He believes that flood control is inseparable from an economic standpoint from forms of land misuse and related subjects, including erosion, reforestation, afforestation, water storage, irrigation, and drainage. He is reported as believing that various agencies charged with the solution of land-misuse problems should be joined in the studies to the end that the natural resources of the country may be conserved and the waste and loss resulting from such misuse be checked and overcome. Such investigation and studies necessarily will require time and involve the policy of uniting all these great problems in a Nation-wide program designed ultimately, and as soon as practicable, to utilize the water resources which now are destructive and wasteful for helpful purposes.

All the necessary works cannot be planned and executed within a single year, and it will not be necessary now to provide the funds which will be required beyond the fiscal year, 1937. * * * In every part of the country—in the Mississippi Valley, in the basins of tributaries, and particularly where high floods so recently occurred—there is evidence of the penalties we are paying for improvidence and short-sightedness in neglecting sooner to deal with the all-important subjects of forestation, and soll conservawith the all-important subjects of forestation and soil conserva-tion. The Nation-wide reckless destruction of trees, shrubs, and grasses has deprived the mountains and the plains of natural means of soil binding, resulting in dust storms in one-fourth of the States simultaneously with terrifying floods in another onefourth. From scientific sources we learn that the topsoil already has been wasted or blown away from approximately one-half the lands in cultivation. This means that within the not remote future the national problem will completely change from that of overproduction to one of underproduction, resulting in difficulties and perils which cannot be accurately estimated or definitely anticipated.

This is the language in which my thoughts were communicated to the committee, and which was made the subject of condemnation and censure in the editorial referred to.

In no sense do I object to the Post's making any criticism which its editor believes may be warranted; but, in view of the importance of the matter, I have taken the opportunity of supplying the truth to the Senate so that those who are impartial may reach just conclusions.

Mr. NORRIS. Mr. President, I wish to take just a few minutes of the Senate's time on the subject which has been so well and briefly discussed by the Senator from Arkansas [Mr. ROBINSON].

I agree fully with what the Senator from Arkansas said in the quotations he has read to us. I think he has made a very broad, statesmanlike, comprehensive statement. Speaking in a general way, I am satisfied that President Roosevelt takes a similar view of the matter.

Conservation of the soil, reforestation, irrigation, flood control, and navigation, as I see the matter, are all intimately connected. There is still another important branch of the general subject which the Senator from Arkansas did not mention, and which I understand, from reading a statement recently issued by the President, he did not mention, but which is inevitably coupled up with the different governmental functions to which I have referred, and that is the production of power. All these things will work together for the benefit of each one of the various activities I have mentioned.

The Mississippi Valley, which has been referred to by the Senator from Arkansas, contains more than half of the fertile soil of our Nation. In the center of that great valley is the Mississippi River, with branches running out on each side to the Rocky Mountains and to the Allegheny Mountains. If properly developed, that river and its tributaries would make the greatest system of inland transportation on While it is just and necessary to provide for the areas recently devastated by floods, it is also fair and essential to carry forward flood-control projects on the tributaries of the Mississippi, since to All we have to do is to conserve the natural resources; and unless we do, the time will come—probably not in our day but at no far distant time—when we shall see, as the Senator has so well said, the effects of underproduction rather than overproduction.

Every year millions of tons of those fertile plains are being washed into the Atlantic Ocean through the Gulf of Mexico. The floods which almost every year destroy more or less human life and millions of dollars' worth of property come because all the water from these tributaries draining the Rockies and the Alleghenies has to go through a bottle neck, has to pass through the Mississippi River; and when the floods from one section meet the Mississippi River at the same time that the floods from another section meet it there is destruction of property and loss of human life.

The fertile soil of Montana, North and South Dakota, and all the other States in that valley is being washed off the surface by the hundreds of tons every year. It is only a question of time when the Nation will realize that we have been sitting idly by while our fertile plains, the breadbasket of our Nation, have been denuded of their soil; when dust storms will become common; when the waters, instead of being beneficial, will become destructive. If they are conserved somewhere in the vicinity of the floods and put upon the hungry soil or held in natural reservoirs by dams constructed, the danger to human life and the destruction to property in the Mississippi Valley will cease.

It seems to me we ought to attack the problem with the idea that it is a national one. I should not confine it to the Mississippi Valley, for I am just as anxious to conserve the natural resources along the eastern side of the Allegheny Mountains and the western side of the Rocky Mountains. It will take time, it will cost millions of money, but we must do it. We are going to do it. Whether we shall do it efficiently and properly or whether we shall do it haphazard, and frame "pork barrel" bills and pass them through Congress, is the question we shall have to decide.

Before we construct a dam I think we ought to know from scientific knowledge just what it will do, whether it is practicable, and how much of the floodwaters it will conserve. Dams will have to be built by the thousands, commencing probably with the larger ones and running down to the smaller ones, until we shall have controlled the floodwaters of our country. When that time comes we shall have preserved for posterity the right to live and be happy upon the land we now enjoy; and we ought to take that kind of a view of the subject.

In building a dam where it is possible to produce electric power. I think we shall make a mistake if we do not provide for the production and the transmission of the power. When we take up the bills and consider them, we shall find that one very powerful monopoly will oppose the measures if we include power, and that is the power people. They will bring to their assistance, through deceptive propaganda, the coal men, who ought to be the friends instead of the enemies of that kind of conservation. The Agricultural Committee now, through a subcommittee, are holding hearings upon a bill intended to conserve the natural resources of the great Mississippi Valley. There is opposition to it. Yesterday we listened to a witness representing the National Coal Dealers' Association. He was very frank and very outspoken before the committee. He said frankly, "Go ahead with this great development, build your dams, hold back the floodwaters, conserve the soil, reforest the country, but do not develop any power. We are against that part of it only because it interferes with coal production and coal use."

Mr. President, that is a narrow-minded view. He said it would put men out of employment in the coal business and on the railroads. Such a result has followed every advancement made in the civilized world. For selfish reasons, honestly and conscientiously often, people are opposed to such a step because they think it will injure someone else, but it we conserve all of the resources of nature, it will be found in the end that, instead of anyone being injured, everybody will be benefited.

The same argument was made when typesetting machines were installed in the Government Printing Office, which was

discussed in the Fifty-eighth Congress. I heard arguments made against that move. Men who had jobs setting type, their wives and their daughters, plead in dead earnest for what they believed to be a necessity—that is, the preservation of setting type by hand, and not putting in machines; not taking advantage of the improvements which had been made in the printing art. Most of those people were honest about their position, but they did not see the light. They did not see that, after all, to take advantage of any invention which advancing civilization brought forward was in reality a blessing to them. No one would now discard typesetting machines; the typesetters themselves would not do so. They all found their niche; and anything that will lessen the drudgery of men and women will in the end be beneficial to every man, woman, and child in the country.

If we proceed now with the development of the natural resources of our country as we should, with a view to the future, with consideration of the whole problem, which is national in its scope, we will in the end increase the happiness and the comfort of all our people. If we do not do something about it, the time will come, and come shortly, when people will see how the harm was begun; we will be making another China of our productive lands in the great Mississippi Valley.

Mr. President, I hope that the Congress will not be carried off its feet by some temporary condition and do something, in the best of faith, but without getting a full grasp of the fact that every improvement ought to fit in with every other improvement like a cog in a machine.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER (Mr. George in the chair). Does the Senator from Nebraska yield to the Senator from Kentucky?

Mr. NORRIS. I yield.

Mr. BARKLEY. Speaking of the long-time provisions with respect to the preservation of the fertility of our soil, which is connected with the subject discussed a while ago by the Senator from Arkansas [Mr. Robinson] in connection with flood control, I read a statement recently, either in the New York Times or Washington Star, in one of the feature sections on Sunday, to the effect that if we permitted the wastage of our soil at the present rate, without doing anything about it, within a period of 50 years there would not be any more fertile land left in the United States than could be confined within the States of Nebraska and Kansas if it were all put together. Has the Senator made any such study of that situation as to know whether or not that statement was accurate?

Mr. NORRIS. I have made some study of it, and I rather think that is an exaggerated statement, but it is tending toward the truth. Something of that kind will come to pass. The full danger will not appear for many years, but we will begin to feel the effects of it in a comparatively few years.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. NORRIS. I yield.

Mr. ROBINSON. As the Senator knows, until quite recently very little attention had been paid to soil conservation in this country.

Mr. NORRIS. That is correct; that is where we made a mistake in the past.

Mr. ROBINSON. There was such an abundance of rich lands that when the soil on one farm was exhausted, or depleted, or washed away, the farmer looked about and moved somewhere else.

Mr. NORRIS. That is absolutely true.

Mr. ROBINSON. And proceeded to pursue the same course he had pursued theretofore, namely, to exhaust the soil of the new farm. Recently, however, there has come an awakening on the subject; but there are still many who treat it lightly, who regard it as of relative unimportance, some who think soil conservation is a mere fad. It is said by the scientists who have investigated the subject, as I said in the statement to the flood-control committee, that the soil of one-half of the lands now in cultivation in the entire United States has been so damaged that those lands are scarcely fit longer for cultivation; and the same process, as

has been suggested by the Senator from Nebraska and by [the Senator from Kentucky, is at work with respect to the lands on which the soil has not been so greatly depleted. So that within a comparatively short time we will have dust storms on half the area of the United States. Dust storms now occur within a few hundred miles of sections which are at the same time completely overflowed. While the heavens are black with clouds of dust in parts of Oklahoma and Texas, and even in some parts of western Arkansas, we are fighting for life against floods in the alluvial valley of the Mississippi, and the basins of the tributaries known as the White and the Arkansas, and the condition is not confined to that area. I merely speak of the condition there because I am more familiar with it than with some other areas.

Mr. NORRIS. That condition exists all the way from the Canadian border to the Gulf of Mexico on the west side of

the Mississippi River.

Mr. ROBINSON. I think it is of first importance that some program be worked out which will conserve the forest resources, the soil resources, and the water resources. The water which we are in a hurry to get rid of when a flood occurs, and which is so destructive and damaging, if held in reservoirs, can be used not only for power purposes, where the conditions permit, but if the waters which are now wasted were properly reservoired, undoubtedly they could be used for the fertilization of the soil. Of course, it is not wise to create power unless there is a prospect of a market for it. We would not be warranted in producing an unlimited amount of power where there was no demand for it. But the demand will be constantly increasing.

Mr. NORRIS. What the Senator says is true in the West

particularly.

Mr. ROBINSON. Not only in the West but in many other

Mr. NORRIS. The water that destroys property and human life when it gets into the Mississippi River could be used for irrigation in many places and make garden spots

Mr. ROBINSON. That must be done finally. Of course, the problem of the Senate committee, and of the Senate itself, is to make provision for protection from floods in those cases where the public cannot wait until a necessarily longtime program can be intelligently worked out and put into application. It will require many, many years to devise a comprehensive conservation program, and many more years to construct the works which will be needed in order to carry out such a program.

Mr. COPELAND. Mr. President, it is well known that I am not always in accord with the administration in its proposals. But for months I have been urging the Senate to give consideration to the continuance of the National Re-

sources Board, an administration measure.

There ought to be some national body constantly at work in making plans to carry out all the advanced ideas presented here this morning. The country has gone about solving their problems in a most haphazard way, because of the lack of some centralization of authority, or of wisdom, or of study and research, in some Government body. If we do not fix responsibility somewhere, we cannot hope to have constructive legislation in the future and for the future.

Mr. President, I am glad this discussion arose, because as the bill comes up on calendar day there is no opportunity to impress on the Senate the importance of the continuance of the National Resources Board, the national planning board. Such a board has and will have in mind erosion, forest planting and preservation, saving soil, prevention of dust storms, preservation of the water, development of power-to deal with all the problems which we have been considering this morning. And certainly there should be sometime a full opportunity for the Senate to express its opinion as to the propriety of continuing that most useful work, a work of value to the entire country and to generations yet unborn.

Mr. President, since reference has been made to the Committee on Commerce in connection with flood control, I think

status of the omnibus bill. There is no disagreement in the committee, so far as I can discover, over the inclusion in the bill of every project which may wisely be placed in the bill for the prevention of floods. But in the bill as it came to us from the House are several projects which have to do in a way with flood control, in connection with which, however, there are incidental benefits. In most instances, I assume, those incidental benefits relate to power.

We have not established any policy in Congress in regard to power. Indeed we have not established any policy as regards flood control. But so far as the items in the House bill are concerned, together with those added to our tentative bill by reason of the recent experiences of the eastern part of the country, we are, I think, in full accord as to what should be done. We have, however, sent back to the Army engineers those projects where power is an incidental benefit, or a benefit in connection with the proposed flood-control works. We have done that because it has seemed our duty to inform the Senate in connection with these projects that 50 percent of the work as a whole, we will say, is for flood control and the other 50 percent for power development.

I can quite see how it is possible—and it should be our policy I am sure-so to conduct the work upon the floodcontrol projects so that if later we determine that a given project is one where power should be developed the initial work should be with reference to the final completion of the power projects as well as flood control. That policy, perhaps, is one thing which may delay us for a few days.

There is another matter which as yet has not been determined by the committee in any tentative plan which we have before us at present. That is the question of the allocation of the cost against properties and localities which are benefited. We have taken all the projects from the House bill which came to us last year, and those projects which have been brought to our attention by reason of recent disasters, excluding such projects as have "incidental benefits", largely power, and placed them in the tentative bill, so that now we have in that bill about \$300,000,000 worth of construction.

In addition to this amount of money which would be needed to build the works, there is an additional item. It relates to the cost of the land and the damages which might arise in connection with the destruction of highways and railroads and other incidental costs. That is a large item. It amounts to about \$85,000,000. Sometime soon the Senate must face the question, Is the Federal Government to assume the cost of damages, the cost of the relocation of highways, and the rebuilding of bridges, or is it going to confine its authorization to the works themselves which have strictly to do with flood control?

I am not here to argue either way for the moment, but I wish the Senate to be informed as to the situation.

Mr. VANDENBERG. Mr. President, will the Senator yield? I think there is one further point.

Mr. COPELAND. I am going to bring out the point the Senator has in mind, which is the policy of the engineers.

Mr. VANDENBERG. Very good. Mr. COPELAND. I will come to that if the Senator will bear with me.

To recapitulate: We now have projects before us where the cost of the works, the dams, the features which have to be carried out by the Army Engineers will be about \$300,-000,000. We have the further figure, which I have given the Senate, of local cost and private benefits, amounting to about \$85,000,000.

I now come to the third matter.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. BARKLEY. As I understand it, the program is not one which can be put into effect at once but contemplates a 3- or 4-year expenditure.

Mr. COPELAND. Oh, yes. Perhaps a 10-year expenditure.

Mr. BARKLEY. Yes.
Mr. COPELAND. Some of the projects ought to be gone it proper to make a brief statement regarding the present forward with at once. But even to complete the urgent ones will take 3 years at least, and many of them are projects which will continue over probably 10 years of time. So when we come to the matter of appropriation in these days when we spend billions, what we are likely to ask for would be really a modest sum.

We now come to the third policy, and that is what the Senator from Michigan has in his mind. It is the tentative opinion of the committee-and when I speak this way I am speaking merely of the impressions that I have gained, because I have no right to speak for the committee at presentit is the tentative belief of the committee that no project should be included in the flood-control bill, the omnibus bill, unless it is a project which has been unquestionably approved by the Army Engineers, which has gone to the two committees—the committee of the House and the committee of the Senate-and been favorably acted upon by the committees, and approved by the House and the Senate.

In other words, we do not wish to include in the bill any projects which have not been passed upon by that authori-

tative Army Board.

Mr. President, the reason for this is very apparent. There is no reason why a flood-control bill should be regarded by the people of the United States as a "pork barrel." So far as I am concerned, as one member of the committee I shall resist to the uttermost the inclusion of any project which has not been passed upon by the Board of Army Engineers in order that we may escape the criticism of having this bill named as a "pork barrel" bill.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. NORRIS. I believe the Senator has really answered the question I was going to suggest. The country will regard the proposed bill, if it shall be introduced and passed, either as a "pork barrel" measure or as a scientific beginning of a great national work, dependent upon the nature of the bill itself. I have talked with the Senator from New York about it, as he remembers. I have seen "pork barrel" bills go through Congress; river and harbor bills, and public-building bills. I know what the object of the bills is and how the bills are made up. Just enough projects are included in the bills to get sufficient votes to pass the bills. If the proposed bill shall become a law, the country will know whether it is a "pork barrel" bill or not. If we provide for a great many dams, without proper surveys having been made, without proper investigation having been had, and compel the engineers to put those projects in the bill, without making sufficient studies and surveys, then we shall have a "pork barrel" bill.

Mr. COPELAND. The Senator from Nebraska is entirely

Mr. President, I wish to say now, speaking for the moment as the chairman of the committee, that I am going to make myself exceedingly unpopular, because I shall resist in every possible way the inclusion in this bill of projects which have not been examined and which have not been demonstrated to be meritorious. That is the attitude I shall assume.

I believe I know the temper of my committee, so I can pledge that when the bill comes to the Senate it cannot be regarded by the most captious critics as "pork" or as a "pork barrel" bill; that it will be founded upon those things which have to do with the preservation of our natural resources and the safety of generations yet unborn.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. VANDENBERG. In presenting the summary of the problem to the Senate I think there is one further suggestion the able chairman of the committee should make. The problem concerning the pending omnibus bill which disturbs me is the question of the fundamental policy; whether we are now to embark upon Federal responsibility for purely local flood control. By local flood control, I mean flood control upon purely intrastate streams which do not contribute to the ultimate flood conditions of the major streams. It seems to me that we are beginning to trend in that exceedingly dangerous direction. We are told in committee that if the Federal Government is now to assume flood-control responsibility upon purely local streams—a thing which never heretofore has been done-in equity when finally we have served all such situations all over the country we shall have committed the Federal Government literally to billions upon billions of dollars of responsibility.

Mr. ROBINSON. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield. Mr. ROBINSON. I did not understand that any one proposed to make the Federal Government responsible for the control of streams which had little or no relationship to the devastating floods. So far as I know, no such proposition has ever been advanced. At the same time we all know that the water is usually gathered in the tributary streams; it acquires volume and is finally deposited into one or more channels which are insufficient to hold and carry the water gathered from perhaps a hundred sources, gathered from many sources, at least. That is how the problem of flood control originates. If any plan has been proposed to make the Federal Government responsible for trivial streams, streams that do not contribute substantially to the overflow, I have not heard of it either during this or any preceding Congress.

In 1928 the Congress, after a prolonged study, prompted by one of the most disastrous floods that ever occurred, passed a flood-control act, designed finally to give protection against floods within the Mississippi Valley. The project was, of course, a very large one, and, as to the tributaries, the engineers, in section 10 of the act, were instructed and required to make surveys and to file reports and recommendations for the control and prevention of floods on the tributaries, and particularly with reference to their effect on the floods on the main stem of the Mississippi River. In pursuance of that instruction and requirement by law, various district engineer officers of the United States made studies, and submitted, I think, 308 reportsa very great number. That involved much scientific work. many investigations, and great difficulty. Those reports, from time to time, were supplied to the Congress, some of them to the other House and, perhaps, some of them to the Senate, but, in any event, 308 reports were made carrying recommendations.

The omnibus House bill, when it was reported by the Flood Control Committee of the House, carried \$370,000,000 for the execution of projects every one of which had been surveyed, and as to which the information had been supplied to the Congress, or was on file in the office of the engineers, and was later supplied to Congress. So nothing has happened in connection with flood control that warrants the assumption that anyone has in mind such procedure as is referred to in the remarks of the Senator from Michigan [Mr. Vandenberg]. The House committee did not incorporate a single project that had not been surveyed and favorably recommended by the engineers. The aggregate amount of those projects was very great, being \$370,-000,000.

When the bill reached the floor of the House other projects, for most of which, my information is, surveys and reports had been made, but the information as to which had not been submitted to Congress, were incorporated by amendments on the floor.

The House Flood Control Committee wrestled with the problem from the beginning of the last session until the 14th day of June, when it reported the omnibus flood project bill. On the day before the session ended the proponents of the proposed legislation succeeded in obtaining consideration of the bill in the House, and the House added some amendments. The aggregate amount of the amendments added in the House I am not prepared at this moment to state. At midnight, or nearly midnight, on the day before the session ended, as the Senator from New York, I know, will recall, the bill came over to the Senate. He called his committee together early the next morning and Senators had the opportunity of appearing there and suggesting amendments. I think we made a mistake which resulted in the incorporation of some amendments that had not been properly considered.

I myself offered one amendment, and only one. It related to the extension of a levee already incorporated in the bill providing for the construction of flood-control works from a city in the State of Arkansas on White River named Clarendon to the little town of Lambrook. My amendment provided for the extension of that levee to Snow Lake, thus incorporating within the protected area a very large acreage of land, and increasing the appropriation by approximately \$4,000,000, as I now remember the figures. That was the only amendment I suggested, but other Senators suggested amendments; the bill was reported during the closing hours of the session, and was under consideration by the Senate for some hours. A motion was made to recommit the bill and the motion prevailed by a small majority, on the theory, I believe, that the amendments, perhaps those incorporated on the floor of the House, and certainly the amendments incorporated by the Senate committee under the circumstances which I have tried to state clearly, had not received due consideration. So the bill was recommitted.

In the meantime, before the Senate committee could take action a condition unprecedented relating to floods occurred in the eastern and northeastern sections of the United States. Streams overflowed; cities were submerged; I believe 178 lives were lost, and \$300,000,000 worth of property was destroyed.

That circumstance brought what is, in a sense, a new flood-control problem to the attention of the committee. The people of the sections of the Union referred to had not realized the importance of the problem. They had not, within a long time, at least, experienced those serious and destructive floods which awaken the public mind and make our citizens conscious of the necessity for action. So there arose need for the construction of works in the East and Northeast, and certainly consideration should be given to them.

I said a few moments ago that the problem is a very difficult one, and I am not only willing but anxious that it shall be worked out on an impartial and just basis. I do not think, as I said to the committee, that it would be right to sacrifice the projects that have been worked out by the engineers, under the instructions given in the law passed by the Congress itself, in order to make provision for other projects; but I do feel that fair consideration should be given to all projects that have been surveyed and improved and recommended by the Mississippi River Commission for a large area and also by the Board of Engineers generally.

I thank the Senator for yielding to me for so long a time.
Mr. VANDENBERG. Mr. President, I hesitate to intrude further upon the time of the Senator from New York, inasmuch as I appear to have already precipitated rather a lengthy interruption.

Mr. COPELAND. I welcome the interruptions.

Mr. VANDENBERG. But I wish to refer to the point I was making, because it remains a point and it remains a challenge, in spite of anything that the Senator from Arkansas has said, for there are in this bill, as it came from the House, many projects which are essentially local in character and which do establish a new measure of Federal responsibility for flood control.

I am not undertaking to prejudge the matter; I am not undertaking to say that the Federal Government should not accept complete flood-control responsibility throughout the United States; but I am saying that, inasmuch as we are invited to enter that field by some of the projects of the bill as it comes from the House, it is fundamentally important that we make up our minds whether we want to enter the field at all before we enter it, lest we be led subsequently, in sheer equity, to an extent of burden which no prudent government could hope to accept.

Mr. COPELAND. Mr. President, I am glad of the interruption, and I ask the Senate to bear with me just a moment longer.

The time is so propitious for flood-control legislation that I am fearful the temperamental urge for action may be damaging to the country in the long run. That is my anxiety.

I should like to insert in the RECORD at this point a tentative declaration of policy which is under consideration by the committee.

There being no objection, the matter referred to was ordered to be printed in the Record, as follows:

DECLARATION OF POLICY

Section 1. It is hereby recognized that destructive floods upon the rivers of the United States, upsetting orderly processes and causing loss of life and property, including the erosion of lands, constitute a menace to national welfare; that it is the sense of Congress that flood control is a proper activity of the Federal Government; that investigations and improvements of rivers and other waterways for flood-control purposes are in the interest of the general welfare; that the Federal Government should improve or participate in the improvements of streams for flood-control purposes if the benefits to whomsoever they may accrue are in excess of the estimated costs, and if the lives and social security of people are otherwise adversely affected; and that the interests of the Federal Government are particularly involved in such flood-control improvements as may otherwise be impracticable of initiation or execution on account of complications of relationships between States, their political subdivisions, or local organizations.

control improvements as may otherwise be impracticable of initiation or execution on account of complications of relationships between States, their political subdivisions, or local organizations.

SEC. 2. That hereafter Federal investigations and improvements of rivers and other waterways for flood control and other purposes shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers, except as otherwise specifically provided by act of Congress; and that in his reports upon examinations and surveys, which so far as possible shall be conducted equally throughout the United States, the Chief of Engineers shall be guided as to flood-control measures by the principles set forth in section 1 in the determination of the Federal interests involved.

set forth in section 1 in the determination of the Federal interests involved.

SEC. 3. The Secretary of War is hereby authorized and directed to cause preliminary examinations and surveys for flood control; the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes: Provided, That no preliminary examination, survey, project, or estimate for new works other than those designated in this or some prior act or joint resolution shall be made: Provided further, That after the regular or formal reports made as required by law on any examination, survey, project, or work under way or proposed are submitted, no supplemental or additional report or estimate shall be made unless authorized by law or by resolution of the Committee on Flood Control of the House of Representatives or the Committee on Commerce of the Senate: And provided further, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway mentioned in this act until the project for the proposed work shall have been adopted by law.

Mr. COPELAND. If I may have the attention of the Senator from Nebraska [Mr. Norris] for a moment I should like to say something about this tentative declaration of policy.

As the Senator from Nebraska knows, I have been much concerned about establishing some policy so we may have a yardstick, so we may know whether a proposed amendment is a proper amendment. As I have just suggested, we have tentatively accepted a declaration of policy. I may say to the Senator from Nebraska that in the revision of the tentative declaration of policy we had the advantage of studying his bill relating to the Mississippi Valley.

I hope all Senators will give study to the proposed declaration of policy because I assure the Senate that it is extremely embarrassing for one who has to preside over this committee to use the iron hand at times, but that I conceive to be my duty. But if there is established declaration of policy to govern my actions then I may assume that every Senator, if he agrees to that declaration of policy, will help to make the bill what it should be, a constructive bill for the conservation of our national resources, and not in any sense a bill to make votes.

We have never established a policy as regards flood control. Such legislation may hinge upon the general-welfare clause, or upon interference with interstate commerce, as happens in connection with some of these floods, or we may hitch it up with navigation. But in any event, if we could adopt a wise and proper policy, then we could go before the country and defend the bill. There could be no criticism that would be just criticism, because we would be proposing only projects which had been passed upon by the Board of Army Engineers or some other authoritative body of the Government. We should then have a bill, and an act, if it should be enacted into law, which every one of us could defend as in the national interest and in no sense an unworthy bill.

That is our anxiety, and I am glad we have had the discussion this morning. I think all of us will understand each other better and it will help us, when we come to the consideration of the bill, to act wisely in the matter.

Mr. FLETCHER. Mr. President-

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Florida?

Mr. COPELAND. Certainly.
Mr. FLETCHER. I should like to ask the Senator what the testimony was before our committee with respect to the cost of a complete flood-control system in the country? As I remember the testimony, the emergency items now proposed, suggested, or planned would cost something like \$1,000,000,000 or \$1,500,000,000; that a complete plan of flood control extended throughout the country would run into some \$8,000,000,000. That is the problem we have to consider, is it not?

Mr. COPELAND. I think so; yet, of course, when we say all the projects run into \$8,000,000,000, that means that every project which has ever been sent forward for a survey is included; all those costs added together would amount to \$8,000,000,000. I assume that if we were to carry out the entire program which might be considered by many to be the ultimate one, it would certainly run about \$1,000,000,000, and perhaps \$1,500,000,000.

Mr. ROBINSON. But that does not imply that it would be necessary to provide all the funds at this time?

Mr. COPELAND. Oh, not at all.
Mr. ROBINSON. Because, as the Senator said some time ago, it will require many years to consummate the plan.

Mr. COPELAND. Yes. I assume that many of the projects which would make the total sum of \$1,500,000,000 would be projects such as the Senator from Michigan [Mr. Van-DENBERG] has in his mind. It would be an extension far beyond anything Congress has ever before done. But the projects which are imminent, those which are pressing, those which are engaging the attention of the Congress at the present time, would be in the neighborhood of \$500,-000,000 rather than any larger amount. Within a week or two we will give the Senate the bad news as to exactly how much is needed at once. But, in any event, whatever it may be, it would be a program extended over a period of years, and there would be no thought for a request for an appropriation of money at this time which would be any unreasonable sum.

Mr. WALSH. Mr. President, will the Senator yield for a question?

Mr. COPELAND. Certainly.

Mr. WALSH. I have been absent from the Chamber attending a committee meeting and therefore have not heard all the discussion. I should like to ask the Senator when he thinks the bill now pending before his committee may be reported to the Senate?

Mr. COPELAND. I think it is very difficult to say at the moment, but I did think I would wait until after the religious holidays, so we come here in a proper mood to deal with it in a proper way.

Mr. CLARK. Mr. President-

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Missouri?

Mr. COPELAND. Certainly.

Mr. CLARK. Is it not true, so far as any date being fixed, that the Army Engineers themselves have sent up three different sets of projects, each tremendously in conflict with the other one?

Mr. WALSH. What does the Senator mean by that-three different projects?

Mr. COPELAND. Let me answer that. What the Senator from Missouri means is this: We first had a general conversation and discussion with the Board of Army Engineers. The Senate committee asked the Army Engineers to study the bill as it came from the House, and to consider it in the light of recent floods, and come back to us with recommendations covering those points. They came to us with projects which in their entirety included projects amounting to about \$300,000,000.

We then sent the tentative bill back to the Board of Army Engineers with instructions to go over the House bill with greater care. They did so, and brought back another bill which is now tentatively before the committee, which includes everything that was in the first tentative bill, plus further projects which came from the House bill. Now the bill has gone again to the Army Engineers to give consideration to those projects which have "incidental benefits", probably meaning power, in order that we may have full information regarding such proposals.

I do not think there has been any inconsistency at all on the part of the Army Engineers or that they have been

vacillating at all in their policy.

Mr. WALSH. I did not mean to infer the committee was not very active and devoting a great deal of time to the problem.

Mr. COPELAND. I am sure the Senator did not.

Mr. WALSH. I do want to emphasize that it is a problem which is being given a great deal of thought and attention by the people of the country, and I think we ought to act as promptly as possible, as soon as all study and information is available.

Mr. COPELAND. The Senator did not hear what I said, to the effect that the time is so propitious for legislation that I do not want the temperamental urge to push us into the adoption of projects which, when we think about them more calmly, would be considered unwise. I am sure we will bring forward the bill without delay.

Mr. WALSH. I think the bill ought to be strictly a floodcontrol bill. I hope mere local projects that have no relationship to flood control will not be included in it.

In this connection I should like to have inserted in the RECORD a newspaper article stating the estimated damage done in various New England States by the recent floods.

There being no objection, the newspaper article was ordered to be printed in the RECORD as follows:

FLOOD DEATH TOLL UP TO 173-115 MORE LISTED AS MISSING AS WATERS RECEDE—PROPERTY DAMAGE \$275,000,000, WITH TOTAL ECONOMIC LOSS TWO BILLION

Rivers that for 16 days have surged wildly over part of 16 States exhausted their force in lower reaches Tuesday. Their recession Their recession uncovered for the first time the full picture of destruction seldom equaled in American disasters. Official figures obtained from coroners, police, and sheriffs established a confirmed death list of 173, with at least 115 more missing.

of 173, with at least 115 more missing.

Unofficial estimates of property damage totaled \$275,000,000. The total economic loss staggered imagination, some industrialists saying it would pass \$2,000,000,000. Counting the property damage wrought by the floods directly, business days lost by thousands of merchants, working hours lost by probably 200,000 employees of mills, factories, stores, and offices, and millions of tons of fertile farm land washed into the sea, the estimate appeared conservative.

Welfare suthorities feered that the thousands of families left

Welfare authorities feared that the thousands of families left without means of support by destroyed stores and factories, and thousands of others made indigent by destruction of their houses or loss of home furnishings would seriously tax relief rolls for years.

Flood toll in New England, as compiled by United Press, follows: MAINE

Five dead. Governor Brann estimated damage at \$25,000,000.

Conditions in principal cities were: Lewiston: Property loss, \$1,000,000. Several feet of water still in reets. Drinking water polluted with typhoid bacteria. Refugees

lack clothing.
Augusta: Damage, \$1,000,000. Water receded.

NEW HAMPSHIRE

Five dead.

Manchester: Damage, \$4,000,000. Mud 10 inches deep in riverfront streets. Amoskeag mills, largest textile plant in New England, seriously damaged.

Nashua: Damage, \$3,000,000. One-fourth city still under water. Concord: Damage, \$1,000,000. Water 2 to 6 feet deep in many streets. Communications only partially restored.

VERMONT

Seven dead. Estimated damage \$5,000,000.

MASSACHUSETTS

Twelve dead. Damage approximately \$50,000,000.
Lowell: Two dead. Damage, \$7,000,000. Water still standing in low areas. Health board virtually governing city.
Lawrence: One dead. Damage, \$2,000,000.
Haverhill: Damage, \$2,500,000. Ten inches of mud in streets.
Springfield: One dead. Damage, \$25,000,000. Part of city quarantined to stop typhoid epidemic.

antined to stop typhoid epidemic.

Northampton: Two dead. Damage, \$1,000,000. Water still 5 feet deep in some streets.

RHODE ISLAND

No deaths. Damage approximately \$10,000,000.

CONNECTICUT

Four dead. Governor Cross estimated damage at \$25,000,000. Hartford and surrounding area: Two dead. Damage, \$20,000,000. Water still deep in many streets. National Guard enforcing quarantine in East Hartford.

Mr. CLARK. Mr. President, I desire to say, with reference to the statement made by the chairman of the committee, that I disagree with him entirely in his statement as to whether or not the Army Engineers have been vacillating in this matter.

The first statement by the Army Engineers was in the appearance before the committee of General Markham. He appeared before the Commerce Committee all day, both at the morning session and the afternoon session, going over the House bill line by line, paragraph by paragraph, project by project, stating the projects which he considered meritorious and which ought to stay in the bill, and the projects which he considered as not meritorious, not worthy of inclusion at this time and which should be stricken out. Some 2 days later, General Markham being out of town, as I understand, General Pillsbury appeared before the committee with an entirely different bill, in which nearly all the original House bill had been stricken out, and huge amounts of new material had been put in. Then, a few days later, "Captain Somebody" appeared on behalf of General Markham with still a different bill.

I submit that the Army Engineers have been vacillating, and that the Commerce Committee never has had an opportunity to consider definite recommendations from the Corps of Engineers.

STOCKYARDS AND MEAT PACKING

The Senate resumed the consideration of the bill (S. 1424) to amend the Packers and Stockyards Act, 1921.

Mr. CAPPER obtained the floor.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Carey	Johnson	Overton
Ashurst	Chavez	Keves	Pittman
Austin	Clark	King	Pope
Bachman	Connally	La Follette	Radcliffe
Bailey	Coolidge	Lewis	Reynolds
Barbour	Copeland	Logan	Robinson
Barkley	Couzens	Lonergan	Schwellenbach
Benson	Davis	Long	Sheppard
Bilbo	Donahey	McGill	Shipstead
Black	Duffy	McKellar	Smith
Bone	Fletcher	McNary	Thomas, Okla.
Borah	Frazier	Maloney	Thomas, Utah
Brown	George	Minton	Townsend
Bulkley	Gibson	Moore	Truman
Bulow	Glass	Murphy	Tydings
Burke	Guffey	Murray	Vandenberg
Byrd	Harrison	Neely	Van Nuys
Byrnes	Hatch	Norris	Wagner
Capper	Hayden	Nye	Walsh
Caraway	Holt	O'Mahoney	Wheeler

The PRESIDENT pro tempore. Eighty Senators having answered to their names, a quorum is present.

Mr. CAPPER. Mr. President, I believe the consideration of the pending bill will be expedited if I may be permitted to make a short statement of the objections which have been raised to it.

It is proposed to amend Senate bill 1424, the measure now before the Senate and approved by the Committee on Agriculture and Forestry, by substituting therefor the provisions contained in Senate bill 3036, introduced by the Senator from Iowa [Mr. Murphy], and referred to the Committee on Agriculture and Forestry many months prior to the favorable report on the bill now before the Senate. The bill of the Senator from Iowa has had no consideration by the Senate committee, and no report on it has been made to the Senate. The bill I am asking the Senate to pass has had two favorable reports from the Senate Committee on Agriculture and Forestry.

The Senator from Iowa, who introduced the substitute bill, has made the very frank statement that it does not purport to cover the matters referred to in the bill now under consideration, and that he expects to support the bill (S. 1424) approved by the committee, but intends to offer certain amendments.

No doubt the amendments of the Senator from Iowa will be given serious consideration by the Senate. He has undoubtedly studied these bills and found that the bill he introduced, if expected to cover the same legislative field as Senate bill 1424, is defective in certain particulars.

As pointed out by the Senator from Nebraska [Mr. Norris] in the discussion of the bill last Monday, the committee has given extensive consideration to the subject matter covered by this proposed legislation. It is legislation manifestly of a highly technical character. It constitutes an amendment to an existing statute, and must be read in connection with the remainder of the law of which it will form a part, if passed.

I desire at this time to point out a few of the defects, both of substance and of draftsmanship, which would render the proposed substitute offered as an amendment to my bill not only ineffective as to packers but also highly burdensome to those agencies, cooperative and noncooperative, which producers have chosen to represent them in the sale of livestock upon public markets.

The first section of the substitute, as well as of the bill before the Senate, is an amendment to a section of the present act, which sets forth those things which it shall be unlawful for a packer engaged in interstate commerce to do. The proposed amendment entirely omits that section of the bill approved by the committee—S. 1424—which makes it unlawful for a packer to operate stockyards—"other than receiving points at the packing plant or plants of such packer"—not under the supervision of the Secretary pursuant to the provisions of the act.

Reference to this provision of the committee bill gives me the opportunity not only to distinguish it from the substitute bill offered but also to point out the misunderstanding which apparently some Senators opposing the committee bill have voiced. What legitimate objection can any packer engaged in interstate commerce have to reasonable supervision by the Secretary of Agriculture of stockyards operated by such packer in interstate commerce in view of the fact that the public yards are already supervised in the manner proposed for the packer private yards? This supervision does not mean, as has been suggested, that all livestock passing through such stockyards shall be consigned to and sold by a market agency or commission man. It does not mean that consignments shall not be made, as they are being made today, through public markets directly to packers if the producer chooses not to employ a market agency. This is not a bill in the interest of market agencies or of any particular operator on public markets or elsewhere engaged in any service connected with the marketing of livestock. It does not mean that livestock consigned to any stockyard must necessarily pay yardage or feeding charges or commission charges; nor does it mean or provide—and I challenge any Senator to discover any clause in the bill to the contrary of this statement—that any consignment of livestock to such a stockyard so supervised by the Secretary and operated by the packer shall be required to pay any charge for stockyard services which the packer does not see fit to impose, or any commission charge or any other character of expense which the producer does not choose at his own option to pay.

The character of regulation and the extent of the supervision which would be so provided for as to these packer-operated private stockyards is set forth quite clearly and definitely in title III of the present act, and relates solely and entirely to the prevention of unfair, unjust, unreasonable, or discriminatory charges or practices in connection with the operation of such stockyards.

Can any legitimate objection be made to granting that authority to the Secretary? Particularly should it be borne in mind that it is granted only as to those additional yards not now subject to supervision where packers buy annually more than 35,000 head of livestock; not, as has been intimated and, in fact, stated in the course of this debate, to loading points that handle more than 35,000 head of livestock annually. It relates only to those yards either operated by packers themselves as stockyards or those where packers buy annually more than 35,000 head.

I trust that this distinction is observed. The result of it is that not 600 additional stockyards will come under the supervision of the Secretary, as has been claimed, but, according to my information—and I believe it to be accurate—not more than 50 or 60 of such yards will be added to the list of yards now posted by the Secretary and under his supervision.

Mr. President, I desire especially to point out, in view of statements made in opposition to the committee bill, and to emphasize the language I have quoted, contained in that bill, to the effect that the supervision provided for in connection with packer-operated stockyards and those stockyards where packers buy annually more than 35,000 head of livestock does not extend, as the bill is framed, to receiving pens for livestock operated by such packers at their packing plants.

I emphasize this specific language contained in the committee bill because it has been categorically stated here by opponents that the bill would give the Secretary power to regulate direct purchases of livestock from farmers. The very language of this section refutes the claim when it provides for the operation, without supervision by the Secretary, of "receiving pens" to hold livestock delivered to a packer at his plants. To what livestock does this provision refer? It manifestly relates to livestock already bought by such packer-livestock in respect of which the price has been previously determined, and as to which no stockyard or marketing services are necessary. The packer, if he wants to operate a stockyard where marketing services are required to be performed for others, under the committee bill, must operate it subject to the supervision of the Secretary; that is all. Such provision would give the employees of the Secretary access to the premises and an opportunity to discover if any unfair or discriminatory practices prevailed. It would not of necessity convert a private stockyard into a public market, as has here been intimated. No impediment would exist limiting the right of any shipper, such as the shippers referred to by the Senator from Wyoming, to consign his livestock through such stockyard to the packer without the intervention of a market agency.

As I have pointed out, no increased expense would result, except at the pleasure and option of the shipper should he see fit to employ an available market agency. I challenge anyone to read from the bill or from the original act a single sentence or paragraph which so provides. The bill deals solely with stockyards and market places.

It must be remembered by many Members of the Senate that the Federal Trade Commission reported to the Congress, after extensive investigation of the meat-packing industry, that the monopolistic power of the great packers, exercised to the detriment of both producer and consumer, rested primarily on the ability of those packers to control the market places where they acquired their livestock. To refresh the memory of Senators on these findings made by the Federal Trade Commission, at a time when the Honorable John Franklin Fort and the Honorable Victor Murdock were members of that Commission, and particularly in charge of this investigation, I quote the following:

As we have followed these five great corporations through their amazing and devious ramifications—followed them through important branches of industry, of commerce, and of finance—we have been able to trace back to its source the great power which has made possible their growth. We have found that it is not so much the means of production and preparation nor the sheer momentum of great wealth but the advantage which is obtained through a monopolistic control of the market places and means of transportation and distribution.

The producer of livestock is at the mercy of these five companies, because they control the market and the marketing facilities and, to some extent, the rolling stock which transports the product to the market. The competitors of these five concerns are at their mercy because of the control of the market prices, storage facilities, and the refrigerator cars for distribution.

The consumer of meat products is at the mercy of these five, because both producer and competitor are helpless to bring relief.

The report further states that-

The combination among the Big Five was not a casual agreement brought about by indirect and obscure methods but a definite and positive conspiracy for the purpose of regulating purchases of live-stock and controlling the price of meat, the terms of the conspiracy being found in certain documents which are in our [the Commission's] possession.

The report states that the power of the big packers was used unfairly and illegally to—

Manipulate livestock markets; defraud both the producers of food and the consumers; and crush effective competition.

The report attributes the power of the great corporate packing groups to their control of stockyards and the marketing of livestock.

This report also makes the statement that an inquiry by a committee of the Senate in 1890 resulted in a finding that there was an agreement between the then leading packers with regard to the fixing of profits and the division of territory and business, and that the conditions revealed by that Senate investigation were in part responsible for the passage of the Sherman Antitrust Act.

It describes the so-called Veeder pools, relating to the division of the livestock purchases and the division of buying territory existing from 1893 to 1896, according to records before the Commission.

It refers to the judgment of the Supreme Court of the United States in favor of the Government enjoining leading packers in the year 1903 on account of violations of the Federal antitrust laws. Reference is also made to the "international meat pool" entered into by these packers to divide business in South America and in that way to control the sale of meat food products in Europe.

The report shows that the packers went to the extent of organizing a corporation known as the National Packing Co. to carry out the plan of combination and conspiracy to control the purchase of livestock and the sale of meat food products, and it became necessary for the Government to take action under the Federal antitrust laws to bring about the dissolution of that company.

The Federal Trade Commission refers also in this report, pages 64 to 68, to the joint funds maintained by leading packers, which, the Commission says, were shown to have been used to influence legislative action, to secure modifications of governmental rules and regulations, and to influence public opinion through the distribution of what the Commission described as false and misleading statements.

Apparently much of the opposition to the pending bill is predicated upon false information distributed and circulated with reference to the contents of the committee bill through organizations set up by packers.

The result of the investigation and report of the Federal Trade Commission was an investigation by the Department of Justice, under the then Attorney General, Hon. A. Mitchell Palmer, into the facts which were disclosed by the Federal Trade Commission. He threatened the packers involved with criminal prosecution. The result of that was that the packers threw up their hands, signed a consent decree in 1920, and asked for the passage of the Packers and Stockyards Act of 1921; but it has been charged that in the drafting of that act the packers exercised such a powerful influence that the present Packers and Stockyards Act of 1921 only effectively controls the stockyards and market agencies. There has been no effective control or supervision of the packers themselves since the passage of that act.

Knowing that the public markets and the market agencies were subject to regulation and supervision under the Packers and Stockyards Act insuring fair play and square dealing on those markets, the packers then resorted to this private stockyard operation, which is largely the subject of this debate

The purpose of the packers in building up their private stockyards and taking their purchases away from the public regulated markets was to continue their control of the purchase of livestock, of the market places where they acquired it, and of the price of their raw material.

The reason for the increase in the number of livestock handled through private stockyards was to continue in the packers' grasp the power which they have always sought to exercise; namely, to control the prices of livestock to the detriment of the producer. Therefore, it becomes necessary that we now enact legislation for the purpose of subjecting the activities of packers upon private stockyards to regulation and supervision, just the same as they are now regulated and supervised in the public markets.

Mr. President, I again point out that the committee bill grants the Secretary the opportunity to have current and accurate knowledge of what now goes on behind the closed gates of these great private stockyards, many of which handle vastly more livestock sold to packers than are today handled upon public markets under the supervision of the Secretary.

The estimate of the number of stockyards this bill would affect, as given to the Senator from Iowa [Mr. MURPHY], if correct, would by simple mathematics indicate that more than 25,000,000 head of livestock are annually bought in these unregulated stockyards each year by packers. I believe this estimate, constituting such a large percentage of the entire slaughter of livestock is an overstatement, but it would only serve to magnify, if true, the importance of this subject.

I want my colleagues to understand precisely what is involved in the operation of these packer private yards. It means simply that the seller, the livestock producer, has nothing to say with reference to the price, the grade, or the weighing of his livestock. The packer, sitting back in his privately controlled and privately owned stockyards, sets the price, the grade, the weight, and the dockage.

Can any Senator point out to me what other great fundamental industry there is in this country where the seller has absolutely nothing to say with reference to the price he receives, and where the purchaser alone has the uncontrolled, unregulated, unsupervised power to fix the price of his raw

All we seek to do by this bill is to give a measure of regulation and supervision to these purchases. Naturally, the packers object to anyone having any supervision over or knowledge of their operations in these private yards; but I believe that it is in the interest of the country generally and of the farmer and livestock producer particularly that somebody besides the packer knows what is going on behind the closed and locked gates of these great private stockyards.

Mr. President, Senators, in discussing this measure, have stated that it has to do with, or would in some unexplained manner affect the purchase of livestock by a packer from a farmer at his farm, or in the country, away from a stockyard. Clearly, this is not the fact. All that is dealt with in the bill is livestock, the possession of which has passed from the producer into the hands of the packer at these private stockyards before price is determined, or which has passed from the farm to the private stockyard not now supervised, where packers annually purchase more than 35,000 head of livestock.

The proposed substitute entirely omits that provision of the committee bill relating to purchase by packers in interstate commerce of livestock not for slaughter but for feeding, for speculative reasons, or for resale on livestock markets. This provision has been much discussed. I believe that no one should be misled by the statement that packers, wherever located, are unable to secure at all times at their plants essential supplies of livestock suitable for slaughter. If the packers will only pay a fair price and give the livestock feeders and producers a fair chance to supply them with the livestock, they can buy all the livestock they need. But if the packers are permitted, through unfair competition, to drive producers and feeders out of business, or through the ability which the packers possess by control of feed lots to so manipulate the price as to render it unprofitable for others to feed livestock, then indeed in many localities the day will come when packers will be compelled to feed livestock for slaughter.

We find there are packers who, in their effort to control the price of livestock, have attempted not only to control the

markets where livestock is purchased by them, but also they seek to engage in the feeding of livestock, and that is the reason for the prohibition contained in the committee bill against such feeding by packers. Such a provision is salutary and is in the interest of the producer. Unless such a provision is enacted into law there is great danger that livestock producers will be driven from this field, which is their natural and proper field in which to operate.

Great similarity exists between the committee bill, in the amendment to the Packers and Stockyards Act here proposed, and the amendment known as the commodities clause made by the Hepburn bill to the Interstate Commerce Act, found necessary by Congress and enforced by the courts, prohibiting railroads from transporting commodities in which they were directly or indirectly interested, except such commodities as were used in the rendition of their transportation services.

It has been stated by Senators representing Western States that packers operating in those States would not be able to secure a sufficient supply of livestock unless those packers were permitted to engage in feeding operations.

In the first place, the committee bill relates only to those packers who operate in interstate commerce. In the second place, I believe that these fears of my colleagues are unjustified. I am in receipt of many telegrams from livestock feeders in their territory indicating their ability to supply the packers' needs in that area and indicating their support of the committee bill now before the Senate.

Mr. President, the Senator from Georgia [Mr. George] inquired why packers should not feed all livestock if the farmers produced and sold the feed. My answer is that the bargaining power of the millions of livestock producers can only be sustained or be effective, in the attempt to secure a fair share of what the consumer pays for meat, if the producers carry their products under their own control as far along the route to the consumer as is practical; certainly to the doors of the packing plants. This is cooperative or organized marketing. What does cooperation in agriculture mean in the livestock industry, if it does not mean control by the producer through his own and not through the packers' agencies of the livestock until it reaches the packing plant where it is slaughtered?

If there is an economic need for the supply of packing plants in the western section of the country or in any other section of the country through feeding operations, I believe producers can and will feel such economic necessity and that it is the proper part of the producers to meet that

I have yet to hear the contention urged that there has been a shortage of livestock producers in the United States. I do not believe that such a contention would be tenable if urged. Neither have I heard of any unreasonable profits being made by producers of livestock in feeding and fattening livestock within recent years. The history of that business has been altogether to the contrary. The packers have not engaged in it for the sake of any immediate or direct profit made from such operations. Manifestly their entry into this business since the passage of the original act in 1921 has been motivated by the desire to maintain their control of the price of livestock as set forth in the report of the Federal Trade Commission and to maintain that control despite the regulations imposed on public stockyards by that act.

It has been stated here that the American National Livestock Association is opposed to this bill. I invite your attention to the following resolution, which was adopted at the convention of that association, held in January 1934 in Albuquerque, N. Mex .:

Whereas there is a practice among certain packers to engage in

the business of feeding livestock; and Whereas they are using the product from their own feed lots as

whereas they are using the product from their own feed lots as a shock absorber when market receipts are light, thus preventing advances in the market at such time; and

Whereas this association is in receipt of protests against such practice from practically every section of the country: Therefore,

Resolved, That we do respectfully request the packers to re-frain from such business and that we consider such practice merits severe criticism.

I could also refer to another resolution to the same effect, adopted at the convention of the same association at its meeting held in Rapid City, S. Dak., in January 1935.

The Senator from Iowa [Mr. MURPHY] referred to the remarks of the Senater from Wyoming [Mr. O'MAHONEY] in regard to section 304A of the committee bill authorizing the Secretary to prescribe rules and regulations relating to the grading, weighing, fill, and dockage of livestock in interstate commerce. This provision is not contained in the proposed amendment to the committee bill. The Senator from Wyoming assumed, inasmuch as it was specifically provided the Secretary should not employ weighers or graders of livestock, that it would be impracticable to carry out this section. The assumption is unjustified. The "report on direct marketing" referred to by the Senator pointed out the necessity for standard and uniform grades of livestock of a national character. All this section proposes to do is to authorize the Secretary to define grades for livestock in interstate commerce national in character. Under this provision the choice steer at Chicago would, if the regulations were complied with, be in the same classification as the choice steer in Georgia. A similar situation would exist as to other grades of livestock. While the provision does not go so far as the "report on direct marketing" may be construed to recommend, it is certainly in line with established practice in respect to other commodities entering into interstate commerce. I can see no objection to it and believe no difficulty or greatly increased expense would arise from its application.

Mr. President, it was stated by the Senator from Wyoming that under the committee bill the packer was denied the right of review in the courts in respect of an order by the Secretary. The exact contrary is true of the committee bill. Subparagraphs (b), (c), and (d) of section 203, and section 204 of title II of the present act remain in force, unaffected and unhampered by the amendments proposed by the bill.

I direct Senators' attention, in all fairness, to the fact that these sections provide an unlimited right of review, both as to facts and law, of orders made by the Secretary affecting packers, and that review is to be had in the first instance in the Circuit Court of Appeals of the United States in the district in which the packers affected have their principal place of business.

This statement cannot be made as to the provisions for review of orders of the Secretary affecting public stockyards and market agencies. In respect to those instrumentalities regulated under this act the right of review exists only as provided for in the Interstate Commerce Act with respect to orders of the Interstate Commerce Commission, namely, that if any substantial evidence supports the order made by the Secretary his finding of fact is binding upon the courts.

The Senator from Illinois [Mr. Lewis] has stated that he believes that the committee bill may in part be unconstitutional. As I understand the fact in regard to this matter, Chief Justice Taft, in his opinion in the case of Stafford against Wallace held that the flow of livestock from the producers of the West through the marketing, processing, and distributing phases constituted interstate commerce; that those engaged in facilitating that flow, stockyards and packers, were, as he said, "great national public utilities engaged in interstate commerce", and hence subject to regulation as such. Their books, their records, their operations should, under the theory of that opinion, be open to reasonable inspection by public authorities. The committee bill so provides.

The present law does not, under the decision I have heretofore referred to in connection with this bill (15 Fed. 2d, 133) grant that authority, nor does the proposed substitute.

I note that the language is much the same as that of the committee bill with regard to the access by the Secretary to the records of the packers, save in one most important respect. Under the proposed substitute access to records of packers is only granted "for the purposes of the act." Under the committee bill general access is provided for.

It must be recalled by Members of the Senate that when the original Interstate Commerce Act was passed to regulate railroads the provisions in regard to the access of the Commission to the records of carriers were similar in language to those now proposed in the amendment in the nature of a substitute. Under that provision there arose the Harriman litigation, in which the Commission sought access to the records of the Union Pacific Railroad Co. and other carriers. It was denied that access because the Court said the "purposes of the act" were not sufficiently broad to justify general access, and that it could only be had under a subpena duces tecum in connection with a pending complaint specifying exactly the records desired and what they purported to reveal. So Congress, in the light of those decisions, saw fit to amend, and did amend, the Interstate Commerce Act. The provisions of the Transportation Act today give to that Commission the right of general access in broader terms even than proposed as to the records of packers by the bill approved by vour committee.

I believe that under the decision of Chief Justice Taft, in Stafford against Wallace, the access so provided for is justified. If the proposed substitute should prevail, however, the power of the Secretary to secure access to the books and records of packers would not be enlarged, but would only arise in aid of a pending complaint, because, as stated in the decision in the Cudahy case (15 Fed. 2d, 123), denying such access, the purposes of the act are relatively narrow as to packers as compared with stockyards and do not authorize the fixing of prices by the Secretary and limit his powers to a hearing and determination, in the first instance, of specific complaints against the conduct of packers alleged to be in violation of the law.

As I have pointed out, Mr. President, the power of Congress is clearly sufficient to grant the Secretary the right to inspect the books and records of the packers. The packers are not private agencies. What possible excuse can there be for not having a fair and impartial public inspection of their books and records in order to determine and see to it that they are not carrying on any of the practices condemned by the Federal Trade Commission and the Department of Justice and the courts of this Nation?

If there is any justification for the inspection of the books and records of any industry in this land, it would seem to me there is justification for the inspection of the books and records of the packers.

What I have said today in discussing this measure is in no spirit of hostility to the packing industry. It has rendered the country a great service. We should not seek to prejudge the packers or any other essential factor in our commercial life, whether engaged in the production of raw materials, the transformation of such materials into consumable products, or the distribution of those products to the public, but in respect of this industry held by the Supreme Court to be in the nature of a great national public utility, certainly access by the Secretary of Agriculture to the books and records is essential if public authority is to be properly advised as to the conduct of that vast business and millions of livestock producers and consumers of meat products are to be properly protected and safeguarded.

When the legislation was proposed a few years ago the packers fought bitterly the imposition of public inspection of their products. Today those same packers will admit that that inspection of their products is one of the most valuable assets to their business. They would under no conditions voluntarily give up that Federal inspection.

Mr. President, I predict that if the committee bill is enacted into law the same result will ensue and that the packers will ultimately be the benefactors of this law, the same as the producers of livestock and the consumers of meat food products. The gain to the packers in public esteem and confidence will more than offset any advantage that the packers may have had in the past in their ability to keep their affairs and their arrangements between themselves private.

The Senator from Wyoming [Mr. Carey] asserted that under the provisions of the committee bill any livestock producer who bought or sold livestock on stockyards supervised

by the Secretary was compelled to take out a license and pay commission charges and yardage, but he is mistaken. Any producer of livestock can today, upon any stockyard supervised by the Secretary, either buy or sell, without intervention or employment of any market agencies, and without paying any commission, without taking out any permit or license, any livestock which he desires to buy or sell in the course of his farming operations. Manifestly this would be true as to the additional stockyards which might be posted by the Secretary under the provisions of the committee bill enlarging the definition of a stockyard as now contained in the act. I challenge any person to point out in the committee bill or in the original act any provision to the contrary of this assertion. In fact, the whole purpose of this legislation, as pointed out in accordance with the recommendations of the Federal Trade Commission, is to keep these markets truly free, open, and competitive livestock markets which any producer of livestock can patronize at his pleasure, and where, at his option and at his pleasure, he can employ or refuse to employ the public agencies, regulated as to their practices and charges there established.

Mr. President, it became apparent to the committee that since the passage of the Packers and Stockyards Act the Secretary of Agriculture has been compelled to rely largely upon guesswork and voluntary information given him by the packers to secure statistical information in regard to the packing industry. Mr. H. M. Conway, livestock statistician for the National Live Stock Marketing Association, and for years employed in the Bureau of Agricultural Economics prior to the passage of the Packers and Stockyards Act, testified before the committee that on the basis of the present consumer prices hog producers during the last decade were receiving in percentage less than half as much of the consumer's dollar paid for hog products and byproducts as had been received by such producers during the decade preceding the passage of the law. This amount, representing the degeneration in the share received by hog producers of what the consumers are actually paying for pork products, was variously estimated before the committee at annual amounts ranging in excess of \$400,000,000.

The insufficiency of the information in the Department of Agriculture in respect to this subject is clearly indicated by the direct contradictions appearing in various public reports rendered to Congress and published, originating in the Bureau of Agricultural Economics. Thus in the report entitled "The Direct Marketing of Hogs", referred to in this debate, there are given in tables 60 and 61, on page 219, figures purporting to represent packing margins for various years between hog prices and retail pork prices. These figures, however, are very different from other figures statistically purporting to represent the same margins with reference to the same years set forth in table 8, at page 82, of the report to the United States Senate by this Bureau, entitled "Economic Situation of Hog Producers", submitted prior to the passage of the Agricultural Adjustment Act. In one instance a decline in the margin is indicated, commencing in 1926; in the other instance an increase is indicated. Clearly both sets of figures cannot be correct. Evidently the necessity exists for accurate information on this important subject which involves more millions of dollars to livestock producers than are represented in the appropriations made necessary by the recently enacted Soil Conservation Act.

The Senator from Wyoming [Mr. O'MAHONEY], in his objection to the committee bill, quoted certain sections contained in the committee bill which relate wholly to strengthening provisions of the law with respect to its application to stockyards and market agencies. The claim was made that market agencies were supporting this bill. I refer particularly to the statement of the Senator from Wyoming in which he referred to section 9 of the committee bill as follows:

Whoever shall operate a stockyard which has been suspended, or whoever shall carry on or engage in business or employment as a market agency or dealer or officer, agent, or employee of a stockyard owner, market agency, or dealer during any period of suspension provided for by section 317, shall, upon conviction, be fined not more than \$1,000 or imprisoned not more than 1 year, or both.

The Senator from Wyoming then said:

In other words, by this bill it is proposed that we make it unlawful for any packer, big or little, to operate without registration; that we empower the Secretary to revoke any registration for the violation of a regulation which he himself imposes, and then that we make it a criminal offense for any packer or any person to operate after such revocation or suspension.

The Senator was manifestly in error as to the application of this provision to packers. It happens to apply wholly to market agencies, to dealers and stockyards who, the Senator later on in his remarks said, were supporting this proposed legislation.

I mention this only as an indication of the misapprehension and misunderstanding of this bill which apparently arises so easily in the minds of many people who do not understand that the law is divided into separate titles, one of which relates to packers and another to stockyard companies and market agencies.

I call the attention of the Senator from Wyoming, if he is interested in the arbitrary nature of provisions contained in proposed legislation, to the provision of section 321 of the proposed substitute amendment, which reads as follows:

SEC. 321. Whenever the Secretary, after due notice and opportunity for hearing, shall find that any director, officer, agent, or employee of any stockyard owner, market agency, or dealer was responsible in whole or in part for any violation of this act, he may issue an order directing that all stockyard owners, market agencies, and dealers subject to this act refrain from employing or having any dealings with such officer, agent, or employee for a reasonable specified period not exceeding 2 years.

Here indeed is a most unusual provision inserted in the act. Under the stockyards section of the law, as I have pointed out, of which this would become a part, an appeal on the facts to the courts is not provided for unless the order was made wholly without evidence by the Secretary. Yet this section purports to give the power to the Secretary to proscribe and forbid not only employment of the violator of an order of the Secretary by a concern employing him at the time the violation is alleged to have occurred, but also to proscribe his future employment by other agencies engaged in the same line of business. In other words, this authority is in the nature of authorizing the Secretary to grant a bill of attainder in respect to the one who, in whole or in part, he may feel to have been responsible as the employee of another for a violation of the act.

I desire to point out that, singularly enough, in the proposed substitute measure the word "packer" does not appear. This provision, like many others that appear in the proposed substitute, is not made applicable to packers. Does justification exist for removing packers, if this be a wise provision with respect to the selling agencies and producers, from the effect of a like requirement? I personally cannot conceive of any such justification for apparent discrimination in favor of the packer and against the market agency which the producers of livestock have chosen to represent them in connection with the sale of this important agricultural product.

It is well to bear in mind that no investigation conducted by the Federal Government has ever disclosed that the marketing or processing of livestock has been or is controlled by stockyard companies or market agencies excepting where such companies or agencies are the instrumentalities of the packers. The conclusion of all investigations is that the control of livestock prices is lodged in the hands of the packers. Certainly if there is reason to grant the authority which is provided for in the amendment in the nature of a substitute or in the committee bill to the Secretary of Agriculture with reference to stockyard companies and market agencies, there is all the more reason for belief that such power and authority should be granted to the Secretary as to packers.

Mr. President, historically and traditionally the livestock-selling agencies operating upon livestock markets, both cooperative and noncooperative, honestly engaged in obtaining for the producer of livestock as high a price as is obtainable for that livestock have been, so to speak, on the opposite side of the fence from the buyers representing the highly organized packing industry.

I make no plea for nor defense of commission men or stockyard companies. I simply point out the fact that now exists

and has in the past existed. I agree with the Senator from | now present are in addition to what I have already had Wyoming that the merits of this proposed legislation should control the deliberations of the Senate in regard to its enactment.

Mr. President, the only interest which such organizations as the National Grange, the American Farm Bureau Federation, the National Farmers Union, Kansas Live Stock Association, the Missouri Farmers Association, the Nebraska Stock Growers Association, and innumerable other farm organizations have is to see to it that the product of their members and of livestock producers generally is handled and dealt in in a fair and proper manner.

The necessity for this proposed legislation arises solely from the fact that these farm organizations and their members believe that under the present market arrangement their livestock is not being handled in a manner which is fair or just to the livestock producers of this country.

It may be that agencies operating on the public, regulated markets favor this proposed legislation, and it seems to me that they have every right to favor it, because, after all, those agencies are the representatives of the livestock producers and they need offer no apology for defending the rights of the farmers and livestock producers of the Nation. But the point I desire to make is that the continuously reiterated demand for this proposed legislation comes primarily from the producers of livestock as represented by the Kansas Live Stock Association, for example, whose members produce 75 percent of the meat animals marketed from the State of Kansas, and organizations of the same general character.

On the other hand, much of the opposition to this proposed legislation comes very largely from an organization called the Association to Maintain Freedom in Live Stock Marketing. The officers of that organization are well-known packers of Iowa, Wisconsin, Minnesota, and other States. This organization in the last 2 years has flooded the Senate with bulletins, memoranda, and documents which are inaccurate and misleading in their description of the committee bill.

I do not say that the packers have no right to object to this proposed legislation if they choose to do so, but I do object to misrepresentations and misstatements of the facts in respect to it.

Let me reiterate that this measure should be considered on its merits. Such consideration is not promoted by the acceptance of the proposed substitute, which has never been before the Committee on Agriculture.

Mr. President, for the past 15 years or more Congress has been engaged in efforts to equalize the economic position of the farmer with that of other classes. We have sought through a great number of acts to better his position, to give him a fair break, to give him a real chance, to give him equality of opportunity. This bill is in line with that effort. The bill is designed for the protection and benefit of the farmer and of the livestock producer. It should be borne in mind that 70 percent of agricultural acreage is devoted to the production of feeds fed to livestock, finding its ultimate market in the form of livestock or livestock products which constitute year in and year out approximately 50 percent of the entire farm income of the Nation.

Anything that we can do here to give to the livestock producer a fairer share of the consumer's dollar will in the long run redound to the interests of the Nation as a whole and be of advantage not alone to livestock producers but to the millions of consumers of livestock products and, finally, of advantage to the packers who engage in the processing and distribution of this greatest of all agricultural commodities.

Mr. President, in conclusion I ask to have printed in the RECORD some additional telegrams I have received in support of the pending bill. On March 23 I asked the Senate for leave to print, and permission was granted, a large number of telegrams, memorials, and petitions from livestock organizations and farm groups all over the country. Those documents occupy more than four pages of the Congressional Record of the issue of March 23 and represent as strong an appeal from producers of this country as I have ever seen in respect to any proposed legislation. The telegrams which I

printed in the Congressional Record.

Here is one signed by J. H. Mercer, secretary, Kansas State Livestock Department. He is the head of the livestock business in the State of Kansas and is better known probably than is any other man in that State so far as the livestock business in that section is concerned. He sends me this telegram:

TOPEKA, KANS., March 9, 1936.

ARTHUR CAPPER

Washington, D. C .: The Kansas Livestock Association today passed the following resolution with respect to Capper bill: We urge the passage by Congress of the Capper-Hope-Wearin amendments to the Packers and Stockyards Act of 1921.

Secretary, Kansas State Livestock Department.

More than 1,000 livestock producers, cattlemen, hog raisers, and others, but principally cattlemen, I may say, were in attendance at that annual State convention. A resolution to the same effect was adopted a year ago and came to the Senate Committee on Agriculture and Forestry. A similar resolution was adopted by the same organization 2 years ago, and they will continue to adopt resolutions of that kind until the Congress shall see fit to give them some legislation along the lines for which they are appealing.

Something has been said about the western livestock organization which is opposed to the committee bill. I have received a number of telegrams in the last day or two asking me to urge the passage of the bill. Here is one from Phoenix, Ariz., reading as follows:

PHOENIX, ARIZ., March 30, 1936.

Hon. ARTHUR CAPPER

United States Senate:

Our entire association vigorously endorse Capper bill and ask you do everything you consistently can to further its passage. After studying this bill we have completely changed our positions on this matter.

M. H. WELBORN, Chairman, E. W. Hudson, Vice Chairman, Central Arizona Cattle Feeders Association.

Here is another one from Los Angeles, Calif., dated March 30, and reading:

Los Angeles, Calif., March 30, 1936.

Senator ARTHUR CAPPER:
The W. C. Harris and Harris & Fish Cos. are feeding cattle in
Colorado Montana, Idaho, and California. We feel that if packers Colorado, Montana, Idaho, and California. We feel that if packers feed large numbers of cattle they may lay off the market to the detriment of cattle growers and that reasonable restrictions ought to be placed around the feeding of cattle by packers. We marketed last year about 50,000 cattle.

Mr. CONNALLY. Mr. President, will the Senator yield? The PRESIDENT pro tempore. Does the Senator from Kansas yield to the Senator from Texas?

Mr. CAPPER, I yield.

Mr. CONNALLY. The Senator has just read a telegram from someone in Los Angeles saying that the packing companies are feeding cattle in several different States. The Senator wants to make that a crime, does he not?

Mr. CAPPER. Not at all, not a crime; but I say the business of feeding cattle should remain the business of the producer and not of the packers.

Mr. CONNALLY. The producer feeds his cattle now if he wants to do so. If he wants to sell his cattle, the Senator would prohibit him selling them except on a public market. What is preventing him from feeding his cattle now if he has the feed with which to do it?

Mr. CAPPER. We find that the stockyards operated by the packers are rapidly becoming feeding places for large numbers of livestock.

I have here a letter to which I invite attention, received today from the Producers' Cooperative Association of Cincinnati, Ohio, reading as follows:

> PRODUCERS' COOPERATIVE COMMISSION ASSOCIATION, Cincinnati, Ohio, March 27, 1936.

Senator ARTHUR CAPPER

bill 1424. We trust this bill will be before the Senate in a very short time and that you will give most favorable consideration to same.

same.

There are a few highly important features which are of tremendous importance to the general welfare of the livestock industry as a whole. Some of these are apparently becoming more pronounced with the centralization of ownership of the packing industry, which seems more and more apparent with the developments of the past several months. With the smaller packers being forced out of the packing business, we feel that more supervision and regulation of practices within this field is highly important.

The amendments to the Packer and Stockwards Act, as proposed.

The amendments to the Packer and Stockyards Act, as proposed in Senate bill 1424, places in the hands of the Secretary of Agriculture authority with other divisions of the industry as we now have in the selling division. We welcome this on the part of our membership for their good and are fully convinced that such regulation applied to the other divisions of the industry will be mutually beneficial to all. We have yet to find producers of livestock in our whole section of the country opposed to these proposed amendments.

We urge your support of this bill and trust that you will use every reasonable, constructive, and sound influence for its passage by the Senate.

Yours very truly,
Producers' Cooperative Commission Association R. Q. SMITH, Manager.

Another telegram is signed by the Central Cooperative Association of St. Paul, Minn., and reads as follows:

Senator ARTHUR CAPPER

Senato ARTHUR CAPPER,
Senate Office Building, Washington, D. C.:
Senate committee investigated packing industry, commencing
1890, and evidence produced of price manipulation resulted in
passage Sherman Antitrust Act. Supreme Court enjoined packers from violating that act in 1903. Federal Trade Commission
under direction members Franklin Fort and Victor Murdock made
evidencies investigation and six-volume report in 1919, finding extensive investigation and six-volume report in 1919, finding packers guilty of conspiracy to depress producer prices of livestock through control of livestock market places. Committee hearings in reference to present legislation commenced in Congress more than 10 years ago, and many thousand pages of testimony, at great expense to producers, submitted. Former bills approved by committee after full hearings, but not voted on by Senate, was more drastic than present bill. Believe Senate has been fully advised of packers' position in opposition to bills and has all necessary information available to cast fair and intelligent vote. Unless monopolistic practices of packers, set forth in official reports and court decisions quoted, are curbed millions of farmers who endorse this legislation will continue to suffer grave injustice.

CENTRAL COOPERATIVE ASSOCIATION OF ST. PAUL, MINN.,

By O. Z. REMSBERG.

I have several other telegrams which I ask to have inserted in the RECORD without reading.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

Los Angeles, Calif., March 30, 1936.

Senator ARTHUR CAPPER:

We believe reasonable restrictions should be placed around catthe feeding by packers, so that they may be more interested in our cattle. I don't think packers ought to be allowed to feed large number of cattle, which puts them in position to lay off market and to operate in competition with growers.

HARRY PERLMAN.

Los Angeles, Calif., March 30, 1936.

Senator ARTHUR CAPPER:

Myself and family operate feed lots near Los Angeles and at other points in the State and believe that reasonable restrictions should be placed around cattle feeding by packers, so that they may be more interested in our cattle; and don't think packers ought to be allowed to feed large numbers of cattle, which puts them in position to lay off market and to operate in competition with growers. with growers.

WILL GILL

CHICAGO, ILL., March 6, 1936.

Senator ARTHUR CAPPER,

Senate Office Building:
In regard to amendments to Packers and Stockyards Act as provided in S. 1424, the National Livestock Marketing Association, representing 25 member cooperative livestock marketing associa-tions operating upon 23 public livestock markets, who have handled an average of over 111,000 carloads of livestock nanually during past 4 years for approximately 300,000 livestock-producer members and patrons, is vitally interested in above bill and strongly urges its passage.

CHARLES A. EWING, President.

FORT WORTH, TEX., March 29, 1936.

Senator ARTHUR CAPPER

Washington, D. C.:

Being regular feeders of cattle, finishing several thousands yearly, we strongly favor passage of Senate bill 1424, prohibiting

feeding livestock by packers. Past experience shows such opera-tions extremely detrimental to feeders' interest.

M. FOWLER JAKE DEARING. S. L. FOWLER. ROLLA RINSLEY. FRED MCFARLAND. R. E. FARMER. LOON FARMER.

Los Angeles, Calif., March 30, 1936.

Senator ARTHUR CAPPER,

Washington, D. C.:

We are opposed to large-scale feeding by packers and don't think packers ought to be allowed to feed any kind of livestock which allows them to lay off market and to operate in competition with

ROY MILLS.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 30) to recognize April 6, 1936, as Army Day,

STOCKYARDS AND MEAT PACKING

The Senate resumed the consideration of the bill (S. 1424) to amend the Packers and Stockyards Act, 1921.

The PRESIDENT pro tempore. The question is on agreeing to the amendment, in the nature of a substitute, offered by the Senator from Texas [Mr. CONNALLY].

Mr. LEWIS. Mr. President, I desire to address myself to the bill and in a few moments to present, as I see it, a proposition which disposes of both measures unless I am wholly misled.

The Senator from Kansas [Mr. CAPPER], with great interest in his subject and with evident sincerity, of course, in what he presents, intimates that there is a measure called a substitute measure as well as a measure presented by himself as the original measure. I take it from the statement of the Senator that they stand upon something of a similar principle. My attitude toward them is best set forth in the familiar lines of Romeo and Juliet in the observation upon the houses of Capulet and Montague-

A plague o' both your houses.

Here is a measure tendered to enter the field of interstate commerce upon the theory that Congress may legislate upon such subjects, and, as is well known because of late declarations of our highest tribunal, is forbidden to legislate upon that which is distinctively local, belonging to the States.

Mr. President, I submit as an inquiry, Where is there any relation to the matters recited by the able Senator from Kansas and those supporting him in this discussion to interstate commerce that can possibly rescue these bills from denunciation by the Supreme Court of the United States, as in the instance of similar legislation specifically ruled upon by the court, known as the A. A. A. case and also in what is known as the N. R. A., or Schechter case?

Mr. CONNALLY. Mr. President, will the Senator yield? The PRESIDENT pro tempore. Does the Senator from Illinois yield to the Senator from Texas?

Mr. LEWIS. Certainly.

Mr. CONNALLY. The Senator from Illinois is an eminent constitutional lawyer.

Mr. LEWIS. I shall not deny that, sir. [Laughter.]

Mr. CONNALLY. The evidence to that effect is so overwhelming that I am sure the Senator could not successfully deny it.

Let me ask the Senator if it is conceivable that the provisions of the Capper bill, which undertake to prohibit those engaged in the packing industry, whether little packers in my State or big ones in Illinois, from buying a cow unless they are going to slaughter her immediately, are within the power of the Congress under the interstate-commerce clause?

Mr. LEWIS. I reply to the able Senator from Texas that the comments in which I shall indulge for the next few moments-and I believe, I flatter myself, to his satisfaction-will be my response.

I digress to ask, is it not true that the Packers Act as an act was based upon the theory of a public utility, because the packers, having received the cattle through the different States would in some form transform the material and send it out to other States. That is conceivably and apparently indisputably interstate commerce.

But, as the Senator has just intimated, a man goes down to the doorway of a farm. He has gone there to deal with the man who owns the stock. A transfer is made, after the negotiation has pended from one to the other, of cattle—one cow or many. Sir, that transaction ends there. The fact that one may desire to sell the product after he has it is equally true of any form of commerce; but when he obtains it the matter has ended in its relation as a purely local action and takes no form whatever of interstate commerce that could give to this honorable body jurisdiction to legislate upon it.

I now ask for attention while I read to my colleagues some extracts from the opinion of the Supreme Court of the United States which I feel sustains the objections I make to the proposed legislation in its whole policy.

Says the Court, dealing with the poultry case:

The poultry had come to a permanent rest within the State. It was not held, used, or sold by defendants in relation to any further transactions in interstate commerce and was not destined for transportation to other States. Hence, decisions which deal with a stream of interstate commerce—where goods come to rest within a State temporarily and are later to go forward in interstate commerce—and with the regulations of transactions involved in that practical continuity of movement, are not applicable here.

And then, proceeding, I now answer directly the question of the Senator from Texas touching the criminal phase of this bill:

Defendants have been convicted, not upon direct charges of injury to interstate commerce or of interference with persons engaged in that commerce, but of violations of certain provisions of the live poultry code and of conspiracy to commit these violations. Interstate commerce is brought in only upon the charge that violations of these provisions—as to hours and wages of employees and local sales—"affected" interstate commerce.

In determining how far the Federal Government may go in controlling intrastate transactions upon the ground that they "affect" interstate commerce, there is a necessary and well-established distinction between direct and indirect effects. * * * But where the effect of intrastate transactions upon interstate commerce is merely indirect, such transactions remain within the domain of State power. If the commerce clause were construed to reach all enterprises and transactions which could be said to have an indirect effect upon interstate commerce, the Federal authority would embrace practically all the activities of the people and the authority of the State over its domestic concerns would exist only by sufferance of the Federal Government.

It will be seen very clearly, sir, that the measure turned as follows: The original act was based upon interstate commerce. The present bill of the able Senator from Kansas, and that presented by his colleague from Iowa, in support of the measure, is to touch and take intrastate commerce, and that in spite of the fact that the tribunal of superior power and direction has lately specifically denounced an attempt of that nature in the decision on the Agricultural Adjustment Act, from which I ask my able colleagues to let me impose upon them a moment by reading.

Says the Court:

But it is said that there is a wide difference in another respect, between compulsory regulation of the local affairs of a State's citizens and the mere making of a contract relating to their conduct; that, if any State objects, it may declare the contract void and thus prevent those under the State's jurisdiction from complying with its terms.

Continues the Supreme Court:

The argument is plainly fallacious. The United States can make the contract only if the Federal power to tax and to appropriate reaches the subject matter of the contract. If it does reach the subject matter, its exertion cannot be displaced by State action. To say otherwise is to deny the supremacy of the laws of the United States; to make them subordinate to those of a State. This would reverse the cardinal principle embodied in the Constitution and substitute one which declares that Congress may only effectively legislate as to matters within Federal competence when the States do not dissent.

It does not help to declare that local conditions throughout the Nation have created a situation of national concern; for this is but to say that whenever there is a widespread similarity of local conditions, Congress may ignore constitutional limitations upon its own powers and usurp those reserved to the States.

If this bill applied to the State of Kansas, the eminent Senator from Wyoming [Mr. Carey] and his colleague [Mr. O'Mahoney] having expressed their views, and the Senator from Arizona [Mr. Ashurst] having expressed his view, one after the other, in the exact condition of each State selling at its doorway to the buyer at its gate, the fact that half a dozen of the States, to use the words of the Supreme Court, occupy exactly similar positions cannot make that interstate commerce. Why pass a bill, which on its face has been previously denounced by the Supreme Court, to seduce the credulity of the poor farmers, who are allured to the thought that there is a great benefit waiting in this bill for them, only to have them awake to the fact that the measure was invalid at the beginning, and known by the makers of it to be invalid at the time they passed it?

By such a course we bring the Court under condemnation when it shall render another opinion. These poor affected, who do not understand, will cry that they were tricked. We will make this body a laughingstock on the part of the reflecting and the sensible. We do this trick apparently, as legislators, to be charged with having done it for political uses and for the appeal to political votes. That, sir, descends to the level of the contemptible.

Mr. President, I read one other feature only. Says the Supreme Court:

Let us suppose Congress should determine that the farmer, the miner, or some other producer or raw materials is receiving too much for his products, with consequent depression of the processing industry and idleness of its employees. Though, by confession, there is no power vested in Congress to compel by statute a lowering of the prices of the raw material, the same result might be accomplished, if the questioned act be valid, by taxing the producer upon his output and appropriating the proceeds to the processors, either with or without conditions imposed as the consideration for payment of the subsidy.

Should Congress ascertain that sugar refiners are not receiving a fair profit, and that this is detrimental to the entire industry, and in turn has its repercussions in trade and commerce generally, it might, in analogy to the present law, impose an excise of 2 cents a pound on every sale of the commodity and pass the funds collected to such refiners, and such only, as will agree to maintain a certain price.

Is not that the exact bill of my eminent friend from Kansas? I do not know who has persuaded the distinguished publisher and editor, the Senator from Kansas, to present a bill so thoroughly in violation of the fundamental law of the land and in direct opposition to the declaration of the highest Court of our country.

The great party of which our honorable friend is a member of distinction has been proclaiming to the country at large, first, what a very bad lot this body is, in that it passes unconstitutional laws, and that we are now proceeding to continue so to do; secondly, they cry out what a combination of vice we represent, in that we summon bureaus to engage themselves in the conduct of the private business of individuals; and yet there comes promptly before us a bill to carry out the two forbidden. One is to take the private business of a little farmer who has one cow to sell, who deals with a man who stands at the door, out of the farmer's hands and have it directed by whom? By another bureau, by the Secretary of Agriculture or his cohorts; and in this way we violate both provisions of the fundamental law as declared by the highest tribunal, which our honorable opponents everywhere have announced demands obedience on our part.

Mr. FRAZIER. Mr. President, will the Senator yield? Mr. LEWIS. I yield to my friend from North Dakota.

Mr. FRAZIER. There is nothing in this bill which provides that the farmer who has one cow to sell will have to have the sale of that cow conducted by anyone from a bureau, or anything of the kind. That is a farfetched statement which is not justified by anything in the bill.

As to the constitutionality of the bill, a case was taken to the Supreme Court on the original Packers and Stockyards Act which was known as the Stafford-Wallace case, in which Chief Justice Taft wrote the opinion. I have here an excerpt from a statement by one of the attorneys of the farm organizations. I desire to quote what he says:

As I understand the fact in regard to this matter, Chief Justice Taft, in his opinion in the case of Stafford v. Wallace, held that the flow of livestock from the producers of the West through the marketing, processing and distributing phases constituted interstate commerce; that those engaged in facilitating that flow, stockyards and packers, were, as he said, "great national public utilities engaged in interstate commerce" and hence subject to regulation as such. Their books, their records, their operations should, under the theory of that opinion, be open to reasonable inspection by public authorities. The committee bill so provides.

Mr. LEWIS. Mr. President, I do not know whether or not the Senator was here when I stated that the Court had previously decided that jurisdiction under what is known as the Stockyards Act was on the basis of a public utility. is because the product involved came from different States. and, to use the words of the opinion, passed down into the hands of those in another State, who were to pass it out through other States. That is what I have said makes interstate commerce. In the present case, however, a man is supposed to sell his product at the doorway to whoever seeks to buy it, and we do not know whether that person is ever to sell it. If he is ever to sell it, is he to sell it to a neighbor of the man he bought it from, or in the town or country store, or down at the little market, or is he to send it out somewhere else? Where can be the presumption, sufficient to indulge, that that is to become interstate commerce by passing from State to State, to justify a bill of this nature based on the theory that the probabilities are that it may pass from State to State?

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LEWIS. I yield.

Mr. HATCH. Since the Senator has been interrupted, while he is discussing the legal aspects of the bill I desire to direct his attention to section 203, on page 3, where this language is found:

Whenever the Secretary has reason to believe that any packer has violated or is violating any provisions of this title, he may cause a complaint in writing to be served upon the packer, stating his charges in that respect, and requiring the packer to attend and testify.

Has the Senator given any thought to that provision, and does it raise any questions of doubt in his mind?

Mr. LEWIS. I had called attention a moment past, I may say to the able Senator from New Mexico, to the fact that there were provisions in the bill which made criminal any violations, and, among other things, the power that is vested in a mere officer of the Bureau to sit in judgment on the conduct of the farmer or the seller, and when there is any violation he is to administer a penalty. That is what the Supreme Court of the United States said made the law which we speak of as the N. R. A. vicious and in violation of the Constitution—the method of the execution vested in a minor official, the right to carry out the orders of the President in punishing the violator, to wit, the owner of the poultry, Mr. Schechter. I ask my able friend from New Mexico, knowing him to have been a judge, and a judge famous in his community, Does not the provision which he has read come exactly within the Schechter case?

Mr. CONNALLY. Mr. President, will the Senator from Illinois yield to me?

Mr. LEWIS. I yield.

Mr. CONNALLY. Is there anything about the biological formation of a cow that would distinguish the operation of the Constitution on the cow from what it would be on a chicken?

Mr. LEWIS. Mr. President, I am compelled to say, in reply to my friend, that I am not an expert upon these matters, but I can say for myself that I can recognize that with the cow there you may have some beef that will be roasted, and in the other case some of us may experience a chicken that may be stewed. [Laughter.] I trust it will not be regarded that I am speaking from personal experience. I am merely citing that of which one occasionally reads. [Laughter.]

I can say, therefore, that I cannot see the difference from the constitutional point of view. As to the effect on the physical constitution on the man who may be involved in these matters, I must leave that to the more experienced.

In answering my friend, I agree with him heartily that there can be no difference in principle, and if he did not

have sufficient confidence in his own views and my view, I read to him the final conclusion. Says the Supreme Court, answering the question of my able friend, and meeting that of my friend the Senator from North Dakota likewise, and the position taken by the Senator from Kansas:

Assume that too many shoes are being manufactured throughout the Nation; that the market is saturated, the price depressed, the factories running half-time, the employees suffering. Upon the principle of the statute in question Congress might authorize the Secretary of Commerce to enter into contracts with shoe manufacturers providing that each shall reduce his output and that the United States will pay him a fixed sum proportioned to such reduction, the money to make the payments to be raised by a tax on all retail shoe dealers or their customers.

The Court, in concluding, said this:

A possible result of sustaining the claimed Federal power would be that every business group which thought itself underpriviliged might demand that a tax be laid on its vendors or vendees the proceeds to be appropriated to the redress of its deficiency of income.

Mr. President, I must respectfully insist that under the decisions of the Court it is impossible to sustain the bill before us, and this body, composed of Members supposed to be learned in the law, at least presumed to have respect for the opinions of the tribunals which are the highest of the land, should hesitate before passing such a measure. We should send the measure back to the committee for proper reconsideration, in order that the measure, if right in principle, should be put in form to accord with the law; this I conceive to be the solemn duty of this body.

Mr. BENSON. Mr. President, will the Senator yield?

Mr. LEWIS. I yield.

Mr. BENSON. Will the Senator please direct my attention to that portion of the bill which attempts to regulate intrastate commerce in violation of the Constitution, as the Senator has stated?

Mr. LEWIS. Yes. The moment there is an attempt to enact a law by Congress that in each State the people who should buy at the gateway shall only have done so after creating a stockyard among themselves in the States, that otherwise they are violations of interstate law.

Mr. BENSON. I asked the Senator if he would please direct my attention to that portion of the bill dealing with the subject he has discussed.

Mr. LEWIS. I must say to the Senator that the bill itself is the only thing I have discussed. I point out to the able Senator that the very method it provides reaches the exact conclusion I have stated.

Mr. O'MAHONEY. Mr. President, in answer to the inquiry of the Senator from Minnesota, I think the distinguished Senator from Illinois might direct his attention to lines 13 to 19, inclusive, on page 2 of the bill as reported from the committee.

Mr. LEWIS. I yield to the Senator to read that language now, while I have the floor. My able friend from Minnesota may not have seen that provision.

Mr. O'MAHONEY. This makes it unlawful for any packer to—

Purchase or acquire, directly or indirectly, cattle, sheep, or swine for the purpose or with the intent of feeding and fattening such livestock in order to render it suitable for slaughter, or for any purpose other than the slaughter and processing thereof in a packing plant or plants owned, operated, or controlled, directly or indirectly, by such packer.

Obviously that language is so drawn that a packing house in the State of Illinois could not buy cattle for feeding from the next county, a packing house in the State of Iowa could not buy hogs from the next county, and that would be purely and completely intrastate commerce and absolutely without the jurisdiction of the Federal lawmaking body.

Mr. BENSON rose.

Mr. LEWIS. I appreciate the contribution of the Senator from Wyoming. I yield now to the Senator from Minnesota, who desires to say something, I fancy, in reply.

Mr. BENSON. Does the Senator from Wyoming contend, then, that the packing plant in Illinois which has been admitted to be a public utility could not be restricted from doing the very thing to which the Senator has referred, and the act still be constitutional?

Mr. O'MAHONEY. Absolutely; it could not be restricted | by this body unless it were engaged in interstate commerce.

We would have absolutely no such power.

Mr. BENSON. If the Senator from Illinois will pardon me, a little later I shall insert in the RECORD a letter from a very eminent lawyer, a former partner of one of the present members of the Supreme Court who took part in the majority opinion-

Mr. O'MAHONEY. He may be a partner of a member of the Supreme Court, but the Court itself spoke in the Schechter case. I doubt very much whether the opinion of the partner of the distinguished Justice would be binding

upon us.

Mr. BENSON. I am not contending that, nor am I contending that the Senate necessarily must be bound by everything the Supreme Court says and read what it says into every law affecting agriculture. It seems that the so-called eminent constitutional lawyers in this body expound at great length about the unconstitutionality of every measure introduced which may be of some benefit to agriculture. It seems to me they might apply their talents in the direction of some other legislation also. But just a little later I shall introduce the letter to which I have referred.

Mr. LEWIS. Mr. President, I think we may recall to the able Senator from Minnesota that a large number in this body, sufficient to make a majority, took just the opposite view in the Agricultural Adjustment Act, contending that the law in behalf of the farmers was constitutional, and fought for it and got it passed; but it was the Supreme Court of the United States which had the temerity to differ with the Senate and hold the law invalid.

I conclude; I have taken more time than I had intended I have one final thing to suggest, which is no matter of law from the books, but is the light and sentiment of sense at this time and what I feel to be a necessity of thought.

What is the meaning of this, that constantly more laws are suggested making it possible for the rights of the citizen to be passed on by some bureau official, by which the bureau official is to become not only the administrator of the affairs of the citizen in private life, but be his judge and his condemner and making him a criminal if he shall violate the regulations of the mere bureau officer? We have had enough of this. It has cost us very dearly. In many instances it has been justified by emergencies, but where there is no emergency to justify, it is an invasion upon the rights of the citizen, and it is time we should come to a cessation and an end of that invasion.

I must say this measure attempts to put power again in the hands of some official to sit in judgment upon the property, the practices, the business, the profession, and the liberty of the citizen. I oppose the doctrine. I join with those arguing that the pending measure should be sent back to the committee that it may be reframed and reshaped, then to be again brought to us in some expression of a constitutional law and the expression of equal justice.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Texas [Mr. CONNALLY].

Mr. FRAZIER. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Byrnes	Glass	Maionev
Capper	Guffey	Minton
Caraway	Harrison	Moore
Carey	Hatch	Murphy
Chavez	Hayden	Murray .
Clark	Holt	Neely
Connally	Johnson	Norris
Coolidge	Keyes	Nye
Copeland	King	O'Mahoney
Couzens	La Follette	Overton
Davis	Lewis	Pittman
Donahey	Logan	Pope
Duffy	Lonergan	Radcliffe
Fletcher	Long	Reynolds
Frazier	McGill	Robinson
George	McKellar	Schwellenbach
Gibson	McNary	Sheppard
	Capper Caraway Carey Chavez Clark Connally Coolidge Copeland Couzens Davis Donahey Duffy Fletcher Frazier George	Capper Guffey Caraway Harrison Carey Hatch Chavez Hayden Clark Holt Connally Johnson Coolidge Keyes Copeland King Couzens La Follette Davis Lewis Donahey Logan Duffy Lonergan Fletcher Long Frazier McGill George McKellar

Smith Thomas, Okla.

Townsend

Tydings Vandenberg Van Nuvs

Wagner Walsh Wheeler

The PRESIDENT pro tempore. Eighty Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Texas [Mr. CONNALLY].

Mr. FRAZIER. Mr. President, I understand the Senator from Minnesota [Mr. Benson] desires to introduce into the RECORD a letter he has received from the attorney of one of the livestock cooperative organizations of Minneapolis.

Mr. BENSON. Mr. President, if I may be permitted to do so, I should like to make a few brief remarks before a vote is taken on the pending question.

First. I desire to say that it has been intimated in the Senate that practically only one small farm organization or a very few farmers are in favor of the pending bill. In order that we may not be misunderstood, so far as Minnesota farmers are concerned, I desire to say that all the leading farm organizations in Minnesota are in favor of the bill. The Farmer's Holiday Association, the Farmers Union, the Farm Bureau, the State Grange, and many of the great cooperative organizations in Minnesota are in favor of the bill. The Central Cooperative Livestock Shipping Association of South St. Paul, the largest livestock shipping association in the world, favors the bill. The Land O'Lakes Cooperative Creamery of Minneapolis, the largest cooperative creamery dealing in dairy products in the world, favors the bill. The Midland Cooperative Oil Association favors the passage of the bill. The Minnesota Wool Growers favor it, as do many other cooperative organizations.

It has been stated by eminent constitutional lawyers that the pending bill is unconstitutional. I have in my hand a copy of a letter written by Mr. Wilfrid E. Rumble, an attorney in St. Paul, attorney for the cooperative associations of Minnesota, former partner of Pierce Butler, now one of the Associate Justices of the Supreme Court of the United States, and a member of his firm, Doherty, Rumble & Butler. I will

read that letter:

Sr. Paul, March 28, 1936. I understand that the California packing industries object to

S. 1424 upon the grounds that:

1. Section 2 of the bill prohibits producers from selling and the packer from buying livestock direct, and compels both industries to trade through a public stockyard.

2. Section 2 prohibits a packer from buying livestock for pur-

2. Section 2 prohibits a packer from buying livestock for purposes other than slaughter.

3. Sections 3 and 4 place the packer under the control of a governmental bureau with practically dictatorial powers to regulate its business and put it out of business.

The objections urged by the California packing industries are typical of the misunderstanding which exists with respect to this bill. Perhaps a short résumé of each section of the bill will be helpful. It should be borne in mind that this résumé shows the only respects in which the present Packers and Stockyards Act is

neight. It should be borne in mind that this resume shows the only respects in which the present Packers and Stockyards Act is changed by the bill.

Section 1: (a) Prohibits a packer from owning and operating or controlling stockyards doing an interstate business (except receiving pens at the plant of the packer) which are not registered with the Secretary of Agriculture as provided in the act.

(b) Prohibits a packer from purchasing livestock for feeding and fettering or for any purchase great sleughter.

(b) Prohibits a packer from purchasing livestock for feeding and fattening or for any purpose except slaughter.

Section 2: (a) Authorizes the Secretary of Agriculture to conduct hearings where he believes a packer has violated the act and to compel the packer to attend the hearing.

Section 3: Authorizes the Secretary of Agriculture to suspend or revoke the registration of any packing plant in the event the packer-owner falls to obey an order of the Secretary or after hearing is found guilty of a violation of the act.

Section 4: (a) Gives the United States district courts jurisdiction to compel compliance by packers with the provisions of the act or any order of the Secretary made pursuant to the terms of the act.

(b) Authorizes the United States district courts to fine any packer or packer officer or employee found guilty of violating the act not less than \$500 nor more than \$10,000 for each violation, and each day during which any such violation continues is to be deemed a separate offense.

Section 5: Defines the term "stockyard" as—

(1) Any place in which livestock are received, held, or kept for sale or shipment in commerce, and in which the normal area available for handling livestock exceeds 20,000 square feet; or

(2) Any such place in which livestock are received or held in

connection with the sale thereof in interstate commerce to packers, and where during the preceding calendar year the total

number of such livestock so handled was in excess of 35,000 head.

number of such investock so handled was in excess of 35,000 head. (The first of these definitions is substantially the same as that now found in the Packers and Stockyards Act.)

Section 6: This section amends the present section 303 of the act by adding to it a requirement that market agencies or dealers. at registered stockyards must post bonds to secure their financial

Section 7: Authorizes the Secretary to prescribe reasonable rules relating to the weighing, fill, dock, or grades of livestock in interstate commerce. The section expressly provides that the Secretary shall not employ or designate any person to weigh, fill, dock, or grade livestock.

Section 8: Makes any packer, stockyard owner, market agency, or dealer who violates the act or any order of the Secretary liable in damages to persons injured by such violation.

Section 9: (a) Authorizes the Secretary, after hearing, to suspend the registration of a market agency or dealer found to be

unable to meet his financial obligations.

(b) Authorizes the Secretary to suspend any stockyard owner, market agency, or dealer found to have violated the provisions of subdivision (f) of section 306 or section 307, or section 312 or orders of the Secretary made under such sections for not to exceed

2 years.

(c) Provides a fine of \$1,000 or imprisonment for not more than 1 year or both in the event of operation during a period of suspension and authorizes the proper court to enjoin the operation of a stockyard or market agency or dealer during the period of suspension.

Section 10: (a) Requires packers, stockyard owners, market agencies, and dealers to keep adequate records; authorizes the Secretary to require annual reports from them; gives to the Secretary access to such records and the right to prescribe the form in which they shall be kept; and provides a fine of not more than \$5,000 or imprisonment for not more than 3 years in the

event of a violation of the section.

(d) Authorizes the Secretary to examine and copy books and records subject to the section, and provides penalties for any person obstructing the Secretary in his efforts to make such

examination.

(c) Gives to the district courts of the United States authority to compel packers, stockyard owners, market agencies, or dealers to comply with the provisions of the section.

Sections 11, 12, and 13 are saving clauses and not particularly

think the foregoing brief analysis of the provisions of the tillik the foregoing orier analysis of the provisions of the bill conclusively demonstrates that there is absolutely no founda-tion for objections 1 and 3 urged by the California packing indus-tries. Objection 2 is based upon a sound ground. The act does prohibit the packers from buying livestock for purposes other than slaughter, and the only question is whether such a prohibition is desirable.

To summarize: (1) The bill does not prohibit the producer from selling or the packer from buying livestock direct.

The bill does not compel producers and packers to trade through

public stockyards.

(2) The bill does prohibit packers from buying livestock for purposes other than slaughter.

(3) The bill does not give to any governmental bureau dictatorial powers to regulate the packing business; it does not impose exorbitant daily fines for violation of any bureau's regulations, and it does not give to any governmental bureau power to put packers out of business, although for violation of the provisions of the law the packer's r.ght to do business may be suspended. The latter is a power which Congress has long given the Secretary of Agriculture with respect to market dealers and other market greenies. The regulation provided for in the act, is reasonable. of Agriculture with respect to market dealers and other market agencies. The regulation provided for in the act is reasonable, if one keeps in mind the fact that the packing industry is affected with a public interest. It is not nearly so stringent as the regulation of other industries affected with a public interest heretofore granted by Congress to various Government officials and departments, and particularly it is no more severe or stringent than the regulation of market agencies and dealers heretofore granted by Congress. fore given to the Secretary by Congress. Yours very truly,

WILFRID E. RUMBLE.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. BENSON. I yield.

Mr. LEWIS. Is the Senator not conscious of the fact that the very bill we are discussing was written by the gentleman who writes that letter, acting as counsel—and legitimately so-for a cooperative association?

Mr. BENSON. I am proud to state that I believe, although I do not know, that Wilfrid Rumble probably had a large part in drawing this bill; and that is all the more reason I am proud to cite his letter.

Mr. LEWIS. What is the date of the letter?

Mr. BENSON. March 28, 1936. Mr. LEWIS. It shows an honest conviction on his part and a devotion to the measure rather than to the principles underlying it, as I see it.

Mr. BENSON. Mr. President, in conclusion I merely wish

lawyers in this body, whether they be constitutional lawyers or not, come to the defense of at least one bill that is proposed in the interest of agriculture.

Mr. CONNALLY. Mr. President, the Senator has not been here very long. Why does he make that statement? The Senate has passed measure after measure and measure after measure in behalf of agriculture. Why does the Senator insinuate here that Senators, lawyers who are Members of this body, are not favorable to agriculture?

Mr. BENSON. Probably the reason I made the statement is because I have not been here long, and I have not heard any Senator here as yet defend the constitutionality of a measure introduced in the interest of agriculture.

Mr. CONNALLY. The Senator just asked, Why did not somebody speak up for agriculture. The Senator has not been here or he has had his mind absolutely closed to the press for the past 3 years. If he knew what had been going on he would not make that statement, if he wanted to be fair.

Mr. BENSON. I think I want to be fair, just as fair as is the Senator from Texas; but I wish to say, in conclusion, that I recognize the fact that some of the interests engaged in the livestock industry are opposed to this measure, and justly so. I recognize the fact that the livestock interests of the State of Texas-that is, the large ranchers of the State of Texas, and probably the large ranchers in Oklahoma, New Mexico, Arizona, and Montana-might be opposed to this measure, and very justly so; but I also recognize the fact that in those same States there are great numbers of small farmers who are engaged in raising livestock, and they, too, have certain rights. Those are the farmers in whom I am exclusively interested in my State, because we do not have large livestock interests; our farmers are all small farmers who are engaged in feeding cattle on a small scale as compared with the States in the Southwest and the far West. For that reason I think I am justified in taking the position I do, that all the farmers in my State favor this bill, and very honestly so.

If I may refer to the matter the Senator from Texas just mentioned; that is, what he thought to be the unkind remark that I made about the constitutional lawyers of the Senate-I hope that the other Senators will excuse me if the Senator from Texas will not; but I, for one, at least, think it is about time that Members of the United States Senate, and especially the lawyers of the body, should say something in defense of the right of Congress to enact laws which they believe to be constitutional and not continually refer to the acts of the Supreme Court in trying to coerce the Senate and the House into not passing laws.

I firmly believe that the opinions of the Supreme Court are, in many instances, largely influenced by the economic views of the judges of that Court, and I do not hesitate to say so here. I refer particularly to a recent decision by the Justice from my State, Mr. Pierce Butler. I believe that his opinion in the North Dakota railroad valuation case was purely an economic decision, because prior to the time he took his seat on the bench of the Supreme Court of the United States he was in the employ of every railroad in the United States in the very matter affecting his decision, and that is railroad valuation. I was very happy when the Senator from Michigan [Mr. Couzens] the day following the handing down of that decision introduced into the Record in the Senate editorials that appeared in the Washington newspapers which were critical of that decision and held it up to scorn and ridicule, as it should have been.

Mr. CONNALLY. What happened to the decision?

Mr. BENSON. The decision still stands, and the Supreme Court still stands as having set itself up as a canvassing board to overrule the State tax commission in North Dakota in providing a valuation of railroads, and it completely reversed itself in the matter of valuation for taxation purposes in contrast to its opinion when it came to write an opinion for the purpose of fixing rates for public utilities; and I do not hesitate to say so.

Mr. FRAZIER. Mr. President, the bill under discussion is an amendment to the Packers and Stockyards Act, its to say that I should like very much to have some of the purpose being to carry out or further the provisions of the original act. When the original Packers and Stockyards Act was introduced, it was fought by the packers, it was fought by the big livestock growers of the country. It was passed over the protest of the big packers; but it was passed and all it did was to give the Secretary of Agriculture the right to regulate, to a small extent, the packers in the central markets. However, the packers did not like that; they did not want any regulation; so they went into court to defeat it, and finally went clear to the Supreme Court of the United States. In a case known as Stafford v. Wallace (297 U.S.) the Court-and I think Chief Justice Taft wrote the opinion at that time-upheld the law. So then the packers, of course, tried to get around the law and they adopted a system of direct buying, setting up concentration buying markets out in the country and sending individual buyers out to get the farmers to bring their livestock into the centralization points, where the livestock is bought by a representative of some big packer without any competition. In a central yard there is competition. The packers in the central yards did not like to have the Department in Washington have anything to say about how they should buy their cattle or to impose regulations or anything of that kind and so they started buying directly from the farmers.

When the farmer takes his truck load of cattle or hogs or sheep or whatever it may be to one of the concentration points, the buyer says, "The market in St. Paul or Chicago or Omaha, or wherever it may be, is so-and-so. It costs so much freight. I will pay you so much for your cattle or hogs or sheep, or whatever it may be." The price is based on the price at the central market. The price in the central market is fixed by the competition of the cattle or hogs or sheep which come into that central market. The fewer that come into the central market and the more inferior the grade the lower the price.

The direct buyers buy the cream of the stock out in the little concentration points. The best grades do not come into the central markets and do not establish the price which they would establish if they were sold in the central markets. The result is the farmers are paid a lower price for their products, because the price which is paid at the centralization points is based on the price at the market where there is little competition.

Mr. CAREY. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Wyoming?

Mr. FRAZIER. I yield.

Mr. CAREY. Are the large packers buying anything except hogs at concentration points? Are there any large yards which the packers are operating where they buy cattle?

Mr. FRAZIER. Oh, yes; they buy cattle.

Mr. CAREY. Do packers such as Cudahy and Armour operate in concentration yards and buy cattle there?

Mr. FRAZIER. Perhaps at none of the big concentration yards, but they send their agents throughout the country to buy and bring the livestock in to those little concentration points on the railroads.

Mr. CAREY. Is there anything to compel the farmer to sell his cattle to them?

Mr. FRAZIER. Oh, no. And of course this bill cannot affect the small places unless, as provided in the bill, they handle at least 35,000 head a year.

Mr. CAREY. Is it not the purpose of the bill to put out of business the concentration yards where they buy at all?

Mr. FRAZIER. Not to put them out of business. It is to bring them under the regulation of the law. Is there any objection to Swift & Co. or Armour & Co., who have concentration points in some of the States, being brought under the regulation of the law just the same as the yards at Chicago or Kansas City or Omaha or St. Paul?

Mr. CAREY. The Secretary of Agriculture has the power under the present act to see that no unfair practices are indulged in by the packers at that yard or any other yard. The only difference is that under the pending bill those yards become public yards and anyone can do business there as well as the packers.

Mr. FRAZIER. The Senator will admit that out in the country, in some small towns where the packer buys, there is no competition. There is only one buyer there.

Mr. CAREY. Suppose a man comes out to my ranch to buy cattle from me.

Mr. FRAZIER. The provision would not affect a case of that kind at all.

Mr. CAREY. But there is no competition there. The seller is supposed to have sense enough to ask a fair price for what he is selling. If he does not think he is offered a fair price, he can go to the larger yards and find another buyer. The farmer does not have to sell at the smaller places. He sells because he wants to do so and because he saves commission and yardage charges.

Mr. FRAZIER. I shall go into that saving question a little later. The testimony which was submitted to our committee when we had this bill under consideration showed conclusively that there is no saving to the farmer; in fact, it is the other way.

A good deal has been said about subparagraph (i), on page 2 of the bill, relating to the feeding of livestock. As I understand, that provision was inserted in the bill at the direct request of the Department of Agriculture. The Department felt that the farmers should be encouraged to feed their own livestock on their own farms and finish it and have it ready for slaugther when it was taken to market, and not have the packers buy the stock and feed it in the towns. The more cattle that are fed on the farms, the more grain and feed is used and the more manure is left on the farms for fertilizer.

All these things are very essential and very beneficial. The provision was put in the bill for that purpose—to encourage the farmers to finish off their cattle on their own farms or ranches and have them ready for slaughter when sold.

Of course, if there should be five or six head among a carload of cattle that are not fit for what we call first-class beef, they can be sold as "canners." Any farmer who has ever sold cattle knows what "canners" are. They are supposed to be used for canned beef.

In that connection, if anyone goes into a meat market or store in this city or any other city of the United States to buy canned beef, they will find that it is not packed here in the United States. We do not put up canned beef in the United States. It is all shipped in from South America. That is a long story, too long to go into at this time, but that is the fact. If any Senator does not believe it, let him go into any store and ask for a can of American canned beef. He will not get it. He will get canned beef, but it will be seen that it comes from some place in South America, but put up by one of our own meat packers.

There is nothing to that argument at all. I do not believe that particular paragraph would be held unconstitutional, according to the opinion of the Court in many other cases, particularly in the North Dakota grain-grading case, involving an act of our State legislature relating to the grading of wheat. In that case the Supreme Court of the United States held that when the farmer loaded his wheat in his wagon to take it to the local elevator and sell it, it was in interstate commerce and it was up to the United States Congress to say how it should be graded and not for the State legislature.

An extract from the decision in the packer case which was read here indicates that the decision of the Court at that time was that such livestock came into interstate commerce. There is no question about that. It always makes me just a little bit tired, to put it in plain English, to have some constitutional lawyer rise and suggest that a given measure is going to be held to be unconstitutional. We cannot tell under our system whether a measure is constitutional or unconstitutional until the Supreme Court has passed on it, and even they oftentimes pass on it by a 5-to-4 decision. It often seems hard for the Court itself to decide whether or not a law is constitutional.

Mr. O'MAHONEY. Mr. President-

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Wyoming?

Mr. FRAZIER. I yield.

Mr. O'MAHONEY. As I understand, the Senator is expressing an opinion that the particular paragraph was inserted in the bill at the request of the Department of Agri-

Mr. FRAZIER. That is what I have been told.

Mr. O'MAHONEY. I have here a letter which the Secretary of Agriculture submitted to the committee. It was published in the RECORD of March 30. With respect to this particular subdivision the Secretary of Agriculture said:

Subdivision (i) would prohibit a packer from acquiring livestock for any purpose other than slaughtering and processing in a packing plant owned by the packer. The Department has never made an intensive study of the economic effect of packer feeding on the various interests in the livestock industry, consequently it is not in position to make definite recommendations as to the proper action to be taken with respect to legislation dealing with the elimination or regulation of this practice.

Then the concluding sentence of the paragraph, in which the Secretary of Agriculture discusses the provision, reads as follows, referring to the packers:

In this way livestock producers, especially those in areas having few public markets, have been provided with an economic service which apparently has been beneficial to them. In addition, there is reason to believe that the practice on the part of some packers in certain areas of buying all livestock offered and of feeding livestock to insure a steady supply of slaughter animals makes for greater price stability in those areas than might otherwise prevail.

Mr. FRAZIER. What is the date of the letter?

Mr. O'MAHONEY. The date of the letter was June 6, 1935.

Mr. FRAZIER. That was long after the bill was prepared. The hearings were held in March 1935.

Mr. O'MAHONEY. This is the report of the Secretary of Agriculture upon the bill which the Senator is asking the Senate to pass.

Mr. FRAZIER. The Secretary of Agriculture changes his mind sometimes just as attorneys do and just as the Supreme Court of the United States does. I did not say the Secretary of Agriculture advocated this provision, but someone in the Department who was interested in the enforcement of the Packers and Stockyards Act did advocate it.

Mr. CAREY. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Wyoming?

Mr. FRAZIER. I yield.

Mr. CAREY. I have been advised, and I am sure, correctly, that this bill was written by the attorney for the Kansas City stockyards.

Mr. FRAZIER. The Senator is entirely mistaken if he was advised that way.

Mr. CAREY. Who did write the bill?

Mr. FRAZIER. A number of the attorneys of the various farm organizations were instrumental in framing the bill, so I am informed by those who are backing the bill.

Mr. CAREY. Is the Senator from North Dakota sure the bill was written here in Washington?

Mr. FRAZIER. I do not know where it was written.

Mr. CAREY. The bill never was amended by the committee in any respect.

Mr. FRAZIER. No; I do not think any amendments were made in the committee.

Mr. CAREY. There never was a hearing on this particular bill; was there?

Mr. FRAZIER. Oh, yes.

Mr. CAREY. On this particular bill?

Mr. FRAZIER. On this particular bill. Here is a copy of the hearings.

Mr. CAREY. On this general subject there were hearings; but were there any hearings on this particular bill after it

Mr. FRAZIER. This bill was rewritten after the hearings; but they were on this subject, and practically on this bill.

Mr. CAREY. Were not the hearings on another bill that had been introduced? What is the number of the bill on which the hearings were held?

Mr. FRAZIER. Three bills were considered at the hearings-Senate bill 2133, Senate bill 2621, and Senate bill 3064. Mr. CAREY. This bill is Senate bill 1424.

Mr. FRAZIER. Yes. The hearings were held in 1934. This bill was reintroduced at the next session, and it was considered by the committee without any further hearings, and reported out; but it is practically the same bill on which the hearings were held.

Mr. President, the statement has been made that a measure of this kind would involve additional expense to the farmers. I wish to read a paragraph or two from W. E. Rumble, counsel of the Farmers' Live Stock Marketing Association, of St. Paul. Minn. This is the same man who wrote the letter which I think the Senator from Minnesota [Mr. Benson] read.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. FRAZIER. Yes.

Mr. CONNALLY. That is the same Mr. Rumble who wrote the bill, and who is getting paid for propagandizing for the bill, is it not?

Mr. BENSON. That is correct. Mr. FRAZIER. He is attorney for a cooperative livestock organization out there, and, of course, attorneys have to do something to earn at least a part of the pay they get, whether it is propaganda work or whatever it may be called; and I understand that he was one of the men who helped draw this bill. I do not hold any brief for any of these attorneys, nor for the high salaries they get; but a great many Senators seem to think that anybody who draws a high salary is all right, regardless of what he represents. A big vote was cast here the other day confirming the appointment of a man apparently because he drew a big salary, and therefore he must be all right.

Mr. BENSON. Mr. President, will the Senator yield to me? Mr. FRAZIER. I yield.

Mr. BENSON. I may say to the Senator from Texas that the same Mr. Rumble, who is attorney for the livestock interests that are interested in this bill and some of the farm organizations that are interested in the bill, is also the former partner of a member of the Supreme Court for whom the Senator from Texas apparently has such great regard. That may cast some light on the matter.

Mr. CONNALLY. Mr. President, I have not expressed my great regard for Mr. Justice Butler. I suppose he is the one to whom the Senator refers. Frequently I do not agree with Mr. Justice Butler; but I do regard him as a man of great ability, and a man of integrity, and a man of learning in the law.

Mr. FRAZIER. There is no question about that.

Mr. CONNALLY. Because a member of a court delivers a decision that does not suit the political desires of some Senator, I would not rise up and condemn him; neither am I condemning Mr. Rumble. I simply pointed out that a man who himself writes a bill, and is getting paid to advocate it, is not one who is going to attack it very violently.

Mr. FRAZIER. Mr. Rumble said, in speaking to the committee:

When you adopted the Packers and Stockyards Act of 1921, you intended to regulate the activity of packers. Regardless of that intention, you have wholly failed to regulate the packers to any extent whatsoever.

And he went on to say that the only regulation is a little in the central yards, and that to get around that the packers are buying the bulk of the livestock out in the fields, instead of at the central yards.

I wish to read briefly from a statement made by Mr. Carnes. Mr. Carnes is the general manager of the Central Cooperative Association at St. Paul, Minn.; and he refers to a statement made by Prof. R. C. Ashby, associate chief of livestock marketing, University of Illinois. I am sorry the Senator from Illinois [Mr. Lewis] is not on the floor at the moment, because I am sure he would agree with an eminent professor of his State university.

Mr. Carnes, in his statement, gave some figures that are rather interesting, and they were quoted from the statement of Professor Ashby:

Packers buying direct are constantly pointing out to the producers the great savings they can make in marketing costs by moving their livestock to interior points. Professor Ashby pointed out that it has been estimated that the producers of this country received \$721,000,000 for their livestock in 1932. The packer paid \$861,000,000 for this livestock.

In other words, it cost the farmers \$140,000,000 to get their | livestock from the farms, or wherever they sold it, to the packers-\$140,000,000!

Then Professor Ashby estimates that in the same year, 1932, the consumers of these finished meat products paid \$1,656,000,000. There is a difference there of \$935,000,000 that it cost the consumers to get the meat that was sold to the packers for that much less. In other words, the farmers that year, according to these figures, got 431/2 cents out of the consumer's dollar for meat. The amount they get ought to be practically twice that much; but, of course, the packers want to make money. The intention of this bill is to give the farmer a little better price for his products, and I presume it would mean that the profits of the packers would be cut down a little, and that is why they are fighting it.

A day or two ago a statement was made criticizing the United States Livestock Association, saying that it was composed of stockyard men, and so forth. A statement was made before the committee by Mr. D. M. Hildebrand, who is the president of that organization. I myself asked him, when he was before the committee, if he was a farmer or a feeder of livestock, and he said he was both. He said:

I feed from 500 to 700 head of cattle every year. I have been feeding from 1,000 to 2,000 head of hogs per year

Showing that he himself is an actual farmer and feeder. Of course the feeders of livestock throughout the country are interested in the farmers' having a chance to feed this stock and fatten it for market, rather than have the little packing company or the big packing company go out and buy the stock and take it to the packing plant and feed it.

Here is a statement from George W. Hobbs, of Kansas City, Mo., general manager of the Farmers' Union Livestock Commission Co. at that place. He says:

The producers of hogs are hoodwinked into believing that they actually save marketing expense and that they should be thankful that they have a packer-buyer in their territory to look after their interest. Just because an account sale rendered by a packer or his representative does not show a deduction for marketing expense is no sign that he, the packer, has not paid enough less than the open competitive market price, through the advantages which he has in weighing, grading, sorting, and docking to more than offset such marketing expense

Of course, Mr. President, that is naturally to be expected. The packers go to the expense of sending out a high-powered salesman to buy these cattle or hogs. They pay all of his expenses while he is out on the road, and he chases all over the country, or sends other men around over the country to get the farmers to bring in their stock to that particular centralization point, and it costs a lot of money. Do not ever think that it is not charged up to the producer of the hogs and taken out of the price of his product.

Here is another paragraph from the same gentleman, Mr. Hobbs:

If the open public markets were completely destroyed, doesn't it stand to reason that the packers would establish the price of hogs wholly without competition? The public markets where buyers compete with each other have always established this price. In all my years' experience I have never heard of a price advance in any commodity offered for sale unless there was competition.

Mr. President, of course that is the case. The hogs or cattle or sheep that are sold out in the country or in small towns, or big towns either, in the concentration plants are sold on the basis of the price that is made by the small degree of competition that there is in the central markets; and there is no competition out where cattle or hogs are bought under the direct system. That is what we are trying to do away with by this amendment—the direct system of buying.

I suppose, if we succeed in having this amendment adopted, the packers will find some way to get around it; or perhaps, as some of the Members have suggested, they will take it into court and have it declared unconstitutional. We have a different Supreme Court than the one which passed on the act before, and perhaps the present members of the Court have different opinions of what is constitutional or unconstitutional.

Mr. President, in closing I desire to say that the big packers are against the pending bill, that the big stockmen

who raise a few cattle and a few sheep and a few hogs, together with other farm products, are practically unanimously in favor of the bill and in favor of doing away with direct buying.

The farmers have set up livestock shipping associations. It has been customary to ship once a week or perhaps once in 2 weeks, according to the amount of stock ready for shipment, and for notice to be sent to the farmers who had stock ready for market to bring it into town. The stock was loaded into cars, and someone was selected to go to the market with the cattle and the hogs, and the farmer would get the market price with the actual expenses deducted.

These cooperative shipping associations have practically all been forced out of business by the adoption of the custom of direct buying. Of course, one of the reasons for the direct buying was the desire to put the cooperatives out of business, and practically all of them have been put out of

I think the proposed substitute is all right so far as it goes, but it does not go far enough to remedy the situation we are attempting to remedy. It would not do away with the direct buying we are trying to prevent. So I hope the substitute will be voted down.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Texas [Mr. CONNALLY].

Mr. CONNALLY, Mr. McNARY, and Mr. NORRIS asked for the yeas and nays, and the yeas and nays were ordered.

Mr. CONNALLY. I suggest the absence of a quorum. The PRESIDENT pro tempore. The clerk will call the

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	Keves	Overton
Ashurst	Clark	King	Pittman
Austin	Connally	La Follette	Pope
Bachman	Coolidge	Lewis	Radcliffe
Bailey	Couzens	Logan	Reynolds
Barbour	Davis	Lonergan	Robinson
Barkley	Donahey	Long	Schwellenbach
Benson	Duffy	McGill	Sheppard
Bilbo	Fletcher	McKellar	Smith
Black	Frazier	McNary	Thomas, Utah
Bone	George	Maloney	Townsend
Borah	Gibson	Minton	Truman
Brown	Glass	Moore	Vandenberg
Bulkley	Guffey	Murphy	Wagner
Burke	Hatch	Neely	Walsh
Byrnes	Hayden	Norris	Wheeler
Capper	Holt	Nye	
Carey	Johnson	O'Mahoney	

The VICE PRESIDENT. Seventy Senators have answered to their names. A quorum is present.

Mr. MURPHY. Mr. President, before the vote is taken I should like to say, in explanation of the vote I shall cast, that I shall vote against the proposed substitute for the reason that I do not desire to defeat action on the Capper bill, and, further, because the door will still be left open to me to offer such parts of my bill as are not in conflict with the Capper bill as amendments to the Capper bill.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MURPHY. I yield. Mr. BARKLEY. I have been studying the Capper bill and the bill of the Senator from Iowa, and the impression I have received from that study is that the bill of the Senator from Iowa is not an appropriate substitute for the Capper bill, because it deals with a different situation. It might be appropriately offered as an amendment to the Capper bill, extending its provisions to the field covered by the bill of the Senator from Iowa, but it is not, strictly speaking, a substitute for the Capper bill. Am I correct about that?

Mr. MURPHY. Absolutely correct; even freely speaking, no less than strictly speaking.

The VICE PRESIDENT. The question is on agreeing to the amendment in the nature of a substitute offered by the Senator from Texas [Mr. Connally]. The year and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BILBO (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. Dickinare against the bill; but the farmers, the ordinary farmers, sowl. I transfer that pair to the junior Senator from Oklahoma [Mr. Gore] and vote "yea." I am not advised how either of these Senators would vote on this question.

Mr. BLACK (when his name was called). On this vote I have a pair with the senior Senator from Rhode Island [Mr. Metcalf]. In his absence I withhold my vote.

Mr. BROWN (when his name was called). On this vote I have a pair with the junior Senator from Illinois [Mr. Dieterich]. I understand if present that Senator would vote "yea." If permitted to vote, I should vote "nay."

Mr. BYRNES (when his name was called). I have a pair with the junior Senator from Rhode Island [Mr. Gerry]. If he were present he would vote "yea." If permitted to vote, I should vote "nay."

Mr. GIBSON (when his name was called). I have a pair with the junior Senator from South Dakota [Mr. Bulow]. Not knowing how he would vote, I withhold my vote.

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Minnesota [Mr. Shipstead], which I transfer to the junior Senator from Arkansas [Mrs. Caraway], and vote "yea."

Mr. McNARY (when his name was called). I have a pair with the senior Senator from Mississippi [Mr. Harrison], who is unavoidably detained from the Senate. Not knowing how he would vote on this question, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. VANDENBERG (when his name was called). On this vote I have a pair with the junior Senator from Florida [Mr. Trammell], who is detained from the Senate on account of illness. Not knowing how he would vote on this question, I withhold my vote.

The roll call was concluded.

Mr. DUFFY. I have a pair with the Senator from Nevada [Mr. McCarran], who is unavoidably detained from the Senate. If present, he would vote "yea" on this question. If at liberty to vote, I should vote "nay."

Mr. BURKE. I have a pair with the junior Senator from Virginia [Mr. Byrd]. If present, he would vote "yea" on this question. If I were at liberty to vote, I should vote "nay."

Mr. HOLT. I have a pair with the Senator from Maine [Mr. Hale]. If present, he would vote "yea" on this question. If at liberty to vote, I should vote "nay."

Mr. WALSH. The Senator from Montana [Mr. Murray] is detained in a meeting of the Committee on Education and Labor in a hearing on silicosis diseases among miners.

Mr. LEWIS. The Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. Costigan], the Senator from Rhode Island [Mr. Gerry], and the Senator from California [Mr. McAdoo] are detained from the Senate on account of illness.

The Senator from New York [Mr. COPELAND], the Senator from Mississippi [Mr. Harrison], the Senator from Oklahoma [Mr. Thomas], the Senator from Maryland [Mr. Tydings], and the Senator from Indiana [Mr. Van Nuys] are detained in important committee meetings.

The Senator from South Dakota [Mr. Bulow] is detained on departmental business pertaining to the State of South Dakota.

The Senator from Virginia [Mr. Byrd], the Senator from Arkansas [Mrs. Caraway], the Senator from Illinois [Mr. Dieterich], the Senator from Oklahoma [Mr. Gore], and the Senator from Georgia [Mr. Russell] are unavoidably detained.

The Senator from Pennsylvania [Mr. Guffey] and the Senator from Connecticut [Mr. Maloney] are detained on matters pertaining to the recent flood situation in their respective States.

I am authorized to say that my colleague [Mr. Dieterich], were he present and voting, would vote "yea" on this question.

I announce that the Senator from Georgia [Mr. Russell] is paired with the Senator from Indiana [Mr. Van Nuys]. If present, the Senator from Georgia would vote "yea", and the Senator from Indiana would vote "nay."

Mr. BARKLEY. I have a general pair with the senior Senator from Delaware [Mr. Hastings], who is unavoidably detained from the Senate. I transfer my pair to the junior Senator from Alabama [Mr. Bankhead], and will vote. I vote "nay."

Mr. AUSTIN. I announce the following pairs:

The Senator from Oregon [Mr. Sterwer] with the Senator from Oklahoma [Mr. Thomas]; and

The Senator from California [Mr. McAdoo] with the Senator from South Dakota [Mr. NORBECK].

On this vote the Senator from Oregon and the Senator from California would vote "yea" if present; the Senator from Oklahoma and the Senator from South Dakota would vote "nay" if present.

I also announce that the Senator from Maine [Mr. White] has a general pair with the Senator from Colorado [Mr. Costigan].

I further announce that the Senator from Rhode Island [Mr. Metcalf], if present, would vote "yea" on this question. The result was announced—yeas 32, nays 27, as follows:

YEAS-32

Adams Ashurst	Chavez Connally	Hayden Johnson	Pittman Radcliffe
	Coolidge		
	Davis	King Lewis	Sheppard
	Fletcher		Smith
	TARREST STORY CONTRACT	Lonergan McKellar	Thomas, Utah
	George Glass		Townsend
	Hatch Hatch	O'Mahoney Overton	Wagner
Carey	насси	Overton	Walsh
	NAT	7S—27	
Barkley	Couzens	McGill	Pope
Benson	Donahey	Minton	Reynolds
Bone	Frazier	Moore	Robinson
Borah	Keyes	Murphy	Schwellenbach
Bulkley	La Follette	Noely	Truman
Capper	Logan	Norris	Wheeler
Clark	Long	Nye	
	NOT VO	TING-37	
Bankhead	Dickinson	Holt	Steiwer
	Dieterich	McAdoo	Thomas, Okla.
Brown	Duffy	McCarran	Trammell
	Gerry	McNary	Tydings
	Gibson	Maloney	Vandenberg
Byrd	Gore	Metcalf	Van Nuys
Byrnes	Guffey	Murray	White
Caraway	Hale	Norbeck	Control of the second
Copeland	Harrison	Russell	
Costigan	Hastings	Shipstead	

So Mr. Connally's amendment in the nature of a substitute was agreed to.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill as amended.

The bill was ordered to be engrossed for a third reading and was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. CONNALLY. Mr. President, in all fairness to the Senator from Iowa [Mr. Murphy], who offered the bill which I moved be adopted as a substitute for the Capper bill, and who voted against adopting his own bill, I believe the bill should be sent back to the Committee on Agriculture and Forestry. I, therefore, move that the bill be recommitted to the Committee on Agriculture and Forestry.

Mr. NORRIS. Mr. President, I hope the motion will be defeated. At the risk of repeating some of the things I said the other day I desire to give my reasons.

The bill, as it now stands, is the bill of the Senator from Iowa [Mr. Murphy]. While the Senate voted to substitute it for the other bill, I do not think it will accomplish as much as the other would accomplish if enacted into law. However, I concede that outside of one proposition it is a very meritorious bill. I think it ought to be enacted into law.

Those who favored its substitution for the Capper bill dwelt very largely upon the fact that it had the approval of the Department of Agriculture. The Senator from Texas [Mr. Connally], who made the motion to substitute the Murphy bill, has had his way about it. It has been substituted and now the Senator from Texas wants to send the bill back to the Committee on Agriculture and Forestry.

Is it possible that those who favored the substitute were after all using it only as a club in order to defeat all legislation on the subject? Is it possible that the Senate has been deceived into the idea of agreeing to the amendment only for the purpose of killing the entire measure? Everyone knows that if the bill goes back to the committee that means its death.

Mr. President, I desire to have the attention of the Senator from Iowa [Mr. Murphy], who introduced the bill at the request of the Department of Agriculture. I understand the bill was drawn by the Department of Agriculture and introduced by the Senator from Iowa at the request of the Department of Agriculture. The Senate has substituted that bill in the place of the Capper bill, and now the Senator who made the motion to substitute wants to kill the Murphy bill as well as the Capper bill.

The Committee on Agriculture and Forestry has had this subject under investigation for many, many years. Let me go back a little into the history of the matter. The country was shocked quite a number of years ago when the Federal Trade Commission made an investigation of the packers' situation. The investigation disclosed some dishonorable, disreputable, dishonest practices on the part of the then five big packers of the United States. Mr. Heney was the attorney at that time for the Federal Trade Commission. The Commission spent months in investigating the matter. The Commission's published report is full of accounts of things which were done by the packers in the control of the purchase of stock from the stockmen of America by which the producers of stock were robbed, and no benefits went to the consumer. I am not going into that matter. Several volumes of the report of the Commission were published.

Later on, during President Wilson's administration, the packers' activities were investigated by the Committee on Agriculture and Forestry. That committee, under the chairmanship of the late Senator Gronna, of North Dakota, spent weeks and weeks in the investigation. I remember that when that investigation was going on I think I myself made the suggestion to the committee that it ought to employ an attorney. The Senate had not made any provision for it. We had no money with which to hire a lawyer.

I was authorized by the committee to take up the matter with Mr. Heney, who, I think, was then in New York. I may be wrong about some of the details, because quite a number of years have elapsed since these things happened. We knew that probably he was better informed on the conditions surrounding the packing industry of the United States than almost any other man. I was authorized to ascertain whether he would agree to act as attorney for the committee to cross-examine the packers. They were all to be on the stand and all to be cross-examined. Let me say, to the credit of Mr. Heney, that in reply to my suggestion he said, "I will act as attorney and be of any benefit I can to the committee without any compensation whatsoever." He took charge of the investigation. It was another investigation much like that conducted by the Federal Trade Commission. We spent weeks and months at it.

We reported a bill, of which, as I remember, the late Senator Kenyon, of Iowa, was one of the authors. That bill was fought here, opposed by the packers. Some remarkable disclosures were then made. The idea was to try to establish in the United States a free market, where the buyer of stock and the producer of stock would face each other in direct competition, so that there might be a free, open, uncoerced, honest market. That was the idea of all the investigations and all the bills.

The bill was passed and the act went to the Supreme Court and was there sustained. Other amendments were made to the law and rulings were made in the Department of Agriculture. It is my opinion, although I am not going to offer any proof of it, that the great packers really had spies in the Department of Agriculture. I do not mean the Department of Agriculture was wrong, but they were deceived a good many times by experts. The packers had the best experts in the United States in the business. Mr. Heney was probably the best equipped man to compete with them.

Decisions and rulings were made one after another. The packers would always get around them in some way or another. For instance, we provided by law that they must surrender and give up their ownership of stockyards. That is one of the things we tried to accomplish and one of the things that was accomplished by law. The packers were

sued by the Federal Government under President Wilson's administration. That is when the famous consent decree was entered. A great deal of litigation and some legislation followed in regard to it.

Other bills were introduced. Other investigations took place. Finally the packers commenced a system of direct buying. Previously that had been practically unknown. When they were surrounded by rules and regulations and court decrees, driven from one point to another, they finally commenced the plan of direct buying to affect the market. The Capper bill was intended to remedy that defect in the situation. I understand that in the matter of hogs, more than half the hogs that go to market to the packers are bought on the public markets.

It has cost the United States Government a great many hundreds of thousands of dollars to try to make the market places fair and open and honest. Every time we found a defect and corrected it by rule or regulation or law, the packers found some other way to circumvent it, as the Senator from North Dakota [Mr. Frazier] has well said. There are now some regulations that ought to be provided, some conditions which the Murphy bill would correct. Outside of direct buying, it would correct many of the evils. The Department of Agriculture wants the Murphy bill. If I cannot get the bill that I prefer, then I want the Murphy bill next, and I should dislike to see it killed.

After the hearings were held, which ran on for several years, I became chairman of the Committee on Agriculture and Forestry. We had unlimited hearings on the question of direct buying. We had stockmen from all over the United States testifying. The hearings ran on for weeks and months. There was disagreement and difference of opinion in the committee as to whether we ought to prohibit direct buying. I had no opinion on the subject when we commenced those investigations. I had no prejudice. I had in my own State a divided constituency on the matter. In all those hearings the dividing line was fixed. The big packers and the big cattlemen were always against any regulatory law. On the other side were the men mostly engaged in the production of hogs, whose associations and cooperative organizations were nearly all in favor of what has now become the Capper bill. They were not unanimous.

Then the commission men came into the fight. They have been criticized here because they are in favor of the bill. I have no doubt they are. It is to their interest that the great public markets should be maintained, because they make their living there. It is said that the expense comes out of the producer, and I admit that. There is nothing unnatural about it.

The big packers were always against the bill. The big cattlemen then, as now, were against it. In my State big cattlemen and a great many hogmen did not agree. When the hearings began I did not know which side I should take. My decision was reached after months of hearings and after careful study. When we got through with the investigation I thought that what is now the Capper bill ought to be enacted into law. I think so yet.

I said the other day, and let me briefly repeat it now, although it is perhaps not involved in the pending question, that when the packers started out to break down the public markets with direct buying, they would ship to themselves the hogs they bought. Those hogs did not go through the public market, but the price was fixed by the public market. In other words, a carload of hogs would be sent to Armour & Co. at Kansas City. They had completed the purchase except the payment of the price. The agreement was, we will say, that they were to be delivered on the 3d of July to Armour & Co. in Kansas City. The price Armour & Co. were to pay for them depended upon the market which was fixed on the public market place in Kansas City just half a mile or a mile away. The hogs did not enter into the public market in fixing the price.

If Armour & Co. needed on a stated day, we will say, 5,000 head of hogs which they had bought—and they knew whether they had bought them or not and they were the only people who did know—which were going to be shipped to them

directly, they did not appear on the market place to bid. There could be but one outcome.

The market that day would be depressed. Suppose they had 5,000 head of hogs coming in and needed 6,000. They would appear on the market and buy a thousand hogs. That would supply their needs. The price fixed that day on the market for the 1,000 hogs decided the price to be

paid for the 5,000 head of hogs.

Suppose they wanted, as they did, of course, to have the market depressed just as much as possible. It would be better to have the prime hogs bought privately and not go on the market, because the good hogs would have a tendency to raise the price. It would be to their interest to have scrub hogs, second- or third-class hogs, on the market, so when they buy direct they try to buy, and succeed to some extent, and sometimes completely, in buying the best hogs there are, and thus keeping them off the market. They would pay for those best hogs a price which was fixed in competition where there were only scrub hogs that made the market price. It was to their interest to do that. That is what they are doing now. That is what is going on right now to destroy the public markets.

It may be there is something wrong with the public markets. It may be there will be some other and better method devised, but I do not now know of any. I do not know of anyone proposing a better scheme. I do not believe there is any better scheme, and until there is a better scheme proposed I believe we ought to preserve the markets which we have, free, untrammeled, where all the purchasers will come on the market and all the stock will come on the market, and from the competition thus created a price will be fixed which will be fair to the producer and fair to the packer.

There are some other regulations contemplated by the bill. They are in the Murphy bill, too. The packers are very much opposed to them. They would give the Secretary of Agriculture a chance to look into the books and records of the packers. The Secretary of Agriculture might ask us to enact another law to correct conditions which would be uncovered by his examination. At the present time he cannot do it. He is circumscribed in a great many

The big cattle men have a right to oppose the bill. Here is the Senator from Wyoming [Mr. CAREY] on this side of the Chamber, and there are several Senators on the other side of the Chamber who come from sections of the country which are to a great extent interested in cattle. In those States are big cattlemen. I am not criticizing them for the attitude they take. I am not finding fault with them. I think it is all right.

They thought the plan of the Capper bill was injurious to them. They have had their way about the matter, so far as that is concerned. That is behind us. Now, for God's sake, let the farmers, especially of the great Mississippi Valley, have some corrective legislation with regard to the rules and the regulations of the great packing industry in Chicago, St. Joseph, Kansas City, Omaha, Sioux City, and a great many other parts of the country. It seems to me it is only fair. It is in the interest of a fair regulation of stockyards.

We pass by the prohibition of direct buying. It is eliminated; and I am not so sorry about the result of the vote. While I would rather have had it the other way, I realize as a practical proposition that at this late day in the session, this being a Senate bill, even if the Capper bill had been passed, it probably would have been physically impossible to get it through the House. It would have gone to the House, and while I do not mean that the House is more antagonistic to it than anyone else, it would have gone to the House, and in the regular routine it would have gone to the committee. The regular thing there would have been to hold hearings, and God knows the hearings would have been prolonged just as long as it would have been physically possible to prolong them. Congress will meet some day and find that it is about ready to adjourn; and I think probably we would have adjourned before that bill could have become a law.

That will not happen now, however. There ought to be a unity of action between the men who are interested in hogs

and the men who are interested in cattle. We ought now to be united on this bill. We ought to let the country have the benefit of the regulatory features of the Murphy bill. We ought to enact it into law; and we have not any time to waste. If the hog men and the cattlemen are united now, as I think they ought to be, that bill probably can be put on the statute books before the present Congress adjourns. We ought to get the bill over to the House, and they probably will take care of it if the cattlemen there will do as I hope the cattlemen here will do-unite with those who disagreed with them honestly and truly on one feature of the Capper bill, but who are, so far as I know, absolutely united with them now.

Mr. O'MAHONEY. Mr. President-

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Wyoming?

Mr. NORRIS. I do.

Mr. O'MAHONEY. As one of those who were active in seeking to bring about the substitution of the Murphy bill for the Capper bill, I wish to say that I feel with the Senator from Nebraska that this measure should not now be sent back to the committee.

The bill which has been substituted is free from practically all the defects which seemed to me to be subject to criticism in the bill as it came from the committee. This bill contains a section which was common to both bills, which to my mind is very essential to a proper solution of the marketing problem in this country; namely, the section which gives the Department of Agriculture access to the books of the big packers.

For that reason I thought the Senator from Nebraska might welcome an interruption for me to say that I hope and I feel that a great number of those of us who were seeking to bring about the substitution will now stand by

the Murphy bill as it is here presented.

It was my conviction that the bill reported by the committee contained provisions of such wide latitude, and so far beyond the powers of Congress as they have been recently interpreted by the Supreme Court, that to have passed the bill in that shape would have meant failure to achieve the gains included in the Murphy bill. It should be remembered that the provisions of this measure were substantially included in the so-called Capper bill; but the latter measure, containing other provisions, went so far afield that had it been passed in the form reported by the committee, it would have endangered the very necessary reforms contained in the bill as here presented.

Mr. NORRIS. I thank the Senator very much for his interruption. With his usual shrewdness he has put his finger on a vital point in this bill, which gives the Secretary of Agriculture the right to look behind the lids of the books: and the Secretary will never be able to regulate the matter properly until he does. I sincerely hope the bill will not be sent back to the committee.

Senators, it is true that the committee never had any hearings on the Murphy bill, but we have had hearings for more than 10 years on the subject matter of the Murphy bill; and it seems to me it would be foolish to send the bill back to the committee now and have them spend more time on the subject, and go into it further.

Mr. CONNALLY. Mr. President, because of the importunities of certain of my colleagues who are very much interested in this measure, I shall not press the motion to recommit.

The VICE PRESIDENT. The motion to recommit is withdrawn.

Mr. ASHURST. Mr. President, the Senate is to vote on this bill with the understanding that the provisions to which many Senators are opposed—that is, the provisions which proscribe and prevent open and free buying and selling-have been eliminated. Am I correct?

Mr. CONNALLY. That is the understanding.

Mr. NORRIS. Mr. President, was the motion actually made to send the bill back to committee?

The VICE PRESIDENT. The motion to recommit the bill to committee has been withdrawn. The bill has been ordered engrossed for a third reading and has been read the third time. The question now is upon its passage.

Mr. ROBINSON. Mr. President, I do not desire to delay a vote on the bill, but there is a provision in it which I think requires explanation.

The provision of the bill to which I wish to call the attention of the Senator from Iowa [Mr. MURPHY] is section 321, appearing on page 8, as follows:

Whenever the Secretary, after due notice and opportunity for hearing, shall find that any director, officer, agent, or employee of any stockyard owner, market agency, or dealer was responsible in whole or in part for any violation of this act, he may issue an order directing all stockyard owners, market agencies, and dealers subject to this act to refrain from employing or having any dealings with such officer, agent, or employee for a reasonable specified period, not to exceed 2 years.

The Senator from Iowa is an able lawyer, and he will be able to state the theory of law upon which that section rests.

How is it that we can authorize an executive officer to direct somebody not to employ another person? How is it that we have the authority to require a person who has violated a provision of the law to refrain from employment during a period of 2 years? It is not my understanding that such a provision can be enforced. I should like to have the attention of other Senators who are familiar with the subject.

I am in sympathy with the proposed legislation. I voted against the motion to recommit, and I believe that the Senate should dispose of the substitute by passing it. But it occurs to me that the provision to which I have referred is a very remarkable one, and one which we have no power to pass. Of course, if the Congress cannot do it directly, it cannot authorize its agent to do it, and I do not believe that the Congress could say to a citizen, or an association, or a corporation, that "For the reason that this individual has violated a law, you shall not be permitted to employ him within the period of 2 years."

Mr. O'MAHONEY. Mr. President, I desire to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. O'MAHONEY. Would it not be in order to amend the bill by unanimous consent?

The VICE PRESIDENT. The Senate can do anything by unanimous consent.

Mr. O'MAHONEY. I suggest to the Senator from Arkansas, then, that a request for unanimous consent to strike the section would be perfectly in order.

Mr. ROBINSON. I understand that might be done, but it occurred to me there might be some explanation of the provision.

Mr. MURPHY. Mr. President, notwithstanding the complimentary reference of the majority leader, I am not an

Mr. ROBINSON. I apoligize very earnestly. [Laughter.] Mr. MURPHY. This appears to me to provide what is in the nature of a penalty imposed on an individual who has been suspended. Those with whom his relations are interdicted are persons or corporations operating under a permit from the Secretary. It seems to attach some penalty more than the suspension of the individual offending. The desire is to assure that he shall not be permitted to offend again at least for a period of 2 years. It seeks to stop his activities altogether for that period. Whether or not it is within the authority of Congress to delegate that power to the Secretary or to give the Secretary the authority to exercise the power is a question I will leave to the lawyers of the Senate.

Mr. NORRIS. Mr. President, I should like to suggest to the Senator that the section be modified so that for the length of time specified, or not exceeding the length of time mentioned in the section, instead of the provision now in the bill, if the offense referred to shall be committed, the Secretary shall have authority to suspend or withdraw the license.

Mr. MURPHY. To an amendment along the line of the remarks of the Senator from Arkansas I have no objection.

Mr. BARKLEY. Mr. President, in order to understand the section-and it is rather difficult to connect it-it seems to me that section 321 is hooked up with the previous sections of the bill, in which the Secretary of Agriculture is

authorized to suspend the permits which certain agencies enjoy under him to transact the business described in the measure, and wherever he has granted a permit, or wherever he has the power and has exercised the power, and any of those who operate under such permit and such authority from him violate any of the provisions of the law, he may issue a regulation that other commission and stockyards shall not employ the permittee for a period of 2 years. The provision would be strange, I should say, if it had no connection with the rest of the bill, but in view of the fact that the Secretary would have authority to authorize these agencies to do business, might he not require of them, in a contract between the department and the agency, to refrain from employing any who have been found guilty of misconduct during the period of 2 years? He could not impose a penalty for the mere employment, probably.

Mr. ROBINSON. No contract or suggestion of a contract is involved. The provision is very simple. Its object, of course, is easily understood. After the Secretary, upon hearing, shall find that any director, officer, agent, or employee of a stockyard, market agency, or dealer is responsible, in whole or in part, for any violation of the act, it is proposed to give him the power to say to all stockyards, market agencies, and owners, "You must not employ this man."

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly. Mr. BARKLEY. On page 5, in subsection (b), there is the provision to which I referred a moment ago, which reads:

Whenever the Secretary, after notice and opportunity for hearing, finds that any market agency or dealer or any officer, agent, or employee of any stockyard owner, market agency, or dealer has violated or caused to be violated any of the provisions of subdivision (f) of section 306 or section 307 or section 312, or order, rule, or regulation of the Secretary thereunder, he may by order suspend such market agency, dealer, officer, agent, or employee.

Mr. ROBINSON. I understand that.

Mr. BARKLEY. If he can suspend those people from operating in their names because of violation, would it not be subversive of the intention of the language I read if they could go off somewhere else and hire out and be employed by a different agency which had not been suspended for a violation of the very provisions which are included in subsection (b) on page 5 of the bill?

Mr. ROBINSON. I think it is lawful to authorize the suspension of the business when its management permits or connives at violations of the law. I do not think there is any power in the Congress to forbid anyone to give employment to another, nor do I believe it can confer that power on the Secretary of Agriculture.

Mr. BARKLEY. Mr. President, will the Senator yield for another question?

Mr. ROBINSON. I yield. Mr. BARKLEY. If the Secretary of Agriculture under subsection (b), on page 5, should suspend any market agency. or any dealer or any employee from the privileges of operating as such, whether it was a mere employee or agent of the corporation, for a period of 1 year or 2 years, could that suspension be carried far enough to include his reemployment by some other agency? In other words, if the Secretary had suspended a man from the privilege of operating as an employee under this act, can he be employed by somebody else so as to nullify that suspension?

Mr. ROBINSON. I do not think, as I have said repeatedly, that it is within the power of the Congress by direct legislation to say to anyone that he shall not give employment for 2 years to any individual, nor do I believe the Congress can confer that power on one of its agents.

Mr. BARKLEY. I am not arguing this matter beyond the Secretary's authority. If section 321 were eliminated and the Secretary, acting under the previous section, suspended any individual from the rights of operating because of any violation of the law, could he go elsewhere and secure employment that would suspend the suspension to which he had been subjected?

Mr. ROBINSON. I do not think, as I said before, that it is possible to prevent someone from employing another by act of Congress.

Mr. O'MAHONEY. Mr. President, will the Senator yield? Mr. ROBINSON. I yield.

Mr. O'MAHONEY. I desire to call the attention of the Senator from Kentucky [Mr. BARKLEY] to the fact that there is a wide difference between the provisions of subsection (b) on page 5, to which he has just alluded, and section 321 on page 8, to which the Senator from Arkansas has alluded. Subsection (b) authorizes the Secretary to suspend in the case of violation or causing to be violated any of the provisions of the act. The section which the Senator from Arkansas criticizes goes far beyond that. It goes beyond the direct violation or the causing to be violated part of the provision and provides that the Secretary may forbid the reemployment of any officer, director, agent, or employee who was responsible in whole or in part for a violation of the act. That means that for a violation in part of the act, the Secretary would have the authority to go to the humblest employee of one agency and interdict him for 2 years from any sort of employment.

Mr. ROBINSON. Not only that, but from having any transactions with the stockyards.

Mr. O'MAHONEY. Certainly; any dealings of any kind.

Mr. ROBINSON. He could not sell cattle to them. He could not buy cattle from them. He could not sell feed to them or have any transaction with them.

Mr. O'MAHONEY. So far as the language of the act is concerned, it goes far beyond the matter of the bill itself.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield. Mr. BARKLEY. I understand the difference between the two sections, and I am not urging that section 321 be retained. I am not arguing that point at all. The point I am undertaking to make is that under the previous section, if the Secretary of Agriculture suspends somebody from the privileges which he originally had, and the proposed amendment to the Stockyards Act is agreed to, that suspension would be of no avail if that agency or that employee can immediately find employment elsewhere to carry on the same practices for which he had been suspended.

I do not mean to say that we can say to any employer that he cannot hire for any purpose somebody who had been suspended.

Mr. ROBINSON. That is what section 321 provides. Will the Senator look at the section he just quoted? The cancelation can only be effective for a year, but it is proposed now to have the Secretary issue a blanket order to everybody in the business not to employ this particular individual.

Mr. BARKLEY. Mr. President, the point I am trying to make is that if the Secretary of Agriculture has the power to suspend anybody connected with stockyards or selling agencies for a year, or any other time, unless that suspension is to be nullified and of no effect, then the suspension ought not to apply simply to the particular location where he committed the misconduct which resulted in the suspension, but it ought to apply to that individual wherever he goes, so that he cannot perpetuate his misconduct.

Mr. NORRIS. Mr. President, I am rather of the opinion that the Senator has called attention to a situation which might arise. I doubt very much that there exists any authority to remove or bar an individual, even if such a situation as has been suggested should arise.

Mr. ROBINSON. That is right.

Mr. NORRIS. I wish to make a suggestion. I should like to have the attention of the Senator from Iowa [Mr. Mur-PHYl. I suggest, on page 8 of the bill, that section 321 be amended as follows: At the end of line 5 and beginning of line 6 strike out "directing all stockyard owners" and insert in lieu thereof "suspending such"; and, in line 6, in place of the word "agencies" substitute the word "agency." Strike out the words "and dealers" in the same line. In lines 7 and 8 strike out "to refrain from employing or having any dealings with such officer, agent, or employee." Then the language will be as follows:

Whenever the Secretary, after due notice and opportunity for hearing, shall find that any director, officer, agent, or employee of any stockyard owner, market agency, or dealer was responsible in whole or in part for any violation of this act, he may issue an

order suspending such market agency subject to this act for a reasonable specified period not to exceed 2 years.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. LOGAN. I call attention to the fact that we already have that provision in the law before that.

Mr. NORRIS. Then why not strike out the section?

Mr. ROBINSON. I move that the section be stricken out. The VICE PRESIDENT. The Senator from Arkansas has made the motion that a certain section be stricken out of the bill. Is there objection?

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. LOGAN. I should like to know whether that provision is in the bill. In section 320, however, there is a provision that the Secretary, after due notice, may by order cancel the registration of a market agency, and so forth, if he finds that such market agency or dealer has knowingly employed in any responsible position any person made the subject of any order under section 321 hereof, or who was responsibly connected with any market agency or dealer whose registration was canceled within 2 years prior to the date of such

As I understand that provision, if the agency employed someone who had been employed by another agency, whose registration had been canceled, that would be ground for the cancelation of the registration of the dealer who employed him. That, however, refers to section 321. If we strike out section 321, then something will have to be done to the other section—section 320.

Mr. ROBINSON. Yes.

Mr. NORRIS. We will have to amend that section. I think we could do that by striking out subsection (b).

Mr. ROBINSON. Yes.

Mr. NORRIS. I think that would naturally follow.

Mr. ROBINSON. Mr. President, I ask unanimous consent to offer an amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator from Arkansas offers an amendment, which will be stated.

The LEGISLATIVE CLERK. In the amendment in the nature of a substitute proposed by the Senator from Texas [Mr. CONNALLY], and which has been agreed to, on page 8, it is proposed to strike out lines 1 to 9, inclusive, as follows:

SEC. 321. Whenever the Secretary, after due notice and opportunity for hearing, shall find that any director, officer, agent, or employee of any stockyard owner, market agency, or dealer was responsible in whole or in part for any violation of this act, he may issue an order directing all stockyard owners, market agencies, and dealers which the transfer to refer the secretary transfer agencies. and dealers subject to this act to refrain from employing or having any dealings with such officer, agent, or employee for a reasonable specified period not to exceed 2 years.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

Mr. CONNALLY. Mr. President, the Senator from Nebraska [Mr. Norris] a little while ago, in resisting the motion then pending to recommit the bill, discovered several imaginary "niggers in the woodpile" as to the reason which impelled the Senator from Texas-myself-to make the motion. I do not want to deceive the Senate and I do not think I endeavored to deceive the Senate. I was not in favor of the Capper bill. I have no interest in the Murphy bill. Anyone who knows anything at all knows the reason why the Senator from Texas offered the Murphy bill as a substitute was to kill the Capper bill. If there is any doubt about the intentions of the Senator from Texas, I want to avow that fact here and now, and I want to disavow the parentage of the Murphy bill. I adopted it because it had been introduced by the Senator from Iowa [Mr. MURPHY], and I thought it was less objectionable than the Capper bill, but I now publicly disavow it just as its author disavowed it a little while ago. What has developed justifies the Senator from Texas in that position.

The amendment offered by the Senator from Arkansas [Mr. Robinson], to which the Senate just agreed, justifies the observations which I expect to make.

Under the Constitution, when a man steals a mule or commits a murder and is sent to the penitentiary, after he has served his term he is free to go back out in the country and get a job if he can, but under this bill, as drawn, if he violates some edict or ukase of the Secretary of Agriculture he may never work at that kind of business any more.

There is in the Constitution a clause which prohibits Congress from passing any bill of attainder, but we may attaint a man who violates some order of the Secretary of Agriculture, and prohibit him forever from working at his chosen profession.

Mr. ASHURST. Mr. President-

Mr. CONNALLY. I yield to the Senator from Arizona.

Mr. ASHURST. I do not wish to interrupt the Senator unduly, more than to say that when the able Senator from Nebraska [Mr. Norris] said that the proposal of the Murphy bill as a substitute was a move to kill the Capper bill, I confess that it was. It has been my purpose and intent, openly and without any secret manipulations, to vote for anything that would kill the Capper bill; and although the Murphy bill-with due deference to my good friend from Iowa-has improved the situation, I ask the Senator from Texas to yield long enough to enable me to point out that while possibly, through the amendment of the Senator from Arkansas [Mr. ROBINSON], the interdiction against the employment of persons has been removed, and they have been allowed in America the privilege of seeking employment, yet we are now faced by a situation which I ask Senators to consider for a moment.

Paragraph (c), which is on page 6 of Senate bill 3036, and appears also on page 6 of Senate bill 1424, reads as

(c) Any stockyard owner who violates any of the provisions of section 307 or section 312, or order, rule, or regulation of the Secretary thereunder shall on conviction be fined not less than \$500 nor more than \$1,000, or imprisoned for not more than 1 year, or both. Each day during which such violation continues shall be deemed a separate offense.

Mr. President, have we reached the time in our country when a citizen may be fined and imprisoned and made a felon because, forsooth, he violated, not a law of his country put upon the statute books by the lawmaking body, but the ipse dixit of a Cabinet member who never knew what he signed, possibly secretly issued, without the knowledge of the citizen and without his opportunity to obtain knowledge regarding it?

I think in all fairness the bill ought to be amended so that when the prison doors close behind a man it should be for an offense against a law put upon the statute books by the Congress of the United States and not for the violation of a regulation made by an official of a department.

I do not know that parliamentarily the bill is in a position where such an amendment could be offered; but I ask the able Senator from Iowa [Mr. MURPHY], upon whose sagacity and judgment in many matters I have learned to depend, does he wish to go before the American citizens and say, "I was the father of a bill which will imprison you, sir, for the violation of an edict of the Secretary of Agriculture"?

Mr. MURPHY. Mr. President, will the Senator yield? Mr. CONNALLY. I yield to the Senator from Iowa.

Mr. MURPHY. I will say to the Senator from Arizona that we necessarily give authority to Cabinet officers to draw regulations interpreting acts of Congress. Such regulations are interpretations of the law, and it is a criminal offense to violate them as promulgated under the law. I think that is the case-I am not sure-under the original Packers and Stockyards Act. It is the case under the income-tax law. Regulations necessarily must be drawn interpreting an act.

In this case the Secretary of Agriculture interprets the law. He is given the authority to lay down an order. We ought to couple with that the authority to enforce his regulations. We ought to couple with it a penalty for violation of his regulations in order to insure respect for the law.

Mr. ASHURST. The result would be, therefore, that a citizen would be heavily fined or imprisoned, not because of vio-

because of violation of a rule, an order, a regulation made by the honorable Secretary of Agriculture.

I appreciate that it is a very easy way to legislate to say, "Well, we will pass a general law. We cannot go into finespun things and describe all the offenses against which we are going to set up a statute. Therefore, in a lazy way we will simply say that anybody who violates this law or any regulation that any department makes in an attempt to carry out this law shall become a felon."

With that I am in determined warfare. I do not believe in that way of legislating. We in America are now engaged in a great contest to enforce the law. This Congress and the preceding Congresses have passed many laws making it easier to convict men; but not until this time have we thought it necessary that men should be convicted and sent to jail or fined for violating, I again say, the ipse dixit of some department official.

Mr. CLARK. Mr. President-

Mr. CONNALLY. I yield to the Senator from Missouri.

Mr. CLARK. I simply wish to call the Senator's attention to the fact that so far as the principle of allowing a man to be sent to jail on the ipse dixit of a Government official is concerned, this bill does not extend it at all, because that is true now under the original Packers and Stockyards Act.

Mr. ASHURST. I did not vote for those things.

Mr. CLARK. I understand. I agree with the Senator in his declaration of principle; but this bill simply extends the same principle to another class of stockyards, privately owned stockyards or interior yards as well as the great public yards; and it does not abolish the vicious principle, as I see it, which has just been set out by the distinguished Senator from Arizona, of allowing Cabinet officials to make laws and punish criminally for their violation.

Mr. BARKLEY. Mr. President, regardless of the merits of the policy, it not only applies to the Stockyards Act but it applies to the oleomargarine law. It even applies to the

income-tax laws and to many others.

Mr. ASHURST. Mr. President, let me say in reply to the Senator from Kentucky that I was not here when the oleomargarine law was passed; but I have never failed to lift my voice—it has been unavailing, however—against any attempt to clothe any department head with power to make laws. I opposed such a provision with reference to our forestry laws; I opposed the same provision with reference to various laws that have been passed; and I still believe I am in the right.

Mr. CONNALLY. Mr. President, does not the Senator think, though, that for efficiency and speed the Secretary ought to be allowed to erect a jail in the stockyards so that he could then put men in jail promptly and not go through the trouble of taking them to the courts?

Mr. ASHURST. The able Senator's remark, although apparently with much wit in it, has underneath it a terrific irony, carrying to any logical mind the suggestion that if this be right and proper, why not, forsooth, erect a jail right at the stockyards, so that those who violate the rules of the honorable Secretary shall be sent to jail by the honorable Secretary?

Mr. CONNALLY. Promptly.

Mr. ASHURST. Let us have a ukase issued, as is done in certain other countries.

Mr. LEWIS and other Senators addressed the Chair.

Mr. CONNALLY. I yield first to the Senator from Illi-

Mr. LEWIS. Mr. President, touching these penalties, I desire to say to some of the able Senators present that they have called attention to the oleomargazine cases. May I be pardoned for saying that in one of those cases I was counsel; and may I add that before the Supreme Court I made an argument so commanding in logic, so powerful in eloquence, and so persuasive in presentation that at the close of my argument the Court decided the case for the other fellow without hearing from him. [Laughter.]

I now come to that which to me is a very serious matter. There is in this measure a provision which authorizes somelation of a statute that had been passed by Congress but one to reach out and take the books of anybody called a

packer, make a personal examination of them, and come to some conclusion as to what his profits are, whether just or not. I regard that as a great outrage.

The packers in my city are not my political friends. They are my political opponents; and I dare here now to assert that they will be the first to subscribe against my party in view of its policies. But I say to the able Senator from Texas I cannot affirm a doctrine which allows a man's private property and his private accounts to be seized upon the mere word of some official, without a charge first being made against him of some fraud or wrong as to his books, by which he may have at least a hearing upon the question before his papers may be seized for such examination, judgment, and confiscation.

I wish to oppose that section.

Mr. WHEELER and Mr. BARKLEY addressed the Chair.

Mr. CONNALLY. I yield to the Senator from Montana. Mr. WHEELER. Mr. President, I wish to call the attention of my friend from Arizona [Mr. Ashurst] to the fact that the provision which he has so violently denounced as it appears in this bill is not anything new. As a matter of fact, that provision is in every single substantive law we have passed affecting any one of the departments.

In the case of the Homestead Act, with which the Senator is familiar, under which a person was permitted to go out and take up a homestead, the Interior Department made rules and regulations for carrying out the act; and if a person violated those rules and regulations he was subject to be sent to the penitentiary. The same thing was true with reference to the sale of liquor.

Mr. SMITH. Let us repeal them all.

Mr. WHEELER. The same thing was true with reference to the sale of narcotics. The same thing was true with reference to income taxes. It was true with reference to every single law we have placed upon the statute books.

A good many years ago, when I was United States attorney in Montana, I was rather shocked to find that persons could be charged with conspiracy to violate rules and regulations which would send them to the penitentiary. Nevertheless, if we examine those acts closely we find that we either have to do that or else we have to have Congress in an elaborate fashion set forth all the rules and regulations, which it is an impossibility for Congress to do, because of the fact that as conditions change the power must be delegated to somebody to change the rules to meet those changed conditions.

It is perhaps unfortunate that Congress has to delegate that power; but under our form of government there is no way in which it can be done except to delegate to some-body power to make rules and regulations to enforce the law and then provide a penalty for their violation. It may be that the penalty of sending a man to the penitentiary for violation of those rules and regulations is too severe. If a fine were imposed, that might be entirely sufficient; but some penalty must be added.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. CONNALLY. I now yield to the Senator from Arizona, who is more capable of answering the Senator from Montana than am I.

Mr. ASHURST. Oh, not at all; but I probably have known the Senator from Montana longer than has any other Senator. He and I were young men together. He was one of the brilliant students in the university I attended. I then predicted for him a great career, and he has lived up to my expectations. With his usual candor, with the frankness which characterized him as a youth, he rises on the floor of the Senate and says it would be tedious, it would be awkward, it would be difficult for Congress to cope with this problem. Being difficult, under our constitutional right and power, therefore, we will just slough it off on somebody else. Because it is almost impossible for Congress to do it, forsooth, a secretary's clerk can do it better!

That is what the Senator said; and he is correct and frank in his statement that that has been done for 20 years, has it not, or 30 years?

Mr. WHEELER. It has been done ever since the formation of this Government.

Mr. ASHURST. I disagree with my able friend about that. I think it has been done in a large way only since 1897. My philosophy of life, however, is this: Yield nothing to the aggressor! The champions of American freedom, and the champions of constitutional liberty all along the line, yield nothing.

This, I am sure, is to the Senate but a tiresome reiteration of what I have said for the past 24 years. I always oppose such provisions as will put stripes upon a citizen, and make of him a felon, and mulct him in heavy damages, not because he violated some law, but because he violated some rule of some department. But, I repeat, I tire the Senate by my reiteration of my opposition to such a way of legislating. The able Senator from Montana performed a service when he said it would be awkward, difficult, hard, almost impossible, for us to make a law; therefore, we will let somebody else make the law. That is the thing to which I am opposed.

Mr. CONNALLY. Mr. President, this discussion has gone somewhat afield. The reason why I took the floor was that I wished to disabuse the Senator from Nebraska or any other Senator of the idea that I was practicing any deception on them in offering the Murphy bill as an amendment to the bill of the Senator from Kansas.

Of course, I offered the amendment in order to kill the Capper bill. I am not for the Murphy bill. If the Senate wants it, it can take it. But I desire to protest, along with the Senator from Arizona, against the practice of authorizing some clerk in a department to write a regulation, and then having a citizen thrown into jail because he went out in the stockade and did not sell old "Brindle" exactly as the Secretary of Agriculture wanted her sold, slamming a man in the penitentiary for a couple of years, and then when he gets out, preventing him from getting back his job and compelling him to go into something else. So I shall vote against even the Murphy bill, and I want to disavow it publicly; and I hope my statement will reach the ears of the Senator from Nebraska, who seems temporarily to have left the Chamber.

Mr. ASHURST. Mr. President, I feel like apologizing to the Senator for asking him to yield——

Mr. CONNALLY. I yield.

Mr. ASHURST. A very able Senator who watches these matters carefully has called my attention to the Securities Exchange Act, and the prudent care with which that measure was drawn. I should like to invite the attention of the Senator from Montana [Mr. Wheeler] to the fact that the act referred to, which provides for rules and regulations and imposes a penalty for their violation, also provides that no man shall be penalized, that no man shall suffer, for the violation of a rule of the existence of which he did not know. The pending measure does not even grant a man the poor privilege of saying he was out on the range looking after his cattle, out under the cold stars attending to his stock, when the order was issued.

Mr. WHEELER. Mr. President, let me call attention to the fact that this section provides:

Any stockyard owner who violates any of the provisions of section 307 or section 312, or order, rule, or regulation of the Secretary thereunder, shall on conviction be fined not less than \$500 nor more than \$1,000, or imprisoned for not more than 1 year, or both.

He must be tried and convicted. It does not provide that he shall be automatically fined or sent to the penitentiary. It is only after he has been convicted of a violation that he can be punished.

Mr. BYRNES. Mr. President, I ask for recognition for only a few minutes to say that when the securities exchange bill was under consideration we made quite a careful investigation into this matter. It was made, as I recall it, at the instance of the Senator from Michigan [Mr. Couzens] and I shared his view.

We provided in that measure that notwithstanding the fact that there are numerous statutes providing fine and imprisonment for the violation of regulations, only a fine should be the punishment for the violation of any regulation, and that fine and imprisonment should apply only to the violation of a law. The Senator from Montana and other Senators are correct in saying they can refer to quite a large number of statutes making such provision. We thought in the case of the securities exchange bill that it was wrong where a regulation of a department was violated by an individual who might never have an opportunity to know what the regulation was, to make the punishment imprisonment. We believed that the punishment should be only a fine.

Mr. WHEELER. Mr. President, I agree with the Senator that the punishment should not be by imprisonment in a penitentiary. But let me call attention to the fact that under the conspiracy statute, which is on the lawbooks of the United States at the present time, and which I think is a villainous statute; as a matter of fact, if a man is charged with conspiring with someone else, not only to violate the law but to violate a rule or regulation, he can be sent to the penitentiary for 2 years. If there is a charge of conspiracy to violate an act, regardless of the fact that the offense under the act may be a mere misdemeanor, those found guilty can be sent to the penitentiary for 2 years. So, despite an endeavor to do so, as a matter of fact, the effect was not changed.

Mr. BYRNES. Mr. President, all we can do, as we are enacting these laws, is to provide a remedy where we think a remedy should be applied. Some member of the Judiciary Committee might well take an interest in amending the conspiracy statute, if it ought to be amended, but there is no reason why we should, in the passage of various laws which give great powers to the department, provide imprisonment for the violation of a regulation which may never have been seen by the man accused.

Mr. KING. Mr. President, I desire to say a word in regard to the suggestion made by the Senator from Montana [Mr. Wheeler] when he denominated the conspiracy statute a villainous statute. It is. Several years ago I presented a bill for the purpose of modifying that statute. Under the conspiracy statute if a person commits a mere misdemeanor, but is charged with a conspiracy to commit the misdemeanor, he may be found guilty of a felony. I think it is an outrageous statute; and I am glad to say that the Judiciary Committee reported my bill favorably, upon my request, and it came before the Senate. I have forgotten exactly the facts of the situation, but, at any rate, it was recommitted. This was before the eighteenth amendment was repealed and the Anti-Saloon League was so all-powerful that the bill never came to light again.

Mr. WHEELER. Mr. President, when I was United States district attorney in Montana, a case was presented where some railroad man helped someone to stop a train and let a man off the train to take some liquor to an Indian reservation. The department in Washington wanted me to prosecute that railroad man for conspiracy to violate the law, and I refused to do it. If I had complied and there had been a conviction, they would have sent the engineer of that train to the penitentiary for at least 2 years. It has been some time since I looked into the matter, but my recollection is that there does not have to be even the violation of a law. If there is violation of a rule or regulation of the department, without any penalty attached to it at all, the citizen can still be charged with a conspiracy and sent to the penitentiary.

Mr. BARKLEY. Mr. President, in view of the fact that section 321 has been eliminated, I think it is necessary to strike out on page 7 part of line 13 and all of lines 14 and 15, which refer to section 321. I ask unanimous consent to strike from the bill, on page 7, beginning with the word "that", the remainder of line 13, all of line 14 and all of line 15, and the word "or" at the beginning of line 16.

The PRESIDING OFFICER (Mr. Moore in the chair). Is there objection?

Mr. COUZENS. Mr. President, reserving the right to object, I desire to state that the more I have listened to the discussion in the last few days the more I have been convinced that the pending bill is in such shocking shape that

it should be recommitted to the committee to be rewritten. Therefore I reserve the right to object until I shall have concluded my remarks.

Mr. BARKLEY. Mr. President, let me say to the Senator from Michigan that the change I suggest is a very simple one. It simply refers to page 7, where a section has been eliminated.

Mr. COUZENS. I understand what the Senator is talking about, but I have views about the bill which do not particularly relate to this matter.

Mr. BARKLEY. No matter whether the bill shall be recommitted or not, the language to which I have referred ought to be stricken out.

Mr. COUZENS. If the bill goes back to the committee, it will be unimportant whether the language is stricken out in the committee or stricken out in the Senate.

Mr. BARKLEY. If it is recommitted, it may not be brought back to the Senate.

Mr. COUZENS. It does not make much difference whether or not it gets back to the floor of the Senate, but it is certainly better that it should not get back to the floor than to try to enact this kind of ridiculous legislation in the manner in which there is an attempt to pass it.

The Senator from South Carolina referred to the long hearings and the discussion we had before we passed the bill for the regulation of the securities exchanges. We used great care, that being a new undertaking, to see to it that no one could be sent to jail for the violation of a rule or regulation issued by the Securities Exchange Commission. I wish to take a moment to refer to the difference between the provisions in the measure before us with respect to the violation of a rule or regulation of the Securities Exchange Act.

On page 6 of the substitute which has been adopted by the Senate it is provided:

Any stockyard owner who violates any of the provisions of section 307 or section 312, or order, rule, or regulation of the Secretary thereunder, shall on conviction be fined not less than \$500 nor more than \$1,000, or imprisoned for not more than 1 year, or both.

Mr. O'MAHONEY. Mr. President, will the Senator yield at that point? I think my interruption will be pertinent to what he is about to say.

Mr. COUZENS. I yield.

Mr. O'MAHONEY. I desire to call attention to the provisions of section 306 (h) of the Packers and Stockyards Act as it now stands. In other words, the law we are now proposing to amend contains in section 306, paragraph (h), this language:

Whoever willfully fails to comply with the provisions of this section or of any regulation or order of the Secretary made thereunder shall on conviction be fined not more than \$1,000, or imprisoned not more than 1 year, or both.

So the provision which is now the subject of discussion is in no wise different from the law which has been on the statute books since 1921.

Mr. COUZENS. I wish to draw the Senator's attention to the fact that there is a very definite difference. The provision on page 6 of the substitute, which I just read, does not carry the word "willfully." That is one of the things about which I am going to complain.

Mr. O'MAHONEY. The Senator is right about that.

Mr. COUZENS. The Senator from Wyoming cannot commit the Senate to the continuance of a wrong it may heretofore have done. Whenever it has heretofore enacted provisions such as I referred to, it has done a wrong; and, in my opinion, such action does not justify the Senate in further wrongdoing in an effort to perpetuate a precedent, which is what the lawyers live by.

When the conferces of the two Houses attempted to adjust the differences between the two Houses on the Securities Act, they were very careful to see that no injustice was done anyone who might inadverently or otherwise violate any of the regulations, or even the statute. I desire to draw the Senate's attention to the penalty clause, section 32 of the Securities Exchange Act of 1934. That provision says:

Any person who willfully-

Wyoming to the difference-

Any person who willfully violates any provision of this title, or any rule or regulation thereunder the violation of which is made unlawful or the observance of which is required under the makes this with or the observance of which is required under the terms of this title, or any person who willfully and knowingly makes, or causes to be made, any statement in any application, report, or document required to be filed under this title or any rule or regulation thereunder, which statement was false or misleading with respect to any material fact, shall upon conviction be fined not more than \$10,000, or imprisoned not more than 2 years, or both, except that when such person is an exchange, a fine not exceeding \$500,000 may be imposed; but no person shall be subject to imprisonment under this section for the violation of any rule or regulation if he proves that he had no knowledge of such rule or regulation.

Mr. President, I think there is a very vital difference. and if the Senate desires to correct bad practice, now is the time to correct it and not perpetuate it, because we seem to have established a precedent heretofore.

The VICE PRESIDENT. The Senator from Kentucky [Mr. Barkley] has asked unanimous consent to strike certain language from the bill.

Mr. COUZENS. I object to it, because I think the bill ought to go back to the committee and be rewritten.

The VICE PRESIDENT. The question is, Shall the bill pass? [Putting the question.] The Chair is in doubt.

Mr. LA FOLLETTE. I ask for the year and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BILBO (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. Dickinson]. I transfer that pair to the junior Senator from Oklahoma [Mr. Gore], and will vote. I vote "yea."

Mr. BYRNES (when his name was called). I have a pair with the junior Senator from Rhode Island [Mr. GERRY]. who is unavoidably detained from the Senate, and therefore withhold my vote. If present, the Senator from Rhode Island would vote "nay" on this question. If at liberty to vote, I should vote "yea."

Mr. GIBSON (when his name was called). On this question I have a pair with the junior Senator from South Dakota [Mr. Bulow]. I do not know how he would vote so I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. POPE (when his name was called). I have a pair with the senior Senator from Georgia [Mr. George] and withhold my vote. I am advised that if present the Senator from Georgia would vote "nay" on this question. If at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky [Mr. Logan] who, if present, would vote as I am about to vote, and I am therefore at liberty to vote. I vote "yea."

Mr. GLASS (after having voted in the negative). I have a general pair with the senior Senator from Minnesota IMr. SHIPSTEAD], which I transfer to the junior Senator from Arkansas [Mrs. Caraway], and permit my vote to stand.

Mr. BARKLEY. I transfer my pair with the senior Senator from Delaware [Mr. Hastings], whose position on the bill I do not know, to the junior Senator from Alabama [Mr. Bankhead], whose position on the bill I do not know, and vote "yea."

Mr. BLACK (after having voted in the affirmative). On this vote I am paired with the senior Senator from Rhode Island [Mr. Metcalf]. I am informed that if present he would vote "nay." I withdraw my vote by reason of my pair.

Mr. WALSH. I desire to announce that the Senator from Montana [Mr. MURRAY] is detained in a meeting of the Committee on Education and Labor in a hearing on the silicosis disease among miners.

Mr. DUFFY. On this vote I have a pair with the junior Senator from Nevada [Mr. McCarran]. I am informed that if he were present he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. McKELLAR (after having voted in the negative). have already voted. I have a pair with the junior Senator

I again desire to draw the attention of the Senator from | from Delaware [Mr. Townsend]. I transfer that pair to the junior Senator from Illinois [Mr. DIETERICH], and will allow my vote to stand.

> Mr. LEWIS. I desire to announce that the Senator from Indiana [Mr. Van Nuys] has a special pair on this question with the Senator from Georgia [Mr. Russell]. If present, the Senator from Indiana [Mr. Van Nuys] would vote "yea", and the Senator from Georgia [Mr. Russell] would vote 'nav."

> My colleague the junior Senator from Illinois [Mr. Die-TERICH] is necessarily detained from the Senate. I am authorized to state that were he present and voting he would vote "nav."

> The Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. Costigan], the Senator from Rhode Island [Mr. Gerry], the Senator from California [Mr. Mc-ADOO], and the Senator from Florida [Mr. TRAMMELL] are detained because of illness.

> The following Senators are unavoidably detained from the Senate: The Senator from Tennessee [Mr. BACHMAN], the Senator from Ohio [Mr. BULKLEY], the Senator from South Dakota [Mr. Bulow], the Senator from Nebraska [Mr. BURKE], the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mrs. Caraway], the Senator from New York [Mr. COPELAND], the Senator from Ohio [Mr. DONAHEY], the Senator from Florida [Mr. Fletcher], the Senator from Georgia [Mr. George], the Senator from Oklahoma [Mr. Gorel, the Senator from Mississippi [Mr. Harrison], the Senator from West Virginia [Mr. Holt], the Senator from Kentucky [Mr. Logan], the junior Senator from Nevada [Mr. McCarran], the senior Senator from Nevada [Mr. PITTMAN], the Senator from Georgia [Mr. RUSSELL], the Senator from Washington [Mr. Schwellenbach], the Senator from Oklahoma [Mr. Thomas], the Senator from Maryland [Mr. Typ-INGS], the Senator from Indiana [Mr. Van Nuys], and the Senator from New York [Mr. WAGNER].

> Mr. AUSTIN. The Senator from Oregon [Mr. McNary] is necessarily detained from the Senate. If present and voting, he would vote "nay." He has a general pair with the senior Senator from Mississippi [Mr. Harrison]. I am not advised how the Senator from Mississippi [Mr. Harrison] would vote.

I desire to announce the following general pairs:

The Senator from Michigan [Mr. VANDENBERG] with the Senator from Florida [Mr. TRAMMELL]; and

The Senator from Maine [Mr. WHITE] with the Senator from Colorado [Mr. Costigan].

I also announce that the Senator from Maine [Mr. Hale] is paired with the Senator from West Virginia [Mr. Holt]. If present and voting, the Senator from Maine [Mr. HALE] would vote "nay", and the Senator from West Virginia [Mr. HOLT] would vote "yea."

The Senator from Oregon [Mr. STEIWER] is paired with the Senator from Oklahoma [Mr. Thomas]. If present, the Senator from Oregon [Mr. Steiwer] would vote "nay", and the Senator from Oklahoma [Mr. Thomas] would vote "yea."

The Senator from California [Mr. McADOO] is paired with the Senator from South Dakota [Mr. Norbeck]. If present, the Senator from California [Mr. McApoo] would vote "nay" and the Senator from South Dakota [Mr. Norbeck] would vote "yea."

If present and voting, the junior Senator from Delaware [Mr. Townsend], who is necessarily absent, would vote "yea." The result was announced—yeas 32, nays 18, as follows:

	E SO I SO THE ST	YEAS-32		
Adams Bailey Barkley Benson Bilbo Brown Capper Carey	Chavez Clark Davis Frazier Guffey Hatch Hayden Keyes	La Follette Lonergan Long McGill Maloney Murphy Murray Neely	Norris Nye O'Mahoney Overton Reynolds Robinson Truman Wheeler	
		NAYS—18		
Ashurst Austin Barbour Bone Connally	Coolidge Couzens Glass King Lewis	McKellar Minton Moore Radcliffe Sheppard	Smith Thomas, Utah Walsh	

NOT VOTING-

Bachman	Dickinson	Holt	Shipstead
Bankhead	Dieterich	Johnson	Steiwer
Black	Donahey	Logan	Thomas, Okla
Borah	Duffy	McAdoo	Townsend
Bulkley	Fletcher	McCarran	Trammell
Bulow	George	McNary	Tydings
Burke	Gerry	Metcalf	Vandenberg
Byrd	Gibson	Norbeck	Van Nuys
Byrnes	Gore	Pittman	Wagner
Caraway	Hale	Pope	White
Copeland	Harrison	Russell	
Costigan	Hastings	Schwellenbach	

So the bill was passed.

MISSISSIPPI RIVER FLOOD CONTROL

Mr. ROBINSON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1731, being Senate bill 3531.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to the consideration of the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, which had been reported from the Committee on Commerce with amendments.

Mr. ROBINSON. Mr. President, I have agreed that the bill may be temporarily laid aside in order that an opportunity may be afforded the Senate to consider the alien deportation bill. It is too late to proceed this evening and, unless there is objection, I shall now move an executive session and later a recess until 12 o'clock noon tomorrow.

The VICE PRESIDENT. Is there objection? The Chair hears none.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF THE FINANCE COMMITTEE

Mr. HARRISON, from the Committee on Finance, reported favorably the nominations of sundry doctors to be assistant surgeons in the United States Public Health Service.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the first nomination in order on the calendar will be stated.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, nominations of postmasters are confirmed en bloc.

That completes the calendar.

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until tomorrow, Friday, April 3, 1936, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 2 (legislative day of Feb. 24), 1936

POSTMASTERS

Clement Bourgeois, Erath. Claude R. Moncrief, Golden Meadow. Theophile P. Talbot, Napoleonville.

MINNESOTA

John A. Peterson, Belview. Milton H. Hottinger, Bricelyn.

WEST VIRGINIA

Fred M. Robertson, Matoaka.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 2, 1936

The House met at 12 o'clock meridian.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who takest away the sin of the world, hear our prayer. To everyone with burdens, to everyone who has faltered and failed, give to them Thy gracious blessing. Bring us all back to duties with strong aptitude and clear vision. Coworking with Thee, we have reasons for new faith and hope. We pray that there may be a brotherly, happy contagion running through our associations. Father in Heaven, grant that we may be kept from isolation, misunderstanding, and from ignoring the sanctities of friendship. We thank Thee for the love Thou dost inspire, for the good Thou dost engender, and for the joy Thou dost enkindle. Let the divinity which dwells within us shape our ends, molding them to grander forms and hewing them into thoughts that wander through eternity. O allow not selfinterest to stiffen and harden into that permanence from which tears never flow. Strengthen us with minds true to a single purpose, and Thine shall be the glory forever. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate insists upon its amendment to the bill (H. R. 3806) entitled "An act to establish a commercial airport for the District of Columbia", disagreed to by the House; agrees to a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. King, Mr. Typings, and Mr. Austin to be conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 11691) entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Typings, Mr. Byrnes, Mr. Coolidge, Mr. Hale, and Mr. Townsend to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 30. Concurrent resolution to recognize April 6, 1936, as Army Day.

THEN AND NOW-1933-1936

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio address that I made over the National Broadcasting Co. network Wednesday night, April 1, 1936.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. McLAUGHLIN. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following

address, which I delivered over the radio on April 1:

As a Representative in the Congress of the United States, I welcome the invitation to speak, over the National Broadcasting Co. coast-to-coast network, from the Nation's Capital. In the limited time allotted to us let us contrast the conditions which existed at the beginning of this administration in March 1933 with those we find today and consider the things that have been

existed at the beginning of this administration in March 1933 with those we find today, and consider the things that have been done to bring about the improvements which we shall note.

On the 4th day of March of 1933, Herbert Hoover vacated the White House and turned it over to the man who had been designated by the people of the United States as his successor. How many of us will ever forget the condition of this country financially, economically, and, indeed, socially, on that fateful day? Our plight at that moment, after 12 years of control of the Government by those who had been displaced by the votes of the people, was such that credit had completely ceased to function and was thoroughly frozen. Every bank in the United States was closed. The business of the Nation was paralyzed. Longsuffering farmers came with good reason to fear that agriculture might never recover from the depths to which it had fallen.

Labor stood in the market place in idleness, or, in many instances, worked under conditions only a little less disheartening than idleness itself. The small home owner had lost or was about to lose his home, the result of a lifetime of savings. The youth of lose his home, the result of a lifetime of savings. The youth of the land, full of ambition, was bereft of faith in the country he was taught to love and was nearly devoid of hope. At that awful moment in our history, the very security of our country and of our form of government was in doubt and many earnest citizens seriously questioned whether our Republic would survive the crisis. At this point before we consider further the history of the last 3 years let us recall that men and women turned to their last 3 years let us recall that men and women turned to their new President, willingly placed in his hands the problems which confronted them and their Nation, charged him with the solemn responsibility of solving those problems, stating as they did so that they were well aware that the burden imposed upon him was an almost impossible one, begged him to take immediate action and do the best he could to bring about a solution, and expressly assured him that if he did not succeed completely they would not and could not in justice criticize him.

Let me remind you that many of the men and women who so

would not and could not in justice criticize him.

Let me remind you that many of the men and women who so willingly and eagerly cast their burden on the shoulders of their newly elected President are the same people who today find fault because conditions, while admittedly infinitely better than they were in March of 1933, have not yet reached a state of perfection. Immediately upon assuming office our President, with a master stroke, which will never be forgotten, closed every bank in the United States. These institutions opened only when they were in proper condition to receive with safety the deposits of the people of the country. The next move of the administration was the passage of the Emergency Banking Act under which the banking system was reorganized and strengthened, and the creation of the Federal Deposit Insurance Corporation, which operates to guarantee the safety of deposits in both State and Federal banks. Only a few days ago the Comptroller of Currency announced that deposits in national banks had reached an all-time peak and that the total deposits in the banks of this country had increased by more than \$6,000,000,000 during the past 3 years.

The commerce of the United States in foreign nations dropped from \$9,000,500,000 in 1929 to \$3,000,000,001 in 1932, due in part to high tariffs which cut off foreign trade and retallatory measures resulting in loss of foreign markets for American products. Our domestic industrial production declined from seven billion in 1929 to less than half that figure in 1932, with a consequent reduction in persons employed in production to a point where nearly 14,000,000 people walked the streets and roads of the United States in a futile quest for work.

To offset the destructive effects of the high-tariff policy of pre-

quest for work.

To offset the destructive effects of the high-tariff policy of preceding administrations Congress authorized reciprocal-trade treaties with foreign nations. These agreements properly construed will rebuild our foreign commerce on a sound basis. They have done away with the old logrolling tariff schedule arrangements. done away with the old logrolling tariif schedule arrangement and may be revised as experience suggests. Proceeding with its program Congress appropriated \$3,300,000,000 for public works, to be used in the construction of useful projects throughout the country both Federal and non-Federal. In every State in the Union the people are enjoying the benefits of permanent improvements which have resulted from P. W. A. activities. It may be noted in this connection that there has never been a suspicion of corruption in connection with the expenditures of this vast sum of money

The relief problem of the country was tackled immediately by The relief problem of the country was tackled immediately by the incoming administration. Let us not forget that while the preceding administration had, until its last days, failed to recognize, as a national problem, the misery and suffering which accompanied unemployment, the new administration immediately called a conference in Washington of Governors of States, mayors of cities, and officers of counties to work out a relief solution. The President announced in a clear and unmistakable way and with the approval of the country at large that no man, or woman, or child would be permitted to starve. Plans were immediately set in motion for the administration of the relief program in conjunction with the States. Food, shelter, and clothing were furnished to all who were in need. nished to all who were in need.

nished to all who were in need.

The Works Progress Administration was created for the purpose of giving employment to more than 3,000,000 men and women. These American citizens hated the dole system because, as Americans, they preferred work at their trades rather than charity from their Government. Our purpose has been to furnish employment on public projects and so maintain morale until recovery shall have progressed to the point where private industry affords sufficient opportunity. All of these public plans had their source in the States and were approved by the States; not one of them originated in Washington.

The agricultural problem was one of the first to which attention

The agricultural problem was one of the first to which attention was directed after the inauguration. We are all familiar with the unprecedented efforts put forth to better farm prices and farm conditions generally. The people of Nebraska, whom I have the honor to represent, know of those efforts because of what they meant in dollars and cents. Between March of 1933 and January Lof the present year prices of farm products increased as follows:

of the aims of the law is to return fair rewards to farmers for their work in the form of reasonable prices for their products.

The administration then created the Home Owners Loan Corporation, to save homes throughout the Nation by refinancing on long-term payments and low rates of interest. The Federal poration, to save homes throughout the Nation by refinancing on long-term payments and low rates of interest. The Federal Housing Administration set up by Congress resulted in a stimulation of the building industry so that for the last 3 months of 1935 the number of building permits for residences alone increased 250 percent over the last 4 months of the preceding year of 1934, and this in spite of the fact that the agency was begun only in the summer of 1934. A gain in production of durable and heavy goods has immediately followed this increase in the building industries and trades.

The Reconstruction Finance Corporation was organized under President Hoover but its activities had been limited to the advance

President Hoover but its activities had been limited to the advance President Hoover but its activities had been limited to the advance of funds to the great corporations, such as the \$80,000,000 furnished to the Dawes' bank of Chicago. However, under the present administration, billions of dollars have been loaned to farmers on their products, as well as to closed banks, agricultural credit companies, railroads, and mortgage loan companies. Funds have been made available for projects which are self-liquidating and in which the Government advance is sound and secure. Practically every phase of business, commerce, industry, and agriculture has been assisted by the Government through the agency of the Reconstruction Finance Corporation.

The next advance step by this administration was the establishment of the Securities Exchange Commission for the protection of American investors in securities. This one piece of legislation, it is fairly estimated, has saved the citizens of this country hundreds of millions of dollars.

hundreds of millions of dollars.

Later the Civilian Conservation Corps was established. It snatched a half million young men from idleness, from despair, and from possible moral degradation, and enabled them to carry on as upstanding citizens, capable of making economic and spiritual contributions to the country whose Government had strengthened them morally, physically, and intellectually.

It is not possible in this broadcast to review in more detail the tremendous program of welfare and recovery undertaken by the Roosevelt administration. Nothing human is perfect. This truth was never better demonstrated than in the efforts made by previous administrations during the 12 years preceding March of 1933. We do not claim perfection, but we do claim that we have exerted ourselves on behalf of the common man, the average citizen, here-tofore unprotected, as well as on behalf of all business, industry, commerce, and agriculture. The administration's record in the interest of the farmer, the home owner, the worker, and the small businessman has no parallel in the history of this Nation. The recovery of all lines of business, since the dark days of 1933, likewise has no equal in our country's history in a similar period of wise has no equal in our country's history in a similar period of time

Let us consider a few instances of the recovery which has taken

Let us consider a few instances of the recovery which has taken place since 1933. The total annual income of the American people has risen from thirty-nine billion to fifty-four billion dollars.

Farm income has increased by \$3,000,000,000. The value of securities of the New York Stock Exchange has grown from fifty-four billions to eighty-six billions. Two million homes have been saved for their owners. Commercial failures have dropped from 31,800 to 12,185, and liabilities of failed institutions have decreased nearly \$700,000,000. Industrial production was 63 percent of normal in 1932. It was 88 percent of normal in 1935. Employment was 64 percent of normal in 1932. It was 82 percent of normal in 1935. in 1932. It was 88 percent of normal in 1935. Employment was 64 percent of normal in 1932. It was 82 percent of normal in 1935. Pay rolls were 46 percent of normal in 1932 and 70 percent of normal in 1935. Registration of passenger automobiles increased from 20,000,000 in 1932 to more than 25,000,000 in 1935. Industrial production increased from thirty-one billions in 1932 to more than forty-five billions in 1935. The total of income of the 15 leading industries of the Nation in the year 1935 was 33.9 percent greater then in the year 1934. than in the year 1934.

These facts and figures are cited as high lights to illustrate the actual recovery which has been made under the Roosevelt administration. In 1932 the United States Government sold United States Government bonds on the financial market as low as 82. Today Government bonds are selling as high as 115, although the interest rate has been reduced and the public debt increased. During the war period our national debt was enlarged from about \$1,000,000,000 to \$26,000,000,000. As a result of laws passed under the Wilson administration, this debt was reduced by \$10,000,000,000 in the 10 years following the war. Under the Hoover administra-tion our debt rose from sixteen to about twenty-one billions. During the present administration it has risen to about \$31,500,-000,000, of which figure about four billions represent amply secured advances to private and public corporations which will be repaid to the Government. Within the last 3 weeks the stability and financial security of our Nation has been demonstrated in a positive and certain way. A billion and a quarter of low-interest-bearing Gov-ernment securities were offered to the public and were not only all unprecedented efforts put forth to better farm prices and farm conditions generally. The people of Nebraska, whom I have the honor to represent, know of those efforts because of what they meant in dollars and cents. Between March of 1933 and January 1 of the present year, prices of farm products increased as follows: Wheat, from 31 to 91 cents per bushel; corn, from 13 to 53 cents per bushel; oats, from 10 to 24 cents per bushel; hogs, from \$3 to \$8.70 per hundredweight, and so on throughout the full list of farm products.

Since the Supreme Court decision a substitute farm-relief bill, the Soil Conservation Act, has been passed for the purpose of preserving land fertility, preventing loss through erosion. One I promised to cite examples showing the contrast between 1933 and 1936. My references are all based on accepted statistics. We have not reached the goal we hoped to attain. Relief and unemployment are matter of grave concern, though both are definitely improved. Public expenditures, while they have been substantially reduced, necessarily continue to be large. But I ask, "Who among us would not shudder with horror at the thought of returning to the status quo of March 1933?" We are obviously proceeding along the road to a real, sound prosperity. It is not "around the corner." It is in plain sight. We are rapidly marching toward it, and we shall reach it if we proceed courageously and with humane consideration. sideration.

We have a common heritage in America of freedom and opportunity. The present administration is trying to preserve that heritage. Our program is based upon truth that a chain is no stronger than its frailest link and that when we strengthen the weak we preserve the strong. Proceeding on this principle we shall establish a sound economic and social security for all the people of our

MY LEGISLATIVE RECORD

Mr. MORITZ. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein some excerpts from old speeches and bills that I have introduced.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MORITZ. Mr. Speaker, under the leave to extend my remarks in the RECORD I include excerpts from speeches previously made by me and certain newspaper articles; also a list of bills introduced by me, a record of my votes in the House, and my platform, as follows:

(Refer to Congressional Record for full text of speeches.)

THE SOLDIERS' BONUS

March 21, 1935

Mr. Doughton. Mr. Chairman, I now yield to the gentleman from Pennsylvania [Mr. Moritz].

Mr. Moritz. Mr. Chairman, I wish to go on record as favoring the immediate payment of the soldiers' bonus.

FLOOD RELIEF

April 1, 1936

April 1, 1936

Mr. Moritz. Mr. Chairman, I am in complete sympathy with any bill that will affect the small-home owner and the poor people. I suppose this bill is principally for the assistance of the small-home owner and the wage earners who cannot borrow great sums of money from banks. That must have been the thought in the mind of the members of the committee. A liberal policy should be pursued in reference to this matter, but at the same time we must recognize the responsibility of the R. F. C.

The loans provided for in this bill are for the owners of small homes or small business establishments. I hope the Members will liberalize the requirements, because even the business people in Pittsburgh now have no money and no way of borrowing any money, because their resources have been washed away by the flood. Unless the restrictions are removed and the terms made very liberal, this bill will be a mere gesture and will do no good whatever.

OLD-AGE PENSION

April 16, 1935

Mr. Samuel B. Hill. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Moritz].

Mr. Moritz, Mr. Chairman, I believe today is an epochal day in the history of humane legislation. No person or party could be responsible for this legislation except those who are progressive-minded. Ten years ago anyone who proposed legislation for an old-age pension would have been considered a radical, but at the present time conditions have changed.

Now, I would be very sorry if what the gentleman from Cali-

the present time conditions have changed.

Now, I would be very sorry if what the gentleman from California [Mr. McGroary] said should come to pass. He maintained—and I think he is correct—that those States that cannot raise the money to pension their aged will not obtain an old-age pension from the Federal Government. I want to say that the State of Pennsylvania, one of the richest States in the Nation, is at the present time bankrupt. It can scarcely pay the salaries of their own employees. I hope we are not going through an empty gesture in this legislation, but that the old people will get their pensions, which they deserve. [Applause.]

THE RIGHT TO LIVE March 28, 1935

The SPEAKER. Under the special rule, the gentleman from Pennsylvania [Mr. Moritz] is recognized for 10 minutes.

Mr. Moritz. Mr. Speaker, at this time I rise to speak on taxation. Mr. Moritz. Mr. Speaker, at this time I rise to speak on taxation. At the present time, it seems to me, we are asking for billions of dollars and we are requesting people in business to pay taxes, not knowing how they are getting along. Just as you cannot hold the reins of a horse and tell him to "get up", just as you cannot put both feet on the brakes of an automobile and turn on the gas, likewise you cannot expect business to revive and go on while taxing it to the full extent. We wonder why business does not revive. It cannot revive if everything that business has is taxed.

ANTILYNCHING June 14, 1935

Mr. Moritz. Friends, I deem it a rare privilege to address you on a practice that has gone further toward destroying our civilization, returning to an age of persecution and barbarism, and destroying the finest principles of Americanism than any plague that had

ever infested this country.

I refer to that despicable, cowardly, criminal form of lawlessness that should be ranked as public enemy no. 1 of law and

ness that should be ranked as public enemy no. 1 of law and order, namely, lynching.

We shudder as we review the dark, dim days of Salem witch-craft when superstition condemned many innocent victims to horrible death, to the days of the guillotine when human beings were beheaded to satisfy the whim of some monarch. Yet in this year of our Lord, 1935, we tolerate—and in some instances uphold—the mob that steals in under a blanket of darkness, defies the very law created for our protection, and condemns to horrible death some poor soul without so much as a hearing.

CIRCULATION OF MONEY

January 15, 1936

Mr. Moritz. Mr. Chairman, * * * I would like to call your attention to the years it took to get the Patman soldiers' bonus bill in the present status. The vote yesterday was 218 to 100 to discharge the Committee on Ways and Means on the Patman bonus bill. What would have been the result 7 years ago?

Is there anybody who would contend that the money put in circulation at present by the \$5,000,000,000 appropriated by Congress is not responsible for the betterment of the present conditions? Is there anyone who would contend that the \$5,000,000 put out by General Motors as a Christmas gift was not responsible for the big Christmas boom in Detroit, Flint, and Lansing, Mich.? Would anybody contend that when the soldiers are paid their bonus that prosperity will not be given another boost?

Congressman Moritz's Plea for the Coal Miner

CONGRESSMAN MORITZ'S PLEA FOR THE COAL MINER

CONGRESSMAN MORITZ'S PLEA FOR THE COAL MINER August 16, 1935

Mr. Moritz. Mr. Chairman, * * * I remember years ago, in 1902, it took Theodore Roosevelt's intervention to pacify the then intense strike. I remember not so many years ago it was taken as a matter of course that the poor miner be cheated openly as to the credit he received for the amount of work he produced. In other words, when the miner filled a coal car and it weighed so many pounds, the coal operators just arbitrarily lessened the weight. Now the miners have an impartial weighmaster on the tipple who gives him the correct weight of the amount of work that he does. I remember when a miner filled the car and if it did not have a "hump" on it, which means the surplus coal, which was above the amount to fill the car, the operator sent the car back to the mine and told the miner to put a "hump" on it, for which the miner received no pay.

At this time we are horrified to be aware of this downright heart-

At this time we are horrified to be aware of this downright heartless cheating, but it took many years of strenuous effort and even bloodshed to get these ordinary reforms. Now we are confronted with a bill that gives the least of these forgotten men another "ray of sunshine."

BLACK-LETTER DAY, MAY 18, 1920 January 29, 1936

Mr. Morrz. Mr. Chairman, I wish to speak on the subject of money. May 18, 1920, to my mind, ought to be put down as a big black-letter day, because it was on that date that the Federal Reserve System contracted the currency, and from that date the

Reserve System contracted the currency, and from that date the depression started.

Mr. Chairman, I believe the time is fast approaching when great numbers of our citizens are commencing to ask embarrassing questions of Members of this Congress.

Finally, the question I am never able to answer any constituents is this, Why does Congress not take over the whole Federal Reserve System, lock, stock, and barrel, paying its private owners in full what they paid for their stock with 6 percent from its date of purchase, less any dividends that may have been paid, and with that System as an agency of Congress, build a central bank, a monetary authority, a fiscal agency of the United States that will keep the supply of credit and currency adequate and safe; that will control inflation and deflation; that will raise price levels and destroy the greatest enemy of the Nation—the Federal Reserve System, with its private control of money? [Applause.]

[Here the gavel fell.]

[Here the gavel fell.]

MR. MORITZ OPPOSES THE TOLLS August 5, 1935

Mr. Moritz. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Morrz: Page 2, line 7, strike out all of lines 7 to 23, both inclusive, and insert in lieu thereof:
"Sec. 2. No toll or other charge shall be made for the use of the said bridges or any of them or the approaches to them or any of them, and no toll or charge shall be made for the use of such other public works or improvements as may be associated with said bridges and approaches."

REGULATION OF PUBLIC-UTILITY HOLDING COMPANIES July 1, 1935

Mr. Morrz. Mr. Chairman, * * *
To be sure, thousands of innocent investors—widows, orphans, churches, and hospitals—have lost millions of dollars to the

unprincipled promoters of these holding companies; but there is no way in which that already lost can be regained, and all we can do is to enact such laws as will make it impossible for such a

can do is to enact such laws as will make it impossible for such a Nation-wide catastrophe to happen again.

The holding companies tell in their circulars and advertising about the wonderful assistance they have rendered to operating companies in the way of financing expansions and interconnections and in supplying management advice. Undoubtedly much advantage has been afforded in these directions, but at what a price. But there is nothing in this bill to preclude the continuance of such assistance.

WAGNER LABOR ACT June 19, 1935

Mr. Morrz. Mr. Chairman, I thank the chairman for so graciously giving me this opportunity to take my stand and place myself on record for organized labor.

The fundamental rights of man, as so well stated in that immortal document, the Declaration of Independence, are the rights to life, to liberty, and to the pursuit of happiness. It is to be noted that the right to live, being first mentioned, is regarded as paramount. Yet under present conditions in the United States millions of people are denied the right to live except upon the charity of government. charity of government.

CHAIN STORES BEAT OUR PUBLIC

May 16, 1935

Mr. Morrz. Mr. Chairman, * * I will not argue that the chain store cheats you at every turn by weights; that few people can long hold down a job at a chain unless he can "produce." I shall not stress the fact that a Government investigation shows short weights of 53 percent of the stores, poorer quality of merchandise, lower wages paid, or the fact that the chain sells the 8-ounce-size container marked "6 ounces" in fine print, while the independent sells the 8-ounce container marked plainly "8 ounces" of the same brand and quality and sells at 1 cent above the chains. I am interested in the fact that chains can and do buy for less and sell for larger profits than the independent. I am interested in getting the independents the same buying power as the chains and let free competition be the peoples' safety valve to lower the price. Mr. Morrrz. Mr. Chairman, * * * I will not argue that the

STATEMENT OF CONGRESSMAN THEODORE L. MORITZ, REPRESENTING THE THIRTY-SECOND DISTRICT OF THE STATE OF PENNSYLVANIA (PITTS-BURGH), FEBRUARY 6, 1935—HEARINGS ON THE LUNDEEN BILL

Mr. Moritz, I would not go that far; I am for the Government staying out of private enterprise, but I do wish that the public-service commission would give the people of Pittsburgh some real relief. We have 8½ cents carfare, 25 cents bus fare. A taxicab, to go a mile, costs you 65 cents. There are 62 subsidiary companies owning our Pittsburgh Railways Co., each one of them having to get a profit before the car passenger is thought of. Just think of that. The city of Pittsburgh is just in a nest of extortionists.

MORITZ FIGHTS SHERIFFS' SALES

THEODORE L. MORITZ is awaiting a reply from President Roosevelt to a telegram sent yesterday urging a moratorium on sheriffs' sales. Moritz, who is Mayor McNair's secretary, and Congressman-elect from the Thirty-second District, was urged to act by groups of citizens who declared they were in danger of losing their homes. He sent this telegram to the President:

"Dear Sir: Citizens are in distress. Please call immediate moratorium on sheriff's sales."

BILLS AND RESOLUTIONS INTRODUCED BY HON. THEODORE L. MORITZ H.R. 6461. A bill to increase the salaries of chief clerks and clerks, employees of the railroad companies. H. J. Res. 533. Joint resolution to provide for relief of the floods

in Allegheny County, Pa.

H. R. 7984. A bill to regulate traffic and trade, protect small business houses and industry, promote orderly marketing, encourage individual initiative, decentralize business, and give the consumers the benefit of free competition denied them by chain ownership and operation, holding companies, and interlocking directorates.

H. Res. 397. Resolution providing for a committee of five Members of the House to investigate the excessive taxes now being

paid the Government on liquors.

H.R. 6765. A bill to relieve the present distress of home owners and to prevent foreclosures and to declare a temporary moratorium by providing a loan of \$300 to a mortgagor, which sum must be paid to the mortgagee for interest due or which may be due in the future

H. R. 7732. A bill to reduce the rent of houses and apartments for Government employees in the District of Columbia, to encourage the investment of idle capital, to put laboring men to work, to take men off of relief rolls and put them on pay rolls, and to reduce the hazard of disease.

H. R. 8808. A bill to require that the name of the writer of every editorial article be appended to each copy thereof deposited in the mails or shipped in interstate or foreign commerce.

H.R. 4353. A bill to provide each Congressman with \$1,000,000 to be spent in his congressional district to build homes which will not rent for more than \$20 per month.

H.J. Res. 417. Joint resolution directing the President of the

United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

H.R. 6026. A bill to promote the general welfare of the citizens of the United States by the exercise of the police powers of the Government through the imposition of an excise charge upon the privilege of the use and enjoyment of large landholdings, based upon their unimproved value, and a special excise charge with respect to the carrying on or doing business by corporations, joint-stock companies or associations.

stock companies, or associations.

H. J. Res. 548. Joint resolution to permit articles imported from foreign countries for the purpose of rehabilitation in the flood areas to be admitted without payment of tariff.

VOTED FOR

\$4,800.000,000 relief fund.

To extend Reconstruction Finance Corporation 2 years. Soldier bonus bill.

- 3. Soldier bonus bill.
 4. Old-age pensions.
 5. Wagner's Labor Act.
 6. Guffey coal bill.
 7. Control of public-utility holding companies.
 8. Additional home-mortgage relief.
 9. To prevent profiteering in time of war.
 10. Railroad Retirement Pension Act.
 11. Tennessee Valley Authority.
 12. Moritz amendment to prohibit toll charges on bridges in Begheny County. 13. Townsend old-age pension.
 14. Vocational educational training.

VOTED AGAINST

"Gag rule."

2. Retiring Supreme Court judges with pension.

- Merchant Marine Act.
 Tolls on Allegheny River bridges.
- 5. To increase the number of Federal judges.6. Increase the pay of retiring Army officers.

MY PLATFORM

1. I advocate the upholding of the Constitution of the United States, particularly section 8, article I, namely, "Congress shall have power to coin money and regulate the value thereof." This power should not be delegated to private interests.

2. I advocate an adequate old-age and widows' pension. As a humanitarian I believe that a family should not be separated in the twilight of life and cost into various almshouses.

the twilight of life and cast into various almshouses.

3. I endorse the 16 points of the National Union for Social

THE LYNCHING RECORD

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Birmingham News of March 22, 1936.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, under leave granted to extend my remarks in the RECORD I include the following editorial from the Birmingham News of March 22, 1936:

[From the Birmingham (Ala.) News of Mar. 22, 1936]

A SIGNIFICANT STUDY OF THE LYNCHING RECORD

The Commission on Interracial Cooperation has just published a report summarizing the results of a careful study of all lynchings in the United States in the last 5 years. The facts cited are all significant, and in some instances startling.

The most astounding fact brought out by this study is that, of the 84 persons lynched in the 5-year period, nearly half were either unaccused of crime or else were charged only with minor offenses. To be exact, in 41 percent of the cases the victims either were not only innocent of any crime, but were not even accused of any, or else were charged with offenses of a minor nature. To that record of cruel injustice is added the fact that of the other 59 percent of mob victims in the last 5 years, many were found, on investigation, to have been innocent of the crimes with which they were charged. they were charged.

they were charged.

Highly significant also is the fact that only one-fourth of the victims were accused of actual or attempted assaults upon women. This may surprise many persons, since it is generally thought that this is the chief cause of lynchings. It does not surprise those who have followed the lynching record closely, and who know that this offense, while it accounts for only a fourth of the lynchings, is used more than anything else to keep alive the mospirit. A further fact brought out in the report is that in a number of these cases the commission's investigators could find no convincing evidence of guilt.

of these cases the commission's investigators could find no convincing evidence of guilt.

With all else that is to be said against lynching—against its barbarity, against the violence it does to our institutions of law and orderly justice—surely such facts as these should serve to make all people of one mind in condemning the practice. At least everyone can agree that, when nearly half the victims of mobs are either unaccused or charged with only minor offense, and many of the rest are innocent of the crimes of which they are accused, lynching is certainly a very inefficient instrument.

ARMY DAY

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Concurrent Resolution 30.

The SPEAKER. The gentleman from South Carolina asks unanimous consent for the immediate consideration of Senate Concurrent Resolution 30.

Mr. SNELL. Reserving the right to object, what is the object of the resolution?

Mr. McSWAIN. This is the nineteenth anniversary of the declaration of war against Germany. This does not have the force of law; it is only a concurrent resolution requesting the President to order the military units throughout the United States to assist civic bodies in appropriate celebrations to such extent as he may deem advisable.

Mr. SNELL. It does not mean a holiday?

Mr. McSWAIN. Oh, no; and it does not cost anything, either.

The SPEAKER. The Clerk will report the resolution. The Clerk read the resolution, as follows:

Senate Concurrent Resolution 30

Resolved by the Senate (the House of Representatives concurring), That Monday, April 6, 1936, be recognized by the Senate and House of Representatives of the United States of America as Army Day, and that the President of the United States be requested, as Commander in Chief, to order military units throughout the United States to assist civic bodies in appropriate celebration to such extent as he may deem advisable; to issue a proclamation declaring April 6, 1936, as Army Day, and in such proclamation to invite the Governors of the various States to issue Army Day proclamations.

The resolution was agreed to, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for indefinite leave of absence for my colleague, Mr. Cary, on account of serious illness.

The SPEAKER. Is there objection? There was no objection.

COMPACTS AND AGREEMENTS AMONG STATES

Mr. CLARK of North Carolina, from the Committee on Rules, reported the following privileged resolution for printing under the rule:

House Resolution 476 (Rept. No. 2344)

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 12037, a bill relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS APPROPRIATION BILL, 1937

Mr. McMILLAN. Mr. Speaker, I move that the House resolve into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12098) making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes; and pending that motion, may I ask the lady from California as to the division of time? My feeling is that we had better run along in general debate through the day, the time to be equally divided between the lady from California and myself.

Mrs. KAHN. That will be agreeable to us.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that general debate be continued today, the time to be equally divided between the lady from California and myself.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. Harlan in the chair.

The Clerk read the title of the bill.

Mr. McMILLAN. Mr. Chairman, I yield myself 1 hour.

I think it proper before entering into any discussion of this bill which I have the honor to present to the House. that I pause to pay tribute to the distinguished chairman of the subcommittee, Judge WILLIAM B. OLIVER, of Alabama, who has so ably and zealously guided the legislative destinies of this bill since the Seventy-second Congress. Fortified as he is with a brilliant mind and having a conscientious regard for the performance of his duty, and bringing to his position as chairman years of experience as a member of the Appropriations Committee, it is with deep regret that due to his extended illness the committee has not been favored with his presence and wise counsel in its hearings, or in its deliberations attendant upon the presentation of the bill to the House. Conservation of one's health is a consideration second to none, and we are indeed happy in the knowledge that Judge Oliver, in giving the matter of protecting his health its proper due at the insistence of every member of the committee, is showing a continuing improvement in his condition. I shall hence endeavor, to the best of my ability, to assume the responsibility which heretofore he so ably performed, of piloting this measure through its legislative paths.

I might add that I, too, want to express my appreciation to the members of the subcommittee who have so ably assisted me in the preparation of this bill. For some 6 weeks we sat daily conducting the hearings incident to the bill covering these four departments. The committee consisted of the gentleman from Kentucky, Mr. Cary; the gentleman from Georgia, Mr. Tarver; the gentleman from Illinois, Mr. McAndrews; the gentleman from Michigan, Mr. Rabaut; and my Republican colleague the gentleman from New York, Mr. Bacon, and the gentlewoman from California, Mrs. Kahn. It has been a pleasure to me to have the able assistance of these colleagues in the conduct of the hearings and the preparation of this bill.

I cannot, however, pass this compliment along without also saying a word in behalf of our able and affable clerk, Mr. Jack K. McFall. [Applause.] He has been our right bower and on every occasion has been on the job and served us in a manner that has been absolutely essential in the conduct of our work.

In order not to unnecessarily burden the House with an extended discussion of the one hundred and seventy-odd separate appropriating items in the bill, many of which could be made the subject of a separate address, I shall endeavor to confine myself to the major changes that the committee has made in comparison with last year's appropriations, touching, in the course thereof, on such collateral matters of policy or factual information, that in my opinion the membership of the House will be interested in having brought to their attention. The report accompanying the bill is quite complete in its detail, so, should I fail to cover any subject that individual Members might be interested in, I commend to their perusal the reading of the report on the bill which will, in all likelihood, contain reference to the subject desired together with an explanation of the committee's action on the matter of the appropriations connected therewith.

As an incidental observation, I may say that we have been engaged continuously since February 3 in conducting hearings with the different department heads, in arriving at the amounts we have recommended for the various activities, and in preparing the bill and the report for the consideration of Congress. The Secretary of State, the Secretary of Commerce, the Attorney General, and the Secretary of Labor each appeared before us and presented his arguments in behalf of the sums requested, which assisted the committee materially in determining the need of each department for funds to carry on its work. Our task has been difficult, and if the recommendations of the committee are accepted by you and the future should prove that some errors of judgment have been made, we shall beg your indulgence and make such further recommendations to repair our mistakes as the circumstances of the case may warrant. We have not taken unto ourselves the doctrine of infallibility in the fulfillment of our committee duties, but have performed our task to the best of our ability.

The bill H. R. 12098 as it is before you carries appropriations for the four Departments of State, Justice, Commerce, and Labor. In the fiscal year 1936, that is, the present fiscal year, appropriations totaling \$106,767,326 were made. For the next fiscal year, 1937, the Budget estimates carry a total of \$122,651,577. Your committee is recommending an appropriation of \$114,467,400, which is an increase of \$7,700,074 over the total for 1936, but is less by \$8,184,177 than the estimates submitted by the President through the

It might be well to give more than passing consideration to this increase of \$7,700,074 over the 1936 appropriations. Without making any allowance for the general increases in the Department of Justice items due to an upward trend in crime, the entire increase is offset by the increased appropriations for construction, which are capital expenditures, plus the amounts required for carrying out new laws passed by Congress during the past session. In fact, if the appropriations for these two purposes are deducted from the appropriations for 1936, the amount carried in the bill for the next year would be approximately \$1,000,000 less than appropriations for the current year. I shall ask unanimous consent at this point to insert as a part of my remarks a table of eight lines which will serve to illustrate this point by showing the different items and amounts involved in this calculation.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

The statement referred to is as follows:

Increase by principal items over appropriation for 1936

Construction items.	
Channel rectification and flood control on Rio	40 000 000
Grande (Mexican Boundary Commission) Construction of penal institutions, jails, etc.	\$2,800,000
(Bureau of Prisons)	2, 850, 000
Appropriations necessitated by new laws passed at last session of Congress:	
Grants to States and administration of Social	
Security Act (Children's Bureau)	2, 927, 000
Administration of Davis-Bacon prevailing wage law (Secretary's Office, Department of Labor)	39,000
Bituminous Coal Labor Board established by Guffey-Snyder Act (Department of Labor)	81,000
Total increases due to new laws and construc-	an order
tion items	8, 697, 000
Less: Total increase for all items in the bill over 1936.	-7,900,074

Less: Total increase for all items in the bill over 1936_ Excess of increases for new laws and construction over total net increase in appropriations for 1937 as compared with 1936_____

796, 926

Mr. McMILLAN. The reduction of \$8,184,177 which the committee is recommending be made in the Budget estimates represents a decrease of approximately 7 percent.

One of the matters of most general concern to the committee is the ever-increasing cost of communication service in the various agencies covered in this bill. It appears that one of the principal causes contributing to this increased cost is the all too frequent use of the long-distance telephone for transacting Government business. In some cases, the use of this form of communication is undoubtedly necessary and justified and it would not be the disposition of any fairminded person to deny the use of the telephone in emergent cases. On the contrary, evidence has been presented to the committee establishing that in many instances the long-distance telephone has been used purely as a matter of convenience when, as far the the expeditious handling of the business under consideration is concerned, the information could just as well have been conveyed either by the use of air mail or by telegraph, with a corresponding substantial reduction in cost. The committee has communicated to all heads of departments its views on this subject, and I may say that next year when we again take up the question of supply funds with the various administrative officials, we shall take especial note of the progress which has been made in reducing the cost of the communications services.

Another subject of some moment that I, in company with the committee, desire to call to your attention is the administrative promotions that are being made in some of the departments supplied with funds in this bill. In some de-

partments what approaches wholesale promotions have been made with funds accruing from lapses in the salary appropriation due to deaths, resignations, transfers, and so forth, of employees, while in some instances funds allowed for additional employees upon a showing of need have been diverted from the purpose for which they were requested and applied instead of giving salary promotions to employees already on the pay roll. The use of appropriated funds to make promotions by this latter-named method in my opinion amounts to nothing short of a breach of faith with the committee, and as far as I am concerned when evidence of this method of operation is presented to any committee of which I am a member, I shall make my views known in no uncertain manner, and use what persuasive powers I may have to effect proper remedy. With respect to the use of money saved by lapses to make these promotions, it is realized that a somewhat different picture is presented and that administrative officials in authorizing salary increases out of funds accumulated in this manner are acting within their entire rights under the law. To the knowledge of the committee, in at least one department of the Government no administrative promotions have been made since 1932, while in other departments increases running into the hundreds in number and into thousands of dollars additional cost have been made during the present fiscal year. It would seem, therefore, that in order to assure some uniformity on these promotions throughout the different branches of the Government, consideration should be given to this subject by the budgetary authorities. To permit the present conditions of unbridled administrative discretion in the matter of promotions to continue, is to perpetuate a most unhealthy condition and provoke dissatisfaction among employees of other departments.

Before discussing the items under the various Department headings, I desire to call attention to the Public Works appropriations that have been inserted in the bill. The distinguished chairman of the committee, Mr. Buchanan, has seen fit to have the individual items in the Public Works chapter of the Budget for 1937 considered by the subcommittee, under whose jurisdiction the department charged with the expenditure of the appropriations requested would properly fall. The effect of this procedure was to charge this committee with the responsibility of considering requests for appropriations for this purpose totaling \$8,600,000. This involved estimates amounting to \$3,800,000 for rectification of the channel, the continuation of a program of flood control, and the construction of a dam-all on, or in connection with, the Rio Grande in Texas. The work is to be performed under the directorship of the International Boundary Commission, United States and Mexico. The other work, involving an expenditure of \$4,900,000, is a program of constructing additions to some few penal institutions, dwelling houses for employees of the prison service, development work on McNeil Island, Wash., and to provide for the erection of three new Federal jails, all to be performed under the supervision of the Bureau of Prisons, Department of Justice.

We have given extended consideration to these requests for funds to make these capital expenditures outlined in the preceding paragraph, resulting in a committee recommendation that the House concur in a total appropriation of \$5,350,000 for this construction. This amount, if approved. will effect a reduction of \$2,950,000 in the Budget estimates.

In explanation of this substantial decrease, I may say that \$1,000,000 of it is represented by the elimination of an item for the construction of a diversion dam on the Rio Grande. It appears that the total authorization that Congress has made for the expense of erecting this dam is \$1,000,000. The committee has been informed, however, by Mr. L. W. Lawson, the American Commissioner of the Mexican Boundary Commission, that the dam cannot be completed within the limits of the authorization and that to bring about such completion an appropriation of \$400,000 additional would be required. I may say here that the policy of our committee will be to deny all appropriations for any projected public works if the evidence indicates

that the entire construction cannot be completed within the limits of the amount authorized to be appropriated by Congress. To do otherwise would be to place at the doorstep of the legislative committee having jurisdiction the practical necessity for making the additional authorization required to complete the project in question in order to prevent absolute wastage of the appropriations already made. Such a procedure could never be conducive to economical government.

We are asking the House to concur in the appropriations requested for the flood-control and channel-rectification work on the Rio Grande. The total contained in the bill for the continuation of these two projects alone totals \$2,800,000—\$1,600,000 for the former and \$1,200,000 for the latter. Allotments have been made from P. W. A. funds in amounts aggregating more than \$7,000,000 to carry on this flood-control and channel-rectification work in cooperation with the Mexican Government, and the funds that are now carried will continue the work. There will be required, at a future date, about \$4,400,000 in additional appropriations to complete both projects.

I will now address myself to the major items of interest bearing on the appropriations for each of the four departments covered in the bill.

STATE DEPARTMENT

The bill, as we have presented it to the House, carries appropriations totaling \$17,654,000. While this represents an increase of \$1,542,466 over the appropriations for the present fiscal year, it is less than the Budget estimates by \$1,474,250. It should be noted that the increase over the 1936 appropriations is more than offset by the \$2,600,000 for this construction work on the Rio Grande in Texas, to which I have just made reference. In fact, but for these construction projects, the total would be less than the appropriations for the current year by more than \$1,000,000.

One of the items of most general interest to the House, as far as the present activities of the State Department are concerned, is the reciprocal-trade-agreement program. In the course of the hearings considerable information was adduced bearing on the status of the program, the countries with which treaties have been consummated, those nations with whom we are negotiating, and other facts pertinent to the general subject. Reference to the index of the State Department hearings will give page references to the different places throughout the course of the hearings where the subject was discussed. This most difficult and exacting task is being consummated under the able stewardship of Mr. H. P. Grady, Chief of the Division of Trade Agreements.

Passport Division: One of the best indications of returning prosperity is the number of passports that are issued by the Passport Division of the State Department for people traveling abroad. When people have money to spend they frequently travel; when they travel they must have passports. The Passport Division issued some 118,000 passports last calendar year as compared with about 112,000 in the calendar year 1934. This division of the Department, so efficiently directed by Mrs. Ruth B. Shipley, annually turns into the Treasury from passport fees many hundreds of thousands of dollars in excess of the modest cost of maintaining the unit in the Department and the five offices in the field.

Foreign Service Personnel Board: It was indeed pleasing to the committee to learn that through the splendid accomplishments of the Foreign Service Personnel Board there has been realized a definite improvement in the morale of our Foreign Service personnel. Without fear or favor, this Board, composed of certain officials of the State Department, has been engaged in effecting, if I may use the vernacular, a "weeding out" of those Foreign Service officers whose records have been such as to make their continuance as representatives of this Government undesirable. Strict standards of health and efficiency have been prescribed, and those not measuring up to these standards have been placed on the retired roll. The immediate effect of the retirement of some 60 Foreign Service officers by this method is to provide

vacancies that can be filled by new blood and to hold out to the new men entering the Service the possibilities of advancement in grade and salary if they conscientiously perform their duties and measure up to the requirements of conduct, health, and ability.

For the past 4 years, due to the necessities for economy, it has not been possible for the State Department to bring any of its Foreign Service officers back to this country on leaves of absence. In many far-away countries of the world officers are stationed who have not returned to their homeland for 6 years. The value of having these men brought back to the United States at reasonably spaced intervals to reacquaint them with conditions in the country for which they are devoting their lives as a career can certainly not be questioned. Up to a certain point, postponement of the expenditure of funds for leaves of absence of these officers is a legitimate field for the exercise of economy. However, to carry such a program too far serves but to make a fault of a virtue and has as its effect the impairment of the morale and a lowering of the productive value of the work of the men thus affected by such a policy. It is in the realization of this truth that the committee has recommended an increase of \$30,000 over the Budget estimates in order that the Department may embark upon a program of bringing back to the United States Foreign Service officers located in unhealthy, distant posts who have not had a home leave of absence for many years. If allowed by Congress, \$100,000 will be made available for this purpose during the next fiscal

It is the desire of this committee to lend every assistance in seeing that the efficiency standard of the United States Foreign Service is second to none in the world. The value of the State Department as a whole is no greater than the collective value of the services rendered by its Foreign Service officers in reporting on conditions abroad, which reports must form the factual basis for the determination of our foreign policy. In the past, after the prospective Foreign Service officer successfully hurdled the difficult entrance examination, he was put on his own, so to speak, and no Government facilities were provided to further train him in methods of enhancing his reporting ability and improving his general fund of specialized knowledge on matters pertinent to the successful accomplishment of governmental foreign affairs and diplomacy. As a modest beginning, therefore, the committee is asking you to approve an expenditure of \$10,000 to train some of these Foreign Service officers in economics, finance, and commerce in order that their value to their country as a foreign representative may be immeasurably enhanced. I might say, parenthetically, that Army and Navy officers have been favored for many years with specialized training to enhance the character of the service they render.

Today we are spending over \$1,000,000 per year in meeting our share of the expenses of maintaining a membership in various international organizations. To this total must be added upward of \$400,000 that is spent annually to pay the expenses of maintaining certain permanent international commissions—boundary commissions, waterway commissions, claims commissions, fisheries commissions, and so forth. These expenditures are necessitated almost entirely as a direct result of Congress having authorized our membership in the various organizations, or as a result of obligations growing out of a treaty with some foreign government or governments. I do not deprecate the value to us as a nation of the amount of money that we spend in maintaining our membership in many of these commissions and conferences, but I do think it only fair to observe that we are paying out about \$1,500,000 annually in cooperative endeavor with other nations. The Appropriations Committee has little, if any, choice in the matter if we are to obey the mandate of Congress and of treaties requiring that appropriations be made to make efficacious our membership in these organizations.

There is one matter, however, that I feel I should bring to the particular attention of the Members of the House before I take up the Department of Justice appropriations, and that is the subject of our membership in the International Labor Organization. It is costing us nearly \$400,000 per year to maintain our membership in this body. It has been provided by statute that the United States shall become an adhering member. I consider it but a proper construction of our duties as an Appropriations Committee that so long as the Congress has voiced itself as being in favor of associating ourselves as a nation with the other adhering countries in endeavoring to work out recommendations and conventions for the betterment of labor throughout the world, it remains for us to approve appropriations in the amounts required to fulfill the obligations of our membership. I know that some members of the Appropriations Committee, and I may say myself included, do have grave misgivings as to whether we, to put it bluntly, are "getting our money's worth." I do not want to use this occasion to enter into any extended discussion of the work that the Labor Organization is doing and what definite value we, as a Nation, are securing from it, but I do feel that the time is propitious for reconsideration of the matter in the light of the expense involved and the results attained.

I may say, in passing, that a new item appears in the bill under the State Department heading that will provide for an arbitration of the long-standing controversy as to the amount of damage to certain foliage and vegetation in the State of Washington resulting from the emission of sulphur fumes generated in a smelter located in British Columbia. The sum of \$50,000 has been provided for the arbitration and it is to be hoped that all questions connected with this international difference with Canada will be equitably disposed of.

DEPARTMENT OF JUSTICE

For the Department of Justice the committee is recommending a total appropriation of \$41,061,300. This compares with an appropriation this year of \$36,310,992 and Budget estimates of \$43,795,250. It will be seen that, while the committee has allowed in round numbers \$4,750,000 more than the comparable appropriations for this year, it is still less than the Budget estimates by more than \$2,700.000. Here again, as in the State Department, the increase over the appropriations for 1936 is partially offset by construction items aggregating \$2,850,000. Deducting this total of \$2.850,000 from the net increase of \$4,750,000, we arrive at the figure of \$1,900,000, which represents the increase over the appropriations for this year, and which, it may fairly be said, is made absolutely necessary as a direct result of the constantly increasing volume of criminal, civil, and other business performed by the Department of Justice. As an example of how the activities of the Department are growing. I might briefly cite a few statistics. During the fiscal year 1934 there were commenced in United States courts 23,032 criminal cases, while during the fiscal year 1935, 35,365 cases were instituted, an increase of 12,333 cases, or about 33 percent. At the end of the past fiscal year there were over 26,000 cases, both civil and criminal, pending in the courts, which, if no additional cases were filed, would take over 6 months to dispose of. Tax division cases have increased 7 percent; claims division cases 8 percent. The administrative division has likewise been taxed to keep up with its share of the increased work volume. Outgoing mail increased 136 percent over the previous year. The agencies of the Government devoting themselves to apprehending those violating Federal criminal statutes by their active campaign to apprehend the criminal have contributed in a large measure to this rising volume of work. The facilities of the Bureau of Prisons are being severely taxed to care for the constantly increasing prison population. In the light of these facts, it follows, as the day the night, that additional funds must be provided to meet these changing conditions. We have made reductions where it was felt that economies might be effected without seriously impairing any vital function of the law-enforcement machine. In only four items have we increased the Budget estimates, and in each of these instances save one-and the exception amounted to an increase of only \$7,665—there is every reason to believe that for every additional dollar that is provided there will be a corresponding savings to the Government and the people of many times over the amount expended.

Federal Bureau of Investigation: The principal increase of the four that I have just mentioned is to be found in the item for the Federal Bureau of Investigation. At the invitation of the Attorney General and the Director of the Bureau, the subcommittee visited the Bureau and spent several hours witnessing the operations of an extremely efficiently administered unit. For the sake of brevity, I will not be able to discuss at length the functions this Bureau is called upon to perform, but I do desire to leave a few thoughts with the House with respect to just what this Bureau is doing.

About 12 years ago, a small fingerprint file that was housed in the Leavenworth Penitentiary was transferred to Washington. At that time there was some opposition expressed as to the wisdom of having a central fingerprint identification unit in Washington. The committee provided funds for the transfer, however, and with the passing of the years, fingerprint annexations have shown a steady growth until today there are upward of 5,700,000 of these fingerprints located here in Washington. At the present time some 9,300 different local police departments, sheriffs' offices, State police units, and so forth, are contributing fingerprints of criminals to be placed on file. Approximately 4,000 of these prints are received each day in the Bureau and search made to determine whether a previous criminal record is shown. Last year, of the total prints received, nearly 50 percent were found to represent prints of individuals who had been previously fingerprinted and who possessed a criminal record. Hand in hand with this development has arisen a cooperative fingerprint exchange with all foreign countries of major note in the world. Of the thousand-odd foreign prints received of international criminals, 256 identifications were made from these foreign prints.

By the operations of this clearing house for crime detection, 4,403 persons were identified during the past fiscal year as being fugitives from justice.

One of the most engrossing aspects of the entire fingerprint collection, at least to the layman, is the fact that when a print has been received, it requires but 5 minutes from the time of receipt until a determination may be had as to whether the individual whose prints are represented by the card has a previous criminal record.

A crime-prevention laboratory has been established and is daily engaged in applying scientific principles to the detection of crime.

In addition to the criminal identification work, the Bureau has been endeavoring to educate the mass of public opinion in the United States of the wisdom and desirability of civil fingerprints. The results of this program are to be found in the fact that over 100,000 of these civil fingerprints are now on file in the Bureau and numbered among them are many leaders in the business, economic, and political life of the country. This file serves as a medium for identifying amnesia victims and missing persons. The stigma of finger-printing is rapidly being erased.

Sixty-two investigations have been performed by agents of the Bureau in kidnaping cases. Every case has been solved; and while all persons identified with each kidnaping have not been apprehended, some arrests have been made in each case.

It should be noted that Federal police authority has been extended to embrace the robbery of national banks and those insured under the Federal Deposit Insurance Corporation, thus placing over 14,000 banks under the Federal police authority. A decrease of nearly 50 percent in robberies of these banks is mute evidence of the respect entertained by the criminal for this authority.

In addition to the criminal work of the Bureau, the investigation of war-risk insurance cases has occupied a considerable amount of the time of the special agents. Over 6,000 of these cases have been investigated since the work was taken over from the Veterans' Administration in September of 1933, and savings to the Government in the amounts claimed, but not allowed, aggregate nearly \$72,000,000.

The enactment of several measures during the past 2 years making Federal crimes those that were formerly cognizable only by State authority has added materially to the work load of the Bureau. Constant overtime work is being performed by the personnel of the Bureau, and nearly 7,000

cases are on hand that have not been assigned to agents, due simply to their inability to handle additional work. The case load of each agent at the present time is approximately 15 cases, while experience shows that a reasonable average is 10 cases.

In the light of the foregoing facts and the first-hand evidence the committee has had of the efficient operation of the Bureau, we are recommending to the consideration of the House an increase of \$225,000 in the Budget estimates. If allowed, the appropriation for the Federal Bureau of Investigation for the fiscal year 1937 will be \$6.025.000, an increase of \$1,025,000 over the appropriation for the current fiscal year. In addition to this actual increase of \$225,000, certain activities upon which the Bureau is now engaged have been taken from its jurisdiction, and the expense of these activities has been provided at another point in the bill at a cost of \$75,000. I shall discuss this matter at a later point in my remarks, but I think it proper here to make reference to the fact that the effect of being relieved of this work is to afford a total increase of \$300,000 rather than \$225,000. It should be borne in mind in making a factual appraisal of the financial needs of this organization that during the past fiscal year, fines, recoveries, and savings to citizens of the United States amounted to \$38,500,000 in round numbers. During the past fiscal year 2,930 automobiles were recovered. The Director has assured the committee that with an increased appropriation the ratio of savings to the amount appropriated can be maintained, if not increased. The increased allowance will permit the appointment of additional agents and clerks in order that pending cases may be assigned and adequate attention given to the ever-present problem of crime.

Taxes and penalties unit: The next item of increase over the estimates is in connection with the taxes and penalties unit of the Department. The Budget has estimated \$200,000. The committee recommends \$220,000. With an appropriation of \$225,000, recoveries amounting to approximately \$450,000 were made in the fiscal year 1935. These recoveries have fully justified the position taken by the committee some 2 years ago when it authorized appropriation of funds for the establishment of this unit. A case has but recently been decided in the Supreme Court which will effect an immediate recovery of some \$265,000, and following the points of law settled in the case, additional recoveries in other cases are anticipated. For the information of those who are not conversant with the work that this unit is doing. I might say that it is devoted principally to considering over 60,000 cases made during the prohibition era with a view to collecting civil penalties for the nonpayment of the Government tax on the illicit intoxicants. This involves in its wake suits on bonds against surety companies, forfeiture of vehicle bonds, and so forth.

Examination of judicial offices: Last year the committee transferred to the Federal Bureau of Investigation the work of examining judicial offices. Due to the stress of criminal investigative activities, it has not been possible for the agents of the Bureau to devote the time that is necessary for the proper accomplishment of this work. At the present time there appear on the Government books sums totaling \$3,400,000 in uncollected fines, forfeitures, judgments, and so forth, in the various judicial districts. With the passing of time the possibilities of collecting much of this credit balance disappear. The committee therefore has inserted an item of \$75,000 for the establishment of a special corps of expert examiners under the direction of the Attorney General to visit the offices of clerks and marshals in the numerous judicial districts and apply their time and energy to the collection of these accounts. While this will be the primary duty of the examiners, they will also engage themselves in auditing the accounts of marshals and clerks. The effect of this recommendation, if approved, will be to relieve the agents of the Federal Bureau of Investigation of this more or less routine task of examination and at the same time supply a corps of trained examiners that can probably make collections of these past due obligations in amounts more than offsetting the \$75,000 provided.

The major item of decrease in the Department proper is to be found in the appropriation provided for veterans' insurance litigation. The committee is recommending a reduction of \$50,000 in the Budget estimates due to the falling off of the work of defending the interests of the Government in litigation arising out of war-risk insurance cases.

Small increases have been allowed for the appointment of additional United States attorneys, their assistants, marshals, and clerks, to keep pace with the growing volume of court business. Expenses for the various courts—Supreme Court, Court of Claims, Court of Customs and Patent Appeals, Customs Court, and the Territorial courts—are all substantially the same as this year.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. BLANTON. On the question of United States attorneys and marshals, while I appreciate the splendid work my colleague and his committee have done—and they have done splendid work—I am doubtful as to the wisdom or propriety of carrying \$35,000 in this bill for training United States attorneys.

Mr. McMILLAN. If my colleague will wait a moment, I will get to that question.

Mr. BLANTON. I wanted to put my colleague on notice that I am going to feel constrained to make a point of order against that item, because I do not think that there is any authority of law for it. I think they ought to be trained before they are appointed. [Laughter.]

Mr. McMILLAN. I may say to my colleague that I will go into that question in a few minutes.

PENAL AND CORRECTIONAL INSTITUTIONS

In keeping with the general upward trend in the volume of business of the Department, provision has been made for additional sums at practically all of the penal institutions throughout the country. With the repeal of prohibition it was the thought of many informed persons that there would be a material lessening in the amount of court business and that the need for additional prison facilities would disappear. The reverse has been true. An ever-increasing prison population, gradual but nonetheless definite, has brought us to a condition where our penal and correctional institutions are in many instances taxed to capacity to house the prison population. Federal jails have been built, Federal prison camps have been established, and still there exists a need for additional facilities.

In the forepart of my remarks I touched upon the estimate of \$4,900,000 for a building program under the supervision of the Bureau of Prisons. The Budget estimate provided for certain extensions to existing plants, dwelling houses for prison employees, new Federal jails, and the development of the McNeil Island area. Instead of recommending \$4,900,000 your committee asks your concurrence in an appropriation of \$2,850,000. This sum, if approved, will permit \$550,000 to be devoted to building at the El Reno, Okla., Reformatory; construction of a detention building at the Springfield Hospital for Defective Delinquents and certain additions to the women's penitentiary at Alderson, W. Va. For dwelling houses for the prison employees \$300,-000 will be made available. At some institutions where adequate housing facilities are not available it is deemed to be in the best interests of the Government to provide dwelling houses for prison employees and their families. Not only is the problem of housing thus answered but means are afforded of having the employees on the grounds of the institution, where, should an emergency arise, they will be available. Rents are charged the employees, and under the accounting procedure the cost of building is amortized in 20 years, exclusive of maintenance costs. We think that it is desirable to start the program on a comparatively small scale, and as needs become acute in the future, additional appropriations can be provided to meet them.

Included also among the construction items is an amount of \$300,000 which the committee feels should be made available for developing the McNeil Island area in order that proper facilities may be afforded the employees of that institution who will live on the island. The island is located some little

distance from the mainland, so it is very desirable to have the | employees housed thereon.

The balance of the amount provided for construction is made up of \$1,700,000 to provide three new Federal jails. The Director of the Bureau of Prisons, in his representations before the committee, requested funds and authority to construct six of these institutions. It is felt, however, that the need for additional penal housing facilities can at least be considerably ameliorated with the three jails that can be constructed with the sums the committee has allowed.

The estimate for maintenance of prisoners in the various penal institutions appears to be on the conservative side; in fact, in some few institutions there are more prisoners housed today than have been provided for under the sums requested for the maintenance of the institutions during the next fiscal year. Accordingly, the increased amounts requested at each of the several institutions, with the sole exception of Alcatraz Island, have been approved. It has appeared to the committee, however, that the amount estimated for support of prisoners is excessive. This item bears the expense of maintaining Federal prisoners in State, city, and county jails, and the estimate was based upon an anticipated confinement of 7,705 prisoners throughout the next fiscal year. The average at this time is in the neighborhood of We have reduced the estimate of \$2,500,000 to \$2,000,000, which will provide an average of over 6,000 prisoners throughout the next fiscal year. It would seem to the committee that this is a fair approximation as to the number that might necessarily be housed in these local jails in the next fiscal year.

I think I should make some mention of the probation system. With the funds provided by the bill it will be possible to employ 173 probation officers and 12 clerks to carry out the program of probation, which has had such an astounding growth in the past few years. The hearings will give an interesting picture of the growth of this system, and I commend their reading to any Members of the House who may be interested. The case load of some probation officers is too large to permit them to give adequate supervision to their probationers, but we are endeavoring to gradually work out the problem so that the system may function efficiently and accomplish the desired reformation of the wards placed in its

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. KENNEY. Can the gentleman tell us the average age

of the prisoners in Federal prisons?

Mr. McMILLAN. I do not think I can tell the gentleman offhand, but the record will probably disclose that. The highest average of the criminal doing his work in the country, I may say, is 19 years, according to the records of the Bureau.

Mr. KENNEY. I understood it was about that.

DEPARTMENT OF COMMERCE

Mr. McMILLAN. For the Department of Commerce the Budget has submitted estimates totaling \$34,264,175. The committee is recommending the appropriation of \$34,054,700, a reduction of \$209,475 in the Budget estimates and \$959,700 under the appropriation for the current fiscal year. While the reduction of about \$210,000 in the Budget estimates for this Department is small in comparison with the reductions made in the other three departments in the bill, it should be borne in mind that no construction was provided for the next fiscal year. Again, the amount recommended is just short of \$1,000,000 less than the appropriation for the current year, so the opportunities for effecting further saving without impairing some necessary function of the Department were extremely limited.

As a whole, it is felt that the amount that we are asking you to approve represents practically the minimum needs of the Department to accomplish the many duties placed upon

Bureau of Air Commerce: With the exception of the Bureau of Lighthouses, the appropriation for the Bureau of Air Commerce is the largest of any bureau under the jurisdiction

year the Bureau was supplied with funds amounting to \$5,909,800. If the recommendation of the committee is concurred in by the House the sum of \$6,264,000 will be made available for expenditure, an increase of \$354,200 over the 1936 appropriation. At this time the Senate Committee on Commerce is conducting an investigation of the Bureau of Air Commerce, Certain charges have been made by witnesses appearing before that committee which, if true, would seem to reflect upon the administration of the Bureau. As yet, however, no opportunity has been afforded the Department officials to present their side of the argument. The committee, in the limited time available for conducting the hearings covering the ramified activities of four major departments of the Government, has necessarily had to limit the scope of its inquiry to matters touching on the need for funds to operate the different bureaus.

One matter which has disturbed us, however, is the fact that funds that had been appropriated with the understanding that they would be used for strictly maintenance work have been diverted to other purposes. To prevent such an occurrence in the future, we have rearranged the appropriation headings in the bill under four major headings: (1) Salaries, District of Columbia; (2) Air regulation; (3) Extension of airways development and experimental work; (4) Maintenance. With this new grouping, it is felt that the purposes of the administration will be better served and the committee will be secure in the knowledge that the funds, if used at all, will be used for the purposes appropriated. We have increased the Budget estimates for the total appropriation by \$44,000 and have denied the increased personnel that the Bureau requested for the next fiscal year. This will result in making available approximately \$260,000 for extension of airway routes. Many of the airways over which passengers are carried daily in the United States are not equipped with safety facilities or lights for night flying. While this modest amount will assist somewhat in meeting what we regard as an absolute need for additional radio aids, lighting facilities, and other assistance on these routes, it will not serve to answer the general problem of protection which I feel it is the duty of this Government to afford passengers traveling by air. The science of aeronautics, of course, has been developing with extreme rapidity and measures of safety that today might be considered sufficient, tomorrow may become obsolete. It is probable that there will have to be a reappraisal of the whole question of governmental aid in this field in the immediate future, and pending that determination we must not go too far in authorizing expenditures that may turn out in the future to be both ill-advised and costly.

Bureau of Foreign and Domestic Commerce: For the information of those not already aware of the fact, Mr. A. V. Dye, who has been for many years connected with the foreign service of the Commerce Department, has recently been appointed Director of the Bureau of Foreign and Domestic Commerce. The recognition of the services of a man who has made a career of this service by his appointment as Director augurs well for the fulfillment of the hope that the committee has cherished for some time that the for-eign service of the Department of Commerce may be made a career service comparable with that of the State Department.

In almost every instance the request for additional personnel for extending the assistance rendered to business by the Bureau of Foreign and Domestic Commerce has been disallowed. With the all-apparent need for economy, we have not considered it wise to increase the expenses of the Government in this direction at the present time. Until world conditions somewhat stabilize we should hold a checkrein on activities which must depend upon a basis of common understanding among the nations of the world for the complete fulfillment of their aims.

The appropriations for the Census Bureau, Bureau of Standards, Bureau of Lighthouses, and the Bureau of Fisheries are recommended to be maintained at the approximate of the Department of Commerce. During the past fiscal level of expenditure as exists during the present fiscal year.

Coast and Geodetic Survey: The Coast and Geodetic Survey has been allowed funds to increase the period of their boat operation by 1 month on both the Atlantic and Pacific coasts. This work entails the compilation of data which is subsequently charted in the office of the Bureau in Washington and serves to indicate ocean depth and coast configuration. A mass of data has accumulated in the Washington office as a result of expenditure of P. W. A. funds for surveying work in the interior of the country, and some additional personnel has been allowed in order to chart the work and make it available to the public. I might mention here that there are some 28 distinct units of the Government engaged in some form of surveying and mapping activities. Doubtless, with the proper coordination or centralization of this authority, considerable economy of operation could be made. It is to be hoped that the Senate committee which has been constituted to study the reorganization of the Government will give some consideration to this problem.

Bureau of Fisheries: The Bureau of Fisheries has continued to operate in its sphere of activity, which embraces the stocking of ponds and lakes throughout the country and in making studies of fish migration, habits, food value, marketing possibilities, and so forth. The fur-seal herd on the Pribiloff Islands is in a very healthy condition and is increasing at the rate of about 8 percent per year. In 1911, the low point, the herd numbered only 123,600, whereas this year it numbers upward of 1,500,000 head. During the past year 57,000 sealskins were taken, which surpassed the record take of some 47 years ago. The output of smaller fishes used for stocking purposes increased about one and one-half billion over the previous year.

Patent Office: The Patent Office continues to maintain itself on the credit side of the ledger. The excess of receipts over expenditures last year amounted to about \$111,000. The arrearage in the disposition of applications for patents has been materially reduced, and considerable progress is being made in the classification of patents. This classification work expedites the search made of existing patents when applications are received and as the system of classification is extended, the time consumed by employees in disposing of patent applications is correspondingly reduced. The committee has made some reductions in the estimates submitted for the Patent Office, but it is felt that with the amount allowed it will be possible to keep current with the work and present an encouraging picture of accomplishment when the Director appears before the committee next year.

Bureau of Navigation and Steamboat Inspection: The only increase over the Budget estimates recommended for any bureau of the Department of Commerce other than the Air Commerce Bureau is to be found in the paragraph providing funds for the Bureau of Navigation and Steamboat Inspection

During the course of the testimony given by the Director of this Bureau it developed that with the present force of steamboat inspectors employed by the Bureau it is impossible to make the inspections and reinspections of vessels which are provided by law. The Director informed the committee that in his judgment in order to perform all necessary inspections of vessels to insure protection of life and property at sea it would require 111 additional assistant inspectors and 25 additional clerks. Public opinion has been aroused as a result of the Mohawk and Morro Castle disasters to the necessity for the Government's tightening up the regulations with respect to the operation of vessels. Whatever rules might be prescribed to increase the safety standards might just as well remain unpromulgated if adequate manpower is not provided to make the inspections to see that the rules and regulations, so prescribed, are carried out.

We have given this matter serious thought, with the result that we are asking the House to sustain an increase in the Budget estimates of \$167,500, which will provide between 40 and 50 additional traveling steamboat inspectors and some few clerks. While I am hesitant to suggest increases over the amount of the President's Budget, I do feel that we would be derelict in our duty as Members of the House knowing this condition to exist if we did not take some steps to remedy it.

Shipping Board Bureau and Emergency Fleet Corporation: The most important change that the committee is recommending in the appropriations for the Shipping Board Bureau and the Emergency Fleet Corporation is to permit additional funds to be used for maintaining the laid-up fleet. There are some 158 vessels owned by the Corporation, the actual condition of which is unknown. Maintenance funds are being used yearly to grease the machinery and make minor repairs in order that the boats might be put into condition in the event of an emergency. The condition of the boats below the waterline, however, is unknown. It is quite possible that money is being spent for maintenance on boats that would be of no service at all and which could quite properly be junked. It is only by drydocking and examining the hulls of these boats that determination may be had of their exact condition. It seems to us that this work of drydocking should be done in order that we may save the expense of maintaining boats that are unfit for use. We have inserted language in the bill which will permit the use of Emergency Fleet Corporation funds to accomplish this

DEPARTMENT OF LABOR

With the exceptions of the two items for construction and repair of immigration stations and for the expenses of maintaining the liaison office with the International Labor Organization, we are recommending reductions under the Budget estimates in each paragraph providing appropriations for the Labor Department.

If the House approves all of the committee recommendations, the bill will carry a total of \$21.697.000 for this Department. This will represent a reduction of \$3,766,500 under the Budget estimates. It is, however, an increase of \$2,367,000 as compared with the appropriations for this year. If deduction is made of the additional amounts recommended to be appropriated under the Children's Bureau to carry out the provisions of the Social Security Act which fall under the administrative jurisdiction of that Bureau, there would be a net decrease of approximately \$460,000 under the total appropriations for the present fiscal year. So long as Congress continues to pass laws requiring additional expenditures of public moneys it will not be possible for your Appropriations Committee to show a reduction in the appropriations required to carry out the will of Congress as expressed in their legislative enactments.

Children's Bureau: Let us first consider the committee action on the matter of these appropriations for the Children's Bureau. The supplemental appropriation bill recently signed by the President contained funds to carry out various sections of the Social Security Act pertaining to maternal and child care by making apportionments to States for the 5-month period from February 1 to July 1. In the bill now before you amounts are carried under the three separate headings of, first, maternal and child health; second, aid to crippled children; and, third, child welfare service, all to provide for these State apportionments from July 1, 1936, to July 1, 1937. We are recommending a reduction in the Budget estimates under each of these three heads, as it does not appear at this time that all of the States will be in a position to avail themselves of the entire allotment under each of the separate sections.

I will not detain the House to go into a labored account of the calculations that entered into our decision as to just the amount that we feel is the proper figure to provide, but I can say that on the strength of the evidence presented to us I do feel that the sums we are proposing for appropriation will be sufficient to meet every demand from the States for these moneys. The Social Security Act provides specific authorizations for appropriations under each of these three previously mentioned headings and the Budget estimate in each instance represented the maximum authorization under the law. In order to assure to all the States the proportionate share they would be entitled to on the basis of an appropriation of the entire amount authorized, we have inserted language in each of these three items permitting allocations to the States to be made on the basis of the total authorization rather than on the basis of the appropriation. If it thus develops that the States take up their allotments

necessary to provide additional funds in the deficiency bill next year to meet this contingency.

There is one more important change in this matter that we submit to the consideration of the House. Under the terms of part 1, title V, of the Social Security Act, which is the paragraph relating to grants for maternal and child health, a sum of \$980,000 is authorized to be allotted to the States on the basis of the "financial need" of each State, with the factors constituting "financial need" left to the administrative discretion of the Secretary of Labor. As might well be expected with the delegation of such a blanket authority, considerable difficulty is being experienced in obtaining a satisfactory formula that will accurately express "financial need" of any given State for these Federal grants. In finally arriving at a solution the Secretary has approved a formula which is arrived at by multiplying the excessive infant mortality and excessive maternal mortality in any State by the number of live births in such State. By then adding a small uniform apportionment to each State allotments are made which are presumed to be the embodiment of the "financial need" requirement of the law. Frankly, the committee sees neither rhyme nor reason in the approach that has been made to making the allotments under this "financial need" provision. Aside from this feature, we regard this part of the law as a dangerous delegation of legislative authority that is not circumscribed by sufficient definition as to what factors are to be taken into account in arriving at a formula for determining "financial need." The committee has inserted a provision, therefore, prohibiting the allotment of money to the States under this authorization, and has provided instead that the \$980,000 shall be allotted in accordance with the authorization for allotments made on the basis of the total live births in each State, as compared with the total live births in the United States.

Bureau of Immigration and Naturalization: The estimates for the Bureau of Immigration and Naturalization have been reduced by \$110,000.

During the past year there has been a remarkable increase in the applications for citizenship. It is probable that this trend can be attributed to two factors: One, a general scramble to climb on the good boat "Social Security"-citizenship being a prerequisite to qualification for benefitsand the other, a prevailing fear that wholesale deportations of aliens may be effected in the not too far distant future. If the total appropriation for the Bureau of \$9,740,000 is approved, it will permit the use of about \$155,000 for the appointment of additional naturalization examiners and clerks to cope with this increased business. A system of uniform requirements is being worked out to apply to those seeking naturalization. This will replace the most unsatisfactory system heretofore extant, whereby the individual naturalization examiner prescribed his own questions to determine the fitness of an alien for citizenship.

Immigration and naturalization frauds at the port of New York have occupied the intensive attention of the Bureau. In all, 49 prosecutions have been made and 39 convictions have resulted.

Conciliation Service: The unconstitutionality of the National Recovery Act has resulted in a measurable increase in responsibilities of the Conciliation Service. Many of the labor boards organized under the authority of the act went out of existence and their work was taken over by this unit; among these were the National Labor Relations Board, National Steel Labor Relations Board, Textile Labor Relations Board, and the Petroleum Labor Policy Board. During the next fiscal year we are recommending a reduction of \$90,300 under the Budget estimate of \$488,300. If the volume of business should continue to grow, proper representations may be made to the committee during the next session of Congress.

Bureau of Labor Statistics: The appropriations for the Bureau of Labor Statistics have had astounding growth. Two years ago the appropriation amounted to \$414,000. For next year, a request is made for the approval of an appropriation of \$884,600 to prepare the many statistical compila-

more rapidly than we anticipate, it is possible that it will be | tions the Bureau desires to make. If economy is to be something accomplished and not merely an empty word, perhaps the most fertile field for effecting savings is by the elimination of statistical studies that have but little use to the public at large. I do not want to make the inference by this statement that all of the statistics compiled by the Bureau of Labor Statistics fall within that category. It is true, however, that we are presented with a condition and not a theory of one unit of the Government, the appropriations for which have more than doubled in a space of 2 years' time. Many of the agencies of the Government have seen continued reductions in the appropriations made since 1932. The appropriations for other branches have remained practically static for many years, although there has been a constant demand from the public at large for additional service to be rendered.

In the light of these facts, the committee feels that we should begin to retrench in matters involving statistical work where the results attained are such as to serve only a comparatively small group of interested beneficiaries. We are asking you, therefore, to sustain us in a reduction under the Budget estimates of \$136,600. If this reduction is approved there will still remain available \$748,000 for the work of the Bureau next year, which is a sum greater by \$200,000 than the appropriation for the past fiscal year.

Employment Service: By the terms of the Wagner-Peyser Act, approved June 6, 1933, a system of State employment agencies has been set up, supported by Federal, State, and local funds. Agreements of affiliation are entered into by the States with the Employment Service in Washington whereby the States agree to certain stipulations as to the character of the employment service maintained. When this affiliation has been achieved. Federal funds are made available to the different States, which must agree to spend a like sum out of State and local funds. During the present fiscal year \$2,425,000 was appropriated for apportionment to the States. Under the provisions of the act, apportionments not availed of by States at the end of 2 years are pooled and reapportioned among all 48 States. It is indicated at the present time that on July 1 of this year there will be about \$1,100,000, representing the unused portion of the 1934 and 1935 appropriations, which will, under the terms of the act, be reapportioned among all of the States. The Wagner-Peyser Act authorizes an annual appropriation of \$3,000,000 for these State grants. In view of the fact that \$1,100,000 is to be reapportioned among all of the States and territories on July 1, we are recommending for your consideration a reduction in the appropriation for the next fiscal year of the amount that will be reapportioned. To make it clear, instead of appropriating \$3,000,-000, as authorized by the act, we are asking you to appropriate \$1,900,000. This amount, plus the \$1,100,000 which will be reapportioned on the 1st of July, will make available the \$3,000,000 authorized. In order to protect the apportionments to States that have not yet affiliated with the act, a provision was inserted in the bill last year authorizing apportionments to be made on the basis of an appropriation of \$3,000,000, even though the actual appropriation made was only \$2,425,000. We have inserted language to continue this permissive apportionment for States qualifying for the first time, in order that they may not lose the amounts which have been credited to them and which serve in encouraging them to affiliate. We do not think it is desirable to continue to appropriate \$3,000,000 for these allotments each year, the effect of which will be but to build up a large unavailed of amount credited to the different States. Only six States at the present time have taken up the entire amount apportioned to them, and if our recommendation to you is approved, they will continue to receive the same apportionment that they would receive under a \$3,000,000 appropriation. The only amount that they would be deprived of would be money that would accrue to them as a result of the failure of other States to affiliate.

The money allowed for the Veterans' Placement Service, the Farm Placement Service, the District of Columbia Public Employment Center, and the defraying of administrative costs, has been increased from a limitation of \$775,000 to \$885,000 in order that additional personnel may be added to handle the additional burdens placed upon the service as a result of the States becoming affiliated. The status of this whole program has been developed quite fully in the hearings, and I recommend its study to those having a particular interest in the development of this program.

Appropriations for the Women's Bureau, Labor Standards, and the Housing Corporation are recommended to be maintained at substantially the same totals as provided this year, the request for additional personnel in the first two named units having been denied by the committee.

In closing may I express to the Members of the House my appreciation for the courtesy which you have displayed in bearing with me in this summary of the committee's work. Should any of you wish to ask questions about any of the matters that I have touched on or, in fact, on any matters connected with the appropriations for the four Departments, I shall endeavor to answer them or supply such information as you may desire. Thank you for your attention. [Applause.]

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. McMILLAN] has expired.

Mr. BACON. Mr. Chairman, I yield 30 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Chairman, today I introduced a resolution which reads as follows:

Resolved, That it is the sense of this House that during a Presidential election year it is offensive to American political traditions and subversive of the principles of sound Government to permit the chairman of any national political party to function also as a Cabinet Officer in charge of so vital a national service as the Post Office Department; be it further

Resolved, That a copy of this resolution be communicated to the President of the United States with the respectful recommendation that he require the immediate resignation of the Postmaster General from either his political post, as chairman of the Democratic National Committee, or from his Cabinet office.

I believe that the House will agree to that resolution when it comes up for consideration.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. MAY. Does the gentleman think he can get the resolution by the Committee on Rules—and I ask that question because the gentleman is a member of that committee?

Mr. LEHLBACH. Oh, I know of 1, 2, 3, 4-oh, 14-votes in the Rules Committee that will be cast for that resolution. Mr. BANKHEAD. Mr. Chairman, will the gentleman

yield? Mr. LEHLBACH. Yes.

Mr. BANKHEAD. Is it the gentleman's prophesy that the House will vote for this resolution if and when it comes up? Mr. LEHLBACH. I think the House will vote for it if and when it comes up, and I stake my reputation as a political forecaster on that statement-if and when it comes up, it

will be adopted. Mr. MILLARD. Mr. Chairman, a parliamentary inquiry. Could we have a vote on that now?

Mr. LEHLBACH. Mr. Chairman, I do not yield for a parliamentary inquiry. Speaking seriously, the people of the country under general, ordinary circumstances are not very much interested in the civil service, because when the agencies of the Government function efficiently as they normally do and have in the past half century, there is nothing to get excited about. It is just like a person in possession of good health. He does not worry about it so long as his health is good, but when he becomes ill then the question of good health is of prime importance. The Government agencies have recently come to function so that it is a concern of the people. Just within a week the results of a poll upon the question of the application of the merit system to the governmental civil service was taken, and the result showed that 88 percent of the people indicated their desire for a return to the merit system in Government agencies, to the end that efficiency in Government activities be restored.

The merit system was introduced by the Pendleton Act in 1883. By that act, in 1884, 10 percent of the civilian employees of the Government were placed under the civil service—that is, under the merit system. Those best qualified to do the work got the jobs, and those who were doing the work acceptably and efficiently retained their jobs. That is the merit system. By 1904, 30 years ago, 50 percent of the employees of the Government were under the merit system.

Mr. CREAL. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. CREAL. Can the gentleman explain to us how it is that during Republican administrations they managed to get about 90 percent of every branch of the departments strictly under the merit system and how everyone in every sort of a job came to be a Republican?

Mr. LEHLBACH. In the first place, I think the gentleman is in error in his statement, but inasmuch as the merit system gives opportunity to the one best fitted to do the job, naturally and normally the majority of the job holders would be Republican. In 1904 half of the employees of the Government were under the merit system. On June 30, 1933, before the present administration and its national Democratic chairman began to function as a member of the Cabinet, 80 percent of everyone performing work for Uncle Sam who did not wear a uniform got his place by reason of the merit system and held it by reason of the merit system. Every administration from that of President Arthur to President Roosevelt showed an increase of employees under the merit system. In 3 years we have scrapped 30 years of advance of the civil-service system and are back to where we were in 1904, when barely more than half of the employees of the Federal Government are now under the merit system under civil service, and almost half of them are purely and solely appointed because of their political affiliations and the party work they have performed.

Mr. CREAL. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. CREAL. I ask the gentleman if all of those who were under the civil service before the New Deal and its new departments are not still under the same rules and regulations of the merit system; and is it not true that those the gentleman speaks of who are not under the civil service are to be found in the hastily constructed organizations under the New Deal?

Mr. LEHLBACH. I am very glad that the gentleman has asked that question, and I shall proceed to answer it. Although the regular and permanent departments of the Government have been greatly augmented since June 30, 1933, in respect of personnel, there are now in the regular departments less people under civil service than there were in June 1933, and the fact is that it is the only time in a half century of our history that there has not been an increase and extension of the civil-service system with respect to Government employees.

Mr. CREAL. Mr. Chairman, will the gentleman yield further at that point?

Mr. LEHLBACH. I yield.

Mr. CREAL. Can the gentleman name one single department that has always been under civil service which has been taken out of civil service?

Mr. LEHLBACH. Yes. We have collectors of internal revenue throughout the country. When their business increased to the point where they had to have deputies to act in their stead who went in the field to examine taxable sources, these deputy collectors were, of course, not placed under civil service because they were in a personal and fiduciary relationship to the collector, and all effort heretofore to put them under civil service has been resisted. But in the office of collectors of internal revenue those who were not functioning as deputy collectors, those who worked in the office in a clerical capacity, were put under civil service. In order to make vacancies for patronage appointments in this administration, the practice has grown up, for instance, when they want to get rid of a girl who has been there for years as a stenographer to make room for the daughter of a man to whom a political debt is owed, they transfer the stenographer and appoint her as a deputy collector. Instead of appointing her to another position as stenographer, typist, or clerk, where she would be protected under civil service, they strip her of civil-service protection and in a week or so fire her, because a deputy collector is not under civil service; and they put on the Democratic girl as a clerk or stenographer and throw around her the aegis of the civil service. This has happened in countless offices throughout the country. That is one instance.

Another instance is that when by an Executive order of the President bureaus or parts of bureaus are consolidated or transferred under the Economy Act, the Executive order states that the activity is deemed to be abolished, although it is only transferred; and every employee in the abolished activity is stripped of civil service, and so discharged. The employee could be rehired within 4 months, either temporarily or under a permanent appointment, in which event his or her civil-service status was restored.

This is how it worked: Post-office buildings throughout the country used to be under the care of the Treasury Department, the postal activities being carried on under the Post Office Department. The precious chairman of your national committee saw opportunities for those whom he considered worthy of reward by appointment to positions as cleaners, elevator men, furnace tenders, and so forth, in these post offices. An Executive order was issued under the Economy Act transferring the custody of post-office buildings from the Treasury Department to the Post Office Department. In every instance heretofore the Treasury Department had appointed the postmaster as the custodian acting for the Treasury Department, which meant simply that John Jones, custodian of the building under the Treasury Department, was also John Jones, postmaster. John Jones had control of the custodial forces in his building, no longer as a representative of the Treasury Department but as a representative of the Post Office Department. The same work went on, the same personnel was there, everything was the same except this figment of change of control; but the Executive order said that every man who worked in the post office lacked a civil-service status.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. McCORMACK. I do not want to take issue with the gentleman, but I know it to be a fact that the custodial force in the Boston post office is under civil service. About 2 years ago the existing civil-service list was canceled. As the gentleman knows, of course, where a list is canceled or expires temporary appointments can be made. Those are not civil-service appointments. Those men served for about a year until the new examination took place and a new list was established. Then the temporary employees lost their positions because they were temporary and without a civil-service status. Those who were appointed were taken from the new civil-service list of names certified under the law in the order of their standing on the list. I do not know anything about any other part of the country, but I do know about Boston.

Mr. LEHLBACH. The gentleman corroborated me completely by his statement.

Mr. McCORMACK. I do not know how I corroborate the gentleman.

Mr. LEHLBACH. I will tell the gentleman.

Mr. McCORMACK. I shall be glad to be enlightened.

Mr. LEHLBACH. The force of employees, the janitors, the cleaners, the men who run the heating apparatus, the furnace tenders, the common laborers engaged about the building would number between 20 and 30 I would imagine in a city like Boston. They were by Executive order stripped of their civil-service status.

Mr. McCORMACK. No; they were not. They are there. Those men were not disturbed. It related only to the new post-office building. They had to have additional help. The old help is still there with their civil-service protection. This applied only to the new appointees.

Mr. LEHLBACH. The gentleman is misinformed with respect to that.

Mr. McCORMACK. I know whereof I speak, because it is from experience.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. I vield.

Mr. BOLAND. I should like to corroborate the gentleman's statement. So far as my town is concerned it is identical with what the gentleman states about Boston.

Mr. McCORMACK. The gentleman from New Jersey, I know, would not make a misstatement of fact. I have great respect for him. I ask the gentleman to make further investigation. I should like to know, because I do not know of any case in Boston where any of the old employees were disturbed.

It is true the postmaster is the custodian, but he has a man appointed to whom he looks, and every one of the old employees—the elevator men, the laborers, and those in the classified and unclassified service, who were there 5, 6, 7, 8, or 9 years ago, are still there, and what I said applies only to new appointees where vacancies exist.

Mr. LEHLBACH. The gentleman, of course, is fortunate in his local situation, but that does not alter the fact that every one of the employees in the Boston office in the course of 1933 was stripped of their civil-service status. It was up to the postmaster whether he would reemploy the employee within 4 months, and restore civil-service status, or employ other people. This opportunity existed and was availed of in hundreds of post offices throughout the country in order to make these petty little jobs patronage.

Mr. McCORMACK. All I know is that in Boston there was not a person disturbed.

Mr. LEHLBACH. That was a very fortunate situation.

Mr. McCORMACK. I may say that in connection with civil-service positions I do not care what a person's politics may be. They have earned it. They have taken a civil-service examination and their names have been certified. Where people live in my district, and who have been certified, I do everything I can to assist them in obtaining an appointment.

Mr. LEHLBACH. But the fact is that although the permanent establishment of the Government has been increased in personnel by thousands, there are less under civil-service protection in the permanent establishment today than there were in June 1933. It is the first time in a half century that such a condition has existed.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentlewoman from Massa-

Mrs. ROGERS of Massachusetts. Is it not true also that in certain post offices particular groups, such as motor-vehicle mechanics—and this applies to Boston—have been abolished and there was no opportunity allowed for substitutes to be promoted?

Mr. LEHLBACH. I believe that is so.

Mr. Chairman, take the Federal Radio Commission, which was changed to the Federal Communications Commission and some additional functions added with respect to telegraph and telephone. Essentially that Commission performs the same function as the old Radio Commission.

Mr. McCORMACK. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. May I say, with reference to what the gentlewoman from Massachusetts [Mrs. Rogers] said, that there was a classification abolished throughout the entire country. There were seven in Boston who received promotions through increase in grade. The old grade was abolished throughout the country. There were 14 substitutes held back, and we tried to help them out, but certain of the old grades were abolished throughout the country.

Mr. LEHLBACH. Yes; and the work was done by temporary employees not under civil service.

Mr. McCORMACK. Oh, no; under civil service. Every employee is under the civil service.

Mr. DOBBINS. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Illinois. Mr. DOBBINS. The gentleman stated that there are hundreds of post offices where the custodial employees enjoying civil service have been let out. Will the gentleman name just three?

Mr. LEHLBACH. I have not the names with me right

Mr. DOBBINS. Name a single civil-service employee who lost his job by reason of the transfer orders to which the gentleman has referred.

Mr. LEHLBACH. I can get the names of hundreds of them

Mr. DOBBINS. I do not believe the gentleman can name one single instance that has occurred, because I have investigated those charges before, and I found them utterly unsubstantiated.

Mr. LEHLBACH. Maybe this is all unsubstantiated, too.

Mr. DOBBINS. I am alluding to the gentleman's charge that civil-service employees have lost their civil-service status.

Mr. LEHLBACH. The proof of that is in reading the Executive orders which abolished these positions.

Mr. DOBBINS. The gentleman made the statement and I assumed he had the proof.

Mr. LEHLBACH. These Executive orders allows them to be rehired on a temporary basis without any civil-service status at all.

Mr. BLANTON. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Texas.

Mr. BLANTON. Is the gentleman from New Jersey in favor of the same system of civil service that was carried on during the administrations of Harding, Coolidge, and Hoover, or is he in favor of an entirely new program?

Mr. LEHLBACH. I am in favor of continuation of the Civil Service System as it was carried on in this country from 1883 to 1933.

Mr. BLANTON. We have been carrying it on just like the gentleman's administrations did.

Mr. LEHLBACH. Oh, my gracious, no. When the last administration went out 80 percent of the people drawing pay from the Federal Government, and I do not include those who wore a military uniform, were under the civil service, while a bare majority of them at the present time are under the civil service.

Mr. BLANTON. All during the last three Republican administrations whenever a civil-service list for a postmaster-ship would be announced, and the three highest who were the eligibles on the list were not Republicans they would call for a new examination. They would keep on calling for new examinations until a satisfactory Republican appeared as one of the three eligibles on the list.

Mr. LEHLBACH. The statement of the gentleman from Texas is interesting if true. I do not know about that.

Mr. GIFFORD. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I may say that I had 159 postmasters under my jurisdiction and I never thought of changing the postmasters in the smaller offices. We did change one or two in the larger offices. Now the orders go out—and the gentleman is perfectly aware of this—that if a Democrat can qualify, no matter how small the office may be, he gets the job. At least they did that in my district. Now, does anybody doubt that statement?

Mr. MAY. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Kentucky. Mr. MAY. I may say to the gentleman from New Jersey that in my home town, where there are five employees in the post office in addition to the postmaster, the Department refused to take any action until the term of the postmasters expired. At that time they took my recommendation, and I, of course, appointed a Democrat as postmaster. I undertook later to change the janitor in the building and I was told that position was under civil service. I could not get a disabled veteran in my home town appointed as janitor in the post office. On the other hand, they sent a man over from Ohio to take the job.

Mr. LEHLBACH. The gentleman seems to lack sufficient tensile strength.

Mr. MAY. I had the difficulty of being up against the law while the other fellow had the law in his hands.

Mr. LEHLBACH. Here is a sample of what happened to the permanent establishments in this administration when the Federal Radio Commission was rigged up as the Communications Commission. Under the set-up of the Federal Radio Commission every employee, except the five Commissioners, was under civil service-every single one of them. Some of them were in class A, which means that the position is not competitive, but nevertheless is under the supervision of the Civil Service Commission and the qualifications set up by the Civil Service Commission must be possessed by the person appointed to such a position. Those who were in the noncompetitive class were these: The attorneys, assistant attorneys, and special assistant attorneys; that is, the legal staff, which was comparatively small, and the lawyers retained for special cases. These were not in the competitive class, but in a general sense were under the control and supervision of the Civil Service Commission with respect to their appointment.

Mr. MORITZ. Mr. Chairman, will the gentleman yield? Mr. LEHLBACH. I yield.

Mr. MORITZ. I want to call the gentleman's attention to the fact that in the Pittsburgh post office they were all Democratic appointees, and they had to take the civil-service examination, and almost all of them failed, which shows that the civil service is trying to function properly.

Mr. LEHLBACH. Did they all fail?

Mr. MORITZ. Almost all the Democratic appointees failed in their examination, and now they are trying to retain their jobs, but it seems they cannot do this. In other words, the civil service is functioning right, and they are following the merit system.

Mr. LEHLBACH. They must have even a worse class of Democrats in Pittsburgh than elsewhere. That is all I can say about that.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield for a question?

Mr. LEHLBACH. I yield to the distinguished majority leader.

Mr. BANKHEAD. The Democrats, of course, are very anxious to carry out the letter, spirit, and purposes of the civil-service law and regulations, to such an extent that a bill is now proposed putting all first-, second-, and third-class postmasters under civil service. Would the gentleman favor this bill?

Mr. LEHLBACH. I would favor that bill if it did not have a stinger attached. After you have appointed all Democrats to the post offices, you want to freeze them into the offices. [Laughter and applause.] I am in favor of putting the first-, second-, and third-class post offices under civil service if you will open up the field without fear or favor and let the best man be the postmaster. That is what we stand for.

Mr. BANKHEAD. How long would the gentleman want to wait before that is done?

Mr. LEHLBACH. Do it tomorrow. I would vote for such a bill tomorrow or even this afternoon if it were up.
[Here the gavel fell.]

Mr. BACON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. LEHLBACH. I would really like to get on with my remarks. I have not said anything about your A B C agencies at all. I am talking now about the regular establishments and the debauch of the civil service in appointments to these establishments.

As I have said, the people in class A in the old Radio Commission were the legal staff and those retained specially in specific cases, one private secretary or confidential clerk to each member of the Commission, and one secretary to the Federal Radio Commission. The legal staff, a secretary for each Commissioner and a secretary for the Commission were the only ones who were not in the competitive class, but nevertheless, were generally under the Civil Service Commission's control in class A.

You passed the communications bill. The communications bill came from above. It was introduced and passed here without amendment by the House and—

Without regard to the civil-service laws or the Classification Act of 1923, as amended, the Commission may appoint and prescribe

the duties and fix the salaries of a secretary, a chief engineer, one or more assistants, a general counsel and one or more assistants, experts, inspectors, and special counsel; and each Commissioner may appoint and prescribe the duties of an assistant and a secretary at an annual salary not to exceed \$4,000.

This means that the experts, the examiners, and so forth, which means every employee of the Communications Commission, except the girls who play on typewriters and file papers as file clerks, are exempt from civil service and exempt from the regular schedules of salary in the permanent departments in this Commission, which heretofore had been 100 percent under civil service.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield? Mr. LEHLBACH. I yield.

Mr. O'CONNOR. That is not the fact, as a matter of experience. The Commission has interpreted that to mean only experts outside of the civil service. They took over practically all the old employees of the Radio Commission, and they have consistently refused to take anybody outside of civil service who was not an expert, either as a lawyer or an engineer. I am sorry. I have had experience with respect to the matter.

Mr. LEHLBACH. Perhaps the gentleman is in the same situation as my friend from Kentucky was in with respect to the janitor in his home-town post office. [Laughter]

Mr. O'CONNOR. We only have one post office in our city divided among 19 Congressmen. So we are not interested in postmasters or janitors.

Mr. LEHLBACH. By means of Executive orders, by means of various subterfuges, by consolidations, by transfer of functions, and so forth, raids on the permanent civil service in established permanent departments have been made, so that the number, for the first time in half a century, of civil service protected employees in the regular departments of the Government has decreased instead of increased.

Now, with respect to the new agencies created, every single employee was appointed without regard to the civil service or the Classification Act of 1923.

How are these appointments made? I have here before me the case of the C. C. C. camps where the forces were extended about a year ago. A man who had had experience in summer camps in training young men in physical culture, admirably qualified as a man to function in these camps, made application, like the simple fool he was, for such a position, and he got this reply:

Mr.

Peshine Avenue, Newark, N. J.

Dear Sir: In reply to your letter of April 22, as stated in my letter of April 8, this office is unable under binding Federal instructions to consider any nontechnical man for appointment to the supervisory work in the C. C. C. camps unless his name is certified to us on the so-called advisors list from Washington. This is a list of names submitted by Senator Moore and the Democratic Representatives in Congress from New Jersey to the Federal administration for employment in this C. C. C. activity. The only way in which you can put yourself in a position to secure such employment, therefore, is by making arrangements to have Senator Moore or one of the Democratic Congressmen request that your name be put on this advisors list. name be put on this advisors list.

Now, not only the C. C. C. camps but the old C. W. A., which met an untimely death, every other activity, every single man jack employed, over 200,000 of them, were appointed from lists furnished by State or local Democratic committees—every single one of them.

Mr. GIFFORD. If the gentleman will yield, I can supplement that. I tried to get an employee into the C. C. C. camp. They took pity on me and said, "We will have to tell you that you have five Democratic Congressmen and two Democratic Senators. The Senators have 50 percent of the appointments, and the Congressmen have 10 percent each, and it is useless to make any more recommendations.'

Mr. LEHLBACH. Of course. I will tell you what happened in my district under the C. W. A., which was a reasonably decent precursor of the malodorous W. P. A. today.

Here was a man who was a good mechanic. He was out of work. He and his family lived in a two-family house. The landlord was a boxing promotor. He was an arranger for boxing matches, and whatever he made on that was his income. He had no income until he pulled off a boxing match, House, some 12 to 15 years ago, but it did not receive very

and he made five or eight thousand dollars a year. He owned several houses which he rented out.

This man who was a good mechanic, a sober, industrious citizen, applied to the C. W. A. for a little work, because his savings had been exhausted and the landlord was threatening him with ejectment.

They could not find any place for him, but he found out, and it was the fact, that his landlord, because he had no boxing match in prospect and therefore was temporarily unemployed, was on the P. W. A. relief list, and spent his afternoons, after he had reported in the morning for alleged work, looking at moving picture shows and sleeping in dark moving picture houses so that he would not be seen on the street. With his pocket full of P. W. A. money, he served notice of eviction on this decent mechanic who was living in one of his houses and owed him rent, because he could not get relief from the P. W. A. That is the way the functioning of employment in relief agencies exists throughout the country at the present time in all these various agencies, because they are run to the limit from top to bottom by nothing but political appointees, whose duty it is to promote the success of the Democratic Party and insure, if possible, the reelection of Franklin D. Roosevelt next November.

The CHAIRMAN. The time of the gentleman from New. Jersey has expired.

Mr. BACON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, I was especially interested this morning in an editorial in the Washington Post relative to a condition that confronts the Commerce Committee of the Senate in trying to prepare a proper emergency floodrelief bill. There is no doubt that the various Members of both Houses are very anxious to take care of their individual districts in respect to these matters, and it seems to be a propitious time, when we have a measure of this kind before us, to add as many projects as possible. I am not condemning any of these projects, but many of them are not primarily of the emergency kind and could well be considered at a later date. I have risen to make a short statement relative to the condition that confronts us in regard to this measure. The northeastern part of the United States as a whole, I think I might say, has never been flood conscious until the last couple of years. Ohio, Pennsylvania, New York, and New England have never been afflicted very often until laterly, but during the last 9 months they have had two very serious flood conditions, and as a result the loss in the southern part of New York State and the northern part of Pennsylvania alone has reached from \$30,000,000 to \$40,-000,000. This part of the country has never asked before for any special relief of this nature. Considering the fact that the Federal Government during the last 20 or 25 years has spent probably \$350,000,000 to \$400,000,000 on flood control, and that these special States from Ohio east have probably contributed from 50 to 60 percent of that entire amount, and considering the fact that we are confronted with a special emergency situation at the present time, we feel that the committee in the Senate should be allowed to complete its bill along the lines intended, and that the bill should not be loaded up with so many projects that it will practically defeat the purposes of the bill. I am not saying anything against any one of these general flood-control projects, but I do feel they are not of the same emergency importance as some of those that have developed out of the recent disasters in the last year. For instance, two serious floods have occurred in the southern part of New York State and the northern part of Pennsylvania. It seems to me that we should have some relief now to take care of the situation before other floods come in the fall or in the coming spring. Industry in this section of the country where it has been so severely afflicted during the last year is beginning to get the jitters as to what is going to happen to it. I am willing to support all legitimate flood-control matters.

As a matter of fact, I think I introduced myself as comprehensive a flood-control bill as was ever introduced in the much attention at that time. That was a comprehensive system to hold the waters in the upper reaches of these rivers, and that, in my judgment, is the only way that you will ever get comprehensive flood control in the entire country. I expect every man to look after his particular section of the country as well as he can. None of the flood destruction is in my individual district, but I hope this bill will not be so loaded that it will take so long to get it through that we will not be able to meet, during the present summer, the emergency condition that exists in the eastern part of the United States, which never before has had any special relief from these flood-control appropriations.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Yes.

Mr. BANKHEAD. I am in thorough accord with the wisdom of the suggestion of the gentleman from New York, but when he speaks of emergency relief from a situation developed by this late flood, is it not the gentleman's fear, as it is mine, that if these relief measures are attempted too precipitately and without proper study of the engineering, topographic, and soil-erosion features, a great amount of the money we spend will be ultimately wasted?

Mr. SNELL. I entirely agree with the gentleman, but as far as the southern part of New York State and the northern part of Pennsylvania are concerned, the Army Engineers and a board of engineers from the State of New York have made a comprehensive plan and are ready to recommend their plans and go ahead with the work. The only thing needed at the present time is assistance from the Federal Government. Even our State cannot take care of the condition that exists at the present time, and, considering what we have contributed to the flood relief in other parts of the country during all these years, I think we are entitled to this assistance, and to have it now.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BACON. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BANKHEAD. It is the gentleman's opinion, then, after a study of the situation, that there are phases of emergency relief that are already laid out and can be adequately made if the appropriations are made?

Mr. SNELL. I think that is a true statement, that there are. For instance, when we had the big Mississippi River flood several years ago, we did not try to tie that up with all of the other flood control in the United States. We took that up as a special project because it was special in itself, farreaching, and must have early and immediate attention.

The only thing I want to bring before the House is that I hope it will be possible that the Commerce Committee of the Senate may be allowed to do what the committee itself wants to do, namely, keep this bill within reason and have it confined to the real emergency projects that must be attended to during the coming summer, and where the engineering has already been done under the supervision of the Board of Army Engineers, which is the best board we have in this country. Where those projects are ready and have been approved, we should get the money and go at it, and not load the bill down so that it will be killed of its own weight. [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. SNELL] has again expired.

Mr. RABAUT. Mr. Chairman, I yield 30 minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Chairman, as the gentleman from New Jersey [Mr. Lehlbach] was giving his recent very interesting speech, thoughts of Postmaster General New and the "Buckeye buccaneer" Postmaster General Brown insisted upon flitting through my mind. I could not escape the wish that the Republican Party might have been half as virtuous in office as it is when out of control of the Government.

I do not always disagree, however, with my Republican colleagues. Occasionally one expresses a wish or hope that I am glad to agree with. That occurred on the 30th of last month when the gentleman from Massachusetts [Mr. TREAD-

WAY] expressed the hope that the Republican convention would adopt an aggressive antireciprocity program.

If the gods that make men mad will just reserve a little activity for that convention and do two things, see that the convention nominates the gentleman from Kansas for President and see that that convention adopts an aggressive antireciprocity program, two-thirds of the battle to reelect President Roosevelt will already have been accomplished. By the time the radio, the press, and the public speakers get about half-way through this campaign, with the Governor from Kansas leading the Republican Party, and the people begin to see his utter bankruptcy of background and the complete absence of capacity for Presidential office, instead of the managers of the Republican Party keeping him west of Ohio, as they have at the present time, they will want to do something like they did in 1920, conduct a front-porch campaign, except in this case I believe it will be a backporch campaign. By the time Mr. Hearst with his movietone and all the Hearst papers proceed with their futile build-up, our own children become fully acquainted with the facts in the coming campaign, they will come home to us some evening after reading the papers and say, "Father, during this campaign if Governor Landon should die, would Mr. Hearst still be candidate for President"?

I do not believe the gentleman from Massachusetts [Mr. TREADWAY, when he asserted the hope that reciprocity be made an issue in this campaign, realized the water that has gone over the wheel since the days of the old full dinnerpail campaign. People in this country, through the activity of the Tariff Commission, are no longer as uninformed as they were a few years ago. They know something about reciprocity and the tariff now. If the Tariff Commission has done nothing else than educate the people and inform the press of this country, it has done a wonderful thing.

Now, conceive the Republican Party setting out on an aggressive antireciprocity campaign with about two-thirds of their newspapers already committed against it, with the United States Chamber of Commerce, or at least its officials, very much committed in favor of reciprocity, there will not be enough left of the Republican campaign on the question of reciprocity even to be interesting.

The old days of tariff campaigns were very simple for the high-tariff advocates, for the reason that they could talk in pictures that were easily grasped by children, whereas people advocating reciprocity or a low tariff had to talk in abstract ideas. Their textbook was political economy and contained but few pictures.

As an example, the high-tariff advocates talked about the evils of imports. The imports were here, tangible, visible. Even a child's mind could conceive the idea that local labor could manufacture that import if given an opportunity. The reciprocity advocate would talk about the desirability of exports, but the exports were shipped abroad, out of sight, intangible, and it was a very difficult thing to convince anybody that there was anything to be gained by something that was out of the country. Even people who produced for export had no idea at the time they were doing so. If they did they could see no connection between importing Spanish grapes or Swiss cheese and the commodity they exported.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield? Mr. HARLAN. I will a little later.

Mr. GIFFORD. The other gentleman from Massachusetts [Mr. TREADWAY] is not here.

Mr. HARLAN. But he was notified and he was here a short time ago. I am sorry, but I cannot yield at this time. If reciprocity advocates, however, cannot draw pictures of their own they can look at and examine some of the pictures drawn by their opponents. One of their favorite artistic efforts is the favorable balance of trade. They tell us that under high tariff they have consistently been able to sell more goods than they have had to buy, and to the ordinary man who likes to sell a lot and buy little this looks like

wonderful business. While we are looking at this picture, however, let us look at the countries that are grouped with us as having a favorable balance of trade. We find countries

like India, Cuba, Argentina, Brazil, and Germany. We note the absence of such countries as the United Kingdom, Japan, France, and Italy. We also note that in 1914, when Germany was at the height of her power as an industrial commercial empire, she had a tremendous unfavorable balance of trade and that now, as she is in bankruptcy, we find Germany having a favorable balance of trade. It would seem to me that even to a child's mind in an adult body, with a Republican high-tariff complex, there would seem to be something wrong with a picture in which the United States finds itself associated with India, Cuba, Brazil, Argentina, and bankrupt Germany and out of the company of the United Kingdom, Japan, France, prosperous Germany, and Italy. If it be true, as they say, that the tariff is responsible for this grouping, then certainly there is something wrong with the tariff somewhere.

The plain, cold facts on this subject which they ignore are that neither tariff nor reciprocity has very much to do with the balance of trade. Reciprocity produces an increase in quantity of trade, but the ratio between tangible imports and exports is not changed a great deal. It is changed slightly, but not a great deal by either tariff or reciprocity.

Mr. CREAL. Mr. Chairman, will the gentleman yield? Mr. HARLAN. I am sorry; I cannot yield.

Comparing the months of 1934 when we had no reciprocity with the months of 1935 when we did have reciprocity; comparing our exports for one year to those nations with which we had reciprocity with our exports to the same nations in the next year when we did not have reciprocity, we find our exports to those nations increased 31 percent, whereas the imports from those nations to the United States increased 148 percent.

Country and time	Exports, in thou- sands		Imports, in thou- sands	
	1934	1935	1934	1935
Sweden (August to December) Haiti (June to December) Belgium (May to December) Cuba (January to September)	\$15, 619 1, 713 31, 435 27, 743	\$18, 139 2, 011 41, 154 38, 690	\$16, 312 797 17, 727 24, 907	\$21, 824 746 28, 370 97, 193
Total	76, 510	99, 994	59, 743	148, 133

This tremendous increase in imports was due to the fact that it happened the months we have to take for comparison cover the time during which Cuba sent a whole year's quota of sugar into the United States in a period of about 9 months; but since the figure is unfavorable to reciprocity we will let it stand. In the meantime, however, exports to the Smoot-Hawley tariff nations during the same year increased 51/2 percent as against 31 percent to reciprocity countries. The imports from Smoot-Hawley nations increased 23 percent as against 148 percent from reciprocity countries; so the ratio of imports and exports of reciprocity countries is about the same as of Smoot-Hawley countries; but there is this great difference, the percentage of increase in 1935 over 1934 of all trade imports and exports is six times as great under reciprocity as it was under the Smoot-Hawley tariff. Now, these are some figures, Mr. Chairman, that cannot be laughed off. This percentage increase may not always continue to be this great. If the increase were only twice or three times we might say it was temporary, but an increase of six times as much trade with reciprocity countries as with high tariff countries must be accepted as meaning something. If you accept these figures you can oppose reciprocity on only one of two grounds: First, you will have to take the position that trade and commerce is not a desirable thing. If you do not want to take this position, if you are afraid to take this absurd position, then we in Congress to vote against reciprocity must say that we admit trade is a good thing but we are going to protect our local districts' industries and let the welfare of the rest of the country go hang. These two propositions you must admit if you realize that trade with reciprocity countries has increased six times over that of trade with nonreciprocity countries.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. HARLAN. I yield for a brief question.

Mr. BOILEAU. Does the gentleman agree, then, that so far as the dairy industry is concerned they are being damaged but the gentleman would square the damage by saying it has helped some other part of the country?

Mr. HARLAN. There is no industry in the country that has been more definitely benefited by reciprocity than the dairy industry.

Mr. BOILEAU. How about the Canadian trade agreement on the importation of cheese?

Mr. HARLAN. I cannot yield further at this time, but I will yield later.

We are looking at pictures. Let us now look at the picture entitled "High Tariff Makes High Wages." The gentleman on the other side of the aisle draws a picture of happy factory employees coming out of the factory, opening pay envelopes, and looking over the wall marked "tariff" into the dilapidated hovels of foreign laborers. The rest of this picture, Mr. Chairman, which is not shown, depicts thousands of American factories that have been driven out of this country into Canada, into England, into Germany, and other countries, and now even into Mexico, employing foreign laborers where Americans ought to be employed. This picture ignores the fact that five-sixths of our laborers get no benefits at all from this wonderful high-tariff protection; it ignores the fact also that the average wage of those who are not working under protection has been 75 cents an hour as against 56 cents an hour, the average wage for those working in protected industries.

The average annual income from protected labor is something like \$1,104 and nonprotected labor \$1,709. If tariffs are responsible for this wage, as the tariff proponents say they are, then certainly there is something wrong in the way the tariff has treated American labor. (Wages: F. W. Taussig, Some Aspects of the Tariff Question.)

A few years ago a group of Ohio tire manufacturers came to Washington. I happened to be present at the meeting. This was just after one factory from Ohio had gone to England to manufacture tires. I was sitting next to an executive of this company and was certainly sure I had a low-tariff advocate next to me. I asked him what he thought of the Smoot-Hawley tariff. He said:

Fine; I am for it. I realize that we have had to take part of our production abroad, but we made just as much profit manufacturing there as here.

They had just as much interest in American labor that had been displaced by retaliatory tariffs as an ordinary man would have when there is talk of Army mules being displaced by tractors.

The gentleman from New York [Mr. Crowther] insists that the Smoot-Hawley tariff created no resentment abroad. Apparently the fact that 45 nations, against all precedents, made a direct protest against the bill to our State Department means nothing to him. Latin American countries raised their rates on all our exports. Spain reduced the tariff on automobiles 60 percent to apply to every country except the United States. We had an annual trade in automobiles with Spain prior to the Smoot-Hawley tariff of 5,000 cars a year. After the change in the Spanish tariff this shrunk to almost nothing. We had almost a monopoly of the radio business in France because France manufactured no radios. After the Smoot-Hawley tariff our quota was reduced to 10 percent of their consumption and the rest went to Germany.

Oh, no; there were no retaliatory tariffs against us. They did not hate us. They just liked the other people better. I may say, Mr. Chairman, that the purpose of all this reciprocity campaign talk is not in the interest of free trade. It is simply to try to return to the tariff schedules which we had prior to the Smoot-Hawley debacle. It is an effort to get us back on some kind of a friendly commercially profitable plane with the rest of the world. The same gentleman has repeatedly contended that the Smoot-Hawley tariff did not injure our foreign trade, because, he said:

Our imports of duty-free goods after the Smoot-Hawley tariff actually went down quicker than our imports of dutiable goods.

The fact of the matter is that our free goods then, as now, were all raw materials for manufacture or the basic foods. When the panic of 1929 hit us the first thing that stopped were the factories and their demand for raw material. The families that were thrown out of work could not buy food, and naturally it was raw materials and food that dropped first; while the people who could buy the more or less luxury commodities that came in under the duty list were still able to buy and the demand continued. The reverse happened on our return to prosperity. The increase has not been in the dutiable class. It has been in the low-duty and the free-import brackets.

While our opponents have been drawing pictures they have not neglected to dramatize. They like to dramatize themselves as the exclusive custodians of all true patriotism. Buy American! Keep your money at home! Employ Ameri-

can labor! Let the foreigner pay the tax!

Mr. Chairman, the poorly concealed purpose of all this is to endeavor to demonstrate that it is possible for this country to be happy and prosperous while our neighbors are in squalor and want.

Mr. GIFFORD. Will the gentleman yield?

Mr. HARLAN. I will a little bit later. I will put the gentleman's question anywhere he wants it put in the speech. Mr. GIFFORD. That will be very nice. I have listened

to the gentleman patiently.

Mr. HARLAN. Mr. Chairman, the gentleman from Massachusetts [Mr. TREADWAY] has enjoyed his efforts to pillory Dr. Sayre and Dr. Grady, of the State Department, who advocate the opening of our foreign trade. Dr. Grady and Dr. Sayre have said that our highest prosperity can come only when other people are sufficiently prosperous to prefer to live in peace as opposed to war and to make good This, the gentleman says, is dangerous customers. internationalism.

In the words of the "Unhappy Walker", let us look at the record. From 1915 to 1920 we had a wonderful period of prosperity in this country. We Democrats who were then in power thought that a part of this was due to our reorganization of the banking system and to the assistance lent to agriculture and to a reasonable degree of honesty in government. But not so, say the Republicans. The prosperity was due to foreign conditions and an unusual foreign demand for our goods, they say. Then in 1929 we had a depression which soon developed into the greatest panic in our history. We Democrats recognized the apparent necessity of the depression, but thought the panic was due to the fact that the banking system under Republican administration had become rotten; that the Government was either dishonest or very much uninspired; that industry had become strangled by its own parasites; and a peasant population had developed in agriculture. The Republicans then said, "Oh, no; you are all wrong. That panic," so they said, "was due to world conditions. The foreigners could not buy our commodities and could not pay their debts; therefore we had the panic."

Thus it seems that both Democratic prosperity and Republican panics are due to world conditions; but do not let a member of the Democratic State Department say anything about improving these world conditions by opening up trade because if they do they are dangerous internationalists and the red flag of Moscow is going to supplant the Stars and Stripes.

Mr. RABAUT. Will the gentleman yield?

Mr. HARLAN. I yield to the gentleman from Michigan. Mr. RABAUT. Does the gentleman know it has been claimed that the Smoot-Hawley tariff cost the people of Michigan about \$63 apiece? Also, the New York Post stated, "What would you think of a merchant who prepared for hard times by deliberately insulting his best customer?" That is what we did under the Smoot-Hawley tariff.

Mr. HARLAN. I yield now to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. At the beginning of the gentleman's remarks he said that the race for the reelection of Roosevelt

was two-thirds over if the Republicans took certain things as their slogan to which the gentleman referred. Did the gentleman hear of this little conversation between Owen D. Young and the President, in which he stated he lost 7 votes in a particular New York county? There are no Democrats involved in the northern part of the country where this thing occurred.

Mr. HARLAN. I thank the gentleman for his contribution.

Mr. Chairman, in the Congressional Record of March 17 we find some further remarks of the gentleman from Massachusetts on the question of reciprocity which might be called highly uninteresting even if true.

We notice a table with columns designated "Net exports", "Silver bought", "Gold bought", and "Total."

For the year 1929 we find under "net exports", \$841,000,000. Everyone knows that our exports for that year were \$5,200,-000,000, so he must have meant by "net exports" that great blessing, the favorable balance of trade. In his last column called "total" he has a figure of \$740,000,000. This result is achieved by adding to net exports the silver bought, nineteen millions, and subtracting the gold bought of one hundred and twenty millions.

Elementary arithmetic suggests that whenever we subtract a quantity we call the result a remainder, but whether we call it a total or a remainder, it would certainly be helpful if someone would tell us what, if anything, it means. Certainly the gentleman from Massachusetts left us wholly in the

dark.

To get his "total" for 1930 he adds the silver and subtracts

For 1931 he subtracts the silver and adds the gold.

For 1934 he subtracts both gold and silver and produces a "total" which would be highly interesting if it meant anything.

Mr. LAMBETH. Mr. Chairman, will the gentleman from South Carolina yield the gentleman from Ohio 3 additional minutes so that I may make a brief comment and ask the gentleman a question, with his permission?

Mr. McMILLAN. Mr. Chairman, I yield the gentleman from Ohio 3 additional minutes.

Mr. LAMBETH. I have listened to the gentleman's remarks with a great deal of interest, and in order to keep history straight I think it should be stated that the first reciprocal-trade agreement ever negotiated with Canada was by a Republican President, Mr. Taft, in 1911.

I have had occasion recently to read the debates in the Canadian House of Commons upon this subject, and it is interesting to note the arguments of the opposition party, which was so overwhelmingly defeated last fall and which is now against ratification of the agreement by Canada. The argument used against ratification has been that the agreement would create more unemployment in Canada; in other words, that the agreement is bad for Canada, just as our friends across the aisle say it is bad for the United States. One or the other of them must be wrong. However, the preliminary vote on approval in the Canadian House of Commons on March 10 carried by a vote of 175 to 39, so I am inclined to think that if this question becomes the chief issue of the Republican Party this fall the vote will be equally decisive against their position. It is also interesting to note that in the course of the argument of the former Prime Minister, Mr. Bennett, who is leading the opposition, the member from Moose Jaw commented upon his remarks and called them "pap." I am inclined to think that the arguments against the agreement in this country are more political and sectional than economic and national, and that they are more partisan than political.

I thank the gentleman for permitting me to inject these remarks into his speech.

Mr. HARLAN. The gentleman is absolutely correct. With respect to the advocates of high-tariff privilege, oh, far be it from them to talk about dividends or profits. They are not the things they are interested in. They are always interested in the poor laboring man. Canada is no different in the matter of organized greed than the United States.

Canadian parliamentary argument.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HARLAN. The remarks of the gentleman from Massachusetts [Mr. TREADWAY] on this question are so obviously the production of that great master mind, George N. Peek, because they are just a repetition of the things he puts out, and that gentleman is here now doing ghost writing for anyone who wants to make a speech on the subject.

That gentleman made a remarkable discovery. Sometime ago he found out that a foreign individual who possessed credit in this country could use that credit to buy American investments. That seemed terrible to him, so he comes out with an entirely new system of international trade, described in some papers as "Peekonomy." It is marvelous that he waited until 1935 to give that discovery to the world, when we had so many examples in the 1920's. During that time America did not want to take European imports, so it used its credit to make extensive investments in Europe. They turned out to be gifts rather than investments, because they were no good.

All such investments are either good or bad. If good, some day they will have to be paid back, and when paid back they will have the same effect on trade as if the goods were purchased in the first place. While investments are in operation dividends have to be paid and are a stimulation to the export business.

Now, in the long run, we might just as well try to escape the law of gravity as the fact that in the final analysis tangible plus intangible exports, plus gifts received, equal tangible and intangible imports, plus gifts sent.

If we reduce imports we reduce exports to the same extent, and we can no more escape this result than we can escape taxes.

Now, the remarks of the gentleman from Pennsylvania [Mr. Rich] show considerable evidence of "Peekonomy", when he told us on March 20 as follows:

I call the attention of the House to what reciprocal trade agreements are doing to the farmers of this country. In 1933 there were imported into the country 4 times as much wheat as was imported in 1934, 14 times as much corn, twice as much oats, 22 times as much butter, 75 times as much beef, and 30 times more pork, double the amount of wool, and the same holds true of a great many other farm commodities

Now, not a single item named was affected in any way by the reciprocal treaties, except just about enough corn imported from Cuba to supply the moonshine liquor for one county in Pennsylvania.

As long as high-tariff advocates continue to put such false and misleading propaganda into our records, certainly somewhere, some place, it shows something wrong with the whole tariff argument. The gentleman from Massachusetts [Mr. TREADWAY] repeated the same thing on the 30th. It has been put into the RECORD time and time again. This increase in imports, or certainly so far as eleven-twelfths of it is concerned, has nothing whatever to do with the reciprocity treaty. Eleven-twelfths of our increase in imports come in under the Smoot-Hawley tariff.

In conclusion, I want all to remember, in spite of the artistry and dramatics, and so forth, that the reciprocity program is not one of free trade. Jumping out of the frying pan into the fire has never been a pleasurable or profitable occupation. Tariffs regiment industry, exploit labor, and impoverish agriculture, but a nation that has built its economy on tariffs is like a man afflicted with the drug habit. If you destroy the evil at one blow you will probably kill your patient. Drastic reductions in tariffs would promote foreign dumping and destroy investment, disorganize industry, and promote unemployment. No one is recommending that, What this administration, with reciprocity treaties, is trying to do is to return to the prepanic tariff rates of 1922, and thus start the world again back toward an era of economic peace and good neighborliness.

Reciprocity is one phase of that persistent idea-the Golden Rule. Reciprocity points the way to peace in com-lenough to encourage imports. Which would the farmers

I wish I had some time to go into some phases of the mercial warfare, to a truce in military conflicts. Reciprocity is based upon the concept that each of us prospers best when we all prosper most.

> Just prior to the recent naval conference, Japanese spokesmen indicated strongly that no naval reduction was possible as long as tariff walls closed up raw material markets. Representatives of Germany have recently made the same statement with reference to peace in Europe so long as Germany is deprived of her colonies and access to raw materials.

> Mussolini has openly said that Kellogg treaties, Locarno pacts, and peace treaties generally are of little value as compared to a reduction in tariffs.

> Dr. Hendrick van Loon in his Story of the World We Live In, while speaking of the World War, said:

> It is a bit sad to reflect that pigs were primarily responsible for the outbreak of that terrible disaster. For Serbia had only one great article of export—pigs—and by putting impossible duties on pigs, the Austrians and Hungarians were able to ruin the only trade from which Serbia derived any profit at all. The dead Austrian grand duke was the pretext for the mobilization of all the armed forces of Europe. But the underlying cause of all the ill-feeling in the northeastern corner of the Balkans was the duty on pigs

The difference between our former tariff treatment of Cuba and the Austro-Hungarian conduct toward Serbia lies in the fact that Cuba had no allies powerful enough to declare war on us.

It would be humorous if it were not so serious, to listen to our colleague from Minnesota [Mr. Knurson], who is so ardent for peace that he voted against the World War, and yet constantly expounds the virtues of a high tariff, the one underlying cause driving this world into another inevitable holocaust.

Our colleague from Wisconsin [Mr. Bolleau] eloquently and constantly expounds the cause of peace yet he has been most ardent in his advocacy of commercial warfare. In fact, he has signed a petition on the Speaker's desk that would carry high tariff to its logical conclusion and establish a complete trade embargo as far as dairy products is concerned.

Mr. Chairman, we cannot starve our neighbors and expect to live in peace, we cannot continue as the custodian of the world's greatest raw-material market and hope to preserve our neutrality in any kind of a world conflict. There is just one way out, dictated by common sense, by our experience, and by our desire for profits, and that is to open up channels to foreign trade. Until this is done the hope of any permanent peace is simply a delusion.

Mrs. KAHN. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, I always feel quite melancholy after listening to the gentleman from Ohio [Mr. Har-LAN], and I feel a spiritual impulse to say amen. Also I feel like the young gentleman in the song that was current during the war, expressing the sentiment that "they are all out of step but Jim." Perhaps we are out of step, perhaps I am out of step, but you know there must also be a lot of people in the Corn Belt who are out of step, because on the 14th of April they are to have a huge conference at Sioux City, Iowa, in which they plan a fight on the farm imports. This invitation I hold in my hand says "The time has arrived for action against agricultural imports", and continues:

Come to this conference. The very life of the Middle West is at stake. The figures on imports of farm products given else-where on this page reveal the menacing situation that confronts the farmers directly and business and industry indirectly. Come to the big conference in Sioux City, Iowa, April 14, and help fight for justice for the Middle West. Your support is needed.

I am extending an invitation to my good friend from Ohio to go to the conference and be enlightened.

Mr. HARLAN. Mr. Chairman, will the gentleman yield? Yes. Mr. DIRKSEN.

Mr. HARLAN. During the Republican administrations the price of farm products in the country was not high

rather have-farm products and no imports or higher prices | and some imports?

Mr. DIRKSEN. This conference is being called in the heart of the Corn Belt, and there must either be a lot of deluded farmers and deluded Republicans, including myself, or else there is some basis for alarm in the fact that 1935 is the first time in our history that we have imported 43,000,000 bushels of corn, hundreds of millions of pounds of meat, millions of bushels of oats, wheat, and barley, and vast quantities of other farm products. What our Midwest farmers remember, but what my friend from Ohio forgets, is that these continued imports will soon break the price of farm products.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mrs. KAHN. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Chairman, I have introduced a bill to make it a felony for a Member of Congress to participate in Federal patronage. The bill would prohibit Senators or Representatives from even writing letters urging appointment to or promotion in the Federal service, either civil service or noncivil service. The purpose of the bill is to aid in carrying out a program of divorcing legislation from patronage. The greatest threat to freedom in the United States is not communism, but the spoils system of patronage.

Our system of government never intended that legislators should be patronage dispensers. The control over legislation by the Chief Executive through influencing Members of Congress by doling out jobs for Congressmen and Senators to distribute in return for faithful subservience to Executive desires in legislative matters is a complete reversal and major violation of the spirit of our whole governmental philosophy.

The heart of the American system as established by the framers of the Constitution was complete separation and independence of the executive and legislative branches of

Through the development of the unsavory spoils system the Congress has been constantly losing its independence and legislative freedom. No longer are Congressmen and Senators responsive to the best interests of their constituents first, but now are first concerned with building up political machines through handing out jobs. No longer do Members of Congress depend for reelection upon their legislative records, but now count upon political appointees to do the job both for campaign contributions and the active campaign work.

It creates an unfair opportunity for incumbents to perpetuate themselves in office. The most successful Congressmen are the ones who obtain the most jobs for constituents, not the ones who contribute the most constructive legislative solutions of our national problems.

The patronage system makes for inefficient, incompetent Government operation of the various departments and

The loyalty of a political appointee is naturally to his or her patron who was instrumental in obtaining the appointment. How can it be otherwise? The result is that the merit system plays very little part in our Federal service. It is grossly unfair to the bulk of citizens who aspire to Federal service. Of course, only a comparative few of such people happen to know a Congressman or Senator. Yet those few form a favored class in America, to the exclusion of the great bulk of applicants who do not have congressional pull. This is so even in the civil service, where congressional influence is so often sought and too often given to appoint from the eligible list the political favorites. It has made a mockery of the civil service; and what is left of merit in the system dissipates into thin air because of the constant pressure of those who are so appointed to use the same political pressure to obtain promotions after they get on the Federal pay roll and usually not long after, either. This inevitably discourages those who do get appointed solely as a result of competitive examination and who depend for promotion before it ever assumed legislative powers, and it was and

solely upon the value of the service rendered to the Government.

Unfortunately, the loyalty of politically appointed employees of the Government is too much to individuals and the political party responsible for their jobs and not to the Government itself. Too often the main service rendered is to the political machine or the individual patron and not to the work of the bureau or department of the Government for which and by whom the appointee is paid.

The general impression seems to be that a Member of Congress is or should be a free employment agency and that finding of jobs on the Federal pay roll for a favored few constituents is the main purpose for which he is elected.

To free Congress from administration control so that legislation may become the true expression of the will of the people, to improve legislation by restricting Congressmen to their legislative duties, and to improve Government service in the interests of increased efficiency and economy, it is absolutely essential that the merit system of appointment to and advancement within Government employment be extended from top to bottom.

Only selected and a comparatively few policy-making officers should be exempted from a great public-service system, protected from the spoilsman and dependent solely upon the individual's merit, with equal opportunity for all. This bill is an effort to further such a movement.

Mrs. KAHN. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. Gifford].

Mr. GIFFORD. Mr. Chairman, I have obtained this time to make a little clearer my question to the gentleman from Ohio. When I read the paragraph a day or two ago it was clear that the President tried to tell Mr. Young that he had but little chance on the reciprocity matters in Canada, because there were so few Democrats along the Canadian border who would be adversely affected, that not many votes would be affected either way.

Mrs. KAHN. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. BLACKNEY].

Mr. BLACKNEY. Mr. Chairman, I have long been an admirer of the Constitution of the United States which beyond any doubt is the greatest statement of fundamental governmental facts that the world has ever known. In my judgment, one of the crowning features of the Constitution is the Supreme Court of the United States. Under our constitutional theory our Government is divided into the legislative, executive, and judicial departments, each supreme within its own field, yet cooperating to make a perfected government.

Much discussion has occurred on the floor of the House with reference to the right of the Supreme Court to declare acts of Congress unconstitutional. There are those upon the floor that look upon this prerogative of the Supreme Court as purely one of usurpation, never contemplated by the fathers of the Constitution, and not provided by the Constitution itself.

On the other hand, there are others who believe it is clearly the right of the Supreme Court to pass upon the constitutionality of laws, whether State or National.

Under the theory that we have three independent forms of government, clearly the Supreme Court would be assumed then to have this constitutional right. It is very interesting to turn back the pages of history and glean what information we can there with reference to our concept of the Supreme Court. On the floor of the House it has been repeatedly said that inasmuch as we derived our legal procedure from England, and the English courts claim no power to review acts of Parliament, therefore it was unprecedented for the Federal courts to review acts of Congress. This statement is worth considering.

It is true that the English courts prior to 1787, at which time our National Constitutional Convention was in session, recognized the absolute supremacy of an act of Parliament. That recognition, however, was not based on a conception of legislative immunity from judicial review but was based on the fact that Parliament itself acted in a dual capacity as both legislature and court. Parliament was a court

always has been from its inception the highest court of England. An act of Parliament was both supremely legislative and supremely judicial.

Viscount Brice, one of England's greatest constitutional writers and the author of The American Commonwealth, said:

Parliament is not a body with delegated or limited authority. The whole fullness of power dwells in it. The whole nation is supposed to be present within its walls, Magna Carta and the other bulwarks of English liberty restrain only the kingly power. Parliament itself is subject to no constitutional restrictions. Parliament is omnipotent.

The Constitution, however, is entirely different in America. Congress has no judicial powers with a possible exception of impeachment and with relation to its Members, and even the legislative powers are enumerated and limited by the Constitution itself. Therefore there is no ground whatever for judges to rank an act of Congress as they would an act of Parliament.

Most of the authorities who have controverted the judicial right to review congressional legislation have based their arguments largely on the common-law esteem of acts of Parliament. Each of these authorities, however, overlooked the fundamental difference between Parliament and Congress; each overlooked the designation of Parliament in the Declaration of Independence as "a jurisdiction unacknowledged by our laws"; each overlooked the patent fact that the common law is not a part of the supreme law of the land as defined by the Constitution; and each overlooked the historical fact that the American idea of judicial review is not an offshoot of the common law but is a development of colonial practice.

Among the arguments heard on the floor of the House with reference to the Supreme Court's alleged usurpation of power in assuming the right to declare an act of Congress unconstitutional is the statement that the fathers of our Constitution did not recognize the right of any judicial body to declare a legislative act unconstitutional. Let us again study the historic background of this statement. The colonial governments in America were the issues of specific grants from the King and were thus "connected to England through the Crown and not through Parliament or any other governmental division of the Kingdom." These grants authorized the establishment of a limited form of self-government and were usually called charters, although the ones established in New Hampshire, New Jersey, and North Carolina were styled constitutions. These charters differed considerably in the specific powers granted or conveyed to the respective Colonies, but they had this common provision, that local legislation should not be contrary to the laws of England. This provision itself was adopted from the constitution of the Island of Jersey and has been applied to most of the colonial charters and constitutions granted to the early American Colonies.

In pursuance with that practice, the colonial laws were constantly decided by their charters and by the laws of England. If the laws of the charters were in conflict with the laws of England, then they were void. The extent of that practice is shown by the fact that nearly 400 acts of colonial assemblies were annulled by the Privy Council because they did not pass that test. The invalidation of a colonial act was read at least once in every court, once in every church, and once at the military muster throughout the colony. Thus the colonists became familiar with the practice of having their legislative acts declared unconstitutional when any of these acts conflicted with the parent body of laws. The local legislatures were limited by the terms of their grant or their charter; if a power had not been granted to them, it could not be exercised legally.

In pursuance with this principle established during the colonial period, the right of the courts to test legislation under the State constitution was quickly asserted in 8 of the 13 new States and became a settled American provision. Quoting from the Notes of James Madison, who was a delegate to the Constitutional Convention, the statement was made:

In some States the judges had actually set aside laws as being against the Constitution. This was done with general approbation. States as provided in article I, section 8, against the Constitution. This was done with general approbation.

So instead of judicial power to determine the validity of legislation under a written constitution being unknown in 1787, it had been exercised in America under colonial and State governments for a hundred years prior to the Convention. Luther Martin, one of the members of the Constitutional Convention, said:

The constitutionality of laws will come before the judges in their official character. In this character they have a negative on the laws.

The right of judicial review was repeatedly declared in early sessions of Congress without any concerted opposition.

It has been asserted on the floor that the right of the Supreme Court to declare an act of Congress unconstitutional was originated by Chief Justice Marshall in the decision in the case of Marbury against Madison. As a matter of fact, we have seen historically that this principle had been established in America practically a hundred years prior to the enunciation of the principle established by Chief Justice Marshall in that case.

Again it is stated on the floor that there is nothing in the Federal Constitution to authorize the assumption that the courts should have a right to declare an act of Congress unconstitutional. When our forefathers were building the Constitution they were insistent on perfecting a government different from the parliamentary government of England and wanted to achieve the absolute independence of the judiciary.

Congress being an artificial creation of the Constitution, can exercise only such powers as the Constitution confers. Article I, section 1, brings Congress into being with the statement—

All legislative powers herein granted shall be vested in a Congress of the United States.

All legislative powers are not vested in Congress, but only such powers as are therein granted. Thus congressional legislative powers are special and limited. This limitation was deliberately made. The specific powers granted Congress are named in section 8 of article I, and include the power "to make all laws which shall be necessary and proper for carrying into execution" the powers vested by this Constitution in the Government of the United States. There is not even a hint that Congress can exercise any judicial power, with the exception, as above stated, to its relation to its own members and to impeachment. Section 8 fixes the absolute boundary of congressional action in relation to laws.

Judicial exposition of laws is beyond that boundary, and therefore beyond the range of Congress. After conferring on Congress the right to determine its own membership and on the Senate "the sole power to try all impeachments", the Constitution vests "the judicial power" of the United States in the Federal court. That phrase—"the judicial power"—must mean all the remaining judicial power, especially since there is no further planning whatever of judicial and legislative powers and no further delegation of any judicial power.

What is judicial power? It is the power to declare the law. What are the laws of the United States? They are the Constitution, the laws passed by Congress in pursuance of the Constitution, and all treaties made under the authority of the United States. Thus the Constitution does have a statement authorizing the Federal courts to declare the law in any case of law or equity arising under the laws of Congress. Every case before this court is either in law or equity. A line conferring more absolute jurisdiction in cases which involve acts of Congress cannot be conceived. For the power to declare the law necessarily comprises the right of determining what is the law and of rejecting what is not the law. Article VI further makes these three classes of laws "the supreme law of the land." An act of Congress 'made in pursuance" of the Constitution thereby becomes the lawful equal of the Constitution itself, but an act repugnant to the Constitution is not made "in pursuance thereof", is not "proper for carrying into execution" the powers vested thereby in the Government of the United States as provided in article I, section 8, and is not the In a case where the court must declare whether the Constitution or an unconstitutional act is the law, it would clearly be the duty of the court, under the general conception of official duty, to prefer the Constitution as paramount. This duty is made absolute by the judicial oath prescribed by the Constitution itself which binds the judges "to support the Constitution." The oath to support the Constitution has no exception. It permits no evasions. It requires exposition of every such violation whereon the court is required to declare the law.

From the above statements it follows historically and constitutionally that the Supreme Court have the clear and constitutional right to declare an act of Congress repugnant to the Constitution as unconstitutional.

I am much indebted to the Honorable John H. Hatcher, of West Virginia, in his recent forceful and pertinent address on the right of the Supreme Court to declare an act of Congress unconstitutional for much of the historic data herein given.

There is much discussion today with reference to the Supreme Court's attitude on labor, and the statement is frequently made that the Supreme Court decisions have been hostile, in the main, to organized labor. A study of the facts, however, determines that this statement is not true.

Charles Warren, a prominent Democrat, who formerly held the position of Assistant Attorney General under President Wilson, and who is known as the foremost historian in the country on the activities of the Supreme Court, has published a very notable book called "Congress, the Constitution, and the Supreme Court", in which book he reveals the fact that organized labor has received many more favorable decisions than otherwise. Mr. Warren states in his book that on laws of Congress the score has been 80 to 6 in favor of labor, and that in the case of State labor laws the Supreme Court has upheld 60 and decided adversely in only 6 cases.

Mr. Warren further states in his book-

In view of the record of steady support of legislation in behalf of and protection of labor, and rendered generally in cases in which the corporations and employers contend that the statutes were invalid, it may fairly be said that it is not only uncandid and unfair to the public, but also ridiculous for anyone to state that the decisions of the Court are on the side of the wealthy and powerful and against the poor and weak.

Mr. Warren's book is worthy careful study as a splendid presentation of the principles of Congress, the Constitution, and the Supreme Court. [Applause.]

Mr. McMILLAN. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. Jones].

Mr. JONES. Mr. Chairman, so much has been said during the last few months about the refinancing of farm mortgages that I think the House will be interested to know just what has been done during the last $2\frac{1}{2}$ years in connection with that situation. I present these facts as purely historical and without reference to the merits or otherwise of pending measures. When a fine piece of work is done in

a successful way, it frequently attracts but little attention. THE FARM-CREDIT SYSTEM

When I was a boy the farmers of north Texas lived under the shadow of 10 to 20 percent interest. When a farmer needed credit he would go to the local bank and make a 60or 90-day note, bearing interest at the rate of 10 percent, with interest taken out in advance. As the farmer had to be financed on an annual basis, this interest would be compounded every 60 or 90 days, with rates figured as only a good banker could figure them.

I asked my father why this method was used. He told me that our banking system was fashioned to suit the needs of the commercial and business interests of the country and was not suited to the needs of the farm and ranch.

When I made my first race for Congress I had as a plank in my platform that an agricultural credit system should be fashioned suited to the needs of agriculture and separate and apart from the commercial credit structure of the country.

A SEPARATE CREDIT STRUCTURE

It was my privilege a little less than 3 years ago to sponsor the measure which established the Farm Credit Administration. So far as I have been able to learn, this is the first time in the history of any country that a complete credit system has been formed for agriculture, wholly independent of the commercial banking system. It should be interesting to everyone to have a report as to how this Administration has functioned and in a general way what it has accomplished.

A SUCCESSFUL ORGANIZATION

A fine piece of machinery runs smoothly and almost noiselessly. Sheerly on the basis of its operations and on the results achieved, it is, in my judgment, one of the most successful agencies established in the present administration. The naked facts prove this beyond dispute.

PURPOSES

At the time of its organization the Farm Credit Administration faced two major tasks:

First. The refinancing of hundreds of thousands of farmers' debts in as short a time as possible; and

Second. The building of a permanent system of credit for agriculture.

TYPES OF CREDIT

In building the Farm Credit Administration it was the purpose to make available through permanent institutions four different types of credit. To do this, four wings were established under one head, each wing to handle a different type of needed credit:

First. The land banks, to handle long-term land paper;

Second. The cooperative banks, to handle the necessary credit for farmers' cooperative buying and selling organizations:

Third. The production credit corporations, to handle the current essential production credit; and

Fourth. The intermediate credit banks, which are the discount institutions and which, through the sale of debentures, provide the necessary funds for the operations of the cooperative and production credit divisions.

Thus, instead of a heterogeneous lot of agencies of the Government supervising the making of loans to farmers, the administrative responsibility has been centered in one organization, the Farm Credit Administration, which under one head supervises the credit needs of the farm and ranch.

EMERGENCY REFINANCING

The biggest single job of the Farm Credit Administration was the refinancing of farm-mortgage indebtedness. Prior to its establishment, credit conditions in agriculture were nothing short of chaotic. The institutions which had normally furnished mortgage credit had virtually retired from the field. Not only had they ceased to lend, but many of them—almost in a state of panic—were trying to collect installments and liquidate holdings under conditions which made such collections virtually impossible. Threats of foreclosure and actual foreclosure suits were the order of the day. Hundreds of thousands of farmers were threatened with the loss of their homes. A major agricultural catastrophe was imminent; yet most of these farmers were in financial straits because of conditions beyond their control.

LAND BANK AND COMMISSIONER LOANS

Land bank and commissioner loans were made available up to a maximum of 75 percent of the appraised normal value of farms, with a maximum limitation of \$7,500 on individual loans. Between May 1, 1933, and January 31, 1936, 1,079,944 applications were filed. A total of 775,672 applications, or 71.8 percent of the total number received, had been approved prior to January 31, 1936. Applications numbering 35,028 were canceled or withdrawn, and 12,348 were in progress through the banks, but had not reached the loan committee. A number of applications which were approved were later canceled or withdrawn, principally because the applicant could not obtain the cooperation of his creditors in working out his debt problem, or because he had worked out his debt situation without the necessity of refinancing.

During this period 734,141-loans were closed for a total of \$1,962,514,301. It is estimated that nearly 87 percent of the total amount loaned by the land banks during the emergency period has been used to refinance indebtedness. Nearly 70 percent was used to pay off mortgage debts, 14 percent for

short-term debts, and about 3 percent for taxes. Thus these lending activities have not resulted in farmers going further into debt.

I make this flat statement, that the Farm Credit Administration, during the $2\frac{1}{2}$ years has made more loans in refinancing farm mortgages than were made in the 16 previous years of the land bank's history. Statistics will show that. They have saved hundreds of thousands of farm homes. They have furnished the lowest rate of interest in doing so that has ever been furnished in the history of the world in any great country. [Applause.] Regardless of how people may feel and what they think interest rates should be, the fact is that we now have the lowest rates that any country ever had on long-term farm credit.

Here is an interesting thing in proving the effective way in which the farm credit has been handled. At the time this refinancing began, farm bonds were selling in the 80's. We have now the lowest rate of interest that we have ever had, and all farm-credit bonds are selling above par. We have a separate system of credit for agriculture. It may not be the best in the world but it certainly has produced results.

I want to cite you another interesting fact, in view of statements that have been made by people who sometimes get over-enthusiastic. I have a table here which shows the number of units that it has taken during the different years since 1920 to pay the interest on a \$10,000 mortgage, and the amount that it requires today. These are statistics that have been compiled in the Department of Commerce and in the Department of Agriculture.

Let us take cotton, for instance. In 1932, cotton was selling at 5 cents a pound. It took 25 bales of cotton to pay the interest on a \$10,000 loan. In 1935, cotton was selling at 11.9 cents per pound, and it took 5.9 bales of cotton, about one-fourth as many to pay the interest on a \$10,000 mortgage as it took in 1932. Is that unsuccessful administration?

I will insert in the RECORD a table which shows the rates from 1910 on.

In 1932 the farm price of wheat was 35.6 cents per bushel, and it took 1,826 bushels of wheat to pay the interest on a \$10,000 loan. In 1935 the farm price of wheat was 76.4 cents per bushel, and it took 458 bushels instead of 1,826 bushels to make the interest payment on a \$10,000 loan.

In 1932 the farm price of corn was 29.9 cents a bushel. In 1935 it was 82 cents a bushel. In 1932 it took 2,174 bushels of corn to pay the interest on a \$10,000 mortgage. In 1935 it took 425 bushels of corn instead of 2,174, about one-fourth as many

The price of hogs in 1932 was \$4.23 per 100 pounds. In 1935 it was \$8.40 per 100 pounds. If a man wanted to sell hogs and pay his interest on a \$10,000 mortgage in 1932 he had to sell 70 hogs. Last year he had to sell only 19 hogs.

If a farmer were in the dairy business, the price of butterfat in 1932 was 14.4 cents per pound. In 1935 it was 22 cents per pound. A man would have to sell 4,514 pounds of butter in 1932 and only 1,500 pounds in 1935 to pay the interest on a \$10,000 mortgage.

Taking the average of all farm products, the index price in 1932 was 57. The index price in 1935 was nearer to 100. The index of all farm products required to pay the interest on a \$10,000 mortgage in 1932 was 175. In 1935 it was 53.

Now, whatever else may be said, regardless of the fact that you may want a better system, regardless of the fact that you may think the interest rates should be lower, the fact remains that a magnificent job of refinancing farm mortgages has been done. Nobody can gainsay that fact.

Mr. MAPES. Mr. Chairman, will the gentleman yield for a question?

Mr. JONES. I yield.

Mr. MAPES. I am not sure the gentleman can answer this question, but he spoke of the number of farms that have been saved by reason of the refinancing of farm mortgages in the last 3 years. Of course, there were a great many that were on the verge of being lost. In the gentleman's opinion, what percentage of the farm mortgages of those who were in danger of losing their farms has already been refinanced, and how many farmers are there now left

who are in danger of losing their farms because of overindebtedness?

Mr. JONES. Of the 6,700,000 farms which it is estimated there are, there are mortgages on only 2,400,000. A little less than 40 percent of the farms of America are under mortgages at all. There are \$8,279,000,000 estimated now in outstanding farm mortgages of all kinds. On February 29, 1936, the land banks and land-bank commissioners had outstanding 1,078,160 loans, totaling slightly less than \$3,000,000,000.

Mr. MAPES. So that over one-third have been refinanced and are now held by the Government?

Mr. JONES. Yes.

Mr. MAPES. I thought the total amount of farm mortgages was now something under eight billion.

Mr. JONES. It is about eight billion two hundred and seventy-nine million, according to the figures I have. These, however, include short-term obligations. If only long-term mortgages are included, it would be somewhat less than eight billion.

Mr. MAPES. Of course, the remaining farms that are mortgaged are not all mortgaged at anywhere near their full value?

Mr. JONES. That is true in many instances. Of course, some of them are. Some of them are mortgaged for more than their value.

In many instances where they are mortgaged for more than their value, unless the creditor will reduce the mortgage it is almost hopeless to try to refinance them. If the mortgage cannot be cut down to the place where the mortgagor has a chance to see daylight there is not much advantage in its being refinanced.

The rate of foreclosure is far less this year, and there are fewer abandonments, or cases in which the situation appears more or less hopeless. There are some exceptions, of course.

Mr. MAPES. Will the gentleman's figures show what percentage of those who have obtained loans from the Government are failing to keep up their payments?

Mr. JONES. Yes. The payments have been kept up to a remarkable degree. The number of land-bank loans have more than doubled since the new administration was started, yet the number of delinquencies are actually less than when there were only half the number of outstanding loans. Up to date delinquencies have been much less than one would think. There are some, of course, mostly in connection with commissioners' loans and land-bank loans due to conditions prevailing.

DEBT REDUCTIONS

Applications for loans frequently indicated that the farmers' debts were so heavy they could not be refinanced without creditors agreeing to scale down the debts to a point where they could be refinanced with reasonable hope of final repayment. To assist in this situation, the Governor of the Farm Credit Administration early contacted the State Governors, suggesting the formation of agricultural advisory councils. These State councils, or committees, would recommend appointment of county debt-adjustment committees in each county, which in turn would work with deserving farmers and their creditors to reach a mutually satisfactory settlement of their debts.

Advisory councils were set up in 44 States and debt-adjustment committees in 2,752 counties. As a direct and indirect result of their work, many farm homes have been saved, thus keeping more than one-half million worthy persons on farms and off relief rolls. It is estimated that about 14 percent of the loans made by the land banks and 26 percent of the loans made by the Commissioner were made after scale-downs had been effected by the borrowers. The total amount of such scale-downs is approximately \$210,000,000.

Far outweighing these accomplishments, however, has been the influence of these committees in restoring credit stability in many troubled areas; in developing a debt-paying morale limited only by the debtor's ability to pay; and in promoting the development of a more general practice on the part of creditors to make the necessary voluntary adjustments in order to avert liquidation. Yes, the Farm Credit Act has done more. It is the keystone in the supporting arch and has helped to save the credit structure of America.

The program has saved hundreds of thousands of farm

INTEREST RATES REDUCED

The help extended during this emergency period has not been confined merely to refinancing farmers' indebtedness and relieving them from the threat of foreclosures. Easier terms and interest rates lower than ever before granted to the farm and ranch have been placed in effect. Emergency rates on all loans through associations are reduced to $3\frac{1}{2}$ percent for all interest payable prior to July 1, 1936, and to 4 percent during the next succeeding 2 years.

SUCCESSFUL OPERATION

Refinancing of farm-mortgage debts on such a tremendous scale could not have been accomplished without bringing about the desired results. That the emergency job is passed, that abnormal numbers of foreclosures are also well behind us is shown by the steady decline in the applications for loans received by the 12 Federal land banks. During August 1933 applications for loans numbered about 76,000. During the same month in 1934 they totaled about 27,000, whereas in January of this year they were only about 7,800. Still another indication of improved conditions in agriculture and the nearing of the completion of the emergency activities in the farm-mortgage field is the heavy decline in requests for immediate aid to avoid impending foreclosure. Shortly after the Farm Credit Administration was organized an average of more than 500 applications per day for immediate help was received from farmers who were threatened with foreclosures. Now the number does not exceed 20 to 25 per day.

OTHER IMPROVEMENTS

Another favorable indication of better conditions in agriculture is improvement in loan payments. The records of the Farm Credit Administration show improvement in collections on all types of farm loans and indicate that farmers have lost nothing of their firm intention to meet their obligations in good faith and get out of debt. The borrowers from the Land Bank Commissioner have paid 86 percent of all the matured installments on their loans.

INTEREST RATE

In spite of anything that may have been said to the contrary, the rates charged are as low or lower than those charged industry by other Government agencies for long-time credit. I insert herewith a statement regarding the rates charged by the Reconstruction Finance Corporation:

Current rate of interest or dividend by classes

Perc	cen
Loans under sec. 5 of the Reconstruction Finance Corporation Act, as amended:	
Banks and trust companies (including receivers, liquidating agents, and conservators)	4
Building and loan associations (including receivers) Insurance companies	4
Mortgage-loan companies Credit unions	4
	31/4
Livestock credit corporations	4
***************************************	4
	4
Authorizations to industrial or commercial business under sec. 5 (d) of the Reconstruction Finance Corporation Act,	5
	5
Loans on the assets of closed banks and trust companies under	5
sec. 5 (e) of the Reconstruction Finance Corporation Act, as amended	4
Authorizations under the Emergency Relief and Construction Act of 1932, as amended: Self-liquidating projects, sec. 201 (a), title II (including loans for financing repair or reconstruction of buildings damaged by earthquake, fire, tornado, or	
	4

¹In cases where the corporation purchases securities of a railroad the interest rate is the same as that borne by the securities so purchased.

Current rate of interest or dividend by classes—Continued

		rcent
	Authorizations under the Emergency Relief and Construction Act of 1932, as amended—Continued	
	Financing exports of agricultural surpluses, sec. 201 (c),	10.00
ì	title II.	5
	Financing carrying and orderly marketing of agricultural commodities and livestock produced in the United	
	States, section 201 (d), title II	4
	Commodity Credit Corporation	3
100	Amounts made available for relief and work relief, sec. 1, title I	3
STATE OF THE PARTY	Authorizations under section 304, title III, of the act approved Mar. 9, 1933, as amended:	
	Loans on preferred stock of banks and trust companies Subscriptions for preferred stock of banks and trust	231/2
	companies	231/2
	Purchases of capital notes or debentures of banks and trust companies	231/2
and the same	Authorizations under section 1 of the act approved June 10, 1933, as amended:	
	Loans on preferred stock of insurance companies	231/2
	pany	231/2
0.000	Loans to or for the benefit of drainage, levee, and irrigation districts under section 36, title II, of the Emergency Farm	RV
	Mortgage Act of 1933, as amended	4
Name and Address of the Owner, where the Owner, which is the Owner, where the Owner, which is the Owner, where the Owner, which is the Owner, whic	Loans to finance the acquisition of property declared unsafe, or the repair of property damaged by reason of flood, dan- ger of flood, earthquake, conflagration, tornado, or cyclone,	
	in 1933, 1934, 1935, and 1936, under the act approved April	
	13, 1934, as amended	4
	Loans to borrowers engaged in the mining, milling, or smelt-	130
O SOLUTION O	ing of ores under section 14 of the act approved June 19, 1934, as amended, including loans on mineral acreage	6
	#314 percent to Jan 31 1940 inclusive and 4 percent there	

 $3\frac{1}{2}$ percent to Jan. 31, 1940, inclusive, and 4 percent thereafter.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield for an observation in this connection?

Mr. JONES. I yield.

Mr. FIESINGER. My understanding is that the people who have these loans do not have to make any payments until 1933.

Mr. JONES. They do not have to make any payments on account of principal.

Mr. FIESINGER. Notwithstanding this, they paid \$43,-000,000 on account of principal last year.

Mr. JONES. The gentleman is correct.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield 10 additional minutes to the gentleman from Texas.

RATES IN OTHER COUNTRIES

Mr. JONES. It is also interesting to note that the rates being charged farmers in the United States for long-time credit are lower than those being charged in any other important country.

In Canada the interest rate is 5 percent; in Denmark, from 4 to 6½ percent; in Germany, from 4½ to 8 percent; in Great Britain, 5.2 percent; in Hungary, 7 percent; in Austria, 7 percent; in Bulgaria, 9 percent; in Czechoslovakia, 6 percent; in Latvia, 8 percent, and in Yugoslavia, 6 percent.

In one or two other countries the rates are comparatively low, but these are temporary provisions, and in no country of any consequence have I been able to find long-time rates that are as low as the rates charged for the different types of credit to the American farmer.

A SOUND SYSTEM

Not only has this institution operated successfully in the furnishing of interest rates to the American farmer lower than he has ever been able to obtain heretofore and also lower than those charged farmers in any other country, but the Farm Credit Administration has been able to do this and at the same time to keep the institution on a sound financial basis. All of its obligations are selling either at par or at a premium. This in itself is a fine tribute to the manner in which the organization has been handled.

To Gov. William I. Myers, who is the head of this institution, and to his corps of assistants, the American farmers and ranchmen owe a debt of gratitude. Without noise, without undue boasting, through long hours of difficult labor, they have performed a task of which the Nation may well be proud. [Applause.]

OWNED BY FARMERS

Another vital feature of the Farm Credit Administration is that it is so organized and established that if kept sound it will finally be owned as well as controlled by the farmers themselves. It is peculiarly their own institution. They, above all people, are interested in keeping it on a sound basis. To put it on any other basis might gain a temporary advantage, but this would be done at a vast sacrifice to the farmers' long-range interests, because they could not hope to have it succeed and have it maintained on any other basis.

If those who are interested will but compare not only the long-range interest rates, but also the current interest rates which prevail under this institution with those which prevailed prior to its organization, they will appreciate all the more the fine accomplishments of this new organization.

THE FINAL PURPOSE

The purpose of the Farm Credit Administration is not to get the farmer further into debt but to finance his current credit and to enable him, in so far as possible, finally to reduce or pay off his obligations and thus at last to be free. That the borrower is servant to the lender is gospel as well as the law of life. My chief purpose in advocating the lower interest rates is thus to decrease rather than to increase the farmers' obligations.

I again want to paraphrase a statement made by one of the most brilliant men that America has produced:

When every farmer in America shall eat bread from his own fields and meat from his own pastures and, disturbed by no creditor and enslaved by no debt, shall sit amid his orchards and vineyards and barnyards and gardens, planting his crops in their seasons, and growing them in independence, making wheat and cotton his clean surplus, and selling them in his own chosen markets, in his own time and manner, and not at a master's bidding, taking his pay in cash and not in a receipted mortgage, which, while it ends a portion of his debt, does not restore his freedom, then will be dawning the fullness of a new day.

THE PRESENT ADMINISTRATION

For many years there has been talk of restoring the purchasing power of the farmer; of giving the farmer his true place in the national economic picture; of giving him equality under the laws of our land. During most of these years this has been confined to rosy platform promises and to the eloquence of the political forum.

The present administration has translated some of these terms into a reality. [Applause.] The prices of farm products have greatly increased; benefit payments in large volumes have been made to the farmer in an effort to bring him up to the level of parity with other citizens of the land. To my mind the capstone of all these accomplishments is what has been done and what is being done by the Farm Credit Administration.

There are those who are never satisfied; there are those who continually complain because more has not been done. I hope the American farmer and ranchman will not mistake the form for the substance.

In one of Aesop's fables there is a story of the dog who had a piece of meat in his mouth. He came to a bridge across a small brook. Looking down into the clear waters, he saw reflected what he thought was a better piece of meat. Turning loose what he had, he grasped at the shadow of what he thought to be an improvement in his situation, and his efforts left him in a very real sense meatless.

The Farm Credit Administration may not be-it is notperfect. But it is the farmer's own institution, fashioned to suit his own needs. He, above all people, is interested in its permanent operations.

I believe he will listen neither to the assaults of those financial institutions which would undermine its success to serve their own selfish ends, nor to those mistaken idealists who would risk the loss of this vast step forward in the way of accomplishment by grasping at things that cannot now be

With the facilities that are at his command the future of the American farmer and ranchman is more nearly than ever in his own hands.

Annual interest cost to farmer of a \$10,000 farm-mortgage loan obtained during the pre-war period at 61/2 percent and refinanced by a Federal land-bank loan in 1933 at 5 percent,

feedly box	Annua	l interest p	ayment	ill you		Qu	antities of s	selected far	m products	required f	or farmers	to pay inte	rest			
					Cot	tton	Wi	neat	C	orn	н	ogs	But	terfat	All farm	products
Year	Total	Paid by Treas- ury	Paid by farmer	Farm price July 15 (cents per pound) 1	Bales required to pay interest (num- ber)	Farm price July 15 (cents per bushel) 1	Bushels required to pay interest (num- ber)	Farm price July 15 (cents per bushel) 1	Bushels required to pay interest (num- ber)	Farm price July 15 (dollars per cwt.) 1	Head (220 lbs.) required to pay interest (num- ber)	Farm price July 15 (cents per pound) 1	Pounds required to pay interest (num- ber)	Index of prices received July 15 (1910-14 = 100) 1	Index of quantity of all farm products required to pay interest (1910-14 = 100)	
Average: 1910-14 1915. 1920 1925 1930 1931 1932 1933 1 1934 1935	\$650 650 650 650 650 650 650 650 650 500 50	None None None None None None \$50 50 150	\$650 650 650 650 650 650 650 450 450 350	12. 7 8. 4 37. 1 23. 4 11. 9 8. 5 6. 1 10. 6 12. 3 11. 9	10. 2 15. 5 3. 5 5. 6 10. 9 15. 2 25. 5 8. 5 7. 3 5. 9	86. 2 104. 6 242. 9 140. 3 70. 6 36. 3 35. 6 86. 9 78. 8 76. 4	754 621 208 463 921 1, 791 1, 826 518 571 458	70. 1 78. 3 174. 6 104. 4 77. 1 54. 0 29. 9 55. 4 59. 2 82. 4	927 830 372 623 843 1, 204 2, 174 812 760 425	7, 25 6, 84 13, 65 12, 02 8, 38, 6, 20 4, 23 3, 98 3, 97 8, 40	41 43 22 25 35 48 70 51 52 19	23. 5 24. 2 52. 5 40. 5 31. 6 21. 1 14. 4 23. 0 22. 1 22. 3	2, 766 2, 686 1, 238 1, 605 2, 057 3, 081 4, 514 1, 957 2, 036 1, 570	100 99 224 149 111 79 57 76 87 102	100 101 45 67 90 127 175 91 80 53	

¹ Crop Reporting Board, U. S. Department of Agriculture. ² Loan refinanced with Federal land bank at 5 percent.

Farm Credit Administration, Division of Finance and Research, Aug. 15, 1935.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield | for a further observation?

Mr. JONES. Yes.

Mr. FIESINGER. Seventeen mortgages were foreclosed out of one thousand in 1925. The number of foreclosures rose, but this year it is down to about 19 in 1,000.

Mr. JONES. The number is down very greatly. It rose one year to nearly 40 per 1,000.

Mr. Chairman, I am as anxious as anyone for low rates of interest. I think they will improve. We have really started, and I want to see this great institution builded into a finer | the Farm Credit Administration?

and more far-reaching structure. If we hurry it too much, if we insist upon too much, we may load it down. Let us keep it sound. Let us build to keep something that for the first time in the history of America has given the farmer a type of credit suited to his needs.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. CRAWFORD. In the figures which the gentleman is inserting in the Record is there anything to show who owns the balance of the farm mortgages other than those held by

Mr. JONES. I have not the late figures, but in 1933, at the beginning of this program, a House document was printed which showed exactly the percentage of those held by the various lending institutions of the country. This is House Document No. 9, Seventy-third Congress, first session. Those figures would simply have to be brought down to date.

Mr. CRAWFORD. In other words, that document shows the number held by the major financial institutions of the

country.

Mr. JONES. Yes; the amount held by the land banks at that time, the amount held by insurance companies, and the amount held by different groups.

Mr. MAPES. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Michigan.

Mr. MAPES. The gentleman mentioned the interest rates on farm mortgages in other countries.

Mr. JONES. Yes.

Mr. MAPES. Could the gentleman tell us how the interest rate on commercial and other loans in those countries compares with similar loans in this country?

Mr. JONES. I am sorry, but I have not that information. [Here the gavel fell.]

Mrs. KAHN. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. Hope].

Mr. HOPE. Mr. Chairman, Kansas is the fourth State of the Union in the production of oil. Each year its petroleum products contribute millions of dollars to the wealth of the Nation. Each year its petroleum industry gives employment to thousands of people whose consuming power helps keep the railroads and the factories of the country occupied.

To give you an idea of the importance and value of the Kansas oil industry, let me cite the following figures:

Fifty million dollars was paid for Kansas crude oil during the year 1935.

Eight million and twenty-five thousand dollars was paid to the farmers and landowners of Kansas for rentals and royalties during the same year, which sum was more than half of the total amount of taxes levied on all the farms of Kansas.

Two million eight hundred thousand dollars went to Kansas farmers as bonuses paid on oil leases.

Three hundred and seventy-one million dollars has been invested by the oil industry in production in Kansas.

Sixty million nine hundred thousand dollars has been invested in oil pipe lines in Kansas.

Five million five hundred and ninety thousand dollars has been invested by the oil industry in natural-gas gasoline plants in Kansas.

Nineteen million seven hundred and fifteen thousand dollars represents the expenditures in the producing division for noncapital purposes in Kansas for 1934, the last year for which such figures are available. This includes salaries, wages, and material which is consumed as it is used.

Eight hundred and thirty-five new wells were drilled in Kansas during 1934, and in addition to oil 46,909,000 cubic feet of gas were produced in Kansas in 1934. In 1935 there were over 7,000 men directly engaged at full time in the production and refining end of the oil industry in Kansas.

All that these figures mean to the prosperity, the employment, consuming power, and the general welfare of the Nation is made possible by the fact that the oil industry in Kansas produced and had a fair market for its production of 54,787,000 barrels of crude oil during 1935. It just happens that for the same year this Nation imported 54.811.048 barrels of foreign oil, counting not merely petroleum but the various products thereof translated into their petroleum equivalent. So in effect we have imported into this country during the past year the equivalent of another oil State of the size and importance of Kansas. It was not necessary to import a single barrel of this oil. Our own producers could have produced many times that amount had it not been for the restrictions which it was necessary to place on the industry in order to prevent overproduction and consequent price demoralization. The State of Kansas alone could have produced more than this additional 54,000,000 barrels of oil which we unnecessarily imported. In fact, during the

month of February last, Kansas produced less than one-seventh of the capacity of its existing wells.

The whole Nation would object if we admitted as immigrants to this country the peons of Venezuela and Mexico who produce the foreign oil which dominates, in price at least, our domestic market. We would forcefully object to any legislative proposal which would take from American workers that employment and give it to those newly admitted immigrants who have been accustomed to work for a pittance a day. With millions of Americans unemployed, we would become justly indignant at any proposal to give well-paying jobs and positions to such a group of immigrants. We would be still more resentful if we admitted these immigrants, with their low standards of living, permitted them to displace American workers, and then granted them an exemption from all taxes which are paid today, directly or indirectly, by the same number of citizens in Kansas.

When we admit the products of these men we are for all economic purposes admitting them. We are permitting them to displace that number of American citizens who might have produced an equal amount of similar products in this country. We are to that degree eliminating employment opportunities for that number of workers in this country. We are transferring abroad the values which these products represent in human terms as well as in monetary values. We are taking opportunity and hope and faith in this country away from that number of Americans who may today be in our relief lines because the work which they might have done in the petroleum industry of this country has been done instead by the cheap peon labor of Venezuela and Mexico.

Have we gained anything by importing petroleum products equivalent to the production of another oil State of the size and importance of Kansas? Well, the importers brought this oil into the country for about \$3,000,000 less than they would have had to pay for the oil had it been produced in this country, so perhaps they received some benefit. But did the American people as a whole get any benefit from that \$3,000,000? Hardly. Cheap foreign oil is not so cheap when it reaches the consumer. Its cheapness lies in its low production cost. Very little of that low cost is passed on to the purchaser. Most of it goes to increase the profits of the importers. What does that \$3,000,000 in the pockets of the oil companies mean to the farmers, the landowners, and the workingmen of this country who are directly or indirectly benefited by the oil industry? It represents a loss of over \$8,000,000 to farmers and landowners. It represents a possible loss of nearly \$3,000,000 to them in bonuses. It means unemployment for approximately 7,000 men throughout a full year. It represents potential dividends, widely distributed, on over \$400,000,000 worth of invested capital.

After all, foreign oil is not really cheap. Actually its cost is high to the entire Nation, as well as to the petroleum industry. We are penny wise and pound foolish when for the slight saving of \$3,000,000 we sacrifice several times that amount, besides multiplying unemployment and increasing the problems of one of our most important domestic industries.

No one is proposing today that we close the door entirely to these imports. There is, however, before this Congress a suggestion in the Disney oil import bill, H. R. 10483, that these importers be required to bear a portion of the tax burden which is today carried by every form of American industry. This proposal suggests that imported crude petroleum and fuel and gas oil shall pay an excise tax of 1 cent a gallon instead of one-half cent now levied. This slight increase would still leave to foreign oil an advantage in production cost over domestic oil.

It is further proposed in this measure that a tax of \$2 per ton be levied on asphalt imported in this country. Foreign asphalt or asphalt made from imported asphaltic oils is today taking half of our asphalt market and reaping the advantages and benefits which Congress intended should accrue to American industry and American labor through the appropriation of hundreds of millions of dollars for road construction in this country.

The same measure proposes not an embargo on foreign oil or foreign oil products, but a definite limitation to 4.5 percent

of the American consumptive demand. Certainly there is nothing unfair about this when all of our large oil producing States have placed limitations upon the domestic production of oil and the Federal Government is cooperating by preventing the transportation in interstate commerce of oil produced in violation of State laws or regulations. It is therefore entirely logical and in harmony with our domestic policy to place a limitation upon imports. In fact, there are many people who feel that as long as domestic production must be cut down so drastically that imports should be shut out altogether. We are not asking for an embargo, however. We are merely asking that sufficient restrictions be placed on imports as will enable the domestic petroleum industry to more successfully advance its program of a balance between supply and demand. In other words, that American capital, American labor, and American landowners be given a fair chance to bring about the benefits which would accrue to this country by the addition of the oil production of another Kansas. [Applause.]

Mrs. KAHN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. Engel].

Mr. ENGEL. Mr. Chairman, I am introducing two resolutions pertaining to the payments of old-age benefits.

The first resolution provides for the appointment of a commission of nine members—three Members of the Senate. to be appointed by the President of the Senate; three Members of the House of Representatives, to be appointed by the Speaker; and three members to be appointed by the President of the United States. The duties of this commission would be to give further study to the old-age-pension problem with a view of recommending to the next Congress such amendments to the present social-security law as will make more permanent and adequate provisions for the aged of our land. A study of title I of the present social-security law convinces me that while, in my judgment, it is far from perfect, it is fundamentally sound and is a foundation upon which we can build. I am now referring only to title I of that act which pertains to an old-age pension and not to the other provisions. Title I can, in my judgment, be amended so as to give us an adequate old-agepension law and go as far along this line of legislation as the Constitution permits the Congress to go. It is for this purpose I ask that a commission be appointed.

I have made no provisions in this resolution for the holding of further hearings, nor for the taking of testimony, nor does it contain an appropriation. We now have 2,500 pages of testimony taken by the Finance and Appropriation Committees of the Senate and the Ways and Means Committee of the House pertaining to this subject. It is more a question of studying the testimony we have than of taking more testimony. If additional facts are required, I am sure they are available without hearings. Should the committee to which this resolution is referred disagree with me, I shall cheerfully acquiesce in its judgment.

The question might well be asked, "Why not let the Committee on Finance and Appropriations of the Senate and the Ways and Means Committee of the House handle the subject?" My first inclination was to draft a resolution asking those committees to do so. However, when I considered the tremendous amount of legislation before these committees, the amount of work required of them and their chairman, I felt it was an imposition on them to ask them to devote more time to the subject—time which they should and are devoting to current legislation pertaining to taxation and the raising of revenues.

The second resolution amends the present Social Security Act. If passed, the following will become law:

First. Every aged single person would receive \$40 a month and an aged couple would receive \$60 a month.

Second. The Federal Government would contribute 80 percent instead of 50 percent of the amount paid.

Third. States must pay a pension to every aged person 65 years old or over who qualifies.

Fourth. No State can qualify under the act if it requires an aged person or persons to deed their home or homestead as a condition of payment of pension if that homestead is assessed for less than \$3.000.

While many States now have old-age-pension laws, few, if any, are paying substantial sums per month for the aid of the aged. While the sums they are paying will be duplicated by the Federal Government after July 1 of this year, such sums will, in my judgment, still be wholly inadequate. In my own State we are paying now some \$8 or \$10 a month per family. After July 1 this will be increased to from \$16 to \$20 a month per family, a sum which I think everyone will agree is wholly inadequate.

Most of us will acknowledge that many of the States, particularly in the South and West, find it impossible to raise enough money to pay their share under the present law. It is for this reason that I have provided in my second resolution that the Federal Government pay 80 percent of such cost and the State government 20 percent. This provision in itself does not contemplate the raising of more revenue than the original Social Security Act ultimately contemplated. It shifts the burden of raising an additional 30 percent of the necessary revenue from the State to the Federal Government. This will relieve some of the States now unable to raise their share and enable them to pay a more adequate amount.

The first amendment increases the amount to be paid to single persons from \$30 to \$40 a month, leaving the amount to be paid to husband and wife jointly at \$60 a month, as provided by the present Social Security Act.

The fourth amendment provides that no State can qualify under the act if such State requires the deeding or the conveying of the home or homestead of the aged person as a condition of payment if the assessed valuation of such homestead is less than \$3,000.

I wish to discuss the first and fourth amendments together. Let us take a concrete example as to how the law is working out in Michigan now. In my home State the State requires the deeding of the home as a condition of payment of old-age benefits. Think of an investigator coming into that old home and asking that father or mother or grandfather or grandmother to deed it to the State. Every wall echoes and reechoes with memories-memories of 40 or 50 years of married life and happiness of that old couple; every memory of a half a century; every joy and every sorrow that has transformed that house into a home comes back to those old people when they are asked now, as a condition of receiving those benefits, to deed away that old home. They will starve first. That old man will go out in the street and beg for a crust of bread before he will sign that deed. It does not help to tell them that they can live there as long as they live. They just cannot understand that sort of a policy. Neither can I. I consider it the most brutal and outrageous condition that can be imposed. I am therefore asking that no State can qualify under the law if it imposes such a condition. If the committee which is considering this bill does nothing more than to report out the bill containing this amendment, I feel it will have done much to eliminate criticism of the present Social Security Act. Much of the criticism that is really due to the State for imposing this condition or similar conditions is unjustly heaped upon the Federal Government.

Again, a husband is usually 4 or 5 years older than the wife when they are married. This means that the wife lives, as a rule, that much longer. The reason I increased the amount from \$30 to \$40 a month for single persons is so that the survivor, whether husband or wife, can continue to live in the old home after the other is gone. The same taxes, the same rent, insurance, heat, and light is required by one that is required by the two. While \$40 a month does not necessarily pay the expense of maintaining that home, it does help. I want them to live with their memories in that little home as long as either of them lives. I want them to retain their pride of ownership. I want to make it impossible for a State to require them to sign a pauper's oath or to make paupers out of them before they can receive the old-age benefits.

I sincerely hope that the committee will give this bill careful consideration and that it will be reported out now in order that we may pay more adequate amounts to the aged and eliminate the pauper's clause which the present law permits the State to impose.

made, you will find that the best and only effective answer we can give to any movement which advocates the payment of adequate pensions to our aged is not to promise to pay but to pay an adequate pension to our aged not next year or the year after, but now! [Applause.]

Mrs. KAHN. Mr. Chairman, I yield 15 minutes to the

gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, one of the great sources of my regret is that it is impossible to be at more than one place at a time. The duty of attending the hearings incident to the writing of the new tax bill as proposed by this administration takes up practically all of the time of a member of the Ways and Means Committee. I would have much preferred, so far as my personal pleasure is concerned, to have been on the floor this afternoon when the distinguished gentleman who is now presiding over this Committee delivered, I am told, a most eloquent Democratic campaign speech. I understand that in the course of his remarks he offered some advice to the Republicans. Or perhaps I should put it another way: He threw down a defy to the Republican Party with reference to its procedure at the convention to be held in Cleveland. If I have been informed correctly as to what the distinguished gentleman said, it was in effect that the Democratic Party expected to approve of the so-called reciprocal treaties in their platform to be adopted in Philadelphia and challenged the Republicans to oppose them on that platform.

Of course, it is rather difficult for anyone to say 3 months in advance what a large group of men and women representing a particular party will do in a convention; but unless I mistake all signs, the Republican Party at its convention in Cleveland will be only too glad to accept the challenge of the present occupant of the chair and "go to bat" before the people with one outstanding platform promise-and that is that we will repeal every reciprocal treaty put on the books by the present Democratic administration in contravention of the Constitution. I think perhaps that is about as plain as I could reply to what the gentleman evidently said; but tomorrow I shall be glad to look over his remarks more in detail, and if he has offered any arguments favorable to reciprocal treaties at some future time. I shall be very glad to proceed along the line of an argumentative discussion with him which we have been carrying on for the past couple of

The gentleman has had some recent recruits. So have I. Both sides are pretty well supplied. The gentleman from New York [Mr. Culkin] has been of very great assistance in showing up the fallacies of these reciprocal-trade treaties. The gentleman from Ohio has also had some recruits, which includes one of my intimate friends, the gentleman from Michigan [Mr. RABAUT], who, as a songster, is much better than as a politician. There is another recruit on that side, my colleague on the Ways and Means Committee [Mr. Buck]. It is to Mr. Buck's remarks on March 31 to which I address myself at this time.

The gentleman from California [Mr. Buck] inserted in the Congressional Record of March 31 a long list of what are described as concessions upon agricultural products granted to the United States under the trade treaties thus

far negotiated.

It is comforting to know that in the negotiation of these treaties the interests of American farmers have not been entirely forgotten. We are expected to infer from his remarks that the farmer is not the forgotten man in the making of reciprocal treaties.

But the facts of the case are that the method of providing that comfort is only theoretical, not a reality.

It seems unkind to criticize those who have sought to relieve Congress of the burden and odium of tariff making, so a few observations may be in order. On the other hand, of course, tariff making is the duty of Congress, imposed by the Constitution, and a duty we ought not to shrink from by giving the President a blanket authority.

A large number of the concessions granted to this country under the trade treaties that have been negotiated are merely "paper" concessions. In many cases they merely lone further question?

After everything is said and done and all investigations | represent undertakings on the part of foreign governments not to increase the tariff on American products for the life of the agreement. In other cases, we are simply given the benefit of concessions granted to other countries, but there is no provision against increase at any time. In still other cases the quantities of American exports affected by the so-called concessions are negligible or even nonexistent.

> For example, Canada cuts the duty on live horses from \$25 to \$12.50. Now that is fine, except for the fact that we do not export horses to Canada as a commercial proposition. I believe a few horses go over to Canada for breeding purposes, but as a commercial proposition, horses do not go over the Canadian line. The same is true of the rest of the livestock schedule of concessions intended to benefit this country.

> Again, the Netherlands agrees to take 5 percent of their total import requirements of wheat flour and milling wheat from the United States; but here is the catch; if our prices on these are competitive with world prices. Think what a wonderful concession that is. Now take lard. Switzerland agrees to take from us 90 percent of her import requirements of lard, if and when she raises her present absolute embargo on lard. If I am not mistaken, 90 percent of zero is still zero. Perhaps some concessions of value may have been obtained for American agriculture, but these examples suggest strongly that many more of the supposed advantages will prove on examination to be like those I have described, of negligible or dubious value.

> Mr. THURSTON. Mr. Chairman, will the gentleman vield?

Mr. TREADWAY. I yield to the gentleman from Iowa.

Mr. THURSTON. Since these reciprocal trades have been made, we know, of course, they have included grain and dairy products; but have tobacco and rice and ship stores been included in any of the treates we have made with these foreign nations?

Mr. TREADWAY. I doubt if any of them are included, but if the gentleman has looked them up, I am perfectly willing to take his word for it.

Mr. THURSTON. I wonder if the regional residence of the Secretary of State who drafts these treaties has had anything to do with the omission.

Mr. TREADWAY. The Secretary of State is a consistent free trader, as we know from our experience with him here in Congress.

Mr. BUCK. Mr. Chairman, will the gentleman yield? Mr. TREADWAY. I yield to the gentleman from Cali-

Mr. BUCK. I am sure the gentleman wants to be accu-

Mr. TREADWAY. Well, I am not positive as to the items mentioned. I will take the gentleman's statement for it if he wants to make it.

Mr. BUCK. I desire to call the gentleman's attention to the note under the Swiss agreement to the effect that the Swiss Government will authorize the importation of lard within 3 months after this agreement goes into effect. So I trust the gentleman will correct his statement to the effect that there has been no concession made.

Mr. TREADWAY. If she raises her present absolute embargo on lard, is what I said in that respect.

Mr. BUCK. My recollection is that the gentleman stated there was no assurance that the embargo would ever be removed.

Mr. TREADWAY. And I do not believe what the gentleman has read gives us such assurance.

Mr. BUCK. There is a definite assurance, if the gentle-

man will pardon me, that it will be removed within 3 months.

Mr. TREADWAY. Yes; but at the same time the rates of duty on cheese and watches will be immediately removed, probably to offset any lard that we may send over there. If there is one thing that Switzerland wants to get into this country more than anything else, as the gentleman well knows, it is watch movements and parts of watches.

Mr. BUCK. Mr. Chairman, will the gentleman yield for

Mr. TREADWAY. For just one question, because I do not suppose the gentlewoman from California will want to vield me much more time.

Mr. BUCK. I do not want to interrupt the gentleman's thought, but with reference to watch parts or with reference to any other matter of industry, the gentleman will recall that I put in these tables solely in the interest of agriculture and the farmer.

Mr. TREADWAY. Yes; and I also have some tables relating to farm products to put in the Record during the course of my remarks.

Mr. BUCK. I hope the gentleman will put in any tables he wants to include, and I call his attention particularly to the fact that the ones I referred to are concessions.

Mr. TREADWAY. I do not think the gentleman would deny the fact that horses are raised on farms, and if a concession from \$25 to \$12.50 per horse is of any value, it ought to mean that there are some horses going from our farms to the farms in Canada which, as a matter of fact, they do not do.

Mr. BUCK. The gentleman will at least admit that in previous years, until Canada raised its tariff barriers, we exported great quantities of fruits, vegetables, and other articles produced in the United States.

Mr. TREADWAY. Of course, if the gentleman can get Canada to take off those duties and leave ours on, that is a different proposition; but that is not the scheme at all in a reciprocal treaty.

Mr. BUCK. I am willing to trade a little bit.

Mr. TREADWAY. Oh, I have no doubt about that, because the gentleman probably regards the tariff as a local issue, and whatever part is beneficial to California is all right.

Mr. BUCK. Does the gentleman concede at least that these arrangements have been beneficial to California?

Mr. TREADWAY. No; I do not think they have been of benefit to anybody in the United States, because we have got to consider this from the standpoint of a group of people rather than any local organization. Whether or not one particular item may benefit California, I do not know or care. I do know that your reciprocal treaties are terribly destructive of American agriculture, industry, and labor from the Atlantic to the Pacific coast.

Mr. RABAUT and Mr. BLANTON rose.

Mr. TREADWAY. Before I yield further I must be sure that I am going to have a little more time.

Mr. BLANTON. I would like to ask the gentleman one question.

Mr. TREADWAY. The gentleman from Michigan, I believe, was ahead of the gentleman.

Mr. RABAUT. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman.

Mr. RABAUT. The gentleman says these reciprocal-trade agreements have not been of benefit to any industry. The gentleman knows that they have been of benefit to the automobile industry.

Mr. TREADWAY. I do not admit that. I have the proof right here, if I had time to go into it.

Mr. RABAUT. I will ask that the gentleman have additional time

Mr. TREADWAY. I get my time from the lady from California.

Mr. RABAUT. They certainly have been of benefit to the automobile industry, and I know what I am talking about.

Mr. TREADWAY. I decline to yield further, and I will take care of the gentleman from Michigan in due time.

Mr. BLANTON. Will the gentleman yield?

Mr. TREADWAY. No: I cannot yield now. I will do as the gentleman usually does, and say, "Not just now, but later." [Laughter.]

Let us examine the price we are paying for these so-called concessions. In return for scattering concessions from nine countries, Cuba, Belgium, Haiti, Sweden, Brazil, Canada, Netherlands, Switzerland, Honduras—the agreements with Colombia and Nicaragua are not yet in effect—we have lowered our own agricultural tariffs all along the line to the entire world, Germany excepted. The detailed list was inserted by Senator Dickinson in the Record of Monday, Jan-

uary 22, 1936, which I commend to your attention. The results of that policy are seen in the steady increase of competitive agricultural imports into the United States and the comparative decrease of agricultural exports, as seen from the Department of Agriculture's own tables of agricultural exports and imports.

Mr. Chairman, I have certain tables here which I ask unanimous consent to insert as part of my remarks.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. TREADWAY. Last Monday I referred to the fallacy upon which the administration's trade-agreement program is based. Increased imports do not necessarily mean increased exports. As I have just pointed out, the theory breaks down completely when it is applied to agricultural exports and imports. The trade-agreement program is thus not only false in theory, being based on false premises, but is also a failure in fact. Moreover, it involves direct violation of President Roosevelt's explicit pledges to agriculture in the 1932 campaign. He has broken other pledges to other groups, but seldom to so many people at once. In his Baltimore speech of October 25, 1932, he said:

Of course, it is absurd to talk of lowering tariff duties on farm products. I declared that all prosperity in the broader sense springs from the soil. I promised to endeavor to restore the purchasing power of the farm dollars by making the tariff effective for agriculture and raising the price of his products. I know of no effective excessively high tariff duties on farm products. I do not intend that such duties shall be lowered. To do so would be inconsistent with my entire farm program, and every farmer knows it and will not be deceived.

Well, if they have not been deceived, they will vote for the Republican ticket in November.

Again at Boston, on October 30, 1932, Candidate Roosevelt

I favor—and do not let the false statements of my opponents deceive you—continued protection for American agriculture. I favor more than that. I advocate measures to give the farmer an added benefit, called a tariff benefit, to make the tariff effective on his products.

Contrast these definite pledges to our farmers with the President's action in granting extensive concessions on foreign agricultural products as contained in the Canadian and other agreements, including such commodities as cattle, cream, cheese, poultry, corn, apples, lima beans, peas, potatoes, tomatoes, sugar, tobacco, and so forth.

To quote further from the President, in his message to Congress of March 16, 1933, in connection with the A. A. A. bill,

Deep study and the joint counsel of many points of view have produced a measure which offers great promise of good results. I tell you frankly that it is a new and untrod path, but I tell you with equal frankness that an unprecedented condition calls for the trial of new means to rescue agriculture. If a fair adminis-trative trial of it is made and it does not produce the hoped-for, results I shall be the first to acknowledge it and advise you.

Mr. McFARLANE. Will the gentleman yield?
Mr. TREADWAY. No; I cannot yield.
Mr. McFARLANE. Mr. Chairman, the gentleman is reading his speech against the rules of the House.

Mr. TREADWAY. I am not reading my speech against the rules of the House. If the gentleman knew more about the rules he would not make such remarks.

Mr. McFARLANE. The gentleman might do me the courtesy to yield.

Mr. TREADWAY. I have extended every courtesy to the Democratic Members that my time permitted.

We all know the story of the Triple A, and how the administration is persisting in its bankrupt policy of crop restriction in the face of the Supreme Court's decision of last January.

More recently in a speech to the American Farm Bureau Federation at Chicago December 8, the President made the following pledge with respect to the Canadian agreement:

great masses of city people are fair-minded, so I am sure that the great majority of American farmers will be fair in their judgment of the new trade agreement. If the calamity howlers should happen to be right you have every assurance that Canada and the United States will join in correcting inequalities, but I do not believe for a single moment that the calamity howlers are right.

I am now calling upon him to state whether these pledges, all of which bear on the trade-agreements program, represented serious undertakings or whether they are merely scraps of paper. The trade-agreements program as now administered is a failure so far as regaining our export markets for agricultural commodities is concerned. At the same time, by admitting increasing competitive agricultural products it is undermining any hope for restoring agricultural prosperity. It is in opposition to his original pledges to agriculture.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I would be glad to yield to my friend, but I have so little time.

Mr. BUCK. Oh, I can get the gentleman additional time. Mr. TREADWAY. But I cannot accept additional time.

Mr. BUCK. I want to ask the gentleman if he is making a serious assertion that the increase in agricultural imports is the result of the reciprocal-trade agreements.

Mr. TREADWAY. No; I am just stating the facts, that the agricultural imports have tremendously increased, showing that we need all of the tariff that we can get upon them and not the reductions that the trade agreements make.

Mr. BUCK. I misunderstood the gentleman. Other Members on his side have claimed that these increases in agricultural imports are due to the trade agreements.

Mr. TREADWAY. Oh, no; but these are statistical facts that I am giving. The imports have tremendously increased.

Mr. BUCK. I have no objection to the gentleman stating those facts

Mr. TREADWAY. I am putting in statistical facts.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. HOPE. I call the gentleman's attention to one item in the Canadian treaty in which there has been a very large increase in imports. Take the matter of Cheddar cheese. The imports from Canada in January 1935 were 180,264 pounds, while the imports in January 1936 amounted to 706,714 pounds.

Mr. TREADWAY. Mr. Chairman, I call upon the President to make good on his word that he would change his agricultural policies if his plans did not work out. Certainly the trade treaties have not benefited agriculture. They should be scrapped and the attention of the administration turned to sane and constitutional methods of aiding agriculture in its quest for home and foreign markets and for a fair American price for its products.

The trend of export movement

Year and month (ended Dec. 31)	Wheat,1 including flour	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard:	Apples (fresh)	Cotton,4 running bales
1932 1933 1934	1,000 bushels 82,118 26,611 36,538	1,000 pounds 387,766 420,418 418,983	1,000 pounds 84, 175 100, 169 83, 725	1,000 pounds 546, 202 579, 132 431, 237	1,000 bushels 16,919 11,029 10,070	1,000 bales 8,916 8,533 5,753
January February March April May June July August September October November December	1, 257 1, 301 1, 500 1, 281 1, 426 1, 195 1, 232 1, 278 1, 324 1, 485 1, 320 1, 132	28, 943 23, 616 31, 062 16, 761 11, 867 14, 581 22, 382 52, 371 60, 664, 117 38, 753	5, 108 4, 158 5, 428 5, 332 7, 443 6, 662 6, 580 5, 210 3, 531 3, 355 4, 961 3, 923	17, 667 15, 890 10, 636 7, 193 9, 740 6, 877 4, 915 3, 406 1, 515 2, 731 7, 932 7, 853	1, 281 1, 490 945 397 44 17 99 544 1, 349 2, 190 1, 854 1, 496	466 390 318 323 278 345 280 241 487 712 1,135
Total	15, 731	381, 182	61, 691	96, 355	11,706	5, 861

Wheat flour is converted on a basis of 4.7 bushels of grain equal to 1 barrel of flour.
 Includes Cumberland and Wiltshire sides.
 Excludes neutral lard.

The trend of agricultural imports 1

Year and month (ended Dec. 31)	Cattle, live	Beef, canned	Wheat, grain	Corn, grain	Oats, grain	Barley, malt 1	Egg s prod- ucts
1932 1933 1934 1935; ²	1,000 head 106 82 66	1,000 pounds 24,639 41,344 46,674	1,000 bushels 3 31 7,737	1,000 bushels 344 160 2,959	1,000 bushels 59 132 5,580	1,000 pounds 52,533 109,183 193,728	1,000 pounds 3, 085 3, 664 3, 178
January February March April May June July August September	34	4, 142 4, 225 7, 690 9, 496 7, 076 5, 911 5, 220 5, 740 7, 752	843 1, 055 1, 458 1, 611 847 625 793 2, 570 3, 644	1,877 1,826 3,304 1,445 3,306 6,122 5,649 8,554 2,986	1, 644 2, 118 2, 596 2, 167 1, 124 406 29 1	17, 449 15, 459 27, 197 30, 701 37, 794 43, 728 42, 041 27, 136 27, 566	363 398 420 370 1, 022 1, 199 790 646 602
October November December		5, 379 6, 811 6, 867	5, 324 4, 348 4, 321	4, 690 1, 651 2, 092	5 2 8	16, 933 18, 916 15, 703	668 613 540
Total	378	76, 309	27, 439	43, 242	10, 107	320, 623	7, 631

¹ General imports prior to 1934; beginning Jan. 1, 1934, imports

*Includes corned beef

Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation of the United States and official records of Bureau of Foreign and Domestic Commerce,

Mrs. KAHN. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, on March 18 I introduced a resolution of inquiry, in which I requested, among other things, first, all facts pertaining to the death of one Victor A. Barron, an American citizen, who met his death while in the custody of police at Rio de Janeiro, Brazil, on or about March 5, 1936.

Then I also inquired as to what was done by the Honorable Hugh S. Gibson, American Ambassador to Brazil, to protect the American citizen, Victor A. Barron.

In reply to that inquiry the Committee on Foreign Affairs presented a letter from the Secretary of State dated March 25. That letter read, in part, as follows:

The Embassy at Rio de Janeiro, Brazil, reported to the Department on March 5, 1936, that Mr. Barron had stated on March 4 that he was willing to indicate the street where Prestes and his companions left his car, provided he was guaranteed that he could return to the United States, and that the police had agreed and intended to put him on a steamer sailing for New York on March 5.

One important feature in this report is as follows:

The Embassy's report indicates that Mr. Barron was taken on March 4 from the prison to police headquarters and pointed out on the city map the exact spot where Prestes and his companion left his car. He was then allowed, in the company of a detective, to go to a barber shop in town and to dine at a restaurant. On his return to police headquarters he was told in the presence of a representative of our Embassy that all arrangements were being made for his embarkation on the following day, and that instead of returning to prison he would be given a special room at headquarters. Upon his return to police headquarters, Mr. Barron appropriate the property of the presence of a representative policy headquarters, Mr. Barron appropriate the presence of the presenc quarters. Upon his return to police headquarters, Mr. Barron appears to have been greatly perturbed mentally, and it was only with great difficulty that he could be persuaded to go to a room which the police had arranged for him on the second floor overlooking a patio. At 8 o'clock the following morning he succeeded in evading the guard and committed suicide by plunging into the paved area of the patio two stories below. The Embassy stated in this connection that he had made a previous attempt to commit suicide

This letter also said that moreover upon learning of Barron's arrest the Embassy did everything it could to see that he would not be subjected to third-degree methods, and that so far as the Department is informed its efforts met with success.

I ask you to bear in mind two things, first, that on March 4, as the Secretary of State informs us on information which he received from the American Embassy to Brazil that this prisoner Barron was escorted to a barber shop and then to a restaurant and then returned to police headquarters, and that at police headquarters "in the presence of a representative of our Embassy all arrangements were made for his embarkation." Second, I call

² Excludes neutral ⁴ Excludes linters.

Foreign Agricultural Service Division. Compiled from Foreign Commerce and avigation of the United States and official records of Bureau of Foreign and Domestic

for consumption.
² Imports for consumption.

For domestic consumption and includes only wheat full duty paid and 10 percent ad valorem. ⁵ Excludes eggs in the shell.

attention to the fact that the Embassy contends that it had | done everything, and that its efforts had met with success, to prevent the prisoner from being subjected to third-degree methods. At the time I received this information I knew that it was incorrect, but I did not have proof to attack the credibility of the statements contained in this report. Since then I have received proof. I have here a copy of a letter which was sent by one Joseph R. Brodsky, an attorney with offices at 100 Fifth Avenue, New York City. This attorney was in Rio de Janeiro on March 4 and on March 5. He was sent by the father of Victor A. Barron to look after the interest and welfare of Victor A. Barron and on March 12 he sent the following letter. This attorney I say is in New York and is ready, willing, and able to come to Washington and appear before the Committee on Foreign Affairs and establish and substantiate every statement that he makes in this letter. Bearing in mind the two statements contained in the report from the American Embassy, I now read you a copy of the letter which was sent by Joseph R. Brodsky. He says:

Just boarded ship for Trinidad, and so this is the first oppor-

tunity to write details concerning Barron and the Bergers.
Since strict censorship applied in Rio to mail and radio, it was agreed that I should hold the report till I reached "foreign" soil, that is, as soon as I walked up the gangplank. Here goes. Barron:

One. He did not squeal. Two. He did not commit suicide.

Three. He was tortured to death, and then his body chucked out of a third-floor cell to a concrete yard floor in the jail yard, and a lying statement issued that he jumped to his own death, actuated by remorse.

The story given to the press by the authorities is as follows:
That at a conference in Jail, attended by Police Commissioner
Mueller and American Consul Sauer and Barron, the commissioner agreed that if Barron would disclose the whereabouts of Carlos Luis Prestes, he (Barron) would be promptly released; that, relying on his promise, Barron gave Prestes' hideaway; that the police thereupon grabbed Prestes and that the next day, when Barron realized what he had done, remorse drove him to commit suicide, and he jumped to his death. A neat story, but a

Now, either this lawyer is telling the truth or the American Ambassador to Brazil is telling the truth. I know this lawyer. I served a part of my clerkship in his office. I can vouch for his honesty, veracity, and integrity. I am willing to stake my reputation on his word. However, we will leave that aside, and we will go to something which is more conclusive, from the standpoint of court evidence, than the word of this lawyer. I go to the report of the autopsy performed on Barron the day after he died. Mr. Brodsky states that this report of the autopsy indicated the following. He says, reading from his letter:

Barron was tortured from the time of his arrest until they killed him; they stabbed him and beat him with belts and rubber burned and shocked him with live electric wires; squeezed his private parts till he was unconscious; they punched and kicked him around constantly; they did not let him sleep; for days they wouldn't let him sit down—no bed was provided—no chair—water was denied him. He only rested when he fell unconscious. Then they would bring him to in order to start all over again.

The kid wouldn't talk.

In fact, he didn't know where Prestes was living.

Finally, some cunning sadist struck on the following idea: Get
Barron drunk and he'll talk out. Barron wouldn't drink the
liquor they offered him. They cajoled and threatened, but he remained adamant. So they decided to force the raw alcohol down
his throat. They did—they busted his upper jaw and teeth in the
process; they tore his nostril—they filled his stomach with liquor his throat. They did—they busted his upper Jaw and teeth in the process; they tore his nostril—they filled his stomach with liquor forced down through his mouth and nose. Human endurance, even of a young hero, couldn't stand more—and Barron died. This recital is verified by the doctor that made the autopsy. Then with a dead man on their hands they realized they had to cover their dastardly act, and they threw the dead and tortured body out of the window—and reported suicide. The bruises caused body out of the window—and reported suicide. The bruises caused by the torture—ah, that is a result of his fall—the motive, remorse. But nobody is fooled.

This particular inhuman treatment, this torturing, is substantiated by the autopsy report performed on this man, who was found on the concrete pavement of the yard surrounding the police headquarters in which he had been incar-

Now, how can this statement and that from the Embassy be reconciled? If the representative of the American Am-

bassador was present on March 4, as the report submitted to us by the Secretary of State says, then the American Ambassador's representative had knowledge of the torture that was going on. This is a physical fact, and you cannot get away from it. This man is supposed to have died on March 5. The representative of the American Ambassador was there on March 4. The autopsy performed on March 5 shows conclusive evidence of torture. If we take the Ambassador's own statement that his representative was present, then his representative must have had knowledge of it. If he was not present, then his report is a lie. If he was present, then the representative is guilty of complicity.

When the Ambassador states that they did everything to prevent third-degree methods and that they succeeded in preventing these third-degree methods, in view of the autopsy report, in view of the statement of this man's attorney. that statement is a lie.

I submit that this is a very serious situation. Here we have a statement based on a report from the American Ambassador. This American Ambassador should be given an opportunity to explain, I will grant that, but at the same time the rights of this American citizen and those who represented those rights should be given a hearing before the Committee on Foreign Affairs.

I charge that the American Ambassador or his representatives either concealed this torture, either were implicated in the questioning of this man, or were absolutely criminally negligent in failing to prevent the torture of an American citizen on foreign soil. In view of this report, in view of the fact that I am ready to bring a witness to Washington, to bring a man who knows these facts of his own knowledge. in view of the autopsy report, I maintain that unless some investigation is conducted of this matter, unless something is done by the Committee on Foreign Affairs, unless the State Department takes action, unless this matter is cleared up by a thorough investigation, then I say the American Ambassador to Brazil stands convicted before the public of having "played ball" with the police of Brazil.

I am not prone to make charges of this character unless I know my facts. I have a statement from this man's lawyer, based on the autopsy. How can the American Ambassador, in view of this statement from this man's lawyer, in view of this autopsy report, say that they protected this man, say that they succeeded in protecting him from third-degree methods? How can the Ambassador to Brazil state that there was a representative of his present? If that statement is correct, then that makes him guilty of criminal negligence. It makes the American Ambassador to Brazil or his representative guilty of having stood by without doing anything to prevent the torture during the torturing and

the questioning of this man.

Mr. LAMBETH. Why does not the gentleman state the circumstances?

Mr. MARCANTONIO. Barron was arrested for allegedly having driven around a man by the name of Prestes. Prestes was the leader of the National Liberation Alliance, composed of all groups, labor organizations, liberal organizations, and to a certain extent even the church, who are fighting the dictatorship of the Vargas government. This group is demanding that in Brazil the property of imperialistic interests-such as the Standard Oil, the British and other financial interests-be so curtailed and expropriated as to return the land to the people of Brazil. The Brazilian Government sets up a dictatorship to protect these interests. This American is accused of having driven around a leader of the opposition. He is taken to prison. He is tortured to death, and the American Ambassador comes back and says he was not tortured but that he committed suicide; that we had our representative there and prevented the use of thirddegree methods on him. Certainly the American Ambassador should be investigated, and if these facts that I have stated are substantiated to the satisfaction of the Committee on Foreign Affairs, then I submit the American Ambassador should be recalled.

Now, there is one other matter that I want to take up. and that is the use of W. P. A. for strikebreaking in the city

of New York. Today there is a heroic strike going on in New York City on the part of the seamen of the steamship California and the steamship Harding. It is an effective strike. These men are fighting for decent working conditions and decent wages. They want to establish for the Atlantic coast the same conditions that they have on the Pacific coast.

What happens? The ships are tied up; these seamen are winning a victory on the economic battle front, and along comes the W. P. A. and sends W. P. A. men as scabs to break this strike. To what purpose are relief funds appropriated for the unemployed being used? When we appropriated this money did we intend it to be used against organized labor in the United States when organized labor goes on the picket line? I have an admission from the W. P. A. to the effect that scabs have been used and a promise that they would discontinue the use of scabs. I sent the protest to the Works Progress Administration and received the following letter from them:

> WORKS PROGRESS ADMINISTRATION Washington, D. C., March 30, 1936.

Hon. Vito Marcantonio, M. C., Congress of the United States, House of Representatives,

Washington, D. C. My Dear Congressman: On March 27 you sent a wire to Mr. Harry L. Hopkins complaining that the Works Progress Administration in New York City was sending W. P. A. workers to take jobs of striking seamen.

We have been in touch with the New York City Works Progress Administration and have been advised that a dispute exists between factions of the International Seamen's Union. The main body of the I. S. U. advises that no strike exists, and we are informed that preparations are being made by the recognized ficers from the I. S. U. to secure an injunction against the faction now picketing the docks. We are of the opinion, however, that W. P. A. should not be involved in this matter and have advised that no more W. P. A. workers be assigned until the union is able to settle its own differences.

Very truly yours,

NELS ANDERSON Director, Section on Labor Relations.

[Here the gavel fell.]

Mrs. KAHN. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. MARCANTONIO. Despite this promise to use no more W. P. A. workers as scabs, I received this morning a telegram from the chairman of the strikers in which he says they are still using these men, and specifically mentions the ship on which they are used, the steamship President Harding, and states that these men are taken from W. P. A. at Van Brunt and Sullivan Streets, Brooklyn, to go and work on ships tied up by the strike.

The latest thing in America is the use of W. P. A. to break strikes. We stand up here and demagogue and say that the Seventy-fourth Congress is doing a great deal for labor; yet we permit the use of Federal money to break strikes in the United States. [Applause.]

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. Blanton].

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein certain data and excerpts which I want to incorporate in my speech.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

(At the expiration of his 20 minutes, Mr. Blanton was granted additional time in order to enable him to conclude his speech.)

Mr. BLANTON. Mr. Chairman, wise words from Abraham Lincoln-

We cannot absolutely know that all these exact adaptations are the result of preconcert. But when we see a lot of framed timbers, different portions of which we know to have been gotten out at different times and different places, and by different workmen—Stephen, Roger, Franklin, and James, for instance—and when we see these timbers joined together, and see they actually make the frame of a house or mill, all the tenons and mortices exactly fitting, and all the lengths and proportions of the different pieces exactly adapted to their respective places, and not a piece

too many or too few—not omitting even the scaffolding—or, if a single piece be lacking, we can see the place in the frame exactly fitted and prepared to yet bring such piece in—in such case, we may find it impossible not to believe that Stephen, and Franklin, and Roger, and James all understood one another from the beginning, and all worked on a common plan or draft drawn up before the first blow was struck—Abraham Lincoln the first blow was struck .- Abraham Lincoln.

Mr. BLANTON. Mr. Chairman, no greater sage ever lived in the United States than Abraham Lincoln. He was a skillful lawyer. He was a logical reasoner. He was an astute philosopher. He had a wonderful intellect. He was a deep thinker. He was intimately familiar with the problems of life, and for those harassed by them he had an understanding sympathy. He had an incisive perspective. When he talked, his hearers listened intently, for Abraham Lincoln always knew what he was talking about.

NO UNKIND FEELING-NO REFLECTION

At the outset of my remarks I want it known clearly and distinctly that I entertain no unkind feeling toward, and intend no reflection whatever upon, any person whose name is mentioned in my speech. I merely present facts as they have been unfolded in our investigations. If the facts condemn anyone, I did not make the facts.

UNCOVERING SECRET PRECONCERT

Just as Abraham Lincoln was able to recognize secret preconcert in his time, we who have come after him, by applying his formula above quoted, are able to recognize the secret preconcert carried on in our day, and to discover the different parts that different conspirators played in designing and erecting their objective.

STEPHEN, ROGER, FRANKLIN, AND JAMES

To every intelligent, unbiased, unprejudiced person who will carefully study same with an open mind, I intend in this speech through facts and incontrovertible evidence to prove beyond peradventure of a doubt that Dr. Charles A. Beard, Dr. George S. Counts, Dr. W. W. Charters, and Dr. Frank W. Ballou were the master minds who, aided by Ada Comstock, Harold O. Rugg, Carleton J. H. Hayes, and Charles E. Merriam, confederated, conspired, and worked together for 5 years in a deliberate, preconcerted plan to communize schools and colleges in the United States, and particularly the public schools of Washington, which are partly financed by the United States Government, Dr. Frank W. Ballou voluntarily and sympathetically acting as their secretary for 5 years, and at all times since collaborating with them.

DISCOVERING WHO PUT COMMUNISM IN PUBLIC SCHOOLS

Our subcommittee of the Committee on Appropriations, which frames the annual appropriation bill for the District of Columbia, upon the insistence of Superintendent Frank W. Ballou and Senator Copeland, allowed in the 1934-35 bill the sum of \$63,385 to install character education in the Washington schools. We assumed that it would be installed in all of the 175 different schools of the public-school system of Washington, and that the kind of character education that Superintendent Ballou had in mind would be the worth-while kind that would help to cultivate in the hearts and minds of the 99,000 Washington school children a greater respect for law and order, for our Constitution and institutions, honesty, truthfulness, kindness, regard for the rights and interests of others, loyalty, devotion, and patriotism to flag and country, sobriety, clean living, and abstention from vices and harmful practices. We never dreamed that Superintendent Ballou had an ulterior motive or that he intended to inculcate subversive doctrines. A year passed. That \$63,385 was spent, and wasted.

Superintendent Ballou then demanded \$87,540 for character education in the 1935-36 bill. Reputable teachers advised us it was a farce and that nothing worth while had been accomplished. We learned that there had been no attempt and there was no plan to attach it to but 10 schools. 5 white and 5 colored, wholly ignoring the other 165 public schools in Washington which embraced most of the school children in the District of Columbia. We learned that to guide it Dr. Frank W. Ballou had placed his said coworker and cocollaborator, Dr. W. W. Charters, in charge of it, notwithstanding the fact that Dr. W. W. Charters is a

professor in the great Ohio State University, which at all times needs his undivided attention at Columbus, but Superintendent Ballou and his Washington Board of Education nevertheless employed Dr. Charters and allowed him to commute back and forth from Columbus, Ohio, to Washington, D. C., and paid him out of the appropriation made by Congress the sum of \$50 per day and all traveling and subsistence expenses.

HOUSE STOOD OUT AGAINST FURTHER WASTE

We members of the House committee refused to allow Superintendent Ballou this additional \$87,540 requested by him for so-called character education, and we refused to put it in the House bill last year, and on a proposal then vigorously made from the House floor to insert the \$87,540 by way of an amendment, the House of Representatives voted down the amendment and refused to allow it.

BALLOU THEN CENTERED FORCES ON SENATE

Then Superintendent Ballou importuned the Thomas-Copeland subcommittee of the Senate to give him his \$87,540, which, remember, was additional to the \$63,385 the Thomas-Copeland subcommittee of the Senate had caused to be given Ballou the preceding year, and Senator COPELAND caused the appropriation for character education to be inserted in the bill as a Senate amendment. In the conference that ensued between the House and Senate the House conferees refused to agree to it. The conference became deadlocked and the Senate conferees held it up for many weeks. The House conferees were given to understand that unless they agreed to the Copeland amendment, allowing the appropriation for character education, there would be no bill, even though the conferees might agree on all of the other 113 amendments the said Senate subcommittee had placed on the House bill.

BALLOU SAID HIS CHARACTER EDUCATION WAS NOT TEACHING MORALS

Our committee knew that in his address in New York City on his Washington Experiment in Character Education, Dr. Ballou had said, "It is not teaching morals." We began to wonder just what it was teaching. In his testimony before our subcommittee (hearings, p. 477) Dr. Ballou testified: "What we are trying to do is to set up a new philosophy of education." And referring to his teachers who were teaching character education, Dr. Ballou said: "Whose philosophy has got to be changed fundamentally" (hearings, p. 482). Such a ridiculous assertion caused the following comment from the distinguished gentleman from Missouri:

Mr. Cannon. It seems to be a rather startling statement that the philosophy of all teachers engaged must be changed in order to introduce character training in the schools. I had supposed that the philosophy of every good teacher includes character training (p. 482).

Later the following question was asked and answered:

Mr. Blanton. Do you mean, Doctor, that the philosophy of education of the 2,900 teachers of the Washington schools has to be changed fundamentally?

Dr. Ballou. I mean exactly that.

TERM "CHARACTER EDUCATION" WHOLLY MISLEADING

Dr. Ballou well knew that if you were to ask 1,000 parents whether or not they would be in favor of "character education", or "character training" as he sometimes expresses it, all would say "yes" without hesitation, as they would all assume it would be the right kind. They would not assume that it meant "character debasement." They would assume that would inculcate honesty, truthfulness, kindness, patriotism, respect for law and order, clean living, and abstention from vices. They would not know that back in his mind undisclosed to them Dr. Ballou had no intention whatever of teaching these worthy traits of character, or that in his speech in New York he would admit that his "Ballou character education" was not teaching morals, he knowing at the time that his "new philosophy" system was teaching "immorals" and moral debasement.

DID NOT KNOW THEN WHAT WE KNOW NOW

At that time our committee had made no investigation of the matter, and never dreamed of the terrible situation that later we discovered exists in the Washington public l

schools. We House conferees were faced with the problem of adjusting 114 amendments the Senate had placed on the House bill. The only way the matter could be adjusted was for an agreement to be reached between the House and Senate conferees. It was necessary that the annual supply bill should be passed, for otherwise the District of Columbia would be without its \$40,000,000 appropriations needed for the coming fiscal year. We House conferees were assured that the bill could not pass unless the House agreed to the Copeland amendment granting Dr. Ballou his second annual appropriation for his "character education."

COMPROMISE

Finally, in order to pass the District appropriation bill before Congress adjourned, the House conferees agreed that they would allow the appropriation for character education if the Senate would agree to a provision that would prevent communism from being taught or advocated in the Washington schools, and the Senate conferees agreed to insert the following language:

Hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism.

Which provision after being read by the Clerk on both the House floor and Senate floor on June 6, 1935, was agreed to unanimously by both House and Senate, and is now permanent law, and went into effect July 1, 1935.

REBELLED AGAINST LAW

The Superintendent of Schools, Dr. Frank W. Ballou, did not like this law. He claimed that it infringed on his "academic freedom", and the "academic freedom" of his teachers, whom he wanted absolutely unhampered and unrestricted. He claimed that the law prevented "factual in-struction." Dr. Ballou caused the Board of Education to request an opinion of the corporation counsel, who on September 5, 1935, rendered a clear and decisive opinion, holding just the contrary, and advising that the law passed by Congress did not prevent "factual instruction", but only prevented any and all attempts to indoctrinate.

From Corporation Counsel Prettyman's opinion, he furnished, at the request of the Board of Education, which opinion he introduced in our hearings, I quote the following:

> GOVERNMENT OF THE DISTRICT OF COLUMBIA, OFFICE OF THE CORPORATION COUNSEL September 5, 1935.

To the Commissioners:

We think that the word "communism" refers to the governmental forms and theories of the present-day Communist parties composing the Internationale. Chief among their economic and political tenets are (1) the abolition of private ownership of property and the substitution therefor of a system of common ownership, (2) control of the government by the proletariat (wage earners without property), that is, a dictatorship by the proletariat, (3) without property), that is, a dictatorship by the proletariat, (3) the destruction of present systems of government and the substitution therefor of other systems adapted to the theory of proletarian dictatorship. These tenets are, of course, directly opposed to the established American system, which includes among its principal bases private ownership of property, governmental control by a majority of all classes, periodically expressed, and a governmental system, legislative, executive, and judicial, designed to function in accordance with these concepts. The congressional intent in the present statute was obviously directed to the protection of this system against internal attack.

The word "advocate" is easy of definition in this context. It means to plead for or to urge the adoption of.

Much more difficult is the exact definition of the limits of the

Much more difficult is the exact definition of the limits of the word "teach" as it appears here. In ordinary parlance it may mean to enlighten, or to indoctrinate, or to nurture, or to train. Clearly, any teaching of communism which has for its purpose or its intended effect the nurture, the training, or the indoctrination of the pupils in communistic thought is forbidden by this statute.

But I am of opinion that the mere informing of pupils concerning the history, existence, or theories of the communistic governments or parties is not prohibited. Obviously Congress did not mean to prohibit comment or instruction which is adverse to communism, that is, teaching against it. Neither does it seem to me that the congressional intent reaches to the recital, without any shadow of favor or support, of factual data, whether historical, economic, or political. There is a vital difference here between teaching and teaching about. To state that communism exists is not to teach it. To state what Communists believe is not to teach communism within the meaning of this statute, provided that the method or manner of statement does not imply Thus I am of opinion that the mere recitation or study of factual data is not the teaching prohibited by this statute. But I am also of the view that any shadow of favor or support of communism shown by or reasonably to be drawn from such recitation or study is prohibited.

E. BARRETT PRETTYMAN, Corporation Counsel, District of Columbia.

SUPERINTENDENT WENT INTO TANTRUMS

Dr. Frank W. Ballou and the controlling majority of his supine board of education decided to ignore the law. They did not like it. They would have none of it. They had been trained in the communistic doctrine "that teachers must not allow 'ignorant majorities' to dictate to them." They had been trained that they could do as they pleased by demanding the right of "factual instruction." They had been trained that they could have their own way and teach just what they pleased by demanding "academic freedom." Superintendent Ballou refused to instruct his 2,900 teachers that they must obey the law passed by Congress, as interpreted by Corporation Counsel Prettyman. He refused to tell them that they had the right to explain the evils of communism, but that it would be unlawful for them to make any attempt to indoctrinate it.

FORCED AFFIDAVITS TO BE REQUIRED

Under the circumstances, the Comptroller General of the United States, Hon. J. R. McCarl, who is the head of the General Accounting Office and whose duty it is to require all public money to be paid out in strict accordance with the law, required the teachers to make affidavit that they had not violated this law before he would allow them to draw their money. He in no way stopped or prevented proper factual instruction.

DID NOT SEE FIT TO DO IT

To show that by instructing his teachers that they must obey the law passed by Congress as construed by the corporation counsel, Dr. Ballou could have stopped all affidavits, I quote the following from our printed hearings:

Mr. Blanton. Doctor, is it not a fact that I proposed to you that if you would advise the teachers of Washington that Congress had passed a law that they should neither teach nor advocate communism, that the Comptroller General would withdraw that requirement, and that the teachers would not be required to make any further affidavits? Didn't I propose that to you?

Dr. Ballou. You proposed that to me.

Mr. Blanton. You could have submitted that suggestion to the Regard of Education yourself could you not?

Board of Education yourself, could you not?

Dr. Ballou. Well, I have not.

Mr. Blanton. You could have done it, couldn't you, Doctor?

Dr. Ballou. I could have done anything as far as that is concerned.

Mr. Blanton. You did not see fit to do it, Doctor?

Mr. Ballou. No, sir.
Mr. Blanton. Is it not a fact that you replied to me that you would never agree that the right of the teachers to teach according to their method of teaching should be taken away from them?

Dr. Ballou. No, sir.

Mr. Blantou. I will say this to you now, Doctor, that if you will instruct your teachers tomorrow that Congress has passed a law that prevents them from teaching or advocating communism in the public schools, and this law must be obeyed, I know that this committee can have Comptroller General McCarl withdraw the requirement of those affidavits immediately. Now, if the affidavits are inconvenient aren't you willing to issue that instruction to them? tion to them?

Dr. Ballou. I am not authorized to issue that instruction until the Board takes action.

Mr. Blanton. You were not sufficiently interested in the matter to have proposed it to the Board of Education.

INCITED HENCHMEN TO ACTION

Dr. Frank W. Ballou, who had been trained in the communistic Teachers College of Columbia University and who for 5 years had acted as secretary for a commission dominated by the leading Communist professors, George S. Counts and Charles A. Beard, was determined that he would carry out the teachings of "Counts and Beard" and not allow any "ignorant majority" to hamper or in any way control his teachers. To Ballou, Counts, and Beard an act of Congress was the act of "an ignorant majority." decided the best way to accomplish his purpose of evading the law and of getting it repealed was to force the affidavits, and not do one thing to cause their elimination, but to prate much about "inconvenience to teachers" and "a gratuitous insult to patriotism of teachers", and "an evi-

dence of lack of confidence", because affidavits were required, when by simply agreeing to obey the law he could have caused all affidavits to be eliminated. He appealed to the ready ear of all henchmen. He falsely claimed that he and his teachers were denied the right of "free speech." He falsely contended that they could not expound "factual instruction." He charged they were denied "academic freedom." He and other communistic sympathizers tried to belittle and ridicule the law by calling it "the red rider", and later they called it "the little red rider."

HOWLING AND RAGING AND GNASHING OF TEETH

All of the radicals in Washington immediately began to howl. They wanted "academic freedom." All the Communists in the Nation's Capital began to rage and froth at the mouth. They wanted their "academic freedom." They all wanted to expound "factual instruction." They did not want any "ignorant majority" to hamper or restrict them. They immediately started to work the pink sheets, the red sheets, and the subsidized sheets, which proceeded daily to fill their columns with clamoring propaganda demands for "free speech" and "factual instruction" and "academic freedom." They finally interested the gentleman from New York [Mr. Sissonl, whose Senator had forced the appropriation for "character education." He is not a member of the District legislative committee, which handles all District legislation. He is not a member of the District appropriation committee. He is not a member of the committee on education. Nevertheless, he became intensely interested all of a sudden about a law the House of Representatives had passed unanimously on June 6, 1935, and began to introduce bills.

TWO SISSON BILLS-DIAMETRICALLY OPPOSED TO EACH OTHER

On January 20, 1936, the gentleman from New York introduced the bill H. R. 10391, "To make more effective the law against advocating communism in the District of Columbia", which specifically provided that teachers could give instruction concerning "the political, economic, or social system of any country", but held intact the existing law pre-venting any attempt to indoctrinate communism in the public schools.

That bill did not suit Dr. Frank W. Ballou. He still wanted his "academic freedom." He wanted the right for his teachers to teach what they pleased. He did not want any restrictions around them. He did not want to be hampered by any "ignorant majority."

That bill did not suit the majority of Dr. Ballou's servile Board of Education. They, too, wanted "academic freedom."

That "more effective" bill did not suit the pink sheets, the red sheets, or the subsidized sheets. They all insisted on complete and absolute "academic freedom"

That bill "to make more effective the law against teaching communism in Washington schools" did not suit the radicals in Washington, both in and out of Congress. That "more effective" bill did not suit the Communists in the Capital of the United States. They all wanted "factual instruction." They all wanted their "academic freedom." They all cried for it. They all bawled for it. They all howled for it. They all clamored for it. They all raged and gnashed their teeth. They all insisted that they would have nothing less. They wanted all law repealed. They wanted no law. They wanted to be free to do exactly what they pleased, to teach exactly what they pleased, to indoctrinate exactly what they pleased, and they were not going to allow Congress, even though it did so by a unanimous vote of both House and Senate on June 6, 1935, to restrict or exercise any control whatsoever over them. Hence they proceeded to get a second "Sisson bill" that suited them.

SECOND SISSON BILL TO REPEAL ALL LAW AGAINST COMMUNISM

So on February 21, 1936, under hue and cry, the gentleman from New York [Mr. Sisson] introduced his second bill, his new H. R. 11375, to repeal outright the law that prevents indoctrinating communism in the public schools of Washington, D. C.

This new Sisson bill pleases Dr. Frank W. Ballou. It gives him his long-cherished "academic freedom" to teach and indoctrinate what he pleases. It suits his obedient Board of Education. It pleases all the pink sheets. It pleases all of the red sheets. It pleases all of the subsidized sheets. It pleases all of the radicals, both in and out of Congress. It pleases all of the Communists and their sympathizers. They all want it. They all cry for it. They all howl for it. They all bawl for it. They all clamor for it.

BUT WASHINGTON CITIZENS DO NOT WANT THE LAW REPEALED

My colleagues will remember that on Saturday night, March 28, 1936, there was a meeting of the Federation of Citizens' Associations, which embraces 63 different associations of citizens here in Washington, and by a vote of over 2-to-1 majority they refused to endorse the Sisson bills, but approved the report of their committee, standing firmly behind the law preventing communism from being indoctrinated in the public schools. It is interesting to know that the president, the first vice president, the second vice president, the secretary, and the treasurer of the federation of 63 citizens' associations all voted against the Sisson bills and all voted in favor of the law that prevents communism from being indoctrinated in our schools and approved their special committee's report.

CITIZENS' SPECIAL COMMITTEE TO ELIMINATE COMMUNISM

This nonpartisan special committee, selected by the federation of 63 citizens' associations, was Hon. George E. Sullivan, who unselfishly and at great sacrifice rendered magnificent service in trying to eradicate communism from Washington schools, chairman; Hon. Harry N. Stull, vice president; Mrs. George Corbin; and Mrs. Horace J. Phelps. One is a prominent Catholic and the other three are prominent Protestants. All four worked in harmony. The following federation resolutions were passed:

1. Resolution adopted by the federation March 16, 1935, advocating a rider upon the then pending District of Columbia appropriation bill, in view of the disclosure that Dr. Charters (shown to be on the advisory board of communistic Moscow University summer school), was being employed for character education in the District of Columbia public schools.

2. Resolution adopted by the executive committee November 12, 1935, providing for the creation of this special committee and the taking of steps to eliminate textbooks in the District of Columbia public schools containing communistic propaganda and secure for the pupils instead "a clear and informative definition of commu-nism and its evil and atrocious aims and purposes."

3. Further resolution adopted by the executive committee Decem

ber 3, 1935, directing this special committee to extend its work to cover periodicals as well as textbooks.

4. Resolution adopted by the federation December 7, 1935, approving and endorsing the aforesaid actions by the executive committee

5. Resolutions adopted by the federation January 4, 1936, advocating an immediate appeal to Congress to provide "an effective remedy, and one which will be so thorough that there can be no danger of a recurrence of existing conditions."

I quote the following from said special committee's report:

COMMITTEE REPORT APPROVED AND ADOPTED MARCH 28, 1936, BY FEDERA-TION OF CITIZENS' ASSOCIATIONS OF THE DISTRICT OF COLUMBIA, IMMEDIATELY FOLLOWING THE VOTING DOWN BY IT OF A PROPOSED SUBSTITUTE MOTION TO ENDORSE THE SISSON REPEAL BILL, H. R. 11375

To the Federation of Citizens' Associations, District of Columbia:

The last report of this special committee, dated January 4, 1936, was approved by the federation, and resolutions were adopted on that date describing "existing conditions" in the public schools of this District as "favorable to subversive, antipatriotic, and communistic propaganda", and expressly declaring that "the recent action of the Board of Education makes it imperative that the Congress of the United States shall be appealed to without delay to provide an effectual remedy and one which will be so thorough that there can be no danger of a recurrence of existing conditions." This special committee has made appeal to the Congress as so directed by the federation, the subject matter being presented to the Senate and House District Committees, and also to the House Appropriations Committee.

The Subcommittee on the District of Columbia of the House

The Subcommittee on the District of Columbia of the House Appropriations Committee conducted a thorough investigation into this subject matter. The entire subcommittee of five members participated actively in the investigation, and went to original sources for their data. Books and magazines, etc., in use with pupils in the public schools were carefully studied by said subcommittee, with such books, magazines, etc., actually before them for weeks; and the printed hearings show that the subcommittee found an abundance of antipatriotic and procommunistic matter, and also matter tending to seriously affect and undermine fundamental morals of the pupils in the matter of sexual relations. The destruction of sexual morality is well known, of course, to be one of the aims and purposes of communism. The Superintendent of The Subcommittee on the District of Columbia of the House

Schools, the head of the history department in the high schools, and the editor of Scholastic magazine were heard before said sub-committee and disclosed no possible excuse or justification for the conditions against which this federation has complained, and which are now admitted to have been going on for a number of years.

Your special committee has carefully considered all of the fore-going and recommends that the federation deal specifically with the following issues which have been raised.

1. So-called academic freedom: We recommend that the federation reject as fundamentally unsound the proposition advanced by Congressman Sisson and by the Board of Education that it is an invasion of the rights of the school authorities for Congress to direct, regulate, or control any features of the curriculum in the public schools. No one has been able to suggest wherein this the public schools. No one has been able to suggest wherein this proposition has any foundation in American institutions; exclusive legislation for the District of Columbia is vested by the Constitution in the Congress, and the school authorities are public servants obligated to respect and obey such legislation. It should be noted in this connection that as early as 1886 (act of May 20, 1886 (24 Stat. L. 69)), Congress upheld its jurisdiction, not only in the public schools of the District of Columbia but in schools everywhere else subject to the jurisdiction of the Federal Government, by expressly requiring "the nature of alcoholic drinks and narcotics, and special instruction as to their effects upon the human system" to be taught, and to require removal from office of anyone failing or neglecting to comply with such requirement.

ment.

2. Legislation requiring pupils to be acquainted with evil aims and effects of communism and other un-American doctrines: Since Congress has the undoubted power to require pupils to be acquainted with the harmful effects of alcohol and narcotics, which affect the individual only directly, and the Nation indirectly, how can anyone seriously question the power of Congress to require that pupils in the public schools of the District of Columbia shall be made acquainted with the evil aims and effects of communism and other un-American doctrines, which affect both the Nation and the individual directly? This special committee recommends that the federation advocate the immediate passage of legislation to this effect, with means for enforcement similar recommends that the federation advocate the immediate passage of legislation to this effect, with means for enforcement similar to what is provided for in the aforesaid act of 1886, and with specific requirement that all such subversive doctrines be expressly denounced to the pupils in all textbooks or other data or explanation used with the pupils referring to such doctrines. This is in accord with the uniform position taken by this federation at all times. Not only has the federation at no time objected to pupils in the public schools being made so acquainted, but it has insisted at all times upon the pupils being made so acquainted for their own protection; in other words, that the truth, and not half truths, shall be told the pupils about and against communism and that it is inherently impossible to tell them the truth about communism without teaching against communism and denouncing it as a world revolution conspiracy seeking deand denouncing it as a world revolution conspiracy seeking de-struction by force and violence of all nations and practically every vestige of civilization.

As a matter of fact, the clause against communism in the afore-

said District of Columbia appropriation bill of June 14, 1935, does not require any monthly or other affidavits; and it was not until December 1, 1935, that the Comptroller General decided to make such requirement, and then only because it became apparent that the school authorities would not accede to the reasonable demand of Congress (inherently necessary) that no teaching about commu-nism could take place which did not actually teach against and

denounce it.

GEO. E. SULLIVAN, Chairman, HARRY N. STULL, Mrs. George Corbin,
Mrs. Horace J. Phelps,
Special Committee on Elimination of Communistic
Matter from District of Columbia Public Schools.

FEDERATION OF CITIZENS' ASSOCIATIONS APPROVED FOREGOING REPORT

The foregoing report of its special committee, made after 16 months of close study and careful investigation of communism in Washington schools, was approved and adopted last Saturday night by the Federation of Citizens' Associations, by a vote of over 2-to-1 majority. It was heartily supported by Col. James G. Yaden, who until recently was the president of said federation, and by all of the high officers of said federation. Colonel Yaden is one of the finest citizens of Washington and is well known to practically all Members of Congress.

REPRISAL AGAINST TEACHERS

When Superintendent Ballou reported to the Board of Education at its meeting yesterday that Supervising Principal S. M. Ely, who as the delegate of the North Capitol Citizens' Association in said federation had dared to vote against said Sisson bill Saturday night, and had dared to vote against repealing the "red rider", Henry Gilligan, a member of said Board of Education, indicated that action would be taken against said school principal. It is such browbeating tactics that is making teachers afraid to express their sentiments against communism. It was this same Henry Gilligan, who at said meeting yesterday said that we had no authority to request information as to how many teachers there are in the schools here who have had training in Columbia University, and that such request ought to be denied, he asserting that Congress had no control over the schools or the Board of Education. It was this same Henry Gilligan who 6 years ago when communism was being investgated in the Washington schools on April 2, 1928, said that Congress did not have any right to say how the schools should be run in Washington, and he made a motion to appoint a committee to register the Board's protest against a provision passed in the District appropriation bill; all of the above you will find reported in the Washington Post.

DISTRICT OF COLUMBIA PUBLIC SCHOOL ASSOCIATION, EMBRACING 90 DIFFERENT CITIZENS' ORGANIZATIONS, AGAINST SISSON BILLS AND FAVOR "RED RIDER"

I quote the following from a statement of Maj. Gen. Amos A. Fries, retired, which he has prepared to submit to the Senate Committee on Appropriations:

Mr. Chairman, I am submitting this statement as president of the Public School Association of the District of Columbia, and in the name and on behalf of that association, an association of groups of civic, fraternal, business, and citizens already existing under other titles, but who are particularly interested in the public schools of the District. There are over 90 of these citizens' groups in the association. The various groups are taxpayers, citizens of the District of Columbia, and some of the teachers themselves. The great majority of them have now, or have had, children in the public schools, and are most concerned with the proper teaching and training of their children.

They pay the taxes that provides the money to build the schoolhouses, maintain the grounds and buildings, pay the teachers,

They pay the taxes that provides the money to build the school-houses, maintain the grounds and buildings, pay the teachers, and then feed, clothe, and care for the children. These parents feel that they are the ones to say what shall be taught their children and what shall not be taught them, and not the teachers. They feel that the teacher who is unwilling to take this view of the position of the parents is not fitted to teach and should get out of the public schools.

out of the public schools.

These parents strenuously object to ill-considered and whole-sale experiments being practiced on their children, just because some professors or superintendents want to try out their particular ideas of methods of teaching, or social philosophies, economic theories, or even trying to teach a form of government foreign to that of the United States.

The District of Columbia Public School Association is vigorously opposed to the teaching of communism in the schools, or to the repeal of the law against teaching or advocating communism in the schools, unless and until a law is passed which will make mandatory the denunciation of the ideas, philosophy, and actual working of Communist governments, whenever the subject of communism is touched upon by any teacher in the public schools of the District. schools of the District.

The association is equally opposed to the appropriation of any more money for the so-called character-education experiment. It believes that the experiment is an absolute waste of the taxpayers' money and that certain of the schemes being carried out are actually detrimental to the children's future. It is to prepare our children for citizenship in the "new social order", but what that is Dr. Ballou says he does not know himself.

The public school association, without a dissenting vote, passed the following resolution against any further money being appropriated for the so-called character-education experiment:

Resolution adopted unanimously by the District of Columbia Public School Association, April 1, 1936

Be it resolved by the District of Columbia Public School Associa-Be it resolved by the District of Columbia Public School Associa-tion, That they are opposed to the appropriation for any further money for the so-called character-education experiment in the public schools of the District of Columbia, and they urge that any funds that might be available for such character-education ex-periment be used to employ additional teachers in the various grades where they are seriously needed.

Amos A. Fries, President of the District of Columbia Public School Association. DISTINGUISHED GENERAL IN WORLD WAR

Maj. Gen. Amos A. Fries during the World War was Chief of the Poison Gas Division of the United States Army in France and performed distinguished service. Since his retirement, besides taking an active part in many civic matters, he has been at the head of the American Legion in the District of Columbia. His valuable and untiring efforts, bravely and unselfishly performed, in trying to eradicate communism from the public schools of Washington deserve the commendation and thanks of every father and mother in America.

ADDITIONAL \$78,660 DEMANDED BY BALLOU FOR HIS SO-CALLED CHARACTER EDUCATION

When, on February 6, 1936, we began hearings on the 1936-37 District appropriation bill, Dr. Ballou demanded \$78,030 as a third annual appropriation for his so-called character education. Our committee had become convinced that the two preceding appropriations had accomplished nothing whatever of value, but, besides being wasted and thrown away, had been used in an attempt to communize the public schools of Washington.

One teacher of high standing wrote:

I have attended all of Dr. Charters' \$50 lectures; not a posted teacher present heard anything new; the meetings were wholly void of interest, and not one thing of value did he elucidate.

Another reputable teacher wrote:

Unless the teachers have been made afraid to speak their real sentiments, they all will tell you that the whole thing is a farce.

Another wrote:

Do you wonder why Dr. Ballou put his character education in only 5 white and 5 colored schools and was willing for his other 165 schools to go without it? The answer is he knew he couldn't communize all of the teachers at the same time. He had to work gradually his "new philosophy" and "change them fundamentally" just a few at a time.

Another wrote:

I send you five of the little pamphlets which were distributed to the teachers at old man Charters' meetings, three printed by the council at 744 Jackson Place and two by Jacks, one printed in February 1929 and the other in January 1931. Why pay Charters \$50 per day to come here from Columbus, Ohio, to distribute these worthless leaflets?

The "breadwinning" one by Jacks is six pages, and the following is its main paragraph:

When we call our civilization "industrial" we mean precisely that. We mean that "industry", mechanized for the most part, as it happens to be, commercialized almost entirely, infinitely comas it happens to be, commercialized almost entirely, infinitely complicated, and yet forming a unitary system—for we speak of the "industrial system"—is the vocation, occupation, employment by which the world of our day has to earn its living as a world, by which the age in which we live has to carry itself on into the future. And as pig killing is the major influence, which makes the pig killer what he is for good or ill, and art work the major influence which acts in the same way on the artist, so, too, the essential qualities of our civilization, good or evil, will be found to have a distinct dependence on the essential qualities of the to have a distinct dependence on the essential qualities of the universal "industry" which supports and carries it on.

The pamphlet entitled "Integration", by Dr. Charles R. Mann, whose record as a radical I will mention later, was published in July 1934, reprinted from the Educational Record, and its main paragraph, quoted from Happy Days, is the following:

Here we are in the C. C. C. We're 300,000 fellows out of work, unfit to handle a job, to vote intelligently, to choose a wife, or to raise children. Yet in 10 years most of us will have made a stab at all of them. And we'll have made a mess of it! Is America going to let our kids grow up to be the impractical, untrained, and temperant duffers that we are 1 ignorant drifters that we are?

That is an unfair picture of C. C. C. enrollees. My camp at Lake Abilene embraced 250 Negroes, all World War veterans. Most were married, some were teachers, some preachers, and all were law abiding.

I agree with these teachers, that Dr. Ballou's "experiment" is a farce. In what way will the above pamphlets train or aid teachers to teach character education? I agree with these teachers that if, instead of wasting this big sum of money each year, Dr. Ballou had paid it to additional grade teachers to lighten the load of the others, it would have done much more good.

DAMNING ADMISSIONS BY DR. BALLOU AND HIS PROFESSOR JONES

As to whether or not our subcommittee would allow the \$78,660 demanded by Dr. Ballou for his third successive appropriation for so-called character education, we held extensive hearings, embracing the testimony of Dr. Ballou; Prof. George Jones, head of the history and social-studies departments; Mrs. Doyle, the president of the Board of Education; Hon. George E. Sullivan, the chairman of the special committee of the Federation of (63) Citizens Associations; Major General Fries, president of the District of Columbia Public School Association, which embraces 90 affiliated organizations in the District; Editor Robinson, of the Scholastic; and other witnesses, and the members of our subcommittee reached the unanimous opinion that studied efforts were being made to communize the public schools of Washington; that the money spent on so-called character education had been wasted and thrown away; and the additional \$78,660 demanded by Dr. Ballou should not be granted, as he had a subtle, ulterior purpose of using "character education" as a cloak or means of indoctrinating (1) all of his 2,900 teachers and (2) the 99,000 school children with communism, and that there should be no repeal of the law, designated by Communists as the "red rider", that prevents teachers from indoctrinating communism in the Washington schools. The admissions made by Dr. Ballou and his Professor Jones were sufficient alone to warrant the above conclusions.

ACTION APPROVED BY COMMITTEE ON APPROPRIATIONS

The Committee on Appropriations in the House of Representatives is composed of 39 Congressmen. Most of them have served in Congress many years. They handle all of the annual appropriation bills, and before money can come out of the United States Treasury they must authorize it. At a meeting of the Appropriations Committee called for that purpose, our subcommittee reported its action to the Committee on Appropriations, and not an amendment was offered to their 83-page bill, and not a voice was raised against it, and not a vote was cast against it, and by a unanimous vote it was reported to the House of Representatives. For 2 days this 83-page bill was before the House of Representatives under general debate. On the third day it was read for amendment, which allowed debate after each paragraph. Not an amendment was passed. The House of Representatives passed the 83-page bill without any change in it whatever, and on a roll-call vote there were only 26 votes against it.

OPPOSITION DID NOT MATERIALIZE

The Washington Post for February 7, 1936, carrying his picture taken by the Post, under large headlines, "Teachers' oath parody planned by Representative Scorr" and "To ridicule 'red baiters' with rider to 1937 District bill", said:

Representative Scott, of California, has voluntarily assumed the role of baiting the "red baiters" in the House yesterday and warned that he is going to offer an amendment to the 1937 District bill as a parody on teachers' oath measures.

"You see what happened last year with regard to the District bill, because nobody outside of the conferees knew what was going on", he said.

Yet not an amendment was offered to the bill relating to teachers' oath or to insert money for "character education" but the House of Representatives passed the 83-page bill without any amendment to it and with only 26 votes against it.

CRITICISMS ABOUT PASSAGE OF "RED RIDER" UTTERLY RIDICULOUS

The Congressional Record for June 6, 1935, shows that Congressman Cannon of Missouri, in the House of Representatives, moved the adoption of the so-called "red rider", and that from the desk the Clerk of the House read it to the House, to wit:

Hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism.

The above proposal was duly read by the Clerk in the open session of the House without a voice raised against it, and the RECORD shows it was adopted by a unanimous vote. If it did not suit the gentleman from New York [Mr. Sisson], then was his time to speak. Then was his chance. Then was his opportunity. Then was his duty to tell the House what objections he had to it. He then had an opportunity to speak against it. He could have made a privileged motion to concur in the Senate amendment without the above proviso, which would have had precedence over the Cannon motion. If there was not a quorum there he could have made the point of order and forced a quorum. If he had wanted to vote on the matter he could have called for it, and then could have called for a division, and then could have called for tellers; and, finally, he could have called for the yeas and nays. But he did nothing. He allowed it to pass unanimously. He can-

not say that he was asleep and did not hear the Clerk read it. He cannot say he was not paying attention. He cannot say that he did not know what was going on in the House of Representatives. For in any of such contentions he would be admitting a failure of duty on his part for which no other Member was responsible.

There is no rule of the House that requires the leaders to report to all of the 435 Members everything they propose to

take up in the House every day.

NOT "RED RIDER", BUT RIDER AGAINST "REDS"

This law was not for "reds." It was against "reds." It was to curb "reds." It was to keep them out of schoolrooms. It was to keep their subtle, poisonous influence away from

LIKEWISE PASSED IN SENATE UNANIMOUSLY

On June 6, 1935, this law to stop communism in schools, called by communistic sympathizers the "red rider", was read at the clerk's desk in the Senate and passed by unanimous vote of the Senate.

SISSON BILLS HANDLED BY SUBCOMMITTEE

A subcommittee of five Members-embracing Mrs. Virginia E. JENCKES—from the Committee on the District of Columbia has the Sission bills before it for hearing. Representative JENCKES strongly opposes both Sisson bills and complains as follows:

CONGRESS OF THE UNITED STATES, House of Representatives, Washington, D. C., March 26, 1936.

Hon. THOMAS L. BLANTON. Chairman, Subcommittee on District Appropriations, House of Representatives.

DEAR MR. BLANTON: I regret exceedingly to learn that all copies of the hearings you conducted on the requested appropriation of \$89,000 for so-called character education, which unearthed the \$89,000 for so-called character education, which unearthed the facts regarding communism in our Washington schools, have been exhausted, and that it is impossible now to obtain a copy. I realize that furnishing a copy to each of the 435 Congressmen, and to each of the 96 Senators, left very few for distribution to the interested citizens of Washington. I wonder if it is not possible to find some way to have additional copies printed.

You are probably aware that the District Legislative Subcommittee, of which I am a member, has been conducting hearings on the bill advocated by Congressman Sisson, of New York to repeal

mittee, of which I am a member, has been conducting hearings on the bill advocated by Congressman Sisson, of New York, to repeal the law which prevents Washington teachers from indoctrinating communism. Congressman Maverick, of Texas; Congressman Scott, of California; Congressman Marcantonio, of New York; and Congressman Zioncheck, of Washington, all joined Congressman Sisson in contending that the existing law to prevent indoctrinating communism is an abridgement of the right of free speech, and they have been joined and upheld by Congressman Schulte, of Indiana and Congressman Brewster, of Maine, who are members of my subcommittee.

When I was attempting to present my evidence against the

are members of my subcommittee.

When I was attempting to present my evidence against the Sisson bill before our subcommittee, to save time, I asked leave to print the evidence of Dr. Ballou, that of Professor Jones, that offered by myself and my clerk, that of General Fries, that of Mr. Sullivan, that of Mr. Lange, that of Mr. Robinson, editor of Scholastic, that of Mrs. Doyle of the Board of Education, that of Corporation Counsel Prettyman, and the report of the Civic Council of Defense of California, Inc., which were printed in your hearings on the appropriation bill, now exhausted. I was granted this permission. In view of the fact that I was granted this permission, neither Mr. Sullivan, General Fries, nor myself offered any further testimony, relying implicitly on having the above-mentioned testimony in our hearings. mony in our hearings.

mony in our hearings.

To my great surprise, those who are trying to hurriedly pass the Sisson bill have now refused to print any of the abovementioned evidence in our committee hearings, which will leave the hearings one sided. This is a fair exhibition of what these so-called disciples of free speech mean by free speech, that is, they want only the side heard.

Very sincerely yours,

VIRGINIA E. JENCKES Sixth District, Indiana.

WHAT WASHINGTON NEWSPAPERS REPORTED

The Washington News on March 25, 1936, under headlines "Mrs. JENCKES Denied Reprint of 'Red Rider' Evidence; 268 Pages of Testimony at Stake", said:

Mrs. JENCKES asked to incorporate in the Sisson bill hearings the 268 pages of testimony on the same subject before Representathe 266 pages of testimony on the same subject before Representative Blanton's House Appropriations Subcommittee. The District Committee at its last session refused to reprint. Mrs. Jenckes moved to have that action reversed. It failed to receive a second. Mrs. Jenckes, an ardent supporter of the Blanton rider banning

teaching of communism in District schools, claimed she made this testimony a part of her own. She said Chairman Kennedy, in charge of the Sisson bill, had agreed to include it.

Representatives Schulte (Indiana), Brewster (Maine), and Short (Missouri) all objected. Mrs. Jenckes reminded the committee that she could have read into the Sisson bill hearings every word on the "red rider" before Blanton's group.

The Washington Herald for March 26, 1936, under headlines "Comfort for Communism" and "Exposé of School Reds Is Blocked", and "Testimony Supplied by Mrs. Jenckes Out of Record", said:

Those anxious to have communism taught in District public-school classrooms banded together yesterday to strike from the hearings on the Sisson bill strong anticommunistic evidence intro-duced by Representative VIRGINIA JENCKES, of Indiana.

At hearings on the Sisson bill, which seeks to repeal the law prohibiting teaching of communism, Mrs. Jenckes inserted in the record 268 pages of testimony relative to communism in the District, which was given before the House District Appropriations Subcommittee.

When permission to include this evidence was granted, Mrs. Jenckes and representatives of patriotic and civic organizations opposed to the Sisson bill, cut short their testimony.

While Mrs. Jenckes was ill the District Committee voted to strike out of her testimony the evidence offered before the Appro-

priations Subcommittee.

The Washington Star, March 26, 1936, indicated that Chairman Norton wanted Mrs. Jenckes brought before the subcommittee and cross-examined and made to support her charges against the school board.

HER CHARGES SUPPORTED BY EVIDENCE EXCLUDED

I submit that the 268 pages of testimony introduced by Mrs. Jenckes, and which she thought was going into the hearings, but which was excluded and not printed by the District Committee, will support the charges made by Mrs. JENCKES. Since all available copies of the printed hearings before the Appropriations Subcommittee are exhausted, and since the District Committee would not print same in its hearings, although introduced by Mrs. Jenckes, a member of such committee and of the subcommittee holding the hearings, and since most of the principal witnesses against the Sisson bills, therefore, placed only a small part of their testimony before said subcommittee, believing that it would appear in full in the 268 pages introduced by Mrs. Jenckes, it therefore becomes necessary for me to quote extensively from the Appropriations Subcommittee hearings, which I will do hereafter before I conclude this speech.

VIRGINIA ELLIS JENCKES, OF INDIANA

I want to pay her my humble tribute. Her paternal ancestors lived in Vincennes, Ind., for four generations. She was born in Terre Haute, living there since her birth. Widowed since 1921, she has fought a valiant fight against all the battles of life and, without help, has overcome the obstacles that beset us all.

VIRGINIA JENCKES is a remarkable woman. She is not just a salary drawer. She is a worth-while Representative. She is one of the hardest workers in Washington. She gives legislation close study. She tries to find out what is the right or wrong side of every issue that arises. She is an active, loyal friend to every person who labors for daily bread, and union labor has never had a more loyal supporter. She has worked faithfully for all disabled war vetterans, has helped them to be hospitalized, to receive just compensation for injuries, and to obtain just treatment from the Government. She diligently attends to the business of her constituents.

VIRGINIA JENCKES is a loyal, patriotic American. I am proud of her and her many worthy accomplishments. Every good mother in the United States may approve her service here without hesitation. She fights for laws that protect the home. She fights for laws that protect the welfare of children. She is spunky and brave. She fights for the things that are worth while. She ought to be a Texan. I want the Sixth District of Indiana to know that it has here a most valuable Representative.

TEACHER SUSPENDED FOR PROPAGATING COMMUNISM

Before any Member of the present District of Columbia Committee ever came to Congress, I was here when a teacher in the Western High School was suspended for teaching communism. The minutes of the Board of Education show that, upon a charge of propagating "bolshevism and com-

this teacher, whose name is there mentioned, upon motion duly made and seconded, the Board of Education unanimously ordered the suspension.

COMPLAINTS EVER SINCE

I will quote from our printed hearings numerous complaints before I conclude. Within a few sessions after said teacher in the Western High School had been suspended for teaching communism, this Congress was forced to pass a law to stop such radical teachings. It was the original "red rider." But it has not been mentioned by any Washington newspaper or by any other communist sympathizer. By a strange coincidence a former very distinguished and beloved colleague from the State of Washington-Dr. Summers-caused this original "red rider" to be passed. He was a Republican leader here who had the respect and confidence of every Member. He said, on May 3, 1924, that teachers in the Washington schools were teaching disrespect to the Holy Bible and that ours is an inferior form of government, which are two of the main communistic teachings.

FIRST "RED RIDER" TO STOP COMMUNISM PASSED MAY 3, 1924

Four years after Dr. Frank W. Ballou became the \$10,000per year superintendent of the Washington schools, it became necessary for Congress to pass a law to stop communism from being taught by his corps of teachers. I quote the following from page 7796, Congressional Record of May 3, 1924, being volume 65, part 8, Sixty-eighth Congress, and it will be noted that I refused to make a point of order, because Dr. Summers had convinced me such a law was necessary:

Mr. Summers of Washington. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Chairman. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Summers of Washington: Page 33, at the end of line 22, insert: "Provided, That no part of this sum shall be available for the payment of the salaries of any superintendent, assistant superintendent, director of intermediate instruction, or supervising principal who permits the teaching of partisan politics, disrespect to the Holy Bible, or that ours is an inferior form of government."

Mr. Blanton. Mr. Chairman, I shall not make a point of order to that.

Mr. Summers of Washington. Mr. Chairman, this is a limitation,

and of course it is in order.

I think everyone will agree with me that no teaching of this

I think everyone will agree with me that no teaching of this kind should be permitted in the schools of this District nor in the public school of any city or town in any State in the Union.

I have spoken to a number of Members, and it is an exception to find one who does not say that his children have come to him with complaints in regard to one or the other of the points mentioned in this amendment.

In the interest of the highest possible standard of education in this city, and because I believe that the schools here should be as nearly as possible a model for those throughout the country, I think this thing ought to be stopped, and this amendment will have that effect.

Mr. Connally of Texas. Has the gentleman information that such things are going on in the schools which his amendment is intended to reach?

Mr. SUMMERS of Washington. I have.

Mr. Summers of Washington. I have.

Mr. Connally of Texas. Who will pass upon the question as to whether this is happening or not? Who will be the arbiter?

Mr. Summers of Washington. The school board.

Mr. Connally of Texas. Will not the man who issues or pays these warrants be the one? This being a limitation on this appropriation, will they not pass this question up to the accounting officers of the Government?

Mr. Summers of Washington. All right.

Mr. Connally of Texas. In a practical way, I would like to know how that is going to work.

Mr. Summers of Washington. It might be up to the accounting officers. Anyhow, there would be a way then by which one might file a complaint and stop the payment of salaries to anyone who has been permitting this pernicious teaching. It has unquestionably been going on for years, and is going on in this present year.

Mr. Charman. The question is on agreeing to the amendment offered by the gentleman from Washington.

Mr. Lowrey. Mr. Chairman, may we have it again reported?

The Charman. Without objection, the amendment will again be reported.

(The amendment was again read)

be reported.

(The amendment was again read.)

The Chairman. The question is on agreeing to the amendment. The question was taken and the amendment was agreed to.

FIRST "RED RIDER" PASSED IN 1924 BY HOUSE AND SENATE

After passing the first "red rider" in the House on May 3, munism while discussing current events in an English class", 1924, Dr. Summers then had to battle Dr. Ballou, who tried to get the Senate to knock it out of the bill. Even at that early date Dr. Ballou raised his pet slogan of "academic freedom", but the Senate passed it and the President signed the bill and the first "red rider" became law, but was effective only until July 1, 1925, when it would expire.

SECOND "RED RIDER" PASSED SECOND TIME IN 1925

Again in 1925 Dr. Summers' "red rider" to prevent communism from being taught in the public schools of Washington was placed in the District appropriation bill, and passed both the House and Senate and was signed by the President, and became law in force and effect until July 1, 1926.

DR. BALLOU AND COMMUNISTIC HENCHMEN KEPT IT OUT OF NEXT BILL

The hue and cry of "factual instruction" and "academic freedom" was then started by Dr. Ballou and the Washington newspapers. They belittled and ridiculed the law. They belittled and ridiculed every Congressman or Senator who espoused it. They succeeded in keeping it out of the next appropriation bill, and the law expired on July 1, 1926. That is the reason that when the last "red rider" was passed by Congress on June 6, 1935, it was not drawn as a limitation that would expire with the fiscal year, but was drawn as permanent law by using the word "hereafter", so that Congress would not have to pass it again every year.

COMMUNISTS ADOPTED PUBLIC UTILITIES' PROGRAM OF SUBSIDIZATION

We learned recently from the Communist literature that they had adopted the method used by utilities in influencing public opinion; that is, to get the press, some prominent teachers, and some prominent preachers on their pay roll. Until we have a thorough, up-to-date investigation of Communists and their activities, we will never know just how much they have spent in subsidizing the press, in subsidizing authors and play writers, in subsidizing college professors and teachers, and in subsidizing some preachers. But we already know something about the large sums of money spent by public utilities in subsidizing the above-mentioned molders of public opinion, thanks to the Federal Trade Commission. It disclosed Dr. C. A. Eaton's program.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I regret I cannot yield just now. I am sorry that I have not the time.

Mr. McFARLANE. I just wanted to ask if this gentleman is the Member of the House from New Jersey by that name.
Mr. BLANTON. Oh, no! It is not our distinguished colleague from New Jersey, but a General Electric Co. official.

THE THREE STARVELING PROFESSIONS

I invite my colleagues to get part no. 71A, embracing 486 printed pages, of the Report of the Federal Trade Commission on Utility Corporations regarding their efforts to influence public opinion, made to the United States Senate in 1934, and part no. 81A of said report, 570 pages, printed in 1935 as Senate Document 92, Seventieth Congress, first session, and they will be astounded at the revelations disclosed.

On page 149, of part no. 71A, you will find that Dr. C. A. Eaton, who was at that time both president of the American Educational Association, and also manager of the industrial relations of one of the departments of the General Electric Co., at the N. E. L. A. convention of 1924, said:

In this country we are supposed to be governed by ideas; we live by the art of thinking. The three institutions that deal in ideas are the school, the church, and the press, and those are the three institutions that we persist in starving to death.

Dr. Eaton then called the school, the church, and the press "the three starveling professions", and he suggested that public utilities employ them and supplement their meager incomes and let them spread the gospel of good will in behalf of utilities. He suggested that when vacation time came for utilities to employ teachers and pay them a salary to learn the public-utility business, and they would teach it to the school children better than utilities could do it themselves.

MILLIONS OF DOLLARS SPENT IN SUBSIDIZING

These reports disclose how utilities spent millions of dollars in subsidizing the press through increasing many, many times their columns of advertising matter carried in newspapers all over the United States. These reports show how utilities spent millions of dollars making grants to universities, colleges, and schools throughout the United States and in paying salaries to numerous college professors and teachers, including Columbia University, Ohio State University, and scores of others scattered over the country. The Federal Trade Commission in such connection stated:

The activities of the public utilities in the schools were not based primarily upon any desire to aid in the general education of the youth of the country. Joe Carmichael, director of the Iowa committee on public-utility information, frankly admitted this in his testimony.

Commissioner McCullough asked Director Joe Carmichael the direct question: "The public utilities are going into the schools solely for the purpose of helping their business, aren't they?" and Director Carmichael frankly answered: "Yes."

These reports show that utilities even dared to go into the pulpits of our country and tried to subsidize some preachers by paying them salaries and honorariums for various services.

SUBSIDIZED UNIVERSITIES OF DR. CHARTERS, DR. COUNTS, AND DR. MERRIAM

From part 71-A, page 144, of said Federal Trade Commission's Report to the Senate on activities of utility corporations to subsidize universities, I quote the following from convention proceedings:

Mr. John C. Parker, chairman of the committee on educational institutions, said: "It has been felt wise to confine efforts to those aspects which affect most closely the economic and social relations of our industry. Much unsatisfactory work is being done in the schools through courses in political science in which supposed facts and false theories are being presented.

It was there shown that its 1928 committee included representatives from Columbia University, Chicago University, Ohio State University, University of Illinois, University of Washington, Michigan University, and University of Wisconsin.

ESTABLISHED PERSONAL CONTACT WITH EVERY UNIVERSITY, COLLEGE, NORMAL SCHOOL, AND JUNIOR COLLEGE

If you will look on page 150 of part 71-A of said report you will see that the Federal Trade Commission established the fact that public utilities arranged a personal contact with some teachers "in every university, college, normal school, and junior college in the United States" through putting such teachers on their pay roll in an attempt to mould and control public opinion.

THEN "ACADEMIC FREEDOM" BECAME THE HUE AND CRY

The John C. Parker committee on relationship with educational institutions which upon the suggestion of Samuel Insull and his brother, Martin Insull, was appointed in 1922, said that the universities must be very jealous of what is generally known as "academic freedom." That would help to ward off complaints and attacks. Chairman Sloan suggested the rewriting of school books. The committee warned that "Propagandists should be careful about rushing in where angels fear to tread", and for them "to conduct our newspaper publicity on the long-time basis." Chairman Gilchrist said: "We felt that the American people were exceedingly jealous of anything which was presented to the children in the schools, and would resent our attempt to use the medium of the schools." The committee said: "Work in the public schools must be done very carefully and tactfully to avoid attacks."

REPORT OF FEDERAL TRADE COMMISSION MOST VALUABLE

This report of the Federal Trade Commission on subtle, secret activities of utilities to control public opinion embraces almost 100 volumes. Instead of being called "Volume No. 1", and so forth, they are called "Part No. 1", and so forth. They are most comprehensive. For instance, part 42 has 1,023 printed pages; part 43 has 859 printed pages; part 50 has 1,196 printed pages; part 55, has 869 printed pages; part 60 has 980 printed pages.

SUBSIDIZING GRANTS TO COLUMBIA UNIVERSITY

You will find in part 25, part 35, part 51, part 64, part 71A, and part 81A the subsidizing grants made to Columbia University.

SUBSIDIZING GRANTS TO CHICAGO UNIVERSITY

In part 42, part 60, part 71A, part 79, and part 81A you will find the subsidizing grants made to Chicago University.

SUBSIDIZING GRANTS TO THE UNIVERSITY OF ILLINOIS

You will find in part 39, part 50, part 60, part 71A, and part 81A the subsidizing grants made to the University of

SUBSIDIZING GRANTS TO THE UNIVERSITY OF MICHIGAN

You will find in part 30, part 42, part 61, part 71A, and part 81A the subsidizing grants made to the University of Michigan

SUBSIDIZING GRANTS TO THE UNIVERSITY OF MINNESOTA

You will find in part 25, part 26, part 33, part 34, part 43, part 65, part 71A, and part 81A the subsidizing grants made to the University of Minnesota.

SUBSIDIZING GRANTS TO THE UNIVERSITY OF WISCONSIN

In part 33, part 34, part 42, part 60, part 65, part 71A, and part 81A you will find the subsidizing grants made to the University of Wisconsin.

SUBSIDIZING AUTHORS

In part 35, part 42, part 71A, and part 81A you will find how the public utilities were able to control the writings and books of authors.

SUBSIDIZING NEWSPAPERS

I hope that every Member of this Congress will carefully read the many volumes, and especially part 81A, of this most interesting report of the Federal Trade Commission, and therein learn the numerous newspapers scattered over the United States that deliberately were subsidized by public utilities with increased so-called advertising to control their news and editorial columns on matters vitally affecting the public.

THE WASHINGTON POST

Part 29, part 39, part 71A, part 78, and part 81A will show how the public utilities subsidized the Washington Post. If you will examine pages 543 and 544 of part 39, you will see the following check:

North American Light & Power Co., Chicago, September 13, 1927. Pay to the order of Washington Post, \$1,500. To the Central Trust Co. of Illinois, Chicago. Signed, North American Light & Power Co., by P. L. Smith, treasurer, and countersigned, R. W. Chase,

This check was endorsed on the back: "Pay to the order of American Security & Trust Co. of Washington, D. C., Washington Post Co.", and was cashed through the Riggs National Bank of Washington, D. C., on September 20, 1927.

On the books of the North American Light & Power Co., under date of October 4, 1927, there is a debit under "management expense" of \$1,500 paid to the Washington Post "for advertising." On page 544 of part 39 you will find how the Washington Post then proceeded to render value received for this \$1,500 by printing an editorial written in Chicago and a news item from Atlantic City, both furthering publicutilities activities.

WHY DOES WASHINGTON POST NOW SUPPORT "REDS"?

Some answer that if the Washington Post would write \$1,500 editorials and news items for utilities, why would it not do it for "reds?" Both subsidizations are equally bad. Others say that the present owner of the Washington Post surely cannot believe in communism, for he has gotten immensely rich off of the Government. Others contend that he is the same kind of a Jew that Karl Marx was, and, instead of printing quotations from Karl Marx, he has employed Karl Schriftgiesser to fill the Washington Post with communistic mouthings. Some say he was "born a kike" and cannot ever be a high-class Jew.

Some of the finest men we have in Congress are Jews, who are Members of outstanding ability and who have the respect and confidence of their colleagues. They are not ashamed of being Jews. They are proud of their lineage. Some of my close lifelong friends are Jews, and I have no religious prejudice. But it is reported that this newspaperman is ashamed that he is a Jew, that he does not like to be called a Jew, and, excepting a few very rich, prominent, and influ-

ential Jews whose favor he courts, he wants to associate only with Gentiles.

Regardless of the above, it is a fact that Eugene Meyer has employed Karl Schriftgiesser to write procommunistis news items and to publish unjust attacks in the Post upon Hon. George E. Sullivan, chairman of the special committee of the Federation of Citizens' Associations; upon Maj. Gen. Amos J. Fries, president of the District of Columbia Public School Association; upon the Daughters of the American Revolution; upon the American Legion, and myself, whom the Washington Post calls "the Nazi bloc", simply because we have been trying to eradicate communism from the Washington public schools.

"SUCH DISLOYAL HORSEPLAY IS DISGRACEFUL"

A distinguished New York citizen writes:

This morning I received from a friend in Washington, clipping from the March 26 issue of the Washington Post, reporting the broadcast of the National Education Association over a coast-to-coast hook-up, and I am greatly surprised that President Aylescoast hook-up, and I am greatly surprised that President Ayles-worth would allow such communistic propaganda to be sent out by the National Broadcasting Co. I have frequently remarked that the National Education Association broadcasts cannot continue 5 minutes before they turn decidedly "pink", although it disclaims furthering Marxism. It admits they broadcast propaganda in an attempt to repeal the law against teaching communism in schools, for in said broadcast it invited all listeners to—

attempt to repeat the law against teaching communism in schools, for in said broadcast it invited all listeners to—
"Write the National Education Association for further information on "the little red rider" and important steps taken by Congress toward its repeal."

Concerning this Washington Post report by its editor, Karl Schriftgiesser, of said N. E. A. broadcast, this New York citizen said that "such disloyal horseplay is disgraceful."

The following is quoted from said Washington Post article referred to by said New York citizen:

[From the Washington Post of Mar. 26, 1936]

RED RIDER ON RADIO By Karl Schriftgiesser

N. E. A. COMEDIANS AT WORK

The case of the little red rider, which not long ago was just a local issue, assumed Nation-wide status last night when it was kidded over a coast-to-coast hook-up known, aptly enough, as the red network of the National Broadcasting Co. All the key stations, I am told, were tuned in when, for a quarter of an hour, the comedians of the National Education Association turned on their pedantic wit upon the District's shame.

I do not know who was the author of the skit, The Little Red Rider, but I am sure he was not the fellow who did the continuity for the National Republic committee's series of electrical transcriptions broadcast over some of the minor stations awhile back. The N.E.A. broadcast rollicked through the absurdities of Washington life at a gay pace never attained by the elephantine micro-actors who, taking the part of Mary and John, were forced to live in sin because they could not afford to pay both taxes and the preacher

because they could not afford to pay both taxes and the preacher and took the patriotic way.

Accompanied by illiting music, including the strains of "The International", the N. E. A. quarter hour told, with commendable accuracy, the history of the enactment and subsequent imposition of the educational gag law for the repeal of which Representative FRED SISSON is risking his political future in upper New York State. After explaining what the red rider is and how it came about, the radio skit shifts to a scene in the schoolroom:

Teacher: We have finished chapter 18. We will take chapter 20.

Teacher: We have finished chapter 18. We will take chapter 20 tomorrow. Chapter 20 brings France down to the time of King Louis XIV. The court—

Mary: Teacher, aren't we going to study chapter 19 at all; this

one about Russia? Teacher: No, Mary

Mary: But the papers and magazines are full about Russia Teacher: I'm sorry, Mary, but we can't study about Russia.

George: We did study about Russia—back here on page—

Henry: Sure we did. About the czars.

George: Yes; about Peter the Great—the one who used to crack

down on people's heads with a cane when he was sore at 'em.

down on people's heads with a cane when he was sore at 'em.

But the teacher is adamant. She will allow no discussion of Russia in her class. But that afternoon, when the kids are gedunking in the local sugar bowl, they get to talking about Russia and all decide to read the censored chapter. Just then a stranger enters bearing pamphlets. I gathered he was rather dirty, the stage character for the Bolshevik. Anyway, he gets talking to the young Nordics with the trace of a foreign accent and starts telling them what a great guy a fellow named Stalin is.

Well, the children don't think much of the stranger it seems, but they take his books and pamphlets and go read them behind General Fries' barn. Next Saturday finds them at a meeting of the Young Communists' League, listening to an orator—who isn't very well up on his Marx and who sounded just like a character out of Joe Palooka—telling them how the Red Army some day will enforce the dictatorship of the proletariat.

I am sure that last night's program must have scared mothers and fathers from coast to coast. So perhaps they will do just what the NEA announcer then asked them to do, which is to petition Congress for the repeal of the little red rider, lest dirty strangers pass out pamphlets in ice-cream parlors the length and breadth of the land.

The National Education Association's broadcast was by far the most effective of several national efforts to aid the repeal of the "little red rider." Another, which has been widely mailed to teachers, is the current issue of the Journal of the Education Asso-

ciation of the District of Columbia.

The affair has now attained national attention, and if those now informed of the facts write or wire their Congressmen, even at the risk of being investigated by Senator Black, the resultant heat should smoke Congress into action behind Representative Sisson.

DESTRUCTION OF SEXUAL MORALITY ONE AIM OF COMMUNISM

Can Karl Schriftgiesser or Eugene Meyer give any explanation or excuse why, in reporting the above N. E. A. broadcast, used the expression:

Who, taking the part of Mary and John, were forced to live in sin because they could not afford to pay both taxes and preacher, and took the patriotic way.

They were scattering communistic propaganda. That is the only answer. You will find it almost daily in the Washington Post.

WHAT KIND OF PARENTS WANT DAUGHTERS TO READ THIS?

The Washington Post, Monday, March 30, 1936, on its front page under large headlines, Wants the Bare Facts About Nudist Job, carried the following article:

FORT MYERS, FLA., Mar. 29 .- Pretty brunette Florence Fritz, first FORT MYERS, FLA., Mar. 29.—Pretty brunette Florence Fritz, first applicant for the job of stenographer for a Tampa nudist society, told her prospective boss she "could not conceive of an intelligent secretary in the nude, working on a typewriter." She added, however, she was willing to be convinced.

Declaring in her letter she was maintaining an open mind on nudism, the tall, comely business girl wrote to the leader of the American Gymnosophical Society as follows:

"Dear Brother Soshinski: I should particularly like to know if it is mandatory upon the members to go in the nude, as I cannot

it is mandatory upon the members to go in the nude, as I cannot conceive of an intelligent secretary, in the nude, working on a typewriter, but I am willing to be convinced and shall await your

ENDEAVORING TO MAKE YOUNG GIRLS THINK SUCH PRACTICES ALL RIGHT

The Washington Post again on Wednesday, April 1, 1936, under big headlines, Typist for Nudists Starts on Duties, carried the following:

TAMPA, Fla., Mar. 31.—Helene Hardy today was a full-fledged nudist stenographer under the shade of a moss-laden oak tree on the shore of Lake Thonotassa, with nature's raiment as her "office

A typewriter mounted on a table in the wide out-of-doors constituted the office furniture for the slender, 25-year-old brunette. She was an employee and nudist member of the American Gymnosophical Association, which means "nudist colony" in practical application.

Some days ago Herman Soshinski, director of the nudist group at Lake Thonotossa, advertised for a stenographer who would subscribe to the nudist ideas. Yesterday he found 60 young women applying for the one job he had to offer.

TIME MARCHES ON

A dozen years ago an attempt was made to have the Government spend \$60,000,000 to build a power plant at Great Falls. Mr. Fred Zihlman, later chairman of the Committee on the District of Columbia, who was trying to put the bill across, claimed that it would cost only \$44,421,000, but in the extensive hearings I proved conclusively that it would cost as much as \$60,000,000, and most probably \$80,000,000. fought it for 2 years, and when the committee reported it favorably, I filed in the House on February 5, 1925, a 25-page minority report against it, being Report 1247, part 2, Sixtyeighth Congress, second session, and we finally succeeded in killing it. I contended all along that the big utilities were behind it, but at that time I could not get the positive proof.

All of the Washington newspapers were fighting for it daily, and published many victous articles against me for opposing it. At last the Federal Trade Commission has furnished the proof. On page 428 of part 65 of the said Federal Trade Commission's report on utilities, you will find the following two very interesting letters:

WASHINGTON, D. C., May 9, 1924.

Mr. A. W. Flor,

Electric Bond & Share Co., New York.

DEAR Mr. Flor: I thought it advisable, as long as you are specially interested in this development of Great Falls project, to look into it further today. The bill was introduced on the House

side by Mr. Zihlman of Maryland, and hearings began on that bill today before a subcommittee of the District of Columbia of the House. I enclose you a copy of the Zihlman bill, as well as extracts from the Washington papers. These hearings will be extensively reported in the local papers, and I will send the clippings to you each night. to you each night.

As I pointed out to you on the telephone yesterday, the present difficulty with these bills is that they do not make any appropriation; they are merely authorizations. I remember that it was the intention to add an appropriation to the Army appropriation bill, but that bill has passed the House long ago, and I presume, if it is the intention really to begin work on this project, it will be necessary to get an appropriation in a deficiency bill.

The classic document on the whole situations.

The classic document on the whole situation, as I remember it, is the so-called Tyler report. That is out of print, but if I am not mistaken I have a copy of it in my library at home, and will try to send it to you.

Yours sincerely,

WINGROVE BATHON.

WAS ELECTRIC BOND & SHARE CO. RUNNING CONGRESS?

Who gave its lobbyist authority to speak with such assurance? How did he know that the hearings would be extensively reported each day in all the Washington newspapers? Were bills prepared and introduced according to their intentions? Could they at will put \$44,000,000 items in the Army appropriation bill? Could they at will put \$44,000,000 items in deficiency bills?

STORIES WILL BE SPECIALED IN WASHINGTON NEWSPAPERS

The following is the reply of the Electric Bond & Share Co. to its lobbyist:

NEW YORK, May 10, 1924.

Mr. WINGROVE BATHON.

Mr. Wingrove Bathon,

National Savings and Trust Building, Washington, D. C.

Dear Mr. Bathon: Your letter of yesterday with reference to the Great Falls situation has just arrived. It serves Mr. Silliman's purpose very well, and we thank you for it. The New York papers will probably give but little, if any, mention to the hearings now in progress on this matter. The stories will probably be "specialed", more or less, in the Washington papers, and any clippings from those papers therefore, will be appreciated.

Yours very truly.

Yours very truly,

A. W. FLOR.

HEARINGS EMBRACED 242 PRINTED PAGES

If my colleagues will look on page 207 they will see that I proved by an expert engineer that even if the Government spent \$100,000,000 on this project, it would not give the people any benefit, or anything more than they then had. As this scheme is still slumbering, it may be worth while to quote a few paragraphs from the hearings:

Mr. Blanton. There is no use of creating a tremendous power by reservoirs and dams unless you can use it advantageously?

Major O'Connor. That is right.

Mr. Blanton. The estimated cost is a total of \$44,421,000. It could be that this project could cost 50 percent more? Might not that occur?

Major O'Connor. Well, of course, we cannot say.
Mr. Blanton. There is an expert engineer here in Washington who claims that this might cost \$80,000,000.
Major O'Connor. Well, that is a kind of hard question to

Mr. BLANTON. The Potomac Electric Power Co. owns this site at Great Falls?

Great Falls?

Major O'CONNOR. Yes, sir.

Mr. BLANTON. It paid \$400,000 for it?

Major O'CONNOR. Yes, sir.

Mr. BLANTON. And immediately after paying \$400,000 it entered it up on its books as worth \$1,000,000?

Major O'CONNOR. Yes, sir.

Mr. BLANTON. And it would probably ask the United States Government \$1,000,000 for it or more?

Major O'CONNOR. Yes; it is fair to assume that.

Mr. BLANTON. And possibly more?

Major O'CONNOR. Well, I do not know—yes, sir.

Mr. Zihlman. Will you please state your name and occupation?
Mr. Leighton. M. O. Leighton; I am a water-power engineer.
Mr. Zihlman. Located at New York?
Mr. Leighton. At present, yes; although my legal domicile is in Washington, and I have lived here for 22 years and have an office in Washington.

Mr. Blanton. You are familiar, of course, with the country surrounding this entire site, from Great Falls down to Chain Bridge?
Mr. Leighton. Oh, yes. I have almost crawled over it on my hands and knees.

Mr. Blanton. Your total figures are \$57,700,000 against the Tyler report of \$44,421,000?

Mr. Leighton. Yes; 30 percent more.

Mr. Blanton. You would say as an expert engineer that to be safe for your client if you were passing on this project as a feas-

ible undertaking, you would recommend that they not undertake this for less than \$60,000,000.

Mr. Leighton. I would advise financing on that basis. Question. What do you mean by your organization? Answer. The Electric Bond & Share Co.

Question. You are connected with them?

Question. You are connected with them?

Answer. Yes.

Question. And you are one of the engineers?

Answer. I am one of the boys.

Question. How many engineers have you, more than one?

Answer. Oh, I think all together we have about 1,500.

Question. I misunderstood you. Is this a corporation you are speaking of?

Answer. Yes; a management and construction corporation. Question. If it has 1,500 engineers, it must be the largest in

Answer. It is of that type. The properties that are operated and managed by that corporation supply a population of about 8,000,000 people.

Mr. BLANTON. What is the highest salary the Potomac Electric Power Co. pays? Mr. Ham. \$15,000.

Mr. BLANTON. This is to the president?

Mr. Ham. Yes. Mr. Blanton. What is the highest salary that the Washington

Mr. Blanton. What is the ingless salary that the Washington Railway & Electric Co. pays?

Mr. Ham. \$10,000 to the same president.

Mr. Blanton. Then the two companies pay \$25,000 to one man?

Mr. Ham. Yes, sir.

Mr. Blanton. And the two companies are really owned by one

ompany?
Mr. Ham. Yes.
Mr. Blanton. Same stockholders?
Mr. Ham. All the stock of the Potomac Electric Power Co. is owned by the Washington Railway & Electric Co.
Mr. Blanton. How many subsidiary companies are there that

are owned by these two companies or either of them?

Mr. HAM. Eight or ten.

Mr. BLANTON. Are you the president of all of them?

Mr. HAM. Yes.

Mr. Blanton. You are president of 8 or 10 subsidiary com-

Mr. HAM. Yes.

Mr. Ham showed that his railway-power company here was paying him \$25,000, his vice president \$12,000, his comptroller \$7,500, his manager \$7,000, his secretary \$6,000, one attorney \$6,000, another attorney \$5,500, and his engineer \$5,500, salaries per annum.

COMMUNISTS COMMUNIZE TEACHERS; THEN TEACHERS GET FUNDS FROM FOUNDATIONS

The Twentieth Century Fund, Inc., of New York City, one of its directors being Hon. Newton D. Baker, former Secretary of War, in reporting its investigations of American foundations, in its booklet published in 1931 entitled "American Foundations and Their Fields", named the 20 largest foundations, and stated that gifts had been given in support of institutions or projects concerned with what are usually known as the social sciences. I quote from it the following:

The twenty largest foundations

Ran	k. Name	Capital
1	Carnegie Corporation of New York	\$159,860,783
2	Rockefeller Foundation	147, 373, 921
3	General Education Board	93, 936, 152
4	Duke Endowment	50,000,000
5	Comonwealth Fund	42, 950, 712
6	Carnegie Institution of Washington	33, 714, 249
7	Carnegie Foundation for the Advancement of	
	Teaching	- 31, 533, 177
8	Altman Foundation	30,000,000
. 9	Russell Sage Foundation	15,000,000
10	M. and L. Guggenheim Foundation	14, 140, 000
11	Julius Rosenwald Fund	13, 711, 295
12	Buhl Foundation	12, 483, 151
13	Carnegie Endowment for International Peace	12, 084, 419
14	Juilliard Musical Foundation	12,000,000
15	Milbank Memorial Fund	10, 702, 093
16	Children's Fund of Michigan	10, 098, 113
17	Maurice and Laura Falk Foundation	10,000,000
18	Spelman Fund	9, 452, 397
19	New York Community Trust	8, 672, 382
20	Cranbrook Foundation	7, 846, 985
	Total of 20 largest foundations	725, 559, 829

"RED" UNIVERSITY PROFESSORS HAVE MISUSED ABOVE FUNDS

Without disclosing or having their intentions known, some subversive organizations and "red" university professors have been getting large grants from the above foundations, which they have used in trying to communize the universities, col-

leges, and schools of the United States. Large sums have been paid to influence teachers. Large sums have been paid to influence some preachers. Large sums have been paid to influence authors to write books of communistic propaganda. Large sums have been paid to newspapers to give publicity to communistic propaganda.

THE COMMISSION ON THE SOCIAL STUDIES

On page vii of the preface of his A Charter for the Social Sciences (a product from said commission), Dr. Charles A. Beard tells us how the commission on the social studies was appointed and financed. I quote:

The council of the American Historical Association was now asked to sponsor this undertaking. The authorities of the Commonwealth fund expressed an interest in the proposal and appropriated a sum to cover the preparation of a definite plan for such investigation.

such investigation.

In the fall of 1927 the Carnegie Corporation made an appropriation to permit the recasting of this plan into "working drawings." At the annual meeting of the American Historical Association held in Washington, D. C., December 1928, it was announced that the Carnegie Corporation had appropriated the funds (\$300,000) necessary to undertake the investigation. The council at the same time nominated the personnel of the commission to direct this investigation. The commission began its work in January 1929. The commission will end its work in December 1933.

WORKED TOGETHER 5 YEARS ON PLAN TO COMMUNIZE SCHOOLS

The commission on the social studies, which worked together 5 years, beginning in January 1929 and ending in December 1933, is so very important regarding the attempted indoctrination of communism in the Washington public schools, that I want my colleagues to watch closely how their subtle scheme slowly unfolds like a magnolia bud. When this commission was first appointed among its members were Dr. Frank W. Ballou, Superintendent of Schools, Washington, D. C.; Dr. Charles A. Beard, formerly professor of politics, Columbia University; Ada Comstock, president of Radcliffe College; Dr. George S. Counts, professor Teachers College, Columbia University; Carleton J. H. Hayes, professor, Columbia University; and Charles E. Merriam, professor, Chicago University.

Since on page x of the preface to his Charter for the Social Sciences, Dr. Charles A. Beard states that on a subcommittee for the consideration of objectives, Dr. Harold O. Rugg was appointed, I add his name to the list, he being one of the editors of the communistic magazine Scholastic. And since Dr. W. W. Charters is mentioned by the commission in its final conclusions as having rendered to them very great assistance, I add his name to the list, he being the president of the Ohio University, and the one Dr. Ballou thereafter selected and placed in charge of character education to guide in the Washington schools. For 5 years Dr. Frank W. Ballou was secretary for the said commission on the social studies. He was the chairman of one of its important committees. And since Dr. Ballou selected Dr. Charles R. Mann to assist Dr. W. W. Charters in putting over his misnamed character education on the unsuspecting school children of Washington, we will now see how many of the above intimate workers and collaborators of Dr. Ballou are radicals and have their names in the Communist Who's Who.

Mrs. O'DAY. Mr. Chairman, will the gentleman yield? Mr. BLANTON. I am sorry; I cannot. I have not the

IS IT NOT STRANGE THAT ALL OF THE ABOVE ARE RADICALS?

I will now quote from Mrs. Elizabeth Dilling's The Red Network, a Who's Who of Radicalism, giving the names and background of the radicals-Dr. Ballou's close associateswho belong to communistic organizations in the United

DR. CHARLES A. BEARD, "RADICAL"

The Red Network, in its Who's Who in Radicalism, embraces Dr. Charles A. Beard "a college professor", and states that_

He is a supporter of the radical Rand School.

ADA COMSTOCK, "RADICAL"

The Red Network, in its Who's Who in Radicalism, embraces Ada Comstock, described asPresident of Radcliffe College; a member of the National Citizens Committee on Relations with Latin America, echoing the communistic A. A. A. I.; member of Open Road and an affiliate of communistic Intourist (Soviet Government travel agency), the V. O. K. S.; and signer of petition for Russian recognition.

DR. GEORGE S. COUNTS, "RADICAL"

The Red Network, in its Who's Who in Radicalism, embraces Dr. George S. Counts, described as-

Professor, Teachers' College, Columbia University, showing membership in, and relationship to, and author of, various communistic organizations and communistic books.

Which require about one-fourth of a column to list all of same.

CARLETON J. H. HAYES, "RADICAL"

The Red Network, in its Who's Who in Radicalism, embraces Carleton J. H. Hayes, described as-

Professor, Columbia University, showing membership in, and relationship to, and author of, various communistic organizations and communistic books.

Which require about one-fourth of a column to list all of same, and says that-

At a meeting of the Communists on militarism in education he sneered at patriotic observances and at respect of Old Glory and the Liberty Bell, which he called "the religion of nationalism" and the "cult for worship of the flag."

Capt. George L. Darte at that time described Hayes as "one who raises the 'red' flag in time of peace and the 'white' flag in time

CHARLES E. MERRIAM, "RADICAL"

The Red Network, in its Who's Who in Radicalism, embraces Charles E. Merriam, described as-

Professor, University of Chicago, showing membership in, and relationship to, and author of, various communistic organizations and communistic books.

Which require about one-fourth of a column to list all of same, and states:

In the University of Chicago Daily Maroon, May 17, 1933, he referred to the proposed Baker bills to prevent teaching of sedition in the Illinois schools as "another monkey law."

DR. HAROLD O. RUGG, "RADICAL"

The Red Network, in its Who's Who in Radicalism, embraces Harold Rugg, described as-

Professor, Columbia University. His growing pro-Soviet eulogies are quoted at length in the communistic Daily Worker, which, on December 5, 1933, quoted from one of Harold Ruggs' speeches the

following: "Today 6,000,000 young Russians in the Communist Youth Organization are making a fine, constructive contribution to the con-struction of a new social order."

Harold Ruggs' reference is to the Russian Comsomols (Young Communist League), which are building for world bloody class hate and revolution, destruction of religion and family life.

DR. CHARLES R. MANN, "RADICAL"; DR. W. W. CHARTERS, "RADICAL"; DR. STEPHEN DUGGAN, "RADICAL"; DR. JOHN DEWEY, "RADICAL"

In her book The Red Network, a who's who of radicalism, on page 255, Mrs. Elizabeth Dilling calls attention to the printed announcements of the Moscow University in Russia for its summer school of 1934, made through the Anglo-American Institute of the First Moscow University, announcing a Communist summer school in Moscow, Russia, conducted in conjunction with American educators, from which I quote the following:

The Anglo-American Institute will offer at the First Moscow University, during the summer of 1934, a variety of courses as a means of furthering cultural contacts between American and Russian teachers and students. All instruction is in English, un-

Russian teachers and students. All instruction is in English, under the direction of a faculty of Soviet professors and specialists, with an advisory staff of American instructors. Moscow University certifies academic credit for foreign students.

National advisory council [embraces]: W. W. Charters, Ohio State University; George S. Counts, Teachers College, Columbia University; John Dewey, Columbia University; Stephen Duggan, director, Institute of International Education; Charles H. Judd, Teachers College, Col. dean, University of Chicago; I. L. Kandel, Teachers College, Columbia University; Charles R. Mann, director, A. C. on E.; William F. Russell, dean, Teachers College, Columbia University.

OVER 200 UNITED STATES TEACHERS AND STUDENTS ATTENDED MOSCOW UNIVERSITY, RUSSIA, IN 1934

You will note that excluding Stephen Duggan, who helped them organize it, Dr. W. W. Charters, of Ohio University; Dr. Charles H. Judd, of Chicago University; and Dr. Charles R. Mann, the other above-mentioned organizers of this Mos-

cow, Russia, training for American teachers, all hail from the Columbia University. They pronounced their first summer session in Moscow, Russia, in 1934, as a success. Over 200 teachers and students from the United States attended. I quote from the Washington Star, August 16, 1934, under big headlines, Americans Finish Moscow Studies, and with subheadlines that A Majority of the 200 United States Students and Professors Are Believers, the following news item sent by special cable:

Moscow, August 15, 1934.—The first intensive session of the Anglo-American Institute of the first Moscow University conducted here closed last night. Examinations over, the student body, composed of 200 American students, teachers, and professors from the principal colleges and universities of the United States, left Moscow tonight. Explained Professor Pinkevich, we are carefully studying the experiences of capitalistic countries like the United States. We believe the thing to learn from us. We believe the time has come when America has some-

Among the student body are 57 with the degree of B. A., 40 with M. A., 11 with Ph. D., and 7 with M. D. The great majority are ardent believers in the Soviet program. The institute grew out of the experiment conducted here last summer by Irving V. Sollins, formerly a New York teacher, member of the Anglo-American Institute, now in the employ of the first Moscow University.

DR. CHARTERS IN SYMPATHY WITH DR. DUGGAN

In a telegram sent by him to the Washington Herald on February 20, 1935, Dr. W. W. Charters said:

I satisfied myself about summer school University of Moscow here American travelers would get more accurate picture of Soviet educational system.

And Dr. Charters admits that he received a letter from Dr. Stephen Duggan stating:

The recognition of Russia by the United States Government removes the last barrier to complete cultural cooperation between Russia and the United States. There has already been founded the Anglo-American Institute of the First Moscow University.

The Anglo-American Institute will next year have a summer session at the First Moscow University, at which courses will be given in English, primarily for teachers and students. A bulletin will be issued shortly descriptive of these courses.

My object in writing you now is to inform you that I am organizing an advisory council to assist * * * the Anglo-American Institute. I am hoping that you are in sympathy with the purpose of the activity, and if so, that you will be willing to serve on the advisory council.

And Dr. W. W. Charters admits that he replied, and accepted, and furnishes his reply, which is as follows:

COLUMBUS, OHIO, December 13, 1933.

Dr. STEPHEN DUGGAN.

Institute of International Education, Inc.,

2 West Forty-fifth Street, New York City.

DEAR DR. DUGGAN: I shall be glad to serve as a member of your advisory council.

Very cordially yours,

W. W. CHARTERS.

"OF MOSCOW." DR. W. W. CHARTERS WAS "IN SYMPATHY"

Please remember that in Dr. Stephen Duggan's letter to Dr. Charters he said: "The Anglo-American Institute of the First Moscow University." It was "of Moscow" and not "of United States." And Duggan said: "I am hoping that you are in sympathy." And Dr. W. W. Charters was "in sympathy", for without hesitation he said: "I shall be glad to serve." He cannot now hide behind the flimsy excuse that he "has never been in Russia." He did not have to go to Russia to do damage. What he did here, did do damage, for he allowed his name to head the list of the "advisory council" on all of the literature immediately gotten out by the Moscow University, in Russia, to induce American professors and students to attend this summer session of 1934 in Moscow, and was responsible for the indoctrination of 200 teachers and students from the United States with soviet poison, for remember the Washington Star on August 16, 1934, stated that: "The great majority of them left Russia ardent believers in the soviet program." Dr. W. W. Charters is responsible.

The name W. W. Charters stands at the top of the list of the "advisory council" on all of the literature and advertisements of this Moscow University. Then following his name are: George S. Counts, John Dewey, Stephen Duggan, Charles H. Judd, I. L. Kandel, Charles R. Mann, and a lot of other communistic sympathizers and promoters.

MOSCOW PROSPECTUS FOR SUMMER SCHOOL OF 1935

On the very elaborate prospectus gotten out by the Moscow University for its succeeding summer school of 1935 all of the above names appeared as the "advisory council": W. W. Charters, George S. Counts, John Dewey, Stephens Duggan, Charles H. Judd, I. L. Kandel, and Charles R. Mann. With Dr. W. W. Charters heading the list, all of their names appeared on all of the extensive advertising matter, documents, and letterheads gotten out by the Moscow University for its summer school of 1935, with "Moscow University" at the top of them all.

APPEALING LETTER URGING ATTENDANCE

On April 27, 1935, an appealing letter (no. 2) was prepared and mailed to college professors and teachers over the United States, on letterhead of "Moscow State University Summer Session", and this letterhead embraced the names of W. W. Charters, George S. Counts, John Dewey, Stephen Duggan, Charles H. Judd, I. L. Kandel, and Charles R. Mann as the advisory council, from one of which such letters I quote:

You have previously received our letter, together with information concerning attendance at the Moscow University summer school. Do you at this time need additional information or assistance in completing your school enrollment or travel arrangements?

The 1934 session of the Moscow summer school enrolled American students 100 percent in excess of our expecations. For 1935 we have decided to limit enrollment to 500 students. This quota is rapidly being filled. While registrations are accepted as late as June, it is advisable to enroll early in order to avoid the necessity of paying cable fees to secure equiet view. of paying cable fees to secure soviet visa.

There is no age limit or professional requirement for attendance at the Moscow University summer school. Its student body has one common characteristic—a sincere interest in studying the various trends and aspects of the new life in the Soviet Union. The applications we now have are from professors, social workers, physicians, college students, teachers, and school administrators. Will you kindly fill out the enclosed prepaid post card?

PROPOSED 1935 SUMMER SCHOOL MET OBSTACLES

With the above letter was sent to each of said teachers and students solicited to attend the Moscow University 1935 summer school a list of 24 books on communistic propaganda by such "red" authors as Stalin, Yakovliev, Lenin, Pokrovsky, Grinko, Semashko, and George S. Counts.

Note that such letter was the second one written urging enrollment. All of such letters carried on the letterheads the names of Dr. W. W. Charters and Dr. Charles R. Mann. Is it not almost incomprehensible that they, Dr. W. W. Charters and Dr. Charles R. Mann, were selected by Dr. Frank W. Ballou and the Board of Education to be placed in charge of character education in the Washington schools? were they, of all others, selected? Was it premeditated? Was it accidental? Did it just so happen? Or was it carefully and studiously planned, mapped out, arranged, and executed through preconcert? Remember what Abraham Lincoln said about "preconcert." I will shortly convince you that it was hatched in the "commission on the social studies" during the 5 years that Dr. Ballou, Dr. Counts, Dr. Beard, and Dr. Charters were working together preparing their "conclusions" on their "new philosophy" and their "new social order."

The main thing that queered and stopped the Moscow University 1935 summer school, at which the said letter written by Dr. W. W. Charters' and Dr. Charles R. Mann's "council" announced they would have 500 American college professors and teachers enrolled, was that, following the hearings our subcommittee conducted in December 1934, wherein Dr. Ballou had testified that what he was trying to do was "to establish a new philosophy of education", and that it was necessary for him "to change fundamentally the philosophy of education of his 2,900 teachers" before he could have character education in his schools, the reason for the action of our subcommittee in refusing to allow Dr. Ballou his requested \$87,540 as a second annual appropriation for character education was told here and there and published here and there, until the "fear of God" was put into the hearts of many teachers and they refused to enroll, and the Moscow University learned that their plan of "indoctrinating American teachers" had been found out; so it

got cold feet as it learned that many good Americans were demanding that our recognition of Russia be withdrawn and that we cease to recognize Russia, so that knocked into a cocked hat Russia's Moscow University 1935 summer school.

SOME OF DR. BALLOU'S ADMISSIONS

Regarding this proposed Moscow University 1935 summer session that was called off and not held, I quote the following from our hearings:

Mr. Blanton. Doctor, have you ever seen the printed prospectus of the 1935 summer course of the Moscow University?

Dr. Ballou. Yes, sir. Mr. Blanton. That has been shown all over the United States?

Mr. Blanton. Trying to get teachers and students to come there and take the summer course in Moscow, Russia?

Dr. Ballou. Yes, sir.
Mr. Blanton. Have you got one of those prospectuses?
Dr. Ballou. I have one in my office.
Mr. Blanton. Would you mind sending it to us?
Mr. Ballou. I would be glad to exhibit it to you. I have only one copy.

Mr. Blanton. Will you exhibit it to us in the morning?

Mr. Blanton. Will you exhibit it to us in the morning?
Dr. Ballou. Yes.
Mr. Blanton. You will kindly bring it to us in the morning.
Thank you very much.
Dr. Ballou. Now, two things: At the head of that advisory committee, on that same page which I have in my mind, and which I will exhibit to you tomorrow morning, are the names of Dr. George S. Counts and Dr. Heber Harper, who were to teach in Moscow University and they were so designated as teachers in Moscow University. But the others, the advisory committee, made up of President Hutchins, of the University of Chicago, Dr. Charles R. Mann, of the American Council on Education, and a large number of other leading American educators—that pamphlet does not show that they were teaching or intending to teach in that university.
Mr. Blanton. But it was intended that he, George S. Counts, was

Mr. Blanton. But it was intended that he, George S. Counts, was

to teach?

Dr. Ballou. He was listed as one of the teachers.

Mr. Johnson. Who is Dr. Duggan?

Dr. Ballou. Dr. Duggan is director of this institute which has charge of this program, and is the one who organized this advisory committee and selected it himself, this advisory committee to which the chairman of the committee has referred, and on which advisory

committee Dr. W. W. Charter's name appears.

Mr. Blanton. Doctor, right there, is it not a fact that Moscow University abandoned its 1935 summer course because there was a lot of criticism raised in the United States against this institute, and the institute withdrew its support of this program? Isn't that

Dr. Ballou. I do not know it to be a fact, sir, but that is accord-

ing to my information.

Mr. Johnson. The withdrawal came just before the summer ssion began.

Mr. Blanton. How did the withdrawal come to be made?

Dr. Ballou. The University of Moscow authorities did not make any satisfactory explanation for their withdrawal of the faculty from Moscow University which was supposed to offer instruction to students of American and English institutions. That is according to Dr. Duggan's statement in a letter on that subject.

Mr. Johnson. Do you know what instruction they proposed to give them at Moscow University?

give them at Moscow University?

Dr. Ballou. A complete program of the summer course was listed in this circular to which the chairman has previously referred.

DR. BALLOU WAS NOT IGNORANT OF THE SITUATION

Dr. Ballou's Board of Education claimed that none of its members knew of Dr. Charters' and of Dr. Charles R. Mann's connection with the Moscow University summer schools. But Dr. Ballou himself knew all about it. He knew that their names appeared on all of the advertising literature and on all of the prospectuses, and that they were allowing their names, scattered broadcast over the United States, to induce college professors and public-school teachers to enroll in Moscow University. It was just as reprehensible for Dr. Charters to "pimp" in the United States for Moscow University in helping to send it the victims as it was for Dr. George S. Counts to "pimp" for Moscow University in helping to indoctrinate the victims after they reached Russia.

FROM DR. BALLOU'S OWN PRIVATE COPY

Are you aware, Doctor, that this same George S. Counts is likewise listed in that printed volume of the Moscow State University that I asked you to present to the committee this morning?

Dr. Ballou. I am, sir.

Mr. Blanton. Did you bring that with you?

Dr. Ballou. Yes, sir.

Mr. Blanton. Will you let me have it, please?

Dr. Ballou. I thought that you would perhaps give me the privilege of presenting the material which the committee asked me to present yesterday. This is the only copy that I have.

Mr. Blanton. We shall give this back to you, Doctor.

This copy which I get from Dr. Frank W. Ballou has on the front

page of it the following:
"Moscow State University, summer session (Anglo-American section), 1935, July 16 to August 25, Moscow, U. S. S. R.; American Representative, Intourist, Inc., educational department, 545 Fifth Avenue, New York, N. Y."

On the first inside page I read as follows:

"Moscow University—Summer Session

"(Anglo-American Section)

"American Advisory Organization: Institute of International Education, Inc. Advisers: George S. Counts and Heber Harper

"NATIONAL ADVISORY COUNCIL

"W. W. Charters, director, Bureau of Educational Research, Ohio State University.

"Harry Woodburn Chase, chancellor of New York University.
"George S. Counts, professor of education, Teachers College,
Columbia University.

"John Dewey, professor emeritus of philosophy, Columbia University

"Stephen Duggan, director, Institute of International Education.
"Charles H. Judd, dean, School of Education, University of Chicago.

"I. L. Kandel, professor of education, Teachers College, Columbia

University.

"Charles R. Mann, director, American Council on Education.

"William F. Russell, dean, Teachers College, Columbia University.

"H. W. Tyler, general secretary, American Association of Uni-

versity Professors

"The tremendous progress of the Soviet Union in the cultural The tremendous progress of the Soviet Union in the cultural field creates for Americans an unequaled observation ground for education, psychology, and the social sciences. The Soviet Union presents a unique opportunity for the study of the processes of cultural change. The first and second 5-year plans, by creating the foundations of a planned national economy, have brought about a complete reconstruction in the social attitudes and behavior of the Russian people.

"From a backward and illiterate country, the Union of Soviet Socialist Republics has been transformed into a modern industrial nation. Illiteracy has been almost abolished. The Soviet Union possesses the most progressive system of public education, extensively making use of the best achievements of international pedagogy. Soviet policy in social welfare, the care of mothers and children, the reeducation and redirection of lawless elements, and in other fields, presents a provocative challenge to students on all levels. levels

"PURPOSE

"Moscow University summer session conducts an Anglo-American Moscow University summer session conducts an Angio-American section, open to all academically qualified foreigners who are interested in the cultural and educational aspects of life in the Soviet Union. Instruction is in the English language by an all-Soviet faculty of professors and specialists. The State University of Moscow certifies academic credit to those foreign students meeting the cow certifies academic credit to those foreign students meeting the requirements of the university and completing a course of study in its Anglo-American section. The director of the Moscow University summer session is a Soviet educator. The summer session is officially an organizational part of the Moscow State University.

"To facilitate still closer rapprochement, each year several American educators are invited to Moscow as resident advisers to the summer session. Dr. George S. Counts and Dr. Heber Harper, professors of education, Teachers College, Columbia University, will act as advisers during the summer session of 1935.

"The Moscow University summer session is sponsored in the Soviet Union by the Peoples' Commissariat of Education of the Russian Socialist Federated Soviet Republics; by VOKS, the All-Union Society for Cultural Relations with Foreign Countries; and by Intourist, the state travel company of the Union of Soviet Socialist Republics. Intourist, through its educational department, will supply information to persons interested.

"Moscow University will offer, in its Anglo-American section, during the summer of 1935 a variety of courses to serve as a means of furthering cultural contacts between American and Russian teachers and students.

teachers and students.

teachers and students.

"An elementary course, presenting and describing the basic ideas and institutions of Soviet society. Beginning with a brief historical account, the course will present in simple terms the theory and practice of socialist construction. Among the topics included in the course are: The theories underlying the Soviet state; the organization of the government and the Soviet economy; the program of educational and cultural advance; the relation of the individual to the family and to other social groups; the question of the village and the collectivization of agriculture; and the solution of the problem of national minorities. The course is intended as a general survey of Soviet life. a general survey of Soviet life.

ACADEMIC CREDIT

"The Moscow University summer session certifies foreign students for full academic credit at the University of Moscow. The student may offer the certificate of attendance and credit issued student may offer the certificate of attendance and credit issued by the University of Moscow to the faculty of the American college or university at which he is regularly enrolled for evaluation and recognition in accordance with the policies and procedures of the institution. In order to assist in the evaluation of credit, the director of the Moscow University summer session will provide the dean, faculty adviser, or other administrative official with a full academic description of courses and of the progress in work of each

student. The minimum university credit possible is two points

and the maximum is six points (semester units).

"New York City school teachers may offer the certificates issued by the University of Moscow to meet the requirements for annual salary increment (alertness credit)."

COLUMBIA UNIVERSITY PROFESSORS ON MOSCOW PAY ROLL

You will note that Moscow University advertised that Dr. George S. Counts and Dr. Heber Harper, of Teachers College, Columbia University, would teach in Moscow.

DR. FRANK W. BALLOU FOOLED WASHINGTON

The Washington Herald, June 26, 1935, under big headlines "Schools begin experiment in new teaching" said:

Under the leadership of three distinguished authorities on education the cogs of the District's far-flung character-education experiment was formally set in motion yesterday.

It will be in charge of Dr. W. W. Charters, of Ohio State University, Dr. Ben D. Wood, of Columbia University, and Dr. Charles R. Mann, director of the American Council on Education.

All three have been retained by the Board of Education as consultants, and will be paid \$50 a day.

It was first endorsed as a necessary addition to school curriculum by Dr. Frank W. Ballou, after Senator COPELAND, of New York, had gathered startling facts through his Senate Crime Committee.

W. W. Charters and Charles R. Mann are in "Red Network" as radicals, connected with the Moscow University, and Ben D. Wood assisted Counts and Beard's "Commission."

DID THE SENATE CRIME COMMITTEE START IT? LET'S SEE!

In his New York speech, November 1, 1934, titled "The Washington Experiment in Character Education", Dr. Frank W. Ballou said:

The character-education experiment which we are inaugurating in Washington owes its inception to Senator ROYAL S. COPELAND, of New York, and * * * grew out of the investigation of crime conducted by a committee of the United States Senate." (Hearings, p. 523, December 1934.)

DR. CHARTERS SAID IN OCTOBER 1934 IT WAS RESULT OF 5 YEARS' STUDY BY DR. BALLOU AND HIS TEACHING CORPS

In his article entitled "The COPELAND Experiment in the District of Columbia" in the October 1934 issue of the Educational Record, published by the American Council on Education, Dr. W. W. Charters, who was its chosen guide,

Washington was selected for this study partly because it was a convenient location, partly because Dr. Frank W. Ballou and the Board of Education are enthusiastic about the project, and partly because the teaching corps of the city has been working upon the problem for the last 5 years.

When Dr. Charters said, "Washington was selected for this study partly because it was a convenient location", that meant that outsiders did the selecting. Somebody outside of Washington selected Washington because it was convenient to them. When Dr. Charters said that it was because Dr. Ballou and his teaching corps had been working "for the last 5 years" on this "experiment", or "project", or "study", by all of which three names he called it within 1 minute of time, he did not realize that that "5 years", before October 1934, was the same "5 years" that he has been of such great assistance to Dr. Frank W. Ballou, Dr. George S. Counts, and Dr. Charles A. Beard while they were at work on the \$300,000 Commission on the Social Studies."

DR. BALLOU HAD WORKED 5 YEARS ON IT, BUT HIS CORPS OF TEACHERS HAD NOT

From our hearings, page 553, I will quote Dr. Ballou's testimony showing that when called on for the names he could not name but one teacher out of his entire corps of over 2,900 that he would say had been working on "character education", and that was Miss Backus, whom he transferred to it with a big raise in salary, and finally he admitted that his corps of teachers had not worked 5 years on it.

Mr. Blanton. Have you read the article by W. W. Charters entitled "The Copeland Experiment in the District of Columbia", carried in the October 1934 issue of the Educational Record, published by the American Council on Education, 744 Jackson Place, Washington, D. C., in which article the following statements are made, and I quote them from page 404:

"Washington was selected for this study, partly because it was a convenient location, partly because Dr. Frank W. Ballou and the Board of Education are enthusiastic about the project, and partly because the teaching corps of the city has been working upon the problem for the last 5 years."

Dr. Ballou. I have read that article; yes, sir.

Mr. Blanton. Then the teaching corps of this city, prior to October 1934, had been working on this problem for 5 years?

Dr. Ballou. Certainly, and many teachers have been working on it for 25 years, or all their lives. He quoted the last 5 years. There was a special committee of officers and teachers appointed to consider the matter, to consider what we might do about improving the character of the boys and girls in our schools.

Mr. Johnson. You mean here in Washington?

Dr. Ballou. Yes; in Washington.

Mr. Johnson. In the city of Washington?

Dr. Ballou. Yes, sir.

Mr. Johnson. Who appointed that committee?

Dr. Ballou. The committee was appointed by me, and it was approved by the Board.

approved by the Board

Mr. Blanton, 'Note the language. He says:

"Partly because (you) 'Dr. Ballou', and the Board of Education in Washington are enthusiastic about the project, and partly because the teaching corps of the city has been working upon the problem for the last 5 years."

Dr. Ballou. What is there about that that is of any special

Mr. Blanton. Well, did you ever apprise Congress of the fact that you had a corps of teachers working on a 5-year program on this matter before when you came here and asked for the \$63,000 for character education?

Dr. Ballou. There are lots of committees in the District schools that are working on various projects that have not been brought

to the attention of Congress

Mr. Blanton. Can you give us the names of five of the most prominent members of the teaching corps in the city of Wash-

ington who were collaborating with you for 5 years before October 1934 on that problem?

Dr. Ballou. I will submit that for the record. I cannot remember the names of those persons except Miss Backus, who is now in charge of the experiment, was chairman of that com-

mittee.

Mr. Blanton. You can remember Miss Backus. How about Mr. George Jones? Can you remember any others offhand who were helping you on that 5-year program?

Dr. Ballou. I do not know that Mr. George Jones was on that committee. He may have been. I do not know that he was.

Mr. Blanton. Your Mr. George Jones was mentioned in that conclusions and recommendations of your commission, for which

you was secretary for 5 years.

Mr. Johnson. Doctor, how could you work 5 years on a thing of this sort and not know who the members of the committee

were? Dr. Ballou. I have not said we worked 5 years? Dr. Charters said that.

Mr. Johnson. How long have you been working on it? Dr. Ballou. I do not know how long we have been working on

Mr. Johnson. You do not know the names of but two people, and one of them had to be suggested to you that are members of this committee and who have been working on this proposition.

Dr. Ballou. With 2,900 teachers in the public schools and a large number of committees working on all of these different prob-

lems, especially when that committee has not been active for the last several years, it seems to me I could not be expected to remember the names of the persons who served on that committee.

Mr. Johnson. I know, but you were very much interested in

Dr. Ballou. I was very much interested.

Mr. Johnson. Yet, you cannot name but two people who worked on that committee, and one of them was suggested to

Dr. Ballou. No; I cannot name the members of that committee.
Mr. Blanton. Doctor, can you tell us how, where, and in what
manner the teaching corps of this city was working, during the
5-year period before October 1934 upon what is now known as
the Copeland or character-education experiment?

Mr. Ballou. I will later furnish a list of the members of that committee for the record at this point.

DR. STEPHEN DUGGAN LETS CAT OUT OF BAG

In his signed letter, published in the Washington Herald on March 6, 1935, Dr. Stephen Duggan said:

In the fall of 1933 I was invited by the Soviet Government to go to Moscow to advise with it. * * * The Soviet was especially anxious to organize a summer school at the Moscow University. * * * Before leaving for Russia I invited a number versity. * * Before leaving for Russia I invited a number of distinguished educators to form an advisory council. Everyone invited accepted the invitation. * * Each professor thought it necessary to give the background of the Soviet philosophy of political and social organization. * * * As there were 13 courses, the students naturally grew tired of the repetition. * * * This fall conferred with representatives of Soviet. I suggested that one fundamental course in the principles of the collective society should be given society should be given.

The Washington Herald, February 23, 1935, under headline: "2,000 Educators Get Phamphlets Boosting Moscow College", said:

Communist agents of the Soviet Government of Russia are at work in the lobby of the Mayflower Hotel, spreading subtle propa-

ganda among the more than 2,000 American school teachers attending the convention of the American Progressive Education Association. "Study in the Soviet Union" is on a large poster. Large stacks of pamphlets and other propaganda are distributed daily to the teachers.

The Russian agency is making a drive to enroll large numbers of American school teachers in the summer session of the Moscow

University.

Prominent among the names of American educators who are aiding the Moscow University is that of Dr. W. W. Charters, character education consultant for the District public-school system.

In this same paper, Dean Gildersleeve, of Barnard College. from Atlantic City, said:

Bolshevism and communism should not be served to children, nor is it good brain food for freshman and sophomore college courses.

The Washington Herald, February 20, 1935, said:

Dr. Charters is paid \$50 a day for coming to the District 2 days each month to advise teachers on development of the character

education program.

Dr. Ballou said he had no idea Dr. Charters had any affiliation with Moscow University when he was appointed here.

CONCLUSIONS AND RECOMMENDATIONS

Dr. Ballou admitted in our hearings, that during the 5 years from January 1929 to December 1933, the Commission on the Social Studies was at work, he being secretary for such commission, that Dr. Charles A. Beard printed a book called "A Charter for the Social Sciences", and that Dr. George S. Counts printed a book called "The Social Foundations of Education", but Dr. Ballou claimed that none of the other members of said commission were responsible in any way for said two books, and that only Dr. Counts and Dr. Beard were responsible for same. Both of these books are communistic, and I will show that they were products of Dr. Ballou's said commission, although drafted by said Dr. Beard and Dr. Counts. Dr. Ballou contended that there was but one book gotten up by the Commission on the Social Studies, and that was at the end of its 5 years work, and was called "Conclusions and Recommendations", and he admitted that when it came time for the members to sign it, he would not sign because it was too communistic.

"A CHARTER FOR THE SOCIAL SCIENCES"

While it was drafted by Charles A. Beard, it states that it is "Part I, of the report of the commission on the social studies", and it embraces among the names of the members of the Commission on Direction": Frank W. Ballou, Charles A. Beard, George S. Counts, Carleton J. H. Hayes, and Charles E. Merriam. It states that Harold O. Rugg served on a subcommittee with Beard, Counts, and Merriam to consider objectives, stating:

consider objectives, stating:

This committee worked at its task over a period of nearly 2 years. It met with the commission (Dr. Ballou, secretary) at Briarcliff and at Asheville, and held two separate meetings at Chicago and at New York. It met once with the committee on tests (Dr. Ballou, chairman) at New York. Each of the members had an opportunity to present his views of the problem in writing as well as orally. Finally, the committee instructed Mr. Beard to draft a report embodying its collective views. This report was submitted for the consideration of the commission at Briarcliff, October 15, 1930. Every member of the commission was called upon to comment upon the report and did so. The discussion continued for 2 days, and the committee was instructed to prepare a revised statement. This was done, and the revised statement was presented to the commission at Washington, May 7, 1931. Again each member of the commission was called upon for comment. At the conclusion of the discussion a motion to approve the report was made and carried unanimously. Every member of the committee and practically every member of the commission contributed to its composition. Those who followed the discussions closely would have little difficulty in identifying the individual contributions. To Mr. Beard was given the task of gathering from the accumulated mass of written and oral material all the essential contributions and weaving them together into a coherent whole. coherent whole.

HOW CAN DR. BALLOU DENY HIS RESPONSIBILITY?

In the face of the above recitations in A Charter for the Social Sciences, how can Dr. Ballou deny his responsibility? When Dr. Ballou was a member of said commission, and was its secretary during the entire 5 years of its work, and he was the chairman of its committee on tests-see page 160, conclusions-serving thereon with Ben D. Wood, a professor of Columbia University, who he thereafter employed to help Dr. W. W. Charters and Dr. Charles R. Mann conduct his

so-called character education experiment in the Washington schools, and when on page 161, conclusions, it is shown that Dr. Ballou was a member of the "committee on the teacher", his chairman being Dr. Bagley, of the Teachers College, Columbia University, how can he deny his responsibility when on page xi of the preface, A Charter for the Social Sciences, Mr. A. C. Krey, chairman of the commission, states emphatically that it was approved by the unanimous vote of the members of said commission, at Washington, D. C., May 7, 1931?

DR. BALLOU'S TESTIMONY, PAGE 558, HEARINGS

Mr. Blanton. Are you familiar with the further statement in your Professor Jones' said bulletin, Purposeful Teachings, page 2, lines 14-17:

"Charles A. Beard, who drafted A Charter for the Social Sciences in the Schools, report of the commission on the social studies of the American Historical Association, gives therein a scholarly presentation of general objectives"?

Dr. Ballou. I would say he gives a scholarly presentation on the

philosophy of history.

Mr. Blanton. Are you aware, Dr. Ballou, of the further fact that, in still another bulletin, Teacher Training in Service, issued by the head of the department of history, Washington high schools, and prepared by your Professor Jones, the teachers have been told, near the bottom of page 2 of said bulletin, that every teacher's professional library should include said A Charter for the Social Studies in the Schools, by Beard?

Dr. Ballou. I do not know that to be true, but I accept it as a statement of fact.

Mr. Blanton. Are you acquainted, Dr. Ballou, with the following sentence, appearing on page 45 of said book, A Charter for the Social Sciences, written by Beard?

"In some communities supposed to be enlightened, teachers are forbidden to discuss Russia without denouncing her form of gov-

ernment and system of economy."
Dr. Ballou. Who makes that statement?

Mr. Blanton. Dr. Beard. Dr. Ballou. I am not surprised that he makes it. Mr. Blanton. You do recognize that?

Mr. Blanton. You do recognize that?

Dr. Ballou. I say I am not surprised he would make it

Mr. Blanton. Do you agree with that, Doctor?

Dr. Ballou. I think there are places where they would deny instruction or forbid the giving of instruction about Russia.

Mr. Blanton. You haven't any doubt or question, have you, Doctor, that the sentence referred to suggests to teachers that in all really enlightened communities it is proper to discuss Russia that the surprise proper is discussed from of governments. in the public schools without denouncing Russia's form of government and system of economy?

Dr. Ballou. That is the conclusion one might draw from that

Mr. Blanton. Is that your own opinion?
Dr. Ballou. No, no, sir; I did not make that statement.
Mr. Blanton. It is not your opinion?
Dr. Ballou. No; it is not my opinion; it is not my statement, and

I do not accept the statement.

Mr. Blanton. Do you agree with Dr. Beard on that?

Dr. Ballou. I would not use the language which he uses there

at all.

Mr. Blanton. You would not use the word "enlightened"?
Dr. Ballou. No, sir; I think that is misleading.
Mr. Blanton. Then you disagree with Dr. Beard on that?
Dr. Ballou. Yes, sir; I do, and I disagree with Mr. Beard on a

great many things.

Mr. Blanton. You refused to sign that report, didn't you,

Doctor?

Dr. Ballou. Yes, sir; I refused to sign that report. Moreover, let me add that as to these individual volumes to which you are referring now as having been published by the commission, the commission assumed no collective responsibility for them. They assumed no responsibility for anything except the final volume of conclusions. One of Beard's volumes, and he wrote two of them, the commission did refer to a subcommittee, and it was published with the stamp of composite approval of the commission, but the individual volumes in that series are the product of responsible individuals, for which volumes the commission itself did not assume any responsibility.

DR. BALLOU CONTRADICTED BY HIS OWN CHAIRMAN

In the preface to this part I, Report of the Commission on the Social Studies, drafted by Charles A. Beard, on page v, Mr. A. C. Krey, chairman of Dr. Ballou's said commission, savs:

This charter of the social sciences, like many another document, is itself the product of history and of the social forces that shaped the thinking of the individuals who sign it.

Who were the individuals who signed it? Their names are found at the end of the book, on page 118 of A Charter for the Social Sciences, and there you will find Dr. Frank W. Ballou's name, along with Chairman Krey, Charles A. Beard, George S. Counts, and the balance of them. Let me quote further from the hearings:

Mr. Blanton. Now I will refer you to this book, A Charter for the Social Sciences, by Charles A. Beard, and I would like to read a few references from it, because this is one of the books that have been in the libraries of the Washington schools. I read from

page 15:

"Again, a book in political science emphasizes one or another aspect of human development and forward tendencies well under way; for example, Rousseau's Social Contract, the handbook of the French Revolution, or Marx's Das Kapital, the bible of

socialism."

I read from page 44:
"In some communities, supposed to be enlightened, teachers are forbidden to discuss Russia without denouncing her form of gov-ernment and system of economy."

The converse of that is that if the communities were actually

and really enlightened, they would allow teachers to do that; is not that so?

Dr. Ballou. Yes, sir; that is the converse.

Mr. Blanton. You do not agree with that at all?
Dr. Ballou. No, sir. You see, that is in the university field, and I have no knowledge about the control of teaching in universities. Mr. Blanton. Dr. Beard doesn't want teachers to denounce Russia's form of government. I read from page 49, more from Dr.

Beard:

"By rapidly multiplying ties of trade, capital investment, and intercourse, the United States is being woven ever more closely into a world fabric, drawn into a network of international arrange-

I now read from page 65:

"In spite of our free schools and extraordinary educational advances, authoritative opinion holds that education depends too largely on family tradition and circumstance. To prepare the ground for a more even adjustment of the balance is one of the objectives in the teaching of social science."

Treed again from the same page:

ground for a more even adjustment of the balance is one of the objectives in the teaching of social science."

I read again from the same page:

"There is no reason why society should tax itself to provide educational facilities for those whose chief concern is the exploitation of the public to personal advantage."

Mr. Blanton. Doctor, are you acquainted with the following statements appearing on pages 98 and 99 of said book, A Charter for the Social Sciences, by Dr. Beard? [reading]:

"Yet, speaking summarily, we may say that the primary information which social science must supply through the schools to individuals is information concerning the conditioning elements, realities, forces, and ideas of the modern world in which life must be lived. Any representation of them is bound to be partial and out of perspective, such is the frailty of the human mind, but it must be attempted in textbooks, supplementary works, maps, motion pictures, and every possible apparatus for conveying information vividly and realistically to the immature mind."

Do you agree with that statement as proper pedagogy?

Dr. Ballou. I do not agree with most of Dr. Beard's philosophy about the writing of history that is contained in that volume.

Mr. Blanton. Do you agree with him when he says it is "bound to be partial and out of perspective"?

Dr. Ballou. I do not agree with that.

Mr. Blanton. You do not agree with that.

Mr. Blanton. You do not agree with that?

Dr. Ballou. No, sir.

Dr. Ballou. No, sir.

DR. BALLOU ADMITS THAT BEARD AND COUNTS ARE "RADICALS"

After serving with them for 5 years on a commission, he being its secretary, Dr. Frank W. Ballou says that both Dr. Charles A. Beard and Dr. George S. Counts are "radicals", and they are the ones whom Dr. Ballou says wrote "Conclusions and Recommendations", which was the main product of the 5 years' work of his Commission on the Social Studies:

Mr. DITTER. You understand what I mean by the term "radical"?

Dr. BALLOU. Yes,

Mr. Ditter. Interpreting my use of the term, would you say, sir, that there were any in this group who would fall into that category, such as I have described by the term "radical"?

Dr. Ballou. I am clearly of the opinion that the discussion shows that is so.

Mr. DITTER. Would you care to give us your opinion as to where one Charles A. Beard would fall in such a classification?
Dr. Ballou. I think he is an extreme left-end man.

Mr. DITTER. By left-end man, do you mean by that "radical"? Dr. Ballou. A liberal or radical.
Mr. DITTER. Very liberal or radical?

Dr. Ballou. Yes, sir. Mr. Ditter. Would you say that George S. Counts would fall in

Dr. Ballou. I think he stands very close to Mr. Beard.
Mr. Ditter. The fact of the matter is, Doctor, that you have definitely indicated in these hearings that in the final analysis the acceptance or the rejection of any textbook is a matter that rests in your hands? Dr. Ballou. Yes.

Mr. DITTER. And that the Board of Education has followed in all

Mr. Ditter, And that the Board of Education has followed in all instances your recommendation for the purchase of textbooks?

Dr. Ballou. Yes; that is agreed.

Mr. Ditter. Then, passing on that responsibility, any funds that are used for the purchase of textbooks are funds that are used as a result of either your suggestion to your Board of Education or your justification before this committee?

Dr. Ballou. Yes Dr. Ballou. Yes.

Mr. Differ. And if this committee directs your attention to its objection to textbooks you in turn would assume personal responsibility for the use of any public money for that purpose if you failed to follow the suggestions of this committee?

failed to follow the suggestions of this committee?

Dr. Ballou. Oh, yes.

Mr. Ditter. That is true, isn't it, Doctor?

Dr. Ballou. Yes, sir; but may I add this statement to that—that if the wishes of this committee are made known to me in connection with this appropriation bill which we are considering now I shall comply with them.

Mr. Ditter. My impression is, just as a passing interjection, that this committee will likely make known its opinion with respect to certain textbooks and certain magazines in the schools.

Now, Doctor, I was interested in your observation about the matter of textbook selection. In the final analysis, you are the one who either approves or disapproves of any textbook; isn't that true?

Dr. Ballou. Yes.

Mr. Ditter. As superintendent of schools the work of the high-

Mr. DITTER. As superintendent of schools the work of the high-school principal or of a textbook committee is only a recommenda-tion as to textbooks?

Dr. Ballou. That is right, sir.

Mr. Dittea. In the discharge of your duty to the District you may either accept that recommendation or refuse to accept it?

Dr. Ballou. Yes, sir.

Mr. Ditter. And if you found as a result of endorsement and recommendation that any textbooks had been selected in times past to which criticism had been directed, it would be within your province to remove from your textbook committee any of the teachers who had heretofore made recommendations of undesirable

Dr. Ballou. Yes; it would be. Mr. Differ. That would be true, Doctor?

Mr. Differ. That would be true, Doctor?

Dr. Ballou. Yes.
Mr. Differ. The matter of the selection of this textbook committee is a matter that falls within your province entirely. It is not a matter of existing law, rule, or regulation?

Dr. Ballou. Not at all.
Mr. Differ. It is part of your administrative scheme for the schools of the District. Isn't that true?

Dr. Ballou. That is right.

DR. BALLOU'S APPROVED COMMUNISTIC BOOK "MADE IN RUSSIA"

I challenge any patriotic Congressman or any patriotic parent in Washington to give me any semblance of an excuse why Dr. Ballou and his Board of Education have prescribed communistic propaganda like the book Made in Russia for the boys and girls of Washington to read. There is but one reason why. To indoctrinate them! This book does not depict true conditions in Russia. It deliberately misrepresents conditions. It falsely pictures everything as beautiful and enticing, when in fact they are ugly and repulsive. For illustration, I quote a few passages from Made in Russia:

The younger generation, Russian boys and girls born in the 15 years since the revolution, are eager to ring in the new Russia.

A land covering one-sixth of all the earth, the richest nation in the world in natural wealth, with gold, oil, platinum, coal, and iron beneath its soil in infinite plenty—this is the Russian land.

Russia added to the things she copied something new, something original, something Russian; the factories, the dams, the dynamos, and the machines are covered.

dynamos, and the machines are owned.

Whatever profits the American factory may earn belong to the owner; the workers receive only their wages. In Russia the government owns all the factories, and the government gets all the profits. The workers feel that they are the owners of the factory. Russia declares that every source of wealth and profit belongs to

Lenin believed that only by a revolution could the old problem be solved, borrowing ideas from Karl Marx, and insisted that only by revolution, in which the lower classes would rise and kill any who opposed them, could the change be made, and took the name "Communists." Lenin came into power in November 1917, and the light price of the while abolished private property. Wealthy men were forced to flee, while all they owned was taken from them.

The Soviet Government tries to raise the standard of all the people together and believes that the factory working classes in all other countries of the world should likewise, by revolution and bloodshed, abolish private property and unite in one world-wide Soviet Hales.

Soviet Union. Today it is the children of Russia who are the leaders. Russia today somewhat resembles life as it was lived on the frontier of America 60 years ago.

In America you look forward, perhaps, to growing up to live as your parents live. In Russia the boys and girls look forward to a life totally different from that of their parents, without the poverty and the ignorance.

Communists know that eventually the older people will die off, and the Soviet has won the support of the new Russians. Even with the smallest children the government begins its work. They take pride in their factories. Crowds with bands and banners turn out to welcome the first trainload of coal or to greet a new

These boys and girls of new Russia are taught differently from you in America. They are taught that our whole system of private property, of individual wealth, is wrong. They are taught that all nations will abolish private property some day. These new

Russians will some day control their nation. Many are the things made in Russia. Nothing in all Russian history is more important than these new Russians "made" today in the Union of Soviet Socialist Republics.

About the only true statement depicted in the book is the

The government fought and still fights religion. It teaches that religion is ignorance. There can be no sunday school or religious instruction for children. Visits to sacred shrines, which once every good Russian was supposed to make, are now forbidden by law. Thus the revolution upset the entire church system.

HAS 35 COPIES OF "MADE IN RUSSIA" IN LIBRARIES

Librarian Bowerman, answering my questions, writes:

I find that we have 35 copies of White's Made in Russia, mostly children's rooms, but including one in adult division of our

central library and one branch.

Re your letter to librarian of our southeastern branch, the reply to your inquiry is required to go through my office. I am, therefore, inclosing a memorandum prepared by Miss Osborne.

Inasmuch as the southeastern branch copy of Boy and Girl Tramps of America, which had been sent to the bindery, had not yet been rebound, it is being forwarded herewith.

The book by Minehan, Boy and Girl Tramps of America, had been used so much its cover had about been worn off, and when Judge Sullivan asked for it at southeastern, Miss Osborn told him it was in the bindery to have new covers put on it. I also inquired whether since we began our investigation in January any instructions had been issued about this book and learned that the librarian had taken action about its use by children. From Miss Osborne's replies to my questions I quote:

The information given by Judge Sullivan is entirely correct. The book Boy and Girl Tramps of America, by Minehan, is still in the bindery, but as we find that it has not yet been taken apart, we have asked the bindery to send it to you.

It is a fact that adult cards are issued to pupils, commencing with the tenth grade.

We were advised by the librarian over the telephone to take this book in question off of the open shelves and to put it in a restricted collection. This was in February 1936.

We have Made in Russia, and it is being sent to you.

MINEHAN BOOK IS VILE, INDECENT, VULGAR, PROFANE, BLASPHEMOUS, AND DEGRADING

Just why the libraries accessible to Washington school children were filled with such a vile book was beyond the comprehension of our committee. We showed it to 50 of the leading men in Congress. Without hesitation, they all pronounced it degrading and terrible, and wholly unfit for school children, and we made Dr. Ballou admit that it (especially pp. 39 and 154) is too indecent to be read by men. I will later show how the communistic magazine Scholastic, which Dr. Ballou and his Board of Education, despite numerous complaints and the demand of our subcommittee, have refused to take out of the 175 Washington schools, deliberately quoted from this infamous book and advertised it to school children, which made them read it until the covers of one copy were worn off. Remember what Judge Sullivan said: "It is a part of the plan of Communists to break down morals and destroy sex morality." Communists could not have chosen a better book for such purpose. I quote from page 742 of our hearings:

Mr. Blanton. Here is a book, European Civilization and Politics Since 1815, by Erik Achorn.

Since this so-called red rider that I understand you condemn

was passed, and since the question was raised here about teachers not teaching communism in the schools forced this order from Dr. Frank W. Ballou, superintendent of schools, Franklin Administration Building, Thirteenth and K Streets NW., Washington, D. C., dated December 18, 1935:

ORDER DISCONTINUING USE OF EUROPEAN CIVILIZATION AND POLITICS "To the Board of Education of the District of Columbia.

"To the Board of Education of the District of Columbia."

"Ladies and Gentlemen: It has come to my attention through Mr. George J. Jones, head of the department of history, that he and President Higbie, of the Wilson Teachers College, as well as Dr. Carr, professor of the social studies, are of the opinion that Achorn's European Civilization and Politics may be construed as too favorable toward communism.

"On the basis of that information I have this day directed that the use of this book be discontinued in the two teachers' colleges."

THE TRUE FACTS ABOUT RUSSIA, WHICH WASHINGTON CHILDREN ARE NOT TAUGHT

Mrs. Elizabeth Dilling is one of our experts on Russia, communism, and radicals in the United States. In her book The Red Network, copyrighted in 1934, with four editions printed since then, she describes Russia as she found it.

Communism has made over for universal poverty. Unceasingly great train loads of those resisting "collectivization" travel the rails to Siberia, we counting recently in 4 weeks' time 17 trainloads, some 40 cars long, of such people. Men, women, and children peered out through bars enroute to hard labor, prison camps, or death in Siberia, now populated as never before with exiled peasants who have spoken bitterly about or resisted the giving up of their pigs, cows, or little homes or nearly all of their grain, or have offended by upholding religion, and consequently are being punished.

In Moscow I saw near hotels, during late night and early morning hours, the "wild" or deserted children sleeping in doorways. They are produced by conditions of low living and fostered by communistic government destruction of faith in God, religion, and morality. Lenin's wife said, "We have 7,000,000 deserted children officially registered and 80,000 in asylums."

Couples may simply live together or register quickly as married or divorced by payment of a ruble. They can hardly support the children of several successive unions.

A hospital we visited bragged of 40 abortions performed that morning and a movie showed pictorially to a mixed audience the old and new abortion methods and the benefits of the latter. As the Fish report shows: "The most terrible kinds of vice are encouraged among the young school children in order to break down their family influence."

My friends, Mr. and Mrs. George Cretors, tell of the openly free sex relations between the 700 children between the ages of 11 and 17 in a children's institution, and of indecent practices taught in the school by a Soviet official from Moscow. All the churches have been converted into antireligious museums. Beautiful St. Isaac's Cathedral in Leningrad is now used as an atheist theater as part of the new 5-year plan to close all houses of worship and to eradicate even the thought of God from the minds of the people by a militant anti-God campaign.

people by a militant anti-God campaign.

In one store buzzing flies fought over three cheese, priced at \$4, \$5, and \$6 per pound. Three fish displayed were priced at \$3.75 per pound, and a thin, fly-specked box of candy was priced at \$5, small individual pieces priced at 20 cents each. There was no meat or ice (in August) in the store. Everything is strictly rationed. Soap was \$1.30 a bar and limited to two bars a month. Black bread, dried herring, and cucumbers seemed to be the actual purchases of the average buyer. Milk is sold at a special store and only to those with certificates.

I saw no one working on buildings. I saw scaffoldings but was

I saw no one working on buildings. I saw scaffoldings, but was told that nobody had worked on them for 3 years.

Two of the three busses we rode in broke down. The streets and roads were very much torn up and rutted, and cars were trembling and unsure. On one trip a wheel came off and the axle broke on another. I was told there were over 70 Rolls-Royces then in use in Moscow as the private cars of Soviet officials. The poor bundle-laden proletarian walks or hangs out of an over-crowded street car. Dinginess, bad smells, and a sense of fear pervaded everything.

The last manager of the Grand Hotel in Moscow with his wife and children had been awakened at 3 o'clock in the morning by the secret police and had not been heard of since. Letters are opened and glued together before delivered. All dispatches by foreign newspaper correspondents are censored before entering or leaving Russia. Our ship was not allowed to use its radio while within Russian waters.

Russians pay out about 30 percent of their earnings in taxes, such Russians pay out about 30 percent of their earnings in taxes, such as the privilege of reading newspapers, etc. All workers must occasionally "voluntarily" give their whole month's wages to the Government as a loan. Russians are forbidden to possess foreign money. Guards, barbed wire, spies, and heavy penalties inflicted on relatives left behind deter Russians from leaving Russia.

In our Moscow hotel were bed bugs and listless waiters. The hotel elevator ran once in a while when not out of order. The dingy-windowed empty stores which line the streets gave a dismal appearance. The outcast peddlers were ragged and wretched

appearance. The outcast peddlers were ragged and wretched looking.

While I was in Moscow, factory workers who had long protested bad working conditions decided to strike. At once soldiers and machine guns surrounded the factory. The workers were given 15 minutes to decide whether to work or be blown to bits. They

worked.

When over 1,000 Communists rioted in front of the Chicago school board's offices, they bore a placard: "We want Soviet conditions here." Some misguided Americans, openly or covertly, are echoing this sentiment. The universities seem to have joined the gutter Communists in "going red." No free-born American can conceive of the Soviet despotic regulation of the smallest personal matters of conduct and conversation, nor understand the haunting fear of the terrorist secret police.

WANT TRUE FACTS ABOUT RUSSIA TAUGHT

Every true American wants the real facts about Russia But they do not want untrue pictures and misrepresentations. It is the Communists who do not want the true facts about Russia taught in the schools. They want perverted misrepresentations.

"THE SOCIAL FOUNDATIONS OF EDUCATION"

Although prepared by Dr. George S. Counts, in the preface Chairman Krey says that it is a part of the report of the American Historical Association "Commission on the Social Studies"; that "its plan was submitted to the executive committee of the commission (Dr. Ballou its secretary) for criticisms and suggestions"; that "it was then approved by the commission; and that "the commission has profited greatly by Dr. Counts' knowledge."

On page 9 Dr. Counts acknowledges help from four professors of Columbia University in writing, and said: "I am greatly indebted to Dr. Charles A. Beard, who helped me plan the book." He said he was indebted also to Covici, Friede, Inc., for use of its book by Polakov. As a heading on its flyleaf is: "Investigation of the Social Studies in the Schools", and upon the next page is:

Commission on direction: Frank W. Ballou, superintendent of schools, Washington, D. C.; Charles A. Beard, formerly professor, Columbia University; George S. Counts, professor, Teachers College, Columbia University

And the names of the other members of the commission.

WHAT DR. BALLOU'S PROFESSOR JONES SAYS ABOUT IT

Prof. George J. Jones, head of the department of social studies, under Dr. Ballou in the Washington schools, with Prof. Paul E. Lutz-another of Dr. Ballou's professors-were mentioned on page 154 of Conclusions and Recommendations as having rendered valuable services to the commission during the 5 years Dr. Ballou served as its secretary. While Prof. George J. Jones was testifying at our hearings I quoted from the said George S. Counts' The Social Foundations of Education the following:

"The Federal Constitution, with its system of checks and balances, represents a deep distrust of popular rule.

balances, represents a deep distrust of popular rule.

"Democracy provides the dominant spiritual note in the development of the Nation and may be expected to guide both statesmen and educators in the definition of the goals of their practical endeavors. That it is not to be identified with any special set of institutions—economic, political, or social—is one of its merits.

"The application of the democratic ideal to the trend toward an integrated society calls for a threefold course of action. The disassociation of democracy from its historical connections with the individualistic economy of the past; the free and voluntary acceptance of the interdependent economy out of knowledge and understanding; and the organization and administration of the economic mechanism in the interests of the masses of the people."

Now I quote from page 555:

Now I quote from page 555:

"The present volume, as well as the other reports of the commission, assumes from first to last that the public school may be expected to make a genuine and positive contribution to the solution of the numerous social problems confronting the American people."

Mr. Jones. Of course, with that I must absolutely disagree. Mr. Blanton. You disagree with that?
Mr. Jones. Oh, absolutely. That is not our function.

'WITH THAT' DR. BALLOU'S PROFESSOR JONES "MUST ABSOLUTELY DISAGREE"

Remember that this book, The Social Foundation of Education, with which Professor Jones said he "must absolutely disagree" was a part of the 5 years' work of, and was approved by the commission, for which Dr. Ballou served 5 years as secretary, Dr. Ballou's name being on its front page as one of its sponsors. I quote further:

Mr. Blanton. You are also aware, are you not, that this selfsame George S. Counts has written and published another book entitled "Dare the School Build a New Social Order?", in which he makes plain that his use of the term "democracy" is contrary to everything

American, his assertions being:
"That the teachers should deliberately reach for power and then make the most of their conquest is my firm conviction."

That is from page 28.

Mr. Jones. I am absolutely opposed to that.

Mr. Blanton. You do not agree with George Counts? Mr. Jones. Absolutely, no.

Mr. Jones. Absolutely, no.
Mr. Blanton. Still quoting:
"The conscious and deliberate achievement of democracy under novel circumstances is the task of our generation.
"Democracy of course should not be identified with political forms and functions—with the Federal Constitution, the popular election of officials, or the practice of universal suffrage."
Do you agree with that?
Mr. Jones. I do not.
Mr. Blanton. Continuing quoting:
"Finally be prepared as a last resort, in either the defense or the realization of this purpose, to follow the method of revolution."
That is from pages 41 and 42.

Mr. Jones. That is terrible.

Mr. Blanton. You don't admit that as a school teacher?
Mr. Jones. Admit it? I would not use the word "admit."
Mr. Johnson. What word would you use?
Mr. Blanton. You would say it was damnable, would you not?
Mr. Jones. Absolutely.

DR. BALLOU'S PROFESSOR JONES SAYS "TERRIBLE" AND "DAMNABLE"

When Professor Jones denounces Dr. Count's book as "terrible" and as "damnable", he is talking about a collaborator of Dr. Ballou, with whom Dr. Ballou worked 5 years to bring about "a new philosophy of education", and it is, and it is Dr. Ballou's head of social studies who is doing the denouncing. I quote further:

Mr. Blanton. You know, do you not, that this self-same George S. Counts, who thus boldly advocates "the method of revolution" to establish a new pretense of democracy without "popular election of officials" or "the practice of universal suffrage" is not only one of the authors of the report of the commission on the social one of the authors of the report of the commission of the social studies, used to instruct Washington public-school teachers as to "methods", but he is also the editor of a magazine called The Social Frontier, and upon the executive board of another magazine called The Social Studies, both of which magazines have been in use in the public schools of this District for a number of years. That is so, is it not?

Mr. Jones. I believe that they are purchased for library use.

Mr. Blanton. They are purchased by Dr. Ballou, using the money that we gave him and they are now in our school libraries, are they not?

Mr. Jones. I think so.

Mr. Blanton. You know, do you not, Prof. Harold Rugg, of Teachers' College, Columbia University, who is social studies editor of Scholastic, a national high school weekly magazine, and who served on the special advisory committee on objectives of the Commission on the Social Studies?

You know him, do you not?

Mr. Jones. I know who he is. I do not know him personally.
Mr. Blanton. Your attention is invited to page 4 of the Washington Public School Document No. 2, 1933, to which I referred a moment ago, and which you have there, relating to course of study in history and other social sciences, and listing, under approved periodicals, the magazine, Scholastic, by Harold Rugg.

Mr. Jones. Yes.

Mr. Blanton. Please state how long this magazine, Scholastic, has been in use in the Washington high schools for any purpose, whether as a library or study magazine, or both, and for what subjects as a study magazine, if so used.

Mr. Jones. It has been used for some years.

Mr. Blanton. It is purchased by him and is in the school libraries, is it not?

Mr. Jones. I think it is purchased by the students for classrooms' use, in English classes.

Mr. Blanton. Well, they would not do that unless they were
told to do it, would they?

Mr. Jones. They would not use it unless it is officially listed.

Mr. Blanton. Your attention is invited to the following editorial on page 1 of said magazine, Scholastic, issue of December
0, 1032

9, 1933.
Mr. Jones. I have read many copies of Scholastic.
Mr. Blanton. Then you would probably recognize this:
"Scholastic does not and will not attempt to indoctrinate its readers with specific, unalterable beliefs. Nevertheless, its editors have certain considered convictions as to society which they have no apologies for presenting to students as powerfully as they can."
Mr. Blanton. Do you agree with it?
Mr. Jones. I absolutely do not.
Mr. Blanton. Their duty is to teach children how to think and not what to think, is that right?
Mr. Jones. From what you told me, or from what you read there.

Mr. JONES. From what you told me, or from what you read there, their policy is to indoctrinate.

Mr. Blanton. That is exactly what this means, does it not?

Mr. Jones. That is indoctrination.

Mr. Blanton. Why, surely. In other words, he starts out by trying to get away from indoctrination and then espouses it, does he not?

Mr. Blanton. Whenever a teacher attempts to tell his students as powerfully as he can, something, he means to indoctrinate them.

Mr. Jones. He is indoctrinating.

Mr. BLANTON. Certainly.
Mr. JOHNSON. Does Dr. Ballou and this other person share in that belief?

Mr. Blanton. Scholastic has been put in the libraries of the Washington schools, has it not?

Mr. Jones. It is purchased by students.
Mr. Blanton. If it teaches indoctrination, it is not wholesome, is it?

Mr. Jones. No, sir; it is not.
Mr. Blanton. And that expression of "presenting to students as powerfully as they can" what they believe, that is indoctrination.

Mr. Jones. Yes, sir.
Mr. Blanton. Are you acquainted with editorial on page 1 of Scholastic magazine, issue of December 17, 1932, stating:

"The national flower, says one headline writer, has become the 'razzberry.'

"The mood of disillusionment has indeed settled over the pres-

ent generation.

"A journalist who traveled the country over and talked with hundreds of ordinary, obscure men and women in all walks of life came back with a profound impression that the American people have no national faith."

Do you agree with that editorial?

Mr. Jones. I absolutely disagree.

Mr. Blanton. It is your belief that the American people as a whole do have a national faith?

Mr. JONES. It is.

Mr. Blanton. Are you acquainted with editorial note on page 7 of Scholastic Magazine, issue of November 10, 1934, using the following language commendatory of the author of a recent book featured in such issue:

"Here, in rigid logic, he examines such popular beliefs as 'national honor', 'patriotism', 'security',—and exposes their childishness and hypocrisy."

Mr. Jones. I am not acquainted with it.

Mr. Blanton. But you do not agree with that? Mr. Jones. I do not agree with it. Mr. Blanton. You do not agree with it?

Mr. Jones. No; it is terrible. Mr. Blanton. There is such a thing as national honor that is not

childishness and hypocrisy?

Mr. Jones. Absolutely.
Mr. Blanton. There is such a thing as patriotism that is not childishness and hypocrisy, is there not?
Mr. Jones. Yes, sir.
Mr. Blanton. There is such a thing as national security that is not childishness and hypocrisy?
Mr. Jones. Yes. sir.

Mr. Jones. Yes, sir.

Mr. Jones. Yes, sir.
Mr. Blanton. Are you acquainted with special article in Scholastic Magazine, issue of November 9, 1935, in which, on page 12, it is pointedly suggested that "the romantic appeal" is "a tricky lie", and that "a dirty trick is being played" upon those who respond to "some patriotic slogan"?
Mr. Jones. I am not acquainted with it.
Mr. Blanton. You believe in people responding to patriotic slogans, do you not?
Mr. Jones. Yes, sir.
Mr. Blanton. You do not believe that "the romantic appeal" is "a tricky lie", do you?

a tricky lie", do you? Mr. Jones. I do not.

Mr. Blanton. Do you claim any possible justification or excuse for such plain, unpatriotic propaganda entering the public schools of Washington?

Mr. Jones. Such articles as that, such ideas as that, should not be carried to either teachers or pupils.

Mr. Blanton. It should not be inculcated either to teachers or

children?

Mr. Jones. No, sir.

Mr. Blanton. Are you acquainted with the succession of articles in Scholastic, featuring Russian communism as elevating; for instance, in the issue of December 16, 1933, page 16:

"Today 6,000,000 young Russians in the Communist Youth Association are helping to build a new social world."

Do you agree with the idea of fostering such ideas as that in the Communist Youth Association are helping to build a new social world."

our children?

our children?
Mr. Jones. I do not.
Mr. Blanton. I am giving you direct quotations. You will find each one of these on the pages indicated. Now, I quote from January 20, 1934, page 21:
"But the Russian planners do not stop short with material things. They promise to increase the number of students in their country about 50 percent and reduce illiteracy by requiring every child to attend school at least 7 years."

From what you have heard of Russia, and the way they are treating the ordinary poor person there, do you believe that that is true?

Mr. Jones. I do not. I read Asia for the first time about a month ago, and I immediately recommended that the magazine be taken out

Mr. Blanton. Out of the schools? Mr. Jones. Yes. Mr. Blanton. That was a month ago?

Mr. Jones. Something like that.
Mr. Blanton. And they took it out?
Mr. Jones. Well, if they did not, it is on its way out.
Mr. Blanton. But you do not know that it has been taken out

Mr. Jones. I do not know

Mr. Blanton. But you did recommend that it be taken out of the schools? Mr. Jones. Yes, sir.

Mr. Blanton. And it has been in the schools until a month ago, has it not? Mr. Jones, I think so.

Mr. Jones. I think so.
Mr. Blanton. But if we had not stopped communism in the schools, you possibly would not have read it, is not that so?
Mr. Jones. Possibly.
Mr. Blanton. That brought the issue before you, did it not?

Mr. Jones. Possibly.
Mr. Blanron. Let me quote a little further. From the issue of October 6, 1934, page 12, they say:

"The older transients, it is true, resist communism. They have a mental hold-over of war psychology, the antired drives of Palmer, and a belief in the American success story. For boys and girls, communism offers school, hope, and adventure."

Did you know that that was in a magazine that was being used

by pupils in the schools here, and prescribed in their courses, and kept in the school libraries?

Mr. Jones. I did not.

Mr. Blanton. You do not agree with that doctrine, do you?

Mr. Jones. I do not.

Mr. JONES. 1 do not.

Mr. BLANTON. Now I quote from the issue of January 4, 1936, page 23. This is from Scholastic, where they expressly commend the procommunistic book, I Write as I Please, by Walter Duranty, as "dynamic, objective, and reliable about the Soviet experiment."

Are you acquainted with that book? The title is "I Write as I Please", by Walter Duranty.

Mr. Jones No. I amount

Please", by Walter Duranty.

Mr. Jones. No; I am not.

Mr. Blanton. Did you know that Scholastic, in this issue, expressly commends this procommunistic book?

Mr. Jones. No; I did not know that.

Mr. Blanton. And says that it is dynamic, objective, and re-

liable?

You know, do you not, Professor Jones, that this Harold Rugg, whom I mentioned a little while ago, who is social studies editor of Scholastic, has written and published a book called The Great Technology?

Mr. Jones. I have heard of it. Mr. Blanton. In which he stated: "Nothing about this story of degradation is clearer than that in Nothing about this story of degradation is clearer than that in any of those decades a fairly decent standard of living could have been had by the peoples of the expanding West. That it was not and is not today can be traced primarily to the theory and practice of government set up by our fathers."

That is from page 95.

Did you know that he had given vent to that kind of expres-

sion?

Mr. Jones, I did not

Mr. Jones. I did not.

Mr. Blanton. Also from page 234 [reading]:
"School administrators and teachers should lead actively in the formation of public opinion."

Mr. Jones. Of course, I disagree with that.
Mr. Blanton. You disagree with that?

Mr. Blanton. You disagree with that has gone on in the Mr. Jones. Oh, yes.
Mr. Blanton. You disagree with a lot that has gone on in the schools here. Let me quote further from pages 259 and 260 of this Harold Rugg's Great Technology:

"It is this which compels the formal, unthinking salute to the

flag, and the mumbling of an oath of allegiance which means absolutely nothing to the young people making it. It is this which, in hundreds of communities compels teachers to sign oaths of allegiance, and swear that they will protect the written Constitution of the United States."

tution of the United States."

Mr. Blanton. Your attention is called to your Washington Public Schools Document No. 2 of 1933, listing Changing Civilizations in the Modern World by Harold Rugg as a textbook for slow-going pupils, in the junior and senior high schools. During what period of time has this textbook been so used?

Mr. Jones. Oh, roughly, well, let's see, well, 1932, or 1933, up until last June, when the course in which it was used, was dropped.

Mr. Blanton. It is since Dr. Ballou, George Counts, and Dr. W. W. Charters have been engaged in this 5-year program, isn't it?

Mr. Jones. Yes; but Dr. Ballou had but a small part in bringing that book into use.

that book into use

Mr. BLANTON, But, it was brought into our schools with his approval, and he is superintendent and draws a salary of \$10,000

year. Mr. Jones. I had some part in bringing this book into use

Mr. Blanton. How many copies of the book were purchased that you know of out of school funds?

Mr. Jones. Well, I have the record about that in my office, Mr. Chairman.

Mr. BLANTON. Quite a number of copies?

Mr. Blanton. Quite a humber of copies.

Mr. Jones. Yes, sir; there were quite a number of copies. It might run to about 500, 600, 700, or 800, something like that.

Mr. Blanton. Do you consider proper the treatment of Russian communism in said textbook, Changing Civilizations in the Modern World, without any disclosure of its subversive nature and evil consequences, conveying to students the idea that Russian communism has raised the standard of living?

Mr. Jones. I do not. There is a page that appears to favor communism. I recommended in December that the book be taken from the list. The textbook committee had its first meeting of the school year last December.

Mr. Blanton. That is another one that has been taken from

Mr. Jones. That book would have been taken from the list

Mr. Jones. That book would have been taken from the anyway.

Mr. Johnson. Don't you think that questionable page would have been sufficient to have eliminated the whole of it?

Mr. Jones. Yes; I think so now. I did not think so at the time.

Mr. Johnson. Don't you think it is just such things that are dangerous, where they go along treating things beautifully and then they slip?

Mr. Jones. I do; yes. There is that danger.

Mr. Blanton. That is the subversive part of it, isn't it?

Mr. Johnson. Yes; that is what I mean.

Mr. Jones. I fear so. There may be danger, Mr. Chairman.

Mr. BLANTON. That is the insidious part of it, isn't it?

Mr. JONES. Yes.

Mr. Blanton. Professor Jones, the ones that you call the slow-going students, whom you had in mind when you put this book in, the slow-thinking people furnish the most fertile field for the indoctrination of communism that you can find anywhere; isn't

Mr. Jones. It is probably true; yes.
Mr. Blanton. That is the reason so many Negroes have been communized, isn't it?
Mr. Jones. I think so; yes, sir.
Mr. Blanton. They are taught to believe that they are not treated properly and that they have not a proper chance or opportunity and that they are being imposed upon, and so forth; isn't that the fact?

Mr. Jones. Yes. Mr. Blanton. This book which you have taken out did commend

communism, didn't it?

Mr. Jones. There is one page there that was rather bad. It might appear to favor communism. An offsetting statement is

lacking.

Mr. Johnson. How long were these books in the schools before you ordered them out?

Mr. Jones. Something like 3 years, I should judge.
Mr. Blanton. It was during this three-cornered, 5-year program

we have been talking about.

Your attention is invited, Professor Jones, to a textbook in the high schools of Washington entitled "Modern History", by Carl Becker, approved by the Board of Education on recommendation of

Dr. Ballou.

Mr. Jones. Yes. Mr. Blanton. For use commencing February 1, 1933. You remember that?

member that?
Mr. Jones. Yes.
Mr. Blanton. How many copies of this textbook, including both the 1933 and 1935 issues, have been purchased and used in the high schools of Washington?

Mr. Jones. Oh, it would again go into several hundred.
Mr. Blanton. Several hundred?
Mr. Jones. Six hundred, seven hundred, eight hundred, or nine

Mr. Jones. Of Manager.

Mr. Blanton. All of these books that we have mentioned have been approved by Dr. Ballou?

Mr. Jones. Yes; and the Board of Education.

Mr. Johnson. They are put on the eligible list and are permissible to the principals if they want them.

Mr. Blanton. You are aware, are you not, Professor Jones, that this same Prof. Carl Becker has written and published a book called The United States, an Experiment in Democracy; you are acquainted with that book?

Mr. Jones. Yes; I have glanced through it.

Mr. Blanton. In which he states that immigrants "describe America as they have found it—a country dominated by capitalists, a sordid bourgeois society without ideals, a land of 'dollar-chasers' where wealth controls the Government and exploits the people" quoting from page 234.

Did you know that he is indoctrinating that kind of ideas?

Mr. Jones. He states that immigrants describe America in that

Mr. BLANTON. Yes.

Mr. Jones. I did not know that he did. Mr. Blanton. Do you agree with that? Mr. Jones. I have never spoken—

Mr. Jones. I have never spoken—
Mr. Blanton. Do you agree with that idea he is trying to put
before the people, before these slow-thinking students and slowgoing students? There are some slow-thinking teachers, aren't
there, as well as students? You have found them, haven't you?
Mr. Jones. Yes.

Mr. Blanton. In every class you will find some slow thinkers and

slow-going students, won't you? Mr. Jones. Yes.

Mr. Jones. Yes.

Mr. Blanton. In other words, he describes America to them; he puts that suggestion to them that it is "a country dominated by capitalists, a sordid bourgeois society without ideals, a land of 'dollar-chasers' where wealth controls the Government and exploits the people."

Mr. Jones. I do not think that Carl Becker would describe Americans in that way.

Mr. Blanton. He did do it.

Mr. Jonesson, But he is using the immigrant putting in thought.

Mr. Johnson. But, he is using the immigrant, putting in thought what he himself wants to convey to the people.

Mr. Blanton. He wants to convey that thought to the people, and he does convey it.

Mr. Johnson, Yes; he is using the immigrant just as a vehicle

to convey the idea.

Mr. Jones. I am not so certain of that.
Mr. Blanton. Do you agree with that kind of doctrine?
Mr. Johnson. From immigrants or anybody else?
Mr. Blanton. From anybody.

Mr. Blanton. From anybody.

Mr. Jones. I disagree with that doctrine.

Mr. Jacobsen. I believe I can answer Mr. Becker's statement there perhaps as well as anybody, being an immigrant myself, to show how wrong he is. He himself is an anarchist, and he uses the word "immigrant" as a vehicle to voice his own argument. If he were to ask the average immigrant, he would find the statement is not true.

You know, the immigrant coming to this country appreciates it more than the average boy who is born here or raised here. My boys and my grandsons do not appreciate the liberties of this country like I do. They grow up, and when they are 20 years old they say, "Next year I begin to vote." That is just a matter of fact, and they become citizens, but the man or the boy that comes over from some foreign country, who has got to swear allegience to the flag some foreign country who has got to swear allegiance to the flag remembers that forever after. He renounces his own fatherland, his mother country, and he becomes a citizen and the oath of citizenship is forever with him and he appreciates the country perhaps as much, or more so, than a great many boys that are born right here.

Mr. Blanton. I am glad you made that statement.

You are aware, Professor Jones, are you not, that Prof. Carl Becker has printed or published a later book, in 1932, entitled "The Heavenly City of the Eighteenth Century Philosophers", lauding Marxist communism as a "new religion", on page 161, respecting which he says: "The duty of common men is to adjust themselves." That is on page 162—and adding the following enthusiastic assertion or declaration:

"And now, in our day, the first act in the social revolution, accompanied and sustained by the Communist faith, has just been staged in Russia."

That is on page 163. Did you know that he had written that book?

Mr. Jones. I have glanced through the book.

Mr. Blanton. You are, of course, familiar with what is said respecting Marxist communism and Soviet Russia in Carl Becker's textbook Modern History, still in use in the Washington high schools, the laudation of Marxist communism, commencing on page 790 as 534, and Soviet Russia being featured, commencing on page 790, as having become "every year more popular", page 799, following a laudation of Lenin as a great leader "in the crusade for human

reedom", page 791.

You are also necessarily aware that said textbook makes no disclosure of the subversive nature of the Soviet Government directed against our own Government through the Third Internationale and substitute for an explanation of the enslaving features of Russian communism a misdescription of Russian communism as something elevating and popular.

STATEMENT OF MRS. HENRY GRATTAN DOYLE, PRESIDENT, BOARD OF EDUCATION

Mr. Blanton. Now, let me ask how many members of the Board of Education are here?

Mrs. Doyle. Three, Mr. Chairman; Mr. Quinn, Dr. Maurer, and

Mr. Blanton. During the 8 years you have been on the board, has Dr. Ballou, the superintendent of schools, ever recommended the adoption of any textbooks that the board has refused to adopt? Mrs. DOYLE. I think not.

Mr. Blanton. During that 8 years has Dr. Ballou ever recom-mended any collateral reading books for the schools on which you have turned him down?

Mrs. DOYLE. I think not.

Mr. Blanton. During that 8 years has Dr. Ballou ever made any request for any reading matter for any of the libraries in the schools on which you have turned him down?

Mrs. DOYLE. Not that I recall.

Mr. Blanton. You do not recall any time when you refused to follow his recommendation?

Mrs. Doyle. No.

Mr. Blanton. Now, in one of those Scholastic magazines—you will find it in the hearings—it eulogizes very highly a book called Boy and Girl Tramps of America, by Thomas Minehan, which today, after his attention was called to it, Dr. Ballou himself characterizes as one of the most vulgar, vile, indecent, and disreputable books that anyone could ever find printed anywhere, and I think Dr. Ballou here will agree with me in that characterization.

Is your Board of Education looking into these complaints?

Mrs. Doyle. Those that we get, every one of them; yes. We do not get all of these, you know.

Mr. Blanton. This book, Boy and Girl Tramps of America, quoted from and highly recommended by Scholastic, is too disreputable for any woman to ever look at; but if you would get some member of your family, some man in your family, to get it and read it, he will tell you that it is one of the vilest pieces of literature ever printed, that ought not to be allowed to be sold in the stores.

Mrs. Doyle. Then I won't inflict that even on the men members of my family.

DR. BALLOU AND BOARD OF EDUCATION LAUGHER AT AND YOUR PROPERTY AND ACCOUNT. Mrs. Doyle. No. Mr. Blanton. Now, in one of those Scholastic magazines

DR. BALLOU AND BOARD OF EDUCATION LAUGHED AT AND IGNORED ALL COMPLAINTS

Mr. Blanton. You have approximately how many different schools in Washington under you that belong to the public-school system of the District of Columbia?

Dr. Ballou. About 175.

Mr. Blanton. Different ones of our schools scattered all over the District of Columbia?

Dr. Ballou. Yes, sir.

Mr. Blanton. You have been superintendent how long, Doctor? Dr. Ballou. Since July 1, 1920.

Mr. Blanton. It appears that within a short time after you became superintendent of schools, you recommended, and the Board of Education approved as a textbook in the public schools, a book entitled, "American History", by David S. Muzzey. Is it still a textbook? textbook?

Dr. Ballou. Yes, sir. Mr. Blanton. In the schools?

Dr. Ballou. Yes, sir; still in use. And I would like to add for the information of the committee that an assault was made on it in this city as was made on it in other cities.

A long hearing was conducted one evening by a committee of the Board of Education that went thoroughly into the merits and demerits of the charges against that book, and presented an extended printed report which was approved by the Board of Education continuing the book in use in the city.

Mr. BLANTON, Do you recall that there was much protect against

Mr. Blanton. Do you recall that there was much protest against the further use of said book, American History, by Muzzey, 1920 edition, such protests including the Constitutional Review of July 1922; the Official Bulletin of the National Society of the Sons of the American Revolution of October 1922 (p. 29); Judge Wallace McCamant, past president general of the Sons of the American Revolution and an ex-justice of the Supreme Court of Oregon; the Piney Branch Citizens' Association of the District of Columbia; and the Brightwood Citizens' Association, also of this District. and the Brightwood Citizens' Association of the District of Columbia; and the Brightwood Citizens' Association, also of this District; Judge McCamant declaring that Muzzey "has no abiding conviction in American fundamentals; no enthusiastic veneration for the great men who founded the Republic"; that he (Muzzey) "is a near socialist", "unfair", and "a political partisan", and that his history is "utterly unfat for school use"; and the Official Bulletin of the National Society of the Sons of the American Revolution declared [reading]. declared [reading]:

"When we stop to contemplate the effect of such a book upon the young minds of our country, it makes the blood boil." Did you know that?

Dr. Ballou. Well, I am not aware of all the assertions in that statement.

Mr. Blanton. Are you aware of any of them?

Dr. Ballou. Yes, sir; because I think that all of the things that I am aware of would appear in the testimony before the Board of Education, when they conducted a hearing on Muzzey's History and filed a report with the Board, which the Board adopted. It is apparent from the fact that the committee of the Board that listened to that testimony was not impressed by it, and therefore did not excee with it. did not agree with it.

Mr. Blanton. And hundreds of such textbooks are now on hand

in the Washington schools? Dr. Ballou. I think so; yes, sir.

COMMITTEE HAD TO USE CORKSCREW TO GET ANSWERS OUT OF DR. BALLOU

Mr. Blanton. Are you aware that Dr. W. W. Charters rendered assistance to the Commission on the Social Studies of the Ameriassistance to the Commission on the Social Studies of the American Historical Association, for which commission you were secretary for 5 years, and which "conclusions" were prepared by Dr. Counts and Dr. Beard, and the commission's gratitude in such connection is expressed on page 150 of said commission's Conclusions and Recommendations?

Dr. Ballou. Well, yes; if it so states in the volume; but I would say further, if you asked me that outside of this connection, I should not know whether it was true or not. I do not know specifically what his participation in the work of that commission was.

Mr. Blanton. Well, it does mention it on page 150, "Prof. W. W. Charters." Look at that volume, please [handing book to Dr. Ballou]. Does it not?

Dr. Ballou. Yes, sir. I am not denying that it says so. I am only asserting that I am not aware of the particular work he did for that commission.

Mr. Blanton. I refer you to page 152, where it says that A. C. Krey and Frank W. Ballou served as chairman and secretary, respectively, of the commission throughout the 5-year period.

Dr. Ballou. I served as secretary.

Mr. Blanton. You served as secretary throughout the period?

Mr. Blanton. You served as secretary throughout the period?
Dr. Ballou. Yes, sir; 5 years.
Mr. Blanton. There was a 5-year period in this course?
Dr. Ballou. There was a 5-year period of investigation.
Mr. Blanton. When did that begin, Doctor?
Dr. Ballou. I do not remember. That volume would probably

Mr. Blanton. It ended in December 1933, did it not?
Dr. Ballou. I cannot answer that.
Mr. Blanton. It ended before we ever appropriated any money for character education?
Dr. Ballou. I could not answer that question.

TWO DIFFERENT 5-YEAR PROGRAMS HAPPENED TO COINCIDE

Mr. Blanton. Dr. Charters said you and your corps of teachers had a 5-year program preceding October 1934. That commission did have a 5-year program, which ended December 1933, didn't it? Dr. Ballou. Yes; it had a 5-year program, and it happens perhaps, to be during the same period of time, but I would say that there is no more relationship between the work of that commission and the committee on character training in the Washington schools then there was between the commission and the reserved.

sion and the committee on character training in the Washington schools than there was between that commission and the proceedings in the Congress of the United States.

Mr. Blanton, But, coincidentally, even though there might not have been any relationship between them there was a 5-year period during which you and this commission worked and also a 5-year period during which you and your corps of teachers in the Washington schools worked, and it happened to be the same 5 years, didn't it?

Dr. Ballon, Approximately, You have training in the Washington schools.

Dr. Ballou. Approximately, I think so.

Mr. Blanton. Approximately? That is close enough.

Dr. Ballou. Yes; approximately, but so far as I know there was no relationship whatever between the two. Besides, the character education program was proposed to us. We did not originate the proposal. It was proposed to us.

DR. BALLOU LETS CAT OUT OF BAG

Note that inadvertently, or otherwise, Dr. Ballou on cross-examination exclaimed, "We did not originate character education. It was proposed to us." Why, certainly! That was the object of that \$300,000 5-year "commission" of Dr. Charles A. Beard and Dr. George S. Counts (whom Dr. Ballou says are "radicals"), and for whom Dr. Ballou served as their secretary for 5 years, which ended in December 1933, and Dr. Ballou's character education began July 1. 1934.

And isn't it strange and unthinkable that all three of the experts to place in charge of "character education" here selected by Dr. Ballou and the Board of Education should be radicals? Dr. W. W. Charters and Dr. Charles R. Mann are in "the red network of radicals" and shown there to be connected with the Moscow University in Russia, and Dr. Charters and Dr. Ben D. Wood are found in Dr. Beard's Conclusions and Recommendations, as having rendered help to the commission in writing that "red" book.

BALLOU ADMITS COUNTS AND BEARD WROTE "CONCLUSIONS AND RECOMMENDATIONS"

Dr. Ballou contended that the book, Conclusions and Recommendations, published in 1934, was the result of 5 years' work of the Commission on the Social Studies, for which he was secretary, and which began its work January 1929 and ended in December 1933, and that Dr. George S. Counts and Dr. Charles A. Beard wrote this book, and because it was communistic he refused to sign it. I quote further from his testimony:

Mr. Blanton. And yet, for 5 years, as secretary, you collaborated with him on this commission.

Dr. Ballou. I did not have anything to do with the selection of the commission. I refused to sign the report which was written by Dr. Beard and Dr. Counts. I refused to sign it primarily just because of such statements as you are reading to me, with which I did not agree, as to his philosophy of history.

did not agree, as to his philosophy of history.

Mr. Blanton. And yet you permitted your name to be published as secretary of the commission which he was serving?

Dr. Ballou. Yes; I was a member of the commission, and I was also elected its secretary, and served for a period of 5 years.

Mr. Blanton. You are aware, are you not, Dr. Ballou, that in the bulletin, Teacher Training in Service, issued by your head of the department of history of the Washington high schools, Professor Jones, your teachers have been told that every teacher's professional library should include the said final volume of report of Commission on the Social Studies entitled "Conclusions and Recommendations", which you say was prepared by Dr. Counts and Dr. Beard, instruction to that effect appearing at the top of page 3 of said bulletin? said bulletin?

Dr. Ballou. I, myself, think it is desirable for the teachers to have Dr. Ballou. I, myself, think it is desirable for the teachers to have that volume and to see what is in it. I think every teacher should keep herself familiar with the trends in history teaching.

Mr. Johnson. Have you pointed out to your teaching force those statements you believe in and those you do not agree with?

Dr. Ballou. No, sir; I have not.

Mr. Johnson. How could they distinguish between those you agree with and those with which you do not agree?

Dr. Ballou. As a matter of fact, I do not think that is important from the standpoint of the outside literature which they read in

from the standpoint of the outside literature which they read in the field of history, particularly disagreements between myself and Dr. Beard.

Dr. Beard.

Mr. Blanton. Doctor, from the first page to the last page in that volume, which it is recommended that your teachers should have in their professional library, there is not one single line that would indicate to any teacher reading it the things that you disagreed with in that volume?

Dr. Ballou. No: not at all.

Mr. Blanton. Not at all?

Dr. Ballou. Not at all; no, sir. Neither is the commission responsible for what Dr. Beard said in that volume.

Mr. Blanton. Nevertheless, all but four signed it. You are acquainted, are you not, with the following assertions on page 37 of your said commission's book. Conclusions and Recommen-

your said commission's book, Conclusions and Recommendations:

dations:

"If education continues to emphasize the philosophy of individualism in economy, it will increase the accompanying social tensions. If it organizes a program in terms of a philosophy which harmonizes with the facts of a closely integrated society, it will ease the strains of the transition taking place in actuality. The making of choices cannot be avoided, for inaction in education is a form of action."

Dr. Ballou. That is what I referred to a moment ago where

Dr. Ballot. That is what I referred to a moment ago where doing nothing sometimes determines a course of procedure.

Mr. Blanton. Do you agree with that?

Dr. Ballou. I do not agree with the point of view expressed in this volume to which you refer.

Mr. Blanton. Let me make this observation, Doctor: That book, Conclusions and Recommendations, was the summation of all of the work that you had done in 5 years, wasn't it, on that commission? That final volume was a summation of it?

Dr. Ballou. No, sir. I will say that was Mr. Beard's and Mr. Counts' summation.

Mr. Blanton. You said awhile ago that the final conclusion or final volume was to be the main volume, didn't you?

Dr. Ballou. Yes, sir.

Mr. Blanton. And that all of the others were unimportant. It was the final volume that was important.

Dr. Ballou. No; I did not say they were unimportant. I said that the commission itself assumed no responsibility for them.

Mr. Blanton. Yes; but you said the final volume was to be the commission's conclusions.

Dr. Ballou. What I did say was that this final volume was to be the volume of conclusions for which the commission was

be the volume of conclusions to which the responsible.

Mr. Blanton. I would like to preface my question with the statement that I deem you one of the smartest and brightest men that I have ever seen in school life. Being that, Doctor, you knew that if you ever signed this report along with Counts and Beard and subscribed to the statements that they put down there in black and white you knew that it would be impossible for you in black and white, you knew that it would be impossible for you to continue holding your position, as superintendent of the Washington schools, didn't you?

Dr. Ballou. No; I did not consider my position in the matter

at all.

Mr. Blanton. You realized that, didn't you, Doctor? Dr. Ballou. No, sir; I do not think that is a fair statement for you to make.

Mr. Blanton. If you were to subscribe to the principles enunciated by Beard and Counts and others in that summation and final report, did you think that the Washington people would have continued you in your position?

Dr. Ballou. I cannot answer that. That was not the reason I

did not sign.

Mr. Blanton. If you had thought so—
Dr. Ballou (interposing). I did not know whether they would or not

Mr. Blanton (continuing). You would not have agreed, of

Dr. Ballou. I do not think any one act of any individual, unless it be murder or something of that sort, is likely to condemn him forever, either as a citizen or as an educational man.

Mr. Differ. Treason is almost as bad as murder, though, Doctor,

isn't it?

Dr. Ballou. It is, sir; there is no question about that,

DR. BALLOU PREFERRED NOT TO DISSENT

AMERICAN HISTORICAL ASSOCIATION, Washington, D. C., February 15, 1936.

Mr. WILLIAM A. DUVALL,

Clerk, Subcommittee on Appropriations for the District of Columbia, House of Representatives, Washington, D. C.

DEAR SIR: I refer to your letter of February 13 about the volume, Conclusions and Recommendations, which forms a part of the report of the Commission on the Social Studies of the American report of the Commission on the Social Studies of the American Historical Association. You ask me to furnish you with any communication which Dr. Frank W. Ballou may have sent indicating his reasons for refusing to sign these conclusions and recommendations of the commission. Dr. Ballou was invited to state his reasons for dissent and facilities were offered to him for printing his dissenting opinion as an appendix to the book in question. He preferred not to do so.

Yours very truly,

Convers Read.

Instead of saying over his signature, where Counts, Beard, and others signed their names to said book: Conclusions and Recommendations "I dissent", or "I cannot sign this book", or "It is too communistic", to let all readers thereafter know that he did not approve of the book printed by his "commission", which was the product of its 5 years' work, and had cost \$300,000, and for which commission Dr. Ballou had served as its secretary for 5 years, Dr. Ballou preferred to be silent, say nothing, have his name printed on its front page, at the top of the list of sponsors, and then have it placed in his Washington schools as a textbook. No wonder Congressman DITTER spoke of treason.

DR. BALLOU'S TESTIMONY

Mr. Johnson. You had been paid all of your expenses to all of the meetings prior thereto by the Historical Association? Dr. Ballou. Yes, sir; out of this appropriation for the purpose.

Mr. Johnson. Yes.
Mr. Blanton. We find out now, Doctor, that the life of your commission expired in December 1933, before this volume was printed, which was in 1934 following it.
Dr. Ballou. The commission expired in 1933.

Mr. Blanton. This was printed in 1934, this volume Conclusions and Recommendations, and your commission expired before those

and Recommendations, and your commission expired before those conclusions were printed.

Dr. Ballou. Yes; I think it did; yes, sir.

Mr. Blanton. So that it would be December 1933.

Dr. Ballou. Yes, sir.

Mr. Blanton. Doctor, you are acquainted, are you not, with the assertion on page 83 of this book, Conclusions and Recommendations [reading]:

"In particular he, the teacher, will endeavor to acquaint the pupil with diverse ideas and points of view and cultivate in him a reasoned skepticism regarding the claims advanced in support of any social doctrine or program."

Dr. Ballou. That is fraught with a lot of possibilities and inter-

Dr. Ballou. That is fraught with a lot of possibilities and interpretations, I should say.

Mr. Blanton. Doctor, please refer to your school bulletin, The Past and the Present, on page 3, lines 18 and 25, issued by the head of the department of history in the Washington high schools, Professor Jones, wherein it is stated [reading]:

"The present wide-spread democratic order, of which we are a part, is only the third great attempt at sharing government with the people that the world has ever seen. No doubt this democratic order seems to you permanent now and destined to last for all times; but one thing you will learn from studying history is that that view is not a sound one. Democracy may last forever, and it may not. Rome lasted as a republic much longer than the United States has been a republic. This fact may help you to see the Roman fallure at self-government in truer perspective."

This is quoted from Man's Achievement to The Age of Steam, by Edwin W. Pahlow, of Ohio State University.

Is this statement in said bulletin intended to create a skepticism regarding our Government, in obedience to A Charter for the

regarding our Government, in obedience to A Charter for the Social Science, page 83 last quoted?

Dr. Ballou. I do not think so, sir.

Mr. Blanton. You are acquainted, are you not, with the assertion on page 133 of said book, Conclusions and Recommendations, published by your commission, that the individual teacher of social science instruction should be protected against the assaults

of "ignorant majorities"?

Dr. Ballou. Yes; I think they should be protected against the assault of anybody. I do not know what that statement means.

Mr. Blanton. Does it mean that if the majority of the people of Washington wanted their children to be safe from communism here in the Washington schools that you ought to have protection from them?

Dr. Ballou. Not at all.

BLANTON. What is meant by "the assault of ignorant Mr. majorities"?

majorities"?

Dr. Ballou. I do not know. You will have to ask the writer.

Mr. Blanton. Doctor, you are acquainted, are you not, with the following statement on page 142 of said book of your commission, Conclusions and Recommendations [reading]:

"In the steadily integrating social order of the present and future, if education is to be given competent and relevant direction, the emphasis in the professional education of the administrator must be leid again on social science social philosophy and tor must be laid again on social science, social philosophy, and statecraft."

Dr. Ballou. Who is the author of that statement? Mr. Blanton. That appears in Conclusions and Recommenda-

Mr. Blanton. That appears in Conclusions and Recommenda-tions, at page 142.

Dr. Ballou. Of course, I will admit I am familiar with every paragraph in the book. I have read it many times.

Mr. Blanton. But that is a statement that you do not agree with? You can read it over. There is the paragraph.

Dr. Ballou. No; I could not accept that. Mr. Blanton. You do not accept that, do you? Dr. Ballou. No, sir.

Dr. Ballou. No, sir.

Mr. Blanton. Is it not also true, Doctor, that on June 5, 1935, on the recommendation of yourself, the Board of Education approved a revised course in history and other social studies, and that on the last page of such approved document, School Document No. 1, 1936, the following appears as one of the approved reading courses under heading [reading]:

"General Reference Readings on Methods for Teachers; Report of the Commission on the Social Studies; American Historical Association"

Association."

Dr. Ballou. Yes, sir; I expect it is there. Mr. Johnson. Then you did put this in as one of your approved books?

Dr. Ballou. We put that in the list of books that would be of benefit to the teachers.

Mr. DITTER. Is it still there?

Dr. Ballou. Yes; I expect it is still there.

Mr. Blanton. Doctor, you recall, do you not, writing Mrs. E. N. Dingley, on February 11, 1935, that [reading]:
"The commission on the social studies of the American Historical "The commission on the social studies of the American Historical Association, of which I was a member and which devoted 5 years to the study of this subject, was unanimously of the opinion that our study of history should increasingly have to do with the history of modern times as compared with the former emphasis on history of ancient times and should deal impartially and dispassionately with some of the current problems of economics and sociology. The commission recognized that in undertaking to do this it might be criticized for the way in which it dealt with the problems of capitalism, labor, and many patriotic subjects."

Dr. Ballou. I recognize that.

Mr. Blanton. You did write that?

Dr. Ballou. Yes.

Dr. BALLOU, Yes.

SCHOOL GIRL ASKED TO WRITE ESSAY ON SORDID SEX STORY

On page 571, hearings, you will find complaint made by Thomas W. Brahany on December 20, 1932, that his highschool daughter was required to write a summary of A Proudful Fellow, published in Scholastic on December 17, 1920, as a part of her English work, and that it was a "sordid sex story of negro life" wholly unsuitable for girls.

On February 7, 1932, Dr. Ballou replied:

I share with you the feeling that I should prefer not to have high-school pupils read this story. * * * I think it unworthy to be carried in a journal of interest to high-school students.

Yet Dr. Ballou refused to remove Scholastic from the schools, and has several times defended it and its editor, his friend and collaborator, Dr. Harold Rugg (In Red Network), editing the social-studies column in Scholastic.

SORDID SEX STORY OF LOW CHINESE LIFE

On pages 572-573, hearings, you will find Dr. E. M. Ellison's complaint (Jan. 15, 1933), was required to read The Good Earth, stating:

It is a sordid story of low sex life of Chinese peasantry. I defy any teacher to prove to any thoughtful parent what benefit a girl 15 years old can derive from reading such stuff.

On February 7, 1933, Dr. Ballou filled Dr. Ellison's heart with satisfaction by writing that his investigation showed a desire on the part of teachers to require no reading of pupils to which any parent might make objection. No proper parent would want a 15-year-old daughter to read this sordid, vulgar, sex story of low, depraved Chinese.

Dr. Ballou. I think the answer to your question in regard to this particular matter is this, that we undertake to select possible outside reading for them.

Mr. BLANTON. But the book The Good Earth is listed as one

of your books?

Dr. Ballou. It was listed?

Mr. BLANTON. Is it listed?

Dr. Ballou. I don't know whether it is or not now. Mr. Blanton. He says it has a lot of vulgar stuff in it that nobody ought to read.

Dr. Ballou. That no child ought to read; I agree with him. Mr. Blanton. As far as you know, that book is still listed by the schools?

Dr. Ballou. I do not know whether it is still listed or not.

I read the article that Mr. Brahany referred to, and I do not see why anyone would include it in such a magazine. The editor of Scholastic thought it was all right, but I differed with him on that.

Scholastic thought it was all right, but I differed with him on that.

Mr. Blanton. And you would not have put it in there?

Dr. Ballou. No, sir; I would not have put it in that magazine.

Mr. Blanton. Doctor, are you aware that this Dr. George S.
Counts has written and published another book entitled "Dare the
School Build a New Social Order?", in which he makes plain that
his use of the term "democracy" is contrary to everything American, his assertions being—and I quote from page 28 of his book—

"That the teachers should deliberately reach for power and then
make the most of their conquest is my firm conviction."

make the most of their conquest is my firm conviction."

I now quote the following from page 40:
"The conscious and deliberate achievement of democracy under

novel circumstances is the task of our generation.

"Democracy, of course, should not be identified with political forms and functions—with the Federal Constitution, the popular election of officials, or the practice of universal suffrage."

Mr. Blanton. On pages 41 and 42 I quote the following from Dr.

Counts' book:

"Finally, be determined as a last resort, in either the defense or the realization of this purpose, to follow the method of revolution."

Mr. Blanton. Of course, you do not agree with that kind of doctrine?

Dr. Ballou. No, sir; I do not agree even with the title of that pamphlet. I do not think it is a question of daring to do it. I do not think it is wise or proper for the educational profession to undertake to do it.

undertake to do it.

Mr. Blanton. From page 10 I quote this:

"Mr. Lunacharsky, commissar of education in the Russian Republic until 1929, assured me on one occasion that the Soviet educational leaders do not believe in the indoctrination of children in the ideas and principles of communism. When I asked him whether their children become good Communists while attending the schools, he replied that a great majority do. On seeking from him an explanation of this remarkable phenomenon he said that Soviet teachers merely tell their children the truth about human history. As a consequence, so he asserted, practically all of the more intelligent boys and girls adopt the philosophy of communism."

In other words, he asserts that to make them Communists it is not necessary to indoctrinate them, but merely let the teachers teach factual history and they become Communists.

Dr. Ballou. I do not believe that is so.

Mr. Blanton. I do not believe that is so.
Mr. Blanton. You do not agree with him on that?
Dr. Ballou. No, sir; I do not agree with him on that.
Mr. Johnson. And for 5 long years you were secretary of this set-up? Could you not see, when you were sitting around the table with these gentlemen, what was behind this whole thing?
Dr. Ballou. No, sir; and I do not think anybody else saw what was behind it; and I do not know what was behind it.

PENCING AND FUTTLE DENIALS BY DR. BALLOTT

I want any colleague who can to explain why Dr. Ballou was petulant and refused to answer pertinent questions and

tried to conceal facts, when he did not think they were known to the committee.

Mr. Blanton. All of the radical views that are expressed in it now were in it in Chicago, when you met there? Dr. Ballou. I do not think so.

Mr. Blanton. Can you tell us of one of them that was not in it?

Dr. Ballou. I do not know what radical views you refer to.
Mr. Blanton. I am talking about the views such as that teachers should resort even to revolution to carry out their ideals.

Dr. Ballou. I do not know where you find in that volume any

br. Ballou. I do not know where you and in that volume any such statement as that.

Mr. Blanton. Inferentially it is in there.

Dr. Ballou. Mr. Blanton, you must not put the information that you get from this book of Counts' over into this volume, which is the Summary of Conclusions and Recommendations. I do which is the Summary of Conclusions and Recommendations. I do not think that statement about revolution is to be found in that volume of the Summary of Conclusions and Recommendations.

Mr. Blanton. Doctor, I think that your statement evidences the fact that I have given these volumes more careful, deliberative study than you have, probably.

Dr. Ballou. I do not know what volumes you are referring to. I am talking about this final Conclusions and Recommendations.

Mr. Blanton. Dr. George S. Counts in his book, Dare the School Build a New Social Order, on page 41, said, as follows:

"Finally be prepared as a last resort, in either the defense or the realization of this purpose, to follow the method of revolution."

Now, Doctor, there is a subversive magazine called The Social Frontier edited by George S. Counts, and a magazine called, The Social Studies, used by the teachers here, that have been prescribed in the schools for a number of years here in Washington. Dr. Ballou. Is that so?

Mr. Blanton. Well, isn't that so?

Dr. Ballou. I do not think so.

Mr. Blanton. Are not those magazines used in your schools?
Dr. Ballou. I do not think so.
Mr. Blanton. Well, are they? I wish you would tell me whether

they are or not.

Dr. Ballou. Well, I will, if you will give me the opportunity.

Mr. Blanton. It is reported to me that they are. I am ask Mr. Blanton. It is reported to me that they are. I am asking you if that is so.

Dr. Ballou. What are the titles?

Mr. Blanton. The Social Frontier is the first I mentioned.

Dr. Ballou. The Social Frontier is a magazine found in one of the teachers' colleges, in the library.

Mr. Blanton. In Washington?

Dr. Ballou. Yes, sir.

Mr. Blanton. Then you were mistaken, Doctor, when you impulsively said that it was not in the schools here.

Dr. Ballou. It is in that school.

Mr. Blanton. Then you were mistaken, were you not?

Dr. Ballou. Just a moment. I find that it is used by the teachers in one of the junior high schools also.

Mr. Blanton. Then you were mistaken, and it is in those schools and is accessible to the teachers here?

Dr. Ballou. Yes, sir.

Mr. Blanton. How about the Social Studies?

Dr. Ballou. Yes, sir.

Mr. Blanton. How about the Social Studies?

Dr. Ballou. Who publishes the Social Studies?

Mr. Blanton. The American Historical Association, for whose commission you were secretary for 5 years. I am assured on reliable authority that it is one of the magazines that is in the Washington school libraries, and it is the one which in his bulletin, Teacher Training and Service, page 2, your Professor Jones specially recommends it to teachers.

Dr. Ballou I do not doubt that they have access to it, anyway.

Dr. Ballou. I do not doubt that they have access to it, anyway, whether it is in the schools or not.

Mr. Blanton. What information have you got there about the magazine Social Studies?

Dr. Ballou. That is what I am looking for, sir. I do not find

Dr. Ballou. That is what I am looking for, sir. I do not find the name "Social Studies" at all.

Mr. Blanton. I see you were mistaken again, as the magazine Social Studies is one of your approved magazines.

No magazine can be prescribed for the Washington schools unless you finally authorize it, is not that so?

Dr. Ballou. That is to be the policy in the future, but that has not been the policy in the past.

Mr. Blanton. Doctor, you are responsible for what your assistant does, are you not?

Dr. Ballou. Yes, sir.

Mr. Blanton. And you assume responsibility?

Mr. Blanton. And you assume responsibility?
Dr. Ballou. Yes, sir.
Mr. Blanton. Before any list of magazines goes to the finance office, they go through your assistant, do they not?
Dr. Ballou. Yes.

Dr. Ballou. Yes.
Mr. Blanton. That is good.
Dr. Ballou. That is exactly what I stated a moment ago, and now I would like to continue this matter. You asked me for this information, and I should like to furnish it now.
Mr. Blanton. I did not ask you for a long treatise. I asked you to give this committee a list of the magazines that have been prescribed in the schools. I asked you to give this committee a list of magazines that have been authorized to be purchased in the schools. I asked you to give me a list of magazines that have been purchased by students through regular subscription, under recommendation from the teachers. I asked you to give us a list of the magazines that have been eliminated from the schools and the date they were eliminated. the date they were eliminated.

That is plain, and if you can conform to that request, why, we are ready to proceed. But we want to conduct our investigation in our own way, and later we will hear you on other matters.

Now, this magazine, the Social Frontier, that is in your schools—and you finally admitted that it is—did you know that George S. Counts is the editor of that magazine?

Dr. Ballou. Yes, sir. I am familiar with that magazine. It comes to my desk every month.

Mr. Brayrow And yet, not believing in George S. Counts' phi-

Mr. Blanton. And yet, not believing in George S. Counts' philosophy, you place his Social Frontier magazine, of which he is editor, in the schools.

Dr. Ballou. I have not placed it in the schools.

Mr. BLANTON. But it is in the schools.

Dr. Ballou. It has been in the schools. Mr. Blanton. And is now?

Dr. Ballou. No. No magazines are being ordered since the 1st of January.

Mr. Blanton. It has not been eliminated; it has not been taken ut. You have just ordered no new ones.

Dr. Ballou. All distribution of magazines is held up.

Mr. Blanton. I could go up to that Wilson Teachers College right now and get that magazine, could I not?

Dr. Ballou. I expect that you could. Mr. Blanton. Certainly.

Mr. Blanton. Certainly.

Dr. Ballou. But no orders are being placed and will not be placed until the officers have passed on every magazine that is in any way being used in the schools.

Mr. Blanton. Since last December you have stopped the distri-

bution of Scholastics?

Dr. Ballou. Yes, sir. Mr. Blanton. Why?

Dr. Ballou. Because of the complaints made against it.
Mr. Blanton. You state that Members of Congress have asked you to discontinue it. What Members of Congress?

Dr. Ballou. I prefer not to put that in the record.

I will direct your attention, Doctor, to the editorial on page 1 of Scholastic, issue of December 17, 1932, from which I quote the

following excerpts:
"The national flower, says one headline writer, has become the 'razzberry.'
"The mood of disillusionment has indeed settled over the present

"A journalist who traveled the country over and talked with hundreds of ordinary, obscure men and women in all walks of life came back with a profound impression that the American people have no national faith."

Dr. Ballou. Well, I do not agree with that point of view. Mr. Blanton. You do not agree with that, do you, Doctor?

Mr. Blanton. You do not agree with that, do you, Doctor?

Dr. Ballou. No, sir.

Mr. Blanton. I direct your attention to the editorial note on page 7 of Scholastics magazine, issue of November 10, 1934, using the following language commendatory of the author of a recent book featured in such issue to this expression contained therein:

"Here in rigid logic he examines such popular belief as 'national honor', 'patriotism', 'security', and exposes their childishness and hypocrisy."

Do you consider that proper reading for our school children?

hypocrisy."

Do you consider that proper reading for our school children?

Dr. Ballou. That is an unsound view to me.

Mr. Blanton. It is unsound, isn't it, Doctor?

Dr. Ballou. Yes.

Mr. Blanton. Certainly. I direct your attention to a special article in Scholastics magazine, issue of November 9, 1935, in which, on page 12, it is pointedly suggested that "the romantic appeal" is "a tricky lie", and that "a dirty trick is being played" upon those who respond to "some patriotic slogans." Do you think that is proper reading for school children?

Dr. Ballou. I do not know what is meant by "romantic appeal."

Dr. Ballou. I do not know what is meant by "romantic appeal."
I do not understand what that statement is all about.

Mr. Blanton. All right, Doctor, if you want to let it go at that. If you can't understand it, how would the school children?
Dr. Ballou. But I do not agree with the possible implications

in it. Mr. Blanton. You do not agree with it?

Mr. Blanton. You do not agree with it?

Dr. Ballou. No.

Mr. Blanton. That is what I was trying to get you to say.

Dr. Ballou. I do not know that that does tell them how to think.

Mr. Blanton. No; it is telling them what to think.

Dr. Ballou. I do not believe in that.

Mr. Blanton. You do not believe in it.

Dr. Ballou. No, sir.

Mr. Blanton. That is what I believe every member of this committee does not believe in.

Are you acquianted with the succession of articles in Scholastics.

Are you acquainted with the succession of articles in Scholastics magazine featuring Russian communism as elevating; for instance, I quote from the issue of December 16, 1933, page 16, where it says

[reading]:
"Today 6,000,000 young Russians in the Communist Youth Association are helping to build a new social world."

I also quote from the issue of January 20, 1934, page 21 [continues

"But the Russian planters do not stop short with material things. It is a promise to increase the number of students in their country about 50 percent and reduce illiteracy by requiring every child to attend school at least 7 years.

"Can they do it? On the basis of past accomplishments, the answer is, 'Yes.'"

Then I quote from the issue of October 6, 1934, page 12, the

following [continues reading]:
"The older transients, it is true, resist communism. They have "The older transients, it is true, resist communism. They have a mental hold-over of war psychology, the antired drives of former, and a belief in the American success story. For boys and girls, communism offers school, hope, and adventure."

The issue of January 4, 1936, on page 23, expressly commends the procommunistic book, I Write as I Please, by Walter Durante, as "dynamic, objective, and reliable about the Soviet experiment."

Have those matters been brought to your attention by any parent, Congressman, or anybody else, about the Scholastic magazine?

Mr. Blanton. You know, Doctor, do you not, that this same Harold Rugg, who is social-studies editor of Scholastic magazine, has written and published a book called The Great Technology? You know that book, don't you, The Great Technology? Dr. Ballou. That is the book, right there, or it looks like that

one.

Mr. Blanton. Now, I quote from page 95 of that book [reading]:

"Nothing about this story of degradation is clearer than that
in any of those decades a fairly decent standard of living could
have been had by the peoples of the expanding West. That it was
not and is not today can be traced primarily to the theory and
practice of government set up by our fathers."

Further quoting from page 234, it states [continues reading]:

"School administrators and teachers should lead actively in the
formation of public opinion."

Further quoting from pages 259 and 260, it states [continues
reading]:

reading:
"It is this which compels the formal, unthinking salute to the flag, and the mumbling of an oath of allegiance which means absolutely nothing to the young people making it. It is this, which, in hundreds of communities, compels teachers to sign oaths of allegiance to swear that they will protect the written Constitution of the United States."

In other words, it states that when a teacher takes an oath, he mumbles it, and it means nothing.

Mr. Blanton. Do you know that Prof. Carl Becker has any personal knowledge of conditions in Soviet Russia, either at present

sonal knowledge of conditions in Soviet Russia, either at present or at any time in the past?

Dr. Ballou. No, sir; I do not.

Mr. Blanton. Are you familiar with what is said with respect to Marxist communism and Soviet Russia in Carl Becker's textbook, Modern History, still in use in the Washington high schools; the laudation of Marxist communism, commencing on page 534, and Soviet Russia being featured (commencing on p. 790) as having become "every year more popular" (p. 799), following a laudation of Lenin as a great leader "in the crusade for human freedom" (p. 791); and are you aware that the said textbook makes no disclosure of the subversive nature of the Soviet Government directed against our own Government through the Third Internationale. against our own Government through the Third Internationale, and substitutes for an explanation of the enslaving features of Russian communism a misdescription of Russian communism as

something elevating and popular?

Dr. Ballou. I am not familiar with the matter.

Mr. Blanton. Carl Becker's textbook, Modern History, is still in use in the schools here; is not that a fact?

Dr. Ballou. Yes, sir. Mr. Blanton. The Board of Education approved it upon your recommendation?

Dr. Ballou. Yes, sir.

Mr. BLANTON. If you had not recommended it, they would not have approved it? Dr. Ballou. No.

Mr. Blanton. No.

Mr. Blanton. I hand you a printed brief of 45 pages of printed matter entitled "Piney Branch Citizens' Association against the Muzzey School History", a brief for the association, which is signed by S. T. Cameron, Ralph V. Hendrick, and C. R. Thompson for the Piney Branch Citizens' Association, of Washington, D. C., dated April 25, 1923. That shows that the people were sufficiently interested at that time to take this matter up and protest against this Muzzey School History.

When did you come to the schools here?
Dr. Ballou. 1920.

Mr. Blanton. That was 3 years after you came here. That group, the Piney Branch Citizens' Association, went to the trouble and expense of having a 45-page brief printed against that Muzzey's History. You had a copy of it filed with you, didn't you?

Dr. Ballou. The Board of Education had it filed with them.

Mr. Blanton. Did you ever see it before?

Mr. Blanton. Did you ever see it before?
Dr. Ballou. Yes. I heard Mr. Cameron read it in a meeting before the Board of Education. He practically read that whole

Mr. Blanton. He made them sit there and listen to it? Dr. Ballou. Yes, sir.

Mr. Blanton. And required you to do it, didn't he, Doctor?
Dr. Ballou. Yes, sir.
Mr. Blanton. It was quite an imposition on you?
Dr. Ballou. Yes, sir; it was an amusing experience. I do not think it was very favorably considered by the Board.
Mr. Blanton. Dr. Ballou, would the Board of Education, from the intimate relationship that exists between you and it, go against your recommendation on anything?
Dr. Ballou. I cannot answer that, sir.

HAMILTON FISH COMMITTEE'S DEFINITION

The following is a definition of communism, a world-wide political organization advocating:

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(1) Hatred of God and all forms of religion.
(2) Destruction of private property and inheritance.
(3) Absolute social and racial equality; promotion of class hatred.
(4) Revolutionary propaganda through the Communist International, stirring up Communist activities in foreign countries in order to cause strikes, riots, sabotage, bloodshed, and civil war.
(5) Destruction of all forms of representative or democratic governments, including civil liberties, such as freedom of speech, of the press, of assembly, and trial by jury.
(6) The ultimate and final objective is by means of world revolution to establish the dictatorship of the so-called projectariat into

lution to establish the dictatorship of the so-called proletariat into one world union of soviet socialist republics with the capital at

To the above experts on communism have later added:

(7) Destruction of all forms of morality, especially breaking down sex morality in children.

"AS GIVING IN TO THESE PEOPLE WHO HAVE ACCUSED US OF COMMUNISM"

The Washington Post, February 18, 1936, under headline: "Head of Scholastic Magazine appears before School Principals", said:

A defiant challenge to red-rider proponents was hurled yesterday by Maurice R. Robinson. If you want to drop the magazine from your course of study for technical reasons, that is your privilege. However, if you do that, let me urge you to take such action, let us say, next year, so that it will not be interpreted as giving in to these people who have accused us of communism.

Dr. Ballou and his board of education know that every member of our subcommittee reached the unanimous conclusion that Scholastic is unfit to be in any school course of study, and totally unfit for school children to read, yet they follow Editor Robinson and not a committee of Congress.

COMMITTEE GAVE "CHARACTER EDUCATION" EXHAUSTIVE INVESTIGATION Before denying the \$78,660 Dr. Ballou requested for his so-called character education, our subcommittee gave the matter an exhaustive hearing, covering 268 printed pages. No more copies are now obtainable. Additional copies would have been printed but for the objection of communistic sympathizers. The Government Printing Office has this type intact. It can print additional copies for \$185.78 for the first thousand, and \$84.04 for each additional thousand. Some should go into every one of the 48 States. I would have additional copies printed at my own expense, but I am not financially able to do it. During my 20 years in Congress, outside of a bare living for my family and educating my children, I have spent my entire income in public service. trying to help make the United States a more decent place for a poor man to live in. The people of the United States have an inherent right to know of the efforts and activities exerted by radicals to communize the United States, through their school system. Communists do not want these facts known. They will attack me for making this speech, and claim that it cost money to print it, and that it cost money to print our hearings, but they will not mention that the action of our subcommittee caused \$78,660 to be saved in cash this year, and will save more than that each year hereafter, from the money standpoint alone, besides being worth many billions of dollars in preventing the communizing of our school children. If I were financially able, I would place a copy of this speech in every home in the United States, to warn Americans of this serious menace in growing communism.

URGE COLLEAGUES TO READ HEARINGS

Each Member of the House and Senate has been furnished with a copy of the hearings sent to their office. I ask them to read the 101 pages of Dr. Ballou's testimony; the 22 pages of Professor Jones' testimony; the opinion and testimony of Corporation Counsel Prettyman; the statement of Mrs. Henry Grattan Doyle, president of the Board of Education; the 25 pages of Hon. George E. Sullivan, as the spokesman for the Federation of Citizens Associations, showing their discoveries of communism in Washington schools and their untiring efforts to eradicate it; the 35 pages of Maj. Gen. Amos A. Fries' testimony, he being the spokesman of the District of Columbia Public School Association, embracing 90 organizations in Washington, and also the spokesman of the American Legion; the 14 pages of Representatives Virginia E. Jenckes' testimony; the evidence of Lt. Horace Lineburg, head of the

crime-prevention bureau of the Metropolitan Police and a former president of the Police Association, who testified "there is a Communist School in Washington, teaching straight-out communism of the Third Internationale, known and advertised publicly, and that from his official knowledge there is a direct tie-up, a direct connection, between communists, this communist school, and the meetings where rioting and unlawful assembly have occurred in Washington during the last 3 years"; the evidence of Fred G. Lange, giving his 234 years' experience in Russia; the report of the Civic Council of Defense of California, Inc., showing the subversive activities of Scholastic; the 51 pages of the Scholastic editor's testimony and other pertinent evidence, showing that, although he was in Washington 2 days during said hearings and we urged him to come before us, Dr. W. W. Charters refused to testify and refused to allow us to ask him any questions.

DETERMINED NATIONAL LOBBY TO REPEAL "RED RIDER"

There is a determined national lobby working day and night to repeal the law which prevents communism from being taught in Washington schools, and to have the \$78,660 placed in the bill for so-called character education, under which cloak they expect subversive doctrines to continue to be taught in Washington schools.

MINUTES, BOARD OF EDUCATION, MARCH 6, 1935

Moved, seconded, and carried:
"That in view of the fact that the Board of Education has heard
the correspondence between Dr. W. W. Charters and Dr. Frank W.
Ballou as to the charges that Dr. Charters is connected with Soviet Russia, and in view of the further fact that the Board found this correspondence satisfactory in every way, the Board passes a vote of confidence in Dr. Charters" (p. 14).

NEWS SAYS "COMMUNISTS OPPOSE 'RED RIDER'"

The Washington Daily News, a pink paper sympathetic to communism, in its issue of March 2, 1936, under large headlines, "Communists Oppose School 'Red Rider'", said:

Communists in Washington in a statement issued today endorsed

the Sisson bill repealing the Blanton "red rider."

Representative Maverick (Texas) and Scott (California) are expected to continue arguments for the bill.

LOBBYING AND PROPAGANDA BY TEACHERS

The Education Association of the District of Columbia is a teachers' organization, composed of teachers, its president being in charge of one of its schools. The following is a propaganda circular which its officers (teachers) mailed to many prominent citizens in Washington yesterday, lobbying for the Sisson bill:

Education Association of the District of Columbia, Washington, D. C., April 1, 1936.

To Members of the Delegate Council:

The meeting of the delegate council held last evening served to impress upon those present the need for immediate and united action if we are to secure the elimination of the "red rider." impress upon those present the need for immediate and united action if we are to secure the elimination of the "red rider." Each representative was urged to call his group together and ask all members to see personally one or more Washington citizens outside of our profession, asking them to telephone, interview, or write members of the two committees to report out and pass to second Sisson bill, H. R. 11375. Remember that it is the second Sisson bill not the first that we want passed. The names of the members of the two committees are given below. This is not just "one more thing." It is fundamentally important to the schools of Washington and the Nation.

District of Columbia House Committee: Mary T. Norton (chairman), New Jersey; Vincent L. Palmisano, Maryland; Wright Patman, Texas; Ambrose J. Kennedy, Maryland; Jennings Randolph, West Virginia; Virginia E. Jenckes, Indiana; Theo. B. Werner, South Dakota; Randolph Carpenter, Kansas; Henry Ellenbogen, Pennsylvania; William T. Schulte, Indiana; Reuben T. Wood, Missouri; James L. Quinn, Pennsylvania; Jack Nichols, Oklahoma; Dan R. McGehee, Mississippi; Merlin Hull, Wisconsin; Everett M. Dirksen, Illinois; Dewey Short, Missouri; Ralph O. Brewster, Maine; Chauncey W. Reed, Illinois; Clare G. Fenerty, Pennsylvania; and W. Sterline Cole, New York.

Senate Committee on Education and Labor: David I. Walsh

W. Sterline Cole, New York.

Senate Committee on Education and Labor: David I. Walsh (chairman), Massachusetts; Royal S. Copeland, New York; Park Trammell, Florida; Hugo L. Black, Alabama; Louis Murphy, Iowa; Elbert Thomas, Utah; James E. Murray, Montana; Vic Donahey, Ohio; Rush D. Holt, West Virginia; William E. Borah, Idaho; Jesse H. Metcalf, Rhode Island; Robert M. La Follette, Jr., Wisconsin; and James J. Davis, Pennsylvania.

Very sincerely yours,

EDUCATION ASSOCIATION OF THE DISTRICT OF COLUMBIA.

THE AMERICAN CIVIL LIBERTIES UNION

The Washington Daily News, March 24, 1936, under heading running across entire page. "Civil Liberties Group De-

mands Red Rider Repeal," and a subhead "Representatives MAYERICK and Scott Flay Teacher Oath Requirement", said:

Rarely has the "red rider" taken such a knocking about as it received last night at the hands of Representatives Maury Maverick and Byron Scott at the first meeting of the Washington branch of the American Civil Liberties Union.

AMERICAN CIVIL LIBERTIES UNION BECOMES ACTIVE

The following circular was distributed all over Washington on March 22, 1936:

The "red rider" and the challenge to American civil liberties. Shall the rider to the appropriation bill prohibiting teachers from "teaching or advocating communism" in the District schools be repealed? Symposium by Congressman Maury Mayerick, of Texas; Congressman Byron Scott, of California, and Congressman Knutz Hill, of Washington. Monday evening, March 23, 8 o'clock. Friends' Meeting House, 2111 Florida Avenue NW. Auspices Washington, D. C., Committee, American Civil Liberties Union.

WHAT HAMILTON FISH COMMITTEE REPORTED TO CONGRESS

The American Civil Liberties Union is closely affiliated with the Communist movement in the United States, and fully 90 percent of its efforts are on behalf of Communists who have come in conflict with the law. It claims to stand for free speech, free press, and free assembly, but it is quite apparent that the main function of the American Civil Liberties Union is to attempt to protect the Communists in their advocacy of force and violence to overthrow the Government.

WHAT THE NEW YORK STATE LUSK REPORTS SAID

The American Civil Liberties Union, in the last analysis, is a supporter of all subversive movements; its propaganda is detrimental to the State. It attempts not only to protect crime, but to encourage attacks upon our institutions in every form.

ABOUT ITS LEADER, ROGER N. BALDWIN

The January 1931 report to Congress said:

Roger N. Baldwin, the guiding spirit of the American Civil Liberties Union, makes no attempt to hide his friendship for the Communists and their principles. He was formerly a member of the I. W. W., and served a term in prison as a draft dodger during the war. Testifying on force and violence, murder, and so forth,

The CHAIRMAN. Does your organization uphold the right of a citi-

zen or alien to advocate murder? Mr. Baldwin. Yes.

The Chairman. Or assassination? Mr. Baldwin. Yes.

The CHAIRMAN. Does your organization uphold the right of an American citizen to advocate force and violence for the overthrow of the Government?

Mr. Baldwin. Certainly; insofar as mere advocacy is concerned. The Chairman. You do uphold the right of an alien to advocate ac overthrow of the Government by force and violence?

Mr. BALDWIN. Sure; certainly.

The Red Network says that the American Civil Liberties Union centers its fight against the American Legion and the Daughters of the American Revolution "as they are the most active inciters against radicals."

Can there be found anywhere in the United States two more loyal or more patriotic organizations than the American Legion and the Daughters of the American Revolution? I say there cannot. The above two organizations stand out as two worthy, reliable, loyal, patriotic, and dependable American institutions.

N. E. A.

The Washington Post on February 26, 1936, in reporting proceedings of the National Education Association, reported Dr. Charles A. Beard in making a vicious attack upon William Randolph Hearst and of injecting politics in the convention.

The Post quoted Dr. Charles A. Beard as saying that Landon would have an excellent chance of being the Republican candidate for President if Hearst had not sponsored him, and that Dr. Beard used the expression, "every scoundrel like Hearst and his satellites."

Dr. Beard was reported to have denounced the dismissal of Payson Smith, commissioner of education in Massachusetts, against whom complaint was made that he opposed the law requiring teachers to take an oath of allegiance and of his having religious bias and favoring out-of-State teachers and fiscal waste.

The sole reason why Dr. George S. Counts and Dr. Charles A. Beard viciously attacked Hearst and Hearst's papers at this convention of the National Education Association is that Hearst has been making a determined, uncompromising fight against communism and their subversive activities now being exerted in an attempt to overthrow this Government by force and violence.

The Washington Herald for March 25, 1936, in reporting the convention of the National Education Association, under headlines "'Red' teachers fail to force ban on loyalty" and "Convention backs academic freedom", said:

Communistic-inclined educators failed to force a stand against While "left wing" educators claimed victory over conservatives on the issue of "academic freedom", they rejected any plan to fight the proposed teachers' oath.

In another column the Herald carried the Washington headlines, "School Board ignores plea for 'red' curb" and "No action taken on appeal by lawyer for 'red rider'", said:

Throwing their support behind the Sisson bill for repeal of the "red rider", members of the Board of Education yesterday ignored the augment of Roscoe F. Walter, who was there to urge opposition to the bill. Roscoe said, "There are many teachers who do not live up to the oath, and we know it."

In the Washington Post for February 27, 1936, the following reference is made to the hearing on the Sisson bill, which attempts to repeal the law now preventing indoctrinating communism in Washington schools:

Among the Congressmen who will speak in favor of the Sisson bill on Monday are Representatives Fred J. Sisson, of New York, author of the bill; Maury Maverick, of Texas; and Byron Scott, of California.

And editorially, like an ostrich with his head in the sand, or an irresponsible idiot, the Post then editorially blatantly

Teachers must not be bullied by morons and "red" baiters to debauch local schools.

The Washington Herald for Thursday, February 27, 1936, carried a report from Modesto, Calif., that District Attorney Cleary had asked President Sproul, of the University of California, to dismiss two professors because of their communistic activities in addressing Communists meeting and consorting with such Communists as Harry Bridges and Ella Winters. The Herald also reported that W. P. A. Directors Barrett and White in Atlanta, Ga., had refused to spread communistic propaganda through W. P. A. teachers, and that a W. P. A. handbook given out to workers at Macon Ga., suggested as reading material to them radical and communistic literature, such as Rebel America, and the Challenge of Russia, and Mill Shadows, and Anthology of Revolutionary Poetry, and Red Bread, and that instead of spreading such communistic literature with the help of Superintendent Collins they had drafted a proper course in patriotic history, English, and other standard subjects to supplant the communistic works which W. P. A. teachers had been trained to hand out.

The Fortnightly for Teachers and Principals, called "High School", which is combined with the High School Teacher, is published at Pittsburgh, Pa., by Scholastic Corporation as one of the Scholastic publications, Scholastic being another. Heading its list of editors under "editorial department" is Maurice R. Robinson, editor of Scholastic.

In its issue of March 21, 1936, under heading John Dewey Society Hears Counts Rip Into Critics of Free Schools, on its front page said:

One thousand guests of the newly organized John Dewey Society, successor to the Social Frontier group, met in St. Louis just before the opening of the N. E. A. superintendents' convention last month to hear an address by George S. Counts, Teachers College, Columbia.

Essentially the same group which last year heard Charles A. Beard, venerable historian, take the hide off William Randolph Hearst this year heard Mr. Counts pay respects to the Daughters of the American Revolution, Frank Belgrano, former American Legion chief, and Alfred E. Smith: "Hearst prefers a sales tax"; "Belgrano is willing to cooperate with Hearst in pinning the Communist label on ministers, teachers, journalists, and others Communist label on ministers, teachers, journalists, and others who advocate a humane civilization"; "Smith wants people to believe that God guides the Supreme Court"; and "The Daughters of the American Revolution betray their fathers, their patriotism being thinly veiled snobbery."

In the first column on the first page of said issue the following startling admonition is given:

Teachers must ally themselves with organized labor.

And on its front page in another column it was asserted that Norman Thomas (a well-known radical) won his debate at this N. E. A. convention in St. Louis and that attending superintendents entered a vigorous defense of "academic freedom" in Washington, D. C., and stated that a high spot was Dr. Charles A. Beard's presentation of the superintendents' 1936 yearbook.

On its editorial page M. R. Robinson (editor of Scholastic) editorially commented on the N. E. A. convention at St. Louis, and said:

The tremendous applause at the end of Norman Thomas' dynamic rebuttal was headlined in all the St. Louis newspapers.

And called attention to the fact that more than 1,000 attended the organization meeting of the John Dewey Society, and that "the naming of public enemies of education by Prof. George Counts was a poor substitute for the expected speech of Governor La Follette."

Robinson said that the meeting "deserves one rousing cheer for the suggestion of William McAndrew that teachers propose an oath of their own writing."

And then Robinson said:

Dr. Beard's telegram to Governor Landon asking if he were proud of Hearst's support of his candidacy added merriment to the hotel lobby talk.

On page 5 it is stated:

Superintendents of the National Education Association officially oppose the District of Columbia rule, supported by the American Legion, which forbids any person teaching or advocating

On page 6, under the Social Studies column, in an apparent attempt to incite sympathy for strikes, High School

When times are getting better and the price of living is rising, strikes become frequent and bitter. We are now in such a period. The average wage in industry is \$22 a week, a sum so small that most families cannot live on it decently. To get better wages they

The average wage in industry is \$22 a week, a sum so small that most families cannot live on it decently. To get better wages they must bargain collectively; strikes are the result.

Interview owners and workers in your town. What have they done? Are there any strong craft unions in your vicinity? Do many of the unskilled men belong to industrial unions? Are company unions working? What do you expect the Supreme Court to decide about the Wagner-Connery labor bill?

When at Alameda, Calif., on March 5 to 7, 1936, the school children walked out on a strike, Communists distributed "red" handbills stating:

The Communists League of California is behind you 100 percent. Keep up the good work. Stay on strike.

The American Citizen, published at San Rafael, Calif., in its issue of March 27, 1936, under headlines, State Teachers Federation Looks "Red", said:

Add the California Federation of Teachers to the list of 180 Communists or Communist-controlled organizations active in the San Francisco Bay district.

The federation unanimously endorsed resolutions favoring repeal of the State criminal syndicalism act, abolition of military training, freedom of Tom Mooney, and reinstatement of high-school teacher, Victor Jewett.

It speaks of the Berkeley chapter of the American Students Union as "a radical left-wing organization, formed in Ohio in December."

It further states that the American Legion has demanded that

It further states that the American Legion has demanded that well-known agent agitators and Communists be removed from W. P. A. rolls, asserting that several of them are receiving maximum salaries, stating:

"Jack Warnick, 28, now facing deportation as an undesirable allen, who is receiving \$94 a month as an 'artist' on the Federal theater projects; William A. Boeker, said to have served as secretary of the Friends of the Soviet Union, now employed at top salary on a project at Seventh and Bryant Streets; and J. B. Nathan, said to have been active in the San Joaquin Valley agricultural troubles, employed on the Federal writers' project at Berkeley.

The March 1936 issue of the National Republic, a magazine of fundamental Americanism, sounds the following

The Soviet Government is a conspirator and breeder of revolts in every nation of the world. Moscow still directs the conspiracy for world revolution.

In the United States the Bolsheviks have made considerable headway since the Moscow Congress last year. Relief centers have afforded not only ready prospects for the conspirators, but also a

source of increased revenue for Communist activities. Strikes, riots, and mass demonstrations have become more frequent. Communists have become bolder and more optimistic over prospects of ultimate success

Evidence has been uncovered which proves that Soviet agents have been the instigators of scores of revolutions in all parts of the world. China made charges following the raid on trade agencies. Great Britain made charges after raids on the Arcos. Germany made charges after the round-up of scores of Soviet conspirators. Mexico broke relations and deported Ambassador Kollontoy

Russia claims that when a country breaks relations, it is an act of war, tending to force nations to maintain relations, even though they disapprove of Russia's conspiring and intrigues.

Police in Rio de Janeiro recently arrested Harry Berger and Machla Lueszkyi, for fomenting Communist disorders, they being sent there by Russia.

In Spain recently the revolutionists were victorious in battle and ballot, and taking control, Communists burned churches and buildings, opened prisons, and turned thousands of vicious characters loose to plunder.

Chile discovered a Communist plot for a railroad strike to envelop industries, and over 200 revolutionary Communist leaders and organizers were arrested.

In Mexico, Communists were foiled in their attempt to seize factories in Monterey.

factories in Monterey.

From the seeds planted by Communists at Howard University (in Washington, D. C., maintained by Government funds) there developed the National Negro Congress held in Chicago, last month, with 4,000 Negroes attending. Its speakers were Anglo Herndon, Georgian Communist; John Phillips, of the (Communistic) Friends of Chinese People; James Ford, Communist candidate for President; Edward Strong, and Norman Thomas. The well-known Communist, Earl Browder, national secretary of the Communist Party, was scheduled to speak. Philip Randolph, well-known Negro radical, was elected national chairman.

People must not be ostrichlike and bury their heads so as to

Negro radical, was elected national chairman.

People must not be ostrichlike and bury their heads so as to pooh-pooh the seriousness of the revolutionistic movement among the youth. Lenin once said that if children were given over to the Communists for a short while at the age of 8, they could make Bolsheviks of them for life. Communist agents in America are feverishly working to influence the youth in the schools, on and off the campus, through books, newspapers, magazines, bulletins, and by pacifist movements. They frequently disguise their activities by a slight garnish of patriotism, religion, or humanitarianism. It matters little to them what bait is used, so long as they hook their suckers. their suckers.

The newest radical movement among youth is the American Student Union. It was organized at a national meeting of Socialists and Communists, at which the American flag was not in sight. The meeting was concluded with the singing of the Communist anthem, the red Internationale, and pledged to defend Soviet

The American Student Union is active in many schools, colleges, The American Student Union is active in many schools, colleges, and universities at present, and announces that it will organize a Nation-wide student strike to take place on April 22.

Meyer Schapiro, a teacher at Columbia University, addressed the convention of radical artists in New York on February 16.

Over 1,500 recruits were enrolled in the Communist Party in its recent memorial meeting to Lenin in Madison Square Garden. The Communist organizer, Isreal Amter, opened the meeting with a tribute to "Our dead leader, Comrade Lenin." Earl Browder, Communist secretary, was cheered uproariously, and led them in the Communist pledge.

In Washington, D. C., and elsewhere Communists are trying to slip their propaganda plays into Federal projects. The Private Hicks was barred, but sponsored for showing at the National Press Club Auditorium later by Congressman Scott. In Plymouth, Mass., another radical play has been stopped. School children had been ordered to attend it.

The Washington Herald for February 26, 1936, quotes the following from the proceedings of the District subcommittee, holding hearings on the Sisson bill, which seeks to repeal the law preventing indoctrinating communism in Washington schools:

Mrs. JENCKES said: "As a member of the subcommittee on education, I have requested that the hearings be extended and continued in order that I might file a brief, which will show that the Board of Education of the District of Columbia is wholly unfit to administer the sacred trust of educating the children of the District.

Dr. Frank W. Ballou offered a number of telegrams from educators advocating repeal of the anti-Communist law, quoting Dr. Ballou as follows: "I want to impress on you gentlemen that what we are doing is being watched by the educational system of Texas."

Concerning the above, the Washington Herald editorially then said:

These words from School Superintendent Ballou should have een supplemented with: "And by every father and mother in America.

Every parent in the land is watching the school board's attempt of throw the schoolhouse doors open to the teaching of communism.

Congress, listening to pleas pro and con on the "red rider", should ask itself: "Do I want my children taught communism?"

When abstract theorizing is changed to a question in one's own

hearth and home, vitally affecting one's own future and one's national future, it becomes a different matter.

A vote for the existing law is a vote against communism.

HEARINGS TO REPEAL LAW STOPPING COMMUNISM

It is reported that the hearings before the legislative subcommittee on the Sisson bill to repeal the law stopping communism in the Washington schools will approximate almost 300 printed pages. When the hearings first started on February 25, 1936, Chairman Kennedy said:

Unless there is objection on the part of members of the subcommittee, we will hear from the proponents of the bill, but not from the opponents.

Author Sisson at that time declined to make a statement. The Washington Herald for February 25, 1936, quoted Congressman Virginia Jenckes as follows:

Mrs. Jenckes said this (Communist) school would like to have the Board of Education lighten its task by teaching fundamentals of communism in public school classrooms, so it could devote its full time to postgraduate courses in violence and revolution.

Mrs. Jenckes said: "This communistic school operates in the rear of a book shop in the 500 block of F Street NW. The Daily

Worker and other communistic literature is dispensed in the book shop.

"The school, although supposedly financed locally, I have learned, is but a link in a Nation-wide chain of such institutions, In these schools originate communistic marches. Riots and other forms of violence against constituted authority are plotted in them.

"Indoctrination of the immature minds of children in the Na-

Indoctrination of the immature minds of children in the Nation's Capital with the brutal, irreligious, and revolutionary philosophy of the Soviet Government already has gone too far.

"Speaking as a mother, I would not permit a child of mine to attend schools administered by the Board of Education which admittedly recently ordered teachers to use a textbook openly advocating communism and refused to withdraw the book until the subversive propaganda it contained had been exposed to the public."

On another page the Herald publishes an account of a visit by one of its reporters to a Communist book store in Washington, and under the following headlines: Soviet Gospel Preached Here in Book Store, and Communists Hold Forth in Shadow of Supreme Court; \$2 and \$3 Courses Offered, said:

Communism—taught within a stone's throw of the District Supreme Court.

Classes in communism, with youthful residents of the District

Classes in communism, with youthful residents of the District sitting in as students being taught the doctrines of Lenin and Marx in the rear of a book store in the Nation's Capital.

This was revealed last night when a Washington Herald reporter wandered into the establishment. Under casual questioning it was explained that classes were just being organized on the red doctrine. Both colored and white persons are eligible to enroll. Stickers in the shop bore the inscription "Don't read Hearst", who was described as the greatest enemy to communism in the United States.

The Communist in charge expressed high hope that the rider prohibiting the teaching or advocacy of communism in the District schools will be repealed.

The Washington Post for February 25, 1936, under large headlines, "Red Activities Laid to Two Seized on Battleship" and "Women Arrested on Coast Linked to Wide Subversive Campaign", said:

A widespread campaign of young radicals to salt the United States Battle Fleet with communistic propaganda was believed uncovered tonight following the arrest of two women aboard the battleship

Naval and Federal authorities said they had five other persons, including two women, under surveillance, in a move to balk efforts of young radical groups to breed disloyalty among men in the fleet. Concealed copies of a pamphlet urged sailors to join the Third International, International Communist Party. It contained articles attacking the naval service and reviling officers, urging sailors not to reenlist.

Officers connect the spread of propaganda with efforts to sabotage naval and military aircraft operations in this area, including the Vultee bombing plane September 13, when Pilot Blue and Fred Stone, crack Navy flyer, were killed, and the disappearance July 30 of the fastest military airplane in the world and its pilot, Lieutenant

The Washington Times for February 26, 1936, reported that executive officers of the United States Fleet ordered watch for women and girls instructed by Communists to meet sailors, take them to dances and entertainments, win their confidence, and then preach to them the red doctrines."

WASHINGTON BOARD OF EDUCATION BEEN ABOLISHED TWICE

The legislative history of the Board of Education of the District of Columbia is as follows:

First. As appears from Compiled Statutes, District of Columbia, chapter LVII, page 482, Public Schools, sections 1 and 2: The "Board of School Trustees", existing prior to July 1, 1878, was abolished by act of June 11, 1878 (20 Stat. 107), and the Commissioners of the District of Columbia were, by said act, empowered to appoint nine persons to constitute "the Trustees of Public Schools" of the District of Columbia.

Second. As appears from District of Columbia Code, Revised, title 7, Education, page 75, Congress passed an act on June 20, 1906 (34 Stat. 316), vesting so-called control of the public schools of the District of Columbia "in a board of education" to consist of nine members, appointed by the Supreme Court of the District of Columbia. This last-named legislation was evidently drafted for the purpose of giving the new body called Board of Education merely nominal control, the actual, effective control being vested in a "superintendent of schools." This is made manifest by the provision in section 2 of the act prohibiting said Board from making any appointment, promotion, transfer, or dismissal "except upon the written recommendation of the superintendent of schools", and also by the express provision in section 3 restricting the power of removal by the Board of Education of such all-powerful superintendent to "adequate cause affecting his character and efficiency."

An act would seem to be in order at this time similar to the one passed June 11, 1878, abolishing the then Board of School Trustees, which would now abolish the Board of Education. Such an act might read, in substance, as

SECTION 1. That from and after the 1st day of July 1936 the Board of Education of the District of Columbia shall be abolished, and all the powers and duties now conferred upon such Board shall be transferred to a new board, to be known as the Board of School Trustees, and to consist of nine members having the same qualifications and terms of office as required for said abolished Board of Education, but to be appointed by the Commisished Board of Education, but to be appointed by the Commissioners of the District of Columbia.

SEC. 2. Said Board of School Trustees shall have power to remove the Superintendent of Schools at any time, in its discretion, without any special showing or cause. The Board shall also move the Superintendent of Schools at any time, in its discretion, without any special showing or cause. The Board shall also have power to make appointments, promotions, transfers, or dismissals of any director, supervising principal, principal, head of department, teacher, or any other subordinate to the Superintendent of Schools, in accord with its discretion or judgment, whether in accord with or opposed to a recommendation of the Superintendent of Schools.

COMMISSIONERS SHOULD APPOINT BOARD OF EDUCATION

As it is, the Board of Education assumes that it is responsible to nobody. If it were appointed by the Commissioners, as all other District officials are, this Board of Education would not be so autocratic and irresponsive to the wishes of the citizens living in the District of Columbia.

NOW ALL POWERFUL SUPERINTENDENT OF SCHOOLS

Under the present law you will have noted that, except for "adequate cause affecting his character and efficiency", the Board of Education has no power to remove the Superintendent. Also, you will have noted, probably much to your surprise, that under section 2 of the present law, the Board of Education "is prohibited from making any appointment, promotion, transfer, or dismissal, except upon the written recommendation of the Superintendent."

PERSONS EXECUTED BY THE SOVIET GOVERNMENT

General FRIES. Now, here is a paragraph from the Army Chaplain of October 1935. That is a paper published by the Army chaplains of the Regular Army, the Reserves, the National Guard, and includes ministers of the Presbyterian, Roman Catholic, and Jewish faiths. I make that statement to show that the magazine is non-sectarian in the broadest sense. The article is nearly two columns long, but I will only read the first paragraph. It is entitled "Russia Is Red—Blood Red."

"Henri Bero, a French Socialist, has gathered figures showing that the number of people who have been killed or executed since the Soviet regime came into power in Russia is almost unbelievable. His figures of the known dead are as follows:

"Twenty-eight bishops and higher clergy, 6,778 priests, 6,585 school teachers, 8,000 doctors, 51,850 army officers, 200,850 policemen and other officials, and 11,488,520 peasants and artisans. These make the staggering total of 11,726,746. Nearly 2,000,000 more dead than the total killed in the World War."

Mr. Blanton. You mean 2,000,000 more were executed in Russia than were killed in the World War? General FRIES. He so states.

Mr. BLANTON. Yes. General Fries. That has nothing to do with the 20,000,000 that died of starvation.

POVERTY AND STARVATION IN RUSSIA

In Ripley's broadcast "I Saw Starvation in Russia", April 5, 1935, he said:

Russia is a gigantic poorhouse where millions of people are on the verge of starvation at this moment * * *. In a single year, 1932, 4,000,000 peasants died of starvation in the Ukraine and North Caucasus, the most fertile part of all Russia.

Prof. L. Tarassevich, noted Russian sociologist, in an official report to the League of Nations, says that 30,000,000 Russians have starved to death since the country turned communistic. This astounding figure is substantiated by Fridth of Nansen, head of the world organization of the Red Cross and delegate of the League of Nations to Russia.

BOARD OF EDUCATION WHITEWASHED COMMUNISM IN 1928

The Washington Post, April 3, 1928, under main headline, "Reds Renew Drive as School Board Launches Inquiry", and subheadline, "Boy of 12 Testifies of Effort to Bring Him Into Fold of Communism", said:

Communistic elements, whose activities in the schools was the subject of inquiry by the Board of Education yesterday, responded to the Board's thrust by renewal of proselytizing campaigns in the schools

One 12-year-old youngster, who testified before the hearing yes terday, told the Board that yesterday he had been approached in the Central High School by another youth who sought to enlist his interest in communism.

Talk of communism pervaded the whole meeting. There are in the District schools, according to the testimony, two organizations affiliated with the Communist Party. One is the Young Communist League and the other the Young Pioneers. Columbia High School, MacFarland High School, Central High School, and Business High School were mentioned by the witnesses as having been points of communist activity.

Mr. Henry Gilligan's statement that the Appropriations Committee has not the right "to tell us how to run our schools" was applauded.

Mr. Chairman, that was back in April 1928, before I became a member of the Committee on Appropriations, and when the Washington Post then could give us the news on communistic activity, because that was before Eugene Meyer paid \$825,000 for it at "his" public auction and became its owner, a plant which once he had offered \$5,000,000 for, and which thereafter David Lawrence signed a contract to buy it and pay \$3,000,000 for it.

I submit, Mr. Chairman, that Congress must take immediate steps to clean up this communism in the Washington schools and defeat the Sisson bill, which would allow it to remain and flourish, and stands its ground in denying the \$78,660 asked by Dr. Ballou for his communistic so-called character education, which he is now urging the Senate to place in the District appropriation bill.

WILLING TO GIVE THE DEVIL HIS DUES

Mr. Chairman, I have been libeled many times by the newspapers of William Randolph Hearst. They have been uniformly unjust and unfair to me. They have refused to report me correctly. They have viciously slandered me. They have persecuted me. Nevertheless, I am willing to be just to them. While I despise the public and private life of Hearst and the unjust way he has cruelly libeled many good men in public office, I am willing to give the devil his dues.

HEARST'S FIGHTS AGAINST ALIENS AND COMMUNISTS HIGHLY COMMENDABLE

William Randolph Hearst and his newspapers deserve the thanks of the Nation for the creditable, determined fight they are making against communism and to rid our country of aliens and to preserve American jobs for Americans. No other metropolitan newspapers in the United States are making such a fight. Where is there another metropolitan newspaper that has been willing to make the sacrifice? Hearst and his papers have made the sacrifice. They have been willing to pay the price. They have been willing to suffer all incidental losses. And I know the sacrifice is great, and the losses are heavy. Hearst has every radical in the United States sniping at him and his papers. Hearst

has every Communist in the United States doing their dead | Mr. Bates, who had charge of the Federal prisons of the level best to injure him and his business. He has the George S. Countses and the Charles A. Beardes and every Russian Soviet sympathizer in the United States barking and snaping at him. It requires a great deal of intestinal fortitude for him and his papers to continue the fights under such handicaps. And, for one, I am willing to offset some of his many almost unpardonable sins, with the good he is accomplishing in his uncompromising fight for Americanism. Although being one whom he has maliciously slandered, I am forced to admit that the ledger being kept on him by St. Peter has two sides to it; and while there is a tremendous lot of bad on the bad side, there is some good on the good side, and I will leave it to St. Peter finally to decide just how far his ledger pages on Hearst are unbalanced.

Mr. Chairman, this speech will contain facts that ought to be of interest to every colleague in Congress. I hope my friend from California, with whom I have differed slightly on some questions, will read what I have to say.

Mr. SCOTT. Mr. Chairman, will the gentleman now yield?

Mr. BLANTON. Yes; surely.

Mr. SCOTT. I hope the gentleman will keep in mind what happened to the gentleman from South Carolina [Mr. Mc-Swain] when he asked Mr. Hearst to be on his side.

Mr. BLANTON. I am not asking Hearst to be on my side. I have whipped Hearst in every election that has ever come off in my district. I am just "giving the devil his dues."

DANIEL WEBSTER

Mr. Chairman, I am not an orator. I will, however, conclude my speech by quoting from one of our greatest orators, Daniel Webster, in his address on the "One Hundredth Anniversary of the Birth of George Washington", when Daniel Webster said:

Other misfortunes may be borne, or their efforts overcome. If disastrous wars should sweep our commerce from the ocean, an-other generation may renew it; if it exhaust our Treasury, future other generation may renew it; if it exhaust our Treasury, future industry may replenish it; if it desolate and lay waste our fields, still, under a new cultivation, they will grow green again and ripen to future harvests. It were but a trifle, even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall, and its gorgeous decorations be all covered by the dust of the valley. All these might be rebuilt. But who shall reconstruct the fabric of demolished government? Who shall rear again the well-proportioned columns of constitutional liberty? Who shall frame proportioned columns of constitutional liberty? Who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No, if these columns fall, they will be raised not again. Like the Coliseum and the Parthenon, they will be destined to a mournful and melancholy immortality. Bitterer tears, however, will flow over them than were ever shed over the monuments of Roman Grecian art; for they will be the remnants of a more glorious edifice than Greece or Rome ever saw—the edifice of constitutional American liberty.

Mrs. KAHN. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. Focht].

Mr. FOCHT. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a short article from a newspaper, about two sticks in length.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FOCHT. Mr. Chairman, at this hour everybody feels like being relieved and going into the open instead of having reference made to a penitentiary.

In the short time I have I wish to call attention to a matter that has relationship to my old home town, Lewis-

About 7 years ago there was a bill introduced which included an authorization and an appropriation for a penitentiary in my home town, an unusual community, rare in the fact of the quality of the intellectual standard, due to the presence in the town of a university, which has been there for a hundred years. Most of our people went through this Bucknell University, and those who did not came in contact with those who had, and the refining process has been going on all that time.

We hoped it might continue to be on the same kind of intellectual plane, with the same high culture and the same atmosphere; but there came along a desire on the part of and I am certain that there are at least some members of

country, to locate a penitentiary on land adjacent to the town.

Personally, I was in hearty accord with the methods he has adopted in regard to the care of prisoners and the hope of the reclamation of these unfortunate men, but I did object to having a penitentiary planted within 1 mile of that classic

I pursued the matter through the Pennsylvania Legislature, where it was required to have a special grant to make it a Federal territory. There were 1,500 acres withdrawn from taxation and the penitentiary placed in that township that was named for an illustrious hero of the Revolutionary War, Maj. John Kelly, instead of a monument being put there to the glory of this man who covered the rear guard of George Washington in his retreat across New Jersey in January 1777. Covering the rear guard over Stony Brook, at Worths Mills, he was supposed to have been lost, and the remainder of the guard followed Washington into Trenton; but John Kelly made a recovery and emerged from the icy stream. Instead of being lost, he reported at Washington's headquarters the next morning and brought in two Hessian prisoners.

And so this township where this penitentiary is located was named in honor of Maj. John Kelly.

There is no objection to the penitentiary itself. Whatever I found that is adverse to the theory, from the research I have made as to the reclamation of men who have been in the penitentiary, I still believe that support should be given to Mr. Bates for what he has in contemplation.

But I find in this appropriation bill a recommendation that new housing facilities for guards be built on Government property adjoining this penitentiary at Lewisburg-and this without any notice to or conference with the businessmen of Lewisburg, who worked most diligently to secure options from the farmers who owned this wonderful thousand acres. with an additional 500 acres, so that the penitentiary might occupy 1,500 acres free of taxation in a county of less than 17,000 population. The Government through Mr. Bates accepted over \$20,000 from those businessmen to buy the options and then the land. There may not have been more than an implication that the location of that institution near this town would in some way benefit the businessmen and be of some use to them. Nevertheless, I hope my friends here and the members of the committee, whom I have found to be most courteous and gracious, ultimately will not permit Mr. Bates to walk out on those businessmen whose money he accepted to buy this land, to take it away from this great township and dedicate it to this prison instead of allowing it to be kept in memory of Maj. John Kelly. It was proposed by Mr. Bates that he be given something over \$1,000,000 with which to build housing for employees of various penitentiaries of the country. There can be no objection, of course, to the appropriation of ample money to house the top men from the warden on to these great scientists who must be there or constantly near this particular kind of a penitentiary.

The men there are to be taught new ideas of life, they are to be given everything up to a college education, so that they may emerge with the freedom of the plantation and walk out into the world reclaimed. We all agree that the warden is a most excellent citizen, a World War veteran, Major Hill. He was formerly warden of the penitentiary at Joliet, Ill. Dr. Wilson is a noted scientist, and there are several others of his class-Walter Hunter, Thomas C. Farmer, Mortimer Davenport, and C. G. Murphy. They should be close to the prison for obvious reasons; but when they propose to build on that place enough houses to accommodate the entire corps of employees of that institution and on untaxable ground, to remove them away from the town of Lewisburg and depopulate it to that extent, I doubt very much whether these gentlemen, these keepers, would care to have that done. Many of them are from the South. They are a fine type of men. I know most of them. They have come to my office and they have come to my house. They are Fed-eral employees and I am a Federal officer. I do not believe they would care to be put away out there in the country,

the Committee on Appropriations who do not believe in that idea, and I surmise that instead of giving Mr. Bates \$1,000,000 that he asked, they cut it to \$300,000 for that very reason.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RABAUT. Mr. Chairman, I yield the gentleman 1 minute more.

Mr. FOCHT. I desire this minute to say that I think those men to whom I have referred, these excellent gentlemen, guards and others, who have all passed civil-service examinations, would much prefer to have an adequate salary to live on than to have these houses planted out on the penitentiary grounds, and I hope Mr. Bates will be governed accordingly.

The CHAIRMAN. The time of the gentleman from Penn-

sylvania has again expired.

Mr. FOCHT. The newspaper article referred to by me is as follows:

SUNBURY ITEM, APRIL 1

Word has been received that the House Appropriations Committee has recommended to Congress that proposed new housing facilities for guards at the northeastern penitentiary, Lewisburg, be built on Government property adjoining the prison.

The committee further recommended that \$300,000 be made available for the construction of the homes on the reservation. In making this recommendation, the committee said it did so because of the desirability for purposes of early to have the year decrease.

of the desirability for purposes of safety to have the yard force housed on Government property adjoining the prison.

This action was taken after a group of Lewisburg businessmen had asked the committee to have the homes built in Lewisburg,

had asked the committee to have the homes built in Lewisburg, and comes at a time when Lewisburg has started a construction program to furnish adequate housing for the guards.

It is a slap at Lewisburg business interests who raised a large sum of money to purchase the ground on which the institution is built, as the construction of the homes on the reservation will make them untaxable and will remove a source of revenue.

Mrs. KAHN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

COMPARISON OF AGRICULTURAL PLANS

Mr. CRAWFORD. Mr. Chairman, October 31, 1932, Mr. Arthur M. Hyde, Secretary of Agriculture under President Hoover, in making his report to the President on the agricultural situation, submitted a land-use planning and conservation program which can be summarized in the following language:

This program envisages: (1) A better economic utilization of our land resources, (2) control of erosion, (3) a far-sighted provision for future timber and public recreation needs, (4) preservation of wildlife, (5) the gradual diversion to other purposes of lands submarginal for farming, (6) guidance of proper enter-prises in land settlement, and (7) important adjustments in governmental organization in the distribution of local institutions and in local taxation and expenditures—adjustments that have become or will become necessary as important changes in land use are made.

January 17, 1936, Mr. Hoover, addressing the Nation from Lincoln, Nebr., said, among other things:

The second group of policies is: To retire submarginal lands where people cannot make a living. Do it in the more effective and humane way proposed by Secretary Hyde in 1932. Retard new reclamation projects until the land can be used.

President Roosevelt, in a statement released March 1, 1936, hailed the Soil Conservation Act-substitute for the A. A. A.—as a measure which "seeks to salvage and conserve the greatest values in human life and resources", and, among other things, said:

The new law has three major objectives which are inseparably, and of necessity, linked with the national welfare. The first of these aims is conservation of the soil itself through wise and proper land use. The second is the reestablishment and maintenance of farm income at fair levels, so that the great gains made by agriculture in the past 3 years can be preserved and national recovery can continue. The third major objective is the protection of consumers by assuring adequate supplies of food and fiber now and in the future.

Saturday, March 21, 1936, Secretary Wallace released his press statement to the morning papers setting forth the national soil-conservation plan embraced in the recently enacted Soil Conservation and Domestic Allotment Act. Since that release was received by the people of the Nation through the agency of the press numerous meetings have

representatives of the Secretary and the Department of Agriculture.

Tragedy stalks the land. The self-denial living of the farm people in their struggle to eke out an existence on a basis which will enable them to pay the high interest rates and taxes necessary to hold title to their homes; the foreclosure proceedings and loss of homes on the part of thousands of farm folk; the lack of purchasing power due to a combination of many factors such as importation of foodstuffs from other lands under reciprocal trade treaties, lack of organization among farmers in the selling of their products, increasing loss of foreign markets due largely to staggering overhead expense saddled on the backs of American farmers thus placing them in a noncompetitive position with farmers of other lands, and the extravagant use of public funds which directly result in the necessity of increased taxes to replenish those funds for extravagant use. This is the tragedy.

The great contest is now on between individual farmers and groups and sections to see who shall receive the division of the fund that has been made available for the purpose of leasing, renting, or retiring certain acreage from direct production. No one knows what the effect will be. Who can answer as to how many thousand acres will be kept from cultivation, how many will be shifted from soil depleters to soil builders, or what the effect of it all will be on farm prices. Already there is great controversy arising because of a difference in opinion between soil experts, agronomists, and others as to really what constitutes crops which deplete the soil and which build up the soil. The rates of soilconserving payments vary to such a great extent as between certain specified crops, and the maximum acreage with respect to which payments will be made is so dissimilar that great dissatisfaction will necessarily arise among the farmers. That dissatisfaction is now very evident and groups already have their representatives in Washington demanding that the rates be changed and benefits shifted to a different basis than that announced by the Secretary on March 21.

Apparently all students and authorities agree on the fact that the United States faces a dangerous enemy in the forces of soil erosion and fertility wastage. So recently the press of the Nation has carried headlines setting forth vast and staggering destruction by reason of the ravages of floods. Stifling dust storms continue their havoc in the West and Southwest-all of which emphasizes what is happening to America's food basket of the present and of the future. Heretofore our supply of foodstuffs has been so plentiful and so much fertile land has been available that it is most difficult for us to visualize the millions of acres going the way of the semideserts of other countries. When Secretary Hyde made his report to President Hoover in 1932 he had in mind what discussion and trial and error have so clearly brought out during the past 4 years. Secretary Hyde also had in mind that the semideserts of northern Africa and the now waste and eroded lands of China were once fertile fields which gave food to the teeming millions of human beings of those lands. Nature's balance between, on the one hand, the beneficial influence of verdure of grass and tree that hold moisture, and, on the other hand, the destructive influence of water run-off and dust-carrying winds was broken, and those countries had to pay the price of lost soil. Today America is awakening to the same destructive influences at work in this great land, and Secretary Hyde pointed it out to us in 1932 before his retirement from the position as Secretary of Agriculture.

Mr. Chairman, there appears to be a unanimity of opinion that these forces must be halted. But how? That is the question. It now appears that we have gone down the road far enough to realize that neither the individual nor the State can cope with the whole problem. If the solution of the problem lies beyond any authority so far vested in the Federal Government, we should lose no time in ascertaining that fact. This becomes a most serious question for the consideration of the two major parties of this country, bebeen held throughout the entire land under the direction of I cause we are now on the eve of the national conventions, at which time the political platforms, which will certainly carry agricultural planks, must be drawn for presentment to the farmers of this country.

It is very interesting to take the March 21 release of the Secretary of Agriculture and the March 1 release of the President and compare them with the following brief analysis of Senators Vandenberg and Dickinson and Messrs. Hoover and Landon:

SENATOR VANDENBERG'S PLAN

First. Provide complete tariff protection for crops sold for domestic consumption by American farmers.

Second. Offer Government leadership in storing and ultimately marketing surplus crops at the price they would bring on world markets. This means that just as industry with an export surplus sells at home at the domestic price and sells abroad at the world price, so if the farmer can be completely protected in a domestic price at home and a world price for his exportable surplus he can approach effective parity of opportunity.

SENATOR DICKINSON'S PLAN

First. Prevent contradictions in Government policy. Eliminate them. On the one hand, they seek to limit crop production, while, on the other, they undermine still further the position of agriculture. The subsidizing of activity arising from the opening up of vast new tracts in the public domain which under present conditions are neither needed nor economic in character must be ended, not encouraged.

Second. The removal of all attempt at artificial bureaucratic regulation relating to crop limitations and a return to the policy of Federal assistance in the development of cooperative production and marketing organizations. Strengthen self-government among the farmers and let this be in a constitutional way and at all times conforming with the evolution of our American institutions.

Third. Fulfillment of present outstanding A. A. A. contracts by the Federal Government.

Fourth. Stabilize present agricultural production through Federal policies aimed at (a) retirement of marginal lands from production and cultivation and the substitution of an intelligent land-use program, and (b) stimulation of crop diversification which will bring about better balanced production. Grow furs as an illustration and stop annual importation of \$150,000,000 worth of these. Let this be the move to stop underconsumption and undernourishment rampant in the United States today.

Fifth. Establish a broad program to restore farm export markets. Apply principle of utilizing national purchasing power abroad. Stimulate the exchange of goods along lines successfully used by Great Britain in her Ottawa trade agreements; this way our international trade can be rebuilt. Meet world price differentials by allocating a proportion of the customs revenues. Equalize world and domestic prices at the custom's barrier, not, as under the processing-tax system, where equalization comes directly out of the pockets of the American consumer.

Sixth. Stabilize the currency and fix the tariff policy, definite in rates and protective of the American standard of living. Cancel reciprocity agreements such as the Canadian and Cuban trade treaties which lower tariff barriers on farm imports. Discontinue program of scarcity while at the same time encouraging imports of foreign-produced livestock, grains, and other farm commodities.

EX-PRESIDENT HOOVER'S PLAN

He suggests a group of "aids" among which we find the following listed:

First. Increase consumption of food by restoration of employment. This can come only with a balanced Budget, stable currency, and credit.

Give the farmer our own home market. Adopt such sane national policies as will again restore reasonable export markets. Out of this group of aids we can restore demand to many millions of fertile acres.

Second. Retire submarginal lands where people cannot make a living. Do it in the more effective and humane way proposed by Secretary Hyde in 1932. Retard new reclamation projects until the land can be used.

Third. Encourage cooperative marketing and those marketing agreements which contribute to preventing "gluts" in the "flow" to markets. The farm-credit machinery established by Republican administration and by the New Deal should be still further improved.

Fourth. Beyond these measures this farm situation is now one where still further emergency measures pending general economic recovery are necessary—doubly necessary as a new road must be built whereby agriculture can get back on solid ground from the quicksand of the New Deal.

Fifth. One new method is that instead of trying to find a balance to agriculture by paying the farmer to curtail a crop, we should endeavor to expand another crop which can be marketed or which would improve the fertility of the soil. We import vast quantities of vegetable oils, sugar, and other commodities. There are industrial products that could be introduced by the American farmer. We need to replenish our soils with legumes and restore coverages.

Reverse economy of scarcity to that of an economy of plenty.

The farmer must be entirely free to use his own skill and judgment. Program to be handled by land-grant colleges be free of politics and the vast bureaucracy now loaded upon the farmer. Coordinated by a nonpolitical national board. Cost to be borne by general taxpayer and not loaded on backs of poor through some tax like the processing tax.

LANDON AGRICULTURAL PLAN

First. See H. R. 10757, introduced January 30, 1936, by Mr.

Second. Bill suggests a new basis and new plan to give tariff equality to producers of surplus agricultural products such as wheat, hogs, cotton, and tobacco. Instead of attempting to make tariff on surplus crops actively effective, plan is frankly based on idea that as far as its effects on prices are concerned the producer of surplus commodities has no tariff protection. His disadvantage consists in the fact the price he pays for the things which he buys is enhanced by the protective tariff on other commodities.

Third. Simple matter to ascertain approximately what proportion of the cost price of the commodities which the farmer buys is due to the tariff. Plan provides the producer of surplus commodities should be given a tariff-equivalent payment on that part of his production consumed domestically, which is equivalent to the tariff costs which he bears. Use the tariff itself to correct the disadvantages created by it.

Fourth. Secretary of Agriculture to use the 200 articles used by Department of Agriculture in compiling its indexes on farm purchasing power. Tariff Commission is to ascertain the approximate amount which the tariff adds to the price of those articles the farmer most commonly buys.

Fifth. If it were found that on an average the tariff adds 25 percent to the cost of the articles which the farmer buys, a tariff-equivalent payment would be given to the producer of export commodities amounting to 25 percent of that portion of his sales which went into domestic consumption.

Now, Mr. Chairman, as I view this subject in the light of what we have lived through the past 15 years, and further with the above thoughts and plans before us, the agricultural problem from (a) to (z) can be briefly summarized, as follows:

- (a) Is the Soil Erosion Act a satisfactory proposal?
- (b) Shall the movement of people be back to the farm or back to the city?
- (c) Cooperatives: Shall they be strengthened, encouraged, and perfected?
- (d) Cost-of-production guaranty: What shall we do about that?
- (e) Crop loans: How shall they be financed; at what rate of interest, and so forth?
- (f) Debt: What shall we do with the great farm debt?
- (g) Domestic-allotment plan and export debentures: What shall we do?
- (h) Embargo on farm imports: Shall we stop them for good or temporarily?
- (i) Export bounty for agriculture: Shall we adopt that as a policy?

- (j) Foreign markets: How shall they be recovered and maintained?
- (k) Frazier-Lemke farm mortgage refinance bill: What shall be its destiny?
- (1) Irrigation and reclamation: Shall present policy be continued?
- (m) McNary-Haugen plan: Can it be made to solve the problem of marketing?
- (n) Marginal lands: Shall they be purchased, leased, rented, retired, or what?
- (o) Packing and processing industry: Can the farmer ever receive fair prices operating as heretofore and selling as a disorganized unit?
- (p) Price fixing: Relationship of farm and industrial commodities - What?
- (q) Processing taxes: Shall they be reinstated or forever abandoned?
- (r) Production control: Shall it be exercised as a perma-
- (s) Reciprocal-trade treaties: Shall they be abandoned or continued?
- (t) Rural resettlement: Shall this become a national policy? If so, to what extent and on what basis?
- (u) Soil improvement: Shall we make it a national policy? Shall the State of Federal power be in control of the program? Can the Federal power be exercised?
- (v) Surpluses: Shall we prevent their accumulation, destroy them, pool them, warehouse them on farm or in centralized State or Federal warehouses, dump them abroad, establish the ever-normal granary, or what shall we do with them if once produced? What method of financing and at what rate of interest to the farmer?
- (w) Tariff for farmer: Has he had the benefit of tariffs? Has he been hurt by the tariff with relation to free imports, surplus crops, and nonsurplus crops? Have the benefits provided by law been passed on to or extended down to the farmer?
- (x) Taxation for benefit of farmer: Shall we attempt this as class legislation? Does the farmer want us to do so? Is it permissible for the Federal Government to so act under Constitution as now drawn? If adopted, will a constitutional amendment be necessary?
- (y) Unless legislation is enacted will agriculture grow worse or work itself into a better position unaided?
- (z) Shall the field be left to the survival of the fittest and thus let competition solve the problem? Can the situation be remedied by legislative action?

These questions are before the Nation today. They are of great importance to the agricultural worker and investor, and certainly they are of great interest to the industrial worker, who is almost entirely dependent upon the purchasing power of the American farmer and those he supports. The issue is now before us.

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, the people of the South have been very much disturbed recently by the passage of discriminatory legislation in Wisconsin, and the consideration of such legislation in certain other States, notably the State of New Jersey, where it is proposed to bar or impose prohibitive restrictions upon the use or sale of oleomargarine, in the supposed purpose of bringing about benefits to the dairy industry. Cottonseed oil is one of the most important constituents of oleomargarine, and the cotton growers of the South are naturally very much concerned by the enactment of any legislation which proposes to place a handicap upon the marketing of their products. The result has been to bring about in the South an organization of consumers, known as the Southwide Association of Consumers. One of its purposes is to bring about the removal of this discriminatory legislation and the defeat of similar pending legislation and the banding together of consumers against the purchasing and consumption of products from States which have enacted legislation of the discriminatory character to which I have referred. That is indeed a very unfortunate situation. Everything possible should be done to facilitate the exchange

of products between the agricultural sections of the country, and the passage of legislation by States attempting to prevent the purchase and consumption by their citizens of legitimate and healthful food products is undemocratic, un-American, and, in my opinion, unconstitutional,

Anything which is calculated to bring about a controversy of this sort cannot fail to be harmful to all sections of the country which may engage in that controversy. It is not my purpose to pour fuel on the flames of the controversy, but I have here a letter written by Hon. J. D. Beck, commissioner of agriculture of the State of Wisconsin, and a reply to that letter written by Mrs. R. L. Truman, of Atlanta, Ga., who is president of the Southwide Association of Consumers. These letters present, I think, fully the respective contentions of these two parties, and constitute information which the House should have. I do not wish to enter into any detailed discussion of the subject matter at this time, and, therefore, Mr. Chairman, I ask unanimous consent that there may be inserted in the RECORD in connection with my remarks the two letters to which I have referred.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The letters referred to are as follows:

DEPARTMENT OF AGRICULTURE AND MARKETS, Madison, Wis., February 24, 1936.

1007-1008 Norris Building, Atlanta, Ga.

Dear Madam: I recently received a copy of your address before the Hamilton Club, in Chicago, in what I believe can be termed a defense of oleomargarine as a substitute for butter, though you

seem to deny that.

I wonder if you are familiar with the recent investigation made I wonder if you are familiar with the recent investigation made by the University of Nebraska as to the food value of oleomargarine. This experiment showed that 69 rats were fed on butter for a period of 8 weeks and that at the end of the experiment they were all alive and they gained in weight from 46 to 90 grams. One hundred eighty-one rats were fed oleomargarine. At the end of the 8 weeks' period, all of them had died but 36. Twenty-seven of these showed a loss in weight, while 9 showed an average gain of 25 grams. The Wisconsin College of Agriculture obtained similar results from feeding rats filled milk—milk from which the butterfat had been extracted and vegetable oils inserted

The charge has been made by dietitians that oleomargarine is almost wholly lacking in vitamin A, a necessary element for growth and development. Some oleomargarine companies have almost wholly lacking in vitamin A, a necessary element for growth and development. Some oleomargarine companies have therefore been trying to inject vitamin A into oleomargarine. Thirty of the rats fed oleomargarine were fed that in which vitamin A was supposed to have been added. Twenty-eight of these died before 8 weeks had expired. Two still lived but showed a loss in weight. These rats were not fed as sparingly of oleomargarine as those who were fed butter.

I also wonder if you are aware of the fact that this controversy over oleomargarine and butter only involves about 4.3 percent of the cottonseed oil produced in the country. I also wonder if you are aware of the fact that in the 10 leading cotton States of the Union the farmers of those States receive an income from dairying in excess of \$4 for every \$1 they obtain in income from

dairying in excess of \$4 for every \$1 they obtain in income from cottonseed oil, and that you are thereby putting up a fight against one of the greatest industries of the South in behalf of 4.3 perone of the greatest industries of the South in behalf of 4.3 percent of a product of secondary importance. I also wonder if you are aware of the further fact that the southern growers are getting but very little remuneration out of the production of cotton-seed oil, but the remuneration is going to the manufacturers of oleomargarine, who are spending millions of dollars to carry on a false campaign throughout both the North and South in the interests of oleomargarine. I am wondering if these interests are not the ones back of your organization, known as the Southwide not the ones back of your organization, known as the Southwide Association of Consumers.

I am wondering, also, whether you are aware of the fact that at one time 26 percent of the ingredients that went into oleomargarine were cottonseed oil and that the oleomargarine interests themselves have done more to cut out the production of oleomargarine from cottonseed oil than all the States put together; in fact, they have done exactly what they and such organizations as you represent are now accusing States of doing who want to put out a healthful product to replace a product that is destruc-

tive of health.

Very truly yours,

DEPARTMENT OF AGRICULTURE AND MARKETS,

SOUTHWIDE ASSOCIATION OF CONSUMERS, Atlanta, Ga., March 25, 1936.

Hon. J. D. BECK,

In order that your letter and my reply may have as wide publicity as possible, I shall send a copy of your letter and mine to each of the Governors and commissioners of agriculture in the cotton-growing States, to the leading southern newspapers, southern Congressmen, to Governor La Follette, and to the dean of the College of Agriculture of Wisconsin in order that they may see the type of letter being sent out by the Commissioner of Agriculture of the State of Wisconsin.

You imply I am not sincere in saying that I am not educating

You imply I am not sincere in saying that I am not advocating margarine as a substitute for butter. I am advocating margarine as a supplement to or an alternative for butter. I am anxious to see margarine sold in an open free market as butter is—on its merits, for what it is, a wholesome, nutritious, low-cost, and much

needed table spread.

I do not understand the logic nor the economics of the argument of the butter interests that if margarine is outlawed and the infant I do not understand the logic nor the economics of the argument of the butter interests that if margarine is outlawed and the infant industry completely destroyed butter would then be sold at a higher price and that poor people would by some sort of legerdemain be provided with an increased income with which to buy higher-priced butter. You apparently leave out of the picture the vast numbers of people below the poverty level who can't buy butter at the present price, much less at a higher price. Have you any solution of the problem as to how really poor people may secure the needed table fat to eat on their bread? Dry bread is rather chokey!

Your account of the experiment with feeding margarine to rats at the University of Nebraska made me write for that report, which I find very different from the portion of it which you quote. As against your false interpretation of the experiment I would call your attention to the research in your own university and to similar clinical research in numerous other universities in this country and abroad, which shows that vegetable oils are as wholesome and nutritious and as easily digested as animal fats.

Frankly I am not at all interested in preserving the life of rats, though you may have brought a wonderful discovery to light—the fact that margarine kills rats by the wholesale! Perhaps the margarine manufacturers should know about it, since they might find it more profitable to sell margarine as a substitute for Rough-on-Rats than as a "substitute" for butter! The United States Department of Agriculture reports that American farmers lose more than \$200,000,000 a year by rats. Think what it would mean to the farmers if they were to place large quantities of margarine in their barns.

\$200,000,000 a year by rats. Think what it would mean to the farmers if they were to place large quantities of margarine in their barns and other places where the rats work such havoc!

But, seriously, I am interested in helping the consumers of limited income, the farmer who needs more income from his crops and additional sources of income, and a more adequate diet for everybody, especially those with very limited income, who now have neither butter nor margarine. Surely you must know that margarine is accepted by the medi-

Surely you must know that margarine is accepted by the medical authorities as equally as nourishing, as wholesome, as easily digested as butter. If it were "destructive of health", as you indicate, the Pure Food and Drugs Administration of the Department of Agriculture should put it off the market. Certainly if it is not a wholesome food, there would have been some cases against it during the past year, when notices of judgment were issued by the United States Food and Drugs Administration and 3,821 separate shipments of food were prosecuted in the Federal courts of the United States as violations of the Pure Federal 3.821 separate shipments of food were prosecuted in the Federal courts of the United States as violations of the Pure Food and Drugs Act. Of this number, not one was against margarine; while 2,558, or 67 percent, involved shipments of cream and butter (see copy of article reprinted from the March issue of Veterinary Medicine, which describes these Federal cases against butter and cream, under the caption "Filthy, putrid, moldy, rancid, and decomposed", enclosed). So, you see, it is not margarine, as your letter would indicate, that is offending our pure-food laws.

Medical authorities dietitians and chemists tell us that margarine and chemists tell us that margarine was a controlled to the controlled to t

Medical authorities, dietitians, and chemists tell us that margarine is just as easily digested as butter. Margarine is made of

garine is just as easily digested as butter. Margarine is made of vegetable or animal fats, milk, and salt—foods consumed daily by millions of people. If they, in combination as margarine, have ever destroyed the health of any individual, I've never heard of it. Of course, you know, as I do, that the vitamin-A content of butter is variable; that vitamin A is largely present only when the cows are grazing on green grass, which is scarcely 6 months of the year in your part of the country. The rest of the time the butter manufacturers put in yellow coloring, which, I am informed, is not vitamin A. How are consumers to know when butter contains vitamin A and when coloring matter is added to give the desired yellow tint to butter?

Yes; I know that vegetable-oil margarine has very little vitamin A, but that is no reason to discount it. I have before me a list of sources of vitamin A prepared by Dr. E. V. McCollum, the discoverer of vitamins. They are, in addition to butter, the following foods found in abundance in the South and most parts of the country: Green cabbage, green asparagus, carrots, chard,

of the country: Green cabbage, green asparagus, carrots, chard, collards, dandelion greens, kale, green lettuce, pumpkins, spinach, turnip tops, Hubbard squash, sweetpotatoes, bananas, cantalopes, cherries, tomatoes, and eggs

Summed up, we are not dependent upon either butter or margarine for our vitamin A.

You have asked me if I knew certain things. May I ask you if you know that you have reversed your figures in the amount of revenue which southern farmers receive from cottonseed and from their dairying interests? The figures of the Department of Agriculture are more nearly the reverse. Southern farmers get more than four times as much from their cottonseed as they get from their butterfat sales.

I would be glad to see southern farmers receive greater income from both cottonseed (which has come to be 20 percent of the

value of the cotton crop) and dairying, which is a growing industry in this section of the country. If the restrictions were taken from margarine, we would have need for about 35,000 more milk cows to produce the milk in which the margarine would have to be churned. So, you see, dairying in the South has nothing to fear from the free manufacture of margarine. It has only to fear the northern butter interests, who would put our southern dairymen out of business if they could, just as they are trying to destroy the margarine interests. destroy the margarine interests.

Answering one of your statements, certainly the margarine people have spent millions to develop and defend their industry. What business of national scope has not? We will also admit the margarine people have contributed to our campaign. We are grateful for their help, and likewise for that of the cottonseed crushers and refiners, the southern press, and other southern groups and individuals who are supporting this worthy cause. But I would like to remind you, Mr. Beck, of your gross unfairness in referring to this effort on the part of the women of the South as a "false campaign."

South as a "false campaign."

South as a "false campaign."

Would you contend that it is perfectly proper for the butter manufacturers to finance a lobby, a racket of the character of the Washington one, whose avowed purpose is to destroy markets for farmers who happen to produce low-cost vegetable oils instead of high-cost butterfat; whose achievements, be it said to the everlasting shame of Congress, deprive possibly 40,000,000 American consumers of the only table fat that is within their meager reach? Would you contend that such financial support is holy and just and in regular order, and at the same time condemn our consumers' group for requiesting the support of the processors of our southern vegetable oils, in a cause which unselfishly seeks a higher standard of living for the helpless consumer of this country?

So far as funds are concerned, if you will secure and publish in detail the sources of the campaign funds of the National Association of Butter Manufacturers, the National Dairy Union, the National Dairy Council, and the Holman organization, we will be proud to make public in like manner the names of all our members

and supporters!

You should know that only within the last 3 years was it discovered that superior margarine can be made from cottonseed and other domestic oils. Previous to this discovery little cottonseed or other vegetable oil was used in the manufacture of margarine. Now manufacturers are using these rich southern oils more and more. What was done prior to the time of their adoption has very little bearing on the situation as it exists today, or as it will be

in the years ahead.

I would warn you against the use of libelous language implying that margarine is "destructive of health." As I said before, if it is destructive of health, the Federal Pure Food and Drugs Administration should compel its withdrawal from the food markets of the country. If it is a wholesome food, your unfair attack on it should be reported to the Federal Trade Commission, so that a cease-and-desist order may be issued against you and other selfish interests for "unfair methods of competition." It would not be the first time that the butter interests have had a governorder issued against them for using untrue and methods against margarine.

In the final analysis, the South has always been, and we hope

will continue to be, a large consumer of your fine Wisconsin products. Rather than the unfriendly attitude you and your legislature have recently demonstrated against us, would it not be more constructive, and in the long run more to the advantage of Misconsin producers, if you would completely reverse your position and seek a greater exchange of commodities between these two great agricultural sections?

Yours very truly,

MAUD POLLARD TRUMAN, President. (Mrs. R. L. Truman.)

Mrs. KAHN. Mr. Chairman, I yield 1 minute to the gentlewoman from Massachusetts [Mrs. Rogers].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I want to draw the attention of the House to the fact that months ago this country, through the Department of State, made a gentlemen's agreement with Japan that Japan should not export so much cotton cloth to this country. I want to read some staggering figures showing how Japan is just laughing at us and is not keeping that agreement:

Imports of bleached cotton cloth from Japan for the year 1935 were 5 times greater than in 1934, 117 times greater than in 1933, and 584 times the imports for 1932.

Imports of printed cotton cloth from Japan for the year 1935 were 5 times greater than 1934, 7 times greater than in 1933, and 81/2 times the imports for 1932.

The increase in importations of cotton handkerchiefs from Japan show they imported 31/2 times as many in 1935 as in 1934, 44 times as many as in 1933, and 404 times as many as in 1932.

Imports of cotton velveteens from Japan for 1935 were 21 times greater than in 1934, the only 2 years we have for a basis of comparison, as little or none was imported prior to 1934. Against the startling increase of competition at low prices, the American mills can survive only if they have adequate reserves to wait until the State Department forces Japan to keep its gentlemen's agreement, and as if the great competition were not enough, we are about to be asked by this administration to tax industry so it cannot accumulate reserves in the future. Employers and employees of every foreign nation have looked upon this country with envy and admiration. They know that the workers in the United States have been paid higher wages than labor in any other nation in the world. Today they look upon us with amazement. They think we are allowing countries such as Japan to take our trade from us, and they know that eventually it will mean that our workers will be paid less in order to compete with poorly paid foreign labor. If we continue, we shall be the laughingstock of the entire world. Clever foreign countries will gladly take advantage of us. We must halt before it is too late.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mrs. KAHN. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. Mann].

Mr. MAIN. Mr. Chairman, last evening it was my privilege and pleasure to listen to a radio program sponsored by the National Education Association, bringing to our attention a matter which is before Congress and before the country. A bid has been made this afternoon by the gentleman from Texas [Mr. Blanton] for the support of the gentlewoman from Indiana [Mrs. Jenckes]. As far as I am concerned, I choose to enlist under the banner of the gentlewoman from New York [Mrs. O'Day] who contributed such an interesting part to the program over the radio broadcast of the National Broadcasting Co. last evening.

Mr. Chairman, I have been a teacher in the public schools and a member of a Board of Education. I have four children in the public schools in the District of Columbia. I am somewhat disturbed over the current report that the Sisson bill is not to come upon the floor of this House until April 27. I wish the matter might be expedited and disposed of at an earlier date.

It requires courage of a high order to admit making a mistake. Apologies of any real significance are unnatural and usually attended with difficulties. The mother of little Johnny finally convinced him that he ought to apologize for making a remark reflecting upon the intelligence of his aunt, so he met the situation by going to the offended relative and saying: "Auntie, I am very sorry that you are so stupid."

With all due regard to our tumultuous tempestous Texan of the Seventeenth District of the Lone Star State, I think this Congress made a mistake when the "little red rider" was piloted through the legislative forest of 1935 with its basketful of complications.

When we repealed the Potato Control Act we said it is all right again to raise potatoes in the rural districts of America. When, and if, we repeal the "red rider" clause some people may think we are saying it is all right now to raise hell in the school districts of our land.

It does not sound very well to say that Congress has repealed the law providing "That hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism."

That piece of information separated from the context will not make sense. It is hard to explain. It is an unnatural position for the American patriot to take. It would have been so much better if the original rider had not been inserted. It does not relieve the situation very much to say to the gentleman from Texas, "I am sorry that you were so stupid."

I have said that it takes courage—

Mr. BLANTON. Mr. Chairman, will the gentleman yield? Mr. MAIN. I am sorry I cannot yield. The time is too thort.

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman, under the usage and custom here, should students of government.

not refer to anyone in the way he has done unless he is willing to yield.

Mr. MAIN. If the gentleman would like to have me, I will strike from the Record any suggestion of stupidity on the part of the gentleman.

Mr. BLANTON. I was just calling the gentleman's attention to the custom.

Mr. MAIN. I thank the gentleman.

I have stated that it takes courage to admit making a mistake. Perhaps I have a measure of that characteristic, perhaps I am only rash and indiscreet. But by way of preface, may I say that I was voluntarily inducted into the military service at a time when I was in a deferred classification. I was a practicing attorney with a wife and child. I asked for admission to service with the field artillery. I wanted to serve my country, and I am willing now, or at any later time, to enter active military service to defend my country against invaders from without, or from the attacks of traitors within the boundaries of our Nation. I am an exservice man, a member of the American Legion, and I stand ready to don the uniform again if my country calls. Of course, I believe that Christian civilization should have the genius and character to meet such issues without resort to armed force. And I cannot share the apprehension or fear the results anticipated by the alarmists in connection with the alleged spread of communism in our country. We will not tolerate the introduction of subversive doctrines in our schools. But we should not interfere with factual presentation of current events. One of the thoughtful, progressive teachers in my district asks the following question:

How can I teach my boys and girls what democracy is if I cannot draw the contrasting pictures of what life under communism and fascism is like?

An American by the name of Sidney Franklin, who has received considerable notoriety as a bullfighter in Spain, is reported to have said in a recent interview that it is not the color of the matador's cape that enrages the bull but the fact that the cape is in motion. Mr. Franklin is further quoted as saying that the bull has no discrimination as to color. But, whether the bull sees red or not, whenever he sees a foreign object in motion he charges pell-mell, snorting and bellowing, usually to his own destruction.

Be that as it may, it will take a long time to convince the average American that it is safe to wear a red shirt while standing in an open field where a healthy bull is enclosed. So also will it take a long time for the patriotic citizen in this country to overcome the natural suspicion of anything that is "red" politically.

However, there is a most remarkable development taking place in Russia today. It will avail us nothing to refuse to look at this development. It is commonly referred to as a "red" movement, and is therefore offensive to the average American. But it is motion in the Government of Russia, and it seems to be an act of nearsighted color-blindness to refuse to take account of that motion.

I am one of those who thinks the motion is in a backward direction and not forward. I cannot believe that any good will come to any nation that falls into the clutches of propaganda aimed at the destruction of the church, or which smears scandal and blasphemy over the sacred things of religion. Nor can I believe that there is any real program of permanent safety for the nation which is moving toward the ideal of the totalitarian state. The objective of society patterned after the American ideal is the enrichment of life for the individual. The essential unit of any program of progressive government is the individual. The Government is organized for the protection of life, liberty, and happiness of the individual; and only in cases of national emergency does the individual exist for the protection of the State. This is the American ideal.

But the Soviet regime may be an improvement over the political and economic conditions of old Russia. The Russians may be better off under their present Government than they were under the autocracy of the Czars. These developments in Russia challenge the attention of thinkers and students of government.

Every alumnus of the University of Michigan can well remember the legend over the platform of old University Hall taken from the ordinance of 1787 for the government of the Northwest Territory:

Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools, and the means of education shall forever be encouraged.

This familiar declaration has been repeated in every draft of the Constitution of the State of Michigan, and is doubtless found in many other State papers.

This is an enlightened age, and the school children of America, including those in the District of Columbia, have inquiring minds, and they will not be thwarted in their search for information regarding current political history. Our public schools have contributed largely to the development and maintenance of the principles of democracy and sportsmanship. These ideals in turn have been responsible for the patient manner in which our people have endured the hardships, privations, and disillusionments of the past 6 years. I want to say that the faculties of our schools and colleges and the pupils of our public-school system should not be insulted, or their intelligence or patriotism questioned, by having laws enacted which are intended to limit and thwart their natural right to information pertaining to national affairs and international politics.

Smallpox and scarlet fever are destructive maladies that afflict the human race. Knowledge concerning ways and means of spreading smallpox is dangerous knowledge in the hands of a ruthless enemy of mankind. But the fact that such information may be used improperly and criminally does not justify a proposal to keep information concerning the disease of smallpox away from the faculty and students of our schools. If a mad dog is running loose in the streets of a neighboring village, it would be sheer folly to destroy all textbooks on the subject of rabies. Instruction about communism is one thing. Advocating its adoption in America is an entirely different matter. Instruction concerning smallpox and the information concerning the meaning of infection are useful and lifesaving, but advocating the use of such method of spreading the disease among human beings would bring prompt imprisonment and criminal prosecution.

There is no common-sense reason for denying to the students of our public schools information about communism and the means by which it is spread. But the advocacy or adopting it, or putting such means into effect in our own Nation is something that can be easily handled without laying ourselves liable to the charge of suppression of free speech, free press, and free people. Let our schools and our pulpits ever remain unfettered agencies for the dissemination of knowledge and information; but let it also be known that the virus of communism is not to be injected into the body politic any more than the serum of smallpox is to be planted in the flesh and blood of our children in the schoolrooms.

Mr. Chairman, I sincerely hope that the Sisson bill will reach the floor of this House at an early date. The repeal of this rider should be promptly achieved after full and fair discussion on the merits.

Mr. SCOTT. Mr. Chairman, will the gentleman yield? Mr. MAIN. I yield.

Mr. SCOTT. In thus entering the lists against the gentleman from Texas, has the gentleman from Michigan, too, lowered his visor?

Mr. MAIN. I am afraid I am not familiar with the terminology used by the gentleman from California, but I am glad to be enlisted along with him, as well as with the gentlewoman from New York, in opposition to this, the little "red rider."

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Moritz].

Mr. MORITZ. Mr. Chairman, I have been listening a great deal lately to the controversy on communism. I, too, have been a school teacher in the public schools, and I have yet to meet one teacher who is even sympathetic toward communism.

I came here this afternoon, however, to speak about a remedy for communism, if there is one. You never heard of communism from any citizen who has his heart and his soul centered on his family and his home. Make the people home owners and you will never have any problems along this line, because their hearts and their souls will be wrapped up in their homes and their families. They will be real American citizens. It is only the lodgers, the boarders, and the transients who have tendencies, if you please, to disrupt the Government. Our action here should be toward encouraging the owning of more homes. What have we done? The only bill that has been introduced along this line is one to make the farmer's interest less; namely, the Frazier-Lemke bill, and we cannot even get that up to debate, much less to a vote.

We should pay attention to the owners of homes. In most instances those who pay 6-percent interest cannot pay anything on the principal. They are losing their houses every month. Let me tell you the facts in Pittsburgh. Every month in Pittsburgh, just before the sheriff's sales, the papers carry four pages of houses advertised for sale through distress. This has been going on for at least 3 years, and it means that the home owner who put his life savings of \$2,000 or \$3,000, for example, into a home as an equity, giving a mortgage for \$6,000, is wiped out and ceases to be a home owner. I find no fault with what we have tried to do, namely, the work of the Home Owners' Loan Corporation, but, Mr. Chairman, we are not doing anything at all to lessen the burden of interest.

THE INJUSTICE OF 6 PERCENT TODAY

The most unfortunate men in the United States are those of the middle class who worked and saved for a rainy day and old age. They did not put their savings into foreign securities or tax-exempt bonds. They put their savings into dwellings and storerooms built by American labor from American material. These men rendered a service to society by supplying homes for those who could not build their own. Most of the buildings have been encumbered with mortgages bearing 6-percent interest. In normal times the owners could pay 6-percent interest and other charges and still have a balance left. That balance was the purchasing power of hundreds of thousands of families, many of them widows, orphans, and aged. Let us see what happened to that purchasing power.

Since the financial crash of 1929 rents have been going down, and during the last 3 years rents have been about 45 percent of the 1929 rates. This drop was not due to overproduction of housing and stores, but to lack of jobs, reduced wages, and bankruptcies. Owners allowed tenants to live for many months, and in some cases years, without paying a single dollar. Many houses and stores have been vacant, and many storekeepers have only been paying a commission of their receipts, which is far from enough to pay 6-percent interest on the mortgage, plus taxes and repairs. In some poor districts the relief agencies paid for the families on relief a rental sufficient to cover only taxes and fire insurance. And so the owners of renting property carried the burden of the peoples' inability to pay rents based on 6 percent for both mortgagee and mortgagor, and there the purchasing power of the owners became only a memory. The money lenders started wholesale foreclosures. In hope of rescuing their life savings invested in buildings, owners sold everything they could and borrowed to the limit on their life insurance-most of them wound up without their life insurance and without their property.

The Federal Government came to the rescue of the man who lived in his small home, millions were poured out to save the railroads, but the hundreds of thousands of citizens who owned renting property on which the family depended for their food, clothing, and other necessities have been left to the tender mercy of the money lenders.

I was informed, on good authority, that more than 75 percent of all rents are now in the possession of the large banks and trust companies. They took it in the following ways: First, by foreclosings; second, by compelling owner to assign his rents to them; third, by simply notifying the tenants that the bank or trust company is mortgagee in possession;

fourth, by compelling the owner to make the real-estate | department of the bank agent with full power to handle the property. When the owner signs that agreement he may as well kiss his property good-bye.

While the owners lost control of their property and small real-estate offices lose rent-collection business, the banks benefit by letting their own real-estate desk or department rake off \$5 from every hundred dollars rent that is consigned to them. The banks insure the property in their own agency and earn the commission which formerly was earned by some individual in the insurance business.

The following case is a fair example of the ruthlessness of most of the money lenders in control of concentrated

A man who owned 16 houses-covered by one mortgagein which he had an equity of over \$60,000, had this experience. When rents went down and he could not pay his 6-percent interest, the trust company compelled him to assign all rents to them. He, his wife, and four children occupied 1 of the 16 houses, for which he had to pay rent. When he was 4 months behind in his own rent the trust company foreclosed on all the 16 houses, and his family was thrown out on the street.

Thousands of such acts are occurring all over the country. These acts, unfortunately, are legal; but are they just? Are they moral? No; such unfairness is the cause of class hatred and disrespect for law. People cannot understand why a law cannot be framed to stop foreclosures-most of which are legal banditry-until the finances of the country have been put in a normal condition. People cannot understand why the bankers have a right to reduce payment on saving deposits from 4 percent to an average of 2 percent, and mortgagees still insist on the old pound of flesh of 8 percent. The bankers are keen enough to know that present wages and business earnings do not warrant it.

If the racket of mortgage foreclosures is allowed to continue, the time will soon come when 90 percent of our people will be the feudal tenants of the money barons.

Foreclosures not only deprive people of their last hope to salvage something from the financial crash, they do more than that; foreclosures reduce other property to the sheriffsale price-without reducing the rate of interest. Foreclosures leave on record judgment bonds which destroy the credit and business future of hundreds of thousands of our best citizens. The fear of foreclosure keeps people from making repairs and improvements and will scare people away from building or buying real estate for many years

If mortgagees would now be made to accept 3-percent interest and leave the balance of the 6 percent to the owners, more purchasing distribution and less hoarding would be the blessing granted the forgotten men. [Applause.]

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. Crowe].

Mr. CROWE. Mr. Chairman and Members of the Committee, I shall talk for just a few minutes on the subject of continuance of forest-land acquisition. In neither this country nor any other country is wealth produced where there are no natural resources. Natural resources consist of soil, ores, forest and stream, one of the greatest being forest. Forests can be replaced. We have started late with forest-land acquisition. Our purchases should be accelerated. Denuding the hillsides leaves the soil open to erosion, which fills the channels of streams. The hard earth and stone do not retain the water, so floods are the result, followed by drought. The natural resources must be rebuilt or poverty comes. Forests are the greatest of all natural resources. Ten to twenty years' growth with reasonable cultivation on small timber will produce great amounts of valuable timber. I am interested in seeing a continuance of land purchases for the national forests and national reserves. The water table of the United States has been lowered 6 to 25 feet during the past 25 years, due mostly to removal of forests, grass from the plains, and so forth. It is high time we repair our mistakes. In my State in par-

ticular we have started the acquisition of some 800,000 acres in four districts of approximately 200,000 acres each. About 35,000 acres have been purchased, but they are not contiguous. To make them contiguous 65,000 additional acres have been placed under option. When these options have been taken up and the land purchased this vast acreage can be handled and operated at a minimum of expense; otherwise there will be considerable loss. Roads and firebreaks must be made. Underbrush removed and dead and decayed trees taken out to provide room for a new growth. To leave our areas now purchased and not continue further purchase would be folly.

In addition to that, the farmers who have optioned their land to the Government expect the Federal Government to buy this land. If the land is not bought, they will, therefore, be disappointed. And why should they not be disappointed? We all know an option is simply an option. It does not bind one to buy. However, in case of the Federal Government taking an option it is different. Government agents came into southern Indiana and made known to the poor farmers that they were taking options for the Government and held out the expectation of the Government buying their land. Many went ahead with other programs, made other contracts on the firm belief the Government would exercise the right of their options, and that in due time they would receive their money. The very least that could be done now would be the purchase of the 65,000 additional acres now optioned.

These farmers did not go to the Government agents, in the first place, and ask them to sell the land to them. The Government agents went to these farmers, proposing to buy it, and asked for the option. I have taken this matter up recently with the Secretary, Mr. Wallace, and also with the President of the United States by letter, and I ask unanimous consent to insert at this point in the RECORD copies of these two letters.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

WASHINGTON, D. C., February 28, 1936.

Hon. HENRY A. WALLACE, Secretary of Agriculture, Washington, D. C.

MY DEAR MR. WALLACE: I, along with a group of other Congressmen, am interesting myself in the matter of the continuance of the men, am interesting myself in the matter of the continuance of the Forest Service, and have been active in asking for \$25,000,000 for its continuance. I believe this program one of the most meritorious, if not the most, of any part of the New Deal program, in that it is laying groundwork for the ultimate restoration of a very substantial part of the resources of our Nation, as far as timber and soil are concerned, and, as you know, these resources have been fast depleted. depleted.

Last year, through out efforts, together with work in conjunction Last year, through out efforts, together with work in conjunction with some Members of the Senate, an additional \$12,000,000 was added to the Forest Service, mostly to be used in the purchase of timberlands. This work is now well under way, with many units purchased here and there. To leave it now uncoordinated would result in tremendous loss. A skeleton organization would, of course, be maintained, but the actual results really producing timber and the bettering of the forests would be small unless the program is fully carried out.

Prior to the depression many millions of dollars' worth of logs and lumber were imported into the United States because of the lack of forests and forest lands. I have had reports they have run as high as \$375,000,000 per year along in the years of 1924-26. Whether the amount is that much or more or less, in any event when times are prosperous it amounts to an enormous sum, all of which could be saved, and all of that money could be kept in the United States if our forests would be rebuilt and brought to a

maximum growth.

maximum growth.

In my state and principally in my district, four large areas have been laid out, in which it has been the purpose to purchase a total of some 800,000 acres of forest lands averaging around or near 200,000 acres to the area. The total purchase to date in these four areas amount to 34,000 acres and nearly equally distributed among the four areas. This, as you will note, is a very small percentage of the total, and these lands purchased, if left at this, would certainly not be in coordinated, compact groups. Many more thousands of acres have been optioned, and it isn't a matter would certainly not be in coordinated, compact groups. Many more thousands of acres have been optioned, and it isn't a matter that these people have come to the Government begging to seil their land, but through the agencies of the Government they have been contacted and asked to option their land. To curtail the work at this time, it occurs to me, would be a shameful waste and would give an appearance of starting a thing and not carrying through. Good business requires that good, well-laid-out plans be continued and completed. be continued and completed.

This, I submit, is a good and worth-while program and should be completed.

May I not urge upon you that you lend your weight and assistance toward the completion of this program and to the end that sufficient funds may be allocated for this work?

I will appreciate your reply.

Respectfully,

EUGENE B. CROWE, M. C.

CONGRESS OF THE UNITED STATES, HOUSE OF REPRESENTATIVES Washington, D. C., February 24, 1936.

President Franklin D. Roosevelt,

The White House, Washington, D. C.

Dear Mr. President: I am much disturbed over reports that the Forest Service is to be greatly reduced in the near future and that the operations of this Service is to be greatly curtailed.

Last year a group of we Members of Congress took the initiative Last year a group of we Members of Congress took the initiative to do some organization in this matter, followed by a conference with some Members of the Senate, and after which a committee of Senators called on you, and following that an additional \$12,000,000 was placed for the use of this Service. This money was most gratefully received and, in my opinion, there is no money which you and this Congress can spend which will go further or do more good than that money has and will do.

May I not respectfully and earnestly request, Mr. President, that no less than \$25,000,000 be set aside for the continuance of this work? Your program of recovery is outstanding. It is bringing results easily seen. I believe by people in all walks of life and in all

work? Your program of recovery is outstanding. It is bringing results easily seen, I believe, by people in all walks of life and in all forms of endeavor. I believe the Forest Service and your program of conservation of soil, land development, upbuilding of forest and stream, together with the C. C. C. work, is out in front of all the programs which you have laid out. Let us, then, not sidetrack such a splendid program as these two programs, which would give the appearance to the enemy of starting programs and not carrying them out.

For instance, in Indiana 4 areas have been laid out, totaling

For instance, in Indiana 4 areas have been laid out, totaling some 800,000 acres. Of this amount, purchased or in course of purchase, are 34,000 acres. Without a continuance of this program, only a small bit more could be purchased, which would mean that the Federal Government would have spots here and there of small areas, and the plan would ultimately fall through with and become a dismal failure.

I urge, Mr. President, a continuance of this program and a program of going through with the purchase of these thousands and millions of acres of forest lands by the Federal Government. On these lands then belonging to the Federal Government will be room for much labor with which to continue the C. C. c. camps. Let's not, Mr. President, curtail parts of your program which are among the best, if not the best, of your splendid recovery program. With kindest regards, I am.

Very respectfully,

Very respectfully,

EUGENE B. CROWE, M. C.

Mr. SHORT. Will the gentleman yield?

Mr. CROWE. I yield to the gentleman from Missouri.

Mr. SHORT. Since I have three national forests in my district, I am vitally interested in this problem. I would like to know if there are further funds available for the purchase of additional land that has already been set aside?

Mr. CROWE. I may say that in the Senate an amendment has been placed in the appropriation bill which will come back to the House conferees. I hope when the conferees consider the amendments which have been placed in this bill by the Senate that they will accept the amendment which provides \$10,000,000 for the purchase or acquisition of various lands in order that the program may continue and not be curtailed tremendously, as it will be without this money. This program is not only important to approximately 100 Members who have forest areas, but it is of great importance to every man, woman, and child in the United States. Not only is that true, but coming generations will rise up and call you blessed.

Mr. COCHRAN. Will the gentleman yield?

Mr. CROWE. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman realizes, of course, that there are permanent appropriations made every year under the Clarke-McNary Act for this very purpose?

Mr. CROWE. Yes.

Mr. SHORT. Are all funds exhausted at the present

Mr. CROWE. The funds are not exhausted at the present time, but nearly so, and there will not be enough to carry forward the program this year.

Mr. SHORT. Does the gentleman think that \$10,000,000 will be a sufficient amount?

Mr. CROWE. Ten million dollars would suffice for the year 1936. Should the conferees successfully resist this \$10 .-000,000 amendment, then I favor seeking to earmark considerably more than that amount in the coming one and onehalf billion relief legislation.

This forest land should be owned by the Government in such amounts as to furnish all possible areas for the men in the C. C. C. camps to have federally owned land to work on. Those men are paid by taxes collected from all the people. Their work as far as possible should be on property owned by all the people.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. KENNEY].

Mr. KENNEY. Mr. Chairman, it is the function of government to lend its aid and credit in times of stress. This administration has performed this function. It has rendered yeoman service to agriculture, commerce, industry, and banking. It has given its aid and lent its credit to preserve our varied American institutions.

At the outset of the present administration even the credit of the United States Government was imperiled. But the administration so conducted itself as to bring about a speedy restoration of confidence and the solidarity of the credit of the United States, enabling it to spring to the relief of the States and municipalities and the institutions and people of the country.

Anyone who heard the speech of the chairman of the Committee on Agriculture this afternoon can well appreciate what this Government has done for the farmers and those who work on the farms of the Nation and what this administration has done toward saving their farms to the farmers.

Mr. Chairman, our farm and commodity prices have risen. They are quite satisfactory to the farmer at the moment, To maintain them, industry must advance and prosper. Business is better; there is business now where there was little before the advent of this administration. In industry we find a vast improvement. Security prices have climbed up from the depths, standing out favorably in contrast with the collapse of values at the beginning of this administration. This administration has aided industry; but labor is not obtaining its just share of the improvement in business by way of new jobs for our people.

Meanwhile we have provided work for a large army of unemployed. Men accustomed to work must have work, and this administration, even at much expense and cost, has provided jobs for millions who have not been able to obtain work in ordinary fields of employment. To do this costs money, our people's money, making necessary the tapping of new sources of revenue for additional taxes to meet the bills. It is essential, therefore, that Congress lend the aid and do all in its power to promote industry, especially infant industries, as a means of reducing unemployment in industry to a minimum.

The Congress is charged with the duty of solving the unemployment situation. Once that is done we shall have found a cure for all the troubles of this Nation. In order to do that we will have to get people back to work in private industry. In past generations the steamboat, the railroad, and the automobile developed cycles in business. Progress and prosperity followed. So I am of the opinion that aviation will bring about a new business cycle in this country.

But it took years and years for the full development of the railroads, steamboats, and automobiles. We want aviation, an infant industry, to accomplish a needed, speedy development.

We should give special assistance to this new, important industry. Yet we have been doing very little for aviation. The appropriation for the Bureau of Air Commerce this year is \$255,200 more than last year. But last year's appropriation failed of requirements. For instance, in my State at Newark, which is a part of the port of New York district, is located the busiest airport in the country. There is a radio beam south of the airport. But there is none to the north. The result is that we find a bottle-neck condition on foggy days, for all planes from every direction have to go south of

the airport to locate that beam. The large number of planes leaving and landing are consequently subjected to great hazards which should be eliminated by the installation of other radio beams placed at points like Teterboro to the north. The Department of Commerce did not have the funds to provide even one additional beam at a cost of approximately \$16,000, according to information given to me. Whether the appropriation in the bill under debate will aid our air commerce materially remains to be seen.

We must not lose sight of the importance of aviation, to which we should give material assistance and encouragement; nor should we neglect to make provision for the education of our people, especially the youth, as to the evergrowing value of the plane and its uses.

Education has been the cornerstone upon which our business cycles have developed. History records instances where men feared to ride on a railroad train running at a slow rate of speed, and in my time I remember men who were afraid to ride in automobiles going 20 miles an hour.

It is for us to foster and not retard the development in aviation. We can do it in many ways, including the enactment into law of a bill introduced by me in the House authorizing the Commissioner of Education in the Department of the Interior to conduct a study and make available to the public schools of the country an adequate and approved course of instruction in aviation.

The Senate passed the bill last week. We should lose no time in passing it in the House. Only a few days ago word came from Italy that training in aviation for its youth was made compulsory. The purpose behind the law is to build up a reserve body and special technicians. My bill would not be compulsory in any sense, but would provide accurate and comprehensive aviation courses for such schools as might apply for them. Up to now attempts at teaching in the public schools have failed of their objective, save in one instance known to me, and the reason has been the lack of an adequate course, the unwise selection of equipment, and unsuitable textbooks. By encouraging aviation in this way we shall lay a foundation for an air-minded nation, out of which will come pilots and enthusiasts from the schools and technicians from the colleges, whose representatives are meeting here this week at the convention of the National Intercollegiate Flying Conference. Private ownership, perhaps, in volume will follow. Many schools are interested in teaching aviation, but so far only the Teaneck High School in New Jersey, in my district, has been successful in establishing an aviation instruction course. Major Norwood, the instructor in aviation, brought this about. The Government should launch upon the undertaking of outlining a course and keeping it up to date for the benefit of commercial development and national defense.

It is interesting to note the results at Teaneck, where registration for aviation class opened January 1, 1934.

Major Norwood has developed 5 licensed pilots, 20 solo students, and now has 20 dual student pilots. The class is open to only juniors and seniors in the high school. From this may be derived interesting figures as to the possibilities of an adequate and comprehensive course in general use.

Teaneck High School has a total enrollment in the two classes affected of 350 boys. It has produced 25 actual pilots and 20 students of varying amounts of experience. If such a plan should be adopted in the high schools of the Nation, with their 4,000,000 students of these grades, we could produce thousands of pilots who would have in addition to their commercial value, a value for national defense that would make the small cost of development of no consequence.

And now, Mr. Chairman, I ask unanimous consent to include a prospectus prepared by Major Norwood which should be of interest to the country. The prospectus is as follows:

INTRODUCTION

This prospectus has been prepared with a view of supplying the type of information concerning aviation instruction which has been solicited by letters of inquiry from many parts of the United

been solicited by letters of including states and several foreign countries.

States and several foreign countries.

For some time educators have considered the advisability of the modern high-school curriculum. The introducing aviation in the modern high-school curriculum. The sporadic efforts in this direction, however, were doomed to failure largely from lack of an adequate course of study, the unwise selec-

tion of equipment, and unsuitable textbooks. Urged by an impelling persistence that extended over a 3-year period when this work was conducted as an extra-curricula activity, the high school at Teaneck, N. J., surmounted these major obstacles, and in January 1934 successfully established a department of aviation in its curriculum.

The success which has attended this course of instruction-from the standpoint of safety, student and parental popularity, quality of instruction, and results obtained accords Teaneck High School the distinction of being the first successful pioneer in the field of aviation training in secondary schools.

I. A COURSE IN AVIATION FOR SECONDARY SCHOOLS

From the very beginning of the public schools in this country there has been an element of progressiveness in education. As long as idealism and practical interest exist among educational thinkers our schools will advance, not keeping step with, but closely following the advancing civilization in which the student must move.

THE NEED OF THE COURSE

The student of secondary-school age is intensely interested in the modern trend of the outside world. It is as unfair to insist that he accept the educational program of his father as it would be to ask his father to scrap the telephone, the dictaphone, and modern business equipment and conduct his work as his father

With air transport lines flying millions of miles on schedule yearly, passengers and goods moving through the air at high speeds yearly, passengers and goods moving through the air at high speeds to step up the tempo of modern commerce, our school boys and girls, as future citizens, will require an adequate knowledge of aviation. Shall they be given this information in the high school under proper supervision or will we deny them this and force them to acquire it from unsupervised and often dangerous sources. The student of today is, in most instances, an intense, serious worker who knows what he wants and is always willing to meet the school half-way if given modern interesting work to do. He

the school half-way if given modern, interesting work to do. He will absorb the instincts of fair play, self-reliance, self-control, and honest workmanship if imparted through subjects which he eagerly desires.

One has only to visit any airport from the large, modern plant to the small "pasture lot" field to recognize that young America is eager to learn the science of flying. Therefore, an adequately planned aviation course, taught by a well-trained teacher, appears to be a desirable unit in any modern secondary-school program.

EDUCATION AS ACTIVE PARTIPATION

Dr. Harold Rugg has said that "Modern pedagogy conceives of but as a series of experiences." This is the basic principle which has been applied to the development of our course of study in aviation. The students learn by doing.

First, of course, the student must have a purpose. It must be his purpose, and he must entertain it with enthusiasm. He must be given practical proof of the theories expounded in the class.

his purpose, and he must entertain it with enthusiasm. He must be given practical proof of the theories expounded in the class-room, and the work must be so organized and arranged that he will find the actual process of learning an interesting adventure. We have discovered that these elements have functioned effectively in our present course of study.

THE CORRELATION OF MANY SUBJECTS

By the very nature of the science of aeronautics it is necessary that the student of aviation have a general knowledge of many other subjects. The Teaneck Course in Aviation has been devel-oped with this thought in mind. An effort has been made to oped with this thought in mind. An effort has been made to correlate the units of the course with those subjects of the regular curriculum to which they are allied. For example, in the unit on aerodynamics, Boyle's law, as taught in the subject of physics, is applied to air flow; Newton's law of motion, to airfoil action; the law of levers, to stabilizer action, etc. In the unit on aircraft structure, the subject of physics is again correlated with such topics as the strength of truss forms, tensile strength of metals,

The general school work is further correlated and amplified by the practical application of high-school algebra to the solution of the practical application of high-school algebra to the solution of lift-drag formulas; the application of geometric theorems to length and shape problems of aircraft structure. Chemistry enters into the fuel and lubrication studies; geology is made more alive in the work done in airport and general terrain survey, as well as in the study of "surface conditions affecting the aircraft compass."

Hygiene as taught in school work is applied in the practice of keeping the body in proper condition for the demands made upon it by flight, while the regular work in English is augmented by frequent practice in the development and delivery of technical papers before the class and the defense of theories in debate.

Not only is the element of correlation utilized in our present course of study, but an effort has also been made to utilize methods of presentation used by the teachers in the above-mentioned sub-

of presentation used by the teachers in the above-mentioned sub-jects of the regular school curriculum. Unless this is done, con-fusion will result in the minds of the students, and their under-standing of the scientific and mathematical processes and solutions will be rendered more difficult.

II. THE CONTENT OF THE COURSE

In organizing the material for this course special attention has the organizing the material for this course special attention has been given to the problem of selecting only such material as will vitalize the work and appeal to the student's interest. The selection of such material has also been so organized that the average student of secondary-school age will find the subject matter not too advanced for his high-school level, but also profitable to the extent to which it is pursued.

One of the major units of this course covers the field of aerodynamics. This unit is designed to give the student a complete
knowledge of the properties of air, both static and dynamic. He is
also taught the law of gasses, Newton's laws of motion and their
application to the moving air stream about an airfoll, and the
recognition that air as a definite body is capable of supporting
weight and offering resistance to motion.

The student is further given an understanding of the various
types of airfolls, and the general form of airfolls is studied so that
students may learn their use. The action of stabilizing airfolls is
experimentally determined, and a complete study made of the law
of levers as applied to the solution of design problems in stabilizer
size and section. An aerodynamic balance is used in the laboratory
to demonstrate the lift-drag ratio of several types of airfolls and
to observe the changing affect of speed, as well as the angle of
attack. With this equipment the students are also enabled to note
the design and use of control surfaces.

AIRCRAFT STRUCTURE

Another unit of the course covers aircraft structure which is so treated as to give the student an understanding of how and why each part is constructed in the conventional manner. This unit considers the various stresses and strains to be met in operation, the truss system of bracing, the factor of safety and general structure. The tubing system is studied in relation to its diagonal and longitudinal members. Various tests are made on strength of materials, bolted and welded fittings, and such specialized subjects as hydraulic shock absorbers, control-operating systems, rigging wires, and struts.

METEOROLOGY

Meteorology, being most important to the airman, is also incorporated in the course of study. The student is given a thorough knowledge of the expansion of gasses with heat, and is enabled to understand why unequal distribution of heat over the surface of the earth is the primary cause of air flow and weather. Thermal and contour currents are studied as well as relative and actual humidity; the formation of rain, hail, sleet, and snow; cloud formations with their cause and indications; and the formation and movement of areas of high and low pressure are observed over long

The student is taught to analyze a weather map as issued by the Government, considering such points as movement of "lows", wind direction and velocity, temperature, position of isobars, dew point, and cloud formations. At the conclusion of this study each student is required to report on the conditions expected along a definite line of flight over an 8-hour period.

AVIGATION

Realizing that avigation is a subject often neglected in flight schools, this unit has been developed to a complete study of three systems: piloting, dead reckoning, and celestial avigation. The student is taught the methods used in projecting various types of maps and charts, the interpretation of the airway map and the running sheet, and technique of map and chart work. The compass is studied in relation to its errors and limitations, and in relation to the use of the watch and airspeed indicator in "dead reckoning.

Considerable time is given to the study of the earth's division into degrees of longitude and latitude and the relation of longitude to time. The sextant and chronometer are used to solve problems in nautical astronomy, and adequate practice is afforded in their use to enable the student to become proficient in locating position by the sun or stars, measuring heights by triangulation, and surveying airports.

POWER PLANTS

While it is not felt that the engineer or pilot need have a de-While it is not felt that the engineer or pilot need have a detailed knowledge of the actual work of maintaining his power plant, he should understand the theory of its operation and know the name and function of each part. With this in mind a power plant unit has been added to the course. With the use of a model engine the student is taught the cycle of operation, and a complete aircraft power plant is dissembled and reassembled so that the student has a thorough knowledge of the structure, position, and use of each part. Regular inspection and simple adjustments are made by groups of students after various maladjustments have been made and recorded by the instructor; and the student is taught to make proper entries in the engine and ship log books as required by the Government.

III. THE GENERAL OUTCOMES OF THE COURSE

With the unprecedented advance of air transport today, touching as it does every phase of social and business activities, no person can afford to remain ignorant of at least some background of aviation knowledge; this course has been built about four major objectives or outcomes—the cultural, scientific, vocational, and

THE CULTURAL OUTCOME

Any person can obtain a better appreciation of the beauties of the earth and the grandeur of nature from experiences encountered while in flight practice. The knowledge, habits, and skill developed in such work will go far in the formation of such character traits as confidence, open-mindedness, tolerance, and judgment. Then, too, these elements will be irresistibly reflected in his social, economic, and political life.

THE SCIENTIFIC OUTCOME

For the student of science this course acts as a preparation for advanced work in such subjects as properties of materials, me-chanics, action of gases, applied mathematics, and many allied chanics, action of gases, applied mathematics, and many affect subjects. The presentation of such subjects as physics, astronomy, chemistry, and trigonometry in a practical manner, covered with the sugar coating of interest, will develop habits of study which will be of great value in college or engineering school.

THE VOCATIONAL OUTCOME

For the student who cannot pursue his studies further in the university, this course will lay a definite foundation for a career in aviation; as it takes the student through the primary stage of flight training and through all the theory needed for a pilot's license. A student should be able to leave high school with a commercial pilot's license and be prepared to enter at once into productive aviation.

THE PHYSICAL OUTCOME

No one who has observed the aviation class in advanced stages can doubt the value, from a physical standpoint, of this type of training. The very nature of the work, with its constant activity in the clean, pure air of the higher altitudes, together with the knowledge that a pilot must keep fit for quick thinking and mental-muscular coordination, all combine to develop the students in clean-living, cool-headed, bright-eyed youngsters who are living.

THE COMMERCIAL VALUE OF THE COURSE

When one compares the value received from this course with the total cost there is no doubt of its desirability. When we think of it in terms of preparation for engineering colleges, as preliminary training for actual self-support, as an asset in general business and social life, and as a method of developing a sound body and the habit of keeping it sound, its commercial value becomes evident.

IV. THE PSYCHOLOGY OF THE COURSE

In this work the most powerful force known to educators is called into service, namely, that the student learns by doing. The power of interest, with its accompanying desire for knowledge, is used to its fullest extent, and the principles of growth are fully provided for. The practice in skill enters into the actual flight training, and the entire course has been built along the unit system, making the course profitable to the extent to which it is pursued. And, finally, the grade placement of materials has been so arranged that the work is at all times coordinated with the general school work.

V. THE TEACHER AND THE COURSE

To accomplish the best results in this specialized subject the administration must give careful thought to the selection of the instructor. He must have a thorough knowledge of the practical as well as the theoretical side of aviation. He must be, by law, a transport pilot with a Federal license for instruction of students in flight. But this is not enough. He must understand and like young people; he must understand classroom work, and be first

and always a teacher.

The size of the classes should be controlled by the facilities at hand, but it has been found that classes composed of a greater number than 35 students cannot be handled with the proper de-gree of efficiency. Therefore it is suggested that classes be com-posed of not more than 30 carefully selected students.

VI. MATERIALS NEEDED FOR COURSE

Contrary to general opinion, the material needed for classroom work is not costly. Much of the laboratory equipment of a modern high school may be adapted to aeronautical use, and the few pieces of special equipment needed may be procured at any airport or constructed in the school shop.

FIELD WORK

For field work in aviation the class needs only a "school type" bubble sextant, two cheap watches for use as chronometers, and a supply of maps, charts, and plotting sheets that may be purchased from the Government at low cost.

SPECIAL AERONAUTICAL MATERIAL

Such special material as wing ribs, fuselage sections, spars, hydraulic shock cylinders, rubber shock cords, etc., may be procured by the pilot-instructor without cost, and the other special material may be procured at extremely low cost if the material list as given in the course outline is followed closely.

FLIGHT MATERIAL

While the flight section must use only the best equipment to be had, the cost need not be excessive. At the present time there are several good, light airplanes on the market that are strong enough for the punishment of student flight and inexpensive to operate and maintain. Such airplanes have the further advantage of being hard enough to handle to really train the student to fly.

GENERAL REQUIREMENTS

Every student enrolled in the first-year course must have passed his fifteenth birthday, submit his parent's consent in writing, and pass a satisfactory physical examination by the school physician. Every student enrolled in the second-year course must have completed the first-year work with an average of "C" or better and comply with the requirements of the United States Government for a student pilot's permit. These requirements necessitate appearance before an Army doctor for a physical examination. A fee of \$10 is charged for this examination, the cost of which is

assumed by the student. The Government requires, in addition, that every student must have passed his sixteenth birthday.

The Teaneck course is open to eleventh- and twelfth-grade stu-

The Teaneck course is open to eleventh- and tweitth-grade students only. The first-year course is given five periods per week, and the second-year course is given three periods per week with an additional two periods of laboratory or "field work."

An occasional exception, however, is made where a tenth-grade student who complies with the Federal requirements and who would in the judgment of the high-school principal profit by

such a course is permitted to enroll in aviation I.

VII. CONCLUSION

The work in Teaneck High School has passed the preliminary experimental stage and is now an accepted part of the industrial arts department. Although Teaneck is at this time the only community in the United States having such a course in the public-school system, other communities will eventually be forced by general demand to incorporate such a course

The Teaneck course has passed through its first stage of research and experimentation and is now presented for further development as a definite unit of work. A program of development is under way which will shortly make available to all schools a complete guide to the organization of similar courses.

This course will be complete, consisting of a syllabus, a teachers' guide, a laboratory manual, an equipment and material list, class and field log books, flight instruction schedule, student record cards, and a complete cost-accounting system.

Mr. KENNEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein an outline of a course in aviation as prepared by Major Har-

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. McMILLAN. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. CREAL].

THE PASSING OF THE KENTUCKY COLONEL

Mr. CREAL. Mr. Chairman, while I have been allotted this time I am not going to take it, due to the lateness of the hour and the anxiety of the Members for adjournment. While I myself am not a Kentucky colonel at this particular moment, I want to do the gallant thing and extend my remarks in reference to the passing of the Kentucky colonel, instead of taking up the time of the House.

Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CREAL. Mr. Chairman, they say it never rains but it pours. Hitler occupied the Rhineland and upset the world. Queer actions of a minor star has disturbed astron-The Supreme Court plays havoc with beneficial legislation. Extreme winter weather did millions of damage to the highways. The floods brought national disaster. And now, to climax the list of catastrophes and to show that dire calamity is no respecter of persons, comes the startling news that there are no more Kentucky colonels. The weeping, wailing, and gnashing of teeth is heard around the world.

How the mighty have fallen is a tragedy worthy of our deep and solemn consideration. The sad news comes to people scattered in the 48 States and across the waters as a death warrant is received by the doomed. Yesterday the sturdy oak kissed the heavens with its branches and passing multitudes paused and marveled at its grandeur and tower of strength accumulated in the century. We look again and some ruthless hand has laid it low, and the rubbish upon the ground marks its fall. So it is with the Kentucky colonels. Last week they went forth with marshal splendor, glittering with honors bright like plumed knights, sallying forth in all their vanity for deeds of valor well done. Today they are crestfallen and cowed with a hunted, weird, sickly look and a "'possum grin", conscious of their sudden humiliation and

Even our beloved Speaker and Sergeant at Arms look sad and dejected from some unknown reason.

It is said, "The jingle of the guinea helps the hurt that honor feels", but no rattle of shekels could ever serve in lieu of the wounded pride of a real Kentucky colonel. Even an act of Congress to restore the blasted titles would perhaps be invalid. All of which reminds us that the flower!

hath its season, and man is of but a few days and full of trouble

Like fighting cocks, they sallied forth in the morning, but with the death knell of titles worthy, they exhibit now only a bloody comb, lost spurs, a broken bill, and drooping feathers.

A few days ago the attorney general of Kentucky announced a ruling that brought poignant sorrow to several thousand citizens of the country. He said the power to confer the title of colonel by the Governor no longer existed. His views of the law were that the titles conferred were null and void at the expiration of the term of the Governor conferring the honorary title. He expressed grave doubt as to any authority conferred on the Governor to bestow the

The present Governor is not interested, inasmuch as he has made no such appointments. The story behind this story is one of chivalry, romance, and ideal patriotism. There were at one time many real Kentucky colonels, dating back to the War of 1812, the Mexican War, and the Civil War, back to the days of George Rogers Clark, who took from the British the Northwest Territory, or the States of Ohio, Indiana, Illinois, Michigan, and part of Wisconsin, and without such efforts the Canadian boundary would today extend to the Ohio River, and this august body would be deprived of the pleasant associations and recognized ability of the Members from those States.

In those days a Kentucky colonel was an outstanding man of his particular community and frequently raised a company of men to assist in some patriotic governmental function, and he was given a title which recognized his services.

The title of Kentucky colonel, today made a joke by reason of many indiscriminate awards, had behind it for a hundred years a real meaning known around the world, and made the title one of distinction and coveted desires. The terms have been used in laudatory remarks over the world, "as chivalrous, gallant, hospitable, brave, and courteous as a Kentucky colonel." These words described the real Kentucky colonel and made the title a mark of distinction.

Then, when the game of war ceased to furnish the opportunity of the title, it was for awhile awarded sparingly but deservedly on citizens who had distinguished themselves on any great undertaking, such as authors, musicians, or even athletic superiority. It was even then a recognition of some form of distinguished services. Movie actors of renown, philanthropists, statesmen, physicians, and others, even to the owner of the horse that could win the Kentucky Derby. received the coveted and distinguished title.

The original Kentucky colonels in actual life were the type of men you would delight in knowing and whose acquaintance would be a beautiful memory that you could not forget. As is often the case—that brain, brawn, and big heart are found in the same man—it was universally true with the Kentucky colonels. Tall, straight as an Indian, suave, musical voice, courteous in the extreme, chivalrous, and gallant, with highest respect for womankind, yet beneath it all a pride in truth, honesty, and integrity.

Patient in receiving an affront or insult but when aroused a swift dynamo in retaliation. Henry Clay, once the distinguished Speaker of this House and Minister to England, and a duelist if challenged, was a typical example.

The colonel as fancied and pictured by the world, and not far from correct in detail, was about 6 feet 4, erect, gray hair and mustache, a pistol in belt and able to draw and hit the center of a dime at 50 yards with the swiftness of a sleight-of-hand action. His home was hospitality personified, with a barrel of aged liquor for which the State was famous, a saddle horse that he prized almost as much as one of the family, a pack of fox hounds, and occasionally a violin, which had been in the family for generations. He was gentle yet firm, diplomatic yet positive, never sought to hunt trouble but quick to resent an intended wrong. His tenacity he acquired from his Anglo-Saxon heritage. Kentucky today has the largest number of people of pure unadulterated Anglo-Saxon blood of any State of the Union. It has less than one-half of 1 percent of foreign blood. They left

Virginia early and went over the hill and there in the pocket with the Ohio on one side, the Mississippi on the other, and the Alleghanies to their backs they reproduced their own kind to fill the hills and valleys, in a manner shut off from the seaboard States.

A noted song writer was seeking the old folk songs of England of 500 years ago but could not find them in England. She came to the hills of Kentucky where she found them all, which had come down by the generations by word of mouth without printed form. She had them reproduced by phonograph to get the tune and words and then wrote the music from the records. Among these people we have no fear of communism, they are all just old-fashioned Americans, orthodox Democrats and Republicans.

The abuse of this conferring the title in the past 15 years caused a protest in Kentucky. Men of distinction and renoun, and who were justly proud of their title, were humiliated to see it bestowed indiscriminately and they removed their once coveted treasure from sight in office or private library. And if the attorney general's ruling be correct, that title expires with each outgoing Governor and none have been granted by the present Governor, then there is not a Kentucky colonel by legal title in all the world, except those of the Army. But down in Kentucky the woods are full of Kentucky colonels though not decorated with the title. If touring there stop at a farmhouse and ask for water or directions, or any other accommodations for your car or self, and you will find them. Not until the coming of through highways and foreign travel were the doors ever locked at night.

The neighbors are still the best neighbors in all the world to live by. They still follow the ancient custom to lay aside their own work to attend to the needs of a sick neighbor and to do his needed chores for him. Their conscience would hurt them not to do otherwise and the sick neighbor would feel aggrieved at the lack of interest otherwise. Every move they make is written up and magnified around the world and items of no importance in any other State is heralded around the world when it happens in Kentucky. You can tell these modern-day Kentucky colonels, children, and grandchildren of the titled colonels, wherever you see them. They are exceedingly easy to approach and engage in conversation. They arise to give the lady a seat in the streetcar or bus when others sit. Their friendship is easily obtained and also their undying loyalty. They have a sporting sense of fair play, which makes them always for the underdog, be it a prizefight or chicken fight. They will stop and haul a hitchhiker when all others pass him up. They will keep a stranger in their home where others refuse. They are easy victims to hardluck stories, whether meritorious or not. They are perhaps more clannish than the people of any other State of the Union—once a Kentuckian always a Kentuckian. meeting abroad as strangers an introduction as a Kentuckian to a Kentuckian is sufficient recommendation to insure the highest degree of respect from each other, regardless of politics, religion, trade, or profession. If the people of the 48 States had that degree or loyalty and fellowship toward each other that the Kentucky colonel and his children have for each other, there would be no danger of harm coming to us from without or within our borders.

The title of Kentucky colonel may be null and void, but the spirit of big-hearted, hospitable, patriotic colonels still thrives in the valleys and on the hillsides of old Kentucky and in the veins of the pure Anglo-Saxon blood of its citizens.

This is not the time or place for extended remarks on Kentucky's long list of gallant men whose lives have been valuable contributions to the Republic, but paraphrasing a little, the Commonwealth of Kentucky, the home of ancient and modern Kentucky colonels, is not the oldest nor yet the youngest, not the richest nor yet the poorest, but all in all the best place this side of heaven that the good Lord ever

Kentucky colonels, officially, are no more, but their traits of character still rule Kentucky.

The titles conferred did no harm if they did no good.

Kentuckian did not give him a pride in it that caused him to live up to the worthy title?

It was formerly awarded as a mark for distinguished services of some kind similar to medals of honor awarded by many other governments.

The world says good-bye to Kentucky colonels, but may their emulation in patriotic chivalry never cease.

Mr. McMILLAN. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, namely.

Mr. McMILLAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, had come to no resolution thereon.

LEGISLATIVE APPROPRIATION BILL, 1937

Mr. LUDLOW. Mr. Speaker, the gentleman from Pennsylvania [Mr. SNYDER], chairman of the conference on the part of the House on the legislative appropriation bill, was unavoidably called away this afternoon, and in his absence and in his name I desire to present the conference report on the bill for printing under the rule.

The Clerk read the title of the bill.

NOTRE DAME CEREMONIES COMMEMORATING THE BIRTH OF A NATION

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address delivered by Carlos P. Romulo, who represented the Republic of the Philippines at the special convocation at Notre Dame University.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, on December 9 last there was a special convocation at the University of Notre Dame in honor of the new Commonwealth of the Philippines. It was one of the most unique and significant celebrations that ever took place under auspices of the great university, whose fame extends around the world. In respect to its historical setting and implications it was an occasion without a parallel. A brilliant array of members of the hierarchy and distinguished officials and laymen, with the President of the United States as a participant and guest of honor, conducted ceremonies of the most impressive character involving church and state, the purpose being to herald the birth of a new nation in the far-away Orient.

Beautiful and colorful, solemn and thrilling were the rites commemorating this new addition to the family of nations. It was an occasion that will linger forever in the memory of those who were fortunate enough to be present. Originally scheduled to coincide with the inauguration of President Quezon, the Notre Dame ceremonies were postponed to make it possible for President Roosevelt to participate personally in the observance.

His Excellency, Governor Paul V. McNutt, of Indiana, was the civil host. His Eminence, George Cardinal Mundelein, archbishop of Chicago and highest ranking ecclesiastic west of the Allegheny Mountains, presided. The degree of doctor of laws, honoris causa, was conferred on President Roosevelt and Carlos P. Romulo, the representative of the Philippines, who was sent to America to speak for the new-born nation.

The thoughtful and eloquent speeches that were delivered during the ceremonial were broadcast over two national networks and were heard in every part of the continent. Who can say that the title when conferred on some native It is not my purpose here and now to review the program

in detail, or to dwell upon the many interesting events and episodes of the great occasion, but rather it is my purpose to bring to the attention of the House of Representatives and the country the masterful address made by Carlos P. Romulo, who traversed thousands of miles of sea and land in order that he might voice the sentiments of the Philippine people as they stand on the threshold of freedom. Romulo is an eminent journalist, orator, educator, and public servant who has had a leading part in the establishment of the newest nation.

Rev. John F. O'Hara, C. S. C., president of Notre Dame University, who holds a position of highest eminence among educators and who is outstanding among men of erudition and religious attainments, presented Mr. Romulo to the vast audience that taxed the capacity of the gymnasium. In doing so he touched a tender chord when he referred to the close ties that unite the University of Notre Dame to the Philippine Islands, as members of many of the most distinguished families in the islands have been students at the university. The subject of Mr. Romulo's address was The Mind of a New Commonwealth, and he spoke as follows:

One would be dull of wit, indeed, and slow of heart who could be unresponsive to the fortunate coincidence of historic influences brought to this occasion at Notre Dame. I refer to the apt confluence of the faith and freedom that have streamed through the his tory of the Philippines, nurturing our people to the maturity of independence. Today both are given representative testimony in a joint gesture of remembrance and the concerned congratulation of amicable hope.

His Excellency, the President of the United States, bespeaks the freedom of a nation dedicated to the proposition that all men, and all groups of men, are created equal before the law; a nation which controls itself through democratic institutions so designed as to serve evenly the rights of all—their liberties and opportunities; that each may live without servitude and without envy; protected in domestic security and confirmed in the inalienable, proprietary

powers of citizens.

The sovereignty of this Republic is shared by all, possessed by none, that the authority of government may never be presumptive or arbitrary but only representative and revocable. A democracy may vote away its powers—as it has in Germany and, recently, in Greece; but a republic cannot do likewise without ceasing to exist. In the United States freedom is not limited to the franchise of confirms but extended to all elements of political and chise of suffrage but extended to all elements of political and social function. The state, then, can never become coequal with the community; as could be if processes of government were the community; as could be if processes of government were accepted as embracing the structure and form of society. The community is greater, as well as antecedent to, the state. It creates the state to control and order its multiple interests; interests which citizens never relinquish whether to kings, princes, or parliaments. To mistake this relation, to misread the genealogy of government, is to induce the subservience of the popular to the governmental will. "Of the people, by the people, for the people", is, therefore, a prepositional summary of the concept of that freedom which the United States enjoys and which, with singular magnanimity, it has conveyed and bequeathed to the Filipino people. Filipino people.

Among a people so naturally disposed as the Filipinos to independence, this doctrine of freedom, taught with the conviction of discovery, found widespread and lively acceptance. Small wonder that we should have desired for ourselves what the Americans taught was the preeminent blessing of national existence!

There are some now, however, who would caution us (and not imprudently) that autonomy may prove precipitate; that we are unskilled in statecraft; lacking the consciousness of organic unity; infantile in the arbitrament of arms; that we are economically overweighted by the past preferment of export; in short, that freedom may mean famine, if it will not means worse.

To such counsel of caution we reply that freedom is an essential condition of national, as of individual, expression. The Revolutionary Americans so believed and, risking all, died in the hallowed name of liberty. Bunker Hill, Valley Forge, Saratoga are the immortal watchwords of an ideal and a lasting record of its price. The Filipinos, too, have their battlefields of freedom and they shall bear I trust, with equanimity the trials that independence in bear, I trust, with equanimity the trials that independence imposes. Indeed, misfortune and dangers are but the transient, if inescapable circumstances of living; to strive to overcome them is to live valiantly. We desire no more.

And in our freedom, we shall be fortified by that faith which

And in our freedom, we shall be fortified by that faith which outlasts because it transcends time. This greater heritage of the vast majority of our people is given witness today by Notre Dame and the prelates of the Catholic Church. Like freedom, faith reached us through conquest. Centuries ago, with the crown of Spain came the cross of Christ; both borne on the vehement and masterful exuberance of those dauntless adventurers who foreshortened the earth. They sought silver for their king and subjects for their God. Among us they found both. But the crown was really buried with them; we have almost forgotten how or when. The cross remains throughout our islands, a symbol and an evidence of the radical culture of our minds. evidence of the radical culture of our minds.

For no one can believe human life foreshadows, through mys-For no one can believe human life foreshadows, through mysteries, a more ample and intimate existence with God; no one can believe that Jesus Christ is the Son of God who saved us by His death and sanctifies us by His Sacrament; no one can believe himself a conscious soul under the commandment of Divine love; no one, I repeat, can believe these things without having altered profoundly the quality of his thought and the direction of his outlook. Such belief is a tradition among the Filipinos. It distinguishes us among the peoples of the Far East; and it will be a vital, creative agent in the formation of our new nation. By this I do not wish among the peoples of the Far East; and it will be a vital, creative agent in the formation of our new nation. By this, I do not wish to imply that Catholicism is the religion of the State. It is much more; it is the religion of the people. And the people, not the State, are sovereign. To constrain religion as an instrumentality of government and to adopt the anomalous thing called "State religion" is to consider religion falsely and abandon it, as contemporary events elsewhere prove, to the mercy of a government which may not be representative of the people whom it rules. To permit the State to adopt a religion is to concede to the State its potential extension to all functions of society; it is to conceive the State as the ultimate framework of the social organisms. The contrary is, of course, true in the very nature of things. Government, unless it be tyranny, is but an instrument variously chosen by the community for its own social purposes.

So the Philippine constitution instructs its future government

So the Philippine constitution instructs its future government that there shall be freedom of worship, indicating thereby that its power shall be limited to control manifestations affecting pub-

its power shall be limited to control manifestations affecting public discipline; and indicating, too, that the practice of religion shall in no way be considered as dependent on legislative concession. The phrase "freedom of worship" places religion outside the basic law rather than within it; and properly so, since a constitution is projected to restrict government, not society.

The Catholic faith will be, accordingly, free to inspire, develop, and modify our institutions conformably to its supreme law of charity. Through charity we should achieve obedience without servility; authority without autocracy; justice without favoritism; equality of respect without the anarchy of no distinctions. A legalistic mechanism never has been, nor will be, devised to attain per se the ends of social justice. Nor are these ends furthered substantially, as some maintain, by racial temperament, geographical position, or contingent relationships. Only the assurance of Christian charity enables us to forecast the direction that the exercise of sovereignty will take; faith, then, gives sustenance to our freedom. our freedom

Graced with this double gift of constructive forces, the Philippine Commonwealth initiates a new national effort for the realization Commonwealth initiates a new national effort for the realization of an ordered and equivalent society. It would be presumptuous to say we shall achieve it; it would be supine not to try. We shall begin our task with an enthusiasm sobered by historical perspective. If we are a new-born nation, we are not, thereby new born to the perception of realities. We can be careful not to be misled by ardent apostles of fatuous panaceas, infallible in appearance because tested only against the unanswering vacuity of their author's minds. We can be docile before facts and mindful that systems, however finely sculptured, can be broken by inordinate hearts and tempestuous wills. We can put forth a modest, well-principled effort to approximate a solution of the harassing problem of economic balance and distribution.

Until lately the Philippines had a plantation economy such as once obtained in the Southeastern States of the Union. Now, we have moved, though in a limited degree, toward the complexities of agrarian and industrial capitalism. There is, in capitalism, much that is still immature and, therefore, maladjusted to the existing social order.

existing social order.

But there is nothing inherently vicious in capitalism. This pooling of wealth for production needs to be counterbalanced by pooling of resources of consumption; only so, can capitalism be wholesome and beneficial. We do not share the views of those who would prevent the acquirement of wealth by distributing it gratuitously. We believe such a process would either destroy wealth for all or concentrate it in the hands of some group who would call themselves, euphemistically, the State.

We do not accept the Marxian dialectic that classes are economically formed and that the road to security is through the liquidation.

We do not accept the Marxian dialectic that classes are economically formed and that the road to security is through the liquidation of those classes in favor of the proletariat. Every oriental knows that there is scarcely any proletariat in the Far East; and knows, too, that classes are formed there by educational discrimination as in China, by social heredity as in Malaya, by religious modalities as in India where no amount of acquired wealth would warrant infringement of class privileges. True, the Far East is mildly sensitive to communism but not because the Far East is class conscious; rather because it is land conscious. Communism in the East is not a philosophy; it is an illegitimate hope for unearned increment Economic class warfare is a myth of the Communists. But economic conflict, as a disorder of the whole social body, is no myth and we shall strive to eliminate it from our Commonwealth by what I have referred to as a modest, well-principled effort.

and we shall strive to eliminate it from our Commonwealth by what I have referred to as a modest, well-principled effort.

The approach to this must be realistic; not patronizing and crusading. It is grandiose and anarchial nonsense to pretend that all elements of society must enjoy equality of identity. "Every man a king" is the motto of a fool's paradise and the catch-phrase of political trumpery. There is in society a natural diversity of gifts and function, and where there is distinction of ability, there will be distinction of reward. The coalescing of sundry groups composes the pattern of communal living; and communal living is not an artificial result produced by one class for its own advantage but the inevitable expression of man's social character. social character.

Accordingly, we believe economic factors possess social as well as individual significance. Men are not free to ignore these; nor have we the power by legislative fiat to abolish them. We shall maintain, then, that ownership is a right derived from nature, not from law, and its use or misuse cannot destroy, or cause to be forfeited, the right itself. Wealth invested in capital should have a return but the return should be related to the economy of the nation current at the period of the deposition. Income should be as thermal as the discount rate. A fixed interest or a fixed wage for profit, determined over any but a short period is obviously unsocial, since economic conditions will have altered before the loan or the contract has expired. Contracts for interest or labor once outmoded destroy the equilibrium of the economic field in which the incidence of their fulfillment occurs. The fixed element in economics should be the equation of justice; the fixed element in economics should be the equation of justice; the variable element is price.

Like ownership and its rewards labor, too, has its social obliga-tions. Labor must attain its individual rights without infringe-ment of the common good. It is false that the worth of labor is the worth of its net result; false that labor exercised on the property of another begets ownership; false even that all profits not needed for repair and replacement belong to the workingman. To assert the contrary is to lose sight of the social aspect of labor and assert the contrary is to lose signt of the social aspect of labor and the right of ownership. But labor does create a right to profit-sharing—a right that is again individual and social. It is the right of labor to share in profits on the basis of a living wage. If capital does not pay this, social justice demands that employment be prohibited. But if employers cannot pay this because of unfair competition or unethical imposition of taxes, then the controlling laws of the State should be abrogated.

Such considerations will form the basis of our principled effort to obtain the peace of economic security within our own country.

But for the assurance of that larger peace which depends not on us but on the nations of the world, we must await a more enlight-ened internationalism. In international affairs, the Darwinian us but on the nations of the world, we must await a more enlightened internationalism. In international affairs, the Darwinian theory seems still to persist though long since dispossessed from its native habitat in biology. The survival of the fittest appears to be the law of national existence and actions which, in the domestic ambient, would be corrected by police power, are glorified and given the support of armies in the international arena. When will we learn to apply to nations the same principles of morality we apply to individuals? When will we learn that nations, as well as men, are created equal before the law? Until we do, all nations, the great as well as the small, are in jeopardy; the great may repel invasion, they have yet to succeed in repelling war. The present competition for mathematical equality is a trepidating evidence of mutual distrust and a proof of reliance in strength for the enforcement of claims. We must inveigh against and deplore the conditions which warrant this cynicism of preparedness. And I venture to propose that, of these conditions, the most pernicious is the prevailing concept of the State as a political and economic, rather than a moral, entity. When Louis Quatorze said, "I am the State", he at least made the state a responsible person. Today, state absolutism is impersonal and neuter. Unless this is corrected, the Congress of nations will continue to be regulated by a diplomatic, rather than a moral, code; governments will be recognized as great or small; the voice of power, instead of truth, will continue to be the decisive voice; and the freedom of little nations will depend on their ability to remain unnoticed or undesirable. ability to remain unnoticed or undesirable.

ability to remain unnoticed or undesirable.

Against the aggression of arms, the Philippines will have no fortress on land or sea. Competitive armament would be a tragic error. The only defense of the Philippines will be its spirit—its articulated cultural unity which will give it protection in the indestructible integration of character. If war comes, or fresh conquest from whatever source, we shall oppose it to the death; but we shall oppose it alone. We shall not ask the shedding of another's blood to spare our own. We shall not make the Philippines the Serajevo of another world Armageddon. Let no one fear it. To the Philippines, the United States has been a generous benefactor; a loyal and true friend; and if, Mr. President, we can honor that debt in no other way, we can pay with our lives, if need be, lest any act of ours should be a prelude to the weeping of American mothers for their dead. We are a poor nation but not, I hope, without valor and gratitude.

We have requested independence; the American people have

we have requested independence; the American people have granted it. So let it be; and may it prove a blessing for both and a pledge of friendship through the years that are to come. We shall go forward bulwarked with abiding faith in God; confident of the particular good will of the United States and the amity of our far eastern neighbors; and we shall take our place glorying in our freedom, with restrained courage, ambitious of peace, with malice toward none and with charity toward all.

We thank you Mr President, prelates the faculty of Notre Dame.

We thank you, Mr. President, prelates, the faculty of Notre Dame, for the honor you have, this day, conferred upon us and we bring to each and all the expression of high regard and cordial esteem from the Hon. Manuel Quezon, President of the Philippine Commonwealth.

BOAKE CARTER

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a short radio address by Boake Carter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KENNEY. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following address of Boake Carter, March 24, 1936:

IRELAND SWEEPSTAKES

The scene, the town hall at Dublin, Ireland. The date, today. The steele, the town half at Bublin, Ireland. The date, today. The time, morning. Scenery, much Americana—the American eagle, seals from the 48 States, flags. Round large drums swept many pretty Irish lassies, representing many American characters and customs. A parade by more Irish beauties, representing stars from Hollywood.

The action provided by Lord Mayor Byrne, of Dublin-he spent a large portion of his address in eulogizing the United States and United States citizens. The time was at hand for the draw. A pretty lass drew a name from the tens of thousands of tickets in her drum. The name was read out. It was the name of an American. It was a New Yorker. Thunderous cheers. The drawing proceeded. Americans averaged 50 percent of the counterfolis drawn out of the box. Thunderous cheers any time an American name was drawn; and why not; for once again it was the annual draw of the chances on the famous Grand National Steeplechase, to be run Friday, the sweepstakes again staged by Irish promoters for the Free State hospitals. Twelve and a half million dollars are the stakes. At the end of the day 718 names were drawn—325 went to Americans and 246 to Europeans. Seven million dollars will be divided among these ticket holders. The major prize is for half a million dollars. A great spectacle dominated by the Stars and Stripes in Public Stripes in Dublin.

a million dollars. A great spectacle dominated by the Stars and Stripes in Dublin.

And why shouldn't the Irish cheer every time an American name was drawn from the drums? In 4 years the Free State Hospitals have benefited to the tune of roughly \$30,000,000. Of that total, Americans have contributed the lion's share. The Free Staters know that the more Americans contribute the better off will be their hospitals and cheaper treatment for sick people in the Free State. It would be pretty nice if American hospitals could have counted \$30,000,000 in their jeans in the last 4 years. We are, however, much too moral to permit such a thing—even Government supervised and inspected. We let a thousand rackets flourish from coast to coast, but we look in righteous smugness upon a sweepstake. Congressman Edward A. Kenney, of New Jersey, once introduced a bill for a Government-operated and supervised sweepstakes, but the bill was turned down. It was, after all, much too simple, realistic, and common sensical to get by. So annually the Free Staters in Dublin get together, put on a big show, splash the United States all over the town hall, and give thanks to Uncle Sam's simple generosity in providing for one of the best hospital systems in the world. And who gainsays them? Uncle is such a nice, simple soul, after all.

VETERANS' BENEFITS

VETERANS' BENEFITS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter I received from Gen. Frank T. Hines in regard to the veterans' statement I placed in the RECORD a few days ago.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter received by me from the Administrator of Veterans' Affairs in regard to the veterans' statement I placed in the RECORD recently:

VETERANS' ADMINISTRATION, Washington, April 2, 1936.

Hon. WRIGHT PATMAN,

Hon. Wright Patman,

House of Representatives, Washington, D. C.

My Dear Mr. Patman: I have read with interest the Congressional Record of March 31, 1936, particularly your extension of remarks giving information concerning benefits available to veterans and their dependents under laws administered by the Veterans' Administration and other governmental agencies, including the War Department and Civil Service.

I am most appreciative of your help in getting before Congress and the veterans this information. In pamphlet form it should be most valuable to all interested in this problem.

Very sincerely yours.

Very sincerely yours,

FRANK T. HINES. Administrator.

CIVILIZATION BEGINS AND ENDS WITH THE PLOW

Mr. MAHON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a brief editorial with reference to the farm situation by my friend the distinguished west Texan, Hon. Jess Mitchell, editor of the Muleshoe Journal, of Muleshoe, Tex., in my district.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following editorial by

Hon. Jess Mitchell, editor of the Muleshoe Journal, of Muleshoe. Tex.:

[From the Muleshoe (Tex.) Journal of Feb. 27, 1936] THE FARMERS' DECLARATION OF NATIONAL INDEPENDENCE—"CIVILIZATION BEGINS AND ENDS WITH THE PLOW

When in the course of the life of any nation, its people become flagrantly selfish and self-centered, neglectful of the fundamental laws of nature, forgetting the rights of their fellow man to the point their very existence is imperiled, force of circumstances always impels them to turn to the soil from whence they came to recover self-maintenance.

Fundamentally, all people are endowed with certain inalienable rights; such as life, liberty, and the pursuit of happiness, these rights constituting a proclamation of independence which has long been a prerequisite to the right of self-maintenance. Nevertheless, it has been jeopardized by man's profligacy.

To secure and enjoy self-maintenance humanity must recognize the fact that it is from the soil rather than from factory floors and merchants' shelves that comes the basic sustenance, for, when centralized industry becomes destructive of the human rights of the masses to live and enjoy life man must turn either to the loamy soil, the rocky mountains, or the fisheries of the seas for self-maintenance if he would endure.

maintenance if he would endure.

Some of today apparently have forgotten this fundamental fact or else they have taken it for granted that the farmer is inherently plagued with distress and disaster. They insist there is already an unusable surplus of farm products. They declare domestic consumption has shrunk and foreign markets have withered. They point with ridiculous candor to the increased acreage put under the plow by foreign nations and advise that for their own economic advancement these countries have shifted their supply sources elsewhere than from America. All such conditions, it is pointed out, constitute an emergency situation in agriculture demanding drastic reductions. reductions.

Nevertheless, the timely unfolding of nature's laws and the revela-

Nevertheless, the timely unfolding of nature's laws and the revelations of modern science have placed in the hands of man new tools, new means and measures with which to transform the basic productions of the raw materials of the soil into usable commodities for furthering life and industry, the future of which reveals no bounds to the most sanguine contemplator.

The revelations of nature's god have been prolific in unfolding to man these new sources of diversified action, wealth, and satisfaction. Chemistry, the handmaiden of modern progress, has withdrawn the veil heretofore obscuring numerous unknown sources of power, blessing the sweat of the farmer's brow, returning to him his constitutional privilege of tilling his acres at will, withdrawing the mandate of wealth limitations, setting to work idle hands and vouchsafing a future life of greater contentment. For numerous years past the farmer's gross income has been practically identical with the pay rolls of city factories. Except for taxes, interest, and insurance, the farmer's income is mostly spent for manufactured products. If men of the soil prosper, so do also men of the city. If the farmer has little to spend the city man has little to sell. Keeping the farmer's income on a normal basis is always fundamental to maintaining a required basis for city enterprises.

city enterprises.

Past history proves that depressions invariably terminate and prosperity returns when markets for former basic industries are expanded and new industries are created. New crops, new and improved methods of producing them, new markets, an increasing population to patronize them, are all fundamental to general prosperity, for when the farmer prospers so do all other enterprises.

perity, for when the farmer prospers so do all other enterprises. History reveals that emergency measures do not long endure; they never perform any miracles; but the steady plodding of basic laws already understood and the constant application of foresight, energy, skill, philosophy, and logical perserverance do win ultimate favorable results. Food, shelter, and raiment are prime requisites of humanity. Confidence in one another is essential. The desire not only to live but to also let live opens the highway for enjoyment of desired conveniences, luxuries, and greater abundance. It is in the persistent and orderly development of these fundamentals, with equality for all and favoritism for none, that the wholesome flavor of existence, the increased zeal of satisfaction, and the widening of commerce accrues. Persistent development in orderly fashion is the only remedy conducive to ultimate

the wholesome flavor of existence, the increased zeal of satisfaction, and the widening of commerce accrues. Persistent development in orderly fashion is the only remedy conducive to ultimate victory for the farmer and his kinsmen.

During the past few years our horizon has been circumscribed by near limitations. Our range of economic vision has been curtailed. We have failed to look beyond the confines of the immediate day. We have not rightly soliloquized on the rising sun of tomorrow. Indeed, economically speaking, we have burdened ourselves with the need of settling and satisfying immediate needs and conditions regardless of future consequences and costs. Perhaps the urgency of the present tense has demanded such action in part; but the forgetfulness of its coming consequence is not forgivable. The accepting and surrendering of temporary passing advantages of any one set of humans at the expense of the majority living in a given nation is reprehensible and unpardonable. Ultimate and universal prosperity for the millions of citizens who reside on farms and who occupy the towns and villages adjacent thereto is primarily essential to the prosperous well-being of others who dwell within major corporate limits.

Expediency is never profitable for long. While it may for the present lift one up by his own bootstraps, yet eventually the gravitating law of supply and demand overcomes any present advantage. The present economic depression brought about largely by man's vainglorious foolishness, embodies a future aspect of

solution as important as that of the present. The perlious times of the present call for high accomplishment in behalf of the future years as well as the one now existing. There must be a profiting from past evils to make the future secure against repetition of them. There must be a realization of the true philosophy of life which increases a fine hearings of ethics which increases ophy of life which insures a fine heritage of citizenship opny of life which insures a line heritage of citizenship to the young and yet unborn citizens of this land which looks toward insuring them the same constitutional rights and privileges enjoyed by their forefathers. No man has any right to heap a burden upon his future kith and kin. No nation has a right to institute immediate means of economic relief, the brunt of which innocent future citizens must bear and discharge in handicapped manner for their own existence or perpetuation.

"Civilization begins and ends with the plow." The implement makers of America form her first line of defense against poverty and at the same time her battle line of progress against the ranks

and at the same time her battle line of progress against the ranks of pernicious penury. The farmer's occupation forms the mud-sills upon which is built the superstructure of all other successful business enterprises, and, unless those groundwork timbers are solidly laid in the mortar of favorable legislation and cemented on a base of equitable recognition, no matter how beautiful the superstructure reared above it, no national house can ever endure

for long.

While all citizens are but transient occupants of earth and tenants of the United States of America, yet they are here with the endowment of the inalienable rights vouchsafed by this Nation's Constitution, entitling them to life, liberty, and the pursuit of happiness. Acceptance of the farmers' declaration of independence by citizens in all vocations of life would be commendable and commensurate to guaranteeing such inherent rights to all and commensurate to guaranteeing such inherent rights to all citizens. Therefore, in firm reliance upon the approval and protection of divine Providence, in full realization of the proven fundamental philosophy of past human experience, and with all virtuous intentions, in the name of the Supreme Judge of mankind, may it so be done.

REPEAL THE "RED RIDER"

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and have them placed in the RECORD immediately following the remarks of the gentleman from Texas.

The SPEAKER. Is there objection to the request of the gentlwoman from New York?

There was no objection.

Mrs. O'DAY. Mr. Speaker, I am all for Mr. Sisson's bill to repeal the so-called "red rider." It is just another of those repressive measures that history teaches have never been successful.

Many of us feel that the menace to our Government does not come from the small group of Communists in the country, but from another minority group that is trying to abolish the civil rights and liberties guaranteed to us under our Constitution and Bill of Rights. These people are undoubt-edly sincere in their patriotism, but have very little faith in our form of government and the power of our Constitution. They are taking it upon themselves to protect both by destroying the very foundation upon which these institutions were builded.

Freedom of assembly has become almost a thing of the past. Freedom of speech was rescued from death recently by action of the Supreme Court. The imposition of the "red rider" and similar legislation shows that free speech is also imperiled.

Prior to coming to Washington, I was for many years president of one school board and member of another, and I have found our high-school boys and girls trustworthy, alert, and intelligent. Knowing the tragic blunders their elders have made of world affairs, they are justified in refusing to accept our dictum as to how things should be run in the future, which belongs, after all, not to us but to them.

In searching for a better way of life they must study the various existing forms of government, and in this study they need the guidance of wise and sympathetic men and women that they believe to be courageous and fair.

They need the best that can be had, and the imposition of reactionary and humiliating laws upon our teachers will banish from the profession the very type we need-men and women who understand that liberty is always dangerous but that, after all, it is the safest thing we have.

The gentleman from Texas has quoted from the Red Network some names of those classified by the author as being red, radical, or communistic.

He did not mention some others so classified in that amusing little volume; for instance, Jane Addams, Newton Baker, Rev. Parks Cadman, Senator and Mrs. Costigan, Albert Einstein, Rev. Harry Emerson Fosdick, Mrs. J. Borden Harriman, Secretary of the Interior Harold Ickes, Mayor La-Guardia, Dr. Mary Woolley, Dean Roscoe Pound, of Harvard, and many other equally dangerous and subversive citizens who are a menace to our Government, if the author of the Network is to be believed.

NO MORE OFFENSIVE WARS

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCOTT. Mr. Speaker, 19 years ago the United States Government declared war on the Imperial German Government. That war supposedly was to make the world safe for democracy and to be a war to end wars. It did not make the world safe for democracy. It did not end wars. It did not even protect the loans that had been made to allies by the American people. It did guarantee a lot of private loans. It did sell a lot of war materials. It did destroy billions of dollars of wealth. It did destroy millions of men. It likewise precipitated a depression. It also served to throw the American economic policy into utter confusion. We are still paying the price of that war.

I was 14 years old when that war was declared. I thought it was wrong then. I think it was wrong now, and I do not

want to see it happen again.

On this nineteenth anniversary of our declaration of war nations are once more rushing preparations for another one. The United States Government is no laggard in this occupation. Again we are seeing the preparations that will create once more in the homes of thousands of American people the situation described by Robert W. Service in his poem, Young Fellow, My Lad.

"Where are you going, young fellow my lad,
On this glittering morn of May?"
"I'm going to join the colors, dad;
They're looking for men, they say."
"But you're only a boy, young fellow my lad;
You aren't obliged to go."
"I'm seventeen and a quarter, dad,
And ever so strong you know." And ever so strong, you know.

"So you're off to France, young fellow my lad, And you're looking so fit and bright." "I'm terribly sorry to leave you, dad, But I feel that I'm doing right." "God bless you and keep you, young fellow my lad;
You're all of my life, you know."
"Don't worry. I'll soon be back, dear dad,
And I'm awfully proud to go."

"Why don't you write, young fellow my lad?
I watch for the post each day;
And I miss you so, and I'm awfully sad,
And it's months since you went away. And I've had the fire in the parlor lit,
And I'm keeping it burning bright
Till my boy comes home; and here I sit
Into the quiet night."

"What is the matter, young fellow my lad; No letter again today.
Why did the post man look so sad, And sigh as he turned away?

I hear them tell that we've gained new ground,
But a terrible price we've paid:
God grant, my boy, that you're safe and sound;
But, oh, I'm afraid, afraid."

"They've told me the truth, young fellow my lad;
You'll never come back again:
(Oh God; the dreams and the dreams I've had,
And the hopes I've nursed in vain!)
For you passed in the night, young fellow my lad, And you proved in the cruel test
Of the screaming shell and the battle hell
That my boy was one of the best.

'So you'll live, you'll live, young fellow my lad, "So you'll live, you'll live, young fellow my lad,
In the gleam of the evening star,
In the wood-note wild and the laugh of the child,
In all sweet things that are,
And you'll never die, my wonderful boy,
While life is noble and true;
For all our beauty and hope and joy
We will owe to our lads like you."

-Robert W. Service.

The last two lines-

For all our beauty and hope and joy, we will owe to our lads like you.

That will always be true in America when the young men are called to defend their country. Veterans of future wars, strikers for peace, organizations against offensive war would spring to the defense of their country if actually attacked. But never again do we want young men of America to become a part of the mud and blood of a foreign battlefield in guaranteeing somebody's filthy dollars. For defense, yes; for offense, no.

We are spending millions on defense. Let us not use those millions for offense. With these thoughts in mind, I have directed to every Member of Congress the following letter:

CONGRESS OF THE UNITED STATES,

HOUSE OF REPRESENTATIVES,

Washington, D. C., March 31, 1936.

My Dear Colleague: Much has been said in this session about the establishment of an effective neutrality program for the United States. However, the resulting legislation has measured up to this demand in only a very entitle think meet of a college. demand in only a very small way, but I think most of us will agree that steps in the right direction have been and are being taken. We are all agreed that an adequate defense policy must be established and permanently maintained. Ninety-two percent of the American people insist we use our vast armaments for defense and not for aggression against or assistance to another nation unless they, the American people, are able to so signify.

I believe that it was in this light that Representative Luplow

proposed an amendment to the Constitution of the United States providing that, except in the event of an invasion of the United States or its territorial possessions, the authority of Congress to declare war shall not become effective until confirmed by a majority vote of all votes cast thereon in a Nation-wide referendum.

vote of all votes cast thereon in a Nation-wide referendum.

I am emphatically endorsing the Ludlow resolution, and have signed a petition to bring this measure before the House.

However, it must be remembered such an amendment can only be made through the means prescribed in the Constitution, namely, ratification by the legislatures or conventions elected for the purpose of ratification in three-fourths of the several States. We have seen this procedure take months and even years in the case of other constitutional amendments. And there is always the possibility that such a resolution may never leave the committee.

Meanwhile another world was seems to draw nearer and nearer.

Meanwhile another world war seems to draw nearer and nearer. Immediate measures are necessary to keep our country out of

I am therefore proposing to the Members of the House of Representatives and the Senate a pledge. This pledge will provide as follows: "As long as I am a Member of the Congress of the United States, I hereby pledge that I will never vote to declare war on any country unless that country invades the Territorial limits of the United States or the possessions thereof."

Enforcement of this pledge will in no way interfere with the good-neighbor policy of the United States and the maintenance of adequate naval and air forces to protect us from any possible invasion, the possibilities of which at the present time are remote.

What is more important, this pledge will mean that we who sign it will never vote for offensive and imperialistic warfare as

long as we are in Congress, and Congress has the sole power to declare war. It is unnecessary to assume that the present Members of Congress are anything but opposed to war for offensive purposes. Time and again, when we have been appropriating vast sums for our Army, Navy, and air forces, we have said, "This money is not for offensive war; it is necessary for an adequate national defense." defense.'

If those Members of Congress who made the foregoing utterance were sincere, I believe they will not hesitate to sign this pledge. A representative from my office will present this pledge to you some time this week, and I sincerely trust that you will join with me in signifying to the American people our sincerity and our leadership for peace.

Sincerely yours,

RURAL ELECTRIFICATION

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged report (Rept. No. 2362), which was referred to the House Calendar and ordered to be printed:

House Resolution 477

Resolved, That upon the adoption of this resolution it shall be Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3483, an act to provide for rural electrification, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the to consider without the intervention of any point of order the substitute amendment and any other amendments recommended by the Committee on Interstate and Foreign Commerce, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

THE LATE STERLING P. STRONG

Mr. SUMNERS of Texas. Mr. Speaker, on last Saturday, at his home in Dallas, Tex., one of the former Members of this House, the Honorable Sterling P. Strong, passed to his final reward.

Mr. Strong had the distinction of representing the entire State of Texas during his service here. One of the Dallas papers in a recent editorial paid to Mr. Strong their compliment:

Sterling P. Strong believed what he believed with all his might. Mr. Strong was wide and favorably known. His long list of personal friends is the best evidence of his worth.

I ask, Mr. Speaker, the privilege of placing in the permanent records of the House of Representatives this statement with reference to my former colleague, who is remembered with kindly sentiments by many Members of this body.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 381. An act granting insurance to Lydia C. Spry;

H. R. 605. An act for the relief of Joseph Maier;

H.R. 685. An act for the relief of the estate of Emil Hoyer (deceased);

H. R. 762. An act for the relief of Stanislaus Lipowicz;

H. R. 977. An act for the relief of Herman Schierhoff;

H. R. 2469. An act for the relief of Michael P. Lucas;

H. R. 3184. An act for the relief of H. D. Henion, Harry Wolfe, and R. W. McSorley;

H. R. 3254. An act to exempt certain small firearms from the provisions of the National Firearms Act;

H. R. 3369. An act for the relief of the State of Alabama; H. R. 3629. An act to authorize the acquisition of additional land for the use of Walter Reed General Hospital;

H. R. 4086. An act for the relief of Ellis Duke, also known as Elias Duke:

H.R. 4439. An act for the relief of John T. Clark, of Seattle, Wash.;

H. R. 5764. An act to compensate the Grand View Hospital and Dr. A. J. O'Brien;

H. R. 6335. An act for the relief of Sam Cable;

H. R. 6645. An act to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926;

H. R. 7024. An act to authorize the sale by the United States to the municipality of Hot Springs, N. Mex., of the north half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, New Mexico principal meridian, New Mexico;

H. R. 7788. An act for the relief of Mrs. Earl H. Smith;

H. R. 8030. An act to authorize a preliminary examination of Republican River, Smoky Hill River, and minor tributaries of Kansas River with a view to the control of their floods;

H. R. 8032. An act for the relief of the Ward Funeral Home:

H. R. 8038. An act for the relief of Edward C. Paxton;

H. R. 8061. An act for the relief of David Duquaine, Jr.;

H. R. 8110. An act for the relief of Thomas F. Gardiner;

H. R. 8300. An act to authorize a preliminary examination of Suwanee River in the State of Florida from Florida-Georgia State line to the Gulf of Mexico;

H. R. 8559. An act to convey certain land to the city of Enfield. Conn.;

H.R. 8577. An act to amend the Teachers Salary Act of the District of Columbia, approved June 4, 1924, as amended, in relation to raising the trade or vocational schools to the level of junior high schools, and for other purposes; H. R. 8797. An act to provide a preliminary examination of Onondago Creek, in Onondaga County, State of New York, with a view to the control of its floods;

H.R. 8901. An act to provide for the establishment of a Coast Guard station at or near Apostle Islands, Wis.;

H. R. 9200. An act authorizing the erection of a marker suitably marking the site of the engagement fought at Columbus, Ga., April 16, 1865;

H. R. 9671. An act to authorize the Secretary of the Treasury to dispose of material to the sea-scout service of the Boy Scouts of America;

H. R. 10182. An act to authorize the Secretary of War to acquire the timber rights on the Gigling Military Reservation (now designated as Camp Ord) in California;

H. R. 10185. An act to amend the act approved June 18, 1934, authorizing the city of Port Arthur, Tex., or the commission thereby created, and its successors, to construct, maintain, and operate a bridge over Lake Sabine, at or near Port Arthur, Tex., and to extend the times for commencing and completing the said bridge;

H.R. 10187. An act to extend the times for commencing and completing the construction of a bridge across the Mis-

souri River at or near Randolph, Mo.;

H.R. 10262. An act to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.;

H. R. 10316. An act to legalize a bridge across Poquetanuck

Cove at or near Ledyard, Conn.;

H.R. 10465. An act to legalize a bridge across Second Creek, Lauderdale County, Ala.;

H. R. 10490. An act to amend chapter 9 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory and supplementary thereto;

H.R. 10975. An act authorizing a preliminary examination of Marshy Hope Creek, a tributary of the Nanticoke River, at and within a few miles of Federalsburg, Caroline County, Md., with a view to the controlling of floods;

H.R. 11045. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H.R. 11323. An act to authorize the coinage of 50-cent pieces in commemoration of the founding of the first settlement on Long Island, N. Y.;

H.R. 11365. An act relating to the filing of copies of income returns, and for other purposes;

H. R. 11425. An act for the relief of Gustava Hanna;

H.R. 11945. An act granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts; and

H. J. Res. 305. Joint resolution accepting the invitation of the Government of France to the United States to participate in the International Exposition of Paris—Art and Technique in Modern Life, to be held at Paris, France, in 1937.

ADJOURNMENT

Mr. McMILLAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p. m.), the House adjourned until tomorrow, Friday, April 3, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

758. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 31, 1936, submitting a report, together with accompanying papers, on a preliminary examination of Kennebec River, Maine, with a view to dredging the river from Augusta to Gardiner, authorized by the River and

Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

759. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 31, 1936, submitting a report, together with accompanying papers, on a preliminary examination of Pass Cavallo, Tex., and channel from Pass Cavallo to Port O'Connor and Port Lavaca, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

760. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 31, 1936, submitting a report, together with accompanying papers, on a preliminary examination of Naubinway Harbor, Mackinac County, Mich., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CLARK of North Carolina: Committee on Rules. House Resolution 476. Resolution providing for the consideration of H. R. 12037; without amendment (Rept. No. 2344). Referred to the House Calendar.

Mr. WILSON of Louisiana: Compfittee on Flood Control, H. R. 11850. A bill providing for a preliminary examination of New Creek, Staten Island, N. Y., with a view to control of its floods; without amendment (Rept. No. 2345). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 11921. A bill to authorize a preliminary examination of the Blackstone, Seekonk, Moshassuk, and Woonasquatucket Rivers and their tributaries in the State of Rhode Island, with a view to the control of their floods; without amendment (Rept. No. 2346). Referred to the Committee of the Whole House on the state of the Union.

Mr. EICHER: Committee on Interstate and Foreign Commerce. H. R. 10589. A bill to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes", approved August 30, 1935; with amendment (Rept. No. 2347). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 11103. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.; with amendment (Rept. No. 2348). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 11729. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes; with amendment (Rept. No. 2349). Referred to the House Calendar.

Mr. DARDEN: Committee on Naval Affairs. H. R. 12032. A bill to amend section 10 and to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934 (48 Stat. 811), and for other purposes; with amendment (Rept. No. 2350). Referred to the Committee of the Whole House on the state of the Union.

Mr. PIERCE: Committee on Agriculture. H. R. 11821. A bill to correct an error in section 16 (e) (1) of the Agricultural Adjustment Act, as amended, with respect to adjustments in taxes on stocks on hand, in the case of a reduction in processing tax; without amendment (Rept. No. 2351). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAVERICK: Committee on Military Affairs. H. R. 11300. A bill to provide that the sale of or dealing in beer, wine, or intoxicating liquor in Army post exchanges and military establishments shall be subject to regulation by the Secretary of War; without amendment (Rept. No. 2352). Referred to the House Calendar.

Mr. STUBBS: Committee on Irrigation and Reclamation. H. R. 11538. A bill for the relief of the Orland reclamation project, California; without amendment (Rept. No. 2353). Referred to the Committee of the Whole House on the state of the Union.

Mr. KNUTE HILL: Committee on Indian Affairs. H. R. 10001. A bill to amend an act entitled "An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes", approved May 26, 1920; with amendment (Rept. No. 2354). Referred to the Committee of the Whole House on the state of the Union.

Mr. DUFFY of New York: Committee on the Judiciary. H. R. 149. A bill to amend section 64 of the bankruptcy law of the United States; with amendment (Rept. No. 2355). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. H. R. 11616. A bill to fix the compensation of the Director of the Federal Bureau of Investigation; without amendment (Rept. No. 2356). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 11690. A bill relating to the admissibility in evidence of certain writings and records made in the regular course of business; without amendment (Rept. No. 2357). Referred to the House Calendar.

Mr. MERRITT of New York: Committee on Military Affairs. H. R. 12009. A bill to authorize the enlargement of Governors Island and consenting to the use of a portion thereof as a landing field for the city of New York and its environs; with amendment (Rept. No. 2358). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARTER: Committee on Military Affairs. H. R. 11920. A bill to increase the efficiency of the Air Corps Reserve; with amendment (Rept. No. 2359). Referred to the Committee of the Whole House on the state of the Union.

Mr. COSTELLO: Committee on Military Affairs. H. R. 8050. A bill to authorize the acquisition of land for military purposes in San Bernardino and Kern Counties, Calif., and for other purposes; without amendment (Rept. No. 2360). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLEAN: Committee on Military Affairs. H. R. 9042. A bill to provide for the sale of the Port Newark Army Supply Base to the city of Newark, N. J.; with amendment (Rept. No. 2363). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on Irrigation and Reclamation. S. 4232. An act to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects; without amendment (Rept. No. 2364). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on Irrigation and Reclamation. S. 3488. An act to provide for an examination and survey to determine the best utilization of the surplus waters of the San Juan River and to determine the feasibility and cost of storing such waters and of diverting them to the Rio Chama; with amendment (Rept. No. 2365). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 11983) granting a pension to Elizabeth F. Booher; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 11816) to correct the United States Coast Guard service of Jesse D. Gause; Committee on Naval Affairs discharged, and referred to the Committee on Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CITRON: A bill (H. R. 12131) to broaden the benefits provided for rural rehabilitation under the Emergency Relief Appropriation Act of 1935, and to extend similar benefits to the urban population, and for other purposes; to the Committee on Appropriations.

By Mr. ELLENBOGEN: A bill (H. R. 12132) to further amend the National Housing Act, to provide relief for merchants who suffered losses by floods, and for other purposes; to the Committee on Banking and Currency.

By Mr. FULMER: A bill (H. R. 12133) to authorize a preliminary examination of the Congree, Santee, and Cooper Rivers and their tributaries in the State of South Carolina with a view to the control of their floods; to the Committee on Flood Control.

By Mr. MAAS: A bill (H. R. 12134) limiting officers of the Navy from serving more than 4 years out of any consecutive 8 years on duty in the Navy Department, Washington, D. C.; to the Committee on Naval Affairs.

By Mr. FIESINGER: A bill (H. R. 12135) providing for a preliminary examination of the Sandusky River, at Fremont, Ohio, with a view to control of its floods; to the Committee on Flood Control.

By Mr. ENGEL: A bill (H. R. 12136) to amend sections 2 and 3 of title I of the social-security law approved August 14, 1935; to the Committee on Ways and Means.

By Mr. HALLECK: A bill (H. R. 12137) for a survey and examination of the lake shore of the State of Indiana; to the Committee on Rivers and Harbors.

By Mr. WELCH: A bill (H. R. 12138) authorizing the Secretary of War to convey certain interests of the United States in and to a tract of land formerly a part of the military reservation of the Presidio of San Francisco and thereafter conveyed upon condition to the city and county of San Francisco for certain purposes, to the Golden Gate Bridge and Highway District for highway purposes; to the Committee on Military

By Mr. McSWAIN (by request): A bill (H. R. 12139) providing for continuing retirement pay under certain conditions of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes; to the Committee on Military Affairs.

By Mr. LEHLBACH: Resolution (H. Res. 478) requesting that the Postmaster General resign from his political post as chairman of the Democratic National Committee or from his Cabinet office; to the Committee on the Post Office and Post Roads.

By Mr. MAPES: Joint resolution (H. J. Res. 555) to create a Joint Committee on the Reorganization of the Administrative Branch of the Government; to the Committee on Rules.

By Mr. ENGEL: Joint resolution (H. J. Res. 556) providing for a commission to study and make recommendations as to the various systems providing for old-age benefits with a view of recommending more adequate provisions for such old-age assistance and benefits; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented

By the SPEAKER: Memorial of the Legislature of Puerto Rico, regarding an amendment to the Organic Act of Puerto Rico; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURNHAM: A bill (H. R. 12140) for the relief of Burlton Wake; to the Committee on Military Affairs.

By Mr. COOPER of Ohio: A bill (H. R. 12141) for the relief of Truscon Steel Co.; to the Committee on Claims.

By Mr. CORNING: A bill (H. R. 12142) for the relief of Cyrus M. Lasher; to the Committee on Claims.

By Mr. DIETRICH: A bill (H. R. 12143) granting a pension to Freeman Isaac Lott; to the Committee on Invalid Pensions.

By Mr. ELLENBOGEN: A bill (H. R. 12144) for the relief of the Federal Enameling & Stamping Co.; to the Committee on War Claims.

By Mr. GREEN: A bill (H. R. 12145) for the relief of DePass & Maines and the Alachua County Hospital; to the Committee on Claims.

By Mr. GRISWOLD: A bill (H. R. 12146) for the relief of Frank Monroe; to the Committee on Naval Affairs.

By Mr. KENNEDY of Maryland: A bill (H. R. 12147) for the relief of the New York & Baltimore Transportation Line; to the Committee on Claims.

By Mr. KINZER: A bill (H. R. 12148) granting a pension to Mae Buckius; to the Committee on Invalid Pensions.

By Mr. LANHAM: A bill (H. R. 12149) to amend and correct application for copyright filed by Effie Canning Carlton on February 10, 1915, with the register of copyrights and bearing renewal registration no. 6384, and for other purposes; to the Committee on Patents.

By Mr. MAAS: A bill (H. R. 12150) to authorize certain officers of the United States Navy, and officers and enlisted men of the Marine Corps, to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered; to the Committee on Naval Affairs.

By Mrs. O'DAY: A bill (H. R. 12151) for the relief of Rose Hausman Weidman (nee Reisla Hausman); to the Committee on Immigration and Naturalization.

By Mr. REECE: A bill (H. R. 12152) granting a pension to Dora Samples; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12153) for the relief of Roberta Carr; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 12154) granting a pension to Louvisa Brewer; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 12155) granting a pension to Lela Lewellin; to the Committee on Invalid Pensions.

By Mr. WOOD: A bill (H. R. 12156) for the relief of Wayne Alvis Suddith and Leona Bernice Suddith, and for other purposes; to the Committee on War Claims.

Also, a bill (H. R. 12157) for the relief of Rood Hospital, of Hibbing, Minn., Dr. H. E. Binet, of Grand Rapids, Minn., Sidney E. Mobley and Lucille E. Mobley, of Hale, Mo., and for other purposes; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10648. By Mr. COLDEN: Resolution adopted by the City Council of the City of Los Angeles, Calif., on March 24, 1936, memorializing the President and the Congress of the United States to appropriate funds for the continuance and completion of flood-control construction under the direction of the Army engineers in Los Angeles County of the State of California; to the Committee on Flood Control.

10649. By Mr. CONNERY: Petition of the Lawrence (Mass.) Harugari Association, Inc., protesting against the proposed additional tax to be placed on malt beverages; to the Committee on Ways and Means.

10650. By Mr. DUFFY of New York: Resolution adopted by the Irondequoit Chapter, National Society, Daughters of the American Revolution, Rochester, N. Y., endorsing the Reynolds-Starnes bill (H. R. 11172) and opposing enactment of the Kerr-Coolidge bill (H. R. 8163), pertaining to aliens, and for the removal of difficulties of becoming American citizens; to the Committee on Immigration and Naturalization.

10651. By Mr. FITZPATRICK: Petition of the Board of Supervisors of the County of Westchester, State of New York, referring to the appropriation for the erection of new armories throughout the United States and especially for the city of Mount Vernon, N. Y.; to the Committee on Military Affairs.

10652. By Mr. HILDEBRANDT: Resolution of the Commercial Club of Tolstoy, S. Dak., restricting the importation of livestock or livestock products from any foreign country harboring foot-and-mouth disease or any other transmissible diseases of livestock which do not now exist in the United States; to the Committee on Interstate and Foreign Commerce.

10653. By Mr. KENNEY: Petition of the Lincoln School Parent-Teacher Association (125 members), endorsing the Federal food and drug bill by Mr. COPELAND (S. 5); to the Committee on Interstate and Foreign Commerce.

10654. Also, petition of the Lincoln School Parent-Teacher Association (125 members), endorsing the Pettengill bill (H. R. 6472) and requesting that it be brought before the House of Representatives for a hearing; to the Committee on Interstate and Foreign Commerce.

10655. Also, petition of the Summit Junior High School Parent-Teacher Association (267 members), endorsing the Federal food and drug bill by Mr. COPELAND (S. 5); to the Committee on Interstate and Foreign Commerce.

10656. Also, petition of the Summit Junior High School Parent-Teacher Association (267 members), endorsing the Pettengill bill (H. R. 6472) and requesting that it be brought before the House of Representatives for a hearing; to the Committee on Interstate and Foreign Commerce.

10657. Also, petition of the William McKinley School Parent-Teacher Association of Camden, N. J. (70 members), endorsing the Neely-Pettengill bill (S. 3012, H. R. 6472), and requesting that it be brought before the House; to the Committee on Interstate and Foreign Commerce.

10658. Also, petition of Local 377, Brotherhood of Painters, Decorators, and Paperhangers of America, unanimously favoring another appropriation by the President to continue Works Progress Administration projects; to the Committee on Appropriations.

10659. Also, petition of the State Council Welfare Committee (over 50,000 members), opposing the Kerr-Coolidge bill and endorsing the Reynolds-Starnes immigration restriction and alien deportation registration bill (H. R. 11172, S. 4011); to the Committee on Immigration and Naturalization.

10660. By Mr. MURDOCK: Resolution of the Board of County Commissioners of Box Elder County, Utah, urging further appropriations for the Public Works Administration: to the Committee on Appropriations.

10661. By Mr. SADOWSKI: Petition of the citizens of Detroit, Mich., endorsing House bill 8540; to the Committee on the Judiciary.

10662. Also, petition of the International Workers Order, endorsing the Frazier-Lundeen social-insurance bill (H. R. 9680): to the Committee on Labor.

10663. Also, petition of the Chamber of Commerce of Detour, Mich., endorsing the building of a bridge across the Straits of Mackinac; to the Committee on Interstate and Foreign Commerce.

10664. Also, petition of 71 members of the International Workers Order, Detroit, Mich., endorsing House bill 9680; to the Committee on Labor.

10665. Also, petition of residents of Detroit, endorsing House bill 8540, introduced by Congressman Kenney, of New Jersey; to the Committee on the Judiciary.

10666. By the SPEAKER: Petition of the Hornell Chamber of Commerce, Hornell, N. Y.; to the Committee on Flood Control.

10667. Also, petition of the Utah Workers Alliance, Local No. 1; to the Committee on Appropriations.

SENATE

FRIDAY, APRIL 3, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, April 2, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	Keyes	Pittman
Ashurst	Clark	King	Pope
Austin	Connally	La Follette	Radcliffe
Bachman	Coolidge	Lewis	Reynolds
Bailey	Copeland	Logan	Robinson
Barbour	Couzens	Lonergan	Schwellenbach
Barkley	Davis	Long	Sheppard
Benson	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Smith
Black	Fletcher	McNary	Thomas, Okla.
Bone	Frazier	Maloney	Thomas, Utah
Borah	Gibson	Minton	Townsend
Brown	Glass	Moore	Truman
Bulkley	Guffey	Murphy	Tydings
Bulow	Harrison	Murray	Vandenberg
Byrd	Hastings	Neely	Van Nuys
Byrnes	Hatch	Norris	Wagner
Capper	Hayden	Nye	Walsh
Caraway	Holt	O'Mahoney	Wheeler
Carey	Johnson	Overton	WILCOIGI

Mr. LEWIS. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from California [Mr. McAdoo], the Senator from Florida [Mr. Trammell], the Senator from Colorado [Mr. Costigan], and the Senator from Rhode Island [Mr. Gerry] are absent from the Senate because of illness; and that the Senator from Georgia [Mr. Russell], my colleague the junior Senator from Illinois [Mr. Dieterich], the Senator from Nevada [Mr. McCarran], the Senator from Oklahoma [Mr. Gore], the Senator from Nebraska [Mr. Burke], and the Senator from Georgia [Mr. George] are unavoidably detained.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. DICKINSON], the senior Senator from Maine [Mr. Hale], the Senator from Rhode Island [Mr. Metcalf], the Senator from Oregon [Mr. Steiwer], and the junior Senator from Maine [Mr. White] are necessarily absent.

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

Mr. CAPPER presented petitions numerously signed by members of the Women's Study Club, of Hoyt, and members of the Methodist Episcopal Churches of Hoyt and Mayetta, all in the State of Kansas, praying for the enactment of the so-called Neely bill (S. 3012) to prohibit the compulsory block-booking and blind-selling of motion pictures, which were referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a petition from the Ludell (Kans.) Equity Exchange, praying for the prompt enactment of the bill (H. R. 6772) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes, which was ordered to lie on the table.

He also presented letters in the nature of memorials from Star Valley Grange, No. 1661, of Iola; Shawnee Grange, No. 168, of Overland Park; Manhattan Grange, No. 743, of Manhattan; and Fairplain Grange, No. 1719, of Burlingame, all of the Patrons of Husbandry, in the State of Kansas, remonstrating against the enactment of Senate bill 1632, to regulate commerce by water carriers, which were ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by Branch No. 85, International Workers Order, of New York City, N. Y., favoring the enactment of the bill (S. 3475) to provide for the establishment of a Nation-wide system of social insurance, which was referred to the Committee on Finance.

WINOOSKI VALLEY FLOOD CONTROL WORKS

Mr. COPELAND presented a report, prepared by the Office of the Chief of Engineers of the Army, relative to floodcontrol works constructed by the Civilian Conservation Corps in the Winooski Valley of Vermont and the value of such works during the recent flood disasters in averting serious damages in that section, which was ordered to lie on the

Mr. WAGNER presented a resolution of the Hornell (N. Y.) Chamber of Commerce, which was referred to the Committee on Commerce and ordered to be printed in the RECORD, as

Resolution of Hornell Chamber of Commerce, addressed to the President of the United States, to the Presiding Officers of the United States Senate and the House of Representatives, Senators WAGNER and Coperand, Congressman Cole, the New York State Flood Control Commission, and the steering committee of the flood-control offices of central-southern New York

Whereas there is being presented to Congress by the Chief of Engineers of the United States Army a report on the flood of July 1935 in central-southern New York and northern Pennsylvania, together with recommendations for certain flood-control work, with estimates of cost therefor and an estimate of the extent to which it is economically justifiable to expend funds, as well as a recommendation that the entire cost of the proposed

work to be borne by the respective States; and
Whereas the Hornell Chamber of Commerce is convinced that
the flood-damage estimates of the engineers are too low and if
these estimates were corrected that their recommendations would

be correspondingly revised; and

Whereas the Hornell Chamber of Commerce feels that it is most vital to avoid all possible delay to the institution of the proposed work and that the ultimate goal be accomplished as rapidly as possible: Therefore be it

Recolved, That the Hornell Chamber of Commerce respectfully petitions the President of the United States, the Presiding Officers of the United States Senate and of the House of Representatives, the Senators for New York, the Congressman for the local district, the New York State Flood Commission, and the steering committee

the New York State Flood Commission, and the steering committee of the Flood Control Council of Central-Southern New York to consider the following facts, opinions, and recommendations:

1. Intensive research has developed that general facts relative to floods of the past are most inadequate, particularly with respect to damages sustained, and all estimates of such damage must of necessity be unsatisfactory and far below actual figures. Because of the upward trend in population and the development of agriculture and industry, present-day damage undoubtedly is greater than for similar flood conditions years ago. Continued deforestation has, through erosion and gullying, contributed to the added toll of floods. Reforestation is recommended as part of the control project by this body, with the realization, however, that its effects will not be evident for many years.

2. The estimates of the engineers for the July 1935 flood are too low. The Flood Control Council of Central-Southern New

2. The estimates of the engineers for the July 1935 flood are too low. The Flood Control Council of Central-Southern New York has estimated for New York State a total of \$28,039,577, to which should be added \$26,000,000 for soil erosion and the deposits of gravel and stone on farms and residential and industrial property. To these figures should be added estimates of damages in Pennsylvania. We believe that the estimates both of the engineers and the council fall far below the actual ultimate cost to reproduce pre-flood conditions. Actual experience of public officials, of railroad, industrial, and business executives, and private owners has already demonstrated that far greater expenditures will be necessary than has been anticipated. High-water periods since last July have added materially to the damage sustained as well as to the cost of rehabilitation. The high water of March 11-12, 1936, has washed cut or undermined many more bridges and highways, has flooded again many farms and residential property, and has greatly aroused the fears of the people, particularly because of the frequency of recent flooding.

3. The engineers report \$16,620,000 as the cost for their initial plan, with an additional \$17,674,000 for their ultimate plan. They set up \$15,000,000 as the amount that can be economically justified. If proper figures were set up for the 1935 flood, we believe

set up \$15,000,000 as the amount that can be economically justified. If proper figures were set up for the 1935 flood, we believe that the expenditure for the ultimate plan would be fully justified. At any rate, it would not be sound economy for any agency to spend half the necessary sum for partial relief. Unless a complete, comprehensive plan is accomplished in the very near future, it will be found that flood damage will continue to increase as time goes on, and that a precipitation as was experienced last July would be far more destructive in time to come.

4. The engineers have recommended that no Federal funds be 4. The engineers have recommended that no rederal funds be expended on this project. This recommendation is most improper. The President of the United States has shown every indication in favor of such an undertaking, and it is in line with his effort to provide self-liquidating public works in an area where such work is most essential to provide employment. At the President's request Congress made available \$200,000 for surveys and studies, quest Congress made available \$200,000 for surveys and studies, which expenditure can only be justified by carrying out the plans to a logical conclusion. The Special Congressional Committee on River Improvement and Flood Control has stated in its report of July 29, 1935: "A program which has for its purpose the protection of these people, their valuable lands, and investments already made in that land certainly should be undertaken at once." And they were not talking on behalf of the States or municipalities. The Federal Government has undertaken many huge flood-control projects in far less populated and industrialized territories, to which the States of New York and Pennsylvania have been the largest contributors. Federal aid is needed here and is well merited largest contributors. Federal aid is needed here and is well merited as well.

5. The engineers have reported: "Until all of the works proposed under the plan of this report are constructed the area within the July 1935 flood line should be designated as danger zones within which no new construction should be undertaken." This does not agree with their recommendation that only \$15,-000,000 can be economically justified unless it is assumed that a partial expenditure be made as a mere gesture before this area is to be abandoned.

The 16 counties of New York that are affected have an area of 11,705 square miles, a population of 745,468, according to the 1930 census, with an assessed valuation of \$810,832,705 and an actual value of over \$2,000,000,000. It is most vital to allay the apprehension of the people in this area and avoid a general exodus of individuals and industries.

7. Important Federal highway routes and interstate railroads, utilities, and industries traverse this area.

8. Public safety, health, and well-being should not be underestimated. In this area it is of sufficient importance to merit most serious consideration.

9. The city of Hornell, the county of Steuben, as well as most of the other municipalities in this area, have been expending to the utmost of their financial ability in general flood-control work and maintenance, in the construction of larger bridges, of walls, revetments, slope paving, channel work, dikes, check dams, and other similar construction with constant maintenance of chan-nels. In 1924 the city of Hornell contributed \$200,000 as its half of the cost of a State flood-abatement contract. Flood-control work, however, must be undertaken on a general comprehensive plan. Work by individual municipalities are generally expensive for the permanent results obtained, and not very effective.

10. Time is the essence as far as flood-control work is concerned in this area. Plans are available. We urge the Congress appropriate the necessary sum for the ultimate plan of the engineers and that this plan be completed as rapidly as is possible.

FLORIDA SHIP CANAL

Mr. FLETCHER presented a letter from S. H. Christian, of Ocala, Fla., which was ordered to lie on the table and to be printed in the RECORD, as follows:

OCALA, FLA., March 31, 1936.

Hon. DUNCAN U. FLETCHER.

Hon. Duncan U. Fletcher,

United States Senate, Washington, D. C.

Honorable Sir: We appreciate your good fight and hope you will
keep it up and we hope that Senator Park Trammell will do all
he can to help you too. All the people in Tampa, Miami, and
Sebring are not against the canal, just a few who have a selfish
interest. I have talked to quite a few who say they are for it,
and you know our election was 98 percent for bonds to buy the
right-of-way. We believe our hard fight is with the ones who are
against our administration and who want to get all of the glory

right-of-way. We believe our hard fight is with the ones who are against our administration and who want to get all of the glory of doing something they have never done.

When the United States paid \$40,000,000 for the French interest and \$10,000,000 for a perpetual lease of a strip of land 10 miles wide with a cost of over \$375,000,000 originally set aside for it and \$250,000 a year for canal privileges, and built the Panama Canal in a Republican administration, many miles away from home, now, when we can save 800 miles of travel by boat with the land donated to our Government, in our own homeland, anyone that would not appreciate the good work our Government is doing giving these 6,500 men employment in this construction who were out of work, and is the cause of that many more getting work because of the construction, is surely selfish. Some of these workmen got their first work, to buy shoes and clothes, on this canal.

We don't believe that our good Government has started any construction work in any State that will do more good and be of more service, and less selfish, than the construction of the Florida cross-State canal. The barge canal between Jacksonville and Miami has fresh-water wells on each side of it. Habana, Cuba, has Miami has fresh-water wells on each side of it. Habana, Cuba, has a 90-mile channel between Habana and Florida and has a population as large as Tampa and Miami both together, yet she has more fresh water than she can use with a river flowing into the ocean. We have salt water very close to each side of Marion County, and a salt spring in Marion County. Our people not only voted for bonds to buy the right-of-way but are selling their land on the right-of-way for a very reasonable consideration. We have the highest freight rate of any State, we believe; we pay as much as California to get our fruit and truck to market, hundreds of truck loads of oranges and truck are hauled out of our district to Jacksonville and loaded on boats. This canal will not hurt the

Miami is about 350 miles south of this cross-State canal and a truck grower there told me he was hauling his truck produce to New York by truck for half the freight, so you see the railroad will have to compete with the trucks with their unreasonable

The counties in the State of Florida through which this ship canal is started are doing everything they can to carry out their part of the agreement with the United States Government in donating the right-of-way with a friendly feeling to our people and to our good Government and we hope nothing will be done to halt the progress of work that is being done by our good and efficient engineers of the United States War Department.

Yours very truly,

S. H. CHRISTIAN.

REPORTS OF COMMITTEES

Mr. SCHWELLENBACH, from the Committee on Military Affairs, to which was referred the bill (S. 3067) for the relief of A. J. Watts, reported it without amendment and submitted a report (No. 1743) thereon.

He also, from the same committee, to which was referred the bill (S. 3296) to provide for the payment to the American War Mothers of interest on the fund known as the "Recreation Fund, Army", reported it with amendments and submitted a report (No. 1744) thereon.

THE AMERICAN MERCHANT MARINE

Mr. COPELAND, from the Committee on Commerce, submitted a report (No. 1721) to accompany the bill (S. 3500) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, heretofore reported by him from that committee with an amendment.

Mr. GUFFEY submitted the views of the minority of the Committee on Commerce on the bill (S. 3500) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, which were ordered to be included in Senate Report No. 1721.

Mr. CLARK subsequently said: Mr. President, I am informed that this afternoon there was presented at the desk a "majority report" and "minority views" from the Committee on Commerce on Senate bill 3500, commonly known as the Copeland ship subsidy bill. The chairman of the committee was authorized to report the bill, and probably the parliamentary clerk is acting in conformity with the rules of the Senate when he labels the report submitted by the Senator from Pennsylvania [Mr. Guffey] "minority views", because I understand that the rules of the Senate only provide for a majority report and minority views.

I merely desire to call the attention of the Senate and the country to the fact that those terms in this case are probable misnomers, for this reason: There are 20 members of the Committee on Commerce. The minority report is signed in writing by 10 members, exactly half the members of the Commerce Committee, and, of course, the majority report is signed by no one except the chairman.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. Vandenberg introduced Senate bill 4423, which was referred to the Committee on Finance and appears under a separate heading.)

(Mr. Wagner introduced Senate bill 4424, which was referred to the Committee on Education and Labor and appears under a separate heading.)

By Mr. LONERGAN:

A bill (S. 4425) to relinquish all right, title, and interest of the United States in certain lands in the State of Connecticut; to the Committee on Military Affairs.

By Mr. CLARK:

A bill (S. 4426) granting a pension to Bertha Allmandinger; to the Committee on Finance.

By Mr. HARRISON:

A bill (S. 4427) to create an additional division of the United States District Court for the Southern District of

Mississippi, to be known as the Hattiesburg division: to the Committee on the Judiciary.

By Mr. KING:

A bill (S. 4428) to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain corporations for profit in the District of Columbia; to the Committee on the District of Columbia.

(Mr. Thomas of Utah introduced Senate bill 4429, which was referred to the Committee on Education and Labor and appears under a separate heading.)

PRODUCTION AND CONTROL OF SUGAR BEETS AND SUGAR CANE

Mr. VANDENBERG. I ask unanimous consent to introduce a bill respecting sugar control, and I ask the indulgence of Senators to make just a brief statement.

The Senator from Mississippi [Mr. HARRISON], in behalf of the Senator from Colorado [Mr. Costigan], offered a bill 2 days ago based upon the theory of continuing benefit payments, processing taxes, and so forth. As a tentative basis for a totally different approach to the problem, I am offering the proposal which I now send to the desk. I simply call attention to the fact that it eliminates all benefit payments, with the possible exception of soil-erosion allowances; it eliminates all need for any further discussion of the tariff with respect to the sugar problem; it eliminates all need for any processing taxes; and it eliminates all need for any domination either of the farming or processing of sugar by the Department of Agriculture. The bill is introduced as a tentative basis for this alternative consideration of the sugar problem, solely on the theory that all the American farmer needs is the right to raise sugar for American consumption. I ask that the bill be referred to the Committee on Finance.

There being no objection, the bill (S. 4423) to protect domestic producers of sugar beets and sugar cane and to encourage the domestic production thereof by the regulation of foreign and interstate commerce in sugar; to provide for the fixing and revision of yearly quotas of sugar that may be imported into, transported to, or received in continental United States; to maintain a continuous and stable supply of sugar in continental United States for the benefit of both producers and consumers, and for other purposes, was read twice by its title and referred to the Committee on Finance.

PROPOSED DEPARTMENT OF EDUCATION AND PUBLIC WELFARE

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to introduce a bill and to have it referred to the Committee on Education and Labor. In order not to detain the Senate at this time I also ask that the attached statement prepared by me be inserted in the RECORD in connection with the bill.

The VICE PRESIDENT. Without objection, the bill will be received and referred as requested by the Senator from Utah, and the statement will be printed in the RECORD.

The bill (S. 4429) to create an executive department of the Government to be known as the Department of Education and Public Welfare was read twice by its title and referred to the Committee on Education and Labor.

The statement prepared by Mr. Thomas of Utah is as follows:

In explanation of this bill to create a department of education and public welfare it is needless for me to say that such an enactment would fill a long-awaited development in our Government.

Probably no one in Congress, if he knew that a Federal department of education would not attempt to abridge States'

and State schools' rights, or summarily would try to strip some other department of a service the latter now is exercising, would oppose a bill creating a department of education. Public welfare is a subject which has become of paramount concern and has given rise to many Federal agencies.

It is my position that we must not lose sight of our old-line departments, such as the State Department, Treasury, War, and so on. In my opinion a large number of independent offices tend toward instability, while an effort to convert an existing independent office into a subdivision of one of the regular depart-

pendent office into a subdivision of one of the regular departments tends toward stability.

My bill would create an eleventh regular department, with an eleventh Cabinet head. The bill is simplicity itself. It simply provides for the necessary elements of a regular department and leaves the President free to build up from the ground, for, after all, the Cabinet selection is his, and the responsibility of the personnel is first to him. Moreover, he already has the authority

from Congress to make necessary adjustments from one department to another after study, and it would be agreeable with me, and I feel sure, to Senators, that he fill up the new department of education and public welfare as slowly and with as much

caution as he should feel desirable.

Education of our people is a duty which is essentially a residual right with the several States. My bill and its enactment would not interefere with this sound premise. I should oppose any measure which would attempt to federalize our State school systems. On the other hand, our State superintendents of schools, our college presidents, our private schools, have a right to have someone to whom they can turn with common problems or for common aid or assistance. Our Commissioner of Education, an exceptionally able man, is staffed and equipped to render some degree of service, but there is scarcely a department of the Government that does not have an educational division known by some other name. Also, we know in a general way that some phase of human welfare comes under this or that division of Government, and most of these are out on a limb, so to speak, by themselves. Instead of having 11 persons confer with him on major problems, I venture to say that the President has nearer 40. The President is a man of uncommon strength and fortitude, but we should not impose upon him. With the enactment of this bill, he could rearrange his stewardships and adviserships in his own way, easily reduce the number of independent offices, strike out the false charge of "bureaucray"—a term distasteful to all of us on both sides of this Chamber—and simplify the dealings of this Government with its people. I ask your consideration of this bill.

IMPROVEMENT OF HOUSING CONDITIONS

Mr. WAGNER. I ask unanimous consent to introduce, for appropriate reference, a bill pertaining to the improvement of housing conditions.

There being no objection, the bill (S. 4424) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, was read twice by its title and referred to the Committee on Education and Labor.

Mr. WAGNER. Mr. President, the housing program embodied in the proposed legislation that I am introducing today should be the next step in our recovery drive. I believe that it is an imperative step, not only to make further progress, but also to consolidate and protect the gains that have been made.

EVIDENCE OF BUSINESS RECOVERY

The monumental statistical evidence of business recovery cannot be hidden by the clouds of partisan debate. When facts dispel the mist, the monument to the Roosevelt policies is still there, more solid and more impressive with every passing day. I shall be content to read one brief extract from a staid and conservative business bulletin. It says:

The total private corporate securities floated during January 1936 amounted to \$273,000,000, compared with \$7,000,000 during January 1935. The total number of business failures during 1935 was 11,000, the lowest number since 1920, and less than half the number during the prosperous year of 1927.

These figures can be confirmed a thousandfold. I have selected this particular example, however, because it belies so completely the charge that the policies of the New Deal have smothered business confidence. The confidence of rational men is always based upon achievement, and our achievements have wrought a Nation-wide confidence symbolic of our national unity of purpose.

PROBLEM OF UNEMPLOYMENT

Mr. President, the American people have much to be grateful for today. But those of us who are realists know that we are confronted by a challenge that must be answered. While 5,000,000 men have regained their jobs, over 11,000,000 of our people are still without work. In 1935 the number on the relief rolls exceeded those engaged in our five largest industries. Unemployment has become a Frankenstein created by our modern industrial system. If we do not crush it, we shall ourselves be destroyed.

Our greatest success has been achieved in the so-called consumer-goods industries. In many of these, activity has already reached normal levels. This is true, for example, of automobiles and textiles, and some of the mail-order houses are making the best records in their entire history. But they

cannot expand much further when the national purchasing power is at only 77 percent of normal. Until there is greater activity in the other areas of business, the consumer-goods enterprises find themselves on dead center.

Furthermore, employment opportunities in these industries have been curtailed enormously by technological improvements. In the iron and steel industry, between the beginning of 1934 and the end of 1935, production increased by 84 percent, while employment increased by only 20 percent. In the automobile factories of the United States, production increased by 45 percent during the course of last year, while employment rose by only 8.3 percent and pay rolls by only 25 percent. It is calculated that in general the potentialities of per-capita production are 25 percent higher today than they were in 1929.

To interrupt this technological trend would be to stop the very thing that has brought us from savagery to civilization. But nevertheless the immediate effect of new machine processes always has been, and for a long time will be, a dislocating one. The men displaced from one trade must therefore find new outlets in another.

NEED FOR STIMULATION OF RESIDENTIAL BUILDING

For these reasons the major reemployment opportunities today do not rest with the industries which have already surged ahead. The problem is to stimulate the retarded rather than to prod the quick. The most important of the retarded industries may be clustered in a single group. In 37 States, according to the F. W. Dodge figures, the value of all construction contracts fell from \$6,603,000,000 in 1927 to \$1,845,000,000 in 1935, representing a decrease of 71 percent. Only one-fifth as many dwellings were built last year as 10 years ago. For the first month of the present year, the value of new homes constructed was only \$37,000,000, contrasted with a normal of about \$150,000,000. About 50 percent of the total unemployment today is due directly to this lethargy of the durable-goods industries, and another 35 percent is due to the service trades that are directly affected thereby. Until these lines are surcharged with activity, the consumergoods industries may almost be said to be "overemployed."

BAD HOUSING, DISEASE, AND CRIME

With respect to home construction, while the depression naturally created an emergency situation, I desire to emphasize above all that adequate and decent housing involves the remedy of a long-term need. Even before the depression came, 11,000,000 families, meaning approximately 45,000,000 people, were living under conditions that did not protect their health and safety. Countless thousands among these were quartered not like twentieth century freemen but like medieval serfs.

These bad housing conditions have been neither exclusively urban nor exclusively rural. The real property inventory of 1934, covering 2,400,000 family units in 64 representative cities, and conducted by the Department of Commerce, found that almost one-fifth of them were either definitely bad, though not beyond repair, or totally unfit for human occupation. In a survey of rural housing just last year, it was discovered that in over half of the American States 4 out of 5 of the rural homes had no running water and 3 out of 4 neither gas nor electricity.

The quality of our homes writes itself indelibly into the lives of our people. It has been proved that slum areas have a tuberculosis death rate five times as high as elsewhere, while the danger of contracting the dread disease is 30 times as great. We know also that where the sun's healthful rays do not penetrate into the tenement room the infancy death rate is three times the normal rate. Such a sacrifice of the innocent would be too great, even if limited to those who die mericfully before they grow old enough to realize the tragic conditions under which they are doomed to live. But there is no such limitations. Think of the children who have not died, who have tried to live and learn and grow in an atmosphere where sunlight is shut out, where cleanliness is unknown, where every disease and every crime have their natural breeding place.

I have heard it stated that these evils are not caused by poverty or bad housing, but rather by natural infirmities.

Such apologetics cannot compete with the facts. We know that the city of London reduced its death rate from 37 to 27, and its infant-mortality rate from 246 to 167, by an adequate rehousing program.

Mr. WALSH. Mr. President-

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Massachusetts?

Mr. WAGNER. I yield.

Mr. WALSH. The Senator knows I am very much interested in the subject he is discussing because of hearings held before the committee of which I am chairman. I inquire now if at some time in the course of his remarks he will differentiate between what the proposal is which he is now submitting through the bill he has introduced, and what activities have been undertaken already by the administration in the way of Federal housing under emergency funds made available for that purpose.

Mr. WAGNER. I shall refer to that later in my remarks to the Senate.

Mr. WALSH. I hope the Senator will point out that whatever efforts have been made in the construction of housing by the Federal Government have not in any way met the problem of slum clearance.

Mr. WAGNER. Exactly. Mr. WALSH. The houses which have been constructed in New York, Cleveland, Boston, and elsewhere are really in competition with private property and are available for tenancy only by the so-called middle-class workers or people in comfortable circumstances.

Mr. WAGNER. The lowest point to which rents have been reduced, as I shall point out later, is \$9.50 per room per month, while the most that families of low incomes, now living in the slums, can possibly pay is \$5, or at most \$6, per room per month.

Mr. WALSH. In my opinion the Government houses which are being constructed in some of our cities will command rents much higher than that paid by anybody now living in the neighborhood. Of course the quarters will be superior.

Mr. WAGNER. Yes; but that is one of the very things against which we should guard, and this bill does it. The Government should aid only such housing projects as do not compete with private industry. That can be done, as I shall point out in a moment, by limiting the occupancy to those of the lower-income group.

Mr. WALSH. The opinions the Senator from New York and I are expressing are not in criticism of what has been done, for we are stating what the Government representatives themselves admit.

Mr. WAGNER. Precisely.

Mr. WALSH. The present housing division of the Federal Emergency Administration of Public Works admits that their housing activities have not been directed toward slum clearance.

Mr. WAGNER. And those who have been engaged in this sort of work as public officials heartily support the bill I introduce today.

Mr. WALSH. When the Government undertook to enter the field of housing, I think the public had the impression that it was to be confined to slum clearance. Am I correct?

Mr. WAGNER. So far as public housing is concerned, it should be limited to providing decent quarters for those now forced to live in slums, or their equivalent, and to clear slums or blighted areas in connection therewith. Aid should go only to the low-income groups who have not the income to pay the full rent necessary for decent housing.

Mr. WALSH. The Senator from New York is going to discuss later the phase of the matter to which I have called

Mr. WAGNER. Yes: and I thank the Senator from Massachusetts for giving me a chance to emphasize that very point.

To continue, Mr. President, we know that in Glasgow 90 percent of the children moved from the slums to better quarters responded immediately and favorably to a more healthful environment.

Poverty and disease, abetted by the sordid surroundings in which they are found, are the chief incentives to crime. We have recently learned that in the worst slum areas of Manhattan the number of arrests per thousand people is two and a half times as great as in nonslum areas. Chicago presents an even more vivid contrast between a run-down section of the city and one of the most prosperous. It has been found that juvenile delinquency is over 300 times as great in the Loop areas as it is upon the North Shore. We need not hunt further than these facts for the explanation of why the underworld is rapidly becoming the special hunting preserve of the young.

If we wish to check the transgressions that the young are perpetrating against society, we must first remedy the injustices that society has perpetrated against them. To attempt correction only after the child reaches the courts, while leaving the uncontaminated child subject to the corroding influence of the slums, is as foolish as it would be to attempt to nourish the branches of a tree that is planted in quicklime.

These humane considerations do not stand alone. Charles A. Beard, the distinguished historian and student of municipal government, has summarized the economic cost of bad housing as follows:

The diseases of the tenements are swept through a thousand channels; vice and crime are heavy costs upon the purse and vitality of the people; inefficiency and a high death rate are direct economic losses. It is unquestionably true that some of the worse tenements in our great cities cost the municipalities of the Nation more indirectly than the landlords receive in rent.

Thus it is, Mr. President, that the pressing problems of the current economic situation and the long-range requirements of the families of America blend together in producing a common evil calling for a common remedy-the revival of the durable goods and construction industries. Estimates naturally vary regarding the housing needs of this country. After examining many sources, I should say that a tentative figure of 10,000,000 new family units during the next 10 years is conservative and fair.

The genuine commencement of a building program of this magnitude would help to solve the central economic problem of the country. Its continuation would absorb both the normal unemployment in the durable-goods industries and the overflow of technological unemployment from other fields. Home building would constitute a steel girder reenforcing and stabilizing our whole economic structure.

A program of this scope must, in all its aspects, be predominantly the task of private industry. Anything less would be inconsistent with our theories of politics and economics. We associate the home with individual liberties, not with a superstate.

THE GOVERNMENT'S ROLE IN STIMULATING HOME BUILDING

But, none the less, the Government has a significant role to play in reviving the building trades. The average man may start feeding and clothing himself as soon as he regains his job. On the other hand, he cannot do much about improving his housing conditions until his surplus has been restored by sustained prosperity. But there can be no sustained prosperity unless the revival of the building industry gets going first. In this situation, there can be no spontaneous combustion. The spark must come from somewhere.

The housing activities of the Government to date have not even commenced to supply this spark. The Home Owners' Loan Corporation and the Federal Housing Administration have done a marvelous work in stopping evictions, repairing old homes, and rescuing investors in real estate. But now the hour has come to put flesh upon the framework that we have preserved. Instead of saving old homes, the country must have new ones. Rather than refinancing old investments, we must develop profitable areas for the operation of new capital. To accelerate the trend in this direction is the purpose of the proposed legislation I am now introducing.

There is an even more important reason why the Government should play some role in a new home-building program. Housing, after the war, became a luxury trade rather than a basic industry. For that very reason, the index of construction jumped up and down violently. It stood at 44 in 1921, at 124 in 1925, at only 87 in 1929, and at 11 in 1933. If home building is to be a stabilizing rather than a disrupting force, it must be extended to the vast majority who need housing most. If the complete rehabilitation of our economic life is to be made worth while, it must carry along with it the rehabilitation of American home life.

While there is not complete uniformity as to the price at which decent housing may be purchased, it is universally agreed that families in the lower-income groups require some degree of public financial assistance. The only completed large-scale project of the Federal Housing Administration rents for \$12.50 a room per month. Limited-dividend corporations in our cities have not been able to reduce rents much below \$11. The best result in recent housing has been about \$9.50. But let us be cautious in the extreme and say that, taking the country as a whole, respectable quarters may be had for \$7.50 a room per month. This means that a normal family of five, in order to obtain three and a half rooms, must spend about \$315 each year for rent. But, by and large, this is impossible with an income of less than \$1.500 per year.

This brings us at once to the charts of income statistics. In the relatively prosperous year 1929 more than 12,000,000 families, or more than 42 percent of all America, did not have this \$1,500 income, which is essential to provide decent housing. At least 6,000,000 families, or more than 21 percent of the total, had incomes of even less than \$1,000 a year. And when we examine the figures for today, we find that 18,000,000 families, or 60 percent of the Nation, can afford to spend for rent only 66 cents in place of every dollar that would be required to house them in decency and comfort.

This plain mathematics has led not only reformers, but all realistic and analytical business interests as well, to admit that some public assistance is necessary if the poor are to be provided with decent houses. It has been acknowledged, in addition, that this provision must be made if industry is to thrive. The committee for economic recovery, a representative business group, said this very year:

Private capital and private industry cannot solve this problem alone. The committee believes that public housing is essential.

PROVISIONS OF HOUSING BILL

The provisions of the housing bill which I am now introducing are designed to remove the impasse in construction which has become so onerous a burden upon the economic life of the Nation. In order to get building started on a broad and therefore sound base, the bill authorizes the Federal Government to make loans to State and municipal housing authorities, and to limited dividend companies, to finance new dwellings for persons of low income. The money for these loans is to be raised by the sale of bonds, guaranteed as to principal and interest by the United States, and amounting to not more than \$100,000,000 for the first year, and not more than \$150,000,000 for each of the succeeding 3 years. After that Congress will have to consider new authorizations. During the first year of the program there need be no bond issue whatsoever, as the bill authorizes the Housing Authority to borrow \$100,000,000 from the Reconstruction Finance Corporation on the basis of equivalent assets now held by the housing division of the Public Works Administration.

The total bond issue under this bill to encourage new housing will thus be less than one-fifth of that authorized under the Home Owners' Loan Corporation merely to protect existing values; and let it be remembered that over 95 percent of the loans to home owners have been used to pay their business or banking debts. The total bond issue under this bill to encourage new housing will be only one-tenth of what the Reconstruction Finance Corporation has loaned to stabilize every type of commercial, industrial, and banking enterprise; and these new loans will be made for a preeminently safe and worthy type of economic venture.

In addition to loans, the bill provides for supplementary grants, but only to the extent necessary to make it possible to build for families of low income, and in no case to exceed such grant may be made in a lump sum, or all or part of it may be spread equally over a period of years on an annuity basis. This provision for annuities will decrease the initial cost to the Federal Government, and at the same time leave to private capital a larger portion of the initial financing.

The authorized appropriation under the bill is \$51,000,000 for the first year, and there are authorizations for \$75,000,-000 for the second year, \$100,000,000 for the third, and \$100,000,000 for the fourth. In the aggregate, this is less than the amount originally allocated for low-rent housing under title II of the National Industrial Recovery Act. It is only about one-half the amount appropriated during the present session for the Army.

These grants are not aimless gratuities. What they portend in the removal of disease and crime, and in the stimulation of business, I have already stated. In addition, it is to be noted that the Federal and State Governments have already been forced to make huge rent subsidies in the form of pure relief. In New York City alone, rent relief amounted to over \$22,000,000 during 1934, over \$31,000,000 during 1935, and is now going on at the rate of \$25,000,000 per year. The bill I now introduce is designed to substitute business revival for relief. It will tie up every dollar of expenditure with genuine construction activity. It will be cheaper for the Government, better for industry, and infinitely more just to the people who want decent homes.

STIMULATION OF, RATHER THAN COMPETITION WITH, PRIVATE INDUSTRY

The bill contains every possible safeguard against competition with private industry. In the first place, every housing project that receives a penny of Federal assistance, either loan or grant, will be available only to those families of low income who cannot purchase safe and sanitary quarters elsewhere. If there is competition it will be only with the miserable conditions of slums and blighted areas.

In the second place, the loans and grants advanced by the Federal Government will not be likely to cover even the major portion of the cost of those housing projects which they assist. Every inducement is provided for the entry of private capital. It is estimated that the public funds made available under this bill, if used alone, could build only 245,000 family units during the next 4 years. But if used as appropriate complements to private financing, at least 600,000 new family units for the low-income groups alone should result.

Thirdly, and most important of all, Federal loans and grants will be used in connection with only a small portion of the total home building during the next few years. The construction of 125,000 family units per year with partial Federal assistance, and that aid predominantly in the form of sound, interest-bearing loans, should provide, in connection with the work of the Federal Housing Administration, the ground work for the development of 875,000 family units each year by private industry alone. During the next 4 years, every \$1 of Federal grant should mean \$48 of private expenditure for home building, with its connected economic improvement.

DECENTRALIZATION OF PROGRAM

In addition to its modest financial provisions, the bill stresses decentralization. All of the direction, planning, and management in connection with publicly assisted housing projects are to be vested in local authorities, springing from the initiative of the people in the communities concerned. The Federal Government will merely extend its financial aid through the medium of these agencies. The only exception to this rule is, that for a limited time the Federal Government may set up a few demonstration projects in order that local areas without adequate instrumentalities of their own may benefit by an experience in low-rent housing. It is provided that these demonstration projects shall be transferred to local agencies as soon as possible.

GENERAL BENEFITS

I believe that this measure will rapidly win the support of the Congress and the country. There is not a single interest which would be affected adversely by its passage, except those 45 percent of the construction cost of any project. Any few which can thrive only by vending unsafe and insanitary

homes to the men, women, and children of America. By providing widespread employment in the industries that are most depressed, the bill will round out the cycle of recovery in banking, in commerce, and in industry. It will invoke a maximum outflow of private capital with a minimum investment of public funds. And it will combine these economic objectives with the socially enlightened policy of clearing away the areas where disease and crime find their natural breeding place, and of establishing a cleaner and healthier atmosphere in which the mothers of America may watch over their families, and in which the children of America may grow to a happier maturity.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. FLETCHER. I understand that the President appointed a board or commission to look into the problem of housing, and I would ask the Senator whether he has had contact with them.

Mr. WAGNER. I have. I might say to the Senator that I have had a number of conferences, covering a period of 3 months, with the different public agencies, and also with outside groups of public-spirited citizens and with individuals, all of whom are interested in this subject, which I regard as the most significant confronting the country today. Their views are not all embodied in the proposed legislation, nor is the bill in complete accord with all of their views. As now drafted the bill is solely my own responsibility. But I am very confident that nearly all of the groups which participated in these discussions will substantially favor the proposed legislation.

I might say that all those concerned with housing, including business groups, social workers, and public agencies, are agreed that if we are to remove the slums as breeding places of crime and disease, and if we are to save the children of our country from the contaminating influences to be found around the slums, there must be some public aid. The incomes of the poor are so low that they cannot possibly pay more than \$5, or at most \$6, per room per month for rent, while no private interest can build profitably a home suitable for habitation, with the ordinary sanitation facilities. That, I think, is now conceded by all who have studied the subject.

Mr. FLETCHER. May I ask the Senator whether the proposition is that the Federal Government will take second mortgages on these properties and private enterprise will furnish capital for first-mortgage security?

Mr. WAGNER. No; that has been proposed with reference to encouraging the building of small homes-homes worth five or six thousand dollars. Perhaps I may propose legislation upon that subject in a short time. What I now propose deals only with providing homes for the very low income groups; that is, those who earn less than \$1,500 a year or thereabouts and who are now housed in slums and blighted areas all over the country, not only in urban but also in rural sections. They should be provided with homes fit for human habitation from the standpoint of health and safety, just as we try to provide them with hospitalization and other facilities.

MISSISSIPPI RIVER FLOOD CONTROL

Mr. OVERTON. Mr. President, I send to the desk and ask to have printed and lie on the table three amendments intended to be offered by me to the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928.

I wish to make one observation. During the course of the preparation of this bill, and during the course of the hearings, an effort was made to harmonize certain differences which existed between the friends of the bill and the Chief of Army Engineers. The Secretary of War submitted a report approving the bill, but suggesting that certain amendments be made

those negotiations we agreed upon the three amendments which I have just sent to the desk. They meet the objections to the bill suggested by the Secretary of War.

In transmitting the amendments to me, the Office of the Chief of Engineers wrote me as follows:

> WAR DEPARTMENT, Office of the Chief of Engineers, Washington, March 23, 1936.

Washington, March 23, 1936.

Hon. John H. Overton,
United States Senate, Washington, D. C.

Dear Senator Overton: You will find enclosed a copy of S. 3531, entitled "A bill to amend the act entitled 'An act for the control of floods on the Mississippi River and its tributaries, and for other purposes', approved May 15, 1928", into which have been incorporated certain amendments, as follows:

1. A complete revision of section 7.
2. An amendment to section 10.

An amendment to section 10.
 A complete redraft of section 12.

This bill, with these amendments, except as to section 5, conforms to the views of the Chief of Engineers and, in my opinion, satisfies the objections urged to the bill in the report thereon made by the Secretary of War.

Sincerely yours,

G. B. PILLSBURY, Brigadier General, Acting Chief of Engineers.

The PRESIDENT pro tempore. The amendments will be received, printed, and lie on the table.

LEGISLATIVE APPROPRIATIONS—CONFERENCE REPORT

Mr. Byrnes submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows

That the Senate recede from its amendment numbered 29.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, and 30, and agree to the same.

MILLARD E. TYDINGS, JAMES F. BYRNES, JOHN G. TOWNSEND, Jr., Managers on the part of the Senate. J. BUELL SNYDER, Louis Ludlow, John F. Dockweiler, Edward C. Moran, Jr., D. Lane Powers, Managers on the part of the House.

The report was agreed to.

LIBERTY LEAGUE-RADIO ADDRESS OF SENATOR SCHWELLENBACH

Mr. BLACK. Mr. President, I ask unanimous consent to have printed in the RECORD a radio address delivered by the junior Senator from Washington [Mr. Schwellenbach] over the Columbia network last evening concerning the activities of the Senate committee investigating lobbying activities.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE LIBERTY LEAGUE'S ATTACK ON THE SENATE COMMITTEE FOR THE INVESTIGATION OF LOBBYING ACTIVITIES

I am deeply grateful to the Columbia network for this opportunity to discuss the work of the committee of the United States Senate appointed to investigate lobbying activities, of which I am senate appointed to investigate lobbying activities, of which I am a member. On two occasions during the last month the work of the committee has been critically discussed over radio networks by Mr. Jouett Shouse, president of the American Liberty League. I must frankly confess the difficulty with which I am confronted in attempting to answer Mr. Shouse, because of the fact that statements made by him concerning this committee are so far afield from the actual facts that it is difficult to know where to commence attempting to reconcile them.

mence attempting to reconcile them.

For example, in his speech of March 6, Mr. Shouse stated, and I quote him, "Every telegram sent by any citizen of the United States to anyone in Washington between February 1 and December 1, 1935, has been subject to examination by the Federal Communications Commission or the Black committee. Every telegram sent out of Washington during those 10 months has been subject to such examination. * * * I mean that if you, wherever you ing the bill, but suggesting that certain amendments be made to it.

After the hearings had been concluded, and after the bill had been reported by the committee, certain representatives of the States affected, together with myself, had a number of interviews with the Chief of Engineers, and as a result of mittee." Last Friday night, speaking from this network, Mr. Shouse revised his figures and stated, quoting, "that more than 22,000 telegrams sent from or received at the Washington office between February 1 and December 1, 1935, were copied and turned over to the Black committee." In other words. Mr. Shouse now admits that his statement of March 6 was incorrect to the tune of 13,978,000 telegrams. After I have completed this broadcast, those of you with mathematical ability can estimate the percentage of Mr. Shouse's error.

Last Friday night Mr. Shouse stated in reference to subpenss

centage of Mr. Shouse's error.

Last Friday night Mr. Shouse stated, in reference to subpenas issued for telegrams of newspapers, "It is a notable fact that in each case the newspapers are those that have been critical of the present administration or of the members of the Senate Lobby Committee. An illustration of the latter is the seizure of the complete telegraphic file of the five newspapers in the Northwest controlled by W. H. Cowles, of Spokane, Wash. The New York Herald Tribune, in a news story published March 19 recounting that seizure stated: 'It is known that Mr. Cowles' papers have been critical of the policies of Senator Lewis B. Schwellenbach, Democrat, of Washington, a committee member.' I leave it to my listeners to guess why the message of those particular papers were singled out for inspection."

my listeners to guess why the message of those particular papers were singled out for inspection."

Now, what is the truth? I answer that question by reading to you from two editorials from Mr. Cowles' morning newspaper, the Spokane Spokesman Review. I quote: "As acting chairman of the Senate Lobby Committee, Monday, Senator Schwellenbach did a good job of smoking out the railway lobby for the Pettengil bill to repeal the long- and short-haul law." The editorial then proceeds to set forth facts concerning that activity on my part.

I quote from another editorial in Mr. Cowles' Spokane Spokesman Review. I quote: "The Senate Lobby Investigating Committee may have exceeded its constitutional authority in some instances, in the seizure of private telegrams, letters, and documents, but it is not apparent that it exceeded its constitutional authority in this timely exposure of the lobby alliance between the backers of the Pettengill bill and the power interests. Cerauthority in this timely exposure of the loopy alliance between the backers of the Pettengill bill and the power interests. Certainly the people have a right to know all about the wily manipulations of the lobbyists operating at the National and State Capitals under false fronts as in this flagrant instance." These two quoted editorials conclusively disprove Mr. Shouse's false contention that the Spokane Spokesman Review or Mr. W. H. Cowles has been critical of my activities in the Lobby Investigating Committee.

Why does Mr. Shouse persist in thus distoring the facts? By what motives is he actuated? To find the answer to that question we must look to the financial interests behind Mr. Shouse, and

Attempt to search out their motives.

Jouett Shouse is the president of the American Liberty League.

The sworn statement of the league shows that during 1935 he re-The sworn statement of the league shows that during 1935 he received from the league as president, in the form of salary and personal expenses, the sum of \$54,000: \$54,000 a year is \$4,500 a month, or \$173 for each working day. The American Liberty League is a propaganda organization. Its purpose is to discredit President Roosevelt and to prevent his reelection in November. It has printed and distributed something in excess of 112 pamphlets in the last year and a half, every one of which contained criticism of the President and his administration.

Who finances the American Liberty League? The same sworn statement shows that during 1935 the league received financial aid, in the form of contributions or loans, the sum of \$483,000, of which

in the form of contributions or loans, the sum of \$483,000, of which \$270,000 came from the Du Pont family or their business or personal

associates and affiliates. associates and affiliates.

What is the business of the Du Ponts? It is the manufacture of munitions. The sordid business of war. The profits of the munitions industry come from the killing or maiming of the young manhood of the world. During the last war the Du Pont munitions company received profits that resulted in the declarations of dividends or increase in surplus to the extent of \$237,000,000. On the poppy-covered fields of France there stand today thousands upon thousands of rows of white crosses as eternal monuments to the \$237,000,000 that the Du Ponts made.

Why are the Du Ponts so interested in defeating President Bosse.

Why are the Du Ponts so interested in defeating President Roosevelt for reelection? Because this administration for the first time in the history of the Nation, under the leadership of Franklin D. Roosevelt, has taken constructive steps to prevent a repetition of America's entry into European conflict. The neutrality laws, which Roosevelt has forced upon the statute books, are the most effective preventives yet adopted to avoid American participation into war. They go further than that. They prevent all shipments of munitions of war from this country as a neutral to any belligerent which may be engaged in war. There will be no \$237,000,000 munitions profits so long as the neutrality law remains upon the statute books of this country. It cannot be repealed while Franklin Roosevelt is President of the United States without the vigorous opposition of all of his Presidential power and prestige.

Why does the Liberty League thus concentrate upon the investigating of the Senate Lobby Investigating Committee? Because the Du Pont interests know that in any attempt they may make to secure the repeal of the neutrality laws, this committee or one similarly constituted, will be the President's most effective weapon in exposing and uncovering lobbying activities of the munitions Why are the Du Ponts so interested in defeating President Roose

in exposing and uncovering lobbying activities of the munitions industry of the Nation.

It is the Senate Lobbying Investigating Committee which re-

vealed that telegrams concerning legislation, numbering close to 100,000 were received by Members of Congress during this last year, which telegrams bore the signatures of persons who had never authorized them. It is this committee which disclosed that

in securing names for telegrams protesting against the Wheeler-Rayburn bill the power companies of the country used telephone directories and city directories as the sources from which they secured the unauthorized names. It is this committee that disclosed the fact that upon one piece of legislation last year there was brought to the city of Washington, with expenses paid and with compensation paid, the most intimate friend of each of the with compensation paid, the most intimate friend of each of the Members of Congress who could be obtained, and that those intimate friends discussed legislation with the Congressmen under instructions from their sponsors not to disclose the fact that they were being paid to come to Washington as lobbyists. It is this committee that disclosed the facts concerning the social lobby in the city of Washington, in which Members of Congress were invited to dinners and parties, the expenses of which were paid by the corporations interested in legislation, which fact was carefully and cleverly concealed from the Members of Congress, and at which legislation in which the corporations were interested was discussed and argued. It is this committee that is disclosing that which legislation in which the corporations were interested was discussed and argued. It is this committee that is disclosing that dozens of so-called investors' organizations, patriotic organizations, taxpayers' organizations, which have sprung up throughout this country in the last year and a half, apparently representing investors, or taxpayers, or patriotic citizens, were in truth and in fact nothing but fakes and frauds, financed by the railroads, the power companies, the munitions companies, and the Wall Street banks. These are just a few of the typical revelations of this committee. Is there any wonder in your mind that the American Liberty League representing business interests of the country, that had been accustomed in the past to have a free hand in their Federal Lobbying activities are thus hitterly attacking our comhad been accustomed in the past to have a free hand in their Federal lobbying activities, are thus bitterly attacking our com-mittee at this time?

mittee at this time?

There has been much loose talk in the press and by Mr. Shouse over the radio about the methods used by this committee. As a responsible Member of the United States Senate I present to you the facts. The committee consists of five members, four of whom are lawyers. We believe that at least we have a speaking acquaintance with the Constitution of the United States. We know that every member of our committee has as great a love and respect for the Constitution as any officer of the American Liberty League. Four of the members of the committee had the honor to serve the Nation in a military capacity in the last war. The committee in its every activity has assiduously attempted to protect the constitutional rights of everyone concerned with the investigation. The subpenas we issued religiously followed the forms used by prominent Members of the Senate in years gone by. forms used by prominent Members of the Senate in years gone by. The forms we used were used and approved by such men as that constitutional lawyer of recognized ability, Senator Thomas J. Walsh, of Montana; the conservative Reed Smoot, of Utah; and the able James A. Reed, of Missouri. Despite what Mr. Shouse has said, our committee did not in any instance use the Federal Communications Commission in an effort to secure information or telegrams. We used only the recognized and established nower.

munications Commission in an effort to secure information or telegrams. We used only the recognized and established power of the United States Senate. Neither the committee nor its agents examined a single solitary telegram sent to or by any person, association, or corporation that was not engaged in the business of lobbying. The people of the country, who have no special selfish interest to be served, who do not wish to taint and pollute the sources of Federal legislation, have nothing to fear from this committee or its activities.

These are the facts. Mr. Shouse ended his speech of last Friday evening asking your support of the American Liberty League. If you believe in the kind of government for which the American Liberty League stands, then my advice to you is to join with Mr. Shouse. If you believe in honest government, if you believe in government free from the despoiling influence of political corruption, if you believe that government should not be tainted by the false and insidious propaganda of special-interest lobbyists, if you believe that there should be a curb upon the activities of interests that would use your Government for their special profit to terests that would use your Government for their special profit to satisfy their special greed, if you believe in a government in which the facts are disclosed and in which the secret contacts between your representatives in the legislative halls and the representatives of corrupt forces are unveiled, then I ask your support for your committee

WASHINGTON'S BIRTHDAY ADDRESS BY HON. FERDINAND PECORA Mr. COPELAND. Mr. President, I ask leave to have printed in the RECORD a Washington's Birthday address delivered over the radio by Hon. Ferdinand Pecora, justice of the New York Supreme Court, under the auspices of the Jewish War Veterans of the United States.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Let me, at the outset, express to the Association of the Jewish War Veterans of the United States—under whose auspices these exercises are being held—my appreciation of the courtesy and the compliment implied in the invitation to address you in its behalf. This courtesy and this compliment are all the more gracious in view of the fact that the invitation is, by design, extended to me as a Christian.

All of the people of America today stand in reverent contemplation of the memory of that truly great—and truly simple—personality, George Washington, who was born just 204 years ago.

It would be utterly superfluous to dwell upon the character and recount the achievements of Washington in any address delivered

to our citizens. For every boy and every girl who has ever studied the history of America is amply familiar with them. By common consent his name has ever been accepted as preeminent on the roll of the founders of our Republic. Indeed, upon any roster of world leaders, it has universally been accorded lofty ranking.

Through the dark and anxious years from 1775 to 1782, he led the ragged, poorly equipped forces of the Thirteen Colonies upon the battlefields of the War of the Revolution, in their desperate strife for independence. His, more than any other's, were the sublime courage, the fortitude, the sagacity, and the devotion to the cause of liberty which furnished inspiration to the struggling colonists, and brought them through the seemingly hopeless gloom of Valley Forge to the ultimate light of victory of Yorktown.

Wholly instifiable is the glowing pride which the lews of America

Wholly justifiable is the glowing pride which the Jews of America have in the record of patriotism written into the early pages of our country's history by the Jews of its Revolutionary period, few though their numbers were.

In these days, when the foul breath of bigotry taints the atmosphere of civilization in more than one land, let us take a few moments of time to examine some of the facts which that record

At Beaufort, a company of Jewish volunteers from Charleston, S. C., under the command of Capt. Richard Lushington, fought with high valor. Benjamin Aaron, an ensign of the Eighth Connecticut Regiment, served with distinction through the Revolution, enlisted again in the War of 1812, and remained in active service until his honorable discharge in 1815 with the rank of lieutenant colonel. Capt. Joseph Bloomfield, of the Third New Jersey Regiment, fought throughout the Revolution, and then as a brigadier general, served in the War of 1812 until his honorable discharge in 1815. Col. Solomon Bush, of the Pennsylvania Militia, was wounded in action and taken prisoner in 1777; resolutions praising him for his service were adopted by the honorable Board of War. One Reuben Etting, a 19-year-old lad of Baltimore, enlisted as a private and fought in numerous engagements until he was taken prisoner by the British. When finally released, he was broken in health from exposure in the field and ill treatment by his captors.

Isaac Franks, of Philadelphia, entered the Army soon after the

Isaac Franks, of Philadelphia, entered the Army soon after the Battle of Lexington. He eventually became aide-de-camp to General Washington, with the rank of colonel. One David S. Franks attained the post of aide-de-camp to Gen. Benedict Arnold. When the latter's treason became established Franks demanded a court of inquiry, and he was cleared of any complicity in Arnold's infamy. He later was sent by the Continental Congress to assist Benjamin Franklin and John Jay in their diplomatic missions in France, and was highly complimented by them for his service.

Emanuel de la Motta served in the Wars of the Revolution and of 1812, and by his conduct earned promotion from the ranks. Another patriot, Manuel M. Noah, not only served with distinction in the field on the staff of General Washington and of General Marion but also contributed £20,000 toward the support of the Continental Armies—a very substantial fortune in those days.

Maj. Benjamin Nones, who was a French Jew instilled with the spirit of Lafayette, landed in the Colonies in 1777, enlisted as a private under General Pulaski, and fought in every action in Carolina. He was promoted to major under Baron De Kalb and put in command of a battalion composed in large part of Jews. When Baron De Kalb was fatally wounded at the Battle of Camden, S. C., on August 6, 1780, it was Major Nones, assisted by Captains de la Motta and Jacob de Leon, who carried their commander from the battlefield.

These are but a few of the children of Abraham who freely offered their lives to the Colonies in their grim fight for independence. No roll of these early Jewish patriots would be complete without the name of Haym M. Solomon, that Polish Jew and finan-

without the name of Haym M. Solomon, that Polish Jew and financier, who gave virtually every cent of his large fortune to the cause of liberty and died in ill health and poverty. Robert Morris, the financial genius of the Revolution, said of Solomon that he was the man "who saved the Colonies from almost inevitable defeat in the last critical, poverty-stricken years of the American Revolution.

When we review the history of our country, it would seem as though the guiding hand of Providence led Washington to the post of presiding officer of the Constitutional Convention, which, on September 17, 1787, brought forth that great document which is the Constitution of the United States. It was fortunate, indeed, that the man who had led the fight through the days of the Revolution for the attainment of political sovereignty and independence should have presided over the convention which laid the foundation stones of our Republic. In the stormy 4 months' sessions of that Convention it was the tact, the firmness, the gentle patience, and, above all, the statesmanship of Washington which made an effective contribution to the final settlement of the disputes and divisions of opinion which manifested themselves throughout those sessions. throughout those sessions.

It would also seem providential that the man who was called to the helm of the newly launched ship of state again was George Washington. He took his oath of office as our first President here in the city of New York on April 30, 1789. At that time the United States of America was composed of but 13 States stretched along States of America was composed of but 13 States stretched along the Atlantic seaboard and having a population of scarcely more than 4,000,000 souls. The infant Nation was still staggering in the morass of indebtedness of the War of the Revolution. Jealousies, which at times became very bitter, continually broke out among the several States. Again it was the wisdom, the vision, and the statecraft of Washington which guided the Republic through those tottering steps of its infancy. How well he and his associates who laid the foundation stones of the Republic, built,

is best evidenced by the fact that the Nation of 13 States, with its 4,000,000 people, has within a period of less than a century and a half grown into a proud, majestic Nation of 48 States, stretching from the Atlantic on the east and the Pacific on the west, and peopled with a great mass of 125,000,000 souls, constituting the happiest and most enterprising aggregation under one flag ever to be found in the pages of history.

Whence has come this remarkable growth and development? Of course, the soil of America blessed as it is with natural resources.

course, the soil of America, blessed as it is with natural resources of great variety and almost incalculable value, has been indisputably a great contributing factor therein. But the historian who would give recognition to all factors making for this remarkable national expansion falls into serious error unless he takes into substantial account those other blessings that have been enjoyed by the people of America and which have flowed from the guaranties of liberty and equality given by the Constitution to all of its people. Attracted by these eternal principles of liberty and equality through all the generations since Washington's time, people from every soil on the face of the earth have come here. And so through the years the foreign hour earns and dearthers of America. through the years the foreign-born sons and daughters of America have joined with the native born in the upbuilding of the great

have joined with the native born in the upbuilding of the great political structure that is America today.

One of the most interesting letters ever written by George Washington was addressed by him during the second year of his Presidency, in 1790, to one Moses Seixas, leader of a Jewish congregation in Newport, R. I., which was visited by Washington. The letter is of special interest, of course, to our citizens of the Jewish faith. But every citizen of America, regardless of his color, creed, or origin, will feel the inspiration of his words, which were as follows:

"Gentlemen, while I receive with much satisfaction your address replete with expressions of esteem, I rejoice in the opportunity of assuring you that I shall always retain grateful remembrance of the cordial welcome I experienced on my visit to Newport from all

classes of citizens.

"The reflection on the days of difficulty and danger which are past is rendered the more sweet from a consciousness that they are

succeeded by days of uncommon prosperity and security.

"If we have wisdom to make the best use of the advantages which we are now favored, we cannot fail, under the just administration of a good government, to become a great and happy people.
"The citizens of the United States of America have a right to

"The citizens of the United States of America have a right to appland themselves for having given to mankind examples of an enlarged and liberal policy, a policy worthy of imitation. All possesses alike liberty of conscience and immunities of citizenship. "It is now no more that toleration is spoken of as if it were by the indulgence of one class of people that another enjoyed the exercise of their inhert natural rights, for happily the Government of the United States, which gives to bigotry no sanction, to persecution no assistance, requires only that they who live under its protection should demean themselves as good citizens in giving it on all occasions their effectual support.

"It would be inconsistent with the frankness of my character not

"It would be inconsistent with the frankness of my character not now to avow that I am pleased with your favorable opinion of my administration and fervent wishes for my felicity.

"May the children of the stock of Abraham who dwell in this land prosper and continue to merit and enjoy the good will of the other inhabitants, while everyone shall sit in safety under his own vine and fig tree, and there shall be none to make him afraid.

"May the Father of all mercies scatter light, and not darkness, upon our paths and make us all in our several vocations useful here, and in His own due time and way, everlastingly happy.

"(Signed) G. Washington."

Here in this letter is the great heart of Washington—with its tolerance, its love for all mankind, its respect for freedom of concioned and for equality throbbing with fewerat involves.

tolerance, its love for all mankind, its respect for freedom of conscience, and for equality, throbbing with fervent impulses. And the citizens of America, not only of this day and generation but of the generations to come, can pay the highest homage to the memory of Washington by taking into their hearts these sentiments, so beautifully expressed by him in that letter to Moses Seixas. May Washington's sentiments bring to us all the full significance of that piedge of allegiance to the flag as we recite its words: "I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands. One nation indivisible, with liberty and justice for all!"

COMPARATIVE STATEMENT OF INDUSTRIAL AND BUSINESS CONDITIONS

Mr. CONNALLY. Mr. President, I ask permission to have printed in the RECORD a memorandum which I have had prepared from Government sources through various Government departments contrasting industrial and business conditions as of today with those of March 1933. I am sure it will be of interest to Senators.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

National wealth: 1	\$247, 300, 000, 000
1935 (estimate) Gain, 23 percent.	\$314, 820, 000, 000
National income: 1 1932	\$39, 545, 000, 000
1935 (estimate) Gain, 30 percent.	\$53, 417, 000, 000

¹ Source: Department of Commerce.

Agriculture:	
Farm income: 1932	\$5, 337, 000, 000
1935 Gain, 52 percent.	\$8, 110, 000, 000
Cotton: 2	*0.07
1932per pound 1936do Gain, 60 percent.	\$0 .07 \$0.11
Wheat: 8 1932per bushel_	\$0.37
1936do Wool (scoured): 2	\$0.95
1932per pound_ 1936do	\$0.47 \$0.85
Gain, 80 percent.	
1932per bushel_ 1936do	\$0.31 \$0.55
Gain, 70 percent.	
1932per ton 1936do	\$10.35 \$32.00
Gain 209 percent. Wool consumption (domestic):	
1933pounds 1935do	188, 500, 000 304, 000, 000
Gain, 60 percent.	
1933value per head 1936do	\$19.74 \$34.09
Gain, 72 percent.	
1933do 1936do	\$4.21 \$12.68
Gain, 200 percent. Dairy income: 2	
1932	\$1,263,000,000 \$1,600,000,000
Gain, 33 percent. Construction:	
Building construction: 4	\$1, 255, 708, 400
Gain, 47 percent.	\$1,844,544,000
Building contracts (month of January): 5	\$80,000,000
1936 Gain, 162 percent.	\$210,000,000
Dwelling units constructed: 6	31, 343
1935 Gain, 158 percent.	80, 969
Air conditioning: 1	\$4, 100, 000
1935Gain, 375 percent.	\$19, 578, 600
Natural resources:	
1932tons 1935do	31, 522, 000 34, 829, 000
Gain, 10 percent.	
Oil production: 1 1932barrels 1935do	785, 159, 000 993, 942, 000
Gain, 26 percent.	
1932ounce 1936do	\$0.28 \$0.45
Gain, 60 percent.	
1932pound 1936do	\$0.055 \$0.092
Gain, 67 percent.	
1932feet	13, 105, 000, 000 18, 464, 000, 000
1935dodo Gain, 40 percent. Industries:	
Industrial profits (161 corporations): * 1932percent of 1926 base	12.2
1935dodo	50.0
Gain, 300 percent. Steel production (daily average): 1932ingots	42, 701
Gain, 148 percent.	106, 000
Source: Department of Commerce.	
² Source: Department of Agriculture, ³ Source: Department of Agriculture and U.S. Gr ⁴ Source: F. W. Dodge & Co.	ain Corporation.
Source: Chicago (Ill.) Tribune. Source: Financial Chronicle.	
[†] Source: National Lumber Manufacturers Associ [§] Source: Standard Statistics,	ation.
Source: Steel Yearbook.	

Industries—Continued.	
Automobiles (month of January):	
	125,000
1933units_ 1935do	380,000
Gain, 200 percent.	
1932kilowatts_	77, 442, 112
1935do	93, 420, 266
Gain, 20 percent.	20, 20, 20
Retail sales: 1	
1933	\$25, 030, 000, 000
1935	\$32,606,000,000
Gain, 28 percent.	
Bank clearings: 6	
1933	\$241, 342, 499, 718
1935	
Gain, 23 percent.	4201, 212, 200, 010
Pay rolls (103 industries): 10	
1933	\$11, 480, 000, 000
1935	\$14,660,000,000
Gain, 20 percent.	411, 000, 000, 000
Advertising:	
Radio: 11	
1932	\$57,000,000
1935	\$87, 523, 848
Gain, 52 percent.	φο1, 020, 0±0
General: 12	
1933	\$440,000,000
1935	\$520,000,000
Gain, 18 percent.	\$520,000 ,000
¹ Source: Department of Commerce.	
Source: Chicago (Ill.) Tribune.	
Source: Financial Chronicle.	
10 Source: Department of Labor.	
¹¹ Source: Broadcasting Yearbook.	
¹² Source: Editor and Publisher.	
NATIONAL YOUTH MOVEMENT	
Mr MINTON Mr President I hold in m	w hand a latter

Mr. MINTON. Mr. President, I hold in my hand a letter from William Lowe Bryan, the president of the Indiana University and one of the great educators of this generation, in which he expresses his opinion about the worth and value of the National Youth Movement. I ask unanimous consent that the letter be printed in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> INDIANA UNIVERSITY Bloomington, March 31, 1936.

Bloomington, March 31, 1936.

Hon. Sherman Minton,
United States Senate, Washington, D. C.

My Dear Senator Minton: There is this to be said of the thousands of students who have had work through C. W. A., F. E. R. A., and N. Y. A.:

They have been rescued from demoralization by idleness and at the same time from demoralization by receiving money without working for it. They have been taken out of competition for jobs in their home communities, leaving available jobs for others of the unemployed. They have, by their school studies, been preparing for the work of life. They have been doing this in the years when the work of life must be prepared for. Whatever lies ahead of our Nation, nothing is so essential for the Nation or for our young people as that the young shall, by proper education, get ready for whatever may befall themselves and the Nation.

The Federal Government has done nothing else to meet the problems of depression more worthy of continuance than the N. Y. A.

Very truly yours,

W. L. BRYAN.

LETTERS CONCERNING ARMY DAY

Mr. SHEPPARD. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the President of the United States to Lt. Col. George E. Ijams, commander in chief of the Military Order of the World War, a letter from the Secretary of War, and a letter from the Chief of Staff, concerning Army Day.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

> THE WHITE HOUSE, Washington, February 8, 1936.

Lt. Col. George E. IJAMS, Commander in Chief, Military Order of the World War, Washington, D. C.

Dear Colonel Ijams: Army Day, which is annually observed on April 6, should serve to remind us of the splendid service rendered by our soldiers in peace and war during our century and a half of national existence. By their courage and sacrifice the members of our Army have kept our country secure in half a dozen major wars. Through their constructive labors in a score of unrelated fields they have served the Nation well in time of peace. In

opening to settlement our great domain, in constructing canals and improving navigation, in extending our knowledge of preventive medicine, and in contributing to the advancement of science in numerous other ways the Army has written a brilliant record of constructive service on the pages of American history.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

WAR DEPARTMENT Washington, February 29, 1936.

Maj. Edwin S. Bettelheim, Jr.,
Adjutant General, Military Order of the World War,

Adjutant General, Military Order of the World War,
Washington, D. C.
Dear Major Bettelheim: The Military Order of the World War
in sponsoring Army Day is taking the leadership in informing the
people of the country on the necessity for adequate national defense. Army Day occurs on the anniversary of our entrance into
the World War, a struggle in which our success was jeopardized
because of our unpreparedness. It is to be hoped that henceforward our defense establishments may be maintained at sufficient
strength to lessen greatly the likelihood of our being involved in strength to lessen greatly the likelihood of our being involved in

National security is the concern of every citizen and in emphasizing its importance your organization is performing a patriotic civic duty.

Sincerely yours,

GEO. H. DERN. Secretary of War.

WAR DEPARTMENT. Office of the Chief of Staff, Washington, D. C., February 27, 1936.

Maj. EDWIN S. BETTELHEIM, Jr.,

Adjutant General, Military Order of the World War, Washington, D. C.

DEAR MAJOR BETTELHEIM: For the annual observance of Army Day the people of the country are indebted very largely to the members of the Military Order of the World War. Your organization is perof the Military Order of the World War. Your organization is performing a patriotic service in bringing annually to public attention the work of the officers and enlisted men of the United States Army. This service is deeply appreciated by the members of the Army and, I am sure, by the public.

The members of the Military Order of the World War served their country well in positions of responsibility during the World War and they are continuing to render constructive service in time of peace. To stimulate interest in sound national defense is a civic duty the value of which it is hard to overestimate.

I hope you will be kind enough to extend the greetings of the Army to the members of your order.

Sincerely yours.

MALIN CRAIG. Chief of Staff.

CHILD-LAROR AMENDMENT

Mr. BONE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial published in the Washington News of April 3, 1936, entitled "A Sorry Picture." The editorial deals with the child-labor amendment.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of Apr. 3, 1936]

A SORRY PICTURE

The legislatures meeting this year are all adjourning without adding 1 to the 24 States that, after 11 years of campaigning, have ratified the pending child-labor amendment.

They leave a sorry picture. A picture of 667,000 children between 10 and 15, and 1,500,000 children of 16 and 17, at work. More than 2,000,000 youngsters under 18 holding down jobs, while 10,000,000 adults are idle.

The drab statistical canvass is made lurid by stories told in the industrial East, the textile mills of the South, the sugar-beet

fields of the West.

The most you can make in an hour is a nickel", said 12-yearold Florence — , telling a National Child Labor Committee investigator about her job of winding strings on cards in a woolen mill. Tillie — , old at 15, took her father's job when he lost it, and now makes \$7 a week in a bathrobe factory. And there's the account of Ernie Pyle of seeing children working as "pickers" in a Mississippi shrimp cannery, standing to their tasks from 4 a m until 6 at night.

in a Mississippi shrimp camery, standing to their tasks from 4 a. m. until 6 at night. The N. R. A. was a friend of these children. But it, too, is gone. Eloquent of what is happening is a report just issued by the Children's Bureau of the United States Department of Labor covering the 7 months following the Schechter decision. This indicates that the number of children 14 and 15 receiving employment cates that the humber of children 14 and 15 receiving employment certificates in these months was 55 percent greater than the number during the whole of 1934, when N. R. A. was in effect. Of the new child workers 29 percent went into manufacturing, mechanical, and mercantile industries, compared with only 5 percent in 1934—industries where adult unemployment is most

glaring.

There is something very disturbing about failure of the States to ratify the child-labor amendment. Is it because the cheaplabor lobbies speak louder than the children of the poor?

Whether from moral obtuseness or from economic illiteracy, the fact is that the States are making a poor showing of their ability

fact is that the States are making a poor showing of their ability to cope with the simplest and most obvious social reform before

DEPORTATION OF ALIEN CRIMINALS

Mr. ROBINSON. Mr. President, pursuant to the statement which was made yesterday, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 2969, being the so-called alien deportation bill.

There being no objection, the Senate proceeded to consider the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens. and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute reported separately by the Committee on Immigration.

The amendment in the nature of a substitute, reported by the Committee on Immigration, is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That an alien who entered the United States either from a foreign country or an insular possession, either before or after the passage of this act, shall be deported in the manner provided in sections 19 and 20 of the Immigration Act of February 5, 1917 (39 Stat. 889, 890; U. S. C., 1934 ed., title 8, secs. 155, 156), at any time if he

time if he—

"(1) Has been convicted of violation of any narcotic law of any State, Territory, insular possession, or the District of Columbia;

"(2) Has been convicted in the United States within 5 years of the institution of deportation proceedings against him of a crime involving moral turpitude, but if the alien was not sentenced to imprisonment he shall be deported only if the Commissioner of Immigration and Naturalization finds that the deportation of the silen is in the public interest: alien is in the public interest;

"(3) Knowingly and for gain encouraged, induced, assisted, or aided anyone to enter the United States in violation of law, or on more than one occasion subsequent to the date of enactment of this act knowingly encouraged, induced, assisted, or aided anyone to enter the United States in violation of law; or

"(4) Has been convicted in the United States within 5 years of the institution of deportation proceedings against him of the crime of possessing or carrying any concealed or dangerous weapon (even if the alien was not sentenced to imprisonment) and if

the Commissioner of Immigration and Naturalization finds that the deportation of the alien is in the public interest.

"Sec. 2. The second proviso to section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., 1934 ed., title 8, sec. 155), is amended to read as follows: Provided further, That the provisions of the immigration laws respecting the deportation of alleges convicted of crime shell not explain. aliens convicted of crime shall not apply to one who has been pardoned, nor shall an alien convicted of crime be deported if the partoned, nor shall an alien convicted of crime be deported if the court, or judge thereof, where the conviction occurred shall within 90 days after such conviction (or within 90 days after the passage of this amendatory act), due notice having first been given to the prosecuting authorities, make a recommendation that the alien be not deported as a consequence of such conviction and if the Com-missioner of Immigration and Naturalization approves that recommendation, nor shall an alien sentenced to imprisonment be deported under any provision of law until after the termination of the imprisonment, but the imprisonment shall be considered as terminated upon the release of the alien from confinement whether or not he is subject to rearrest or further confinement in

whether or not he is subject to rearrest or further confinement in respect to the same offense.'

"SEC. 3. (a) The Interdepartmental Committee may permit to remain in the United States any alien who entered the United States prior to the date of the enactment of this act and is found subject to deportation, other than one deportable under the act of October 16, 1918, as amended by the act of June 5, 1920 (40 Stat. 1012; 41 Stat. 1008; U. S. C. 1934 ed., title 8, sec. 137), or the act of May 26, 1922 (42 Stat. 596; U. S. C., 1934 ed., title 21, sec. 175), or the act of February 18, 1931 (46 Stat. 1171; U. S. C., 1934 ed., title 8, sec. 156a), or section 1 of this act, or the provisions of the act of February 5, 1917 (39 Stat. 874; U. S. C., 1934 ed., title 8, sec. 156), relating to prostitutes, procurers, or other like immoral persons, if the alien is of good moral character and has not been convicted of a crime involving moral turpitude and if he—

"(1) has lived continuously in the United States for a period

of not less than 10 years; or "(2) has lived continuously in the United States for at least 1 year and has living in the United States a parent, spouse, legally recognized child, or, if a minor, a brother or sister, who has been lawfully admitted for permanent residence or is a citizen of the United States

"The authority of the Interdepartmental Committee shall not extend beyond 3 years after the date of the enactment of this act.

"(b) Any alien not ineligible to citizenship as to whom there is

no record of admission for permanent residence who has been permitted to remain in the United States in accordance with subdivision (a) of this section shall be recorded as admitted to the United States for permanent residence as of the date of the order permitting him to remain upon payment of a fee of \$18 to the Commissioner of Immigration and Naturalization, which fee shall be deposited in the Treasury of the United States as miscellaneous

receipts.

"SEC. 4. (a) An alien who was or hereafter may be admitted to the United States as a nonimmigrant under section 3 of the Immigration Act of 1924 (43 Stat. 154; U. S. C., 1934 ed., title 8, sec. 203), or as a student under subdivision (e) of section 4 of that act (43 Stat. 155; U. S. C., 1934 ed., title 8, sec. 204), and who is of a class admissible to the United States in a nonquota or preference-quota status, may make application to the Commissioner of Immigration and Naturalization for a change to the status of a person admitted as a nonquota immigrant under subdivision (a) of person admitted as a nonquota immigrant under subdivision (a) of section 4 of that act (43 Stat. 155), as amended (U. S. C., 1934 ed., title 8, sec. 204 (a)), or as a person admitted by virtue of a preference in the quota under clause (A), paragraph (1), of section 6 of that act (43 Stat. 155), as amended (U. S. C., 1934 ed., title 8,

sec. 206 (a)).

"(b) If the Commissioner of Immigration and Naturalization finds that said alien—

"(1) At the time of his application would be entitled to a non-quota visa or to such preference in the quota if he were outside the United States;

"(2) Did not enter the United States as a nonimmigrant or student to evade the quota provisions of the immigration laws;

"(3) Is otherwise admissible under the immigration laws, then the Commissioner of Immigration and Naturalization may, in his discretion, change the status of said applicant to that of a person admitted for permanent residence without requiring the alien to obtain an immigration visa. For the purposes of the immigration and naturalization laws the alien shall be deemed to have entered the United States as of the date the application is granted.

- the United States as of the date the application is granted.
 "SEC. 5. Section 1 (a) of the act entitled 'An act to supplement
 the naturalization laws, and for other purposes', approved March
 2, 1929 (45 Stat. 1512), is hereby amended to read as follows:
 "'That (a) the registry of aliens at ports of entry required by
 section 1 of the act of June 29, 1906 (34 Stat. 596; U. S. C., 1934
 ed., title 8, sec. 106), as amended, may be made as to any alien not
 ineligible to citizenship in whose case there is no record of admission for permanent residence, if such alien shall make a satisfactory
 showing to the Commissioner of Immigration and Naturalization showing to the Commissioner of Immigration and Naturalization that he
- "'(1) Entered the United States prior to July 1, 1924;
 "'(2) Has resided in the United States continuously since such

entry;

"'(3) Is a person of good moral character; and

"'(4) Is not subject to deportation.'

"Sec. 6. (a) In any proceeding under sections 3, 4, or 5 of this act
the burden of proof shall be upon the allen to establish every

"(b) At the end of each fiscal year, the Secretary of Labor shall report to the Secretary of State the number and (as determined in accordance with sec. 12 of the Immigration Act of 1924 (43 Stat. 160; U. S. C., 1934 ed., title 8, sec. 212), the nationality of all

allens who—

"(1) Were allowed to remain in the United States under section 3.

"(1) Were allowed to remain in the United States under section 3, or were given the status of permanent residents under section 4, or were registered under section 5; and

"(2) Entered the United States on or after June 3, 1921, and were not charged to any quota at the time of their last entry.

"(c) The Secretary of State shall deduct the number of allens so reported from the appropriate quotas (determined in accordance with the provisions of sec. 11 of the Immigration Act of 1924 (43 Stat. 159; U. S. C., 1934 ed., title 8, sec. 211)), for the next succeeding fiscal year, or for later fiscal years if necessary to account for the whole number of aliens so reported.

"Sec. 7. For every application granted under section 4 of this act the alien shall pay to the Commissioner of Immigration and Naturalization a fee of \$18, which fee shall be deposited in the Treasury of the United States as miscellaneous receipts. Subdivision (b) of section 1 of the act of March 2, 1929, as amended by the act of April 19, 1934 (48 Stat. 597; U. S. C., 1934 ed., title 8, sec. 106a (b)), is amended as follows: Whenever in said subdivision the words 'a fee of \$10' occur they shall be amended to read 'a fee of \$18."

(b)), is amended as follows: Whenever in said subdivision the words 'a fee of \$10' occur they shall be amended to read 'a fee of \$18.'

"SEC. 8. The Secretary of Labor may specifically designate persons holding supervisory positions in the Immigration and Naturalization Service to issue warrants for the arrest of aliens believed to be subject to deportation under this or any other statute: Provided, That no person shall act under a warrant issued by himself.

"SEC. 9. Any employee of the Immigration and Naturalization Service designated by the Commissioner of Immigration and Naturalization shall have power to detain for investigation any alien whom he has reason to believe is subject to deportation under the immigration laws on the ground that he entered the United States without an immigration visa or without inspection or has remained in the United States beyond the period for which he has been temporarily admitted. Any alien so detained shall be immediately brought before an immigrant inspector designated for that purpose by the Commissioner of Immigration and Naturalization, and shall not be held in custody for more than 24 hours thereafter unless, prior to the expiration of that time, a warrant for his arrest is issued. The detention of any alien pursuant to this section shall immediately be reported to the Commissioner of Immigration and Naturalization.

"Sec. 9. Any mendous provided in the Immigration and Naturalization."

"SEC. 10. The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe rules and regulations for the enforcement of the provisions of this act.

"SEC. 11. The Inter-Departmental Committee as referred to in this act shall be composed of a representative of each of the De-partments of Labor, State, and Justice. The representatives and one alternate for each of them shall be designated respectively by the Secretary of Labor, the Secretary of State, and the Attorney General.

General.

"SEC. 12. The foregoing provisions of this act, with the exception of sections 2 and 5, are in addition to and not in substitution for the provisions of the immigration laws (including sec. 19 of the Immigration Act of Feb. 5, 1917 (39 Stat. 889; U. S. C., 1934 ed., title 8, sec. 155)), and shall be enforced as part of such laws.

"SEC. 13. Clause (B) of paragraph (1) of subsection (a) of section 6 of the Immigration Act of 1924 (43 Stat. 155), as amended (U. S. C., 1934 ed., title 8, sec. 206 (a)), which grants to quota immigrants skilled in agriculture, their wives and their dependent children under the age of 18 years, a preference within the quota, is repealed." is repealed."

Mr. ROBINSON. Mr. President, I understand there is to be some discussion of the subject. The Senator from Massachusetts [Mr. Coolings], the chairman of the Committee on Immigration, expects to discuss the bill, and other Senators also wish to discuss the bill.

Mr. COOLIDGE obtained the floor.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. COOLIDGE. I yield.

Mr. AUSTIN. At this point I offer an amendment to the committee amendment now before the Senate. I send the amendment to the desk and ask to have it stated.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 4, beginning with line 7, it is proposed to strike out all after "1917" down to and including "turpitude", in line 10, and to substitute therefor the following:

(39 Stat. 874), relating to classes excluded entry thereby and (39 Stat. 874), relating to classes excluded entry thereby and classes excluded entry by laws referred to therein and not altered thereby, and classes deportable for causes other than having entered or being found in the United States without an immigration visa or a record of admission for permanent residence.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Vermont to the amendment in the nature of a substitute.

Mr. JOHNSON. I suggest the absence of a quorum. I know there are some Members of the Senate who desire to speak on the subject.

The PRESIDENT pro tempore. The clerk will call the

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	Keyes	Pittman
Ashurst	Clark	King	Pope
Austin	Connally	La Follette	Radcliffe
Bachman	Coolidge	Lewis	Revnolds
Bailey	Copeland	Logan	Robinson
Barbour	Couzens	Lonergan	Schwellenbach
Barkley	Davis	Long	Sheppard
Benson	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Smith
Black	Fletcher	McNary	Thomas, Okla.
Bone	Frazier	Maloney	Thomas, Utah
Borah	Gibson	Minton	Townsend
Brown	Glass	Moore	Truman
Bulkley	Guffey	Murphy	Tydings
Bulow	Harrison	Murray	Vandenberg
Byrd	Hastings	Neely	Van Nuys
Byrnes	Hatch	Norris	Wagner
Capper	Hayden	Nye	Walsh
Caraway	Holt	O'Mahoney	Wheeler
Carey	Johnson	Overton	

The PRESIDING OFFICER (Mr. Bachman in the chair). Seventy-nine Senators have answered to their names. A quorum is present.

Mr. COOLIDGE. Mr. President, the measure under consideration is the amendment favorably reported from the Committee on Immigration in the nature of a substitute for Senate bill 2969. As a matter of record, I should like to call attention to a typographical error appearing on page 4, line 8. The figure there is "156." It should be corrected to be "155."

The bill contains three essential provisions: To authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal class, and to provide for legalizing the residence in the United States of certain classes of aliens. The bill is not an immigration bill.

As chairman of the Committee on Immigration, I had I received considerable correspondence showing that there was much interest in legislation of this character. I therefore got in touch with the members of my committee and tried to arrange with them the dates when they could best attend hearings which would not conflict with other meetings they might feel it was important for them to attend. After arranging for the meetings I sent telegrams to all the organizations and individuals interested, stating the dates of the proposed hearings on the bill.

The committee held several hearings at which much interest was shown, and a majority of the committee was in attendance at practically every meeting. There were some laymen on the committee. There were eight constitutional lawyers on the committee, and at least six of those eight lawyers were present at every meeting. The hearings were very interesting. Those who were for the bill and those who were against the bill were given very wide latitude.

IMPEACHMENT OF HALSTED L. RITTER

The PRESIDING OFFICER (Mr. Bachman in the chair). The hour of 1 o'clock having arrived, to which the Senate sitting as a Court of Impeachment adjourned, the Senate is now in session as a Court to try the articles of impeachment against Halsted L. Ritter, United States district judge for the southern district of Florida.

The managers on the part of the House of Representatives, Hon. Hatton W. Sumners, of Texas; Hon. Randolph PERKINS, of New Jersey; and Hon. Sam Hobbs, of Alabama, were announced by the secretary to the majority and conducted to the seats assigned them.

The respondent, Halsted L. Ritter, and his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., entered the Chamber and took the seats assigned them.

The PRESIDING OFFICER. The Sergeant at Arms will now make proclamation.

The Deputy Sergeant at Arms made the usual proclamation.

Mr. ROBINSON. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk (Emery L. Frazier) called the roll,

and the following Senators answered to their names:

Adams	Chavez	Keyes	Pittman
Ashurst	Clark	King	Pope
Austin	Connally	La Follette	Radcliffe
Bachman	Coolidge	Lewis	Reynolds
Bailey	Copeland	Logan	Robinson
Barbour	Couzens	Lonergan	Schwellenbach
Barkley	Davis	Long	Sheppard
Benson	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Smith
Black	Fletcher	- McNary	Thomas, Okla.
Bone	Frazier	Maloney	Thomas, Utah
Borah	Gibson	Minton	Townsend
Brown	Glass	Moore	Truman
Bulkley	Guffey	Murphy	Vandenberg
Bulow	Harrison	Murray	Van Nuys
Byrd	Hastings	Neely	Wagner
Byrnes	Hatch	Norris	Walsh
Capper	Hayden	Nye	Wheeler
Caraway	Holt	O'Mahoney	
Carey	Johnson	Overton	

Mr. LEWIS. Mr. President, permit me at this point to reannounce the absence of certain Senators and the reasons given therefor as announced on a previous roll call.

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

The Chair wishes to inquire if there are any Members of the Senate present who have not heretofore been sworn as members of the Court?

Mr. HASTINGS and Mr. REYNOLDS rose, and the oath was administered to them by the Presiding Officer.

Mr. ASHURST. I ask unanimous consent that the Journal of the proceedings of the last session of the Senate sitting as a Court of Impeachment be considered as read and approved.

The PRESIDING OFFICER. Is there objection? Chair hears none, and the Journal is approved.

RULING ON THE MOTION OF RESPONDENT TO STRIKE OUT

The PRESIDING OFFICER. On the motion of the honorable counsel for the respondent to strike article I of the articles of impeachment or, in the alternative, to require the like to make a very brief announcement.

honorable managers on the part of the House to make an election as to whether they will stand upon article I or upon article II, the Chair is ready to rule.

The Chair is clearly of the opinion that the motion to strike article I or to require an election is not well taken and should be overruled.

His reason for such opinion is that articles I and II present entirely different bases for impeachment.

Article I alleges the illegal and corrupt receipt by the respondent of \$4,500 from his former law partner, Mr. Rankin.

Article II sets out as a basis for impeachment an alleged conspiracy between Judge Ritter; his former partner, Mr. Rankin; one Richardson, Metcalf & Sweeny; and goes into detail as to the means and manner employed whereby the respondent is alleged to have corruptly received the \$4,500 above mentioned.

The two allegations, one of corrupt and illegal receipt and the other of conspiracy to effectuate the purpose, are, in the judgment of the Chair, wholly distinct, and the respondent should be called to answer each of the articles.

What is the judgment of the Court with reference to that particular phase of the motion to strike?

Mr. KING. Mr. President, if it be necessary, I move that the ruling of the honorable Presiding Officer be considered as and stand for the judgment of the Senate sitting as a Court of Impeachment.

The PRESIDING OFFICER. Is there objection? Chair hears none, and the ruling of the Chair is sustained. by the Senate.

With reference to article VII of the articles of impeachment, formerly article IV, the Chair desires to exercise his prerogative of calling on the Court for a determination of this question.

His reason for so doing is that an impeachment proceeding before the Senate sitting as a Court is sui generis, partaking neither of the harshness and rigidity of the criminal law nor of the civil proceedings requiring less particularity.

The question of duplicity in impeachment proceedings presented by the honorable counsel for the respondent is a controversial one, and the Chair feels that it is the right and duty of each Member of the Senate, sitting as a Court, to express his views thereon.

Precedents in proceedings of this character are rare and not binding upon this Court in any course that it might desire to pursue.

The question presented in the motion to strike article VII on account of duplicity has not, so far as the Chair is advised, been presented in any impeachment proceeding heretofore had before this body.

The Chair therefore submits the question to the Court.

Mr. ASHURST. Mr. President, under the rules of the Senate, sitting as a Court of Impeachment, all such questions, when submitted by the Presiding Officer, shall be decided without debate and without division, unless the yeas and nays are demanded by one-fifth of the Members present, when the yeas and nays shall be taken.

The PRESIDING OFFICER. The Chair, therefore, will put the motion. All those in favor of the motion of counsel for the respondent to strike article VII will say "aye." Those opposed will say "no."

The noes have it, and the motion in its entirety is overruled

What is the further pleasure of the Court?

Mr. ASHURST. Mr. President, it is appropriate now for the learned counsel for the respondent to file their answer and have it read, if they choose.

Mr. KING. I think it should be read.

Mr. ASHURST. As suggested by the able Senator from Utah, the answer should be read.

The PRESIDING OFFICER. Counsel for the respondent may now read their answer.

MOTION OF MANAGERS TO STRIKE SPECIFICATIONS NOS. 1 AND 2 OF ARTICLE VII

Mr. Manager SUMNERS. Mr. President, with the permission of the Senate, on behalf of the managers, I should of the House is recognized.

Mr. Manager SUMNERS. The statement will be of interest to counsel for the respondent. Article VII-

Mr. ASHURST. Mr. President, again, with reluctance and regret, I must ask all who speak during the impeachment proceedings to speak more loudly. Audition is very impor-Those of us in the back row are unable to hear a word that is being uttered by the honorable manager. Therefore, all voices must be raised, so that, at least, we may have audition.

Mr. ROBINSON. Mr. President, I suggest that the manager on the part of the House, who now has the floor, take the rostrum.

The PRESIDING OFFICER. The honorable manager will proceed to the rostrum.

Mr. Manager SUMNERS (speaking from the desk in front of the Vice President). Mr. President, the suggestion which the managers desire to make at this time has reference to specifications 1 and 2 of article VII. These two specifications have reference to what I assume counsel for respondent and the managers as well, recognize are rather involved matters, which would possibly require as much time to develop and to argue as would be required on the remainder of the case.

The managers respectfully move that those two counts be stricken. If that motion shall be sustained, the managers will stand upon the other specifications in article VII to establish article VII. The suggestion on the part of the managers is that those two specifications in article VII be stricken from the article.

The PRESIDING OFFICER. What is the response of counsel for the respondent?

Mr. McNARY. Mr. President, there was so much rumbling and noise in the Chamber that I did not hear the position taken by the managers on the part of the House.

The PRESIDING OFFICER. The managers on the part of the House have suggested that specifications 1 and 2 of article VII be stricken on their motion.

Mr. ASHURST. Mr. President, inasmuch as I did not hear a single word that was uttered, I am powerless to reach a conclusion. I again say we will have to have the official reporters read what is said unless Senators and the managers and counsel shall elevate their voices. Otherwise we will hear nothing that is said.

The PRESIDING OFFICER. Does the Senator from Arizona desire that the manager or the Chair shall restate what was said?

Mr. ASHURST. Let the learned manager repeat or the Chair state what was done, and whatever is done let all voices

Mr. Manager SUMNERS. I am sorry. I have been accustomed to speaking in a hall larger than this one where we do not hear with such difficulty. I shall do my best to make myself heard.

The motion on the part of the managers is that specifications 1 and 2 be stricken from article VII.

Mr. SHIPSTEAD rose.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota.

Mr. SHIPSTEAD. In view of the difficulty we have in hearing, I would suggest that the same arrangement be made as on a former impeachment trial, which was to install a microphone so everyone in the Senate Chamber may hear what is said by the managers on the part of the House and by attorneys for the respondent.

The PRESIDING OFFICER. The Chair will take up that matter with the Sergeant at Arms and undertake to see what can be done.

What have counsel for the respondent to say?

Mr. HOFFMAN. Mr. President, the respondent is ready to file his answer to article I, to articles II and III as amended, and to articles IV, V, and VI. In view of the announcement just made asking that specifications 1 and 2 of article VII be stricken, it will be necessary for us to revise our answer to article VII and to eliminate paragraphs 1 and 2 thereof. That can be very speedily done with 15 or 20

A. L. Bankin on October 11, 1929, as one of the solicitors for the plaintiffs, in association with Ernest Metcalf, the other solicitor for the plaintiffs, filed in the United States District Court for the

The PRESIDING OFFICER. The manager on the part | minutes if it can be arranged for the Senate to indulge us for that length of time.

> The PRESIDING OFFICER. Is there objection to the motion submitted on the part of the managers?

Mr. HOFFMAN. We have no objection.

The PRESIDING OFFICER. The motion is made. Is there objection? The Chair hears none, and the motion to strike is granted.

Mr. ROBINSON. Mr. President, it would seem that in the interest of the conservation of time and for the convenience of the Court, the motion should have been made prior to the decision on the question involved in the motion of counsel to strike certain articles. I merely make that observation for the consideration of the Court.

ANSWER OF RESPONDENT, HALSTED L. RITTER

The PRESIDING OFFICER. The clerk will now read the answer as submitted by counsel for the respondent, omitting the answer with reference to article VII as suggested by

Mr. HOFFMAN. Mr. President, I might suggest that we file the answers to all articles as prepared, and then the motion to strike shall take effect after presentation of the answer. That will eliminate the necessity for revising the

Mr. HASTINGS. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state it.

Mr. HASTINGS. Was the motion disposed of as made by the managers?

The PRESIDING OFFICER. There was no objection made to the motion, and the Chair announced that it was granted.

Mr. HASTINGS. Then specifications 1 and 2 of article VII have been stricken?

The PRESIDING OFFICER. That is correct. The clerk will read.

The legislative clerk proceeded to read and read the answers to articles I and II and part of the answer to article III, when the reading was interrupted by-

Mr. ROBINSON. Mr. President, after consultation with the managers and the counsel, I ask unanimous consent of the Court that the further reading of the answer be dispensed with. It will have to be printed anyway and will be available for the use of counsel.

The PRESIDING OFFICER (Mr. MURRAY in the chair). Is there objection? The Chair hears none, and it is so ordered.

The answer of the respondent entire is as follows:

In the Senate of the United States of America sitting as a Court of Impeachment. United States of America v. Halsted L. Ritter. Answer of respondent, Halsted L. Ritter, to the articles of impeachment, as amended, exhibited against him by the House of Representatives of the United States

ANSWER TO ARTICLE I

For answer to the first article the respondent says this hon-For answer to the first article the respondent says this honorable Court ought not to have or take further cognizance of the first of said articles of impeachment so exhibited and presented against him, because he says the facts set forth in said first article do not constitute an impeachable high crime and misdemeanor, as defined in the Constitution of the United States, and that, therefore, the Senate, sitting as a Court of Impeachment, should not further entertain the charge contained in said first article.

And now, not waiving the foregoing plea to the jurisdiction of the honorable Senate of the United States, sitting as a Court of Impeachment, as to said first article, said respondent saving to himself all advantages of exception to said first article, for ans thereto says:

thereto says:

I. Respondent admits that he is now and was at all times mentioned in said article one of the three duly appointed, qualified, and acting judges of the United States District Court for the Southern District of Florida, and by arrangement among said judges is domiciled in and exercising jurisdiction throughout the Miami division of such district.

II. And further answering said article, respondent says:

Respondent admits that for some time prior to the appointment of respondent as such judge the respondent and A. L. Rankin were copartners engaged in the practice of law, with offices at West Palm Beach, Fla., and within the southern judicial district of Florida, and under the firm name of Ritter & Rankin; that upon the appointment of respondent as such judge the said copartnerthe appointment of respondent as such judge the said copartner-ship was terminated and dissolved.

Southern District of Florida, at the office of the clerk of said court, a bill of complaint, the initial pleading in the equity suit (no. 678-M), styled, Bert E. Holland, Catherine Sugden, a widow, and Whitfield W. Johnson, as trustees, plaintiffs, against Whitehall Building & Operating Co., a Florida corporation, American Bond & Mortgage Co., Inc., an Illinois corporation, and six other defendants, such suit being instituted by the plaintiffs for the benefit of themselves as holders of bonds secured by the deed of trust therein sought to be foreclosed and for the benefit of all other holders of other bonds secured by said deed of trust, equally and ratably, and charging therein fraud, dereliction of duty on the part of the trustee under the deed of trust, and maladministration of said trustee and the existence of an interest in such trustee in conflict with and adverse to that of the bondholders. conflict with and adverse to that of the bondholders.

said trustee and the existence of an interest in such trustee in conflict with and adverse to that of the bondholders.

On May 21, 1930, respondent entered an order in the case making a partial allowance to A. L. Rankin of \$2,500 as a reasonable advancement for the services rendered in conserving the property in question and causing the trust estate, including the net income and profits thereof for the preceding season, amounting to \$237,000, to be subjected to the purposes of the trust, said A. L. Rankin being entitled thereto under the authorities, and such order having been made upon a hearing of the petition of said Rankin therefor, at which hearing all parties in interest were represented and such partial allowance being then and there consented to, and which said order is in the words and figures following:

"Upon petition of plaintiffs and interveners in the above-styled cause for an order fixing a reasonable compensation for their attorney, A. L. Rankin, for services rendered plaintiffs, interveners and all first-mortgage bondholders of Whitehall Building & Operating Co., in conserving, bringing into court, and creating assets for benefit of all said first-mortgage bondholders, and the same being duly considered by the court, and the court being fully advised in the premises, and all parties interested being before the court and consenting thereto, it is therefore

"Ordered, adjudged, and decreed that upon the said petition the sum of \$2,500 is hereby allowed as a reasonable advancement for

"Ordered, adjudged, and decreed that upon the said petition the sum of \$2,500 is hereby allowed as a reasonable advancement for the services rendered in the said receivership matter for conserving the property, bringing the same into court, and creating the fund in the hands of the receiver, the final total allowance to be later determined, and the said Walter S. Richardson, as such receiver, be,

and he is hereby, authorized and directed to pay to the said A. L. Rankin, as such attorney, out of the funds in his hands as such receiver, the said sum of \$2,500, which is herein fixed and allowed."

Respondent on July 2, 1930, did refer to another judge of the United States District Court of the Southern District of Florida, to United States District Court of the Southern District of Florida, to wit, Hon. Alexander Akerman, the said application of A. I. Rankin for allowance of compensation unto said Rankin for the services by him rendered in conserving and bringing into court and subjecting the trust estate to the purposes of the trust, the assets made the subject matter of said suit, including the net income and profits thereof for the preceding season, amounting to \$237,000, and did request the said Alexander Akerman to entertain such application and to fix and determine the total amount to be allowed said Rankin for such service upon such application. The request of respondent directed to said Hon. Alexander Akerman being in the form of a letter in the words and figures following: form of a letter in the words and figures following:

Hon. Alexander Akerman,

United States District Judge, Tampa, Fla.

My Dear Judge: In the case of Holland et al. v. Whitehall Building & Operating Co. (no. 678-M-Eq.), pending in my division, my former law partner, Judge A. L. Rankin. of West Palm Beach, has filed a petition for an order allowing compensation for his services on behalf of the plaintiff.

I do not feel that I should pass, under the circumstances, upon the total allowance to be made Judge Rankin in this matter. I did issue an order, which Judge Rankin will exhibit to you, approving an advance of \$2,500 on his claim, which was approved by all attorneys.

You will appreciate my position in the matter, and I request you to pass upon the total allowance which should be made Judge Rankin in the premises as an accommodation to me. This will relieve me from any embarrassment hereafter if the question should arise as to my favoring Judge Rankin in this matter by an exorbitant allowance.

Appreciating very much your kindness in this matter, I am, Yours sincerely,

Respondent denies that it was his intention or purpose in referring said matter to said Alexander Akerman, to have such judge fix and determine the total allowance for the said Rankin for all services theretofore rendered and to be thereafter rendered by the said Rankin as counsel for the plaintiffs in said case to the conclusion of the litigation, and the respondent positively asserts that the application of the said Rankin so referred to and enter-tained by the said Alexander Akerman related to the services ren-dered in said matter in conserving the assets and subjecting the trust estate to the purposes of the trust, and did not relate to services to be rendered in foreclosing the deed of trust involved in

services to be rendered in foreclosing the deed of trust involved in said cause, nor to any decree that might thereupon thereafter be rendered, the said cause not having at the time progressed to that stage at which final decree upon the merits would be appropriate. Respondent contemplated and expected that the said Rankin would present to the said Honorable Alexander Akerman and that said judge would peruse the application of the said Rankin so referred by respondent to said judge, and would act upon the said application in due course and in customary manner and

upon adequate proof and showing as to the reasonableness and propriety of the award to be so made thereon.

Thereafter, on July 5, 1930, the Honorable Alexander Akerman did entertain the application of the said Rankin for such compensation for such services, which application is in the words and figures following:

"Now comes plaintiffs and interveners in the above-styled cause by their attorney, A. L. Rankin, and show unto the court that your petitioners by and through their attorney, A. L. Rankin, in behalf of themselves and all other bondholders of Whitehall Buildyour petitioners by and through their attorney, A. L. Rankin, in behalf of themselves and all other bondholders of Whitehall Building & Operating Co. have caused property of the value of more than \$1,750,000 to be brought into court and placed in the hands of a receiver for the purpose of protecting and conserving the said property and the rents, income, and profits therefrom for the benefit of all first-mertgage bondholders, and in addition to the property being conserved and brought into court, there has been created by virtue of the said receivership for the benefit of all bondholders the sum of approximately \$237,000, which sum is now in the hands of the receiver; that your petitioners had an agreement with their said attorney that they would pay him for his legal services rendered in said cause a reasonable attorney's fee, the reasonableness of which fee was to be determined and fixed by the court; that petitioners' said attorney filed the bill of complaint for said potitioners the first part of October 1929, and a receiver was appointed by this honorable court on the 28th day of October 1929; and that he has rendered legal services for your petitioners in this matter continuously since the filing of said bill in having a receiver appointed, in advising with receiver for the benefit of all bondholders as to the care, protection, conservation, management, and operation of the property in the hands of said receiver, and has represented your petitioners in various and sundry matters, petitions, and legal controversies incident to said suit and said receivership for more than 8 months, for which services he has received no compensation whatever nor no compensation for said receivership for more than 8 months, for which services he has received no compensation whatever nor no compensation for the expenses necessarily incident to this work.

the expenses necessarily incident to this work.

"The premises considered, your petitioners would pray Your Honor to ascertain what is a reasonable attorney's fee for the services rendered by their said attorney, A. L. Rankin, in the said receivership proceedings, and in conserving the said assets of the said Whitehall Building & Operating Co., bringing said assets into court and causing to be created the funds now in the bands of Walter S. Bichardson, as receiver of said property, in the assets into court and causing to be created the funds now in the hands of Walter S. Richardson, as receiver of said property, in the sum of approximately \$223,000, and to enter an order in this cause authorizing and directing the said Walter S. Richardson, as such receiver of the property of Whitehall Building & Operating Co. to pay to the said A. L. Rankin whatever sum Your Honor should find to be a reasonable compensation for the services rendered by the said A. L. Rankin as such attorney up to the present time."

And on July 5, 1920, the Honorship Alexander Alexander at the services are time."

And on July 5, 1930, the Honorable Alexander Akerman did enter his order upon such application of said Rankin in the words and figures following:

"Upon petition of plaintiffs and interveners in the above-styled cause, for an order fixing a reasonable compensation for their attorney, A. L. Rankin, for services rendered plaintiffs, interveners, and all first-mortgage bondholders of Whitehall Building & Operating Co. in conserving, bringing into court, and creating assets for benefit of all said first-mortgage bondholders, and the same being duly considered by the court, and the court being fully advised in the premises it is therefore

"Ordered adjudged and decreed that the said petition be and

"Ordered, adjudged, and decreed that the said petition be, and the same is hereby, granted, and that the sum of \$15,000 is hereby fixed as a reasonable compensation for the services rendered in the nxed as a reasonable compensation for the services rendered in the said receivership matter for conserving the property, bringing the same into court, and creating the fund in the hands of the receiver, and the said Walter S. Richardson, as such receiver, be, and he is hereby, authorized and directed to pay to the said A. L. Rankin, as such attorney, out of the funds in his hands as such receiver, the said sum of \$15,000, which is herein fixed and allowed."

Among other matters presented to the court in connection with

Among other matters presented to the court in connection with such application of said Rankin for such compensation were the affidavits of H. C. Fischer and George W. Coleman, attorneys at law, setting forth in such customary form the opinion of such attorneys as to the amount of a reasonable fee in the premises.

setting forth in such customary form the opinion of such attorneys as to the amount of a reasonable fee in the premises.

Respondent denies that the Honorable Alexander Akerman made any allowance of any fee to said Rankin for services of such attorney for the foreclosure of the trust deed involved in said litigation and denies respondent had any knowledge of any intention or purpose on the part of said Alexander Akerman to fix and determine, by his said order, the fee for said Rankin in full for the services of said Rankin for the foreclosure of the trust deed involved in said litigation at said time and date of such order, and so far in advance and prior to the determination and disposition of the litigation by final decree of foreclosure, and respondent denies he allowed to said Rankin an exorbitant fee in said case, and denies that the fee awarded the solicitor for the complainants, A. L. Rankin, in the final decree of foreclosure terminating the litigation had any relation to or connection with the compensation allowed unto said Rankin upon his application of May 1930, and asserts that the fee fixed and allowed in the said final decree of December 24, 1930, was reasonable and proper under the law, the facts, and the circumstances presented when the said decree was entered. The fee of \$75,000 fixed and allowed in the final decree of December 24, 1930, was not by any of the parties to the cause at the time of the entry of said decree considered as a part or portion of the conservation fee, nor was such award of such fee in such final decree of December 24, 1930, made under or have any relation to

the May 1930 application for conservation fee filed by said A. L. Rankin; that the fee of \$75,000 fixed in the final decree of fore-closure as compensation of the attorney for the complainants in the foreclosure of said trust deed was lawful, proper, and reasonable for the services rendered in the premises, and upon showing made before the court at the time and in connection with the adequacy and propriety of said sum was a just and proper allowance, the court having received and considered the affidavits of reputable, outstanding, and prominent members of the bar of the county in which the said property is located, namely, Bert Winters, H. C. Fischer, Harry A. Johnson, and E. B. Donnell, as to the reasonableness of such fee, and the parties to said cause, by and through their counsel of record, then and there present at the time and place of entry of said decree, having voiced their assent to the said sum and amount to be so allowed and fixed in said decree and having consented thereto, as did the said parties with respect to all other items and provisions of said decree, which said consent was prior to the entry of said decree manifested by the signatures of counsel for the respective parties to said cause upon the face of the decree, said decree so entered being one fully perused, analyzed, and consented and agreed to by and between the parties to the cause and their counsel as an appropriate decree, amicably disposing of and terminating the litigation, and such decree, and each and every provision thereof, was, prior to the entry thereof, submitted to and approved by the bondholders' committee, representing more than 90 percent of all of the bonds secured by the said deed of trust therein foreclosed and such litigation was terminated and concluded under and in accordance with the terms and provisions of said final decree, and no appeal therefrom was taken by any party to the cause.

While the fee of \$75,000 was in said final decree allowed to the any party to the cause

any party to the cause.

While the fee of \$75,000 was in said final decree allowed to the said A. L. Rankin alone, as plaintiffs' attorney in said cause, it was in fact the only and total fee allowed for the foreclosure of the deed of trust securing \$2,500,000 of first-mortgage bonds upon the property sold in said cause at an upset price of \$1,500,000 and such award did cover and embrace all services for the foreclosure of such deed of trust rendered by all counsel in the cause asserting the rights of their respective clients to foreclose the particular deed of trust involved in said cause, and such allowance of \$75,000 was distributed among said attorneys pursuant to an agreement deed of trust involved in said cause, and such allowance of \$75,000 was distributed among said attorneys pursuant to an agreement (to which respondent was not a party), reached by such attorneys at the time of and in connection with, their amicable adjustment of their differences upon the questions involved in said litigation and the conclusion and disposition of said litigation by such attorneys under the consent final decree submitted to and entered by the court under the circumstances hereinabove set out; the respondent was not a party to and had no connection, directly or respondent was not a party to and had no connection, directly or indirectly, with the agreement and understanding between the litigants and their respective counsel with respect to the entry of said consent final decree of December 24, 1930, nor with respect to the distribution among such counsel of the fee fixed in said final decree of foreclosure as compensation of the attorney for

final decree of foreclosure as compensation of the attorney for the foreclosing plaintiffs.

Respondent denies that he profited directly out of the allow-ance for the attorney fees provided in said final decree, and denies that payments of money by said Rankin to respondent were cor-ruptly made or corruptly received, and denies such payments were in any sense a gratuity or division of the fees allowed in said final decree or intended or received as such, and further answering the charges of article I, with reference to the said payments,

respondent says:

That at the time of the dissolution of the copartnership existing between respondent and said A. L. Rankin, prior to the appointment of respondent as judge, the copartnership was vested with certain tangible assets, a clientele and numerous undisposed of, unsettled, unfinished, and incomplete cases in litigation in the unsettled, unfinished, and incomplete cases in litigation in the State courts. No written partnership agreement existed between the parties, although said copartners were equally interested in the copartnership business and assets and at the time of the dissolution no formal or written dissolution agreement existed. At the time of the dissolution, it was agreed between the copartners that respondent should be entitled to receive, as and when collected, his rightful portion of fees due or soon to become due for work and services theretofore done and performed and which such fees at the time had been earned. It was further agreed between the copartners at the time of the dissolution that the respondent would be paid by Rankin an additional sum of \$5.000 respondent would be paid by Rankin an additional sum of \$5,000 for the respondent's interest in the copartnership assets, business and clientele, at such time in the future and when Rankin might

and clientele, at such time in the future and when Rankin might be able to pay such sum to the respondent.

Pursuant to the agreement and understanding had and entered into between said respondent and Rankin at the time of the dissolution of the copartnership, as aforesaid, Rankin did pay to the respondent on December 24, 1930, in cash the sum of \$2,500, and on April 14, 1931, pursuant to said understanding and agreement of dissolution, Rankin did pay to respondent in cash the further sum of \$2,000, on account of such lawful and just debt and obligation due and owing to the respondent from Rankin, and respondent properly, honestly, and in good faith accepted such payments in reduction of the then existing honest and lawful debt of the said Rankin to respondent.

ments in reduction of the then existing honest and lawful debt of the said Rankin to respondent.

Said Rankin did thereafter on September 23, 1931, pay to the respondent on account of such indebtedness the further sum of \$200, and on January 28, 1932, Rankin did pay to respondent the further sum of \$300, being the final payment of the balance due to respondent from Rankin for and on account of the indebtedness of \$5,000 arising from the dissolution of the copartnership and under said dissolution understanding and agreement hereinabove set forth.

Upon receipt by respondent of such final payment of \$300 on January 28, 1932, the respondent did deliver to Rankin a receipt for such final payment, which receipt given at the time and place of receipt of final payment, is in the words and figures following:

JANUARY 28, 1932.

Received of A. L. Rankin three hundred and no/100 dollars (\$300) in full for balance on sale of business.

On December 23, 1930, the City National Bank of Miami suspended business and closed its doors, it being the second large financial institution to suspend business in the city of Miami during the last 6 months of 1930, and because of the precarious condition and situation of the remaining financial institution in the city at the time, respondent deferred depositing the payment received from Rankin on December 24, 1930, until the latter part of the Christmas holidays, to-wit, December 29, 1930, on which date respondent deposited to respondent's credit in respondent's bank account at the First National Bank, of Miami, Fla., \$2,000 of the said December 24, 1930, payment received from said Rankin and respondent retained in respondent's possession \$500 of said sum, maintaining readily accessible such amount of currency as had numerous other citizens of the community, until the public confidence was restored in the banking situation in the city of Miami. Respondent also deposited in respondent's bank account at the First National Bank in Miami, Fla., on April 15, 1931, the additional \$2,000 received by respondent from Rankin on April 14, 1931, hereinabove more particularly referred to.

And respondent denies that any of the acts or conduct of the On December 23, 1930, the City National Bank of Miami sus-

And respondent denies that any of the acts or conduct of the respondent in the premises were corrupt or unlawful, and denies that he corruptly or unlawfully accepted or received any sums of money from said A. L. Rankin, as charged in article I, and avers that his acts and conduct in the premises was proper, honest, and lawful, and the \$5,000 received as hereinabove set forth, was received by respondent lawfully, honestly, in good faith, and under the circumstances and for the purposes hereinabove set forth, in satisfaction and payment of a lawful and honest debt and obligation due and owing to respondent from said A. L. Rankin.

And respondent specifically denies that he was or is guilty of any misbehavior and denies that he was or is guilty of any misbehavior and denies that he was or is guilty of any except as hereinabove specifically admitted or explained, re-

Except as hereinabove specifically admitted or explained, respondent denies each and every allegation in said article I contained.

And this respondent in submitting to this honorable Court, this his answer to article I of the articles of impeachment exhibited against him respectfully insists that he is not guilty of any of the charges contained in the said article of impeachment.

ANSWER TO ARTICLE II

For answer to the second article, the respondent says this honorable Court ought not to have or take further cognizance of the able Court ought not to have or take further cognizance of the second of said articles of impeachment so exhibited and presented against him, because he says the facts set forth in said second article do not constitute an impeachable high crime and misdemeanor, as defined in the Constitution of the United States, and that, therefore, the Senate, sitting as a Court of Impeachment, should not further entertain the charge contained in said second article. article:

And now, not waiving the foregoing plea to the jurisdiction of the honorable Senate of the United States, sitting as a Court of Impeachment, as to said second article, said respondent saving to himself all advantages of exception to said second article, for answer thereto says:

I. Respondent admits that he is now and was at all times men-1. Respondent admits that he is now and was at an times mentioned in said article one of the three duly appointed, qualified, and acting judges of the United States District Court for the Southern District of Florida, and by arrangement among said judges is domiciled in and exercising jurisdiction throughout the Miami division of such distirct.

Miami division of such distirct.

II. And further answering said article respondent says:
Respondent admits that for sometime prior to the appointment of respondent as such judge the respondent and A. L. Rankin were copartners engaged in the practice of law, with offices at West Palm Beach, Fla., and within the southern judicial district of Florida, and under the firm name of Ritter & Rankin; that upon the appointment of respondent as such judge the said copartnership was terminated and dissolved.

On or about July 18, 1928 Welter S. Richardson was elected.

was terminated and dissolved.

On or about July 18, 1928, Walter S. Richardson was elected trustee in bankruptcy of the Whitehall Building & Operating Co., bankrupt, and as such trustee was in possession of the assets and property of such bankrupt estate, consisting principally of a large and exclusive hotel property located in the city of Palm Beach, Fla., in the southern district of Florida, and respondent says that Walter S. Richardson was not appointed by respondent but was selected and elected by the creditors in such bankruptcy proceeding in the court of the referee in bankruptcy long prior to the appointment of respondent as United States district judge.

Respondent admits such trustee in bankruptcy operated the

appointment of respondent as United States district judge. Respondent admits such trustee in bankruptcy operated the hotel business and hotel property of the bankrupt subsequent to his appointment in accordance with the authority in him vested as such trustee under the provisions of the National Bankruptcy Act and the orders of the bankruptcy court.

A certificate of review was filed by the referee in bankruptcy August 26, 1929, reciting the proceedings had before such referee with respect to compensation of the trustee, attorneys for the trustee, and attorneys for the petitioning creditors, and reciting in connection therewith the action of the referee in the language following: following:

"After due notice to creditors, in compliance with the act, the referee did, on the 19th day of August 1929, enter an order allowing Walter S. Richardson, trustee, \$12,866; Fancher, Paty & Warwick, attorneys for the trustee, \$12,866; and Williamson & Cain, attorneys for the petitioning creditors, \$12,866."

Upon review of the order of the referee in the premises fixing and apportioning the compensation in said matter as above recited, respondent, after full and exhaustive hearing in the matter and argument of counsel for the parties involved, did on November 1, 1929, enter an order, among other things, providing:

"It is therefore ordered, adjudged, and decreed that there be, and hereby is, allowed to Williamson & Cain, attorneys for petitioning creditors, a fee of \$5,000; and to Fancher, Paty & Warwick, attorneys for the trustee in bankruptcy, a fee of \$10,000; and to Walter S. Richardson, trustee, compensation and fee in the sum of \$15,000.

"It is further ordered, adjudged, and decreed that the referee be,

"It is further ordered, adjudged, and decreed that the referee be, and hereby is, authorized to make such payments, crediting on such payments whatever sums under said amounts the said respective parties have heretofore received by any order of this court."

Respondent on December 13, 1929, ordered the distribution of the remainder of the administration expense fund on hand in bankruptcy matter and such order of the respondent in the premises

ruptcy matter and such order of the respondent in the premises was and is in the words and figures following:

"This cause coming on to be heard on report of the referee, and it appearing unto the court that the unsecured creditors in this cause have recommended that the balance of \$8,600 remaining in this court be used to pay fees to the attorneys and trustee, and the court being advised in the premises,

"It is thereupon ordered, adjudged, and decreed that Williamson & Cain, attorneys for petitioning creditors, be allowed \$2,500; Walter S. Richardson, trustee, be allowed \$1,800; Fancher, Paty & Warwick, attorneys for the trustee, be allowed \$4,300. These amounts to be in addition to those fees already allowed them by order of this court."

Respondent denies that respondent entered into any arrangement

Respondent denies that respondent entered into any arrangement with any person or persons at any time with respect to the institution of the foreclosure suit involving the Whitehall Hotel or with respect to any action, step, deed, pleading, or proceedings, with respect to or in connection with the institution, prosecution, termination, or disposition of the said case, and denies that any person or persons did or performed any act or thing in connection with the institution, prosecution, or termination of said litigation pursuant to or in furtherance of any expressional understanding or server. to or in furtherance of any arrangement, understanding, or agreement with this respondent.

This respondent denies any knowledge of any acts, steps, deeds, or conduct of any party to or counsel in said cause (except such as occurred in open court), and says that he had no conversations or discussions with relation thereto or in connection therewith, with A. L. Rankin, Ernest Metcalf, Martin Sweeny, nor with any or either of said persons, and respondent avers that respondent at or either of said persons, and respondent avers that respondent at no time had any cause or reason to discuss the said litigation, or to interest himself therein, in any manner whatsoever, until the knowledge of the existence of such litigation was acquired by respondent by virtue of the initial hearing before respondent as judge of the United States District Court for the Southern District of Florida, in open court at Miami, Fla., on the occasion of the presentation of the application for receiver in said cause on or about October 28, 1929. Respondent had no knowledge or information concerning the said suit or concerning any bondholder's interest therein or concerning any party to said cause until the formation concerning the said suit or concerning any bondholder's interest therein or concerning any party to said cause until the said cause was brought in due course before respondent in open court on the application of the appointment of a receiver on October 28, 1929, and respondent had no knowledge or information of or as to any understandings or arrangements between Walter S. Richardson, A. L. Rankin, Ernest Metcalf, and Martin Sweeny, or any of them or of any arrangements of either of said parties with any bondholder with respect to the institution of said suit, and respondent had no knowledge whatever of the filing of such suit by the plaintiffs or their counsel, prior to the time of the said hearing in the usual and customary manner.

Respondent admits he was holding court at Brooklyn, N. Y., in the southern district of New York during the month of September and the early part of October 1929. Respondent admits that during the time respondent was holding court at Brooklyn, N. Y., A. L. Rankin and S. J. Tucker did call upon respondent, but respondent denies that Walter S. Richardson called upon or visited respondent at Brooklyn, N. Y., as alleged in article II, and denies that Walter S. Richardson at any time during the period that respondent held court in New York, or any time, called upon

denies that Walter S. Richardson at any time during the period that respondent held court in New York, or any time, called upon respondent, or at any time discussed with respondent the said suit or any matter pending or connected with the institution or prosecution of said suit and denies that he at any time discussed this matter with Rankin at any time or place or had any knowledge of said action prior to the initial hearing therein before respondent in open court.

before respondent in open court.

Respondent says that Rankin accompanied by S. J. Tucker called at the chambers of respondent at Brooklyn, N. Y., for the purpose of presenting, and did then and there present, to respondent an application for an order in a certain cause then pending in the District Court of the Southern District of Florida, in which S. J. Tucker, as receiver for Highland Glades Drainage District, in the case of C. O. Kuehne et al. v. Highland Glades Drainage District (no. 557-M-Eq.), and A. L. Rankin, as attorney for the receiver in said cause, sought an order relating to the settlement of certain taxes of the said district in Florida, over which cause and receivership respondent then had jurisdiction and which application was accompanied by a stipulation of counsel in the cause that the said application be considered by respondent while absent

from his district, the parties thereto waiving any question of jurisdiction of respondent to entertain said application, and said application was at the said time and place acted upon by respondent, and no conversation or discussion was had by respondent with Rankin or Tucker with respect to any other cause or matter; that no mention was made by either of said parties of any contemplated suit or suits pertaining to the Whitehall Hotel or any other property and any and all allegations contained in article II, contrary to respondent's statement in this connection, are untrue. untrue.

Prior to the conduct of the examination of the witnesses appearing before the members of the subcommittee of the Judiciary Committee of the House of Representatives, and the conduct of this investigation under House Resolution No. 163, this respondent had no knowledge or information as to any correspondence, communications, or understandings between A. L. Rankin and Bert E. Holland.

Respondent denies that Bert E. Holland, at the time of the hearing on the application for receivership before the respondent or at any other time, advised the respondent that he wished to withdraw the suit instituted in his name and denies that Holland requested the court to dismiss the bill of complaint on the ground that the bill was filed without his authority or upon any other

Respondent denies that any act or order of respondent during the pendency of said cause was due to, or in pursuance of, any previous knowledge or understanding in connection with the said the pendency of said cause was due to, or in pursuance of, any previous knowledge or understanding in connection with the said case, or any phase thereof, and respondent denies that he appointed Walter S. Richardson receiver because of any previous arrangement or understanding with said Richardson or any other person, and respondent states that his appointment of Richardson was in the exercise of the discretion and judgment of respondent alone and was prompted by respondent's knowledge of the successful operation of the Whitehall Hotel property theretofore by Richardson as trustee in bankruptcy for said property which resulted in a net operating profit earned by said bankrupt estate under the trusteeship of said Richardson of approximately \$300,000. Respondent considered said Richardson of approximately \$300,000. Respondent considered said Richardson of said property as trustee in bankruptcy in the prior case in said court, sufficient to eminently qualify Richardson to discharge creditably and successfully the duties of receiver in said cause; and respondent being of the opinion that the interest of the bondholders and all parties to the cause would best be served by the appointment of such experienced person as such receiver, the respondent, for such reasons and under such circumstances, did appoint Walter S. Richardson as receiver in such suit. No other person was recommended to the court at the hearing for appointment of a receiver in such cause, and no sufficient objection to the appointment of Richardson as such receiver was presented to said court at the time of his appointment.

Such receiver conducted and completed the receivership and appointment.

Such receiver conducted and completed the receivership and properly accounted in the premises to the satisfaction of all parties properly accounted in the premises to the satisfaction of all parties in interest in the case, and no objections to the management of the affairs of such receivership, or the property therein involved, or the accounts of the receiver were ever made or presented to the respondent in said case. No party to the cause prosecuted any appeal in the litigation from the order of the court appointing such receiver or from any order entered by the court in the case at any stage of the proceedings.

at any stage of the proceedings.

Upon the appointment of Walter S. Richardson as such receiver, respondent did appoint as attorneys for such receiver one of the attorneys representing the plaintiffs and also one of the attorneys representing the defendant trustee under the trust deed and the opposing interests, in order that both the plaintiffs and the defendants could keep fully informed of the actions and conduct of the receiver in and about the operation of the property and at all times be conversant with the administration of such receivership at every stage of the proceedings. No objection was ever made by at every stage of the proceedings. No objection was ever made by any party in interest in said cause to such action of the court, and such attorneys, promptly after the entry of said order, qualified as such attorneys and thereafter served in such capacity through-out such receivership.

Respondent admits allowances were made to Martin Sweeny H. E. Bemis, as managers of the property involved in said litigation, employed by the receiver, and says that the allowances so made by respondent were fair, just, and reasonable allowances for the type, character, and results of the services by them rendered in the premises, and no objections were ever made to such allowances by any party to the cause, and no appeals were taken therefrom.

therefrom.

On May 21, 1930, respondent entered an order in the case making a partial allowance to A. L. Rankin of \$2,500 as a reasonable advancement for the services rendered in conserving the property in question and causing the trust estate to be subjected to the purposes of the trust, said A. L. Rankin being entitled thereto under the authorities, and such order having been made upon a hearing of the petition of said Rankin therefor, at which hearing all parties in interest were represented, and such partial allowance being then and there consented to, and which said order is in the words and figures following: words and figures following:

"Upon petition of plaintiffs and interveners in the above-styled cause for an order fixing a reasonable compensation for their attorney, A. L. Rankin, for services rendered plaintiffs, interveners, and all first-mortgage bondholders of Whitehall Building & Operating Co. in conserving, bringing into court, and creating assets for benefit of all said first-mortgage bondholders, and the same being

duly considered by the court, and the court being fully advised in the premises, and all parties interested being before the court and consenting thereto: It is therefore

"Ordered, adjudged, and decreed that upon the said petition the sum of \$2,500 is hereby allowed as a reasonable advancement for the services rendered in the said receivership matter for con-serving the property, bringing the same into court, and creating the fund in the hands of the receiver, the final total allowance to be later determined; and the said Walter S. Richardson, as such receiver, be, and he is hereby, authorized and directed to pay to the said A. L. Rankin, as such attorney, out of the funds in his hands as such receiver, the said sum of \$2,500 which is herein fixed and allowed.'

Respondent, on July 2, 1930, did refer to another judge of the United States District Court for the Southern District of Florida, to wit, Hon. Alexander Akerman, the said application of A. L. Rankin for allowance of compensation unto said Rankin for the services by him rendered in conserving and bringing into court and subjecting the trust estate to the purposes of the trust the assets made the subject matter of said suit, and did request the said Alexander Akerman to entertain such application and to fix and determine the total amount to be allowed said Rankin for such service upon application. The request of respondent directed to said Hon. Alexander Akerman being in the form of a letter, in the words and figures following:

JULY 2, 1930.

. ALEXANDER AKERMAN, United States District Judge, Tampa, Fla.

My Dear Judge: In the case of Holland et al. v. Whitehall Building & Operating Co. (No. 678-M-Eq.), pending in my division, my former law partner, Judge A. L. Rankin, of West Palm Beach, has filed a petition for an order allowing compensation for his services on behalf of the plaintiff.

I do not feel that I should pass, under the circumstances, upon

the total allowance to be made Judge Rankin in this matter. I did issue an order, which Judge Rankin will exhibit to you, approving an advance of \$2,500 on his claim, which was approved

by all attorneys.

You will appreciate my position in the matter, and I request you to pass upon the total allowance which should be made Judge Rankin in the premises as an accommodation to me. This will relieve me from any embarrassment hereafter if the question should arise as to my favoring Judge Rankin in this matter by an

exorbitant allowance.

Appreciating very much your kindness in this matter, I am,
Yours sincerely,

HALSTED L. RITTER.

Respondent denies that it was his intention or purpose in referring said matter to said Alexander Akerman to have such judge fix and determine the total allowance for the said Rankin for all services theretofore rendered and to be thereafter rendered by the said Rankin as counsel for the plaintiffs in said case to the con-clusion of the litigation, and respondent positively asserts that the application of the said Rankin so referred to and entertained by the said Alexander Akerman related to the services rendered in said matter in conserving the assets and subjecting the trust estate to the purposes of the trust, and did not relate to services to be rendered in foreclosing the deed of trust involved in said cause, nor to any decree that might thereafter be rendered, the said cause not having at the time progressed to that stage at which final decree upon the merits would be appropriate.

Respondent contemplated and expected that the said Rankin would present to the said Honorable Alexander Akerman, and that said judge would peruse the application of the said Rankin so referred by respondent to said judge, and would act upon the said application in due course and in customary manner and upon adequate proof and showing as to the reasonableness and propriety

of the award to be so made thereon.

Thereafter, on July 5, 1930, the Honorable Alexander Akerman did entertain the application of the said Rankin for such compensation for such services, which application is in the words and figures following:

Now comes plaintiffs and interveners in the above-styled cause, "Now comes plaintiffs and interveners in the above-styled cause, by their attorney, A. L. Rankin, and show unto the court that your petitioners by and through their attorney, A. L. Rankin, in behalf of themselves and all other bondholders of Whitehall Building & Operating Co., have caused property of the value of more than \$1,750,000 to be brought into court and placed in the hands of a receiver for the purpose of protecting and conserving the said property and the rents, income, and profits therefrom for the benefit of all first-mortgage bondholders, and in addition to the property being conserved and brought into court, there has been created by virtue of the said receivership for the benefit of all bondholders, the virtue of the said receivership for the benefit of all bondholders, the sum of approximately \$237,000, which sum is now in the hands of the receiver; that your petitioners had an agreement with their said attorney that they would pay him for his legal services rendered in said cause, a reasonable attorney's fee, the reasonableness of which fee was to be determined and fixed by the court; that petiwhich fee was to be determined and fixed by the court; that petitioners' said attorney filed the bill of complaint for said petitioners the first part of October 1929, and a receiver was appointed by this honorable court on the 28th day of October 1929; and that he has rendered legal services for your petitioners in this matter continuously since the filing of said bill, in having a receiver appointed, in advising with receiver for the benefit of all bondholders as to the care, protection, conservation, management, and operation of the property in the hands of said receiver, and has represented your petitioners in various and sundry matters, petitions, and legal con-

troversies incident to said suit and said receivership for more than 8 months, for which services he has received no compensation whatever nor no compensation for the expenses necessarily incident

whatever nor no compensation for the expenses necessarily incident to this work.

"The premises considered, your petitioners would pray Your Honor to ascertain what is a reasonable attorney's fee for the services rendered by their said attorney, A. L. Rankin, in the said receivership proceedings, and in conserving the said assets of the said Whitehall Building & Operating Co., bringing said assets into court and causing to be created the funds now in the hands of Walter S. Richardson, as receiver of said property, in the sum of approximately \$223,000 and to enter an order in this cause, authorizing and directing the said Walter S. Richardson, as such receiver of the property of Whiteand to enter an order in this cause, authorizing and directing the said Walter S. Richardson, as such receiver of the property of Whitehall Building & Operating Co., to pay to the said A. L. Rankin whatever sum Your Honor should find to be a reasonable compensation for the services rendered by the said A. L. Rankin as such attorney up to the present time."

And on July 5, 1930, the Honorable Alexander Akerman did enter his order upon such application of said Rankin, in the words and figures following:
"Upon petition of plaintiffs and interveners in the above-styled

his order upon such application of said Rankin, in the words and figures following:

"Upon petition of plaintiffs and interveners in the above-styled cause, for an order fixing a reasonable compensation for their attorney, A. L. Rankin, for services rendered plaintiffs, interveners, and all first-mortgage bondholders of Whitehall Building & Operating Co., in conserving, bringing into court, and creating assets for benefit of all said first-mortgage bondholders, and the same being duly considered by the court, and the court being fully advised in the premises, it is therefore

"Ordered, adjudged, and decreed that the said petition be, and the same is hereby granted, and that the sum of \$15,000 is hereby fixed as a reasonable compensation for the services rendered in the said receivership matter for conserving the property, bringing the same into court, and creating the fund in the hands of the receiver, and the said Walter S. Richardson, as such receiver be, and he is hereby, authorized and directed to pay to the said A. L. Rankin, as such attorney, out of the funds in his hands as such receiver, the said sum of \$15,000, which is herein fixed and allowed."

Among other matters presented to the Court in connection with such application of said Rankin for such compensation, were the affidavits of H. C. Fischer and George W. Coleman, attorneys at law, setting forth in such customary form the opinion of such attorneys as to the amount of a reasonable fee in the premises.

Respondent denies that the Honorable Alexander Akerman made any allowance of any fee to said Rankin for services of such

Respondent denies that the Honorable Alexander Akerman made any allowance of any fee to said Rankin for services of such attorney for the foreclosure of the trust deed involved in said litigation and denies respondent had any knowledge of any intention or purpose on the part of said Alexander Akerman to fix and determine, by his said order, the fee for said Rankin in full for the services of said Rankin for the foreclosure of the trust deed involved in said litigation at said time and date of such order, and so far in advance and prior to the determination and disposition of the litigation by final decree of foreclosure, and respondent denies he allowed to said Rankin an exorbitant fee in said case and denies that the fee awarded the solicitor for the complainants, A. L. Rankin, in the final decree of foreclosure terminating the litigation, had any relation to or connection with the compensation allowed unto said Rankin upon his application of May 1930, and asserts that the fee fixed and allowed in the said final decree of December 24, 1930, was reasonable and proper under the law, the facts, and the circumstances presented when the said decree was entered. The fee of \$75,000 fixed and allowed in the final decree of December 24, 1930, was not by any of the parties to the cause at the time of the entry of said decree considered as a part or portion of the conservation fee, nor was such award of such fee in such final decree of December 24, 1930, made under or have any relation to the May 1930 application for conservation fee filed by said A. L. Rankin; that the fee of \$75,000 fixed in the final decree of foreclosure as compensation of the attorney for the complainants in the foreclosure of said trust deed was lawful, proper, and reasonable for the services rendered in the premises, and upon showing made before the court at the time and in connection with the adequacy and propriety of said sum, was a just and proper allowance, the court having received and considered the affidavits of reputable, outstanding, and prominent members of the bar of the county in which the said property is located, namely, Bert Winters, H. C. Fischer, Harry A. Johnson, and E. B. Donnell, as to the reasonableness of such fee, and the parties to said cause, by and through their counsel of record, then and there present at the time and place of entry of said decree, having voiced their assent to the said sum and amount to be so allowed and fixed in said the litigation by final decree of foreclosure, and respondent denies he allowed to said Rankin an exorbitant fee in said case and denies and through their counsel of record, then and there present at the time and place of entry of said decree, having voiced their assent to the said sum and amount to be so allowed and fixed in said decree and having consented thereto, as did the said parties with respect to all other items and provisions of said decree, which said consent was prior to the entry of said decree manifested by the signatures of counsel for the respective parties to said cause upon the face of the decree, said decree so entered being one fully prevised and expected and expected and expected and expected and expected between perused, analyzed, and consented and agreed to by and between the parties to the cause and their counsel as an appropriate deamicably disposing of and terminating the litigation, and such decree, and each and every provision thereof, was, prior to the entry thereof, submitted to and approved by the bondholders' committee, representing more than 90 percent of all of the bonds secured by the said deed of trust therein foreclosed, and such litigation was terminated and concluded under and in accordance

with the terms and provisions of said final decree and no appeal therefrom was taken by any party to the cause.

While the fee of \$75,000 was in said final decree allowed to the said A. L. Rankin alone, as plaintiffs' attorney in said cause, it was in fact the only and total fee allowed for the foreclosure of

the deed of trust securing \$2,500,000 of first-mortgage bonds upon the property sold in said cause at an upset price of \$1,500,000, and such award did cover and embrace all services for the foreclosure of such deed of trust rendered by all counsel in the cause asserting the rights of their respective clients to foreclose the particular deed of trust involved in said cause, and such allowance of \$75,000 was distributed among said attorneys pursuant to an agreement (to which respondent was not a party) reached by such attorneys at the time of and in connection with their amicable adjustment of their differences upon the questions involved in said litigation and the conclusion and disposition of said litigation by such attorneys under the consent final decree submitted to and entered by the court under the circumstances hereinabove to and entered by the court under the circumstances hereinabove set out; the respondent was not a party to and had no connection, directly or indirectly, with the agreement and understanding between the litigants and their respective counsel with respect to the entry of said consent final decree of December 24, 1930, nor with respect to the distribution among such counsel of the fee fixed in said final decree of foreclosure as compensation of the attorney for the foreclosing plaintiffs.

Respondent denies that he profited directly out of the allowance for the attorney fees provided in said final decree, and denies that payments of money by said Rankin to respondent were corruptly made and corruptly received, and denies such payments were in any sense a gratuity, or division of the fees allowed in said final decree, or intended, or received as such; and further answering the charges of article II, with reference to the said

said final decree, or intended, or received as such; and further answering the charges of article II, with reference to the said payments, respondent says:

That at the time of the dissolution of the copartnership existing between respondent and said A. L. Rankin, prior to the appointment of respondent as judge, the copartnership was vested with certain tangible assets, a clientele, and numerous undisposed of, unsettled, unfinished, and incomplete cases in litigation in the State courts. No written partnership agreement existed between the parties, although said copartners were equally interested in the copartnership business and assets and at the time of the dissolution no formal or written dissolution agreement existed. ested in the copartnership business and assets and at the time of the dissolution no formal or written dissolution agreement existed. At the time of the dissolution, it was agreed between the copartners that respondent should be entitled to receive, as and when collected, his rightful portion of fees due, or soon to become due for work and services theretofore done and performed, and which such fees at the time had been earned. It was further agreed between the copartners at the time of the dissolution, that the respondent would be paid by Eankin, an additional sum of \$5,000 for the respondent's interest in the copartnership assets, business, and clientele, at such time in the future and when Eankin might be able to pay such sum to the respondent.

able to pay such sum to the respondent.

Pursuant to the agreement and understanding had and entered into between said responent and Rankin at the time of the tered into between said responent and Rankin at the time of the dissolution of the copartnership, as aforesaid, Rankin did pay to the respondent on December 24, 1930, in cash the sum of \$2,500, and on April 14, 1931, pursuant to said understanding and agreement of dissolution, Rankin did pay to respondent in cash the further sum of \$2,000, on account of such lawful and just debt and obligation due and owing to the respondent from Rankin, and respondent properly, honestly, and in good faith accepted such payments in reduction of the then existing honest and lawful debt of the said Rankin to respondent.

Said Rankin did thereafter on September 23, 1931, pay to the respondent on account of such indebtedness, the further sum of \$200, and on January 28, 1932, Rankin did pay to respondent the further sum of \$300, being the final payment of the balance due to respondent from Rankin for and on account of the indebtedness of \$5,000, arising from the dissolution of the copartnership and under said dissolution understanding and agreement hereinabove set forth.

above set forth.

Upon receipt by respondent of such final payment of \$300 on January 28, 1932, the respondent did deliver to Rankin a receipt for such final payment, which receipt given at the time and place of receipt of final payment is in the words and figures following:

JANUARY 28, 1932. Received of A. L. Rankin three hundred and no/100 dollars (\$300) in full for balance on sale of business.

HALSTED L. RITTER.

On December 23, 1930, the City National Bank of Miami suspended business and closed its doors, it being the second large financial institution to suspend business in the city of Miami during the last 6 months of 1930, and because of the precarious condition and situation of the remaining financial institution in the city at the time, respondent deferred depositing the payment received from Rankin on December 24, 1930, until the latter part of the Christmas holidays, to wit, December 29, 1930, on which date respondent deposited to respondent's credit in respondent's bank account at the First National Bank of Miami, Fla., \$2,000 of the said December 24, 1930, payment received from said Rankin bank account at the First National Bank of Miami, Fla., \$2,000 of the said December 24, 1930, payment received from said Rankin, and respondent retained in respondent's possession \$500 of said sum, maintaining readily accessible such amount of currency, as had numerous other citizens of the community, until the public confidence was restored in the banking situation in the city of Miami. Respondent also deposited in respondent's bank account at the First National Bank in Miami, Fla., on April 15, 1931, the additional \$2,000 received by respondent from Rankin on April 14, 1931, hereinabove more particularly referred to.

And respondent denies that any of the acts or conduct of the respondent in the premises were corrupt or unlawful, and denies

respondent in the premises were corrupt or unlawful, and denies that he corruptly or unlawfully accepted or received any sums of money from said A. L. Rankin, as charged in article II, and avers

that his acts and conduct in the premises was proper, honest, and lawful, and the \$5,000 received as hereinabove set forth was received by respondent lawfully, honestly, in good faith and under the circumstances and for the purposes hereinabove set forth, in satisfaction and payment of a lawful and honest debt and obligation due and owing to respondent from said A. L. Rankin.

Persondent denies that he had any knowledge of or companied to

Respondent denies that he had any knowledge of or consented to the payment by A. L. Rankin of any sum or sums of money to Walter S. Richardson or to Ernest Metcalf out of and from the compensation received by Rankin as counsel in the case; and respondent denies that he had any knowledge as to the amounts to be distributed by said attorneys among themselves pursuant to an understanding or agreement reached between the parties immediately prior to or about the time of the entry of the final decree in December 1930 other than such knowledge as was gained by respondent by virtue of the statement made by one of said counsel to the court at the time of the entry of the final decree and such knowledge as was conveyed by the stipulation relating to an amicable division of the allowed fee in said cause.

Respondent admits that the allowance of compensation to Walter S. Richardson, as receiver, was made by respondent by order dated April 7, 1931, and says that the allowance so made was upon proper showing, and was fair, just, reasonable, and commensurate with the services rendered by such receiver, and such allowance was not exorbitant or unreasonable.

Respondent denies that the compensation allowed to A. L. Rankin Respondent denies that he had any knowledge of or consented to

Respondent denies that the compensation allowed to A. L. Rankin by respondent upon the applications therefor, and in decrees rendered by respondent were excessive or unwarranted, and denies rendered by respondent were excessive or unwarranted, and denies respondent personally profited thereby in any sum or sums, and says that such compensation as was allowed by respondent to Rankin was warranted, proper, and earned, and was commensurate with the services rendered and in keeping with the law and practice in such cases, and was justified by the showing made at the time of such allowances and in the light of the law and facts presented to the Court and comparable to allowances of other courts, State and Federal, in the southern district of Florida, in like cases,

Respondent admits respondent and his wife were guests at the Whitehall Hotel on Washington's birthday, February 22, 1931, and again for a portion of the days of March 3 and 4, 1931, at the invitaagain for a portion of the days of March 3 and 4, 1931, at the invita-tion of the mangement of the hotel, then in receivership in re-spondent's court, and says that the accommodations extended were what is commonly known as complimentary accommodations and no charges were presented to respondent therefor. During the stay of the respondent at such hotel under the circumstances above set of the respondent at such hotel under the circumstances above set forth, respondent and his wife dined at said hotel, and respondent used the telephone and purchased one or two newspapers, and when the subcommittee of the House of Representatives took testimony at Miami, Fla., about 2½ years ago, respondent learned for the first time, on the occasion of his two visits to the property, the total charges for restaurant service, use of telephone, valet service, and for newspapers, aggregated \$44.50, and that, although respondent was not presented with any bill or notified of his indebtedness to said hotel, the total of said items was absorbed by the management as complimentary or manager's guest items. Respondent further answering says that he accepted the invita-

the management as complimentary or manager's guest items.

Respondent further answering says that he accepted the invitation of the management of said property and became the guest of the management on such occasions (two in number), not only because of the gala social functions and entertainment on such occasions offered to respondent as well as other specially invited guests of the management in accordance with the custom and practice of the past in the operation of said hotel over a period of many years, but for the further reason that respondent desired to familiarize himself in some measure with the property constituting the subject matter of the receivership and its manner of operation.

And respondent says he had no way of knowing that his host did

subject matter of the receivership and its manner of operation.

And respondent says he had no way of knowing that his host did not pay such items for the respondent, his guest, or that the meals and other service to respondent resulted in a loss or deteriment to the property or the receivership.

Respondent denies that he had any knowledge of or consented to the extension of complimentary accommodations and service at said hotel to Lloyd C. Hooks and Mrs. Lloyd C. Hooks on any occasion. Respondent was not responsible for, and never requested, in any manner or on any occasion, the extension of complimentary accommodations and service at said hotel to Thurston Ritter, respondent's son, or to Mrs. Merle R. Walker, respondent's daughter, on any occasion and that, on the two or three occasions upon which a member of the family of respondent stayed for a day or two at a member of the family of respondent stayed for a day or two at said hotel, their visits were due entirely and solely to the invitation and request and upon the responsibility of either the receiver or his managers of said property and not at any suggestion or request of respondent.

of respondent.

Respondent denies he in any respect, manner, or form willfully failed or neglected to perform his duty to conserve the assets of the Whitehall Building & Operating Co. in receivership in his court, and denies he permitted in any respect, manner, or form any waste or dissipation of the assets of such company or of such receivership to the loss, damage, or injury of the creditors of said company or any other person, and denies that he was in any respect, manner, or form a party to waste or dissipation of such assets, or any part thereof, or in any manner profited by any alleged waste or dissipation in the premises, and denies that there was at any time any waste or dissipation of assets of such receivership during the pendency of the case in question before the respondent.

And except as hereinabove specifically admitted or explained, re-

And except as hereinabove specifically admitted or explained, respondent denies each and every allegation in said article II con-

ANSWER TO AMENDED ARTICLE III

ANSWER TO AMENDED ARTICLE III

For answer to the amended third article, the respondent says this honorable Court ought not to have or take further cognizance of the amended third article of said articles of impeachment so exhibited and presented against him because he says the facts set forth in said amended third article do not constitute an impeachable high crime and misdemeanor, as defined in the Constitution of the United States, and that therefore the Senate, sitting as a Court of Impeachment, should not further entertain the charge contained in said amended third article.

And now, not waiving the foregoing plea to the jurisdiction of the honorable Senate of the United States, sitting as a Court of Impeachment, as to said amended third article, said respondent saving to himself all advantages of exception to said amended third article, for answer thereto says:

1. Respondent admits that he is now and was at all times mentioned in said article one of the three duly appointed, qualified, and acting judges of the United States District Court for the Southern District of Florida, and by arrangement among said judges is domiciled in and exercising jurisdiction throughout the Miami division of such district.

southern District of Florida, and by arrangement allong said judges is domiciled in and exercising jurisdiction throughout the Miami division of such district.

2. And further answering said article, respondent says:
Respondent is not guilty of any violation of section 258 of the Judicial Code (28 U. S. C. A. 373), and has not, since his appointment as judge, exercised the profession or employment of counsel or attorney nor has he engaged in the practice of the law.

And further answering amended article III, respondent says:
At the inception of the employment of the firm of Ritter & Rankin as counsel for the plaintiff for the purpose of instituting and prosecuting in the State Circuit Court of the Fifteenth Judicial Circuit of Florida, the case of the Trust Co. of Georgia et al. v. Brazilian Court Building Corporation et al. (no. 5704, Chancery), it was contemplated by the firm of Ritter & Rankin and by the client in said matter that an attorney's fees of \$4,000 would be adequate compensation for counsel, and it was not contemplated at that time that the litigation would be intricate, complicated, and of extended nature, and so it was that the parties under such circumstances agreed at the outset of such employment that \$4,000 would be sufficient fee for the services to be thereafter rendered would be sufficient fee for the services to be thereafter rendered in such case, which said employment was on or about September 26, 1927.

On December 28, 1928, the master filed his report to the court, embracing the testimony taken in the case, and on January 2, 1929, such master filed the original of his notice to the respective parties to the cause, advising such parties of the filing of such master's report of proofs taken before said master and the findings of the master. The case was set down for final hearing, and final decree was entered therein on June 9, 1929, in which said decree the court did fix and allow the sum of \$8,000 as attorney fees for the

court did fix and allow the sum of \$8,000 as attorney fees for the attorneys for the complainants.

The litigation, instituted in September 1927, had been protracted and much extra and unanticipated work had been performed in the case in question up to February 1929, and all prior to the appointment of respondent as judge and prior to the dissolution of the partnership of Ritter & Rankin, at which time of dissolution respondent also severed his connection with such litigation, and after which respondent performed no legal service as attorney or counsel in the case. Respondent did request the former client to compensate respondent for the extra and unanticipated work done and performed by him in such protracted litigation prior to respondent's appointment to the bench and the dissolution of partnership, which compensation so requested was compensation to which respondent was rightfully entitled for work done and perpartnership, which compensation so requested was compensation to which respondent was rightfully entitled for work done and performed and fees earned prior to his appointment as judge, and was not in any sense, for participation or counsel in the litigation in any professional or other capacity subsequent to his appointment as judge, or in any manner in violation of the Federal

statutes.

Having had active charge of the litigation in question in the State court, prior to his appointment as judge, after his appointment as judge respondent naturally expected the necessity to arise for discussions with his former client and succeeding counsel of proceedings which had taken place under the previous direction of the respondent before his appointment as judge, for the purpose of familiarizing such parties with such previous phases of the litigation and any questions therein involved, so that counsel succeeding the respondent in the litigation might be enabled to arrange for the subsequent proceedings that they might decide were necessary for the conclusion of the litigation upon the pleadings and the proofs theretofore handled by the respondent prior to his appointment as judge. Respondent had no desire or intention to render any professional service in such matter or for such clients, but intended only to convey to the former client and his clients, but intended only to convey to the former client and his then counsel such information as respondent possessed with re-spect to the progress of the litigation in the past, as might be desired to enable the then counsel to conduct such litigation in the future, and such was the duty of respondent and such was the only interest which respondent had and could have in such litigation.

litigation.

Respondent, on March 11, 1929, by letter requested Charles A. Brodek, of the firm of Brodek, Raphael & Eisner, counsel for Mulford Realty Corporation, to compensate respondent for the extra, unanticipated work done and performed in this protracted litigation prior to the appointment of respondent as judge, and respondent did not request any compensation for any future service to be rendered, and did not agree to perform and did not intend to perform, and did not at any time or in any manner perform

any professional service in the case after his appointment as judge. On or about April 4, 1929, respondent received \$2,000 from Charles A. Brodek as and for compensation for extra and unanticipated work in such litigation performed prior to appointment of respondent as judge, and such sum constituted and represented that part or portion of the additional fee in said case to which respondent was rightfully entitled for the extra and unanticipated work, and which sum had been justly earned by the respondent and which said sum constituted the figure and amount the respondent deemed just and reasonable and earned as his portion of the additional fee for such extra and unanticipated work in the case. The remainder of the compensation for such unanticipated and extra work being rightfully and justly due to A. L. Rankin, who thereafter collected the same when the total fee for services rendered in said case by counsel for the plaintiffs was fixed and determined in the final decree in said case, which final decree fixed said fee at \$8,000.

Respondent denies that he concealed from A. L. Rankin the fact

Respondent denies that he concealed from A. L. Rankin the fact that respondent received the respondent's portion of the earned and deserved compensation aforesaid collected from Mulford Realty Corporation, and says that A. L. Rankin had knowledge of such facts and of such collection.

Respondent admits the Mulford Realty Corporation did have an interest in, and may now have an interest in, Florida real estate lying within the territorial jurisdiction of the United States District Court for the Southern District of Florida, but respondent trict Court for the Southern District of Florida, but respondent says that the Mulford Realty Corporation has never, to the knowledge of respondent, had any litigation in the United States District Court for the Southern District of Florida, and has never contemplated the institution of any litigation in such court, and has never been interested in any matters or cases before the respondent or the court over which respondent presides; and had Mulford Realty Co. become a party to any litigation in such court after the appointment of respondent as judge of said court, the respondent would not hear and determine such litigation because of his disqualification by reason of his former professional relationship with Mulford Realty Corporation prior to his appointment as judge of said court. said court

said court.

And, further answering, the respondent says that in the Brazilian court case in the State court of Palm Beach County, the defendant in July 1929 did prosecute an appeal to the Supreme Court of Florida from the final decree entered in said cause; that said cause on appeal was resisted by A. L. Rankin and briefed and argued by A. L. Rankin in the Supreme Court of the State of Florida. Said A. L. Rankin was successful in said matter before the Supreme Court of the State of Florida, and the circuit court orders and decrees were affirmed by such appellate court.

Respondent performed no service of any kind or character in

Respondent performed no service of any kind or character in connection with such appeal or such litigation after respondent's connection with such appeal or such litigation after respondent's appointment as judge, and all services rendered by counsel to the plaintiff in said cause was rendered by A. L. Rankin after respondent's appointment as judge, and for which said service the said Rankin was duly paid by his said client. Respondent did not request or receive any of the compensation paid to said Rankin for his services in said cause, nor did respondent receive from any source any part of the compensation for the services rendered by said Rankin after respondent was appointed judge.

And, except as hereinabove specifically admitted or explained, respondent denies each any every allegation in said amended article III contained.

And this respondent, in submitting to this honorable Court this

And this respondent, in submitting to this honorable Court this, his answer to article II and amended article III of the articles of impeachment exhibited against him, respectfully insists that he is not guilty of the charges contained in the said two articles of impeachment.

ANSWER TO ARTICLE IV

For answer to the fourth article, the respondent says this honorable Court ought not to have or take further cognizance of the fourth of said articles of impeachment so exhibited and presented against him, because he says the facts set forth in said fourth article do not constitute an impeachable high crime and misdemeenor, as defined in the Constitution of the United States, and that therefore the Senate, sitting as a Court of Impeachment, should not further entertain the charge contained in said fourth article.

And now, not waiving the foregoing plea to the jurisdiction of the honorable Senate of the United States, sitting as a Court of Impeachment, as to said fourth article, said respondent saving to himself all advantages of exception to said fourth article, for answer thereto says:

I. Respondent admits that he is now and was at all times men-

tioned in said article, one of the three duly appointed, qualified, and acting judges of the United States District Court for the Southern District of Florida, and by arrangement among said judges, is domiciled in and exercising jurisdiction throughout the Miami division of said district.

division of said district.

II. And further answering said article, respondent says:
Respondent is not guilty of any violation of section 258 of the
Judicial Code (28 U. S. C. A. 373) and has not, since his appointment as judge, exercised the profession or employment of counsel
or attorney nor has he engaged in the practice of the law.
And further answering article IV, respondent says:
Respondent denies that respondent received from J. R. Francis
\$7,500 for any professional or legal services or employment as counsel
or attorney in any matter of any kind or character whatsoever
subsequent to the respondent's appointment as judge, and respondent performed no service of any kind or character in connection

with any of the matters set forth in article IV, subsequent to respondent's appointment as judge and at no time after respondent's appointment as judge, accepted or received any compensation from said J. R. Francis for any acts, legal, professional, or otherwise, in behalf of said J. R. Francis to be done or performed subsequent to

the appointment of respondent as judge.

And except as hereinabove specifically admitted or explained, respondent denies each and every allegation in said article IV

contained.

And this respondent in submitting to this honorable Court this his answer to article IV of the articles of impeachment exhibited against him, respectfully insists that he is not guilty of any of the charges contained in the said article of impeachment.

ANSWER TO ARTICLE V

For answer to the fifth article, the respondent says this honorable Court ought not to have or take further cognizance of the fifth of said articles of impeachment so exhibited and presented against him, because he says the facts set forth in said fifth article do not constitute an impeachable high crime and misdemeanor, as defined in the Constitution of the United States, and that, therefore, the Senate, sitting as a Court of Impeachment, should not further entertain the charge contained in said fifth article.

And now, not waiving the foregoing plea to the jurisdiction of the honorable Senate of the United States, sitting as a Court of Impeachment, as to said fifth article, said respondent saving to himself all advantages of exception to said fifth article, for answer thereto says:

I. Respondent admits that he is now and was at all times mentioned in said article, one of the three duly appointed, qualified, and acting judges of the United States District Court for the Southern District of Florida, and by arrangement among said judges, is domiciled in and exercising jurisdiction throughout the Miami division of said district.

II. And further answering said article, respondent says:
Respondent denies that while such judge he was guilty of violation of section 146B of the Revenue Act of 1928 and denies lation of section 1468 of the Revenue Act of 1928 and denies that he willfully attempted in any manner to evade or defeat the payment of any income tax levied against the respondent in and by said act, and respondent denies that respondent received gross taxable income during the year 1929 over and above his salary as judge to the amount of some \$12,000 and asserts respondent had no tax liability whatsoever under said act for the year 1929.

And except as hereinabove specifically admitted or explained,

respondent denies each and every allegation in said article V con-

tained.

And this respondent in submitting to this honorable Court, this his answer to article V of the articles of impeachment exhibited against him, respectfully insists that he is not guilty of any of the charges contained in the said article of impeachment.

ANSWER TO ARTICLE VI

For answer to the sixth article the respondent says this honorable For answer to the sixth article the respondent says this honorable Court ought not to have or take further cognizance of the sixth of said articles of impeachment so exhibited and presented against him, because he says the facts set forth in said sixth article do not constitute an impeachable high crime and misdemeanor as defined in the Constitution of the United States, and that, therefore, the Senate, sitting as a Court of Impeachment, should not further entertain the charge contained in said sixth article.

And now, not waiving the foregoing plea to the jurisdiction of the honorable Senate of the United States, sitting as a Court of Impeachment, as to said sixth article, said respondent saving to himself all advantages of exception to said sixth article, for answer

thereto says:

I. Respondent admits that he is now and was at all times mentioned in said article one of the three duly appointed, qualified, and acting judges of the United States District Court for the Southern District of Florida, and, by arrangement among said judges, is domiciled in and exercising jurisdiction throughout the Miami division of said district.

II. And further answering said article, respondent says:

II. And further answering said article, respondent says:
Respondent denies that while such judge he was guilty of violation of section 146B of the Revenue Act of 1928 and denies that he willfully attempted in any manner to evade or defeat the payment of any income tax levied against respondent in and by said act, and respondent admits that respondent received during the year 1930 a gross income over and above his salary as judge to the amount of \$5,300, but denies that said \$5,300 was taxable net inamount of \$5,300, but denies that said \$5,300 was taxable net income, and respondent says that the item of \$2,500 mentioned in said article as received from A. L. Rankin on December 24, 1930, and included in said \$5,300, was reported by respondent in respondent's income-tax return for 1931, and asserts that the respondent claimed and was allowed deductions authorized, allowed, and permitted by law aggregating \$6,358.59, and respondent asserts respondent had no tax liability whatsoever under said act for the year 1930.

And except as hereinabove specifically admitted or explained, respondent denies each and every allegation in said article VI

And this respondent in submitting to this honorable Court this his answer to article VI of the articles of impeachment exhibited against him respectfully insists that he is not guilty of any of the charges contained in the said article of impeachment.

Dated April 3, 1936.

ANSWER TO ARTICLE VII, AS AMENDED

For answer to the amended seventh article, the respondent says this honorable Court ought not to have or take further cognizance of the seventh of said articles of impeachment so exhibited and

presented against him, because he says the facts set forth in said seventh article, as amended, do not constitute an impeachable high crime and misdemeanor as defined in the Constitution of the United States and that, therefore, the Senate, sitting as a Court of Impeachment, should not further entertain the charge contained in said article VII, as amended.

And now, not waiving the foregoing plea to the jurisdiction of the honorable Senate of the United States, sitting as a Court of Impeachment, as to the said seventh article, as amended, said respondent, saving to himself all advantages of exception to said seventh article, as amended, for answer thereto says:

I. Respondent admits that he is now and was at all times mentioned in said article as amended, one of the three duly appointed.

tioned in said article as amended, one of the three duly appointed, qualified, and acting judges of the United States District Court for the Southern District of Florida, and by arrangement among said judges, is domiciled in and exercising jurisdiction throughout the Miami division of such district.

II. And further answering said article, as amended, respondent

Respondent denies his actions and conduct as an individual and as a judge have brought his court into scandal and disrepute and denies that any of his acts or conduct have destroyed public confidence in the administration of justice in said court or destroyed public respect for or confidence in the Federal judiciary.

And for answer to paragraph 3 of said article VII, as amended,

respondent says:

Respondent denies he received \$4,500 from his former law partner corruptly as alleged in article I and respondent here adopts, by reference, his answer to article I as the answer to such charge contained in paragraph 3 of article VII, as amended, such charge being the same and identical charge presented and made the subject matter of articles I and II.

And further answering, respondent denies that he received large fees or gratuities from J. R. Francis and denies that there was anything wrong or corrupt in any of his relations or transactions with J. R. Francis, and says that said J. R. Francis at no time had any litigation pending in the United States District Court for the Southern District of Florida, to the knowledge of respondent, the said J. R. Francis never at any time had any interest in any property, real or personal, involved in any litigation in the United States District Court for the Southern District of Florida.

States District Court for the Southern District of Florida.

And for answer to that part of paragraph 3 of article VII, as amended, relating to the payment of \$2,000 to the respondent by Charles A. Brodek, of the firm of Brodek, Raphael & Eisner, representing Mulford Realty Corporation, the respondent, by reference, adopts the answer of respondent to article III as the respondent's answer to such charge here again presented in paragraph 3 of article VII, as amended, such charge being the same and identical charge presented and made the subject matter of article III.

And for answer to paragraph 4 of article VII, as amended, wherein articles I, II, III, IV, V, and VI are by reference incorporated as part of article VII, as amended, this respondent says, respondent, by reference, adopts as his answer to said paragraph 4 of article VII, as amended, the answer of respondent to the said articles I, II, III, IV, V, and VI.

And except as hereinabove specifically admitted or explained, respondent denies each and every allegation in said article VII, as amended, contained.

And this respondent in submitting to this honorable Court this,

And this respondent in submitting to this honorable Court this, his answer to article VII, as amended, of the articles of impeachment exhibited against him, respectfully insists that he is not guilty of any of the charges contained in the said article of impeachment

Dated April 3, 1936.

HALSTED L. RITTER, Respondent. Respondent.
FRANK P. WALSH,
Of New York, N. Y.
CARL T. HOFFMAN,
Of Miami, Fla.,
Of Counsel for Respondent.

On motion of Mr. ASHURST, it was

Ordered, That the answer of the respondent, Halsted L. Ritter, to the articles of impeachment, as amended, exhibited against him by the House of Representatives be printed for the use of the Senate sitting in the trial of said impeachment.

On motion of Mr. ASHURST, it was

Ordered, That the Secretary of the Senate communicate to the House of Representatives an attested copy of the answer of Halsted L. Ritter, United States district judge for the southern district of Florida, to the articles of impeachment, and also a copy the order entered on the 12th ultimo prescribing supplemental rules for the said impeachment trial.

Mr. ASHURST. Mr. President, I respectfully inquire of the managers on the part of the House of Representatives if they have any suggestions to make. If not, I wish to make a motion.

The PRESIDING OFFICER (Mr. BACHMANN in the chair). Have the honorable managers of the House any suggestions?

Mr. Manager SUMNERS. Mr. President, I do not believe

Mr. ASHURST. Then, Mr. President, I move that the Senate, sitting as a Court of Impeachment, adjourn until 12 o'clock meridian on Monday, April 6.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona.

The motion was agreed to: and (at 2 o'clock and 35 minutes p. m.) the Senate, sitting as a Court of Impeachment, adjourned until Monday, April 6, 1936, at 12 o'clock meridian.

LEGISLATIVE SESSION

The PRESIDING OFFICER (Mr. BACHMAN in the chair). The Senate is now in legislative session.

DEPORTATION OF ALIEN CRIMINALS

The Senate resumed the consideration of the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other

The PRESIDING OFFICER. The question is on agreeing to the amendment, in the nature of a substitute, reported by the committee.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Radcliffe
Ashurst	Connally	La Follette	Reynolds
Austin	Coolidge	Lewis	Robinson
Bachman	Copeland	Logan	Schwellenbach
Bailey	Couzens	Lonergan	Sheppard
Barbour	Davis	Long	Shipstead
Barkley	Donahey	McGill	Smith
Benson	Duffy	McKellar	Steiwer
Bilbo	Fletcher	McNary	Thomas, Okla.
Black	Frazier	Maloney	Thomas, Utah
Bone	Gibson	Minton	Townsend
Borah	Glass	Moore	Truman
Brown	Guffey	Murphy	Tydings
Bulkley	Hale	Murray	Vandenberg
Bulow	Harrison	Neely	Van Nuys
Byrd	Hastings	Norris	Wagner
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Overton	
Carey	Johnson	Pittman	
Chavez	Keyes	Pope	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. COOLIDGE. Mr. President, I think that at the time I addressed the Senate earlier in the day, before it began its session as a Court of Impeachment, I had come to the point where I was discussing the attendance at the hearings, and the testimony given by the witnesses who appeared. As I then stated, the committee was very liberal with the witnesses, although they were interested in many questions pertaining to immigration and naturalization, and discussed many subjects foreign to the bill before the Senate. The witnesses came from Buffalo, N. Y., from New York City, from New Jersey, from Philadelphia, from Chicago, from Boston, and other places, and many of the organizations whose witnesses appeared before the committee have their principal offices here in Washington.

I might say again to the Senator from Nebraska [Mr. NORRIS] that when I sent the telegrams to these various organizations, no discrimination whatever was shown in favor of those for the pending bill, and against those who opposed it, as the copies of the communications I have in my office will indicate. No discrimination has been shown in regard to any of the matters heard relating to the bill.

We held hearings on February 24 and 29 and on March 3 and 11, and the committee sat late in the afternoon, on some days as late as half past 6 o'clock. Immediately after the hearings were concluded the committee went into executive session and proceeded to prepare the amended bill, and practically all those who attended the executive meetings had heard the testimony. We prepared the amended bill, which we thought was pretty nearly airtight. We thought, in fact, that it would be desirable to bring into the Senate, if possible, a bill to which no one could object. I do not |

know whether or not such a thing has ever heretofore been done in the case of an important measure.

There was but one objection. At the last executive meeting, when the bill was prepared, one of the Senators present objected because he had an amendment which he proposed to offer. I shall not enter upon a discussion of that amendment, but it will be debated, no doubt, by the Senator who offered it.

I do not know whether the Senator from Nebraska understood from what I said in the earlier part of my remarks that the pending bill is not an immigration bill, but that it has to do with the separation of families, with the deportation of alien criminals whom we do not desire to have in our country, and whose presence is a constant source of expense and trouble. When they commit crimes and are brought before the courts and convicted, if they cannot be deported they have to be supported in the jails. They are of no use, but are a menace. To the Bureau of Investigation in Washington 10,000 fingerprints of such aliens have been sent by chiefs of police and agencies in different cities. There are enough of our own citizens who do not act as they should act, without having our country compelled to support criminal aliens.

In further explanation of the bill I desire to say that under the present law 1,700 alien criminals are deported annually, while 4,000 alien criminals, who are a danger and menace to the country, escape deportation every year.

Mr. KING. There are 20,000 in all who should be deported.

Mr. COOLIDGE. Yes. This means that under existing laws, for every criminal alien who is deported two are permitted to escape. The same laws which deal so lightly with the criminal alien bear with unbelievable harshness and severity upon the noncriminal alien. While any judge or magistrate can avert the deportation of criminal aliens not even the President of the United States can avert the deportation of an alien who is not a criminal.

Under the present law, aliens of good character are torn from their families, their wives and children, wives from their husbands, and at times children from their parents. It is not unusual for these families to be dispersed to several countries beyond any possibility of reunion. In many, if not in most, of the cases of aliens of good character, their families are left behind in the United States to become public

These are the two problems with which the bill under consideration attempts to deal. It provides the means for deporting three times as many alien criminals as are deported today. It likewise provides a means for the exercise of humane discretion in the case of noncriminal aliens who have their families in this country and whose deportation would result in serious hardship and suffering to the innocent and in imposing on the Government of the United States the cost of their maintenance.

The bill does not deal with immigration policy; it confines itself to the correction of the defects in the law which impede proper administration. Its passage will solve the two most serious problems with which we are confronted in the administration of the immigration laws: The deportation of the undeserving and criminal aliens, and the introduction into our deportation statutes, insofar as they affect aliens of good character, of the American principles of justice, humanity, and the protection of the home and

I read the following letter from the Secretary of State:

DEPARTMENT OF STATE Washington, March 24, 1936.

The Honorable MARCUS A. COOLIDGE,

United States Senate.

DEAR SENATOR COOLIDGE: I refer to the recent hearings before DEAR SENATOR COOLINGE: I refer to the recent hearings before the Senate Committee on Immigration on S. 2969, a bill having as its object "to authorize the deportation of criminals, to guard against the separation from their families of aliens of the non-criminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes." This bill is one which, from the administrative standpoint, is of principal concern to the Department of Labor since it deals mainly with matters of deportation. The bill provides, however, in sections

, 2, and 3, for an interdepartmental committee for its administrato be comprised of representatives of the Departments of State, Justice, and Labor.

In view of the participation of the Department of State in the bill's administration as thus provided, I have given both thought and study to the bill, and I wish to advise you that the Department of State agrees with the chief objectives which the bill seeks and the policy back of the same.

Sincerely yours,

CORDELL HULL.

Mr. President, it is my belief that the pending bill, drawn, as it is, by the very fine committee of attorneys and laymen who have studied the subject so long and so seriously, is as nearly correct a bill on the subject as could be drawn. I hope the Senate will agree with me in that respect.

Mr. REYNOLDS obtained the floor.

Mr. AUSTIN. Mr. President-

The PRESIDING OFFICER (Mr. MURPHY in the chair). Does the Senator from North Carolina yield to the Senator from Vermont?

Mr. REYNOLDS. I yield.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Radcliffe
Ashurst	Connally	La Follette	Reynolds
Austin	Coolidge	Lewis	Robinson
Bachman	Copeland	Logan	Schwellenbach
Bailey	Couzens	Lonergan	Sheppard
Barbour	Davis	Long	Shipstead
Barkley	Donahey	McGill	Smith
Benson	Duffy	McKellar	Steiwer
Bilbo	Fletcher	McNary	Thomas, Okla.
Black	Frazier	Maloney	Thomas, Utah
Bone	Gibson	Minton	Townsend
Borah	Glass	Moore	Truman
Brown	Guffey	Murphy	Tydings
Bulkley	Hale	Murray	Vandenberg
Bulow	Harrison	Neely	Van Nuys
Byrd	Hastings	Norris	Wagner
Byrnes	Hatch	Nye	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Overton	
Carey	Johnson	Pittman	
Chavez	Keyes	Pope	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. WALSH. Mr. President, will the Senator yield to me before he begins his speech, so that I may ask a few questions in order to ascertain if I understand the issue before the Senate?

Mr. REYNOLDS. I yield.

Mr. WALSH. In the first place, the proposed bill does not deal at all with aliens who entered this country illegally hefore 1924?

Mr. REYNOLDS. I so understand.

Mr. WALSH. Aliens who entered the country illegally prior to 1924 are by previous laws now held to be here legally?

Mr. REYNOLDS. I so understand.

Mr. WALSH. This bill purports to deal only with the disposition of aliens of good character who illegally entered the country since 1924?

Mr. REYNOLDS. That is my understanding.

Mr. WALSH. The bill relates to the bestowal of discretionary power on some governmental agency to stay deportation in the case of certain aliens because of alleged hardships to others?

Mr. REYNOLDS. Yes.

Mr. COOLIDGE. Mr. President, I wish to make a correction in the measure submitted as an amendment in the nature of a substitute. As printed it reads:

Mr. King submitted the following.

That language should not have appeared in the amended bill. Certain Senators have asked me if that is the committee bill. The amended bill is the committee bill. I did not happen to be present at the committee meeting last Saturday, so the Senator from Utah [Mr. King] brought in the bill. However, it is the committee bill, in which the Senator from Utah concurs.

The PRESIDING OFFICER. The Chair is advised that the error complained of was made at the Government Printing Office.

Mr. KING. Exactly. The amendment in the nature of a substitute was offered in the committee in behalf of the chairman of the committee, who was absent from the city, and had been out of the city for some time. I was instructed by the committee to offer it and send it down to the Printing Office.

The PRESIDING OFFICER. So that the amendment in the nature of a substitute appearing on Senators' desks as offered by the Senator from Utah [Mr. King] is really the committee bill?

Mr. KING. It was to be offered by the chairman of the committee for the committee, but the chairman being absent I offered it for him.

Mr. REYNOLDS. Mr. President, I wish to say at the outset to the Senators who are assembled here this afternoon that I am, indeed, exceedingly regretful that every Member of this body is not present, particularly during my opening remarks, in order that each of them might be advised, so far as I can do so in my simple way, as to the great importance of the subject matter embodied in this bill.

I likewise, Mr. President, wish to preface my remarks by the statement that, in my humble opinion, there is no subject before the American people today, nor has there been any subject before any Congress of the United States for several years past, nor will there be any subject brought to the attention of the Congress for many years in the future, that could be of any more vital and far-reaching importance than the measure which is now the subject of consideration. I make that statement unhesitatingly because I, like every other Member of this honorable body, whether he be on this side of the aisle or on the other side of the aisle, have in mind and have at heart and have in interest the great American people. That is our first interest, and this bill deals fundamentally with the interest of the American people. I hope before I shall have completed my argument I will have been able to prove beyond the shadow of a doubt to the Members of the Senate, and those whom my voice may reach by way of the printed words of the columns of the press and through the pages of the Congressional Record, that the position on this will which I assume now to take is the correct position, if we are to consider the American people before we consider the peoples of other nations of the world.

I wish further to make myself plain by the statement that a great many people have gained, erroneously, I dare say, the impression that the Kerr-Coolidge bill, which is now before the Senate for attention, consideration, debate, and vote, is a bill that will strengthen the immigration bars; that will close up the loopholes, and will raise the barriers against foreign immigration. That is an erroneous impression, because, as stated by my colleague from Massachusetts [Mr. Coolinge]. who is beloved by me and by every other Member of this body, in presenting his bill for consideration, the bill has nothing whatsoever to do with immigration.

Therefore please let it be understood, by the members of the press particularly, that it has been stated by the author of the bill that the bill has nothing whatsoever to do with immigration. So, gentlemen of the Senate and gentlemen of the press, it is agreed by all, at the outset, that the bill now before the Senate has nothing to do with immigration. Therefore it is conceded in argument at the outset that it does nothing whatsoever to raise the bars against immigration, to strengthen the barriers against immigration or to close up any of the loopholes in the present immigration law.

Mr. COOLIDGE. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. REYNOLDS. I gladly yield to the Senator from Massachusetts.

Mr. COOLIDGE. In the title of the bill occur the words, "and for other purposes." The other purposes of the bill has to do with the "abrogation of agricultural preference and charge to quotas of aliens permitted to remain or to change status." When the agricultural interests in the West needed men, immigrants for that purpose were allowed to come here

outside the quota. Now they are not needed, as I understand, for we have sufficient farmers now in the country, and we want to take care of our own people. With that exception, I think my statement is accurate, that the measure is not an immigration bill.

Mr. REYNOLDS. I think the Senator and I are in thorough accord, because he has just repeated that which I had previously said, which was to the effect that this bill has not a thing in the world to do with immigration.

Mr. LOGAN. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Kentucky?

Mr. REYNOLDS. I gladly yield.

Mr. LOGAN. I merely desire to ask the Senator if there is such a bill pending as the Reynolds bill, one introduced by the Senator himself? I have had many communications earnestly urging me to vote against the Kerr-Coolidge bill, but to vote for the Reynolds bill. I am not familiar with the Reynolds bill, and I should like to know whether the Senator from North Carolina has introduced a bill on the subject.

Mr. REYNOLDS. I am very grateful to the Senator for directing to me that inquiry, and I will say, in answer thereto, that I have introduced a bill in the Senate and Hon. Joe Starnes, who is a Member of the House of Representatives from Alabama, introduced a corresponding, in fact, the identical, bill in the House, and it is known as the Reynolds-Starnes bill.

I may say further to the Senator, in answer to his inquiry, that I am, indeed, doubly happy that he favored me by making the inquiry, for the reason that I have a great many telegrams, some of which I expect to read, and innumerable letters from some 150 patriotic societies of America, all of whom oppose the Kerr-Coolidge bill and support the Reynolds-Starnes bill.

Therefore, after having concluded my preliminary remarks of a general nature in regard to immigration and having answered the Senator from Massachusetts [Mr. Coolinge], I shall then, with the indulgence of the Senate, undertake to dissect each section of the Kerr-Coolidge bill; and later I will make an explanation in reference to the Reynolds-Starnes bill. It is my intention to endeavor to substitute the Reynolds-Starnes bill in its entirety for the Kerr-Coolidge bill.

Mr. LOGAN. That is exactly the point I wanted to bring out.

Mr. REYNOLDS. I again want to thank the Senator for making the inquiry, because it has provided me with an opportunity to make explanation as to the situation we find at the present time.

I wish to make a further statement for the benefit of Members of this honorable body and for the benefit of the representatives of the press. It having been admitted that this bill has nothing in the world to do with immigration, a fact which I hope will be made plain by the press throughout the country, because many people have obtained the impression that this is an immigration bill and a deportation bill for the benefit of the country and that I am fighting the bill, I advantage myself by taking this opportunity to say that I am opposing this bill because it does not strengthen the immigration laws, because it makes two holes in the cheese where one is now, and because it takes down the barriers of immigration and destroys the foundations which have been builded since Washington, in his inaugural address more than 140 years ago, interested himself in this subject, which has been one of the main questions before Congress for many, many years. So I would have it understood as being my opinion that the bill before the Senate today for consideration breaks down and destroys the barriers of immigration which have heretofore been raised, makes two holes where one now exists, and encourages aliens to plant themselves upon the fertile soil of America in violation of the laws of this country.

Mr. SCHWELLENBACH. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Washington?

Mr. REYNOLDS. I gladly yield.

Mr. SCHWELLENBACH. May I ask the Senator whether or not the Reynolds bill is an immigration bill?

Mr. REYNOLDS. The Reynolds bill, I shall state to the Senator restricts immigration, whereas under the quotas at the present time, 153,000 immigrants are permitted annually to come into the United States, the Reynolds bill would strike that number down 90 percent, or limit the annual immigration to this country to 15,300.

Mr. SCHWELLENBACH. The Reynolds bill, then, is an

immigration bill?

Mr. REYNOLDS. It is an immigration bill, a deportation bill, and a bill requiring compulsory registration and finger-printing of every alien who is in this country today or who may hereafter be permitted to enter.

Mr. SCHWELLENBACH. If, as he says, the Kerr-Coolidge bill is not an immigration bill, and the Reynolds-Starnes bill is an immigration bill, may I ask the Senator, Why is it proper for us to substitute an immigration bill for the one now pending before the Senate when there is no relationship between the subject matters of the two measures?

Mr. REYNOLDS. It would be perfectly proper because, as the Senator from Massachusetts [Mr. Coolings] a moment ago stated, in a sense it is an immigration bill because it has to do with the great masses in certain sections of the country. I shall hope to be able to convince my honorable colleague from Washington of the fact that this is one of the most important pieces of major legislation that has come before the present Congress, or Congresses in the past, or that will come before Congresses of the future. The bill which I have in mind and which was brought to the attention of this body by the inquiry directed to me by the Senator from Kentucky [Mr. Logan] is my bill, the Reynolds-Starnes bill, and will do that which the Kerr-Coolidge bill will not do.

Mr. LOGAN. Does the Reynolds bill do also what the Kerr-Coolidge bill does?

Mr. REYNOLDS. I shall have to answer that in a peculiar way. The Kerr-Coolidge bill has been misnamed. It is called a deportation bill, but in truth the facts in relation to that bill, as I shall without difficulty be able to establish, demonstrate that it is not a deportation bill but is an importation bill. It does not put the aliens out, but it brings them in.

Mr. KING. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Utah?

Mr. REYNOLDS. Gladly.

Mr. KING. Of course, I dislike to challenge the accuracy—

Mr. REYNOLDS. I do not mind being challenged at all. That is what I am here for, and if I cannot withstand the onslaught I ought not to be here.

Mr. KING. I do not like to challenge the accuracy of a statement made by the Senator from North Carolina. I am making no onslaught, but I affirm the statement made by the Senator from Massachusetts [Mr. Coolings] that this is a deportation bill; that it is not an immigration bill. It does not repeal a single sentence in any act in regard to immigration. None of the loopholes to which the Senator has referred, if there be any, have been enlarged by the bill which is before us, but, on the contrary, the present situation is strengthened. The bill would deport at least 20,000 alien criminals. It would prevent a number from coming in who might come in under existing law. I think that will be clearly demonstrated by reading the bill and the report which has been submitted by the committee.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. Before yielding to my distinguished colleague from the grand old Commonwealth of Kentucky, which I mentioned the other day as the result of an inquiry directed to me by him, I desire first to answer the inquiry of my distinguished colleague from the State of Utah [Mr. KING].

Mr. President, I believe I shall be able to prove by the terms of the bill itself that it is an importation bill rather

than a deportation bill. I believe that any high-school boy | after reading section 3 of the Kerr-Coolidge bill, as a reasonable student would unquestionably and unhesitatingly say that the bill and that section in particular would bring aliens in instead of putting them out; that it is an importation bill rather than a deportation bill. Of course, as we all know, that is a question of opinion. There is a difference of opinion between my friend, the Senator from Utah and myself.

I am delighted to yield now to the Senator from Kentucky. Mr. BARKLEY. I intended to direct my inquiry to the same subject to which the Senator from Utah directed his. I have been unable to find in the Coolidge bill where it deals with the question of aliens coming in. I understood it dealt with those already here.

Mr. REYNOLDS. That is it. I am glad the Senator has

mentioned that point.

Mr. BARKLEY. That is not quite in consonance with the statement that the bill would let down the bars for those not already in the country. I understand it would deal with those who are here illegally.

Mr. REYNOLDS. The Senator does not understand how it would let them in instead of putting them out?

Mr. BARKLEY. I do not.

Mr. REYNOLDS. That is where the nigger is in the wood

pile. [Laughter.]

Mr. BARKLEY. If they are already here and the bill deals with them, the question of how they got here and how others may get here does not seem to me to be pertinent. The question is whether they ought to have been deported when they came here illegally and remained here illegally, and undoubtedly have not been deported or they would not be here. I understand the bill provides for their deportation, and does not provide in any way an amendment of the immigration laws through which men or women or children may come here in the future but only deals with those who are already here.

Mr. REYNOLDS. It does to this extent: The bill would make lawful that which is unlawful.

Mr. BARKLEY. In other words, it might permit some of those who are here to remain.

Mr. REYNOLDS. Not that at all; but the bill seeks to make lawful by an enactment of the Congress that which for years has been illegal and unlawful. This bill would encourage those beyond our shores, across the wind-swept waters of the Pacific or the blue waters of the Atlantic, to come to America. It would encourage aliens from all over the world to violate the immigration laws of the United States.

Mr. BARKLEY. What section is there in the substitute bill that would encourage anybody who is not now in the United States to come here?

Mr. REYNOLDS. Section 3.

Mr. SCHWELLENBACH. Mr. President, will the Senator

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Washington?

Mr. REYNOLDS. Gladly. Mr. SCHWELLENBACH. In view of the last statement of the Senator from North Carolina, I should like to have him consider and discuss, if not at this time, then at some later time, that provision on page 3 of the bill in the first part of section 3 which reads, "prior to the date of the enactment of this act." In view of the fact that section 3 refers only to those who had come in "prior to the date of the enactment of this act", how can the Senator say the bill would be an invitation to anyone to come here in the future?

Mr. REYNOLDS. I shall now answer that suggestion briefly, and later during the course of my argument I shall hope to avail myself of an opportunity to go more specifically into the answer I should like to give the eminent Senator

from Washington.

If we legalize that which is now illegal, if we permit to stay in this country aliens who are here illegally, who have violated the law every day they have remained here illegally, then we will encourage immigrants from every part of the world to seek refuge, to seek opportunity, to seek work and

labor within the confines of our land, because those now living in foreign countries can say, "What do we care about the laws of America? We can go there and slip in and kill anybody we want to or kidnap anybody we want to and get away with it. America has already said it is all right for anybody to steal into the country, to perjure himself into the country, or to enter the country in any other illegal manner, such as by the purchase of passports. If the Congress lets them do it, and makes that legal which has been illegal, we can go in and we will get another Congress to enact another such law."

Mr. SCHWELLENBACH. Mr. President, will the Senator vield?

Mr. REYNOLDS. Certainly.

Mr. SCHWELLENBACH. The point the Senator makes is not in the bill itself, but in the fact that if we enact this bill into law then he is fearful we will enact some other law which would result in the situation which he has described.

Mr. REYNOLDS. The Senator misinterprets my statement. I meant to say that if this bill should be enacted into law it would make legal that which every man must now admit is illegal. If we enact this bill into law it will encourage those in other nations of the world, who want to come here and cannot now come here, to attempt to come here in view of that law.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. Gladly.

Mr. BARKLEY. Even if they come here in violation of the law in the future, they would not come under the provisions of this bill but would be subject to the rigors of the present law.

Mr. REYNOLDS. Quite true; but 3,000,000 aliens in the country today have been subject to our laws, and, instead of strengthening those laws, it is proposed to weaken them. despite the fact that we know there are millions of aliens in this country who have come here illegally. How? By jumping New York, San Francisco, New Orleans, Galveston. How? By slipping across the Canadian borders to the number of millions a year. How? By coming across the Rio Grande River from our sister Republic of Mexico-millions upon millions of them.

Mr. President, I cannot make it too plain to my colleagues of the Senate and to the world that I am opposing the Kerr-Coolidge bill, because, I assert, if enacted it will break down the immigration barriers, encourage violation of the law: make two holes in the cheese where there is now but one, and wreck all the laws which your forefathers and your predecessors for years and years, since Washington was President of our country up to the present time, have enacted and wanted obeyed. I am fighting the bill because I know that it is an enemy of America. I am fighting the bill because I stand for Americans in preference to foreigners; and the time has come when the Members of the United States Senate, as well as the people of the whole United States of America, must make it plain whether we and they are standing by the people of our own country or whether we are standing by the people of foreign nations.

There is just one issue to this question, as I shall prove: Are we for America for Americans, or are we for America for foreigners and for immigrants from every section of the world? It is a question that one may not side-step. It is a question as to which one must get on one side of the fence or on the other.

Mr. President, so far as I am concerned, I feel that I am taking the part of the American people; but I wish the Chair to know, and I wish those to know who are here this afternoon, who have honored me with their presence-which is to their benefit, for the reason that the American people desire to know where the lawmakers of this country stand, whether they stand for Americans or whether they stand for foreigners-I wish the Chair and the individual Members of this body to know that I am not the only person in the United States who is taking the position I take.

Let us see who are against the Kerr-Coolidge bill. I shall call the roll.

Those who are opposing vigorously and with all their might the passage of this bill, those who are opposing 100 percent the passage of the bill, are the following, and I beg you to lend me your ears:

The American Federation of Labor, which stands for the

workingman of this country.

The American Legion, composed of honorable veterans of the World War, who were sent to foreign fields to save the world for Christianity and democracy.

The Veterans of Foreign Wars.

Let me repeat, every organization I have named and every organization I shall name is against the Kerr-Coolidge bill 100 percent, and they are fighting it with all their might.

To recapitulate:

The American Federation of Labor.

The American Legion.

The Veterans of Foreign Wars.

The Disabled Veterans of the World War.

The Daughters of the American Revolution.

The Sons of the American Revolution.

The Junior Order of United American Mechanics, with its 500,000 full-blooded Americans in 42 States of the Union.

The Patriotic Order of the Sons of America.

And 110 other patriotic American organizations, every one of which believes that America should be preserved for Americans; every one of which believes that the time has come when we must quit pussyfooting and let the world know that we stand for Americans and Americanism, and forget our sympathies for those who come from foreign lands.

Mr. President, not only are those honorable legions, associations, organizations, and societies 100 percent against the pending bill but millions upon millions of American citizens are against it; and, before I forget it, I desire to have those who are sponsoring this bill bring to the attention of the Senate the names of the societies that are favoring the bill. I desire to have those who are sponsoring this bill let the Members of the Senate know the names of the societies and the organizations that are advocating the passage of the bill. When the names of the societies and the organizations supporting the bill are brought to the attention of the Senate, it shall be my privilege and my pleasure to reveal what I know about the societies that are back of the bill.

I said that millions of Americans are against the bill—millions upon millions—and in that connection I wish to read just a simple little post card which was sent to me by some man of whom I never heard, one of hundreds upon hundreds of post cards and letters and telegrams I have received from all over the United States. This simple little post card will reveal to the Members of this body the sentiment that is deeply rooted in the hearts of Americans.

DEAR SENATOR:-

I can see him now; I can picture him in my mind—an honest, God-fearing, ordinary American, sitting down before the typewriter with his sleeves rolled up and his collar unbuttoned, somewhat as mine is at the present time, digging away, and a sentiment in every word that he types. This post card comes from Topeka, Kans. I know Kansas is a good State, because I know its Senators.

Dear Senator: Reynolds-Starnes immigration restriction and alien deportation-registration bill urgently needed and I trust will become law at once. Unfair to American citizens—

Listen! He is right. He is using good old common horse sense.

Unfair to American citizens and taxpayers. Social Security Act makes no distinction between American citizens and aliens. Aliens holding jobs in our country should be taxed 25 percent of funds they send to their homelands.

I hope the writer of this post card will vote for my good friend the junior Senator from Kansas [Mr. McGnl] when he comes up for reelection. The writer's name is C. O. Sage, General Delivery, Topeka, Kans.

Unfair that Americans be taxed to keep aliens on relief rolls-

That is true. This fellow has good common sense—good old horse sense.

Unfair that Americans be taxed to keep aliens-

One million five hundred thousand aliens on relief rolls; when they had jobs they sent money out of the country.

I recently read in the Saturday Evening Post a series of extremely interesting articles written by Mr. Raymond Carroll, a former newspaper correspondent of our Capital City, to the effect that since the depression the aliens on the relief in this country and aliens holding American jobs had sent to their respective fatherlands, by way of international money orders, more than \$250,000,000—your dollars, the dollars of the American people, sent to their respective countries across the vast waste of water.

Let us see what the man in Kansas further says. He is a man of good sense. When I visit Kansas next year I want to meet him. He says further:

When they had jobs they sent money out of the country: now they should not be carried on relief rolls, but they should be deported for charity of their home government.

Gentlemen of the Senate, I would venture anything in the world that that man does not know what is done with such people in France, or in England; I venture he does not know the consideration given to them in Italy, in Norway, in Sweden, in Denmark, or in any other country of continental Europe, or in any other country in the world, for that matter He says:

Now, they should not be carried on relief rolls, but they should be deported for charity of their home government.

All the education in the world does not make a man smart. Some of the smartest men I have ever known in my life came from down in good old Tennessee, the State so well represented by its senior Senator [Mr. McKellar], who sits before me. Tennessee is a fine State. It used to be a part of North Carolina. [Laughter.]

Be sure and enact into law your important bill.

I know now that this man has sense. [Laughter.]

Fingerprint all aliens in United States annually, tax them 25 percent of money they send home to keep their own home folks. Buy American, employ American, travel American, think American! Faithfully.

C. O. SAGE.

Mr. President, I cherish that finale. I am going to be as faithful to C. O. Sage as he is to the American people.

Mr. President, for the past 2 or 3 days I have been sitting in the Senate thinking perhaps the pending bill would be brought up every moment, and I desired to be here when it was called up because I wanted the opportunity of explaining it to the Members of the Senate, whose friendship I cherish. I assure my colleagues, all the Members of this body, that they have my admiration, whether they are Democrats or Republicans or Farmer-Laborites. I will say, without attempting to flatter my colleagues, that never in my life have I found a finer body of men, and I say that wherever I have an opportunity to say it, because I mean it. I wanted to have the opportunity to help my friends in the Senate. I wanted the opportunity to help them because I know they want to help themselves, because I realize that self-preservation is the first law of nature, I felt that I could do them a favor, and I want also to do a favor to those Senators who are not here this afternoon, I want them to read the RECORD tomorrow morning to find out what all this controversy is about, because the eyes of the American people today are fixed upon the Senate of the United States. Is it because I am speaking? Oh, no; it is because a bill is before the Senate to which the American people are opposed, and the American people are speaking to us through their representatives, the American Federation of Labor, the American Legion, the Veterans of Foreign Wars, the Disabled Veterans of the World War, the Daughters of the American Revolution, the Sons of the American Revolution, the Junior Order of United American Mechanics, the Patriotic Order of Sons of Liberty-

Mr. MINTON rose.

Mr. REYNOLDS. And 110 other patriotic organizations of a number of which I am confident my distinguished and beloved friend from Indiana is a member.

Mr. MINTON. I was just wondering whether the Senator | had heard from the Veterans of Future Wars. [Laughter.] Mr. REYNOLDS. No; I did not have them in mind.

Mr. President, for the past 2 or 3 days, as I have stated, I have been here thinking that perhaps this bill would come before the Senate, and I wanted to be here, whether all of my colleagues were present or not. I wanted to have an opportunity to do something for my colleagues, because I knew that sometime they would have a chance to help me. I always like to help a fellow if it does not cost me anything. [Laughter.] Therefore I am very happy indeed to have found the opportunity to express my sentiments upon the pending bill, in the hope that Senators may interest themselves in reading the bill, and above all, in reading between the lines.

While I was sitting here for these several days I listened to many speeches, and the subject I am discussing has had relation to virtually every speech I have heard upon the floor of the Senate for the past 3 days. As I have been studying the data collected I have been listening, from time to time, to the voices of Senators, and the speeches that have been made finally would work around to the subject now before the Senate.

I heard the Senator from Nebraska [Mr. Norris] describe very vividly to the Members of this body the great injury caused to all sections of our country by erosion of the soil. Later I will prove to the Senate how that has much to do with this question.

This morning I heard the Senator from New York [Mr. WAGNER] discussing the homeless in this country. He was referring to a bill which interests itself in the construction of homes in connection with Federal housing, and he said that today there are in the United States 12,000,000 people whose incomes are less than \$1,500 a year. He failed to say that today there are millions upon millions in our country who have no incomes at all, a tremendous number of unemployed, and he failed to make mention of the great number on relief. all of which interests itself with this great question. I believe he stated that 60 percent of the population, 80,000,000 people, did not have an amount sufficient to provide adequate housing for themselves.

Let me now call attention to the supplemental report filed by members of the committee. Let us read what it says. I shall read just the summary, because later on I expect to take every paragraph of the report these gentlemen have submitted to the Senate and dissect it. I expect to take the report and analyze it. I do not know by whom it was written, but I now state to the Senate that I expect to take the report and dissect it limb from limb, and hang it up here for all to look at, so that the Members of this body may see with their own eyes what it is. Let us read just the preamble.

The Committee on Immigration submit the following supplemental report to accompany bill S. 2969—

Which bill is to do what?-

to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes.

Other purposes! One of the other purposes they have in mind is the creation of what is to be known as an interdepartmental committee, which will have the power, according to their desire, to administer the laws of this country. When they say that the law is wrong, they will make it right.

This report relates particularly to the amendment in the nature of a substitute heretofore reported, which the committee recommended be agreed to.

This substitute bill deals with two of the most urgent problems presented by the deportation laws of the United States: (1) The failure of the present statutes to enable the deportation of dangerous alien criminals.

Mr. President, I wish to comment there for a moment, because I think this is important. "The failure of the present statutes to enable the deportation of dangerous alien criminals." There is nothing wrong with the statutes. Look into the immigration laws. There is nothing wrong with the laws. They say that the statutes are wrong and that because of defects in the law we cannot get rid of aliens

now in this country. They breathe hot one moment and cold the next. In that statement they remind me of the chameleon, one color now and another color the next moment.

They tell us that the laws are not adequate to enable the Government to deport aliens; yet at the same time they are trying to get a bill through the Congress to permit 2,862 deportable aliens to stay in the country. Members of the committee want to change the present laws so that those aliens can stay here. Yet we are told that the effort is to enact a law to enable the aliens to be put out. I say that before we pass such a law we should have executed the laws which are already on the statute books, which mandatorially provide that they shall be deported.

Someone might say, "Well, Senator, the 2,862 cases you have mentioned are hardship cases. You ought not to be so cruel, Senator. You ought to think about these poor people." I am as soft hearted as any man I ever saw in my life. I do not hate a living creature upon the face of the earth. There are many, perhaps, who dislike me, but I do not dislike them. The only person who suffers anything by dislike is the man who cherishes dislike. Hating somebody, or disliking him, will age one quicker than anything else in the world; and I do not wish to get old. At least I wish to retain my health until I can protect the American people from the thousands upon thousands of aliens who are coming into this country every year and usurping the jobs of our unemployed.

It is said, "We wish to enact a law under which we may deport alien criminals." I will gladly yield to my friend the Senator from Arizona if he wishes to interrupt me. He seems desirous of saying something.

There are laws under which 100,000 such persons might be deported tomorrow if it were so desired, but it is not desired to do so. It is desired that they be left here.

Mr. ASHURST. Mr. President

The PRESIDING OFFICER (Mr. McGill in the chair). Does the Senator from North Carolina yield to the Senator from Arizona?

Mr. REYNOLDS. I yield. Mr. ASHURST. I did not seek to interrupt the Senator; but, with his accustomed gallantry and pleasantness, the Senator referred to me, and I wish to ask him this question: For every job of work held in this country by an alien is not a citizen displaced?

Mr. REYNOLDS. Absolutely! I thank the Senator from Arizona for his excellent contribution.

I had not intended to mention these hardship cases now. because I wish to take a couple of days in discussing those cases, and I did not desire to go into a description of them now; but, so long as we are on the subject, let me say something about them. I hope all fair-minded, all open-minded Members of the Senate—and all Senators are fair-minded and open-minded-will remember what I am now saying about hardship cases. In other words, I am going to be fair with my colleagues the Senator from Massachusetts [Mr. Coolinge] and the Senator from Utah [Mr. King]. I am going to show them what I have up my sleeve. am not going to "pull" something on them quickly and suddenly. I am preparing them for the jolt which is going to come.

Who else would do that? I repeat, Who else would do that? Well, I am going to do it! I am going to do that, because I like everyone in this body, Democrat and Republican alike, and I believe before I get through discussing this bill I shall convince my colleagues the Senator from Massachusetts and the Senator from Utah that they are wrong, because I think the Labor Department, through Colonel Mac-Cormack, has not given them the full facts.

I should not make a statement like that unless I knew what I was talking about. It would not be right for me to do so. As a United States Senator, it would be quite improper for me to say that I believed that Colonel MacCormack, of the Labor Department, who is the head of the Immigration and Naturalization Service, would deceive my colleagues unless I knew what I was talking about. I would not make a

Mr. President, unfortunately, I lost my father when I was a lad 7 years old, but I remember certain things my father told me. That was many, many years ago. He was just a plain, simple mountain man, who was born in our mountains and lived there all his life, and struggled for a livelihood during his youthful days. He had nothing. He had to work for everything he got. Finally, he came to be clerk of the court in that mountain section. But my daddy had a lot of good common sense, and that is worth more than all the book sense on earth. I remember that he said to me, "Son, do not ever say anything behind a person's back that you cannot say to his face"; and I have been working in a gymnasium ever since. [Laughter.] My father said, "Do not ever say anything about anyone unless you can say something good about him." But now I am at a point where I must say that those in the Labor Department, who are sponsoring the pending bill, have not given the facts to my friends the Senator from Massachusetts and the Senator from Utah. In other words, they have practiced deception upon those Senators.

I believe Senators know me well enough to realize that I would not dare to make such a serious charge against that great arm of my Government unless I could back up what I have to say. So I back it up, and say, in fairness to my colleagues, that I take out that which I had up my sleeve and exhibit it to them, and warn them, and put them on their guard, so that hereafter they may take with a grain of salt the information which is given them. An effort is being made to ram this bill down the throat of Congress. what? To leave in this country 2,862 people who Colonel MacCormack has said are people of good character.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I shall be delighted to yield to my colleague from Pennsylvania.

Mr. DAVIS. Has the Senator discussed this matter with the Commissioner General of Immigration and Naturalization?

Mr. REYNOLDS. Yes.

Mr. DAVIS. Has the Senator seen this list of 2,800 persons, or whatever the number is, whom it is desired to admit under the provisions of the bill?

Mr. REYNOLDS. Yes.

Mr. DAVIS. Has the Senator familiarized himself with

Mr. REYNOLDS. Yes.

Mr. DAVIS. Are they men of character and standing?

Mr. REYNOLDS. There may be a few on the list who are of good character and standing; but I desire to advise my colleagues about this subject. We ought to know about it. I am not going to apologize for taking Senators' time and discussing the question, because I know the whole American people are more vitally interested in this subject than in anything else which will come before the Congress, and I bar nothing.

What about those 2,862 persons? Senators have heard about them. Oh, it is too bad to put them out of the country-those hardship cases! Let me show the Senate something. I am going to take only a minute on this point now, but I desire to take a couple of days on it when the opportunity shall arise, because I wish to discuss every single one of the 2,862 cases, and I shall do so if the Senators sponsoring this bill wish me to discuss it. I now issue a challenge to anyone who is sponsoring the Kerr-Coolidge bill to bring into this body any single one or 100 of the cases for which they are trying to create sympathy in this body, and let us try those cases on the floor of the Senate, before the eminent Senators, in order that they may know the truth

The whole bill is written around those 2,862 cases. There is nothing else in the bill. Get down the immigration laws from the date the first immigration law was passed, around the year 1782, and Senators will find just exactly what I tell them here today. Everything in this bill is camouflage except paragraph 3, which is so worded that looking at it at a glance one would think it to be a deportation provision, I that they came from the clouds above, clothed in raiment of

statement against anyone unless I could substantiate the | whereas, as a matter of fact, if one reads and studies it, and reads between the lines, he will see that it is an importation bill.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. DAVIS. I do not wish to divert the Senator from what he is discussing.

Mr. REYNOLDS. That is all right. I am glad to have the Senator from Pennsylvania interrupt me at any time he feels disposed to do so.

Mr. DAVIS. Inasmuch as the Senator has given some thought to the bill and to this particular question, may I ask him how the interdepartmental committee will work? Can the Senator tell me how the machinery will be put into operation to enable the interdepartmental committee to consider those two-thousand-eight-hundred-odd cases, to stay the deportation of the persons involved, or to give them permanent residence in this country?

Mr. REYNOLDS. The first mention of the interdepartmental committee is made, I believe, in section 3, according to my best recollection, and later on it is stated how the interdepartmental committee is to be constituted, by whom it is to be constituted. There is to be a representative of the Labor Department, a representative of the State Department, a representative of the Department of Justice; but the Senator from Pennsylvania knows as well as I do that when we say a representative of the Department of Labor, a representative of the Department of State, and a representative of the Department of Justice, that does not mean that Mme. Secretary Perkins, or Secretary Cordell Hull, or Attorney General Homer Cummings, is going to sit on that committee. It means that the heads of the respective departments are going to select subordinates to meet and pass upon this thing. In other words, the proponents of the bill have the audacity to ask the Senate to provide for putting a few departmental clerks in a room together to make our immigration laws. That is what is being proposed.

Mr. DAVIS. Mr. President, may I interrupt the Senator further?

Mr. REYNOLDS. Certainly.

Mr. DAVIS. Is any appeal provided from the interdepartmental committee's recommendations, or from the recommendations of the officers who make up the interdepartmental committee?

Mr. REYNOLDS. None.

Mr. DAVIS. Is any appeal to the courts provided?

Mr. REYNOLDS. None whatsoever.

I state, Senators, that Colonel MacCormack had deceived my friends, and I cannot leave that subject until I prove that to Senators; and in proving that in one case I am putting my friends on guard, because I do not want to become involved in a discussion of these cases without telling them what I have done. This is what I did.

I had heard about these hardship cases; I had heard that this bill was being written around those cases; I had heard that it was desired to keep the 2,862 aliens in this country; I had heard most pathetic stories, stories which almost brought tears to my own eyes. So when I heard about some of these dreadful separations, when I heard how saintly these men were, when I heard Colonel MacCormack talking about the poor men who were involved in these hardship cases, when I heard statements as to what a crime it would be to deport them, I almost burst into tears, and I hardly knew what to do. I knew, Mr. President, there was but one thing for me to do; that was to investigate, and if the facts were as disclosed, I would not want to have any action taken that would break the heart of any innocent man, particularly one who by description had been placed upon a pedestal of ivory and clothed in raiment of radiant white. From the description given of some of the poor individuals classified amongst the 2,862 hardship cases, one would think that they had but recently descended from heaven; that they had never seen the Atlantic or the Pacific shores, but

white, and with wings had alighted upon our fertile soil. That was the description given.

Now let us see whether Colonel MacCormack, who says that this bill ought to be passed, who says that it must be passed, has dealt fairly with my colleagues, the Senator from Utah [Mr. King] and the Senator from Massachusetts [Mr. Coolinge], whose confidence he had had up to the present time.

I am going to examine just a few of those cases; but, before doing so, the Senate may want to know how I learned about them, and I wish to say something about that.

I took 2 or 3 days off here and went to the Labor Department. I sat down at the Labor Department with a stenographer and I said to the gentleman in charge-I do not see him here today, but he was here yesterday-"Just pick out at random any cases you have." They have those 2,862 cases classified into one, two, three, and four-four categories, four classes, four shelves. No. 1 is the lily white; no. 2 is not quite so white; no. 3 is a little darker; and no. 4 is just a little grayish color.

I said to the gentleman in charge, "Now, I am here to investigate these cases; I wish you would favor me by just picking out any cases you want to." I said, "I want more lily-white cases than any other kind; I want the cases of those who have been pictured as coming from heaven above, and not those who are pictured as jumping ships and scurrying across the Mexican and Canadian borders; I do not want those who have come in on bought or counterfeit passports; give me some lily-white cases, and give me more lilywhite cases than any other kind, because I want to be fair with my colleagues. I want to give them the benefit of the doubt; I want to give them every advantage of the argument; and, if I can, I want to prove to myself that I am wrong and that they are right." So he brought in the cases. The gentlemen at the Department were very nice to me, and I want publicly to acknowledge my appreciation of their kindness and aid. They picked out cases at random. I do not think that they got out the best cases. Since I was so nice about it, I am sure that they were equally agreeable, and so I imagine they just picked cases out at random. Now, let me read one of the cases. Let us see about this matter. Here is the case of Goldborn Branch. He is one of those whom, it is said, it would be a hardship to deport and that he ought to be permitted to remain in this country. This is almost a lily-white case; the alien is almost lily white: he is in class 2. The purest, unadulterated, the whitest, the best, are in class 1; but those in class 2 are just about as good as those in class 1; as a matter of fact, it is difficult really to draw any distinction between class 1 and class 2, because they are both about in the same category; and, mind you, Mr. President, the cases in class 3 and class 4, as well as those in classes 1 and 2, were picked out and it was said the individuals concerned ought not to be deported, and they have been kept here for about 3 years in violation of the laws of this country. The Department of Labor would not deport them, although the Congress, which makes the laws of the country, made it mandatory upon the Department to deport those people. Those administering the law have violated the law; they have snubbed Congress and said, "No; we are going to do what we want to do about it; we are going to change the law because we think the law is wrong, and we are going to help in those cases in which we are interested. They are fine people, of fine character, and you must not put them out, because it would be a hardship upon them and upon the loving members of their families."

So I picked up one of those cases at random. This is the record, Senators, that was provided by Colonel MacCormack. It was the duty of Colonel MacCormack to provide the Senate with a summary of every one of those 2,862 cases. The other House of Congress demanded that Colonel MacCormack provide full information in regard to these cases involving individuals concerning whom he wanted the Congress to change the law so that they could remain here. The Department made out 2,862 summaries. Colonel MacCormack was called upon to relate the facts to the United States | the court in this case, that there were no unfavorable factors.

Congress; the facts were called for by the other House of the National Legislature; he made summary of every one of the 2,862 cases, sent them down, and had them put under lock and key under the direction of Mr. Dickinson, who is chairman of the Committee on Immigration and Naturalization of the House of Representatives, a committee of which the Honorable Joe Starnes, of Alabama, is also a member and coauthor of the Reynolds-Starnes bill.

It was the duty of Colonel MacCormack to have given the Congress the facts. That is what was called for. The Congress called for the "low-down" on each case.

Well, this man's name is Goldborn Branch; age, 34. Here is the information that Colonel MacCormack provided:

File No. 55725-261. District No. 3118/265

Date last entry, October 15, 1933.

From that I infer that he had been in the country before. Goldborn Branch.

That is a good name.

Whether previously in United States?

When he was asked that question he said:

Yes; originally entered in 1910. Remained here until 1914, when went to Canada. Reentered in August of 1924.

So we know he came into this country twice.

And remained here permanently since that time, except for short visits to Canada, returning from the last on the above date.

Mr. Branch evidently came into the country once-we do not know whether it was legally or illegally-and went out and came back. I am reading from Colonel MacCormack's record:

Total period in the United States to December 1935?

He has been here 15 years and 5 months. That is all right. His address is 109 Walnut Street, Buffalo, N. Y. He is fortunate in living there near Niagara Falls, in a beautiful city.

Dependent relatives in (relationship) United States?

His answer was: "Beatrice Branch and Edith, wife and daughter."

That is all right. He must be a pretty good man, judging from Colonel MacCormack's record.

'Have you any other relatives in the United States?" "No: I have no relatives in the United States." He just has a wife

"Any relations abroad?" "No; I have no relations abroad." What is your occupation?" "I am just a laborer."

That is all right. Some of the finest characters I have known in my life were plain workingmen, earning anywhere from \$1.50 to \$5 a day. Some of the finest characters I have known are men who earned their living by the sweat of their brow. I am proud to say that some of the best friends I have on the face of the earth are poor laboring men.

"Self-supporting?" "Oh, yes; I am self-supporting."
"Have you ever been on relief?" "Yes; I was on relief 1 year."

He is an alien, but that is all right. There are 1,500,000 other aliens on relief and many Americans on relief.

"Public charge?" "No, sir; I am all right; no public charge against me."

Now, why did they want to deport Mr. Goldborn Branch?

Grounds for deportation: He has remained in the United States for a longer time than permitted under the act of 1924 or regulations made thereunder.

They just want to deport Mr. Goldborn Branch because he has remained in the United States for a longer time than permitted under the act of 1924 or regulations made thereunder. I do not know whether or not that is fair. We do not know how he got into the country twice.

"Any unfavorable factors on report?" Colonel MacCormack

said: "No; no unfavorable factors at all."

I have marked that in red ink so I would be sure to emphasize "none", because the Department of Labor has stated in the report where they were supposed to give all the facts and be frank and fair and honest with the Members of this body, That is all right. He must be a pretty good fellow. He has a wife and daughter and is a good, hard-working man and laborer.

Mr. DAVIS. Mr. President, were the wife and daughter admitted legally in that case?

Mr. REYNOLDS. Of course. Here is the colonel's record. There is nothing the matter with this.

No. 13-and I hope there is nothing unlucky in no. 13 for Mr Branch

No. 13. Favorable factors or reports: Citizenship of wife and daughter.

The report reveals that they are self-supporting.

14. Reason for stay: Deportation would involve hardship. 15. Date stayed: March 12, 1934.

They are not going to deport him. They stayed the deportation because it would be a hardship to deport him.

Date of last investigation: November 30, 1935.

I rather agree with other Members of the Senate that this man ought to be permitted to stay here. There is no evidence in Colonel MacCormack's report that he entered this country illegally. There is no evidence in the report that the man had ever been arrested for any offense. To the contrary, Colonel MacCormack says there is no public charge against him. There is no evidence in the report except that this man is a hard-working laboring man who earns his living by the sweat of his brow, and fortunately he has a good wife and daughter who are self-supporting, and therefore it would be no hardship upon them if they supported him.

I am a soft-hearted man, and I know most other Senators are soft-hearted, so we should let Mr. Goldborn Branch stay if we base our judgment on the record. Colonel MacCormack says he has a fine record.

Mind you, Mr. President and Senators, and let those who read the RECORD take notice also, the Labor Department has asked us not to deport Goldborn Branch and 2,861 others on the information that Colonel MacCormack provides us. Let us see whether or not Colonel MacCormack has been fair with this body. Let us see whether Colonel MacCormack and his associates have dealt fairly with my colleagues.

Let us see whether or not deception has been practiced upon the Members of this legislative body. The lawyers of the Senate, particularly, will agree with me that deception sometimes may be practiced more cunningly by withholding the facts than by distorting the facts; and I say deception has been more cunningly practiced in all these cases by withholding the facts than by distorting the facts.

What are they?

The Senate has heard what Colonel MacCormack said about Goldborn Branch; and I am going to assume that we are all in agreement, from Colonel MacCormack's records, that Goldborn Branch and his family should be permitted to stay here-a hard-working laboring man who had never been arrested in his life, who had never been in any trouble. From the records, he came into this country legally and had never violated a law of this country.

I went over to the Department. I wanted to find out about this lily-white gentleman. Class 1 is the lily-white cases. Class 2 is composed of those not quite so white. Class 3 is composed of those of a little darker hue. Class 4 is composed of those who are a little gray. Let us find out what the records show. I have here information with which Colonel MacCormack should have provided this body, because I know that my colleagues are entitled to the facts when it comes to passing any kind of legislation.

Goldborn Branch, 109 Walnut Street, Buffalo, N. Y.: Let us see if this gentleman is so lily white.

He is a West Indian negro. He came here illegally by way of Canada. Colonel MacCormack did not tell us that he came into the country illegally. He was married in Canada. He does not know where his wife is. Colonel MacCormack did not tell us that this man had deserted his wife, or his wife had deserted him. I am inclined to believe it was the latter, from the record that will follow. This is the lily-white gentleman who was painted so gloriously in raiment of white and placed upon a pedestal of ivory by Colonel MacCormack and his associates.

Goldborn Branch has a common-law wife. You all know what a common-law wife is-a woman with whom a man lives without being legally wedded to her. He has a commonlaw wife to whom an illegitimate child was born. The record does not show the word "illegitimate", but I use that in preference to another word. He is living with his commonlaw wife and brought her in to this country illegally. Listen to that, Senators! Not only did he himself come into the country illegally, in violation of our laws, but he brought this woman into the country in violation of our laws-the woman with whom he was living, his common-law wifefrom Canada, for what purpose? For immoral purposes!

Colonel MacCormack did not tell us that this man's legal and lawful wife had been deserted by him, or she had deserted him. Colonel MacCormack did not tell us that this man slipped into our country in violation of our laws, and had been here for 15 years in violation of those laws. Colonel MacCormack did not tell the Senate that this man had a common-law wife, a mistress with whom he is living, by whom he had begotten an illegitimate child. Colonel Mac-Cormack did not tell us that this sweet-smelling violet had had the audacity and the disrespect for the laws of your country and my country and our country to slip his mistress across the border in violation of our laws. It shows what disrespect foreigners have for the immigration laws

Senators who have traveled world-wide know as well as I do that foreigners do not give a hoot about the immigration laws of this country. They laugh at us; they think we are the biggest "simps" on earth, and I am beginning to believe we are.

Let us see. How in the world did the authorities get in touch with this man's record? Here is the record. Colonel MacCormack did not reveal this to us.

Goldborn Branch was arrested once, on complaint-why. my heavens!-was arrested once upon complaint of his common-law wife, for beating her! She slipped into the country in violation of the law; and after Goldborn Branch got her over here, and kept her here in violation of the law, and lived in adultery with her, what did he do? He beat her, and that is how the immigration authorities got in touch with him.

That is one of these immigrants. That is a lily-white one. I again challenge those who sponsor this bill to go to the Labor Department and seek out any one of the 2,862 cases of persons whom Colonel MacCormack has said ought not to be deported, and bring it into this Chamber, and let us discuss it on the floor of the Senate. I, therefore, at this hour, have brought to your attention a "lily white" case; and later it will not be my pleasure, but it will be my privilege and my duty to this body to show up the real facts, and to reveal the truth about these cases.

Mr. McKELLAR. Mr. President-

Mr. REYNOLDS. I gladly yield to my colleague from my sister State of Tennessee.

Mr. McKELLAR. I wish to ask the Senator whether Colonel MacCormack reported the facts the Senator first read concerning this immigrant.

Mr. REYNOLDS. I will state to the Senator that hearings on the Kerr-Coolidge bill were being held by the Senate committee. Hearings on the Kerr-Coolidge bill were being held in the House of Representatives by a committee of which my colleague from Alabama, Mr. Joe Starnes, the coauthor of the bill I advocate, is a member; and there came up the question of the passage of this bill which interests itself fundamentally with changing the laws so as to keep in this country, right now, 2,862 persons.

Mr. McKELLAR. And this is one of them?

Mr. REYNOLDS. If the Senator will pardon me just a moment, the House wished to ascertain who these 2,862 men were; and so, by way of a resolution, they requested that Colonel MacCormack, the head of the Immigration and Naturalization Service, make up a summary, a digest of each and every one of those 2,862 cases, and provide the House with the facts, the truth, the whole truth, and nothing but the truth about each case, so that the gentlemen over there, who were just as much interested as we are, could ascertain whether or not these were what some persons have been pleased to term and classify as "hardship" cases.

So, in answer to the Senator's inquiry, I will say that the first report I read, which painted Goldborn Branch as such an angel and a fine, law-abiding citizen, an American citizen from all reports, is what Colonel MacCormack sent over here; and the second report I read is what the Department's own records show. I know that is the case, because I went there and looked at the records with my own eyes.

Mr. McKELLAR. In other words, as I understand the Senator, the first report is the one which was handed to the Senator by the head of the Immigration and Naturalization Service, and the second report is from the Senator's personal examination of the facts? The Senator is making the second report?

Mr. REYNOLDS. Yes, sir. In other words, in order that that may be quite plain, the first report I read is a copy of a report which was sent by Colonel MacCormack to the House. It is one of the 2,862 reports furnished, in which he was requested to state the facts, to tell the truth, the whole truth, and nothing but the truth, and reveal the situation to us.

Mr. McKELLAR. May I ask the Senator if that is an isolated case, or are there other cases in which the facts were not as reported?

Mr. REYNOLDS. I say to the Senator, by no means is that an isolated case. During the course of the several days I spent at the Department of Labor—at which time, I must be candid and frank to state, I was very generously received and courteously treated by those in charge—I investigated 30 or 40 cases.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. DAVIS. I am of the opinion that the Commissioner General of Immigration and Naturalization, Mr. MacCormack, is dependent entirely upon subordinates for the information that is furnished him. I do not presume he has had opportunity to check these matters as the Senator has,

Mr. REYNOLDS. Of course; I dare say Colonel MacCormack had his assistants looking up the cases, but I venture to say that when those reports were furnished, Colonel MacCormack, knowing their importance, most assuredly scanned them, if he did not read them carefully, because I cannot bring myself to believe that a man holding the responsible position occupied by Colonel MacCormack would willfully send to this body and the other body reports which are absolutely distorted, erroneous, and do not give the real facts.

Mr. DAVIS. I cannot quite understand, if the procedure is being followed now which was followed many years ago, how that would get by, because first the Assistant Commissioner would have charge of it, and then usually it would go to a board of review, comprised of five very able men, men thoroughly familiar with the immigration laws, and if it passed those five it then would go to the Commissioner's table. So I cannot understand why all this information has not been given out.

Mr. REYNOLDS. I cannot understand it. The Senator from Pennsylvania was Secretary of Labor for a number of years, was he not?

Mr. DAVIS. Yes. The Secretary of Labor is dependent entirely upon his subordinates.

Mr. REYNOLDS. Of course, the present Secretary of Labor depended entirely upon the Commissioner General of Immigration and Naturalization,

Mr. DAVIS. That is correct.

Mr. WALSH rose.

Mr. REYNOLDS. I shall yield to the Senator from Massachusetts in just a moment.

It is beyond my comprehension, it is beyond my sense of fair play, how under heaven a man holding the responsible position which is occupied by Colonel MacCormack would permit a thing like this to be brought to the attention of the public, would permit a summons to come calling for the truth, the whole truth, and nothing but the truth, and the plain facts, and then have such a distorted report sent in.

Mr. DAVIS. Before deportation, it is necessary to issue what is termed a warrant. Then an immigration inspector

is sent; the inspector holds a hearing and develops all the material and sends it in for the record.

Mr. REYNOLDS. That is correct.

Mr. DAVIS. Then, before a deportation can take place, the Assistant Secretary or the Secretary of Labor must approve what the Commissioner General of Immigration and Naturalization recommends.

Mr. REYNOLDS. That is correct, and I thank the Senator for his contribution. Before he takes his seat, permit me to ask him another question. The Senator was Secretary of Labor for a number of years, and I should like to inquire of him whether he recalls just at this juncture how many immigrants have come into this country since 1920.

Mr. DAVIS. Mr. President, I do not recall the exact number who have come in, but I have been making some pencil memoranda here which I think are correct, and I shall be glad to give the figures to the Senate.

Prior to the passage of the restrictive act, for which most of the Senators on the Democratic side of the Chamber who are present voted, from 800,000 to 1,000,000 were coming to this country annually.

Mr. REYNOLDS. A million a year!

Mr. DAVIS. More than that entered in one of the years, immediately after the war. During the war the immigration act and other acts of the kind were set aside, but prior to the war more than that were entering the United States. If we had gone on for 14 years without the restriction acts, 14,000,000 immigrants would have entered. I will tell the Senator how many have come in since 1922, since the first act.

In 1922, immigration was limited, and there arrived in the country 309,556.

Then, because of the 3 percent law, those coming from Canada and South America were not excluded, and many came in via South America. In 1923 some 522,919 came in.

In 1924, 706,896 came in.

Then there was inserted in the immigration law a residential clause as to Canada and South America, which reduced the number in 1925 to 294,000.

In 1926, there entered 304,000.

In 1927, 335,175 came in.

In 1928, 307,255 entered.

In 1929, 279,678 came in. In 1930, 241,700 came in.

Then, in 1931, under the Hoover administration, the total number permissible under the quota law was 150,000, but immigrants came in from Canada and South America and Mexico, nonquota countries. That is why the number increased so greatly.

In 1931, it was limited, and the number coming in to get visas, 10 percent of the quota, amounted to 97,000.

In 1932, 35,000 came in.

In 1933, under the same limitations, the ruling made under the Hoover administration has not been changed—the number was 23,068.

In 1934, it was 29,470.

In 1935, it was 34,956.

The total since 1922, of restricted immigration, was 3,522,190.

Mr. REYNOLDS. Since what date?

Mr. DAVIS. Since 1922.

Mr. REYNOLDS. It was a number greater than the population of the city of Chicago.

Mr. DAVIS. Over that period of time, from 1922 to 1932, in 10 years, 192,346 immigrants were rejected. In the last 3 years 16,469 have been rejected, making during that particular period a total of rejections at the ports of 208,815.

There were deported by the warrant procedure, such as I outlined just a moment ago, during the first 10 years, from 1922 to 1932, 17,795; and in 1933, 1934, and 1935, there were deported 6,942, or a total of 24,737. That was the number of criminals deported. Of the others, the number was 162,664.

Then there were expulsions without warrants. I remember that many came in from Mexico, and we did not have jails enough on the border to take care of them. I forget just the number we were feeding, but a tremendous expense was involved. I remember on one occasion some Chinamen were de-

ported. Some \$45,000 had been saved up by the Department, and it took every dollar of the \$45,000 to deport from the country those Chinamen who had entered illegally.

The expulsions without warrant numbered 120,669 during the time referred to. The total expulsions amounted to 248,519.

These are figures I have taken from the reports of the Commissioner General of Immigration for this particular period.

Mr. REYNOLDS. Mr. President, the information is quite pertinent and extremely interesting, and I assure the Senator that I am very grateful for his contribution.

I am pleased now to yield to my friend and colleague the distinguished senior Senator from Massachusetts [Mr.

Mr. WALSH. Mr. President, as I view what the Senator has just presented to the Senate, he has raised an issue which is apart from the merits or demerits of the pending bill, and I should like to ask the Senator two or three questions.

Mr. REYNOLDS. Certainly.

Mr. WALSH. First of all, I understand that the first record the Senator read, which we will call the limited or codified record, was copied from a report sent by the Department of Labor to the House of Representatives upon their request for a statement of the facts in each of these so-called good character deportation cases.

Mr. REYNOLDS. That is correct.

Mr. WALSH. Am I to understand that the second record which the Senator read he himself acquired from the files of the Department of Labor?

Mr. REYNOLDS. The second record I read, I acquired.

Mr. WALSH. From the files.

Mr. REYNOLDS. From the files of the Department of Labor.

Mr. WALSH. So that whoever compiled the record that was sent to the House of Representatives did not state in the compilation all of the facts, and particularly the facts showing the absence of good moral character upon the part of one of these aliens?

Mr. REYNOLDS. That is correct, Mr. President.

Mr. WALSH. It seems to me it is the duty of someone to find out who the official is who willfully or negligently kept from the Congress of the United States the full statement of those facts.

Mr. REYNOLDS. I believe the Senator from Massachusetts is absolutely right. I think the Senator in those few words has made one of the most vital and important statements that could possibly be made in this RECORD, because the statement which the Senator has made goes to the very heart of the whole matter.

Mr. WALSH. If the officials who are compiling these records are going to proceed to administer the discretionary power they are to be granted in this bill in the manner in which they made this RECORD, the Congress may well hesitate before giving this discretionary power.

Mr. REYNOLDS. The Senator is absolutely right about that matter. I know the Senator has the interest of America at heart. The time has come when we must sympathize with America as well as sympathize with the alien.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield. Mr. McKELLAR. I wish to ask the Senator whether he has any information as to how many of the two-thousandeight-hundred-and-some-odd cases are not worthy cases, and how many, perhaps, are worthy cases?

Mr. REYNOLDS. It would be impossible for me to answer the Senator's question precisely by way of providing any definite figure; but I will say that if I am to judge of the entire 2,862 cases by what the records revealed in some 20 or 30 cases which I examined, then out of the whole 2,862 cases there are certainly not over 300 which are deserving of consideration.

Mr. McKELLAR. Is there any reason why the Department cannot furnish the Senate or the House, or both, the exact facts about each and every one of the 2,862 cases?

Mr. REYNOLDS. There must be a reason, because a resolution was introduced in the lower House of Congress asking | follows:

for the facts; and instead of getting the bald-faced truth, instead of getting the facts which Senators desired and which Representatives desired, those from whom the facts were required deceived us by eliminating the facts and distorting the facts in this particular case.

This afternoon I am going to refer to another case, because I see that Senators are interested in what I am discussing. Again I wish to say that I have no apologies to make to any Senator here or to the Senate for taking time on this matter, because I feel that I am doing Senators a favor. I know how busy they are. I know how busy I am. It is absolutely impossible for a man to do all the work he is called upon to do as a Senator. I appreciate that, and I appreciate the condition other Senators are in. Some of us have an average of a hundred persons calling upon us every day, unfortunate persons seeking employment, and it grieves us that we cannot find employment for them. I grieve every day because I cannot provide a job for every single one of the 100 or more persons who visit my office every day; and I grieve seriously because I know that there are about 5.000.000 or 6,000,000 aliens in this country who do not care anything about the United States, who are taking the jobs of my constituents and other Senators' constituents. Why should I not grieve about such a condition?

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. REYNOLDS. I am glad to yield to my friend the

senior Senator from Montana.

Mr. WHEELER. The Senator from Tennessee [Mr. Mc-Kellar] a while ago asked how many of the cases are similar to those specifically mentioned. I wish to call attention to the fact that every one of the 2,862 individuals referred to is in this country in violation of some law.

Mr. McKELLAR. All the 2,862 persons who are being kept here by the authorities are kept here in violation of the law?

Is that what the Senator means?

Mr. WHEELER. Yes; they are here in violation of the law. The present law gives the Department discretion to keep them in the country. In my judgment we ought not to do that. If aliens violate a law, they ought to be deported. If they come here illegally, we are not responsible for that. If they are here illegally, it may work some hardship to deport them, but we are not responsible for it. It is their responsibility; and when they come to this country under those circumstances, in violation of law, they ought to be sent back to the country from which they came.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield to my distinguished colleague the senior Senator from the State of Illinois.

Mr. LEWIS. Will the Senator allow me to interrogate the Senator from Pennsylvania [Mr. Davis], the former Secretary of Labor? Did I understand the Senator from Pennsylvania, in speaking a moment ago in response to the Senator from North Carolina, to refer to an instance where a Chinaman had come into this country, we will say illegally, with \$45,000, and that the Government took that money away from him?

Mr. DAVIS. Oh, no, Mr. President; the Senator entirely misunderstood me.

Mr. LEWIS. What should I have understood the Senator to say?

Mr. DAVIS. At one time we deported a number of Chinamen, and it cost the Government \$45,000 to do it.

Mr. LEWIS. Did not the Senator say one of the Chinamen had \$45,000, which was taken from him?

Mr. DAVIS. No, Mr. President. The Labor Department had saved that much money out of the appropriation; and when the end of the year arrived, it had all been absorbed by reason of sending a number of Chinamen back to China.

Mr. AUSTIN. Mr. President, will the Senator yield? Mr. REYNOLDS. I gladly yield to my colleague from

Vermont.

Mr. AUSTIN. Before the Senator leaves the subject of the response of the Secretary of Labor to the resolution of the House of Representatives of August 23, 1935, I wish to call to his attention House Document No. 392, which purports to contain a letter from the Secretary of Labor, as Department of Labor, Office of the Secretary, Washington, January 15, 1936.

The Speaker of the House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: In accordance with the resolution of the House of Representatives on August 23, 1935, I have the honor to submit-

(a) List of all cases by number and name in which deportation has been stayed up to and including December 31, 1935.

(b) Complete file on each case.

(c) Summary of file and report on each case.

(d) Report of the Commissioner of Immigration and Naturalization.

Very truly yours.

FRANCES PERKINS.

Did the Senator from North Carolina find that this statement, "(b) complete file on each case", was an inaccurate

Mr. REYNOLDS. I absolutely did not find a complete statement as to the cases.

Mr. AUSTIN. Did the Senator find a complete file on each case?

Mr. REYNOLDS. I did not.

Mr. AUSTIN. I thank the Senator.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. Gladly.

Mr. DAVIS. May I say to the Senator from Illinois that after the passage of the restrictive act there were such violations by those who were bootlegging immigrants that we fined steamship companies many millions of dollars for bringing aliens into the country in violation of the law. I remember at that particular time aliens were bootlegged, not only by ships through the sea routes but by airplane. It was estimated at one time that a little Chinese girl could have been sold in Chinatown in San Francisco for \$5,000 if she could get into the country. It was a very lucrative business.

Mr. LEWIS. An interesting statement, I confess.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Washington?

Mr. REYNOLDS. With pleasure.

Mr. SCHWELLENBACH. The Senator said he has examined some 30 or 40 of these cases out of a total of 2,832. Mr. REYNOLDS. I think so.

Mr. SCHWELLENBACH. How did the Senator arrive at the particular cases which he chose to examine?

Mr. REYNOLDS. When I went to the Department of Labor, there were two or three cases in which I was particularly interested. There were two or three cases in particular which I was anxious to bring to the attention of the Senate. When I went to the Bureau and walked into the file room, I was told, "There are the files." I did not know anything about the cases and those who were assisting me knew nothing about the cases. I merely picked out at random several cases which we took into the library where we could work without being disturbed. I told the gentleman who had been so courteous and kind to us that I would appreciate it if he would pick out any cases, 15 or 20 of the lily-white cases, and bring them to me. He picked them out at random. To try to go through 2,800 cases would take a long time, but he picked out 15 or 20 cases and brought the records to us, a great stack of them. We put them on the desk. I had a stenographer there and we went through them.

Mr. SCHWELLENBACH. Let us assume the Senator examined 30 or 40 cases.

Mr. REYNOLDS. Yes; just at random.

Mr. SCHWELLENBACH. The Senator has discussed one of them?

Mr. REYNOLDS. Yes.

Mr. SCHWELLENBACH. How many of those cases which the Senator examined does he feel are of sufficient interest to discuss?

Mr. REYNOLDS. They are all of great interest, for the reason that the whole bill is built around the 2,862 cases.

Mr. SCHWELLENBACH. I am trying to get at percentages or proportions. Of the 40 cases which the Senator examined, how many does he think should be discussed?

Mr. REYNOLDS. As a matter of fact, I may be a little bit prejudiced, because I think anybody who has violated the laws of our country in coming here-

Mr. SCHWELLENBACH. But leaving out of consideration

that element?

Mr. REYNOLDS. Leaving that out of consideration, there might be 1 in the 30 or 40 cases that would be deserving of consideration by this body.

Mr. SCHWELLENBACH. The Senator feels that 39 out of the 40 are not worthy of staying in the country?

Mr. REYNOLDS. Yes; I think that is true. Mr. SCHWELLENBACH. Because of acts?

Mr. REYNOLDS. Acts committed here, violation of the law in coming here, disposition toward the Government, and so forth. I shall be glad to read very briefly just another case picked at random.

Mr. SCHWELLENBACH. Will the Senator read one that has not been selected? Pick one at random.

Mr. REYNOLDS. None of these cases was selected.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. DAVIS. I may say to the Senator from Washington that the hangman's job is a gentleman's job compared to that of the Commissioner General of Immigration and the Secretary of Labor in many of these cases because they are so heart appealing. It just tears one's heartstrings to have to make a decision. However, the question is, as was said by a very distinguished man now on a high court, "What is the law?" One has to follow the law. I would not want to be in the place of the Commissioner General of Immigration and have to accept the responsibility of admitting those 2.800 persons.

Mr. REYNOLDS. Mr. President, in answer by way of actual data to the inquiry kindly directed to me by my friend from Washington, let me take up another case picked at random, just as I picked them at the Bureau, and let us see what it is.

This gentleman's name is George G. Grenier, age 38, a young man. He entered this country July 21, 1926. In answer to an inquiry he said he had been in the United States before; a total period in the United States of 9 years and 3 months. Mind you, Mr. President, I am reading from a record provided the Members of this body and the House of Representatives by the Commissioner of Immigration.

The address of this man is 1213 East Fifty-third Street. Chicago, Ill. He comes from the home town of the senior Senator from Illinois [Mr. Lewis]-a fine city.

Dependent relatives in the United States? Yes; a wife and son.

George is all right up to that point, according to the colo-

Any other relatives in the United States? "No"-

Says George.

Any relatives abroad? "No"-

Says George-

"I have no relatives abroad."
"I am a painting contractor." What is your occupation? "I am a painting Are you self-supporting? "Oh, yes, indeed"

Says George-

"I am self-supporting." Have you ever been on relief? "No, sir; never."

George must be a good man. He has a wife and child, and there is no evidence that he got into this country illegally; no evidence of his doing anything that was contrary to good morals or good citizenship.

Have you ever been a public charge? "No, sir"-

Says George.

Here is the colonel's statement as to the grounds for deportation—that he is in the United States in violation of the Immigration Act of 1924. There we do find he violated the law. The colonel further says that at the time of his entry he was not in possession of unexpired immigration visa.

What are the unfavorable factors of the report? Colonel MacCormick says the unfavorable factors are that the alienwait a minute! Unfavorable factors? Colonel MacCormack reports that this man has a bad moral record. There must be some mistake here, because a man with a bad moral record who has violated the law in slipping into the country has been held here. That is all the colonel says, that he has a bad moral record; that he admitted he is the father of an illegitimate child whom he later adopted. That is the only redeeming feature I can see about him; but if he was man enough to adopt his illegitimate child, I have more respect for him than I otherwise would have.

His statements as to birth and military service are ridiculous.

That is what the Immigration Service says. Despite that, the Immigration Service says this alien is a fine man. He will contribute to the future generations of America. He will help us build up America and continue her as the greatest Nation on earth. We must keep him here to help us do it.

Here are the favorable factors:

United States citizenship of wife and child.

Well, let us see:

Reason for stay-

That is, the reason the Department of Labor has for staying the man's deportation; that is to say, for keeping him here when the law says he must be put out. They say—to permit voluntary departure, to prevent separation of family.

Well, after all, that fellow is not so bad. I suppose to err is human. I do not suppose any of us in this body, even, could rise and say, "I have never committed sin." Very few—none, can do it. We all have our faults. So, according to Colonel MacCormack's report, this man is a pretty good fellow.

Let us see what the record shows. Let us see whether or not Colonel MacCormack has been fair with these gentlemen whose confidence he has betrayed. Let us see whether Colonel MacCormack has given us the facts. Let us see what the facts are.

Mr. George Gaston Grenier; he has a good name.

Mr. SCHWELLENBACH. Mr. President, what is the Senator reading?

Mr. REYNOLDS. I am reading from the records of the Department of Labor that I examined.

Mr. SCHWELLENBACH. What the Senator has read is what?

Mr. REYNOLDS. What I have read is the record provided this body and the other House of Congress by Colonel MacCormack and the Immigration and Naturalization Service. Upon that record, I say to the Senator from Washington and his colleague, Colonel MacCormack would have this body of lawmakers pass upon the question as to whether or not that man should be deported; and if Senators should pass upon the question from this report of Colonel MacCormack, being big-hearted men, as they are, they probably would say, "Well, let the poor fellow stay." But it has been my duty—my sworn duty as a Member of this body—to reveal the truth and to bring the truth to the attention of my colleagues.

Let us see about George Gaston Grenier. Here are the

The files of the Immigration and Naturalization Service show that Grenier entered the country illegally in 1926. When he came into this country, he violated our immigration laws by slipping in here.

Oh, my goodness! I did not know George was so bad. The records show that he was a deserter. That is as bad as being a perjurer—worse than being a perjurer in time of war, when his country is in peril. George Grenier, bearing that good name, was a deserter from the French Army.

How much respect have you for a deserter from the American Army?

Oh, my goodness! The records show that Grenier stole an airplane. He deserted from the Army, and stole an airplane. He is not only a deserter but he is a thief.

Oh, my goodness! The records show that he gave false testimony in applying for United States citizenship.

A deserter! Was that mentioned in Colonel MacCormack's report? It was not. A thief, who stole an airplane! Was that mentioned in Colonel MacCormack's report? It

was not. I am talking loud because I wish the world to hear what I have to say about this matter.

The records show that Grenier gave false testimony in applying for United States citizenship. He is a perjurer and a liar. Was that mentioned in Colonel MacCormack's report? It was not. Colonel MacCormack was called upon by a resolution of the House of Representatives to give to the men who make the laws of this great country the facts, the truth, the whole truth, and nothing but the truth; and he has practiced deception upon my friends here and my friends in the other body by withholding the truth, which is sometimes worse than distorting the truth.

I hope that is all about George. I do not see how he could be any worse. He deserted his army; he deserted his country; he stole an airplane; he committed perjury; he lied.

Oh, my! The records show that he was convicted of a bastardy charge, and that he admits certain relations with various and sundry other people. I am not going to read all about that; it is too bad.

The Department kept this thief, this perjurer, this deserter here. They say he ought not to be deported. The only reason in the world why we ever let immigrants into this country, Senators, is for the benefit of the country. We do not admit imimgrants for the benefit of the immigrants, but the idea is to let immigrants into the country to benefit the country. How is it going to benefit the country to let a man like that stay here? Nobody would dare say that man should be left here because he would contribute to the moral uplift, or the physical development, or the inspiration of the younger people who are coming on—a deserter, a thief, a perjurer!

This is what the Department's records say—I copied this information out of the records:

The decision in the case of Grenier, judging by the files of the Department, rests to a great extent upon a report—

Listen-

submitted by the Immigrant's Protective League.

Overnight I hope you gentlemen will find out something about the Immigrant's Protective League. If you do not find out, I shall make it my business to tell you something about them; but it is easy for you to look them up and see what they are doing. They have recommended that there be kept in this country, as an inspiration for the present youth of the land and those who are to follow, a man who is a perjurer, a deserter, and a thief.

Why, here is something more about George.

Grenier, according to the records, made two illegal entries. He not only slipped in here once in violation of law but he slipped in here twice, his first arrival being dated back in 1919. At that time he came into the country—why, listen to this, Senators—he did not just slip over the border. He did not just jump ship. He did worse than that. Listen to what he did: At that time he came into the country under false papers which he had purchased.

My heavens, Senators! Are you going to say that a man who turned his back on the country of his birth, under whose flag he had enjoyed protection; a man who stole an airplane, who is a perjurer and a thief; a man who went so far as to purchase false papers to get into this country; and a man who, in addition to that, violated the laws the second time to get into this country, is a man whom you want here as an example for yours sons and daughters and the younger generation who are growing up, looking for inspiration from the legislators of the country?

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. REYNOLDS. I yield.

Mr. McKELLAR. I am curious to know the present status of these 2,862 aliens. Are they detained? Are they in jail? Are they out on bond?

Mr. REYNOLDS. Some of them have been released on their own recognizance; that is to say, without bond. Some of them have been required to give a very small bond, which they can skip. I dare say that if there were an effort made to round them all up tomorrow not half of them could be found, because experience has shown that to be the case.

George and Goldborn and these other fellows are waiting for us here to pass a law saying that they are people of good character and that their presence here will contribute something to the United States. Let us see if there is anything else about George.

Mr. DAVIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. REYNOLDS. I gladly yield.

Mr. DAVIS. I wanted to ask the Senator whether in his travels around the world he has found that any other country has been as generous to aliens as the United States has been?

Mr. REYNOLDS. I consider myself as fortunate in having been provided the opportunity from time to time, in a sense, to travel on all the continents of the world, and many of the countries on the continents of the world.

Mr. SCHWELLENBACH. Mr. President, will the Senator permit me to interrupt right there?

Mr. REYNOLDS. I yield.

Mr. SCHWELLENBACH. I am merely trying to get at the facts. The testimony before our committee, as given by Colonel MacCormack and other representatives of the Department, was to the effect that the United States was the only nation in the world which did not permit an administrative department the discretionary right to pass upon cases of this kind. Does the Senator from Pennsylvania know whether that statement is correct?

Mr. REYNOLDS. I may state that I am providing myself with data upon that subject.

Mr. DAVIS. I may say, if the Senator from North Carolina will yield, that if I should go to the town in which I was born I would not be in that town 15 minutes before I would be notified that I must appear before one of the agents of the minister of labor in order that he might ascertain how long I intended to be there, and whether I intended to seek work; and if I were fortunate enough to secure work, I would not get my coat off before the minister of labor would come and tell me that I had better be going back to the country of which I was a citizen.

Mr. SCHWELLENBACH. Mr. President, will the Senator from North Carolina yield again?

Mr. REYNOLDS. I yield.

Mr. SCHWELLENBACH. That may be true, but we are here considering a specific proposition, the right under the law of an administrative department to have the discretion to pass upon this type of cases, and it seems to me the important thing in discussing this question, and making comparisons with other nations, is to find how other nations pass upon this precise question, so long as we want to make a comparison.

Mr. REYNOLDS. The Senator is exactly correct, and I am indeed very happy that he made the point, because I know something about that, and I have some material upon it, some data I have gathered; and in the course of my argument pertaining to this matter, which is of more importance than anything else, perhaps of more importance to those who may soon be called upon to fill our shoes, I shall be very happy to provide the Senator with any information I may have in my possession on that very pertinent question.

Mr. BONE. Mr. President, will the Senator yield to me?

Mr. REYNOLDS. I yield.

Mr. BONE. I was called out on business this afternoon and was denied the privilege of hearing most of the Senator's speech. I assume it is his purpose to offer his bill as a substitute for the pending bill, and I wonder whether he can now tell me, so that I may have the picture clear in my mind as the argument proceeds, whether or not the grounds for expulsion from the country provided in the so-called Reynolds bill and in the Kerr-Coolidge bill are practically identical, and whether the difference between the two bills is largely in the procedure set up, and in removing the discretionary power from a departmental official which is given in the Kerr-Coolidge bill.

Mr. REYNOLDS. They are precisely dissimilar, and in further argument I shall compare the two bills, and I propose

to dissect each section of the Kerr-Coolidge bill and explain the Reynolds-Starnes bill.

Mr. BONE. I note in the bill the Senator sponsors that the President is given authority, in the event he formally declares an emergency to exist, to take into custody all aliens subsisting upon public or private relief and deport them forthwith to the countries of their origin. In connection with that provision I should like to ask the Senator whether he has any figures showing the number of aliens in this country who are on public and private relief.

Mr. REYNOLDS. I am glad the Senator brought that to my attention. If the Senator will be good enough to let me answer that in detail as soon as I have finished the case of George Grenier I shall be obliged to him, because I am afraid that if we enter into a discussion of the Senator's question now those who read the Record will not be able to carry George in their minds as I want them to do.

Mr. BONE. Border lines in Europe have been obliterated as a result of the World War, and it occurred to my mind just now that the matter of determining citizenship might present some difficult questions, if not irresistible barriers in the way of enforcement of the law, because a man might have been a Russian citizen, and now be a subject of Lithuania, or some other of the border countries which were created.

Mr. DAVIS. The country which took over the particular territory from which an alien came is the country to which he is usually deported.

Mr. BONE. When the Senator from North Carolina makes the explanation I should like to have him make clear, if he knows—possibly he has examined that phase not only of the law, but that phase of the controversy which might inevitably arise in the operation of the law—what might happen if those countries refused to accept these people. They cannot hang suspended in midair, like Mahomet's coffin; we have not a Devils Island to which to send them; and what would happen if other countries refused to accept them? Where would we send them and what would be done? Here is almost a Draconian code. It is an iron-clad provision, with no exceptions, and I am wondering whether the Senator has made plain or could make plain what we should do.

Mr. REYNOLDS. I have given considerable thought to that.

Now, Mr. President, I understand there is a desire that we conclude the session for today.

Mr. McKELLAR. Mr. President, before the Senate adjourns, I should like to ask the Senator from Pennsylvania a question. Do other countries, from which Americans have to be deported, pay for their deportation?

Mr. DAVIS. Yes.

Mr. McKELLAR. About what does it cost the United States to deport aliens each year?

Mr. DAVIS. We used to figure about \$100 a person.

Mr. REYNOLDS. Mr. President, in order that my line of thought may not be broken, I desire to read one paragraph, and then I shall be very happy to defer my argument, in accord with the suggestion made to me, with the understanding that I may have the floor tomorrow.

I was speaking of Mr. George Grenier. According to the records, he made two illegal entries into this country, his first arrival being in 1919, and at that time he came into the country under false papers which he had purchased. He was ordered deported to France in 1932, a country from whose army he had deserted, but he managed to keep from being deported, and eventually his deportation warrant was canceled, at the suggestion of the board of review of the Department of Labor, which gave considerable weight to the report of the welfare agency which examined his history.

One of the moving considerations which led the welfare agency in its report to recommend leniency in the case of Grenier was that if he should be returned to France he would face court martial.

REGISTRATION OF LOBBYISTS

Mr. ROBINSON. Mr. President, on the 28th day of May 1935, the Senate passed Senate bill 2512, to require registration of persons engaged in influencing legislation or Govern-

ment contracts and activities. The bill went to the body at the other end of the Capitol. On the 27th of March 1936, that body passed House bill 11663, relating to subjects closely analogous to those dealt with in the Senate bill which I have

The House bill is on the Vice President's desk; and I ask that the Vice President lay it before the Senate in order that I may make a motion to proceed to its consideration.

The VICE PRESIDENT. The Chair lays before the Senate a bill from the House of Representatives, which will be read.

The bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, was read twice by its title.

Mr. AUSTIN. Mr. President, I am informed that the Senator from Oregon [Mr. McNary] does not object to this

procedure.

Mr. ROBINSON. The Senator is correctly informed.

Mr. AUSTIN. And, representing him here now, I do not

Mr. ROBINSON. I ask the Senate to proceed to the consideration of the House bill.

The VICE PRESIDENT. Is there objection?

Mr. COUZENS. Do I understand that is the antilobbying

Mr. ROBINSON. Yes.

Mr. COUZENS. Does the Senator intend to have the bill taken up tonight?

Mr. ROBINSON. My intention is to substitute the text of the Senate bill for the text of the House bill by way of amendment, and then ask for a conference.

Mr. COUZENS. And then ask for a conference?

Mr. ROBINSON. Yes.

Mr. COUZENS. But there is no intention tonight to do other than provide for a conference?

Mr. ROBINSON. That is all I could do. Mr. COUZENS. I do not wish to have any bill passed tonight. I wish to object to any bill being passed tonight. There may be a controversy with respect to the bill which passed each House, and I wish to know where that difference of opinion is to be straightened out. I should like to have it straightened out at some other place than in conference.

Mr. ROBINSON. It cannot be straightened out at any

other place than in conference.

Mr. COUZENS. Then I shall object to the substitution. Mr. ROBINSON. Mr. President, I think the Senator

should give some consideration to the matter.

The Senate, as I stated, passed its bill last year. The House agencies did not take up the Senate bill. They proceeded on an entirely different bill—a House bill. House passed that bill. Now the Senate and the House bills have crossed each other, and the only way to get legislation is to pursue the course I am suggesting.

If anyone wishes to defeat legislation on the subject, it may be accomplished by preventing consideration of the House bill. I think the Senator from Michigan does not wish to do that. My motion would, in effect, substitute the Senate bill for the House bill. We considered the Senate bill at length, and I think it is entitled to consideration in conference.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. COUZENS. I should like to have the House bill go to the same committee which handled the so-called Black bill, and let them consider it and report it back to the Senate. In other words, we do not have an opportunity through this procedure to learn of the differences between the two bills and to pass upon them independently. In view of the fact that the House bill has been on the Vice President's desk for quite a considerable time, it seems to me the proper procedure would be to refer the matter to the same committee which handled the Black bill, and let the committee report back to the Senate.

Mr. ROBINSON. Suppose the Senate committee should take the course that the House committee took. Some of | day, April 4, 1936, at 12 o'clock meridian.

these days the Senate is going to quit yielding to the House in its policy of refusing to give consideration to Senate bills and passing entirely different bills on the same subject after the Senate bills are over there. I think the Senator from Michigan ought not to put himself and the Senate in the attitude of refusing to give the Senate an opportunity to have its bill considered by the body at the other end of the Capitol.

Of course, the request I am making is subject to an objection. I shall not make a motion at this time, however. I ask, if an objection is made, that the matter remain on the Vice President's desk, and at an opportune time I shall move to proceed to the consideration of the House bill.

Mr. COUZENS. Certainly, I shall have no objection to that. If the Senator wishes to proceed with the consideration of the House bill, I am fully in accord with that procedure.

Mr. ROBINSON. I asked that that be done.

Mr. COUZENS. But the Senator wishes to substitute another bill and have it go to conference. I am not willing to have that procedure followed.

Mr. ROBINSON. The Senate passed the bill which I am asking to substitute for the House bill. The Senate had its opportunity to consider that bill, deliberated on it, and passed it. Now the Senator from Michigan wishes to have us consider it a second time; and I suppose if we should consider it and pass it as a Senate bill and send it over to the House, and the House should pursue the course that it did in this instance, he would wish to have the Senate consider it a third time.

The only way a Senate bill can have consideration is by the course I am suggesting. I ask unanimous consent for

The VICE PRESIDENT. The Chair understands that the Senator from Arkansas asks unanimous consent that the House bill be considered and then will ask that the Senate bill be substituted for the House bill.

Mr. ROBINSON. Yes; I shall move to strike out all after the enacting clause in the House bill and substitute the text of the Senate bill therefor.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas?

Mr. COUZENS. I object.

The VICE PRESIDENT. Without objection, the bill will continue to lie on the table.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Claude C. Badeaux to be postmaster at Garden City, La.

The VICE PRESIDENT. The report will be placed on the Executive Calendar. If there be no further reports of committees, the first nomination in order on the calendar will be stated.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

Mr. ROBINSON. I ask unanimous consent that nominations in the Public Health Service on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, nominations in the Public Health Service are confirmed en bloc.

That completes the calendar.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Satur-

CONFIRMATIONS

Executive nominations confirmed by the Senate April 3 (legislative day of Feb. 24), 1936

PROMOTIONS IN THE PUBLIC HEALTH SERVICE

TO BE ASSISTANT SURGEONS

John W. Hornibrook
Roger E. Heering
Seward E. Miller
Hugh L. C. Wilkerson
Robert H. Felix
John E. Dunn
Floyd A. Hawk
John R. McGibony
Jonathan B. Peebles, Jr.
Charles F. Blankenship
Edgar W. Moreland
Eugene A. Gillis
Henry A. Holle

Eric C. Johnson
Erwin C. Drescher
Marion B. Noyes
John B. Hozier
Michael J. Pescor
Jonathan Zoole
William E. Graham
Virgil J. Dorset
Earl L. White
Curtis R. Chaffin
Paul T. Erickson
Eugene W. Green
Robert F. Martin

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 3, 1936

The House met at 12 o'clock meridian.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Heavenly Father, who alone gavest us the breath of life and alone canst keep alive in us the holy desires Thou dost impart, we beseech Thee, for Thy compassion's sake, to sanctify all our thoughts and endeavors that we may neither begin an action without pure intention nor continue it without Thy blessing. And grant that having the eyes of the mind open to behold things invisible and unseen we may in heart be inspired by Thy wisdom and in work be upheld by Thy strength, and in the end be accepted of Thee as Thy faithful servants. Let the words of our mouths and the meditations of our hearts be acceptable in Thy sight, O Lord, our strength and our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1424. An act to amend the Packers and Stockyards Act, 1921.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11691) entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes."

INVESTIGATION OF LOBBYING ACTIVITIES

Mr. COX, from the Committee on Rules, by direction of that committee, filed a report to accompany House Resolution 475, which was referred to the House Calendar and ordered printed.

The resolution is as follows:

House Resolution 475 (Rept. No. 2366)

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 234, joint resolution authorizing the Senate Special Committee on Investigation of Lobbying Activities to employ counsel, in connection with certain legal proceedings, and for other purposes, and all points of order against said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

APPOINTMENTS IN THE NAVAL AVIATION SERVICE

Mr. MAAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on two different subjects. The SPEAKER. Without objection, it is so ordered.

Mr. MAAS. Mr. Speaker, when aviation was quite new in the Navy and most of the naval aviators were junior officers, it became necessary to train as pilots and observers a number of high-ranking officers for command purposes.

It was never intended that this practice should be continued, and at the time that the Navy Department first explained to Congress the necessity for qualifying a few such high-ranking officers, Congress was assured that by the present time the need would have disappeared. Yet the Navy Department keeps right on sending senior captains and commanders to Pensacola. Here they are made "Mex" aviators, and then placed in command of and give orders to real naval aviators who grew up in and made naval aviation.

There are today a sufficient number of naval aviators of every rank with more than 10 years' experience as pilots to command every naval air shore station and all of the present and future airplane carriers and tenders. Therefore there is no need to place in command of these vital national-defense forces of the air any officer who has not had at least 10 years' active experience as a qualified pilot. To select high-ranking line officers, send them to the Pensacola Naval Air Training Station, and give them wings—because that is just what is done; the wings are a present to such officers—is making a mockery of the law that requires trained aviators for the command posts.

It is in spirit and effect a violation of the intent of the law and rank favoritism. It destroys the morale of the younger officers who enter aviation in the Navy as a career. After years of arduous duties as pilots, during which time they are required not only to keep up with the advancements and progress of aviation, but also to pass all the professional examinations of their brother line officers, these aviators expect command posts, only to be shoved aside by seniors who are hurriedly rushed through Pensacola, labeled pilots, and given all of the best aviation commands.

Such officers of necessity know very little about aviation, and nothing from experience of the problems of actual aerial combat. Most of them could not even fly airplanes let alone lead a massed flight of planes. Yet it is these officers who are given the high command of our combat naval air forces. We place not only the success of our aerial defense of the Navy but the very lives of our real pilots in the hands of officers who know nothing about the duties for which they are given command.

The actual pilots know that they are being ordered into the air and their maneuvers planned by officers who do not understand what they are ordering or planning.

This hardly makes for the high order of morale which is so essential in any military operation, especially in the air. Permitting aviation to be dominated by men who are not real airmen retards progress and threatens the ultimate success of our naval air operations.

The theory of the bureau chiefs is that naval officers must progress to the command of large ships by commanding small ones first and then, step by step, the larger ones up to the biggest. This is good logic. But how much more important is this for the command of great armadas of airplanes.

Here the course of command experience must be by the same parallel. A pilot must first learn to fly in a wing position, then to lead a section, and later a division of airplanes before he can hope to lead a squadron or a wing organization.

The bureau chiefs would be the first to protest against giving command of a battleship to an outsider after only a 9 months' course at Annapolis.

Yet that is exactly what they are now doing in aeronautics. No one would think of permitting an officer to command a capital ship without years of previous training and experience at sea. So, too, no one should be permitted to command our vitally important naval air units, afloat or ashore, without years of experience in aviation.

To see that this common sense principle is carried out in the future I have introduced a bill to restrict command of airplane carriers, tenders, and naval air stations to aviators and observers of not less than 10 years' experience as qualified naval aviators or observers. This bill, if enacted into law, will make mandatory the carrying out of the intention and policy of Congress in this respect.

THE W. P. A. PROGRAM

Mr. RUSSELL. Mr. Speaker, I ask unanimous consent to insert in the RECORD a communication from the United States Conference of Mayors and resolution adopted March

The SPEAKER. Is there objection?

There was no objection.

Mr. RUSSELL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter and the resolution adopted at the United States Conference of Mayors referred to therein:

United States Conference of Mayors, Washington, D. C., March 24, 1936.

Hon. RICHARD RUSSELL

HON. RICHARD RUSSELL,

Member, United States House of Representatives,

House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: Last Saturday the United States Conference of Mayors held a regional meeting of most of the New England mayors at Boston. The attached resolution, dealing with the W. P. A. program, was unanimously passed. On behalf of the New England mayors in attendance at the Boston meeting I am asking that you insert this statement in the Congressional Record.

Thanking you very kindly, I am, Sincerely yours,

PAUL V. BETTERS Executive Director.

RESOLUTION ON W. P. A., UNANIMOUSLY ADOPTED AT BOSTON NORTHEAST-ERN REGIONAL MEETING OF UNITED STATES CONFERENCE OF MAYORS, MARCH 21, 1936

Whereas we have met in formal sessions of the northeastern regional section of the United States Conference of Mayors and have received first-hand reports from the chief executives of the cities of Massachusetts, Connecticut, Rhode Island, Maine, New Hamp-shire, New York, and New Jersey with regard to the pressing prob-lem of caring for the unemployed needy in these communities;

Whereas these reports have revealed that although there has been an evident improvement in general business conditions, still the numbers on relief and in need of aid have not been substan-tially reduced; and

Whereas the present W. P. A. program has been productive of useful and constructive works of lasting benefit and permanent value to our communities; and

Whereas considerable alarm has been felt over the announced reductions in W. P. A. quotas: Now, therefore, be it Resolved as the consensus of the northeastern regional section, Resolved as the consensus of the northeastern regional section, That the president and executive committee of the United States Conference of Mayors be instructed to continue their efforts to insure an extension of the W. P. A. program, which is absolutely essential to provide adequate care and assistance for the unemployed employables of our Nation. It is the hope of this group that industry will absorb much of the surplus labor during the coming months and lessen the problem of relief, but until such does take place we must carry on as in the past. In this connection we authorize the president and executive committee to place at the disposal of private industry all the informational facilities of the conference of mayors in any plan which industry may develop in accordance with the message of President Roosevelt on March 18 to effect increased employment during the coming months: Be it further months: Be it further

Resolved, That it be recommended to the Works Progress Administrator that W. P. A. quotas be not reduced except as workers are actually placed in other jobs.

Major cities in New York, Massachusetts, Connecticut, Maine, Rhode Island, Vermont, and New Hampshire represented.

OUR AIRCRAFT AND ALLIED INDUSTRIES ARE LOCATED AS TO BE VULNERABLE TO ATTACK

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a letter addressed by me to the President.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter to the President of the United States in which I call attention to the need for a careful study of the location of our aircraft companies to the end that there be a development in the

interior sections of the country. Similar communications were sent to Hon. John J. McSwain, chairman of the House Military Affairs Committee, and Hon. Carl Vinson, chairman of the House Naval Affairs Committee, and Eugene Vidal, Director of Air Commerce for the United States:

MARCH 30, 1936.

Hon. Franklin D. Roosevelt,

President of the United States,

The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: During an address on the floor of the
House of Representatives on March 13 I stated the following: "In this Nation practically every concern manufacturing aircraft is located upon the coasts of the United States, and, due to the

danger from attack, we should give serious consideration to the need for aircraft development inland." Since that time I have been making a further study of the facts Since that time I have been making a further study of the facts in this connection. I find that factories for the manufacture of planes and bombers, ordnance and rifles, are concentrated in the seaboard States, and are, therefore, left open to destruction by a hostile airplane carrier, perhaps hundreds of miles at sea. I have found that the Pratt & Whitney Aircraft Co. and the Wright Aeronautical Corporation are open to attack, since they are located at Hartford, Conn., and Paterson, N. J. It is not a far-fetched assertion when I say that a fast bomber could bring destruction to both these factories within an hour. Not far from the coast is the Lycoming Manufacturing Co., at Williamsport, Pa., which manufactures engines and propellers. The Menasco and Kinner companies are located in Los Angeles, Calif.

We find the Glenn L. Martin aircraft factory near Baltimore; the Seversky and the Grumman Aircraft Corporation at Farmingdale, Long Island; the Sikorsky Aviation Corporation situated at Bridgeport, Conn.; and the Chance Vought Aircraft Corporation in Hartford, Conn. The picture is even more graphically brought to our attention on the Pacific coast, with the Lockheed, Douglas, Vultee, and Northrop companies at Los Angeles, Calif.; the Consolidated Aircraft Corporation at San Diego; and farther north at Seattle, Wash., is to be found the Boeing Aircraft Co., builders of bombers which are recognized as among the best.

In contrast we find that only the Great Lakes Aircraft Corporation in Cleveland Only produces fighting planes in any quantation.

In contrast we find that only the Great Lakes Aircraft Corporation in Cleveland, Ohio, produces fighting planes in any quantity among those situated in the interior. There are three commercial factories at Wichita, Kans., and the Stinson Aircraft Cor-

poration in Detroit.

I have ascertained also the further fact that our manufacturers of firearms are concentrated on the coast. There are three companies in Massachusetts; namely, the Johnson's Arms & Cycle Works at Fitchburg, the Stevens Arms Co. at Chicopee Falls, and Smith & Wesson's in Springfield. In Connecticut we find five companies. New Haven having Mossberg & Sons, Colt's Patent Arms Manufacturing Co., the Winchester Repeating Arms Co., and the Marlin Firearms Co., while in Bridgeport we find the Remington Arms Co. Coming down to Pennsylvania, which is only slightly better protected than the above-mentioned States, we find our largest producer of firearms, the Bethlehem Steel Corporation at Bethlehem. Also, the manufacture of explosives and war chemicals is concentrated in the Wilmington, Del., territory. I feel justified at this time, therefore, in calling your attention to the need for a careful study with the thought in mind of establishing in the interior and more inaccessible sections of the United States our plants for the manufacture of aircraft, engines, firearms, explosives, and chemicals because the picture today is decidedly different than it was even 5 years ago.

Sincerely yours, I have ascertained also the further fact that our manufacturers

Sincerely yours,

JENNINGS RANDOLPH.

STATE, JUSTICE, COMMERCE, AND LABOR DEPARTMENTS APPROPRIATION BILL, 1937

Mr. McMILLAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12098) making appropriations for the Departments of State, and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. HARLAN in the chair.

The Clerk read the title of the bill.

The Clerk, proceeding with the reading of the bill, read as

Envoy Extraordinary and Minister Plenipotentiary to the Netherlands, \$12,000.

Mr. ELLENBOGEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to address the House on the provisions of a very important piece of legislation which is being introduced today by Mr. Wagner in the Senate and by myself The United States housing bill is the culmination of a long period of experimentation, surveys, thought, and united effort on the part of all groups and individuals interested in finding some solution for the housing problem. We have moved slowly, because the problems involved are so serious and complex that no hasty or partial solution will do. But we now present this bill in the full conviction that it will meet with the approval of all who seriously desire to improve the living conditions of that section of the population otherwise doomed to live in the slums, and of all who understand that our future economic well-being is largely dependent on permanent revival and a greater degree of stabilization in the building and allied industries.

In its very essence this is nonpartisan legislation. Housing is not a new idea in America. The national housing policy outlined in this bill has been built up bit by bit and year by year from the knowledge and understanding gained in this country over the past generation.

The necessity for a concrete and permanent low-cost housing program was recognized in Mr. Hoover's administration. The committee on large-scale operations of Mr. Hoover's conference on home building and home ownership reported that "the houses of the country constitute our largest mass of obsolete and discredited equipment." They pointed out that "new houses of acceptable standard of living are too expensive for two-thirds of the population", and they showed that "the present break-down in the financing, construction, and distribution of homes is more than a temporary or emergency situation", and therefore requires more than emergency measures for its solution.

The awakened local interest in the housing problem today knows no party lines. What other issue can you find in which local governmental officials, both Democratic and Republican, social agencies, labor, consumer organizations, and the capital goods industries are all united in seeking public action?

The adoption of a sound national housing policy will be the crowning point of the first 4 years of the Roosevelt Administration. Talk and experiment can now be translated into concrete achievement. The President has said—

We are working toward the ultimate objective of making it possible for American families to live as Americans should.

Here is an economical, efficient, and comprehensive method of taking one real step in this direction.

In the first place the bill sets up a permanent United States housing authority. Permanent local housing authorities of a similar type have already been established all over the country. But they are attempting the impossible, as long as the Federal agencies, from whom they seek necessary assistance, exist only from day to day, on a precarious and temporary basis. Where there are no local housing authorities as yet, there are active and organized groups of citizens who are impatiently waiting only for a permanent national policy before establishing suitable local machinery to carry out a program of low-rent housing and slum clearance. The provisions in the Wagner-Ellenbogen housing bill were framed with the direct collaboration and assistance of such local authorities and groups of citizens.

There are two essentials in a sound piece of national housing legislation. First, it must be flexible enough to meet varying local conditions and needs. No single "solution" handed down from Washington will do in a country as broad and complex as ours. On the other hand, definite checks and limitations and standards must be established to insure that Federal aid really accomplishes what it is supposed to accomplish—namely, the provision of decent living quarters for low-income families and the elimination of slum living conditions. In our opinion, and in the opinion of the numerous and diverse individuals, experts and agencies who have collaborated in its formulation, the United States housing bill achieves this difficult feat.

Loans will be made to local public housing authorities and limited-dividend companies. And grants may also be made, to authorities only, where necessary in order to bring rentals within reach of low-income families in need of housing.

Actual construction and operation will be carried out by local agencies, subject to certain conditions. The most important condition is that such housing projects must be reserved for low-income families who are entirely outside the private building market. There is therefore a permanent guarantee that these dwellings will not compete with the ordinary activities of private enterprise. They will merely extend the market for the products of the building industry and the labor of building mechanics into a hitherto untouched field. In certain special cases, where no local authority has as yet been established, but where there is both proved need and representative demand, the Federal agency may itself undertake construction, pending sale of the project to suitable local agencies.

The financial provisions have been very carefully worked out to provide a maximum of accomplishment with a minimum of public expenditure. An appropriation of \$51,000,000 is asked for the first year, and authorizations for ensuing years up to \$100,000,000 for the first year and not more than \$150,000,000 for each of the succeeding 3 years. The Authority is authorized to borrow \$100,000,000 from the Reconstruction Finance Corporation in the first year, which may make a special bond issue unnecessary.

Compare these reasonable appropriations and financial measures, every cent of which will go into direct construction, with the funds made available to the Home Owners' Loan Corporation, almost entirely for refinancing, or with outright expenditures for relief and other emergency measures which bring no future return and leave no permanent addition to the wealth of the country. The money spent under the United States housing bill will build monuments which 50 years hence will still give concrete evidence that the Congress of 1936 was an enlightened and forward-looking body.

These public funds will, moreover, serve to draw idle private funds into an entirely new field of sound and needed investment. A false distinction is often made between "private" and so-called "public" housing—as if all public-aided housing had to be constructed entirely with public funds. As a matter of fact, through the unguaranteed bonds of local housing authorities, and through equities in limited dividend companies as well as through investment in United States Housing Authority bonds, a large amount of private money will be drawn into a new and highly productive enterprise. Thus, and only thus, can the great building industry and its allied businesses begin to be transformed from a "luxury trade", serving only the richest third of the population, into a stable industry serving the interests of the mass of consumers. Only thus, also can steps be taken to alleviate, if not to avoid entirely, the terrible shortage of any kind of housing which is rapidly descending on us

There will, of course, be opposition. But the argument will not be quite the same old familiar left-right line-up. Rather will it be a line-up between that vast majority of the citizens of the United States and their elected representatives who want to put both the production and consumption of our national resources on broader and more stable basis, and the small handful who for their own selfish reasons are opposed to any truly constructive activity. [Applause.]

Mr. FULMER. Mr. Chairman, on yesterday I had the privilege of attending a hearing before the Senate Agriculture Committee, where an investigation is being made by that committee of the operations of the cotton exchanges and the cause of a 2 cent per pound drop in the price of cotton sometime ago.

I had the privilege of listening to a statement made by the ex-president of the New York Cotton Exchange. While I agree with a number of statements made by this gentleman, I disagree with him in his statement wherein he stated that speculation, and a lot of it, was very helpful to farmers in securing a better price for their cotton. After making this statement the gentleman proceeded to lambast Anderson, Clayton Cotton Co., of Texas, for certain transactions on the New York Cotton Exchange during the months of May and July in 1929. Now, Mr. Clayton was doing exactly what

the ex-president of the New York Cotton Exchange stated would be good for farmers—that is, speculating—and on a large scale.

He stated that in May Mr. Clayton was long several hundred bales of cotton; in other words, was in a position to dominate the price of cotton. In July he stated that Mr. Clayton sold short over 900,000 bales of cotton, which, naturally, would have a tendency to depress the price of cotton, all of which certainly would not be helpful to farmers. Now, you will notice that both of these transactions were in May and July.

Those of us here who represent cotton farmers know that putting the price of cotton up in May or down in July does not do them any harm or any good, in that farmers sell very little cotton during this period of the year.

I contend that the investigation that is now going on for the purpose of ascertaining just why cotton had a 2 cent per pound drop in 1 day is just like putting that much money in a rat hole. Congress is long on taking the tax-payers' money for various and sundry investigations while Congress is in session and during the adjournment of Congress; 99 times out of 100 these investigating committees, largely composed of Congressmen and Senators, are unable to accomplish much in remedying the situation complained of or investigated.

Those of us who have bought and sold cotton and who have had any dealings on the cotton exchanges of the country realize the cause of the wild speculation referred to by the ex-president of the New York Cotton Exchange in the case of Anderson, Clayton Co.

Under the Cotton Futures Act a section was written in the act whereby buyers of cotton would have an equal opportunity in doing business on the cotton exchange with the seller. Speculators refuse to use this section. However, another section was written in this bill giving the seller of cotton all advantages over the buyer. That is, suppose I buy on the New York Cotton Exchange 1,000 bales of cotton for July delivery. When July arrives I call for the cotton and request that it be delivered at Charleston, S. C., one of the southern delivery points.

Under the section just referred to, the seller has the right to deliver to me the cotton, the 1,000 bales, of any one of the tenderable grades and can state that he will deliver you this cotton at a delivery point in Texas or several other southern delivery points. Naturally, the buyer is unable to use all of these 1,000 bales of one grade and, certainly, wanting to use this cotton in South Carolina, could not accept delivery in Texas or any of these other delivery points.

Mr. Clayton, when he sold these 900,000 bales short on the New York market, perhaps not having a single bale of actual cotton on hand, knew at the time that he could force a paper settlement by the procedure just mentioned and, therefore, would not have to deliver the actual cotton.

If the Congress will amend the Cotton Futures Act, repealing the section referred to, that gives the seller all of these advantages, and place in the bill and amendment placing the buyer on an equal basis with the seller—that is, permitting him to write into the contract at least half of the number of bales of the grades that he would want, permitting the seller to geliver the other half in grades that he would like to deliver—you will be able to stop Mr. Clayton and others from the type of speculation referred to by the ex-president of the New York Cotton Exchange.

Now, why do I say this? Suppose the buyer had the right under the amendment just referred to, which would give the buyer the right to demand the actual cotton. Mr. Clayton would think seriously before he would sell short 900,000 bales of cotton, for the reason that he would be unable to know whether or not he would be able to go on the market and buy this cotton for the purpose of filling his contract. In the next place, in calling the actual cotton, forcing the seller to have on hand the amount of cotton sold or forcing him to go on the market and buy the cotton in question, naturally would bring about a demand for cotton and certainly would advance the price of cotton.

I tried to place such an amendment in legislation in my committee some 3 or 4 years ago proposing to amend the Cotton Futures Act, but the speculators are absolutely against the amendment, stating that it will destroy speculation, all of which will be harmful to farmers in securing a fair price for their spot cotton.

If Congress will write in this amendment and also write into the legislation designating certain southern delivery points, permitting the buyer of cotton to write into the contract the point where he wants the cotton delivered, and at least 50 percent of the quantity of cotton bought of grades that he could use either in his mill or on the market, permitting the seller to designate the grades of the other 50 percent, we will then be able to curb wild speculation and fluctuations of such as a drop of 2 cents per pound in 1 day.

The ex-president of the New York Cotton Exchange referred to the holding of cotton on the part of the Government under the program of trying to assist farmers in receiving a fair price, stating that it was a mess. The only difference between the Government's transaction and that of Anderson, Clayton Co. is that the Government is doing a legitimate business, representing the farmers, and having in its possession the actual cotton, while Anderson, Clayton, in connection with the transaction referred to, was speculating without having a bale of cotton in their possession and when the transaction had been closed, it was all on paper, and not a single bale of cotton passed through the hands of anybody.

The day that cotton dropped 2 cents per pound, a loss of \$10 per bale, I understand it was all brought about by a rumor put out by those interested in selling the market short for the purpose of making millions.

I am sure if the Senate committee will investigate the transactions on that date they will find that the selling and buying was all on paper, and not a single bale of actual cotton entered into the transaction.

I gathered from the remarks of the ex-president of the New York Cotton Exchange that it would be very helpful if the Government would let it be understood that the cotton that they now have on hand would not be sold until a certain price was reached, and it appears that he had in mind 15 cents per pound. If the Government should make such a statement, and I am for it, speculators would not do anything but buy the market, and in less than 30 days cotton would be selling for 15 cents per pound.

The gentleman also stated that there was very little business going on on the cotton exchange at this time, all because speculators and traders in cotton were without any definite information as to just what the Government was going to do with the cotton that they now have on hand. In other words, the speculators are hesitating because of what the Government is doing, and perhaps on account of what the Government may do, in handling this cotton.

Prior to the inauguration of President Roosevelt on March 4, 1933, the Government was not holding any cotton, neither did the Government interfere with speculators and cotton traders, and, apparently, there was quite a lot of business going on on the exchanges. However, cotton at that time was forced down to 5 cents per pound, while today farmers are actually selling cotton at 12 cents per pound. I note that the gentleman stated that farmers were receiving about 10 cents per pound for cotton at this time. I beg to differ with the gentleman for the reason that I sold cotton this week in my district to a country cotton buyer for 12 cents per pound.

The chairman of the Agriculture Committee, Senator SMITH, whom I admire, and whom the people of South Carolina admire, stated on yesterday that the type of speculation referred to by the ex-president of the New York Cotton Exchange should be curbed by placing a limitation on long and short selling.

Out of all the legislation passed by the Congress, most of it highly recommended by those who have charge of enforcing and administering the Cotton Futures Act, the situation complained of has not been remedied.

We passed a commodity-exchange bill in the House last year which was reported by the Agriculture Committee of the House, of which I am a member, carrying a provision for putting a considerable curb on selling long and short, especially short selling, both on grain and cotton. I find that this bill has been reported to the Senate by the Senate Agriculture Committee with cotton stricken from the bill.

If the Senator from South Carolina is interested in curbing speculation of the type engaged in by Anderson, Clayton & Co., and others, cotton should be restored to the bill.

I am also hoping that those in the Senate who are interested in stopping speculation, the type that brings about a 2-cent decline in cotton in 1 day, will write into the bill the amendments suggested by me. I feel sure that if this is done and the bill returned to the House we will be able to keep these amendments intact.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

The Clerk read as follows:

FEDERAL BUREAU OF INVESTIGATION

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; for the protection of the person of the President of the United States; the acquisition, collection, classification, and preservation of identification and other records and their exchange with the duly authorized officials of the Federal Government, of States, cities, and other institutions; for such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General; purchase and exchange not to exceed \$50,000, and hire, maintenance, upkeep, and operation of motor-propelled passenger-carrying vehicles, to be used only on official business; purchase and exchange at not to exceed \$7,000 each, and maintenance, upkeep, and operation, of not more than two armored automobiles; firearms and ammunition; such stationery, supplies, and equipment for use at the seat of government or elsewhere as the Attorney General may direct; not to exceed \$10,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph and to be expended under the direction of the Attorney General; traveling expenses, including expenses of attendance at meetings concerned with the work of such Bureau when authorized by the Attorney General; payment of rewards when specifically authorized by the Attorney General for information leading to the apprehension of fugitives from justice, including not to exceed \$20,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, who shall make a certificate of the amount of such expenditure as he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended; and including not to exceed \$1,181,500 for personal services in the District of Columbia; \$6,025,000, of which amount \$100,000 shall be immediately available: Provided, That

Mr. McMILLAN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. McMillan: Page 34, line 6, strike out the word "two" and insert in lieu thereof the word "four."

Mr. McMILLAN. Mr. Chairman, this merely provides for four automobiles for the Bureau of Investigation instead of two.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina.

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman, on page 34, in line 14, I move to strike out the words "when authorized by the Attorney General."

The CHAIRMAN. The Clerk will report the amendment. The Clerk read as follows:

Amendment offered by Mr. Blanton: Page 34, line 14, strike out the words "when authorized by the Attorney General."

Mr. BLANTON. Mr. Chairman, I am making this proforma amendment in order to call to the attention of the Attorney General of the United States and to the prosecuting officers here that there is a bunch of lawyers in Washington who are continually committing the crime of barratry—soliciting law business from people.

A distinguished citizen died here the other day, and, as is the usual practice with some of these lawyers who are committing barratry, the firm of William Fletcher & Co., composed of John L. Fletcher and John R. Fletcher, on the letter-

head of John R. Fletcher, lawyer, 600 F Street NW., Washington, D. C., wrote a letter to the widow of the deceased and said in effect:

"We note your husband has passed away", and they said, "We are prepared to get you a pension from the Pension Bureau", and they told her that if she would fill out the application they enclosed and make them attorneys in fact, having the names stipulated in the application, "William Fletcher & Co., composed of John L. and John R. Fletcher", and would agree to pay them their fee, that they would get her the pension.

That is barratry. That soliciting of law business is nothing in the world but barratry, and it ought to be stopped. When the Government of the United States owes anyone a pension they do not have to employ a lawyer to get it. All on earth they have to do is to fill out a proper application to the Pension Bureau, which will be furnished by the Pension Bureau, and furnish the facts, and they do not need any attorney to do it. They do not have to pay out a cent in fees. They can get what is coming to them from the United States Government without expense. This damnable barratry ought to be stopped. They ought to quit imposing on people at a time when death comes and get these fees out of them.

I hope the prosecuting officers in the District of Columbia will stop this barratry.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.
Mr. COLDEN. That custom prevails throughout many parts of the country aside from the District of Columbia.

Mr. BLANTON. Of course; and it ought to be stopped everywhere; but here we are in control. The Congress of the United States is in control of what goes on in the District of Columbia, and we are responsible for it.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Blanton] has expired.

The pro-forma amendment was withdrawn.

The Clerk read as follows:

TRAINING OF UNITED STATES ATTORNEYS AND OTHER OFFICIALS
Salaries and expenses: For salaries and expenses incident to the
special instruction and training of the United States attorneys and
United States marshals, their assistants and deputies, and United
States commissioners, including personal services, supplies, and

United States marshals, their assistants and deputies, and United States commissioners, including personal services, supplies, and equipment in the District of Columbia, traveling expenses, including expenses of attendance at meetings when specifically authorized by the Attorney General, \$35,000.

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph beginning on page 38, line 17, ending on line 26, embracing the proposed appropriation of \$35,000, because there is no law authorizing it and it is legislation upon an appropriation bill, unauthorized by law.

The CHAIRMAN. The Chair will hear the gentleman from South Carolina [Mr. McMillan] on the point of order.

Mr. McMILIAN. Mr. Chairman, this item is carried in the bill, I may say to the Committee, on the authority of law as we find it in section 317 of title V of the Code of Laws of the United States in force January 3, 1935, in which I find this language:

The Attorney General shall exercise general superintendence and direction over the attorneys and marshals in the districts of the United States and Territories as to the manner of discharging their respective duties—

And so forth. We take it that, in view of the language I have just read, the Attorney General would have discretion under this substantive law to provide for these men, marshals and district attorneys, and what not, to be brought to Washington for such a course of instruction or training as they may need. The purpose of this language is to make uniform a policy to apply to district attorneys and marshals throughout the country.

Mr. BLANTON. Mr. Chairman, that language in the statute read by the gentleman from South Carolina [Mr. McMillan] in no way embraces authority for "special instruction and training of United States attorneys and United States marshals, their assistants and deputies, and United States commissioners" and their trips to Washington. There is nothing in that language read by my colleague that embraces or authorizes anything like that. This is nothing in

the world but providing for junket trips, pure and simple, and such junket trips to Washington have been turned down by the Comptroller General in the past. I have some of the accounts in my office, certified to by his office, showing where he has turned them down because there is no authority of law. This \$35,000 provision is an attempt to get around the Comptroller General of the United States.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The Chair is ready to rule. Does the gentleman from Massachusetts wish to address the Chair on the point of order?

Mr. McCORMACK. Not necessarily on the point of order, but I should like to ask the gentleman from Texas to yield, if he will.

Mr. BLANTON. Certainly I yield to my friend from Massachusetts.

Mr. McCORMACK. I just wish to make this observation: I do not think the gentleman means to let it remain in the Record that these are junket trips. I think what the Attorney General has in mind is something which is a very desirable objective, namely, to create uniformity throughout the country in the offices of the United States district attorneys. I know something about the objective of the Attorney General in this respect. It seems to me that, independent of the point of order, it should not be permitted to go into the Record, without an expression of view to the contrary, that this is nothing but a junket trip.

Mr. BLANTON. I will say to the gentleman that he has not given the attention to this matter that I have. I have gotten some of these accounts in the past from the Comptroller General's office, because it was my duty to look into those things as a member of this committee. I have found out where they have attempted to put these junket trips over and they have been approved by the Department of Justice, but when they reached Comptroller General McCarl he turned them down, and they were not paid out of Government funds.

The CHAIRMAN (Mr. HARLAN). The Chair is ready to rule on the point of order.

The question to be decided is the interpretation of the phrase, "special instruction and training", contained in this appropriation bill, the question being whether that phrase comes under the statutory authorization to the Attorney General in the section referred to by the gentleman from South Carolina [Mr. McMillan], section 317 of title 5, in which the Attorney General is authorized to exercise "general superintendence and direction" over the attorneys.

This section has been on the statute books certainly for more than half a century. So far as the records disclose, up to the present time there has been no attempt to organize or operate a school for instructing district attorneys under that authorization. There is very little in the decisions interpreting this phrase of the statute. In the case of Fish v. U. S. (36 Federal Reporter, 680), however, in a decision by the District Court for the Eastern District of New York, the court, by way of obiter, spoke as follows:

The section no doubt confers upon the Attorney General power to superintend any criminal prosecution instituted by the district attorney, and to direct the district attorney in regard to the method of discharging his duties in any particular prosecution instituted by him. But it does not, in my opinion, authorize the attorney general to control the action of the district attorney in criminal cases by general regulations. The supervision and direction contemplated by section 362 must, as I think, be a particular instruction, given in a particular case, and based on the facts of the particular case. To hold otherwise would in many instances deprive the court of the aid of counsel, learned in the law, which is contemplated by the statute, and substitute in place of counsel a set of general regulations issued by the Attorney General; and in some cases the ends of justice would be defeated by such a practice. A general regulation of the Department of Justice that all district attorneys should in all cases refuse to consent to any postponement of a trial, should never admit a fact, should always move for the infliction of the extreme penalty of the law, would hardly be upheld. The statute must have some limit; and one proper limitation, as it seems to me, is to require, for the validity of any direction by the Attorney General in criminal cases, that it be made in a particular case, and with reference to the duties of the district attorney in that particular case.

If this decision is to be followed, there is no authority under present statutes for the Attorney General to operate a school for district attorneys.

The point of order is sustained.

The Clerk read as follows:

Structural and mechanical care of the building and grounds: For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the act approved May 7, 1934 (48 Stat. 668), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances, and perconal and other services, and for snow removal by hire of men and equipment or under contract without compliance with sections 3709 and 3744 of the Revised Statutes (U. S. C., title 41, secs. 5 and 16), \$55,000.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I wish to reply, briefly, to the remarks of my distinguished friend, the gentleman from Texas [Mr. Blanton], and what I say is not in any sense controversial. The gentleman properly, within his rights, raised a point of order. I want, nevertheless, to express my personal opinion with reference to Attorney General Cummings, and what he has in mind in connection with affording opportunity to United States attorneys throughout the country, from time to time, to collaborate.

The Attorney General has been doing a very remarkable job. He has confined himself to the conduct of his own Department and has administered it and performed his duties in a very able and commendable manner.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Certainly.

Mr. BLANTON. The gentleman is no better friend of the Attorney General of the United States than I am, and I would defend him as quickly as would the gentleman if he were under fire, but he is not under fire. Nothing was at issue except a \$35,000 legislative provision on an appropriation bill, and it is the duty of Congress to keep legislative items out of appropriation bills. I was merely doing my duty in upholding the rules of the House in keeping this improper legislative item out of the bill.

Mr. McCORMACK. As I have stated, Mr. Chairman, the gentleman from Texas was acting within his rights, so there cannot be any misunderstanding either directly or indirectly that I was undertaking to criticize the gentleman. I do want. however, to incorporate in the RECORD my personal view that had this item not been stricken from the bill on a point of order it was not the intention of the Attorney General to permit the money to be used for junketing purposes. In this respect the gentleman from Texas and I may honestly differ, and I am not going to make any remarks which could be construed as a criticism of the opinion he entertains. It is my intention to express my own opinion. It is my view that had this item remained in the bill, or if this item is restored in the Senate—and I hope it will be—the Attorney General will not permit it to be used for junketing purposes. Attorney General Cummings has commended himself, as my friend from Texas agrees, to all of us, irrespective of party, as a Cabinet officer who is trying to perform the duties of his own Department; and in his effort to perform his duties, which he is doing ably, has confined himself to his own Department, realizing that he has enough work to do in conducting the affairs of the great Department of Justice. If this item is restored in the Senate by way of amendment-which I hope will happen, and I hope the item will be increased to \$50,000, which the Attorney General asked in the first place-the Attorney General will not permit the money to be used for any junketing purpose. Attorney General Cummings is one of the ablest and most conscientious men in the public service of today.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, in view of the statement of the gentleman from Massachusetts indicating that an effort is to be made to secure the reinsertion of this item in the Senate, I desire to outline briefly the reasons which prompted me as a member of the subcommittee to oppose the insertion of this item in the bill as reported from the committee.

Those reasons had nothing to do with the Attorney General nor with the question of whether or not if the appropriation was made he would spend the money honestly and for the best interest of his Department. I think anyone who is acquainted with the Attorney General and his record of service will cheerfully give him credit for the best of intentions to use the utmost good faith in connection with the expenditure of the appropriation, if made. But my objection to the proposed appropriation is that these district attorneys have been selected presumably because of their eminence in their profession for the positions which they occupy, and it is to be assumed that men selected in this manner for positions of this high type are fully qualified to discharge the duties of these positions. There is an element of the ridiculous in suggesting that money should be appropriated from the Treasury of the United States to afford these men training and instruction. It is not only possible but probable if this procedure should be started in the Department of Justice that it would rapidly spread to other departments of the Government. In our committee the suggestion was made by one of the members that a similar training school be established for employees of the Bureau of Internal Revenue.

Mr. MICHENER. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Michigan.

Mr. MICHENER. Since it seems to be the policy of the present administration not to apply the civil service, and they are making these political appointments all the time, might it not be well to set up some school of instruction so that these people who are appointed may be able to properly

Mr. TARVER. In reply to the gentleman may I say I do not know that the policy as to civil service has been substantially changed under this administration from that followed heretofore. In my judgment, in the main it has not.

But without regard to that question I think it highly inadvisable to begin in one department of the Government a practice which we ought not consider spreading to all departments of the Government to afford training and instruction at public expense to employees or appointees who are presumably selected because they are well qualified in an effort to have them become qualified to discharge the duties for which they were selected.

Mr. BLANTON. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Texas.

Mr. BLANTON. The gentleman from Michigan [Mr. MICHENER | knows that during 50 years of Republican administration there never has been one Federal United States district attorney appointed through the civil service. That is all bunk.

Mr. RANKIN. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Mississippi. Mr. RANKIN. May I say to the gentleman from Michigan that if there ever were any who needed to go to school it was the district attorneys appointed in the South by the Republican administration for the last 15 years. Of course, it is too late for them, because they will probably never get back in office.

[Here the gavel fell.]

Mr. ZIONCHECK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise at this time to ask my good friend from Texas whether he has read on the editorial page of this morning's Post an article entitled "Blanton! and then "Heil to the Dictator!"?

Mr. BLANTON. The Post and its writer, Karl Schriftgiesser, are Russian Communist sympathizers, with just about the same kind of sympathetic ideas for communism that the gentleman entertains.

Mr. ZIONCHECK. Will the gentleman from Texas answer the question whether he would prefer a "red rider" to a night rider in Washington?

Mr. BLANTON. I would rather have night riders here and in the State of Washington than "red riders", if the "red riders" were "reds."

Mr. ZIONCHECK. Why does not the gentleman answer the question?

Mr. BLANTON. The Post and its editor, Karl Schriftgiesser, know that I have never belonged to the Ku Klux Klan and that in the zenith of its power one of its high kleagles ran against me for Congress, and I carried every county in my district against him by a big majority.

Mr. BACON. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it.

Mr. BACON. Mr. Chairman, I make the point of order the discussion has nothing to do with the pending bill.

The CHAIRMAN. The point of order is sustained. The Clerk read as follows:

SALARIES OF JUDGES

Salaries of judges: For 42 circuit judges; 157 district judges (including 2 in the Territory of Hawaii, 1 in the Territory of Puerto Rico, 4 in the Territory of Alaska, and 1 in the Virgin Islands); and judges retired under section 260 of the Judicial Code, as amended, and section 518 of the Tariff Act of 1930, \$2,95,000: Provided, That this appropriation shall be available for the salaries of all United States justices and circuit and district judges lawfully entitled thereto, whether active or retired.

Mr. COCHRAN. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Cochran: On page 40, line 11, after the word "retired", strike out the period and the colon and add the following: "Provided, That in the event of the death or re-tirement of a district judge where a successor cannot be named by the President under existing law the President shall have the power to fill the vacancy for a period not exceeding 1 year."

Mr. McMILLAN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. COCHRAN. Mr. Chairman, I realize the amendment is subject to a point of order and its constitutionality can also be questioned. My purpose in offering the amendment is to get a situation before the House.

There is a situation existing in various judicial districts of the country, including my own district, where the Congress has provided an additional Federal judge and there is a provision in the law which prevents the President from making an appointment in case of the death or retirement of the present incumbent. Those laws were passed to meet a situation that grew up after the enactment of the eighteenth amendment. Since the eighteenth amendment has been repealed, various amendments to the Bankruptcy Act have been adopted and many new laws have been placed upon the statute books by the Congress. We have doubled the work of the Federal judges.

Mr. Chairman, St. Louis is a great railroad center, and we have in our courts a number of railroad receiverships. We have but two judges. One of the judges is what is known as a temporary judge. Of course, everyone hopes that this judge will live for a long period of time, but we cannot predict what might happen. If that judge should pass away during the time that the Congress is not in session there would be a situation created that I am unable to describe. It would be physically impossible for one judge to handle the business before the court.

The conference of circuit judges has recommended that this vacancy, along with many others in the country, be made permanent. The conference of circuit judges has also recommended additional judges. I am not speaking now of the appointment of additional judges, although the recommendation of the conference of circuit judges provides for two additional judges in my own State. What I want to see now is the Congress give the President power to fill the temporary places in the event of death or retirement, so that there will not exist a congested docket in a locality where the judge is liable to pass away or is forced to retire. We should provide to meet a situation that might exist in your district or

Mr. TAYLOR of Tennessee. Will the gentleman yield? Mr. COCHRAN. I yield to the gentleman from Tennessee. Mr. TAYLOR of Tennessee. I think there is a great deal of merit in the gentleman's amendment, and I hope that a point of order will not be urged against it.

Mr. COCHRAN. I thank the gentleman.

Mr. TAYLOR of Tennessee. We have a similar situation in the middle district of Tennessee, and in the event of the death of the present judge it would be a calamity if the vacancy could not be filled.

Mr. MICHENER. Mr. Chairman, will the gentleman yield? Mr. COCHRAN. I yield.

Mr. MICHENER. I beg the gentleman's pardon, but I could not hear just what his amendment provides.

Mr. COCHRAN. It is a pro-forma amendment granting the President power to appoint, for 1 year only, a successor to a judge who is now holding a judgeship which expires upon the death of the present judge. This would give the Congress an opportunity to decide whether or not the judgeship should be made permanent.

Mr. MICHENER. Has the matter been referred to the Committee on the Judiciary?

Mr. COCHRAN. It has not. It is a matter that came to my mind just at the moment. My real purpose is to call attention to an existing condition.

Mr. MICHENER. The gentleman is a splendid legislator and I have been able to follow him very often, because he is sound on these matters, but I am sure he would not for one moment want an amendment of this kind adopted here unless it was submitted at least to the Attorney General and the judicial council and had a proper background.

[Here the gavel fell.]

Mr. MICHENER. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri may have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COCHRAN. I would not except for the fact that, as the gentleman knows, there are pending before his committee a large number of bills providing for additional judges and also to make the temporary judgeships permanent. The gentleman knows as well as I do that we are not going to get action on a great majority of these bills at this session of the Congress. The gentleman can readily understand in a great city like St. Louis, which has only two judges, with the many railroads there and with the railroad receiverships taking up the time of one judge, what would happen if we only had one Federal judge.

I am not asking for an additional judge now. I repeat that the conference of circuit judges has recommended that these judgeships be made permanent, and in addition, that two additional judges be appointed for Missouri, as well as new judges for other sections of the country.

Mr. MICHENER. I am sure the gentleman would not want to establish the policy or the precedent of creating Federal judgeships on the floor of the House on the spur of the moment without any further consideration.

Mr. COCHRAN. I may say to the gentleman that he well knows what my purpose is in offering such an amendment. We have a wonderful man presiding in St. Louis, who is a Republican, and politics does not enter into this matter. I am not going to have anything to do with the appointments if there should be a vacancy. I found that out when a vacancy occurred sometime ago. I am simply trying to meet a situation that might arise, so that we can carry on in a proper way in the event that one of the judges holding a temporary appointment should pass away. I am sure the gentleman would not want such a situation to occur in his own district.

Mr. MICHENER. Might we not apply that same reasoning where there are other temporary judgeships?

Mr. COCHRAN. The amendment does not apply alone to my district, but applies all over the United States and covers all the temporary judgeships.

Mr. MICHENER. Does it cover the Philippines?

Mr. HANCOCK of New York. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York, a member of the Judiciary Committee, where the bills I refer to are pending.

Mr. HANCOCK of New York. I can assure the gentleman that if he will introduce a bill to accomplish the purpose he now has in mind the Committee on the Judiciary will give it its usual prompt and courteous attention.

Mr. COCHRAN. I appreciate that. I have introduced a bill for my own district.

Mr. HANCOCK of New York. I do not believe this is the proper time to legislate, because the Committee on the Judiciary should have an opportunity to study this question, and therefore I shall be constrained to raise a point of order against the amendment.

Mr. COCHRAN. A point of order has already been raised and the point is being reserved. I am going to be required to concede the amendment is subject to a point of order.

I am going to ask the gentleman to kindly give very serious consideration to my bill that has been sleeping in committee a long time to make the temporary judgeship in my city permanent.

Mr. CARTER. Mr. Chairman, will the gentleman yield? Mr. COCHRAN. I yield.

Mr. CARTER. If the gentleman will consult article III of the Constitution, he will find his amendment is in conflict with the Constitution of the United States, which provides that both the judges of the Supreme Court and the inferior courts shall hold office during good behavior. As I understand the amendment, the gentleman is attempting to limit the term to 1 year. Therefore, before that could be done, an amendment to the Constitution would be necessary.

Mr. COCHRAN. The gentleman, as usual, is undoubtedly correct. I have, however, had the opportunity to call to the attention of the committee the necessity of enacting legislation at this session that will give the President the power to appoint successors to those now serving as temporary judges, so-called, in the event of a vacancy caused by death or forced retirement. Surely we cannot let this condition exist permanently or wait until the vacancy occurs. As I said before, I have accomplished my purpose.

The CHAIRMAN. A point of order has been reserved against the amendment.

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, may I say in reply to the gentleman from Missouri that I think there is a great deal of merit in his argument, but, Mr. Chairman, the amendment is clearly legislation attempted to be placed in an appropriation bill, and as our friend the gentleman from California has pointed out, I think it is in direct conflict with the Constitution, and for this reason, Mr. Chairman, I make the point of order against the amendment.

Mr. COCHRAN. I am compelled to agree with the gentleman.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

Establishment of air-navigation facilities: For the establishment of aids to air navigation, including the equipment of additional air-mail routes for day and night flying; the construction of necessary lighting, radio, and other signaling and communicating structures and apparatus; investigation, research, and experimentation to develop and improve aids to air navigation; aircraft, aircraft power plants, and accessories; for personal services in the field; purchase of motor-propelled passenger-carrying vehicles for official use in field work, including their exchange; replacement, including exchange, of not to exceed two airplanes for service use and two for experimental purposes; special clothing, wearing apparel, and suitable equipment for aviation purposes; and for the acquisition of the necessary sites by lease or grant, \$792,920: Provided, That no part of this appropriation shall be used for any purpose not authorized by the Air Commerce Act of 1926, as amended.

Mr. McMILLAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

On page 60, line 3, strike out "\$792,920" and insert in lieu thereof "\$942,920, of which not to exceed \$150,000 shall be available immediately."

The committee amendment was agreed to.

The Clerk read as follows:

The Clerk read as follows:

Aircraft in commerce: To carry out the provisions of the act approved May 20, 1926, entitled "An act to encourage and regulate the use of aircraft in commerce, and for other purposes", as amended by the act approved February 28, 1929, and the acts approved June 19 and 20, 1934 (U. S. C., title 49, secs. 171-184), including personal services in the field; rent in the District of Columbia and elsewhere; traveling expenses; contract stenographic reporting services; fees and mileage of witnesses; purchase of furniture and equipment; stationery and supplies, including medical supplies, typewriting, adding, and computing machines, accessories, and repairs; replacement, including exchange (not to exceed \$2,000), maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for official use in field work; replacement, including exchange, of airplanes (not to exceed \$16,500); purchase of airplane motors, airplane and motor accessories, and spare parts; maintenance, operation, and repair of airplanes and airplane motors; purchase of special clothing, wearing apparel, and similar equipment for aviation purposes; purchase of books of reference and periodicals; newspapers, reports, documents, plans, specifications, maps, manuscripts, and all other publications; and all other necessary expenses not included in the foregoing; in all, \$558,000. foregoing; in all, \$558,000.

Mr. McMILLAN. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

On page 61, line 10, strike out "\$558,000" and insert in lieu thereof "\$733,000, of which not to exceed \$175,000 shall be available immediately."

The committee amendment was agreed to. The Clerk read as follows:

BUREAU OF THE CENSUS

For the expenses for securing information for and compiling the census reports provided for by law, including personal services in the District of Columbia and elsewhere; compensation and expenses of enumerators, special agents, supervisors, supervisor's clerks, and interpreters in the District of Columbia and elsewhere; cierks, and interpreters in the District of Columbia and elsewhere; traveling expenses; the cost of transcribing State, municipal, and other records; temporary rental of quarters outside the District of Columbia; not to exceed \$2,500 for the employment by contract of personal services for the preparation of monographs on census subjects; not to exceed \$54,000 for constructing tabulating machines and repairs to such machinery and other mechanical appliances, including technical, mechanical, and other personal services in connection therewith in the District of Columbia and elsewhere, and the purchase of necessary machinery and supplies; and where, and the purchase of necessary machinery and supplies; and not to exceed \$1,000 for expenses of attendance at meetings concerned with the collection of statistics when incurred on the written authority of the Secretary of Commerce; \$1,900,500, of which amount not to exceed \$1,450,000 may be expended for personal services in the District of Columbia, including not to exceed \$51,000 for temporary employees who may be appointed by the Director of the Census under civil-service rules, at per-diem rates to be fixed by him without regard to the provisions of the Classification Act of 1923, as amended, for the purpose of assisting in periodical inquiries, and not to exceed \$35,000 shall be expended for printing accumulated census data.

Mr. McMILLAN. Mr. Chairman, I offer the following amendment.

Page 70, after line 18, insert a new paragraph, as follows:

"Census of agriculture: For an additional amount for salaries and necessary expenses of the Census Bureau for compiling and publishing the census of agriculture of the United States for 1935, including the same objects specified under this head in the Department of Commerce Appropriation Act of 1936, \$200,000, to be available immediately, and to remain available until December 31, 1936."

Mr. McMILLAN. Mr. Chairman, the field work incident to the agricultural census has been completed and all of the data has been compiled. It now develops, however, that all the data and memoranda connected with that census work are not available, lacking sufficient funds to provide for the printing of the accumulated material. The census of agriculture for 1935 is very important at this time, particularly on account of the Soil Erosion Act which was just passed, and for that reason a supplemental estimate was sent down by the President and the committee has approved of it in the same amount as submitted, namely, \$200,000.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Retired pay: For retired pay of officers and employees engaged in the field service or on vessels of the Lighthouse Service, except persons continuously employed in district offices and shops, \$620,000.

Mr. McMILLAN. Mr. Chairman, I move to strike out the last word for the purpose of having inserted at this point an extract from the minutes of the Board of Supervising Inspectors, Bureau of Navigation and Steamboat Inspection, of the annual meeting of January 1936. I should have had this inserted when we were reading the appropriation for the Bureau of Navigation and Steamboat Inspection Service. At that meeting a resolution was passed appropriate for the RECORD, and I ask unanimous consent to extend my remarks in the Record at this point by the insertion of this resolution.

The CHAIRMAN. Is there objection?

There was no objection.

The matter referred to is as follows:

RECOMMENDATIONS FOR LEGISLATION

[Extract from the minutes of the Board of Supervising Inspectors, Bureau of Navigation and Steamboat Inspection, annual meeting of January 1936]

Washington, D. C., January 21, 1936.

Mr. William Fisher, supervising inspector of the first district, offered the following resolution:

"Resolution 3876

"Whereas the Board of Supervising Inspectors of the Bureau of Navigation and Steamboat Inspection of the Department of Com-merce, now in session at Washington, D. C., is impressed with the fact that many of the local United States inspection officers in the field are behind in their work due to lack of personnel; and

"Whereas the prime function of the Bureau is safeguarding of

life and property at sea; and
"Whereas this function cannot and is not properly being fulfilled
on account of inadequate and underpaid personnel: Now, be it therefore

"Resolved, That the Director of the Bureau be requested to take further and vigorous steps to remedy the very serious condition that now prevails in the entire inspection service in the hope that some constructive and intelligent measures may be accomplished before any more major disasters occur on American-fiag ships; and be it further

"Resolved, That the Congress of the United States be requested to appropriate funds to provide for additional inspectors and office employees, to provide for traveling expenses of the personnel of the service, to provide for means for reducing long and onerous hours of work among its employees, and otherwise enable the members of this service to carry out the mandate of the safety-at-sea laws which they are sworn to execute."

In support of the foregoing resolution we submit the following

In support of the foregoing resolution we submit the following data which merely indicate the deplorable conditions that exist:

There is a very serious shortage of inspectors necessary to conduct the various inspections of vessels required by the statutes and the rules and regulations enacted to effectuate these statutes.

In addition to our inability to perform the inspections provided for by the statutes, we are unable to make intermediate inspections of freight vessels, both steam and motor, at intervals frequent enough to insure that they are seaworthy in every respect. We are also unable to make special examinations of the lifesaving and firefighting equipment, conduct frequent fire and boat drills on all classes of vessels, conduct better examination of able seamen and lifebeat men it order to review the standard of these important lifeboat men in order to raise the standard of these important

members of the crew.

Excursion steamers carry large numbers of passengers and we should make more frequent inspections than is now possible with our present force of inspectors and conduct fire and boat drills at short intervals.

short intervals.

As many of the districts do not have assistant inspectors, the local inspectors must leave their office to make inspections and perform other work at some distant place. There are instances when they have been absent as long as a month, during which time other work has been neglected. It was during one of such absences of the local board on routine duties in its district that the Diric disaster of 1935 occurred. It was impossible to contact the local inspectors for 2 days following word of the disaster in Washington, and during the time that they were necessarily absent from their office on account of this disaster no means of contact between the Bureau and this district was possible. The demoralizing effect upon the work of the Bureau is obvious.

Many drydock examinations of the underwater body of vessels

Many drydock examinations of the underwater body of vessels cannot be made and many vessels are not visited more than once

cannot be made and many vessels are not visited more than once a year.

The Service conducts investigations of all marine accidents and holds trials of licensed officers charged with responsibility for such accidents. The proceedings are comparable to trials in United States courts. Manifestly matters of such judicial character should be given careful thought, consideration, and study before a decision is rendered, and unless the inspectors charged with these duties are relieved of other routine matters, either in the functioning of their offices or of inspection duties within their districts, they are seriously hampered in rendering just, equitable, and proper decisions.

proper decisions.

There is attached hereto a record of the inspections and other routine work which the local inspectors in one district were unable to perform during the calendar year 1935. This record indicates a condition throughout the Service; it does not include a record of the inability to perform many other duties, such as examination of repairs to vessels, vessels under construction, etc.
Which resolution was adopted.

Attest:

J. B. WEAVER Director, President of the Board.

Approved February 18, 1936: DANIEL C. ROPER, Secretary of Commerce.

The Clerk read as follows:

Propagation of food fishes: For maintenance, repair, alteration, improvement, equipment, and operation of fish-cultural stations, general propagation of food fishes and their distribution, including movement, maintenance, and repairs of cars, purchase of equipment (including rubber boots and oilskins) and apparatus, contingent expenses, pay of permanent employees not to exceed \$387,030, temporary labor, and not to exceed \$10,000 for propagation and distribution of fresh-water mussels and the necessary expenses connected therewith, and not to exceed \$10,000 for the purchase, collection, and transportation of specimens and other expenses incidental to the maintenance and operation of aquarium, of which not to exceed \$5,000 may be expended for personal services in the not to exceed \$5,000 may be expended for personal services in the District of Columbia, \$664,000.

Mr. McMILLAN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McMillan: Page 86, line 5, strike out "\$664,000" and insert "\$667,000."

Mr. McMILLAN. Mr. Chairman, this is an item of only \$3,000 to provide for a temporary shad hatchery along the south Atlantic coast. The committee recognizes the value of the Bureau of Fisheries, and at this time I desire to commend that Bureau for its very fine work in the propagation and protection of our food fishes. The shad, of course, is a very fine food fish, but it is only for certain periods of the year that the shad run in certain of our waters. Very little is known of their migratory habits.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. Yes.

Mr. BACON. I am very glad that the chairman of the committee has offered this amendment. I think it is well worth while. I think for a small expenditure of \$3,000 great benefit will result.

Mr. McMILLAN. I am very grateful to my colleague for his statement. The shad run only during certain seasons of the year. For that reason it is impossible to maintain what we would call a permanent hatchery. It must be temporary in character, and we feel that \$3,000 will take care of such a hatchery for a temporary period.

The CHAIRMAN. The question is on the amendment

offered by the gentleman from South Carolina.

The amendment was agreed to.

The Clerk read as follows:

Not to exceed \$750 of the appropriations herein made for the Bureau of Fisheries shall be available for expenses of attendance at meetings concerned with the work of said Bureau when incurred on the written authority of the Secretary of Commerce, and not to exceed \$500 shall be available for the rental of suitable quarters in the District of Columbia for laboratory and storage purposes.

Mr. COLE of Maryland. Mr. Chairman, I move to strike out the last word. I do this for the purpose of asking the chairman of the subcommittee a question on the elimination of an item for the enforcement of the black-bass law. On page 31 of the committee report, with reference to an item of \$15,000 carried in the appropriation bill of last year, and I think for several years prior to that, to enforce the blackbass law, the committee says:

With regard to this last decrease it may be said that the committee remains unconvinced of the reason or wisdom in maintaining a separate investigative force of two persons engaging themselves in enforcing a law that should be administered and enforced in the same manner as other penal statutes of the Federal

That, of course, refers to the elimination by the committee of the \$15,000 item. In view of the fact that this bill does not carry the usual \$15,000, I am wondering if the enforcement of the black-bass law, under which such splendid work has been done, will be retarded in any way because of lack of funds in the possession of some other department of the Government.

Mr. McMILLAN. This enforcement, if continued, will be carried on under the Department of Justice or the Biological Survey of the Interior Department. The committee feels that the Bureau of Fisheries is not an investigative or an enforcing agent of the Government, and, while the item has been carried and has been undertaken to be enforced by the Bureau of Fisheries, we think it is not the proper place for this item to be carried.

Mr. COLE of Maryland. Is that the attitude of the Bureau of Fisheries? Does that Bureau so recommend?

Mr. McMILLAN. The Bureau of Fisheries estimated this item for the Budget, and the Budget in turn estimated it down to Congress, but the committee feels, in view of the statement I have just made, that the item should not be carried in this bill, but should be left to a proper law-enforcing agency of the Government to handle.

Mr. COLE of Maryland. I understand the gentleman's position. Realizing the futility of having an amendment pass to restore at this time the amount in question, I hope, if the item is not restored in the Senate, that the Committee on Appropriations will see to it that the Department of Justice or such other department as may be responsible for the enforcement of the black-bass law will have ample funds to enforce it. It is certainly not consistent to have a law such as the Black Bass Act, now being enforced by Bureau of Fisheries, and which this committee feels should be enforced, to not have sufficient funds with whichever department of the Government might be in charge of its enforcement, to continue uninterruptedly the present efficient enforcement of the law.

Mr. McMILLAN. I shall be very glad to call that matter to the attention of the Department of Justice.

Mr. MITCHELL of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. Yes.

Mr. MITCHELL of Tennessee. Under the present program of reforestation and also through public works, a great many artificial lakes are being constructed.

Has the gentleman's committee taken into consideration any provision for stocking these newly created waterways?

Mr. McMILLAN. I am glad the gentleman called this matter to my attention. The Bureau of Fisheries has for the past year or more been working in cooperation with the Forestry Service and other branches of the Government with relation to setting up a definite program to take care of our food fish and game fish in the various forest reserves and parks that are now under way through emergency funds.

Mr. MITCHELL of Tennessee. Referring especially to my own State of Tennessee, you have in contemplation making available through the hatcheries a sufficient amount to stock Norris Dam, as an illustration?

Mr. McMILLAN. Yes. I may say the committee has added additional funds this year in order that our hatcheries may produce greater quantities of fish for this very purpose. I may say that the output from our hatcheries last year was approximatley 1,000,000,000 eggs more than the previous year.

Mr. MITCHELL of Tennessee. I want to commend the committee for its consideration. One other question about the Tennessee situation. There is a hatchery at Flintville, known as Warren Hollow. I presume, of course, that is provided for in this bill?

Mr. McMILLAN. Yes; it is.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. MAY. I was wondering if some of the mountain streams in the State of Kentucky might participate in some of this fish activity, if the gentleman happens to know where Kentucky is? [Laughter.]

Mr. McMILLAN. My time has expired, but I think Kentucky is taken care of.

The Clerk read as follows:

UNITED STATES SHIPPING BOARD BUREAU

Salaries and expenses: To carry out the provisions of the Shipping Act, 1916, as amended, the Merchant Marine Acts of 1920 and 1928, as amended, the Intercoardal Chipping Act, 1933 (U. S. C.,

title 46, secs. 741-790, 801-848, 861-889, 891-891x, 911-984), and Executive Order No. 6166 (June 10, 1933), including the compensation of attorneys, officers, naval architects, special experts, examiners, and clerks, one technical expert in connection with construction loan fund, and other employees in the District of Columbia and elsewhere; and for other expenses of the Bureau, including the rental of quarters outside the District of Columbia, traveling expenses of employees of the Bureau while upon official business away from their designated posts of duty, including not to exceed \$300 for attendance at meetings or conventions of members of any society or association, the purpose of which is of interest to the development and maintenance of an American merchant marine, when incurred on the written authority of the Secretary of Commerce, and for the employment by contract of expert stenographic reporters for its official reporting work, \$249,000, of which amount not to exceed \$243,000 may be expended for personal services in the District of Columbia: Provided, That no part of this appropriation shall be used to pay any salary at a rate in excess of \$8,000 per annum, except that this limitation shall not apply to the salary of the Director of the Bureau: Provided, That the annual estimates of the Shipping Board Bureau for the fiscal year 1938 shall be accompanied by a statement showing the number and compensation of employees of the Fleet Corporation assigned to that Bureau: Provided further, That employees of the Merchant Fleet Corporation assigned to and serving with the Shipping Board Bureau whose compensation is within the range of salary prescribed for the appropriate grade to which the position has been allocated under the Classification Act of 1923, as amended, shall not be subject to reduction in salary by reason of their transfer during the fiscal year 1937 to the pay roll of the Bureau.

Mr. McMILLAN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Committee amendment offered by Mr. McMillan: On page 92, line 24, after the word "Provided", insert the word "further."

The committee amendment was agreed to.

The Clerk read as follows:

Salaries: Secretary of Labor, Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia, \$300,000: Provided, That persons (not exceeding 10 in number) now employed in the determination of wages pursuant to the provisions of the act entitled "An act to amend the act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings", approved August 30, 1935, may be continued in such employment and paid from the amount herein appropriated without regard to the provisions of the civil-service laws requiring competitive examinations: Provided further, That said personnel (except attorneys and referees) shall be required to take nonassembled examinations.

Mr. McMillan. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. McMillan: On page 97, line 5, strike out "\$300,000" and insert "\$330,000."

Mr. McMILLAN. Mr. Chairman, I may say this is the first of a series of three amendments that I shall offer in connection with this item.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, having for a great many years, in the State legislature and here, been interested in the prevailing-rate-of-wage law, when the matter was brought to my attention that the appropriation had been reduced for the enforcement of that law, which is commonly known as the Dayis-Bacon Act, I took up the matter with the committee. The reduction seemed to me quite extreme. Today I understand the committee is restoring an additional \$52,000, under three items, to improve the facilities of the Department of Labor to enforce the provisions of this act.

I want to thank the committee. I know we are all interested in the enforcement of this particular law to see to it that the employees on Government contracts receive subsantially the prevailing rate of wage paid other employees in the locality and in the industry.

This appropriation bill, H. R. 12098, as reported out by the House Appropriations Committee (Rept. No. 2286, dated Mar. 31, 1936), cut the allowance for the administration of the amended Bacon-Davis Prevailing Wage Act to one-third of the Bureau of the Budget's estimate. This estimate itself was a reduction of more than \$30,000 from the request of the Secretary of Labor for this purpose. A new and important regulatory statute would thus be virtually crippled before it has been in operation a year.

Appropriations for carrying out the provisions of the amended Bacon-Davis Act (act of Aug. 30, 1935, Public, No. 403, 74th Cong.) are contained under the general heading "Office of the Secretary" in H. R. 12093 (p. 97, et seq.). The new act has placed a heavy burden on the Department. In the last year of the operation of the original Bacon-Davis law 21 cases were received; at the end of the first 5 months under the amended statute, approximately 900 requests for predetermination, or an average of 169 per month, have been made.

For the current fiscal year the Works Progress Administration allotted \$100,000 to the Secretary of Labor to carry on this work. This amount was for a 10-month period, since the act went into effect on September 30, 1935. From the experience of the first 5 months the Acting Solicitor of Labor estimated that \$124,343 would be needed for the next fiscal year. This figure was cut by the Bureau of the Budget to \$94,000, \$6,000 less than that allowed for the first 10-month period. A detailed statement on the administrative expenses (hearings before Subcommittee House Committee on Appropriations, p. 7 ff.) pictures graphically the importance of the work to the entire Federal construction program. To prevent the blocking of the program in the Department of Labor it is imperative that funds for adequate personnel be provided.

The House Appropriations Committee had sharply reduced that of the Bureau of the Budget. It has eliminated entirely items for continued expenses \$13,940, and for traveling expenses \$11,000. These reductions would jeopardize the future of the prevailing-wage law.

It is gratifying that the Committee on Appropriations has reconsidered the matter and increased the appropriations by \$52,000.

Mr. CONNERY. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, I simply rise at this time to congratulate the chairman of the subcommittee on his excellent judgment and fine appreciation of what was necessary in this appropriation, by the amendments which he is offering to protect labor in this bill. The Walsh bill, which passed the Senate and then came out of our Committee on Labor and passed the House at the last session, provided that these contractors must pay the prevailing rates of wage. That is one of the most important bills, as far as labor is concerned, which has ever passed this Congress. If the chairman of the subcommittee had not put back this appropriation to the Budget estimates, it would have seriously hampered the Department of Labor in its enforcement of this law.

I understand from the chairman of the subcommittee [Mr. McMillan] that two other amendments will be offered also, which will take care of other matters connected with the labor situation.

Mr. McMILLAN. The other two amendments have to do with the administration of the Bacon-Davis Act. Those two amendments will be offered as they are reached in the bill.

Mr. CONNERY. I want again to congratulate the chairman and say those are amendments which I had intended to offer, but I am glad they have been offered by a better man, the gentleman from South Carolina [Mr. McMillan]. [Laughter and applause.]

Mr. MORITZ. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. MORITZ. I want to call to the attention of the gentleman, who is chairman of the Committee on Labor, that at the Federal post-office building in Pittsburgh there was a contract let for painting at 50 cents an hour, which was less than the prevailing rate of wage.

Mr. CONNERY. If the gentleman will send me a brief on that, I shall be glad to take it up with the Department.

Mr. MORITZ. I called the matter to the attention of the officials at Pittsburgh, and they said they had nothing to do with it, because the contract was signed here in the city of Washington.

Mr. CONNERY. I shall be glad to take that up with the Department of Labor, if the gentleman will give me a memorandum on the subject.

[Here the gavel fell.]

amendment.

The committee amendment was agreed to.

The Clerk read as follows:

The Clerk read as follows:

Contingent expenses: For contingent and miscellaneous expenses of the offices and bureaus of the Department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including the purchase of stationery, furniture and repairs to the same, carpets, matting, oilcloths, file cases, towels, ice, brooms, soap, sponges, laundry, street-car fares not exceeding \$400; purchase, exchange, maintenance, and repair of motorcycles and motortrucks; maintenance, operation, and repair of a motor-propelled passenger-carrying vehicle, to be used only for official purposes; freight and express charges; newspaper clippings not to exceed \$1,200, postage to foreign countries, telegraph and telephone service, typewriters, adding machines, and other labor-saving devices; purchase of law books, books of reference, newspapers, and periodicals, not exceeding \$4,500; contract stenographic services; all other necessary miscellaneous items and expenses not included in the foregoing; and not to exceed \$25,000 for purchase of certain supplies for the Immigration and Naturalization Service; in all, \$100,500: Provided, That section 3709 of the Revised Statutes of the United States (U. S. C., title 41, sec. 5) shall not be construed to apply to any purchase or service rendered for the Department of Labor when the aggregate amount involved does not exceed the sum of \$100. not exceed the sum of \$100.

Mr. McMILLAN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. McMillan: On page 98, line 18, strike out "\$100,500" and insert "\$112,500."

Mr. McMILLAN. Mr. Chairman, this is one of the amendments to which I referred to a moment ago, and is offered to accomplish the same purpose.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Commissioners of conciliation: To enable the Secretary of Labor to exercise the authority vested in him by section 8 of the act creating the Department of Labor (U. S. C., title 5, sec. 611) and to appoint commissioners of conciliation, traveling expenses, telegraph and telephone service, and not to exceed \$50,000 for personal services in the District of Columbia, \$398,000.

Mr. McMILLAN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. McMillan: On page 99, line 8, strike out "\$50,000" and insert "\$80,000."

The amendment was agreed to.

Mr. McMILLAN. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. McMillan: On page 99, line 9, strike out "\$398,000" and insert "\$408,000."

The committee amendment was agreed to.

The Clerk read as follows:

The Clerk read as follows:

Liaison with the International Labor Organization, Geneva, Switzerland, salaries and expenses: For a United States Labor Commissioner and other personal services in Geneva, Switzerland; compensation of interpreters, translators, and porters; traveling expenses of employees, including transportation of employees, their families, and effects, in going to and returning from foreign posts; rent, heat, light, and fuel; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; purchase and exchange of foreign and domestic books, periodicals, and newspapers; purchase of furniture, stationery, and supplies; printing and binding; postage; telephone and other similar expenses, for which payment may be made in advance; necessary technical or special investigations in connection with matters falling within the scope of the International Labor Organization; allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., title 5, sec. 118a), not to exceed \$1,700 for any person, and contingent and such other expenses in the United States and elsewhere as the Secretary of Labor may deem necessary, fiscal year 1937, \$28,000. \$28,000.

Mr. BACON. Mr. Chairman, I move to strike out the last

Mr. Chairman, I call to the attention of the committee, for the RECORD, the fact that the \$28,000 item appearing in the bill at page 100 is for the purpose of defraying the ex-

The CHAIRMAN. The question is on the committee | staffed with five employees, to keep the Government posted on the work of the International Labor Office.

The Committee have viewed with some concern the increasing yearly costs to the United States Government of the International Labor Office. The annual cost has now reached the total, I believe, of \$385,000, the major part of the amount, of course, appearing under the Department of State, which acts as agent for the Department of Labor. Whether we should continue our membership in this body is something, of course, for the Congress to decide and not for the Appropriations Committee to pass on. We, therefore, have allowed the amounts required to continue our membership in this International Labor Organization.

We questioned the different people who came before our committee as to concrete results. They gave us page after page of testimony full of beautiful ideas for the future, but our committee has not been able to find any one actual, concrete good that has yet come out of our membership in this organization; we can only hope for the best in the future.

My particular purpose in rising at this time, Mr. Chairman, is to call the attention of the Committee to this Geneva office of five people maintained the year around in Switzerland. I am not now questioning the necessity of maintaining this office. However, our membership in this international labor organization requires attendance at four quarterly meetings in Geneva by some representative of our Government. Although we have Dr. Rice and four assistants in Geneva permanently, we send four times a year more than one representative from this country to attend these quarterly meetings, which are meetings of the council or governing body and are not the regular annual meetings of the full body. I do not now question the necessity of sending a delegation to the annual meetings of this international labor organization, nor do I now question the necessity of maintaining this office in Geneva; but I do question the necessity of sending three times a year to three of the quarterly meetings representatives from this country on a joy ride to Geneva when the interest of our Government could be just as well and just as adequately attended to by Dr. Rice, the permanent member of our staff, who maintains the year around residence and office in Geneva.

Mr. GRISWOLD. Mr. Chairman, will the gentleman yield?

Mr. BACON. I yield.

Mr. GRISWOLD. Is any official action taken at the quarterly meetings, or is that taken at the yearly meetings?

Mr. BACON. All official action, as I understand it, is taken at the yearly meetings. The quarterly meetings are of the governing body, and we should, of course, be represented in the governing body if we are to be a member of the organization. The point I am trying to bring out is that Dr. Rice, our permanent representative at Geneva, could well represent us at these quarterly meetings rather than sending over on a joy ride some member of the Department of Labor. Only a few days ago one of these quarterly joy rides took place when Dr. Lubin, of the Department of Labor, went all the way from this country to Geneva. He has just returned. The expense of sending him was considerable. It seems to us these quarterly meetings might be attended by our permanent representative in Geneva.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, I have prepared an amendment which I intend to offer at the end of the reading of this section, striking out, on page 99, all of lines 10 to 24, inclusive, and on page 100, all of lines 1 to 6, inclusive; in other words, wiping out our participation in this International Labor Organization. For three different terms in Congress I have tried to stop this appropriation and stop sending people on joy rides to talk with Mussolini, Hitler, Stalin, and other great "friends" of union labor throughout the world. I do not see any necessity of sending a representative on the part of the United States to sit in with a subsidiary of the League penses of maintaining an office in Geneva, Switzerland, of Nations and then expect to obtain any results beneficial

to labor in this country. The League of Nations has been a colossal failure and we should keep away from any of their committees unless we want American labor to get its fingers hurned

Mr. TARVER. Will the gentleman yield?

Mr. CONNERY. I yield to my friend from Georgia.

Mr. TARVER. I am in hearty accord with the gentleman's statement, except that I feel we should continue paying the dues that naturally we assumed in the adoption of the resolution authorizing the President to accept membership in the I. L. O. Until Congress by legislative action withdraws our membership, I do not see how we can refuse to pay the dues that naturally follow from the passage of the previous resolution.

Mr. CONNERY. If this House today will wipe out this appropriation, then in a very few days there will be brought in a resolution wiping out the further need of any participation on the part of this country.

Mr. TARVER. Might not some embarrassments in international relationships ensue?

Mr. CONNERY. I do not think there will be any international difficulties. Of course, it is a nice joy ride for these members to go over there and sit in and discuss labor conditions. Then they are told politely that the United States should mind its own business and pay its own decent wages, which Europe will refuse to pay under any circumstances.

Mr. WOOD. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Missouri. Mr. WOOD. The gentleman seems to be very much afraid to send our representatives of labor to foreign countries to confer with other representatives of labor.

Mr. CONNERY. Not particularly labor; any representatives on any subject under the auspices of the League of Nations.

Mr. WOOD. Why send over other emissaries to discuss various things? Why have a Diplomatic Service at all?

Mr. CONNERY. Some diplomats have been all right in their place, but our diplomats do not sit in as representatives of the League of Nations.

Mr. WOOD. The gentleman seems to think that representatives of labor are more easily influenced than members

of the Diplomatic Service, for instance.

Mr. CONNERY. No. The representatives of labor are far less apt to be influenced, I may say.

Mr. WOOD. Then why object to sending labor representatives over there to discuss these things?

Mr. CONNERY. Because I object to our representatives sitting in over there on a useless proposition, when the cards are stacked against labor before the conference even begins. The gentleman should know that this is merely a junket.

Mr. WOOD. No; I do not know that. It is simply a matter of difference of opinion.

Mr. CONNERY. They discuss with representatives of the antilabor countries in Europe increases in wages and shortening of hours, and then, as I said, are told politely to return to America and keep dreaming their dreams.

Mr. WOOD. Why not discuss those matters with the representatives of labor over in Europe?

Mr. CONNERY. Because the I. L. O. is in connection with the League of Nations, it is the committee and the tool of the League, and we never got to first base with the League of Nations on anything which was for the best interest of the United States.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Washington.

Mr. ZIONCHECK. Will the gentleman from Massachusetts tell the House what useful service any diplomat has ever rendered at any time except to get countries into trouble?

Mr. CONNERY. I cannot agree with the gentleman on that proposition.

Mr. ZIONCHECK. Well, tell us about that.

Mr. CONNERY. I think some of our diplomats in foreign countries have rendered real service and tried to keep us out of war.

Mr. ZIONCHECK. What war?

Mr. CONNERY. We had men like Brand, Whitlock, and others who were real Americans. They were patriots and tried to do everything they could to keep us out of trouble. But some of our diplomats went over to Europe and as soon as they got to England they became more English than the English themselves, and as soon as they got to France they became more French than the French, more German than the Germans, and so ad nauseam. Those are the kind of diplomats to which I referred. They are the type of men who forget they are Americans as soon as they bow to some foreign king or potentate.

[Here the gavel fell.]

The Clerk read as follows:

BUREAU OF LABOR STATISTICS

Salaries and expenses: For personal services, including temporary statistical clerks, stenographers, and typewriters in the District of Columbia, and including also experts and temporary assistants for field service outside of the District of Columbia; traveling expenses, including expenses of attendance at meetings concerned with the work of the Bureau of Labor Statistics when concerned with the work of the Bureau of Labor Statistics when incurred on the written authority of the Secretary of Labor; purchase of periodicals, documents, envelopes, price quotations, and reports and materials for reports and bulletins of said Bureau, \$748,000, of which amount not to exceed \$600,000 may be expended for the salary of the Commissioner and other personal services in the District of Columbia.

Mr. BACON. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Bacon: On page 100, line 17, after ne word "Bureau", strike out "\$748,000" and insert "\$700,000." In line 18 strike out "\$600,000" and insert "\$550,000."

Mr. BACON. Mr. Chairman, I offer this amendment to make a small cut in the Bureau of Labor Statistics, which is the most extravagant bureau of the most extravagant department in the United States Government.

In 1935 they received a total appropriation of \$528,000. This year our committee has allowed them \$748,000, an increase of \$220,000 over 1935. If my amendment is agreed to, they will still have an increase of \$172,000 over 1935.

Mr. Chairman, in 1931 this Bureau started with an appropriation of \$37,000, and yet in this bill there is appropriated a total of \$748,000, or an increase in 6 years of over \$700,000.

I call attention to the fact that the big statistical bureau of the Federal Government is the Bureau of the Census. It so happens that the Bureau of the Census comes under the Department of Commerce, which is also under the jurisdiction of this subcommittee. When Dr. Austin, head of the Bureau of the Census, appeared before our committee we examined him very carefully. He stated that all these statistics gathered by the Bureau of Labor Statistics could be more economically gathered by the Bureau of the Census. They are the experienced gatherers of statistics. Then, of course, having gathered the statistics they could be turned over to the Labor Department for analysis, use, and so forth. My point is that we could save a lot of money if we told the Bureau of the Census what kind of statistics was wanted. The Bureau of the Census would then gather those statistics at a great decrease in cost and turn them over to the Department of Labor, where they could be analyzed and used.

Mr. WOOD. Will the gentleman yield? Mr. BACON. I yield to the gentleman from Missouri.

Mr. WOOD. What matter has the Bureau of the Census ever turned over to this Congress in the past 3 years that had reference to statistical matters?

Mr. BACON. They have never been asked to do so. They can do the work and they are equipped to do it. This Bureau is buying tabulating machines and renting tabulating machines the use of which they could easily get from the Bureau of the Census.

They are duplicating the work of the Bureau of the Census, and, furthermore, it is a very interesting fact that the Department of Labor last year, over and above the automatic promotions required by law, was able to save sufficient money out of the appropriations we gave them last year to make over 700 administrative promotions.

[Here the gavel fell.]

Mr. BACON. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. They saved enough money to make over 700 administrative promotions in addition to the automatic promotions.

The State Department has not made a single administrative promotion since 1932, while this Department has made over 700 of them. The Department of Labor saved enough money in this very Bureau out of what we gave them last year to make over 700 administrative promotions. This was done out of the money that was not used for other purposes. I maintain it is not fair to the faithful employees of a department like the Department of State, who have not had a single administrative promotion since 1932, to look across the street at the Department of Labor and see men who are doing the same kind of work receiving 700 administrative promotions over and above the automatic promotions required by law.

I cite this to show that they have padded their estimates in this Department in order to make enough savings to make these administrative promotions.

If we believe in economy, I think we can well begin by dealing with this Bureau that has increased its appropriations in 2 years over 100 percent. It is time to stop, look, and listen in the interest of the Treasury of the United States.

Mr. MAY and Mr. WITHROW rose.

Mr. BACON. I yield first to the gentleman from Kentucky.

Mr. MAY. The only way to save money is to begin by cutting down on appropriations and then they will have to curtail their promotions.

Mr. BACON. That is the only way to stop these administrative promotions that other departments have not enough money to make. These people pad their pay rolls and their estimates in order to get money to accomplish this very purpose

Mr. McMILLAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I recognize the fact that there is a great deal of force in the argument that has just been made by my colleague the gentleman from New York [Mr. Bacon].

It is true that in 1935 there was appropriated for this Bureau \$528,000, and for 1936 there was appropriated \$885,000. For the present fiscal year there was estimated \$885,000. This is more than a 100-percent increase for this particular activity over a 3-year period. So, as the gentleman from New York has said, if we expect to economize and save a little money in an activity, I think here is a mighty good place to do it.

Mr. TARVER. Mr. Chairman, will my colleague yield? Mr. McMILLAN. Yes.

Mr. TARVER. I think it should be said in justification of the substantial increase that the passage of the Social Security Act has added materially to the importance of the work of this Bureau.

Mr. McMILLAN. That is true.

However, as the Members of the House realize, we have a great many statistical agencies now operating. The Shipping Board has one of these agencies, the Bureau of Foreign and Domestic Commerce carries on statistical work, and, of course, the Bureau of the Census is regarded as our leading statistical Bureau. We should also have in mind the agricultural census work, and I may say that a lot of the work done by this Bureau is for the benefit of the farmers.

Having all this in mind, Mr. Chairman, the committee did reduce this item from \$885,000, which was the amount estimated by the Budget for the next fiscal year, to \$748,000, a cut of \$136,000.

I feel this is about as far as we ought to try to go at this time and be consistent. While my friend from New York has offered this amendment to further reduce the item, considering the case as I know it to be and the history of this activity

as I have found it to be from the hearings, I believe \$136,000 is a consistent cut for this Bureau at this time.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. MAY. Did the committee make any study of a method to coordinate all of these different activities that are gathering statistics in one bureau or one department and try to save some money in that way?

Mr. McMILLAN. I may say that the committee has, but as the gentleman knows, there is now under consideration, both in the Senate and in the House, a resolution under which steps are to be taken toward a consolidation of such activities and the prevention of such duplications as I have referred to.

Mr. ZIONCHECK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, in my opinion, if the Department of Labor would spend more time trying to answer letters sent to them asking intelligent questions—from the constituents of Congressmen—and spend less time monkeying around with statistics which they do not understand themselves, we would have a better Department of Labor.

I do not know of a department in Washington, D. C., that ignores communications from Members of Congress as does the Department of Labor. I think the Department needs a thorough housecleaning, and that includes probably the madam who is a member of the Cabinet. As reluctant as I am to support an amendment coming from the Republican side, I am going to do it anyway. [Laughter.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected. Mr. CONNERY. Mr. Chairman, I ask unanimous consent to return to the previous paragraph that I may offer my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. LEWIS of Maryland. I object.

Mr. CONNERY. I want to say to the gentleman from Maryland that the Clerk read down to line 20, including the "District of Columbia." The gentleman from New York [Mr. Bacon] offered his amendment and the paragraph I refer to was not read.

Mr. LEWIS of Maryland. Will the gentleman yield? The subject was proposed and considered by the House a year or two ago and disposed of.

Mr. CONNERY. Then, Mr. Chairman, I raise the point of order that the paragraph has not been read, and to support that I will refer to the gentleman from New York [Mr. Bacon].

Mr. TARVER. Mr. Chairman, my colleague is in error. I heard the Clerk read distinctly the amount "\$28,000", which ends the paragraph. That was before the gentleman addressed the House.

Mr. CONNERY. I did not desire to bring this matter up in reference to the Clerk's reading, but he could not possibly read the paragraph in the time that elapsed between the time I took my seat and waiting for the paragraph to be read.

The CHAIRMAN. The Chair in ruling on the point of order will state that the Clerk insists that the paragraph was read, but the gentleman from Massachusetts, unfortunately, rose to speak out of order at the time the amendment was pending.

Mr. CONNERY. I started to talk about the word "Columbia", which ends the paragraph. The gentleman from New York rose and moved to strike out the last word, and I rose in opposition to the pro-forma amendment and said that I was going to offer an amendment to this paragraph, which has not been read.

Mr. MICHENER. Mr. Chairman, I suggest that if the section or paragraph in the bill has been read and no debate has been had on that section, the question of going back in the bill is waived regardless of whether it was read or not. It is presumed to have been read if the preceding section was read.

The CHAIRMAN. The Chair, with regret, accepts the reasoning of the gentleman from Michigan [Mr. MICHENER] on that point.

Mr. CONNERY. Then, Mr. Chairman, after explaining the situation to my friend from Maryland [Mr. Lewis], and knowing the fairness of the House, I ask unanimous consent that my amendment may be acted upon.

The CHAIRMAN. The Chair will again put the request for unanimous consent. The gentleman from Massachusetts asks unanimous consent to offer his amendment. Is there objection?

Mr. LEWIS of Maryland. Mr. Chairman, I object.

Mr. GRISWOLD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GRISWOLD: Page 100, line 17, strike out "\$748,000" and insert in lieu thereof "\$884,600."

Mr. GRISWOLD. Mr. Chairman, my amendment is simply giving to the Bureau of Labor Statistics what the Budget Director asked that they have. No matter what one may say, and I recognize the interest of the Committee in economy, I think the Committee has erred in its judgment. The Committee has tried to bring out the bad things about this Bureau of Labor Statistics, the fact that they have promoted efficient employees, but has not brought out all of the good things. It has not brought out the fact that this Bureau of Labor Statistics is by statute that we have enacted forced to do certain things, collect certain figures-all of your retail sales statistics, all of the wholesale sales statistics, all the living costs on which are based the subsistence fees of the Army and Navy, the building permits, hours of work, wages, working conditions—all come under this Bureau. It is said that it has increased its functions. It has increased its functions, as the Department of Agriculture has, as the Department of Commerce has. You give to the Department of Agriculture, Bureau of Economics, more than \$3,000,000 for 30,000,000 farmers, for the collection of information, while for 40,000,000 laborers, salaried workers, you give only \$748,000. To the Department of Commerce for the collection of information and the dissemination of information you give \$2,700,000, and to 40,000,000 who are vitally interested in labor, living cost, and employment information you give less than \$800,000. These statistics are now reaching a place where they are used more than ever in the economic life of the country. They are the only statistics on which you can base national income. They are the statistics being used today in case after case to prevent strikes.

The Bureau puts out information both for the employer and the employee-facts on which they can sit around a table and adjudicate matters, and if all of the money exrended here will prevent only one strike of major importance in this country it will have saved more than the total appropriation. Fifty-one thousand requests, according to the hearings, came to this Bureau last year for special information, which were answered. The largest percentage of them came from industry. The hearings show that the Department of Commerce uses the Department of Labor figures as a basis for its own figures, and you give the information service of the Department of Commerce \$2,700,000. The Census Bureau cannot collect these figures. It has no means by which it can do it. As a matter of fact, when the last census was taken, and the hearings show this, the Director of the Bureau of Labor Statistics went to Mr. Austin with a request for the information that he should get to help them with this Bureau, and Mr. Austin did not get the information. It is not of record. There is no other way to get it. The only governmental agency that puts out figures on retail prices and the cost of living to the American housewife is this Bureau. For the work it does, in comparison to other governmental bureaus, it receives a mere pittance. The amount should not be reduced.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. TARVER. Mr. Chairman, I rise in opposition to the amendment. There is no purpose on the part of the committee to discount the value of the work which is being done

by the Bureau of Labor Statistics. We recognize to the full the great importance of that work and the efficient manner in which it is being handled, and we also recognize the fact that on account of the passage of recent legislation, notably the Social Security Act, the duties of that Bureau have been very largely expanded, and that additional moneys to those which were sufficient a few years ago are necessary in order that this work shall be properly carried on. The chairman of our committee a few moments ago resisted vigorously the amendment offered by the gentleman from New York [Mr. Bacon], which was designed to reduce this appropriation by \$48,000. It is now our duty to express with equal vigor our opinion that the appropriation should not be increased by \$136,000, as is proposed by the gentleman from Indiana. Why? Because the committee has carefully examined the subject matter and has determined from the evidence which was at its disposal that the amount of money carried in the bill is amply sufficient to carry on the work. The arguments of the gentleman from Indiana are not adjusted to that question. He simply stresses the importance of the work being done by the Bureau of Labor Statistics. With that portion of his argument we agree, but he has not offered any suggestion of a reason why more than \$748,000 is required to do that work; and, in our opinion, based on the evidence received by us at the hearings, the amount carried in the bill is amply sufficient.

Attention has already been called to the fact that the Department of Labor last year made 700 administrative promotions. How did they do that? They did it by using the savings fro 1 appropriations made by Congress for the Department of Labor. How were they able to make the savings? Because the Congress had appropriated more money than was necessary for the activities of that Department. The question here is whether or not we propose to permit that practice to continue.

May I read to my colleagues a very instructive bit of testimony given by Judge William J. Graham, of the Court of Customs and Patent Appeals, which appears on page 300 of the hearings had upon the Department of Justice appropriation bill, illustrating the practices followed in some of these departments in the matter of appropriations and securing additional appropriations from Congress. Judge Graham says:

The trouble is that Congress makes an appropriation of, say, \$10,000 for an item, and when the department finds about the first of June that it still has \$2,000 or \$3,000 left, there is a great hurry and bustle to contract for the expenditure of that money, oftentimes for things that are unnecessary. They do that instead of covering it back into the Treasury. The principal motive back of that is this: They think that if the committee notices that they have been covering money back into the Treasury they will not get as much next year. For that reason they spend it.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

Mr. LEWIS of Maryland. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. All time has expired on the amendment.

Mr. LEWIS of Maryland. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. LEWIS of Maryland. Mr. Chairman, no Member in the House could be more disposed to thank members of the committee for their faithful efforts to keep down expenditures on the part of the Government than I am. However, as I look at this subject matter, I am amazed to find how very minimal, how contentious we are, with regard to some very maximum subjects. One of those is the subject of employment. In the previous appropriation the sum of \$884,000 was carried for studies by the Department of Labor into wages, employment, living conditions, and related topics. Those inquiries concern 40,000,000 wage earners in the United States. If you will divide \$884,000 into 40,000,000, you have a statistical grant of 2 cents per employee given the Department of Labor under last year's appropriation to cover the great subjects

Mr. McMILLAN. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Maryland. I yield.

Mr. McMILLAN. How many of those 40,000,000 people to whom the gentleman has referred really read these statistics that are gotten out for this money that is appropriated?

Mr. LEWIS of Maryland. If 50 men in the United States in the right positions, ourselves, for example, should read them, they would determine the weal or the woe of the whole 40 000 000

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Maryland. I yield.

Mr. LAMBETH. Does not the gentleman think that, in view of the billions we are expending in an attempt to solve the problem of unemployment, it is essential that we should have a thorough census of unemployment, and that the expenditure of that amount of money would be infinitesimal in relation to the billions we are spending trying to meet the problem? How can we attack the problem intelligently until we know what the problem is?

Mr. LEWIS of Maryland. I agree with the gentleman. I should be sorry to see this great subject fall between two stools, the Director of the Bureau of Census and the director of this particular bureau. Some \$3,000,000 are allowed for analogous work, for statistical reports with regard to some 6,000,000 farms in this country. Certainly we get more than compensatory benefit from that kind of investigating work.

Mr. GRISWOLD. Mr. Chairman, will the gentleman vield?

Mr. LEWIS of Maryland. I yield.

Mr. GRISWOLD. In the hearings it shows there were 8,743 special requests by Members of this House. The booklets go to over 5,100 local labor unions in the United States.

The CHAIRMAN. The time of the gentleman from

Maryland [Mr. Lewis] has expired.

Mr. McMILLAN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is seldom I rise to sponsor an increased appropriation, but, to my mind, this is one of the very most important appropriations that has been considered by the House. The fact that the Bureau of the Budget has recommended \$885,000 should be sufficient evidence that it is needed. It is not only for the purpose of the 40,000,000 wage earners. It does not make any difference whether 40,000,000 wage earners, or others, read these reports. This Congress needs some concrete information. We have not had any real information with reference to wages, hours, working conditions, the employment situation, the number of unemployed in the United States, the number of employable, and so forth. We have had to depend upon a private agency for the best information we have received.

It has been variously admitted on numerous occasions that the American Federation of Labor is about the most authentic source of information we have, insofar as statistics are concerned with reference to the number of unemployed and the number of unemployables in the United States, scales of wages, and related matters it is so necessary for this Congress to have. I think we ought to have a permanent institution, and our Bureau of Labor Statistics is a permanent institution, but through limited appropriations it has been a statistical institution in name only.

Mr. Chairman, I do not think \$885,000 is enough. I think the expenditure of \$2,000,000 or \$3,000,000 in this all-important matter would be well worth while; because, if I should come back to the next session of Congress, I would like to have some accurate information as to just how many people are unemployed in the United States, what the wage standards are, and what the condition of the unemployables of the United States is. I would like to know how many men and women we must take care of because they cannot be used in the factories, the mills, and the mines of our country; and I hope and trust this amendment will be adopted.

Mr. GRISWOLD. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield.

Mr. GRISWOLD. It is stated in the report that the reduction will be made where the pinch will be least felt. Mr. WOOD. Yes.

Mr. GRISWOLD. Is it not a fact that in this case 40,000,000 people will feel the pinch?

Mr. WOOD. Yes; and more than 40,000,000, because with 40,000,000 people affected, everyone in the United States is

Mr. HEALEY. Mr. Chairman, will the gentleman yield? Mr. WOOD. I yield.

Mr. HEALEY. Can the gentleman think of any more vital information to the Congress than that which can be provided by this Bureau if it has sufficient funds?

Mr. WOOD. I certainly cannot, and I thank the gentleman for his contribution.

Mr. McMILLAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, a few moments ago I took occasion to rise in opposition to the amendment offered by my colleague, the gentleman from New York, further reducing this item. At this time, however, I desire to say a few words in opposition to the amendment offered by the gentleman from Indiana to increase the appropriation.

We are not here today, Mr. Chairman, abolishing this Bureau. From some of the statements which have been made one would gather the impression that we were going to run this crowd out of Washington before sundown. Nothing of the kind is going to happen. We are only reducing the appropriation in the light of the testimony given before our committee. We feel that \$748,000 is sufficient to carry on this work.

The remark was made a moment ago that between 800 and 900 requests have been made on this Bureau by Members of Congress. Perhaps so, but we are not abolishing the Bureau, and I make the assertion that even if this item is reduced as the committee recommends, a Member of Congress can still get from the Bureau the very kind of information he secured before.

Mr. GRISWOLD. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. Yes. Mr. GRISWOLD. Is it not true that by this reduction the efficiency of the field force will be decreased by 40 percent?

Mr. McMILLAN. It will be reduced a little, of course.

Mr. GRISWOLD. Forty percent. Mr. McMILLAN. We have got to make a start cutting down at some place, and here is a Bureau which has been increased more than 100 percent in 3 years. It is about time somebody took the bull by the horns and said "Stop." This is the situation.

The gentleman talked about 40,000,000 people being affected by a lessening of the work of gathering statistics. So many statistics are put out in this country by boards and bureaus that we get absolutely dizzy reading them. [Applause.]

Mr. WOOD. Mr. Chairman, will the gentleman yield? Mr. McMILLAN. I yield.

Mr. WOOD. The gentleman speaks of the many bureaus issuing statistics. Does the gentleman get from the Government any accurate statistics as to wages and hours of employment? He does not get them from a single bureau.

Mr. McMILLAN. Certainly I get statistics. The members of the committee have been so flooded with statistics that I think we want to change our names so we won't be plagued with them. I am absolutely satisfied that the \$748,000 allowed by the committee for this work for another year is quite sufficient.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. ZIONCHECK. In the last 3 years this Department has spent something over \$2,000,000 in the gathering of

statistics and has not yet found out how many unemployed there are, has it?

Mr. McMILLAN. There is a great deal to what the gentleman suggests.

Mr. ZIONCHECK. Now we are asked to let them spend an additional \$137,000 so they can find out how many unemployed there are. It is silly.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment of the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. GRISWOLD and Mr. CONNERY) there were-ayes 17. noes 51.

Mr. CONNERY. Mr. Chairman, I demand tellers.

The CHAIRMAN. All those in favor of taking this vote by tellers will stand and remain standing until counted. [After counting.] Fourteen Members have risen, not a sufficient number, and tellers are refused.

So the amendment was rejected.

The Clerk read as follows:

GRANTS TO STATES FOR MATERNAL AND CHILD-HEALTH SERVICES

Grants to States for maternal and child-health services, Children's Bureau: For grants to States for the purpose of enabling each State to extend and improve services for promoting the health of mothers and children, as authorized in title V, part 1, of the Social Security Act, approved August 14, 1935 (49 Stat. 629-631), \$2,820,000: Provided, That no part of this sum shall be allotted to any State (as defined in such act) under subsection (b) of section 502 thereof: Provided further, That in carrying out such part 1, the allotments to States and expenditures thereunder for the fiscal year 1937 are authorized to be made on the basis of a total of \$3,800,000 for all States under subsection (a) of section 502 and for such purpose the sum of \$1,800,000 named therein shall read \$2,780,000. Grants to States for maternal and child-health services, Chil-

Mr. McMILLAN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: On page 105, strike out the remainder of the paragraph following the colon in line 10, and insert the following: "Provided, That in carrying out such part 1, the allotments to States and expenditures thereunder for the fiscal year 1937 are authorized to be made on the basis of a total of \$3,800,000 for all States (as defined in such act): Provided further, That any allotment to a State pursuant to section 502 (b) shall not be included in computing for the purposes of subsections (a) and (b) of section 504 an amount expended or estimated to be expended by the State."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

UNITED STATES EMPLOYMENT SERVICE

For carrying out the provisions of the act entitled "An act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933; personal services and rent in the District of Columbia and elsewhere; traveling expenses, including expenses of attendance at meetings concerned with the work of the United States Employment Service when specifically authorized by the Secretary of Labor; law books, books of reference, newspapers and periodicals, printing and binding, supplies and equipment, telegraph and telephone service, and miscellaneous expenses, \$2,785,000, of which amount not to exceed \$885,000 shall be available for the Veterans' Placement Service, the Farm Placement Service, District of Columbia Public Employment Center, and all other purposes, including not to exceed \$197,500 for personal services in the Department in the District of Columbia, and not more than \$1,900,000 shall be available for apportionment among the several States: Provided, That the conditional indefinite appropriation to supply the Government's conditional indefinite appropriation to supply the Government's apportionments to States qualifying under said act for the first time provided for in Appropriation Act of March 22, 1935 (49 Stat. 104), shall continue available for the fiscal year 1937.

Mr. CONNERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the chairman of the Subcommittee on Appropriations a question. The appropriation for the Employment Service of the Department of Labor for the year 1936 was \$3,200,000. The Budget estimate for 1937 was \$4,000,000. The committee allowed \$2,785,000, which is less than the amount of money appropriated for 1936.

Mr. Chairman, the Employment Service, especially in these

arm that the Government has. I shall not offer an amendment, because I feel sure that the chairman of the Subcommittee on Appropriations has gone quite far with us today in connection with allowing liberal appropriations, and therefore I do not want to embarrass him. I think the Senate will put it back to \$4,000,000. May I inquire what the reason of the committee was for cutting this appropriation for the next year below what it was the past year?

Mr. McMILLAN. I may say, Mr. Chairman, in reply to my delightful friend from Massachusetts who is making the inquiry, that the Budget recommended \$4,000,000, because that is the authorized amount. This was the amount authorized by the Wagner-Peyser Act. The fact that the committee did not recommend that amount here is due to the record showing that the Employment Service has on hand at the present time the sum of \$1,100,000 that has been apportioned to the States but not used by them. On the 1st of next July, coincident with the availability of this appropriation, this sum of \$1,100,000 will be reapportioned among all the States.

As the gentleman knows, these funds are apportioned to the States under certain conditions and regulations. Going back just a little for the purpose of explaining the item, onefourth of the \$4,000,000 estimated by the Budget and authorized by law, or \$1,000,000, is intended to take care of the administrative expenses incident to the act. This would leave \$3,000,000 to be apportioned to the several States. Insofar as this apportionment is concerned, certain rules and regulations are laid down for the States before they may secure the funds. They have to qualify under the rules. I believe there are 35 States which have qualified and 15 or 16 States and Territories have not as yet qualified. Consequently, there is the sum of \$1,100,000 that has not been apportioned by reason of the failure of these States to qualify. While next year the other States may come along and in the course of the year qualify under these terms, in view of the fact there is \$1,100,000 still unexpended and is ready to be reapportioned, the committee has provided \$1,900,000 additional in this bill, which, added to the \$1,100,-000, will make \$3,000,000 available for grants to the States in the next fiscal year.

In addition to the \$1,900,000 for grants to States, \$885,000 has been provided for administrative expenses and costs of the veterans' placement, farm placement, and other special services. This explains how we arrived at the total of \$2,785,000.

Mr. CONNERY. Would it not be wiser to leave it at the \$3,200,000? Would the chairman accept an amendment to put it to the place where it was last year; not go up to the \$4,000,000, but \$3,200,000?

Mr. McMILLAN. I do not think so.

[Here the gavel fell.]

Mr. KVALE. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts may have 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CONNERY. Even with the amount of money unexpended, to which the gentleman referred, suppose the 10 or 12 States come in during the coming fiscal year; what then?

Mr. McMILLAN. If they should come in, there will be a sufficient amount of money. In view of the facts brought out before the committee I do not think it is necessary to increase

The situation is just this: If all 48 States qualified under the terms of the act when the first appropriation was made 2 years ago, and if each State at that time and each year since had availed of all of the money they were entitled to receive, there would be no money in this jackpot to reapportion among all the States. The fact is, however, that all States have not qualified, and only six of them have taken all the money to which they were entitled. So it is we find that there is a nest egg here of \$1,100,000 that represents moneys apportioned to the States, but not used by them. Now, instead of giving the Employment Service \$3,000,000 days of unemployment, it seems to me, is the most valuable for grants to the States plus this \$1,100,000, or a total of

\$4,100,000, we simply propose to give what the law authorizes, namely, \$3,000,000, and thus save \$1,100,000 to the Government. It seems to me that this is a most fair and equitable arrangement.

Mr. CONNERY. I shall not offer an amendment because the gentleman has been very generous.

Mr. KVALE. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Minnesota.

Mr. KVALE. This matter of the \$1,100,000 to which the gentleman refers as being unexpended, does not help us in my State. We find we are handicapped by being restricted in the use of the funds and the appropriation has resulted in the closing down of one after the other of the county offices where these records have been laboriously built up. We have begun to depend on this service and now find ourselves without it. I think that is what the gentleman from Massachusetts refers to.

Mr. McMILLAN. I think the gentleman is referring to the State reemployment service provided for by emergency funds. I can assure the gentleman from Minnesota that his State will get their proportionate share of the \$3,000,000 that will be available on July 1, 1936, under this appropriation.

Mr. KVALE. But the service has been inadequate, and we have had to curtail it instead of building it up. As we built up these records and qualified we find ourselves unable to use them.

Mr. McMILLAN. In many of the States that have not qualified they, too, are in the same position; and, as a matter of fact, in worse shape than the gentleman's State.

[Here the gavel fell.]

The Clerk read as follows:

BITUMINOUS COAL LABOR BOARD

Salaries and expenses: For three Board members and other personal services in the District of Columbia and elsewhere, and for all other necessary expenditures of the Bituminous Coal Labor Board in performing the duties imposed upon said Board by the Bituminous Coal Conservation Act of 1935, including supplies, stationery, telephone service, telegrams, furniture, office equipment, travel expenses, and contract stenographic reporting services, \$79,300.

Mr. RANDOLPH. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RANDOLPH: On page 109, line 20, strike out "\$79,300" and insert in lieu thereof "\$160,000."

Mr. RANDOLPH. Mr. Chairman, I rise at this time because I am peculiarly and particularly interested in this item of the pending bill.

Of course, I represent, together with my five Democratic colleagues in the House, the State of West Virginia, which is the largest bituminous coal producing State in the United States at the present time.

You will recall that when the supplemental appropriation bill was brought in during the present session of the Congress there was an amendment offered by the gentleman from New York [Mr. TABER] to strike out the salaries necessary to carry on the Bituminous Coal Commission itself. I recall that at that time the distinguished gentleman from Massachusetts [Mr. McCormack], who originally voted against the Guffey coal bill, on that occasion when it was desired to strike out the appropriation to carry on the Commission, rose on this floor and said that even though he was against the act itself, after it had been passed it certainly should be carried out in all its parts. You will recall that Mr. Taber's motion upon that occasion, on January 24 of the present year, was defeated in committee, while the supplemental appropriation bill was being considered, by a vote of 70 noes to 29 ayes.

I am very certain that the fairness of my distinguished colleague, the chairman of the subcommittee here today, will cause him to bring to our attention this fact, that this appropriation is for the carrying on of the mediating body, which is the Bituminous Coal Labor Board, by providing the money for the salaries and other expenses which are actually needed in order to function.

I regret the committee has brought in a report in connection with this item which uses this language:

The life of this mediating Board is contingent upon the decision of the Supreme Court in the so-called Carter case now pending before it to test the constitutionality of the Guffey-Snyder Coal Act.

Certainly the Members of this House never pass legislation with the idea of such legislation being declared unconstitutional. It would be an admission on our part if we failed to carry forward the appropriations for any part of the Commission or Board, because of such a contingency.

Let me repeat the words of the gentleman from Virginia [Mr. Woodrum], who was in charge of the supplemental appropriation bill, when, in referring to the gentleman from New York, he said:

Mr. Chairman, this is a new departure in legislative procedure when the House of Representatives undertakes to anticipate the action of the Supreme Court and thereby withhold appropriations from institutions.

Mr. CONNERY. Mr. Chairman, will the gentleman yield? Mr. RANDOLPH. I yield.

Mr. CONNERY. What will the gentleman's amendment do?

Mr. RANDOLPH. The amendment simply puts in the bill the amount which the Budget has allowed of \$165,000 to carry on the work and pay the salaries and operating expenses of the Bituminous Coal Labor Board.

Mr. CONNERY. Set up under the Guffey bill?

Mr. RANDOLPH. Yes; for the year 1937, and in the report it is stated that the committee has cut the estimate for operating expenses about 50 percent.

I say that in all fairness the committee should vote today as the committee did when the gentleman from Virginia [Mr. Woodrum] had his appropriation bill here, when salaries were allowed for the Bituminous Coal Commission. Today they should be allowed for the members of the Bituminous Coal Labor Board. The two fit in and work together in carrying forward the Guffey-Snyder Coal Act, and I am certain that the fairness of the chairman of the subcommittee will cause him to rise and accept the amendment, or if he does not see his way clear to do that, the Members on the floor today will carry forward what it has vitally needed and adopt my amendment. [Applause.]

[Here the gavel fell.]

Mr. McMILLAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our friend the gentleman from West Virginia has made a mighty good speech. I have enjoyed it, but I desire at this time, before entering into the matter of the particular amendment which he has offered, to state that just a couple of months ago, when we brought in the Treasury-Post Office appropriation bill the question arose as to the funds necessary to provide for the administration of the Potato Act. I may call the gentleman's attention to the fact that the House declined to include such funds for the very reason the committee at this time has declined to take the action suggested by the gentleman in this matter. However, I may say to my friend that we did go 50 percent better than we did in the potato case, because in this matter we have at least provided funds sufficient to take care of the administration of the act in the event it is declared constitutional, until next January, when Congress will be back here and can make a reappraisal of the need for funds.

The situation in respect of this matter is this: Everybody knows that the question of the constitutionality of the Guffey bill is now pending in the Supreme Court and a decision, perhaps, will be rendered in the case in a few weeks.

Now, when these men came before us they did not have any definite program set up. They did not know just what would be necessary. They estimated as best they could what they thought would be necessary, but in view of the fact that the decision of the Supreme Court will be handed down within a few weeks, certainly there is enough money here, according to their own estimate, to take care of the administration of the law until next January, when we come back in the next session of Congress.

Mr. RANDOLPH. Will the gentleman yield?

Mr. McMILLAN. Yes; but I want to say that I am not adverse to the gentleman's proposition, nor am I unsympathetic to the need of providing adequate appropriations, but we can go along, and I am satisfied that without any trouble these funds we are providing will be more than sufficient until next January.

Mr. RANDOLPH. I want to say once more that the membership of the Committee, the Members of this House, will put themselves in a position which is improper if they fail to adequately provide for this Board set up under a legislative act.

Mr. McMILLAN. We are not providing legislative authority for a board to be set up; we are only providing funds for the expenses, on the Board's estimate, to take care of the administration of the law until next January.

Mr. RANDOLPH. It is my understanding that the estimates placed by those who are administering the Board are \$165,000, and not \$81,800, as placed in the bill. Funds unused if the act was unconstitutional would be returned to the Government.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. Randolph) there were 25 ayes and 35 noes.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. No part of the money appropriated under this act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word. For some years my honored and beloved colleague, Hon. WILLIAM B. OLIVER, of Alabama, has been chairman of the subcommittee which has charge of the pending bill. It has been a matter of deep grief and regret to all of us that on account of a temporary indisposition he has been compelled to forego his duties here in the Congress of the United States. He will not be a candidate for reelection to the House, and I am sure that my distinguished absent colleague will carry away from this body the universal love and respect and admiration of every Member on both sides of the aisle with whom he has served in the past. [Applause.] It will be very comforting and heartening to him, in the period of his illness to have had this manifestation which you have just given of the genuine love and respect in which he is held by the entire membership of this body, and your recognition of the great service he has rendered to the Congress and the country during the 26 years of distinguished service in this body.

Fortunately for the Congress and the interests of the country, he has been succeeded in his position by our distinguished colleague from South Carolina [Mr. McMillan]. [Applause.] And I rise to pay tribute of admiration as well as commendation to the present chairman of that subcommittee as well as to his associates on the subcommittee, upon both sides of the aisle, for the very splendid and efficient work they have done in the discharge of their duties in reporting and passing this bill. This is a bill making appropriations for four of the great coordinate departments of the Government, and in the discharge of the duties of a committee looking into all of the intricate ramifications and details of a bill of this character, infinite patience, perseverance, and persistence is required as well as good judgment. It is rather remarkable, however, that the hearings on the bill have been so well considered by the subcommittee before bringing it to the floor of the House, containing, as it does, 100 pages and more, that we have passed it under the 5-minute rule really in a very few hours and without any substantial amendment whatever. And it is a further evidence of the desire of this subcommittee to reduce the expenditures of the Government as far as possible, by the sum of \$9,000,000 under the Budget estimates for these appropriations. [Applause.]

I do not want to be fulsome, and I never am, in my praise of men here on this floor, but I say to you in all candor that one of the chief compensations we have here in our

service in this body is to have occasional words of praise and appreciation with reference to our duties, and I have thought it only proper, and I trust you will think it pertinent, that I have paid this small tribute to the chairman of this subcommittee and to those who have acted with him on this bill. [Applause.]

Mr. BACON. Mr. Chairman, I ask unanimous consent to proceed for 3 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BACON. Mr. Chairman, I thank the distinguished majority leader for the kind words that he has said about my chairman and about the members of this subcommittee. I have served for 14 years in this House with Mr. OLIVER. of Alabama, and for some 6 years as a member of the same subcommittee, of which subcommittee he later was chairman. I am glad to tell the members of this committee that in the course of my entire service with Mr. OLIVER there never has been a single partisan question raised in our subcommittee. [Applause.] We have tried, and I think that is universal on the Appropriations Committee, to look at the fiscal affairs of the Government purely from the point of view of the Government itself, and not from any partisan consideration. I regret very much that Mr. OLIVER's illness is going to prevent his standing again for reelection. He has been a very able member of the Committee on Appropriations for many years, and, having served with him on this subcommittee, and also having served with him on the Deficiency Appropriations Subcommittee, I can testify as a Republican that he has been always efficient and particularly courteous to the minority members. Never once has he tried to shut us off from full and free questioning of the witnesses. I regret very much to hear that he will no longer be with us.

As for our new chairman, I think that everything that I have said about Mr. Oliver applies to Mr. McMillan. He is a very worthy successor. [Applause.] We have been struggling for between 7 and 8 weeks now, every day, including most of the Saturdays, on this bill, and in this entire winter there has never been a difference of opinion between Mr. McMillan and myself, either personally or in a partisan way.

Mr. McMILLAN. Mr. Chairman, I ask unanimous consent to proceed for 3 minutes.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. McMILLAN. Mr. Chairman, of course, I am very grateful to the majority leader, the gentleman from Alabama [Mr. Bankhead] and to my colleague from New York [Mr. Bacon], the ranking minority member of my subcommittee, for the very kind remarks they have made in connection with my service as chairman of this subcommittee.

On yesterday during my remarks in explanation of the bill I undertook, in an humble way, to pay my respects to the gentleman from Alabama [Mr. Oliver], who has for so many years served with such great distinction and ability in this House. It is a regret to every member of the committee and, I am sure, to every Member of this House to lose his services. In the future, as in the past few weeks, as chairman of this subcommittee I shall always look for Mr. Oliver at the head of the table. It is a great regret on my part that he is no longer with us.

Mr. Chairman, I do want to say just a word to the gentleman from Alabama [Mr. Bankhead] and to the gentleman from New York [Mr. Bacon]—that I am very, very grateful to them for the very kind remarks they have made in connection with my service. I want to assure every Member of the House that it is a pleasure to have served in this capacity, and it is a great pride to me today to have my bill go through in the way it has. I am very grateful to you. [Applause.]

Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Harlan, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 12098) making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. McMILLAN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill. The bill was passed.

On motion by Mr. McMillan, a motion to reconsider the vote by which the bill was passed was laid on the table.

HON, ADOLPH J. SABATH

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes,

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, I was delighted a few moments ago to hear our distinguished majority leader, Mr. Bankhead, pay an eloquent and richly deserved tribute to our colleague, Mr. Oliver, of Alabama. Such kind words of sincere friendship and admiration are a wonderful inspiration and a dearly cherished feature of our lives. Expressions of that kind lighten our frightfully onerous and strenuous service, and go a long ways. On this occasion I take pleasure in calling the attention of the House to the fact that tomorrow the dean of this House, the distinguished gentleman from Illinois [Mr. Sabath], will reach the period of threescore years and ten, his seventieth birthday. [Applause.]

It has been a genuine delight for me to have served with Mr. Sabath for nearly 28 consecutive years in this House. His services here have been characterized by a high order of American citizenship, by exceptionally efficient and distinguished statesmanship. He has served his great State loyally and well. He has done a world of patriotic and public-spirited good work during these past 30 years that he is now rounding out in this House. He has the admiration and respect of the entire House. During the entire history of our Government, from the time the first Congress met on March 4, 1789, in New York, we have had almost exactly 10,000 Members of the House of Representatives. Of all those 10,000 Members, our colleague from Illinois [Mr. Sabath] is the only Member of foreign birth who has ever served 30 years in the Congress of the United States. [Applause.]

We have had a thousand distinguished men in this House who were born in foreign lands, but the gentleman from Illinois has the rare distinction of being the only one of all of them who has honorably represented our country in the Congress of the United States for 30 years. I feel that is something he and this House have a right to be proud of. In fact, the American Republic has a right to be proud, because it sets a high and encouraging example. It holds out a hope and an inspiration to all other citizens of our country who have come from foreign lands.

I may say that the gentleman's brother, as judge of the domestic relations court in Chicago, has had a most distinguished career. For 30 years he has made a world's record of beneficent services to troubled humanity. I know we all hope that ADOLPH SABATH may have good health and be spared for many more years of membership in this House.

Mr. FULLER. Mr. Speaker, during my service in Congress I have been thrown in close contact with Adolphus Sabath, a distinguished Member of this House, who has had 30 years of continuous and able service in which he has reflected credit upon himself and the position with which he has been honored. Although he is a Representative from a great city he has always been interested in agriculture, labor, and industry. His every act, every thought, and every heartbeat has been in the interest of his country and those in distress. He is one of the hardest working Members of this body and one of the most conscientious and patriotic citizens with whom I have ever come in contact. I have never known of a more loyal party man. To him it is almost impossible for his party or his friends to do wrong. He possesses and demonstrates the highest principles of statesmanship. For almost 2 years I have served as vice chairman, under him, of what is known as the Sabath real-estate bond investigating committee. It is almost entirely due to his untiring efforts that multiplied millions of dollars have been saved to bondholders, most of whom are in need and have invested their life's savings in these bonds. Often have I sent him home when he was physically exhausted working in their behalf. One of his greatest faults is taking his responsibilities too seriously, often to the impairment of his health.

He is a striking example of what a poor boy of foreign birth can accomplish in America. He knows what it is to feel the pangs of hunger and to long for the friendly voice or handshake of a friend. He knows the rough and rugged road one travels from obscurity to a position of honor and esteem. He never forgets those who have befriended him. He is an untiring worker not only for the constituency of his district but for the city of Chicago and the State of Illinois.

May he live long in this land he loves, surrounded by his loved ones and friends. May the winter of his age be as green as spring, as full of blossoms as summer, and as generous as autumn. May all of this period of his life be spent in the Halls of Congress, an honor he so richly deserves. When at last the fires of life grow dim, may the memory of his wonderful achievements in Congress, in behalf of his constituency and all America, fill his soul with peace and perfect joy.

I am sure it is the profound wish of every Member of this House that he enjoy good health, happiness, and heaven's richest and best gifts during his journey through life.

DISTINCTIVE CAREER OF CONGRESSMAN SABATH A CREDIT TO HIS PEOPLE AND TO OUR NATION

Mr. MAVERICK. Mr. Speaker, I would like to add a few words in tribute to the service of our beloved colleague from Illinois [Mr. Sabath], who, when I came to Congress, was so kind to me as a new Member. I have asked favors of him time after time, and he has been patient and sympathetic. I have always appreciated it.

I want also to add that his career is distinctive of the United States of America. As is well known, he was born in Bohemia, a foreign country, and is of Jewish blood. His life demonstrates that, after all, the American people are not prejudiced against a man because he is of foreign birth. It also singles out the United States of America as a nation tolerant of a man of Jewish extraction serving in the chamber of deputies, the parliament, the Congress, or the law-making body of the Nation. He has been a shining light to his own people and an example to the race from which he sprang. He has also been a shining light to the American people.

He is honest, sincere, and has never cared for riches. He has preferred to serve his country and humanity simply, fairly, and courageously.

As a new Member of Congress and as a Member of Congress from the far, great State of Texas, I add my praise of a man who has given this Nation more than a generation of faithful, patriotic service. [Applause.]

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes. gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, to one who is a newcomer in the field of public service there is a great element of inspiration in the life of our distinguished colleague from the State of Illinois, my good friend, Mr. Sabath. As you reflect upon his whole existence you get a better idea of the fluidity and the speed with which history passes. He was born in the old country only 4 or 5 years before Germany had vanquished France and heaped upon that prostrate country a great indemnity which was really the seed for the World War. He was born just a year after Lee surrendered his sword to Grant at Appomattox; and from the date of his birth and from the time he came to this country as a lad, he has seen the swift-moving panorama of history and has been identified with that portion of American history which is glorious indeed. He came here under an illustrious Roosevelt and we honor him today under another Roosevelt.

I am glad to add my little meed of praise to the service he has rendered to his constituency, to the State of Illinois, and

to the people of the United States.

It was my good fortune to serve during the Seventy-third and Seventy-fourth Congresses on the Select Committee Investigating Real-Estate Reorganizations, of which he is the distinguished chairman. I know with what vigor and energy he has applied himself to this work. I know, too, the tax that work has been upon his vitality. No person can go through daily hearings morning and afternoon and then sit in the smoke-filled room in some hotel in a city distant from home pouring over records to prepare for the morrow without having some high regard for the energy, the vigor, and the sincerity with which he has addressed himself to a task that was assigned to him by the Congress of the United States.

He has been a faithful and diligent public servant, and as one of his colleagues from the State of Illinois and from the Republican side of the aisle, it is really a privilege and a pleasure to add my meed of praise to his record of public service today. His has been a distinguished and praiseworthy career.

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, I am going to object to every speech after this. This is turning out to be a mutual admiration society.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, I feel that these eulogies of my very dear friend, the distinguished gentleman from Illinois [Mr. Sabath] would not be complete if I did not speak on behalf of the entire Democratic delegation from New England as the senior of that delegation, in paying a tribute to him the eve of his seventieth birthday and congratulating him upon having served 30 years in the Congress of the United States. Any Member who has served for even 1 year knows the strain, mentally and physically, which devolves upon every Member of this House. When we consider that Adolph Sabath has survived 30 years in Congress through all its legislative battles and through all of the legislative trials and tribulations which he must have undergone, and we look at him today, his fine, hale, and hearty physique, we are all happy that he is with us. I want to congratulate him on behalf of the New England Democratic delegation and to speak the thoughts of every Member of that delegation in wishing him many, many happy, successful, and healthful years. Ad multos annos. [Applause.]

Mr. BLANTON. Mr. Speaker, I served with the gentleman from Illinois 20 years in this House. No man here has a more genial and delightful personality. I believe that I speak the sentiments of the House when I say that everyone who has served with ADOLPH SABATH is his friend. I do not know of an enemy that he has made in this House and in serving 30 years that is quite an accomplishment.

I think that Adolph Sabath is a remarkable Representa-

The SPEAKER. Is there objection to the request of the of agriculture, but he has been an active farmer himself. He has been one of the great producers of this Nation, and I want to add my humble word of praise to that which others have expressed. [Applause.]

Mr. BYRNS. Mr. Speaker, I wish to express my hearty approval of what has been said in regard to the services of the Honorable A. J. SABATH, of the Fifth District of the State of Illinois.

There is no one in the House who enjoys to a greater extent the respect and the confidence of his colleagues. Neither has anyone ever served his district and his country with greater ability and greater loyalty. He was a Member of the House when I first came to Congress, and for many years has enjoyed the distinction of being one of its leaders. During that time he has not only served as a member of many of its important permanent committees but he has been appointed on a number of important special committees, and is now serving as chairman of the special committee which is investigating the issuance and the pyramiding of bonds upon hotels, apartment houses, and other large buildings in various cities of the country. It can be truly said that by his earnest, able, and conscientious work as chairman of this committee he has saved many millions of dollars to the small investor, and if he had done nothing else as a Member of Congress this accomplishment makes his career a notable one.

The fact that he is also chairman of the steering committee is a further mark of confidence and esteem which his colleagues hold for him.

He has always been loyal to his party and to his administration, and the House loves and admires him because of his loyalty to every obligation and his very earnest, active attention to his duties.

I take pleasure in paying this brief tribute to the distinguished service which he has rendered as one of the leaders of the House, and to express the hope that he may be spared for many years to come in the service of his constituents and his country. [Applause.]

Mr. DOBBINS. Mr. Speaker, I certainly do not wish to let pass this opportunity to felicitate our beloved and respected colleague from my own State upon his reaching such an important milestone in his busy and useful life. Now, I want to say to all of you that which I have heretofore said privately and to smaller groups of our Members. ADOLPH Sabath deserves the congratulations of all of us for a record of worthy accomplishment. That record, if we are to judge from his undiminished mental vigor and his fortunate state of health, as well as from the approving regard of his constituents, is one which we may confidently expect to be enlarged to by the addition of many more years to his long period of devoted public service.

One of the commendable qualities possessed in a rare degree by the dean of this House is his willingness to share without stint the benefits of his long experience and his familiarity with public affairs among the younger Members who feel the need of his counsel. Few of us have failed to profit by that generous spirit; and I, for one, wish to make public acknowledgment of my indebtedness to him in that respect, as well as in many, many other ways.

We may well congratulate our colleague upon this propitious birthday; and I think all of you join with me in the happy belief that Judge Sabath is surely destined to have his years of active and outstanding service in this House extended beyond the time that any Member has served here since the birth of the Republic.

Mr. PATMAN. Mr. Speaker, very few men in the history of this country have ever had the pleasure and privilege of rendering such noble and distinguished service to our country as the Honorable Adolph J. Sabath, who today reached his seventieth birthday. As one of his colleagues I desire to congratulate him. I also congratulate his constituents for their selection of such an able and courageous man to represent them in the United States Congress. Judge Sabath, as he is known by his colleagues, is dean of the House, having served in the House of Representatives longer than any other tive of the people. He has not only been a faithful friend one person. As he was a distinguished judge in the great ideal for the type of service that a Member of Congress is called upon to render. The country is fortunate in having a man of his ability, foresight, and knowledge in the House of Representatives.

Judge Sabath, whose every heart throb and pulse beat is with the plain people of this country, is a friend of the worker and the poor people. He is a friend of veterans of all wars and their dependents. Judge Sabath was a member of the steering committee for the passage of H. R. 1, known as the bill to pay three and one-half million World War veterans the remainder due on their adjusted-service certificates. He was a member of that committee for a number of years and at the many conferences and meetings of this committee, of which I was chairman, Judge Sabath was seldom absent. His advice and counsel were relied upon by the other members of that committee in our efforts to go in the direction of the best and most effective results. Our efforts were finally crowned with victory and no other Member of this House is entitled to more credit for the payment of these certificates to the World War veterans than is Judge SABATH.

Again, I congratulate him on his 70 years of good living, right thinking, and able and courageous service.

Mr. THOMPSON. Mr. Speaker, owing to an important hearing of my committee, Ways and Means, on the pending tax legislation, it was not possible for me to be in the Chamber during the closing minutes of today's session, at which time many of our colleagues paid honor to the distinguished gentleman from Illinois, the dean of this House, Adolph J. SABATH. I would have liked to have obtained a few minutes to voice my high regard for him and tell this body about the respect the people of the great State of Illinois have for our leader from the Fifth District of my State.

Mr. Sabath has just passed his seventieth birthday and is now serving his thirtieth consecutive year in the House of Representatives, a record never before attained by a foreignborn Member of the House. He has thus served here during peace, during war, during the reconstruction period following the close of the World War, during the "wild" twenties, during the depression, and during the present recovery period. He has seen at firsthand real history in the making and I know is exceptionally proud of the fact that it was his

privilege to play such an active part in it all.

It is certain that the United States is a greater Nation, a more potent influence in world affairs, because of the service of Adolph Sabath of the great city of Chicago. Adolph SABATH never sold his country "short" and was always on the side of patriotic Americanism and righteousness for all the people. He has sponsored much progressive legislation during his many years of service in this House, and his name will go down in the archives of this, the greatest legislative body in all the world, as one of its outstanding Members. He has served on the most important committees and all such service has been most effective. He has never been found wanting or hesitating when the welfare of his adopted land was at stake, and has often raised, effectively, his voice in defense or in opposition to policies of Government as he saw them. Yes, Mr. Speaker, the dignity of this branch of our Government has been enhanced because of Mr. Sabath's long service in it. And I speak for the entire Illinois delegation here when I say that we all hope that he will be here many more years in order that the Nation can continue to have the benefit of his wisdom and rare legislative ability.

While Mr. Sabath has been in Congress for the past 30 years, and necessarily absent from his home city of Chicago a greater part of that time, he has nevertheless kept in very close touch with affairs in that great city, and especially with the people in his own section of the great metropolis on Lake Michigan. He has long been a recognized leader there and his advice and counsel has been sought by civic leaders for the last 40 or 50 years, or since he attained his majority. Before coming to Congress he served with much honor and distinction upon the bench in his chosen city, a proceed for 5 minutes.

city of Chicago for a number of years, his background is | position which is now occupied by his brother. No task, no job, no effort has been too great for Adolph Sabath to tackle if he thought it would be for the benefit of his people, his city, his State, or his Nation. His own people have been coming to him for advice for many years, and he is the real leader in his section of Chicago. He understands the problems, hardships, and handicaps of the poor of a great city, many of whom, like himself, came to the United States from a foreign shore. The name Sabath is legend in Chicago, and with all respect to other members of his fine family, our colleague here in the House is the reason therefor. This man has surely lived a busy, useful life, and the manner in which he has stood up under it is the marvel of his many friends and associates. Mr. Sabath is the head of a large and successful law firm with offices in Chicago, and has, in addition to his fine services in the Congress, attained much prominence in his chosen profession. Chicago is one of the greatest cities in all the world, and it has been leaders like ADOLPH J. SABATH that has made it such.

Not only has our dean given a lifetime to his Nation, his adopted country, but he has not neglected the Democratic Party, with which he became identified early in his career. He has been a member of the Democratic County Committee of Cook County for over 40 years and has thus been high in the councils of his party for most of that time. He is still a member of that committee, and if I know anything about practical politics in my State, he will be for many years to come. With all his service here in the House, he has not forgotten the people who live in his district and his ward on the west side of Chicago. With all his contact, official contact with high officials of the United States, and the solving of the problems of a great National Government, he has not neglected his own neighbors and friends at home. They have not and never will forget him; make certain of that; and when I make the statement that A. J. SABATH WIll be here many years yet and also be a most vital part of the democracy of the third largest State in the Union, Illinois, I think I know whereof I speak. Mr. Sabath's political activity has not been confined solely to his own ward, district, city, county, or State, but he has taken a most active part in the affairs of the Democratic Party nationally and is frequently in consultation with leaders from throughout the

I do not believe that another individual has done as much toward swinging the foreign vote in the great metropolitan centers of the Nation toward the party of which he and I are a part as Mr. Sabath, and a good many of my friends of the Democratic side of the House received much larger majorities in their own districts at various elections because of the effective work done by the gentleman from Illinois among the foreign born and those of immediate foreign extraction. He has always been at the service of his party wherever and whenever possible.

Mr. Speaker, several gentlemen spoke about Mr. Sabath today, and on behalf of the Illinois Democratic delegation, the third largest in this House, I want to thank them. I have always thought it much better to "send flowers to the living instead of to the dead", and I know of no better subject of such felicitations than the dean of this House, now 70 years young and in his thirtieth consecutive year in this great legislative body.

A statesman, a friend, an able legislator, a good citizen, may he be spared to us for many, many more years.

ADJOURNMENT OVER

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CITRON. Mr. Speaker, I ask unanimous consent to

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SABATH rose.

The SPEAKER. Will the gentleman from Connecticut yield to the gentleman from Illinois?

Mr. CITRON. I yield to the gentleman from Illinois.

Mr. SABATH. Mr. Speaker, ladies, and gentlemen, I would not be honest with myself nor with the Members if I did not admit that I greatly appreciate the complimentary remarks that have just been made, on the occasion of my seventieth birthday, about me and my 30 years' service in the House. I want you to know that I am sincere when I say that I have always tried, since first entering the House, to be of real service to a great Nation which gave such wonderful opportunities to me and to millions of others. Like many of them, I came from a land that had suffered much, to find in the United States a country offering liberty, freedom of thought, and opportunity. All my life I have lived among the poorest of people. Because I know what it is to want, and what it means to suffer, I can never forget these people, and during later years, when by their will I represented them in Congress, I was ever mindful of their needs, their hardships, and their problems.

I have always been proud to be a Member of Congress, and have declined other public offices, even though more highly paid. It has been my honor to serve with such outstanding gentlemen as the late Champ Clark, John Sharp Williams, Claude Kitchin, Bourke Cochran, and Henry T. Rainey on the Democratic side and with "Uncle Joe" Cannon, Nicholas Longworth, Jim Sherman, Sereno E. Payne, John Dalzell, and James R. Mann on the Republican side, as well as with hundreds of other able and fearless legislators. All of them at one time or another were subjected to criticism and attack. I have naturally resented the charges that have been brought against Congress, particularly during the past few years, and as one who has served 30 years I think I am qualified to judge as to the loyalty, honesty, and ability of this Congress. In that connection may I say that I consider the membership of this body more truly patriotic, able, honest, and sincere than any group of people in the Nation, whether they be leaders of industry, of finance, or of any of the professions.

The gentleman from Arkansas [Mr. FULLER] states that I have always been an ardent Democrat. That is true. I have studied the history of our Nation, and, in my opinion, the principles of the Democratic Party as set down by Jefferson, its founder, show a more humane understanding of the problems of the poor and the oppressed. I have always felt that the Democratic Party is nearer to the people than any other.

Mr. Speaker, ladies, and gentlemen, I thank you from the bottom of my heart for the expressions of friendship from both sides of the House. It is something I will remember in the years to come. I hope it will be my honor and distinction to continue to serve my country.

May I also express the wish that my old friends, ED TAYLOR and the Speaker, as well as those other Members who have been so kind as to speak of me today, and the other Members present, equal or surpass my 30 years of service. [Applause.]

EXTENSION OF REMARKS

Mr. BANKHEAD. Mr. Speaker, it has been suggested that there may be other Members of the House who would desire to pay a tribute of respect to our colleague from Illinois. May I therefore ask unanimous consent that all Members may revise and extend their remarks in the Record at this point?

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

The SPEAKER. The gentleman from Connecticut is recognized for 5 minutes.

Mr. ZIONCHECK. Mr. Speaker, I object.

The SPEAKER. The gentleman was granted unanimous consent to address the House for 5 minutes.

Mr. ZIONCHECK. But the gentleman yielded to the gentleman from Illinois [Mr. SABATH].

The SPEAKER. The House granted 5 minutes to the gentleman from Connecticut, and the gentleman out of deference yielded to the gentleman from Illinois.

Mr. ZIONCHECK. I think it is inappropriate to talk about textiles after a day like this.

The SPEAKER. The gentleman is entitled to talk about anything he pleases within the rules of the House. The House has granted him 5 minutes, and the Chair proposes to see that the gentleman gets 5 minutes.

Mr. CITRON. Mr. Speaker, on March 26, 1936, I protested to the Secretary of State about the reported increase in the importations of cotton goods from Japan. Today I received a letter from the Secretary of State, which is as follows:

> DEPARTMENT OF STATE, Washington, April 2, 1936.

The Honorable WILLIAM M. CITRON,

House of Representatives.

My Dear Mr. Citron: I am glad to acknowledge the receipt of your letter of March 26, 1936, covering a copy of a letter of March 25 which you have received from Mr. Russell T. Fisher, secretary of the National Association of Cotton Manufacturers, Boston, Mass.,

of the National Association of Cotton Manufacturers, Boston, Mass., with regard to the increased importations of certain cotton textiles from Japan in January 1936, together with a mimeographed copy of a letter of the Cotton Textile Institute of New York City on the same subject. I have noted these communications with care, and particularly your own emphatic protest against the increased importation of Japanese cotton goods.

Importations of cotton-piece goods from Japan did increase markedly in January as compared with the rate of importation of these goods from Japan during the last 6 months of 1935. In view of the assurances given by representatives of the Japanese Government to this Department in December, the January figures of imports from Japan were brought to the attention of the Japanese Ambassador just as soon as they were available, and the Japanese Embassy took the matter up immediately with the Foreign Office in Tokyo. I am sure that the question is being given serious consideration by the Japanese Government. We are awaiting a definite response to our representations and it is our hope that the Japanese will be able voluntarily to control this situation. Should this prove impossible, then we shall certainly give further consideration to the entire problem. You can rest assured that very close attention and study is being given to this matter by this Department and by other interested agencies of the Government.

For your convenience, I enclose a copy of the press release of the Government.

For your convenience, I enclose a copy of the press release of December 21, 1935, relative to the assurances of the Japanese Government regarding voluntary restriction by the Japanese exporters of their shipments of cotton textiles to the United States. Sincerely yours,

Mr. Speaker, I ask unanimous consent to incorporate in the RECORD as a part of my remarks an enclosed release given out by the Honorable Cordell Hull on December 21, 1935.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The matter referred to follows:

RELEASE FOR PUBLICATION

DEPARTMENT OF STATE,

December 21, 1935.
The Japanese Ambassador called on Mr. Francis B. Sayre, Assist ant Secretary of State, on December 21, 1935, with reference to the suggestion which had been made by the Department of State that some agreement be reached providing for voluntary control by Japanese exporters of their shipments of cotton textiles to the United States.

The Ambassador informed Mr. Sayre that his Government au-The Ambassador informed Mr. Sayre that his Government authorized him to say that Japanese manufacturers and exporters of cotton textiles have decided voluntarily to restrict their exports to the United States. He said further that this self-imposed restriction of shipments to the American market is already in force and that in view of the assurance of the Japanese exporters that they would continue to hold such shipments to moderate levels, there is little likelihood of a repetition of such abnormal increases in exports of cotton textiles to the United States as occurred during the first 6 months of 1935.

The statistics of United States imports of cotton piece goods from Japan during the first 10 months of 1935 are given in the following

Japan during the first 10 months of 1935 are given in the following table, the statistics of general imports indicating the amounts of Japanese cotton cloth actually arriving in American ports, and statistics of imports for consumption indicating the amounts of cloth actually cleared through customs and therefore available for consumption in the United States.

Date	General imports		Imports for consumption	
La Company	Quantity	Value	Quantity	Value
January 1935 January Pebruary March April May June July August September October	Thousands of square yards 3,686 5,744 7,292 4,569 6,698 5,663 1,911 2,407 1,038 3,521	Thousands of dollars 180 295 379 227 343 276 89 103 62 146	Thousands of square yards 3, 341 4, 855 4, 576 3, 170 3, 186 2, 363 1, 588 1, 896 2, 265 3, 668	Thousands of dollars 157 244 160 148 100 100 100 100 100 100 100 100 100 10
Total	42, 530	2, 100	30, 907	1, 482

Mr. PETTENGILL. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

TAXATION

Mr. PETTENGILL. Mr. Speaker, in considering the proposed tax bill last night it suddenly occurred to me that there is a fundamental flaw in the proposal, so extraordinary that it seems the attention of the Congress should be called to it at the very threshold of our investigation or consideration

At the President's request the Ways and Means Committee is considering a tax proposal for the express purpose of raising sufficient revenue to meet the ordinary needs of the Treasury for the fiscal year 1937 and an extraordinary deficiency caused by circumstances over which we have no present control.

It is because the President has asked for sufficient revenue to fulfill his purpose and because I do not think that the present proposal fulfills the President's request that I am speaking now. It is my great fear that the present proposal will not only fail to meet the deficit from 1936 but that there is the greatest danger that the present proposal sacrifices a constant and certain source of revenue.

It has been estimated by advisers to the Treasury that the present corporate tax will produce a revenue in excess of \$800,000,000 for the fiscal year 1937, earned during the year 1936. I may say that I am in sympathy with the general theory of the proposal to tax corporate surpluses unreasonably withheld beyond prudent need, but under the working out of the proposal as it is now framed, it affords the corporation the opportunity to escape the corporate income tax either entirely or in large part for the payments which would ordinarily be made during the fiscal year 1937. By distributing its earnings to its stockholders the corporation escapes this tax, the thought behind the tax proposal being that dividends thus distributed will produce increased revenue through taxation in the hands of the shareholders. But our important problem is to raise adequate revenue for the fiscal year 1937.

In order to escape the 1936 corporate tax it is not necessary for the corporations to make their distributions during the These excess distributions may be made, and probably will be made, during the first 21/2 months of 1937, and the corporate tax may still be wiped out, but-and this is the thing that I want to impress upon you most seriouslyif these distributions are made during the first 21/2 months of 1937, they are not subject to income-tax payment until 1938. Since the dividends would be received by the stockholders during their taxable year of 1937, they could not be taxed to the stockholders for the tax year 1936, and the postponement of this taxable income to the year 1937 means that the stockholders will pay their first tax thereon in the year 1938.

I submit that such a result is so foreign to the wishes of the President in respect to the yield expected from the tax proposal that all consideration at the present time will avail nothing unless we do securely provide for the revenue when the President wants it.

The point is this: It is proposed by the Treasury to tax to the corporation only its undistributed net earnings, earned on and after January 1, 1936-assuming also that that is the beginning of the corporation's fiscal year-in lieu of all present income corporation taxation. For the calendar year 1936 the corporation cannot balance its books and determine its net earnings for the year until after December 31, 1936. The proposal provides 21/2 months after December 31, 1936, to close its books and determine its earnings and make distribution to its stockholders.

If during the 21/2 months, that is, January 1, 1937, to March 15, 1937, the corporation distributes to its stockholders all of its net earnings earned during 1936, the corporation is then wholly exempt from Federal income taxation for the year 1936.

The earnings determined and distributed in the 21/2 months following the end of the year then, and not until then, become the property of its stockholders, and in their hands. for the first time, become subject to individual income tax. The receipt of dividends, however, takes place after January 1, 1937, and is income to the stockholder for the year 1937 rather than for the year 1936. The stockholder having received the dividend does not account for and pay taxes thereon until March 15, 1938, or after.

The collection into the Treasury of the United States of hundreds of millions of dollars, perhaps a billion dollars, is thus postponed for at least 12 months, and would throw the anticipated Budget of the Government out of balance by the amount of revenues thus postponed, if we abandon entirely, as has been proposed, the present corporation income tax. The effect of all this is to create a gap in the revenue from corporate income for an entire year, at the least, and leaves the Treasury holding an empty bag insofar as revenue from corporate income is concerned. In short, the proposal does not produce the income to the Government which was expected in 1937 until 1938. It therefore defeats the very purpose of the President, and unless this problem is solved, it does not seem possible that anyone can vote for the bill.

This defect in the proposal is so fundamental that we are losing time considering the details of the bill until this matter is met.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. PETTENGILL. I yield. Mr. McFARLANE. I should like to know what the gentleman's suggestion is as to how we can correct the defect he has just mentioned.

Mr. PETTENGILL. This is a problem for the tax experts who are the advisers of the Congress, as well as our own

Mr. McFARLANE. Has the gentleman made this suggestion to the committee?

Mr. PETTENGILL. No; I have not.

[Here the gavel fell.]

ALASKA

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my remarks by including therein a letter addressed to me by Mr. Charles E. Bunnell, president of the University of Alaska, which is a land-grant college.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. DIMOND. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter addressed to me by Mr. Charles E. Bunnell, president of the University of Alaska:

COLLEGE, ALASKA January 30, 1936.

Delegate from Alaska, Washington, D. C.
MY DEAR DELEGATE DIMOND: If the inquiries that come to my MY DEAR DELEGATE DIMOND: If the inquiries that come to my desk through the mail are a reliable guide, I must conclude that the public generally is making slow progress in becoming informed about Alaska. Although the "gold rush" days were over three decades ago, the average citizen of the United States is inclined to think of Alaska in terms of dog teams, glaciers, icebergs, polar bears, and other colorful features that have figured so prominently in the romance of the North. Difficult as it was to roll back the western frontier, that task is not to be compared with the difficulties encountered in rolling back the northern frontier. Even though the first thousand miles of the 1,800 miles of ocean travel that separate Seattle and Seward lead the traveler through the most fascinating scenery of North America, still 1,800 miles of ocean travel are going to require at least 5 days. How gladly one would trade them for 2,000 miles of auto travel from Seattle, via British Columbia and Yukon Territory, to Fairbanks, in the very heart of Alaska, but the map shows 1,000 miles of this wonderful project represented by broken lines.

It is impossible to know any country unless one knows its physi-

It is impossible to know any country unless one knows its physical geography. The coast of Alaska from Ketchikan to the most westerly of the Aleutian Islands is open for navigation during the entire year. Bering Sea and the Arctic Ocean are open to naviga-tion only for a few months during the summer. The heavily moistion only for a few months during the stimmer. The heavily moisture-laden clouds from the Japan current encounter cold-air currents from the coast range, with the result that the entire southern coast of Alaska receives heavy precipitation. Here are over 85,000,000,000, estimated, board-feet of unharvested commercial timber on the lowlands in striking contrast with the unestimated billions of tons of ice and snow that hold the highlands and supporting the first of the mountains in a friend coat of distances. summits of the mountains in a frigid coat of glistening white. On this coast in the Bering Sea are found the great fishing industries of Alaska, which produced for the year 1934 a value of approximately \$42,000,000.

North of the coast range is the main Alaskan range with Mount McKinley supreme. This magnificent range, with enormous glaciers in the higher altitudes, precipitates most of the moisture from the Japan current not intercepted by the coast range, with the result that the great interior valleys of the Yukota Niver and the tributchies are semigiful. The southern coast of Alaska in the result that the great interior valleys of the Yukota Niver and its tributaries are semiarid. The southern coast of Alaska is cloudy, windy, rainy, and does not record low temperatures, while interior Alaska is clear, warm in summer, cold in winter, and for the most part without heavy winds.

In spite of all that the exact science of mathematics teaches, the tourist, irrespective of the latitude of his home, experiences great difficulty in reconciling himself to the fact that interior Alaska crowds into 100 summer days as many hours of sunshine as there are in the entire summer season of southern United States. To see the midnight sun is a thrill, but to be able to read the daily newspaper at midnight and outdoors for 60 nights each year must be experienced to be believed.

Naturally the people of Alaska have their greatest interest in

Naturally the people of Alaska have their greatest interest in the major industries, fishing, mining, and furs, which produced in 1934, \$42,000,000, \$17,000,000, and \$2,000,000, respectively. In this same connection it is interesting to note that during the period of 1880–1934, Alaska has produced over \$1,004,000,000 in fisheries, \$122,000,000 in furs, and over \$680,000,000 in mineral industries.

Alaska need offer no apology for her failure to develop a more thriving agriculture industry. In the "gold rush" days, so "gold minded" were the stampeders that any program of agricultural activity would have received no more than casual consideration. During the period 1900–1930 the United States Department of Agriculture through its Bureau of Insular Stations made an agricultural survey of the Territory, and determined the areas suitable for agriculture and the kinds of crops that could be prown successfully grown successfully.

It takes at least a generation for people in a mining country to recognize agriculture as an industry worthy of consideration. There is no magnet like the lure of placer gold to hold the prospector in its embrace and focus his undivided attention upon the vision of his dreams.

Factors that have militated against agricultural development in the Territory are ocean travel from Seattle to the coast of Alaska, expense of travel, cost of developing a farm where prices are fixed largely by the wages paid in the mining camps, the ever-present fear of being a long ways from the old home in the States, and fear of cold in northern latitudes. Then, too, the Alaskan merchant has not found it convenient to nurse an infant industry

chant has not found it convenient to nurse an infant industry when markets in the States offer merchandise with attractive trade names especially prepared for the Alaskan consumer. There is nothing strange or peculiar about this situation, for it is exactly what has happened in rolling back the western frontier.

In interior Alaska and at 64°51'21'' north latitude is located the University of Alaska, 3 miles distant from Fairbanks, the interior terminus of the Alaska Railroad, 470 miles from its ocean terminus at Seward. This institution opened in 1922 and is the last land-grant college to be established. Five years ago the United States agricultural experiment stations at Fairbanks and Matanuska were transferred to this institution.

transferred to this institution.

Diversified farming on the university farm is telling the story of what Alaska can do to produce her own food supplies. Three tons per acre of dry oat and pea hay are not unusual. A 6-acre field produced 360 bushels of fully matured oats. Pigs 205 days old and dressing 175 pounds was the record a year ago. For the months of December and January the income of the farm was over \$600 per month for milk at 15 cents per quart. All kinds of hardier vegetables are always a splendid crop. Oats, barley, wheat, and rye are dependable crops. Results obtained last year in experimental station work are typical; at the Matanuska station five different varieties of potatoes yielded an average of 19,000 pounds per acre; at the Fairbanks station a 3-acre field of potatoes yielded 37,000 pounds, and 3-acre fields of oat, pea, and vetch hay yielded 8,500, 9,600, and 9,700 pounds, respectively.

During the fiscal year ending June 30, 1934, Alaska imported farm products to the amount of \$2,850,000. Of this amount, the

value of milk, butter, and cheese totaled the sum of \$725,000. Other interesting items are eggs, \$346,000; potatoes, \$121,500; canned vegetables, \$275,000; and meats to the amount of \$870,000. Alaska can and ought to produce at least three-fourths of the above-listed imports, but even if she produced only one-fourth it is apparent she needs several hundred farmers busily engaged in supplying her own market. supplying her own market.

When the President of the United States finally decided upon an agricultural project for Alaska it was because he could see the importance of developing a basic industry in Alaska capable of furnishing food for her people. The plan is fundamentally sound. Its measure of success depends largely upon the human equation, adequate transportation facilities, coordination between production and distribution, and efficient management. The University of Alaska is placing at the disposal of the colonists the benefits of years of research in its agricultural experiment stations, and to assist them in solving their farm and home problems trained Extension Service workers are providing an indispensable service. It has been stated time and time again, not only from the public platform but through the press, that Alaska is capable of supporting many, many times her present population. The President of the United States is fully justified in relying upon these statements. They are correct. They are correct.

Alaska possesses a vast domain in the Matanuska and Tanana Valleys suitable for agricultural development. She has not only a cash market, but a market by virtue of the long haul from the States and high freight rates marvelously protected. These factors operate most advantageously in favor of the farmer.

The great highway and the great airway to connect the United States and the Orient, will be through interior Alaska. Highways, railroads, and aviation are solving Alaska's transportation problems. The old Alaska yields to the new order of things. It is a matter of more than ordinary concern that this vast Northland be prepared to produce from her own fields the major part of her own food requirements.

Very truly yours,

CHARLES E. BUNNELL, President, University of Alaska.

JAPANESE EXPORTS OF COTTON CLOTH

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

Mr. BANKHEAD. Mr. Speaker, of course, I shall not object to this request, but I trust no other requests will be made.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I think Japan must be very much amused, very much pleased with our State Department. She enters into an agreement through the State Department with this country to curtail or limit her exports of cotton cloth to this country, and after this gentlemen's agreement she increases her exports of cotton cloth to our country.

Mr. Speaker, I call the attention of the House, and particularly our southern Members, to the fact that there was a decline of 65 percent in our exports of cotton bales in February 1936 compared to January 1936. Japan bought 65 percent fewer bales of cotton in February than it did in January of this year.

The following table shows the exports of cotton from the United States to Japan:

	1934	1935	1936
Total	Bales 1, 737, 000	Bales 1, 515, 000	Bales
JanuaryFebruary		149, 000 98, 000	156, 000 55, 000
Total for January and February		247, 000	211, 000

February 1936, compared with January 1936, decline of 65 percent; February 1936, compared with February 1935, decline of 44 percent; January 1936, compared with January 1935, increase of 4.7 percent; January and February 1936, compared with January and February 1935, decline of 15

The House will note that not only does Japan export and sell more cotton cloth to us, but it buys less raw cotton from us. The administration has said in effect we must be very careful not to limit Japan too much in her exports of cotton cloth to us for fear that she will not buy our raw cotton. What a joke Japan has played upon us.

Mr. Speaker, it is high time the House took action, as, obviously, the State Department will not take such action. I among other Members of Congress, have repeatedly literally begged the State Department to protect the great cotton industry. All we secure are vague promises. If the State Department is so weak and impotent, certainly Congress need not and must not be. The day of reckoning will surely come when Members must answer to their constituents for idly throwing away a great industry like the cotton textile industry which employs thousands of people in both the raw and finished product.

Mr. Speaker, I also should like you to know how extremely sorry I am, as a Member from New England, that Judge OLIVER, of Alabama, will not be able to return to the House due to illness.

Mr. CONNERY. Mr. Speaker, will the gentlewoman from Massachusetts yield?

Mrs. ROGERS of Massachusetts. Very gladly.

Mr. CONNERY. I gather from the remarks of the gentlewoman from Massachusetts that she would be pleased to support the bill I have before the Ways and Means Committee, which provides that whenever the total landed cost of any article or commodity entering the United States is less than the cost of production, such article shall be barred from the United States.

Mrs. ROGERS of Massachusetts. I shall be very pleased to assist the gentleman, because we must protect our trade.

Mr. McFARLANE. Mr. Speaker, will the gentlewoman

from Massachusetts yield for another question?

Mrs. ROGERS of Massachusetts. I am very sorry, but I only have 1 minute, and I wish to express my appreciation of Judge OLIVER.

Before his illness, Mr. Speaker, he was always tireless in his work in the development of trade, not only in his own southland, but in our northland, in the West and in foreign countries, and as a northerner, and as a Yankee, Mr. Speaker, I cannot tell you how much this means to us in New England.

[Here the gavel fell.]

SOIL CONSERVATION PROGRAM IN THE SOUTHERN REGION FOR 1936

Mr. CALDWELL. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD a portion of an informative series of questions and answers prepared by the Department of Agriculture relating to the soil-conservation program in the southern region.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CALDWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a portion of an informative series of questions and answers compiled by the Department of Agriculture for the purpose of illustrating the operation of the new soil-conservation program in the southern region for 1936, as follows:

PURPOSES OF THE PROGRAM

1. Q. What are the objectives of the 1936 soil-conservation program?—A. The objectives stated in the act for 1936 are: (1) To preserve and improve soil fertility; (2) to promote the economic use and conservation of land; (3) to reduce the exploitation, wasteful, and unscientific use of soil resources; (4) to protect rivers and harbors against the results of soil erosion.

2. Q. How will the 1936 soil-conservation program bring about soil conservation and improvement?—A. By encouraging farmers to plant soil-building and soil-conserving crops and to adopt soil-

conservation and improvement?—A. By encouraging farmers to plant soil-building and soil-conserving crops and to adopt soil-building and soil-conserving practices.

10. Q. Why was a new national program for agriculture formulated?—A. The provisions of the Agricultural Adjustment Act which authorized production control were declared unconstitutional by the Supreme Court on January 6, 1936. The Congress and farmers felt that another national program was necessary to maintain gains already made and to conserve and improve the soil.

11. Q. Will the Secretary of Agriculture enter into contracts with producers under the soil-conservation program?—A. No. Cooperation by producers must be purely voluntary.

tion by producers must be purely voluntary.

12. Q. Where can a producer obtain information about the program?—A. From county extension offices and the county and community committees.

PUTTING THE PROGRAM INTO OPERATION

14. Q. Do producers have any voice in the administration of the program—A. Yes. Through membership in the county association.

15. Q. Who are members of the county association?—A. Any person owning or operating a farm, the homestead or the farm-operating headquarters of which is situated in the county, is considered a member, but any person shall cease to be a member if he fails to file a work sheet within the period specified by the Secretary for filing such work sheet or fails to qualify for a grant.

16. Q. Who is entitled to you at meetings of the association?—

16. Q. Who is entitled to vote at meetings of the association?-

A. Only members of the association

17. Q. What is the county committee?—A. The county committee is composed of three members who must be members of the association and must have been previously elected chairmen of their respective community committees.

18. Q. What are the duties of the county committee?—A. The

duties are as follows:

(1) Review all documents filed with them and make recommendations to the Secretary;

(2) Hold hearings and conduct such investigations as may be ecessary in the performance of its duties; and
(3) Perform such other duties as may be prescribed by the

Secretary.

19. Q. What is the community committee?—A. The community committee is composed of three members elected from the members of the association living in the respective community. 20. Q. What are the duties of the community committee?-A.

The duties are as follows: (1) Assist in preparing, checking, receiving, and approving all

(2) Make recommendations for payments; and
(3) Ascertain and report when requested by the county committee the total acreage and production of soil-depleting crops and acreage utilization of land on farms, and obtain such other data

acreage utilization of land on farms, and obtain such other data as may be necessary.

22. Q. What are the principal forms to be used in 1936 for the soil-conservation program by producers?—A. (1) A work sheet, giving the location of the farm and use of the land in 1935.

(2) An application for a grant at a later date, showing the use of the land in 1936, and a certificate of performance.

23. Q. What is the purpose of the work sheet?—A. The purpose of the work sheet is to obtain a survey of farming conditions and practices and to help the producer plan his farming operations so that he may participate in the soil-conservation program for 1936.

24. Q. Who may fill out the work sheet?—A. Any producer who is an owner, landlord, cash tenant, standing or fixed-rent tenant, or share tenant operating the entire farm.

25. Q. What is done with work sheets after the producers have submitted them?—A. They are turned over to the community and county committees.

county committees.

26. Q. Can an owner or landlord submit a work sheet covering a farm being operated by a cash tenant, or standing or fixed-rent tenant?-A. No

27. Q. Should a producer who owns, operates, or controls more than one farm in the same county submit a work sheet covering each of his farms?—A. Yes.

each of his farms?—A. Yes.

28. Q. May a share tenant who is renting land from two or more owners or landlords sign a work sheet covering all such land?—A. No; but if work sheets are filed a work sheet covering each tract of land must be filed.

29. Q. If the producer's farm is mortgaged, must the person holding the mortgage sign the work sheet or application?—A. No.

30. Q. If a farm has been purchased on installments for cash or fixed commodity payments should the seller of the farm sign the work sheet or application?—A. No.

31. Q. In the event the farm is located in more than one county, in which county should the work sheet and application be submitted?—A. They should be submitted in the county in which the farm-operating headquarters is located, or, in the absence of headquarters on the farm, in the county in which the major part of the farm is located.

DEFINITIONS

32. Q. What is meant by "crop land"?—A. "Crop land" means all land from which any crop (other than wild hay) was harvested in 1935, together with all other farm land which is tillable and from which at least one crop (other than wild hay) has been harvested since January 1, 1930.

33. Q. What is meant by the term "owner"?—A. With reference to the 1936 program, "owner" means a person who actually owns land which is not rented to another for cash or a fixed commodity payment; a person who rents land from another for cash or for a fixed commodity payment, or who is purchasing land on install-

fixed commodity payment, or who is purchasing land on installments for cash or a fixed commodity payment.

34. Q. What is meant by the term "share tenant"?—A. A person other than the owner or sharecropper who is operating an entire farm without direct supervision of the owner and who is entitled to a portion of the crops produced on the farm or the proceeds thereof.

thereof.

35. Q. What is meant by the term "sharecropper"?—A. "Sharecropper" means a person who works a farm in whole or in part and who received for his labor a proportionate share of the crops produced thereon or the proceeds thereof.

36. Q. What is meant by the term "farm"?—A. "Farm" means all tracts of farm land in the same county, under the same ownership, and operated in 1936 as all or a part of a single farming unit by the same operator.

37. Q. What is meant by "producer unit"?—A. The term "producer unit" means any tract of land (whether a whole farm or a subdivision thereof) on which one or more crops are planted and which is operated by (1) landowner, cash tenant, or standing-rent (or fixed-rent) tenant, with his own labor or with hired labor other than sharecroppers; or (2) a share tenant without the aid of any sharecropper; or (3) a sharecropper.

38. Q. What is meant by the term "grant"?—A. With reference to the 1936 program, "grant" means payment to farmers under the Soil Conservation and Domestic Allotment Act.

CROP CLASSIFICATION

CROP CLASSIFICATION

39. Q. What are the soil-depleting crops on which payments may be made for acreage diversion?—A. The following crops are soil-depleting crops on which payments may be made for acreage diversion: (1) Corn (including broom corn and sweet corn); (2) cotton; (3) tobacco; (4) Irish potatoes; (5) sweet potatoes; (6) rice; (7) sugarcane; (8) commercial truck and canning crops, including melons and strawberries; (9) peanuts, if harvested as nuts; (10) grain sorghum, sweet sorghums, and millets; (11) small grains harvested for grain or hay (wheat, cats, barley, rye, and small-grain mixtures); (12) soybeans, if harvested for crushing.

40. Q. What are the approved soil-building crops?—A. The following crops?—A. The following crops?—A. The following crops are soil-depleting crop

mixtures); (12) soybeans, if harvested for crushing.

40. Q. What are the approved soil-building crops?—A. The following crops are classified as soil-building: (1) Annual winter legumes, including vetch, winter peas, bur and crimson clover, turned under as a green manure crop; (2) biennial legumes, including sweet and alsike clover; perennial legumes, including alfalfa, kudzu, sericea, and annual varieties of lespedeza; (3) summer legumes, including soybeans, velvet beans, crotalaria, and cowpeas, if forage is left on the land; (4) winter cover crops, including rye, barley, oats, and small-grain mixtures turned as green manure and followed in the summer by an approved soil-conserving crop; (5) forest trees, when planted on crop land in 1936.

41. Q. What are the approved soil-conserving crops?—A. The following crops are classified as soil-conserving: (1) Annual winter legumes, including vetch, winter peas, bur and crimson clover; biennial legumes, including sweet and alsike clover; perennial legumes, including alfalfa. kudzu and sericea, with or without such nurse crops as rye, oats, wheat, barley, or grain mixtures, when such nurse crops are pastured or clipped green; summer legumes, including soybeans except when produced for seed for crushing, velvet beans, crotalaria, cowpeas, and annual varieties of lespedeza; (2) peanuts when pastured; (3) perennial grasses, including Dallis, redtop, orchard, Bermuda, carpet, or grass mixtures, and Sudan grass, with or without such nurse crops as rye, oats, wheat, barley, or grain mixtures, when such nurse crops as rye, oats, wheat, barley, or grain mixtures, when such nurse crops are pastured or clipped green; (4) winter cover crops, including rye, barley, oats, and small-grain mixtures, winter pastured or not, and turned as green manure; or if harvested and followed by summer legumes; (5) crop acreage planted to forest trees since January 1, 1934.

42. Q. What uses of land are classed as neither soil-depleting, soil-building, nor soil-conserving, and which cannot be counted in establishing bases?—A. (1) Vineyards, treefruits, small fruits, or nut trees (not interplanted; if interplanted, such acreage shall carry the classification and actual acreage of the intercrop grown); (2) it cares land (where due to unusual weather conditions) carry the classification and actual acreage of the intercrop grown); (2) idle crop land (where, due to unusual weather conditions, crop land was left idle in 1935, it may be reclassified upon the recommendation of the State committee and approval of the Secretary); (3) cultivated fallow land, including clean cultivated orchards and vineyards (cultured fallow land may be otherwise classified upon recommendation of the State committee and approval of the Secretary); (4) wasteland, roads, lanes, lots, yards, etc.; (5) woodland, other than that planted at owner's expense since January 1, 1934.

43. Q. What are the approved soil-building and soil-conserving practices?—A. A list of practices will be recommended by the State

practices?—A. A list of practices will be recommended by the State committee and approved by the Secretary of Agriculture.

45. Q. How will the acreage of corn interplanted with legumes be regarded?—A. The acreage of corn which is interplanted with legumes will be regarded as 50 percent corn acreage and 50 percent legume acreage. Thus, 30 acres of corn interplanted with legumes will be classed as 15 acres of corn and 15 acres of legumes. This rule applies also to the acreage of other soil-depleting crops interplanted with legumes.

46. Q. Will the acreage classed as corn when corn is interplanted with legumes be classed as a soil-depleteing crop?—A. Yes. However, the producer will not be penalized for any increase in his corn acreage when corn is grown for food for carrying on the normal operation of the farm.

47. Q. Will there be any deduction for increases in food and feed crops?—A. No deduction will be made with respect to any food or feed crop unless they are grown in excess of the home-consumption needs for the farm.

ESTABLISHMENT OF BASES

48. Q. What is the first thing an individual farmer must do who intends to participate in the soil-conservation program for 1936?—A. He may, with the help of a committeeman, determine the soil-depleting base for his farm.

depleting base for his farm.

49. Q. How will the soil-depleting base be determined?—A. This base will be the acreage in soil-depleting crops (except for cotton, tobacco, rice, peanuts, and sugarcane) on the farm in 1935 unless it is determined that such acreage is not in accordance with the general farming practices in the locality, in which case adjustments may be made, and further adjustments will be made for rented acres used for soil-depleting crops in 1935.

50. Q. How is the base cotton acreage for a farm determined?—A. The base cotton acreage will be determined in accordance with instructions issued by the director of the southern region, and approved by the Secretary. Such determination will be arrived at in essentially the same manner as the base cotton acreage would have been under the proposed 1936 agricultural-adjustment program.

51. Q. How is the base tobacco acreage for a farm determined?—
A. The base tobacco acreage will be the base acreage which was provided for under the proposed 1936 agricultural-adjustment

provided for under the proposed 1936 agricultural-adjustment program.

52. Q. How will the base peanut acreage for a farm be determined?—A. The base peanut acreage will be determined essentially in the same manner as it would have been determined under the proposed 1936 agricultural-adjustment program.

58. Q. Will the planting of lands in soil-building crops in the 1935 adjustment program be taken into account in determining the base acreage for a farm?—A. Yes.

59. Q. If a crop is planted in the fall of one calendar year for harvest in the succeeding calendar year, which year shall be used in designating the acreage planted to such crop?—A. The calendar year during which the crop is harvested should be used.

60. Q. What types of payments will be made to producers?—A.

(1) Soil-building payments; (2) soil-conserving payments.

(1) Soil-building payments; (2) soil-conserving payments.
61. Q. What provisions have been made concerning food and feed crops grown on the farm for home consumption?—A. No payment will be made in connection with shifting land out of food and feed crops unless such crops are produced in excess of home

needs.
63. Q. For what are soil-conserving payments made?—A. These payments will be made for diverting acreage from soil-depleting crops to soil-building and soil-conserving crops and for approved soil-building and conserving practices.
64. Q. What is the rate of soil-conserving payments?—A. The rate of the soil-conserving payment for diversion from soil-depleting crops, other than cotton, tobacco, peanuts, rice, and sugarcane, varies among States, counties, and individual farms according to the productivity of the land, but the average for the United States will be around \$10 per acre.
65. Q. Will a producer be required to have a minimum acreage

65. Q. Will a producer be required to have a minimum acreage of soil-conserving crops in order to receive payment?—A. Yes. No payment is to be made on any farm unless the total acreage of soil-conserving crops and soil-building crops on crop land on the farm in 1936 equals or exceeds either (a) 20 percent of the base acreages of all soil-depleting crops for the farm, or (b) the maximum acreage with respect to which soil-conserving payments may be made on the farm. be made on the farm.

66. Q. What is the rate of soil-conserving payment for diverting acreage from the production of cotton?—A. Payment will be at the rate of approximately 5 cents for each pound of the normal

yield of lint cotton per acre.
67. Q. What is the maximum acreage diversion with respect to

67. Q. What is the maximum acreage diversion with respect to cotton on which payment may be made?—A. Thirty-five percent of the base cotton acreage for the farm, except that payment cannot be made in any county on more than 25 percent of the total of the base cotton acreages for all farms in the county.

68. Q. What is the rate of the soil-conserving payment for each acre diverted from the production of tobacco?—A. (1) Five cents per pound of the normal yield for flue cured or Burley, (2) six cents per pound of the normal yield for Georgia-Florida type 62, (3) three cents per pound of the normal yield for Georgia-Florida. (3) three cents per pound of the normal yield for Georgia-Florida type 45, or any other kind of tobacco.

69. Q. What is the maximum acreage with respect to which payment on tobacco will be made?—A. Thirty percent of the base

69. Q. What is the maximum acreage with respect to which payment on tobacco will be made?—A. Thirty percent of the base tobacco acreage of the farm.

70. Q. What is the rate of soil-conserving payment for acreage diversion on harvested peanuts?—A. One and one-fourth cents for each pound of the normal yield per acre for the farm.

71. Q. What is the maximum acreage diversion with respect to peanuts harvested as nuts for which payment will be made?—A. Twenty percent of the base peanut acreage for the farm.

75. Q. Why may the rate of the soil-conserving payment vary from the basic rate specified?—A. The rates specified are based upon an estimate of available funds and an estimate of approximately 80-percent participation by farmers. If participation in any region exceeds the estimate for that region, all the rates specified for such region may be reduced pro rata. If participation is less than the estimate for the region the rates may be increased pro rata. As has been stated, in no case will the rates be increased or decreased more than 10 percent.

76. Q. What are the approved uses which may be made of the land diverted from the production of soil-depleting crops?—A. The approved uses are as follows: (1) Planting soil-building crops, (2) planting soil-conserving crops, (3) following approved soil-building practices.

ing practices.

ing practices.

77. Q. For what are soil-building payments made?—A. These payments will be made for planting approved soil-building crops or carrying out approved soil-building practices.

78. Q. Will soil-building payments be made for planting approved soil-conserving crops?—A. No.

79. Q. What is the rate of the soil-building payment for planting approved soil-building crops?—A. The rate is determined by the State committee for each State and approved by the Secretary.

80. Q. What is the rate of the soil-building payment for putting into effect approved soil-building or soil-conserving practices?—A. The rate is determined by the State committee for each State and approved by the Secretary. State and approved by the Secretary.

81. Q. Is there a limit on the soil-building payment for a farm?—A. Yes. The total soil-building payment for each farm cannot exceed \$1 for each acre of crop land on the farm used in 1936 for soil-building and soil-conserving crops; except that the soil-building payment to farms having less than 10 acres in such crops may exceed \$1 for each such acre, but the total payment in such cases cannot exceed \$10 for the farm.

82. Q. May the State committee recommend a soil-building payment at a rate in excess of \$1 per acre of each acre planted to soil-building crops or devoted to soil-building practices?—A. Yes. But the total soil-building payment to the farm cannot exceed \$1 for each acre of soil-building and soil-conserving crops, or \$10 for the farm, whichever is greater.

83. Q. How does the acreage in soil-conserving crops affect the soil-building payment?—A. The acreage in soil-conserving crops plus the acreage of soil-building crops sets the limit of the total soil-building payment that may go to the individual farm.

84. Q. To whom will the soil-building payment be made?—A. To the producer who incurred the expense with reference to soil-building crops or practices. Where two or more producers incur the expense, the soil-building payment he divided equally between them.

the expense, the soil-building payment shall be divided equally between them.

85. Q. How will the soil-conserving payment be divided?—

A. The soil-conserving payment will be divided as follows:

(a) 37½ percent to the producer who furnishes the land; (b) 12½ percent to the producer who furnishes the work stock and equipment; (c) 50 percent to be divided among the producers who are parties to the lease or operating agreement in the proportion that such producers are entitled to share in 1936 in those soil-depleting crops, or the proceeds thereof, with respect to which the soil-conserving payment is made.

86. Q. Will there be any exception to this rule in the southern region?—A. Yes. The State committee may recommend a variation in the rule, and it will be followed if approved by the Secretary.

87. Q. If a producer increases his acreage planted to any soil-depleting crop above the base acreage established for such crop, may he still receive payments?—A. He may receive payments if he has qualified, but an amount will be subtracted from his total payment equal to the soil-conserving payment for the excess acreage, on the same basis that he would have received for diverting the same number of acres. This would not apply, however, if the excess acreage were used for the production of food and feed crops for home consumption.

excess acreage were used for the production of food and feed crops for home consumption.

83. Q. When will payments be made?—A. As soon as possible after the producer has made application and has established proof that he has met the conditions of the grant.

89. Q. In case there are two or more persons entitled to receive payment, will payment be made to each person?—A. Yes. Payment will be made by check drawn payable to each individual, owner, landlord, operator, or tenant.

92. Q. Can a producer pledge anticipated payments?—A. No. However, he will be permitted to designate a joint payee at the time the certificate of performance is executed. No document other than a properly executed certificate of performance in which a joint payee is indicated will be recognized. No agreement indicating pledge or assignment will be recognized.

93. Q. Can claims for payments be assigned?—A. No.

ADMINISTRATION

95. Q. What Federal agency will be in charge of the soil-conservation program for 1936?—A. The Agricultural Adjustment Administration of the United States Department of Agriculture.

96. Q. How is each producer's acreage and production determined?—A. From his own reports, which are checked by the community and county committees.

97. Q. Is any evidence of production required?—A. If there is any question as to the accuracy of the producer's figures, records may be called for as proof of production.

98. Q. What is the purpose of the county association?—A. Its purpose is to put the soil-conservation program into successful operation.

operation.

operation.

101. Q. Will a producer be given the privilege of appealing from the decision of the county committee?—A. Yes. Appeals from the decision of the county committee may be made in accordance with instructions to be issued by the Secretary.

SELF-RESPECT OF TEACHERS SHOULD BE ENCOURAGED; LIBERTIES PRESERVED

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

TEACHERS HAVE RIGHT TO ORGANIZE-LIKE BANKERS

Mr. MAVERICK. Mr. Speaker, big business, bankers, industrialists have always been organized. Why not teachers? I believe that teachers should comply with the laws of the country; that they should obey rules and regulations-but that they should not be humiliated or persecuted and they should be free people and enjoy the same rights and immunities under the Constitution as other people do.

STUDENTS-THE CHILDREN MOST IMPORTANT IN EDUCATION

What is the most important factor in education? The students, of course. This makes it necessary that teachers

have a right to teach. This, in turn, necessitates full liberty of speech; and that is what they call "academic liberty." should have self-respecting teachers for our children-teachers who are free, who are unfettered, and who will tell the truth.

And I make no bones about the fact that I believe that they should be well-organized to protect their interests.

Civil-service employees in the Government have their own organizations. Many of them are members of the American Federation of Labor and other labor organizations. At any rate, they enjoy protection in their employment, in the matter of social legislation, and pensions.

RIGHT TO TEACH TRUTH SHOULD BE PROTECTED

The teaching profession of this country should, therefore, vigorously defend its right to teach. At the same time they should protect their own jobs and their own future.

PERMISSION TO ADDRESS THE HOUSE

Mr. BLANTON. Mr. Speaker, I ask to proceed for about 3 minutes.

The SPEAKER. Is there objection?

Mr. SNELL. After the announcement by the majority leader, if we are going to have any more speeches I think we ought to have a quorum.

Mr. BLANTON. Let me say to the gentleman that I got

permission from the majority leader.

Mr. SNELL. But the gentleman did not get permission from me. [Laughter.]

Mr. BLANTON. Well, Mr. Speaker, since the minority leader objects I ask unanimous consent for leave to extend my remarks in the RECORD. I do not want to throw any monkey wrenches into the proceedings.

Mr. SNELL. Mr. Speaker, for fear there will be monkey

wrenches thrown into the proceedings, I object.

Mr. BLANTON. Very well, there will be no more unanimous consents for awhile on your side of the aisle.

BOARD OF VISITORS-UNITED STATES MILITARY ACADEMY

The SPEAKER laid before the House the following communication.

The Clerk read as follows:

APRIL 1, 1936.

Hon. JOSEPH W. BYRNS.

Speaker of the House of Representatives,

My Dear Mr. Speaker: Pursuant to the act of May 17, 1928 (U. S. C., title 10, sec. 1052a), I have appointed the following members of Committee on Military Affairs of the House as members of the Board of Visitors to the United States Military Academy: Lister Hill of Alabama; Andrew J. May, Kentucky; Ewing Thomason, Texas; Charles I. Faddis, Pennsylvania; Matthew J. Merritt, New York; Charles A. Plumley, Vermont; Dewey Short, Missouri; L. C. Arends, Illinois, Respectfully yours.

Respectfully yours,

J. J. McSwain, Chairman.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as

To Mr. Dunn of Mississippi (at the request of Mr. Bank-HEAD), for 1 week, on account of illness in his family.

To Mr. Lucas, for 2 weeks, on account of important business.

To Mr. KRAMER, until Wednesday next, on account of death in family.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 53 minutes p. m.) the House, under its previous order, adjourned until Monday, April 6, 1936, at 12 o'clock meridian.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

761. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 1, 1936, submitting a report, together with accompanying papers on a preliminary examination of Lake Champlain, Vt., with a view to reopening the channel between East Alburg and West Swanton, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

762. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 1, 1936, submitting a report, together with accompanying papers on a preliminary examination of Keaton Beach, Taylor County, Fla., and Keaton Beach Harbor, Fla., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

763. A letter from the Assistant Secretary of Commerce, transmitting part two of the Annual Report of the Commissioner of Lighthouses for the fiscal year ended June 30, 1935; to the Committee on Merchant Marine and Fisheries.

764. A letter from the Acting Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 31, 1936, submitting a report, together with accompanying papers on a preliminary examination of Port Orford, Oreg., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

765. A letter from the Acting Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 1, 1936, submitting a report, together with accompanying papers, on a preliminary examination of Mississippi Sound in the vicinity of Pass Christian, Miss., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COX: Committee on Rules. House Resolution 475. Resolution providing for the consideration of Senate Joint Resolution 234 authorizing the Senate Special Committee on Investigation of Lobbying Activities to employ counsel in connection with certain legal proceedings, and for other purposes; without amendment (Rept. No. 2366). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. House Joint Resolution 525. Joint resolution to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes; with amendment (Rept. No. 2368). Referred to the Committee of the Whole House on the state of the Union.

Mr. WERNER: Committee on Indian Affairs. S. 1318. An act to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes; with amendment (Rept. No. 2369). Referred to the Committee of the While House on the state of the Union.

Mr. COSTELLO: Committee on Military Affairs. H. R. 8784. A bill to authorize the Secretary of War or the Secretary of the Navy to withhold the pay of officers, warrant officers, enlisted men, and nurses of the Army, Navy, or Marine Corps to cover indebtedness to the United States under certain conditions; with amendment (Rept. No. 2370). Referred to the Committee of the Whole House on the state of the Union.

Mr. CARTWRIGHT: Committee on Roads. H. R. 11687. A bill to amend the Federal Aid Highway Act approved July 11, 1916, as amended and supplemented, and for other purposes; with amendment (Rept. No. 2371). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. PLUMLEY: Committee on Military Affairs. H. R. 10785. A bill for the relief of John B. H. Waring; without amendment (Rept. No. 2367). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GAMBRILL: A bill (H. R. 12158) to authorize a preliminary examination of the Patuxent River and its tributaries in the State of Maryland with a view to the control of its floods; to the Committee on Flood Control.

By Mr. MAAS: A bill (H. R. 12159) to amend section 3 of the act entitled "An act to authorize the construction and procurement of aircraft and aircraft equipment in the Navy and Marine Corps, and to adjust and define the status of the operating personnel in connection therewith", approved June 24, 1926 (44 Stat. 764); to the Committee on Naval Affairs.

By Mr. STUBBS: A bill (H. R. 12160) to amend the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. BOLAND: A bill (H. R. 12161) to impose taxes on fuel oil; to the Committee on Ways and Means.

By Mr. COLMER: A bill (H. R. 12162) to create an additional division of the United States District Court for the Southern District of Mississippi to be known as the Hattiesburg division; to the Committee on the Judiciary.

By Mr. FERGUSON: A bill (H. R. 12163) relative to the disposition of public lands of the United States situated in the State of Oklahoma between the Cimarron base line and the north boundary of the State of Texas; to the Committee on the Public Lands.

By Mr. ELLENBOGEN: A bill (H. R. 12164) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes; to the Committee on Banking and Currency.

By Mr. AYERS: Joint resolution (H. J. Res. 557) authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor; to the Committee on Indian Affairs.

By Mr. CROWTHER: Joint resolution (H. J. Res. 558) authorizing and requesting the President to extend to governments and individuals an invitation to join the Government and the people of the United States in the observance of the three hundredth anniversary of the founding of Harvard University, whereby higher education was first begun in the United States; to the Committee on the Library.

By Mr. JENKINS of Ohio: Joint resolution (H. J. Res. 559) to provide funds for the repair of damages to highways caused by frosts, to relieve unemployment, and for other purposes; to the Committee on Appropriations.

By Mr. MARCANTONIO: Joint resolution (H. J. Res. 560) to authorize the Secretary of State to appoint a board of inquiry to ascertain the facts with respect to the conduct of the American Embassy to Brazil in connection with the death of Victor A. Barron, an American citizen; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CROSS of Texas: A bill (H. R. 12165) for the relief of Earl J. Thomas; to the Committee on Pensions.

By Mr. HANCOCK of New York: A bill (H. R. 12166) for the relief of Mary Daley; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10668. By Mr. FULMER: Concurrent resolution of the State Legislature of South Carolina, urging the passage of legislation that will refund to cotton farmers the taxes levied and collected under the Bankhead Act; to the Committee on Agriculture.

Councils of the City of New York, Inc.; to the Committee on the Judiciary.

10670. Also, petition of Gardner Townsend Club, No. 1, Gardner, Mass.; to the Committee on Ways and Means.

SENATE

SATURDAY, APRIL 4, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, April 3, 1936, was dispensed with, and the Journal

VOTE ON PASSAGE OF PACKERS AND STOCKYARDS BILL-CORRECTION

Mr. LEWIS. Mr. President, I am informed that there is an erroneous statement in the RECORD, on page 4804, in connection with the vote on Thursday last on the passage of the bill (S. 1424) to amend the Packers and Stockyards Act, 1921. The Senator from Nevada [Mr. McCarran], who is now ill, requests me to state that, while it was announced that he was paired and if present would vote "nay" on the passage of the bill, if he had been able to be present he would have voted "yea."

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Chavez	Johnson	Overton
Ashurst	Clark	Keyes	Pittman
Austin	Connally	King	Pope
Bachman	Coolidge	La Follette	Radcliffe
Bailey	Copeland	Lewis	Reynolds
Barbour	Couzens	Logan	Robinson
Barkley	Davis	Lonergan	Schwellenbach
Benson	Donahey	Long	Sheppard
Bilbo	Duffy	McGill	Shipstead
Black	Fletcher	McKellar	Smith
Bone	Frazier	McNary	Steiwer
Borah	Gibson	Maloney	Thomas, Okla.
Brown	Glass	Minton	Thomas, Utah
Bulkley	Guffey	Moore	Truman
Bulow	Hale	Murphy	Tydings
Byrd	Harrison	Murray	Vandenberg
Byrnes	Hastings	Neely	Van Nuys
Capper	Hatch	Norris	Wagner
Caraway	Hayden	Nye	Walsh
Carey	Holt	O'Mahoney	Wheeler

Mr. HATCH. I announce the absence of my colleague [Mr. Chavez], who has been called to New Mexico by the serious illness of his mother. I ask that the announcement stand for the day.

Mr. LEWIS. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. Costigan], the Senator from Rhode Island [Mr. GERRY], the Senator from California [Mr. McADOO], and the Senator from Florida [Mr. TRAMMELL] are absent because of illness; and that the junior Senator from Georgia [Mr. Russell], my colleague the junior Senator from Illinois [Mr. DIETERICH], the Senator from Nevada [Mr. McCarran], the Senator from Oklahoma [Mr. Gore], the Senator from Nebraska [Mr. Burke], and the senior Senator from Georgia [Mr. George] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson], the Senator from Rhode Island [Mr. Met-CALF], the Senator from Maine [Mr. WHITE], and the Senator from Delaware [Mr. Townsend] are necessarily absent.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed a bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and | mittee on Interstate Commerce.

10669. By the SPEAKER: Petition of the Community | for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, in which it requested the concurrence of the Senate.

NONFEDERAL PROJECTS NOT FINALLY DISAPPROVED (S. DOC. NO. 193)

The VICE PRESIDENT laid before the Senate a letter from the Federal Emergency Administrator of Public Works, submitting, in response to Senate Resolution 271 (by Mr. HAYDEN, agreed to Mar. 31, 1936), a list of pending non-Federal projects for which no allocations have been made by the Federal Emergency Administration of Public Works and which have not been finally disapproved by such Administration as of March 31, 1936, which, with the accompanying report, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of South Carolina, which was ordered to lie on the table:

A concurrent resolution expressing faith and confidence in Hon. J. J. McSwain, Congressman from the Fourth Congressional

Whereas it appears from various news items that during recent months there have been political attacks made upon the Honorable J. J. McSwain, Congressman from the Fourth Congressional District of this State, such attacks carrying insinuations and innuendoes to the effect that Congressman McSwain is of communistic

endoes to the effect that Congressman McSwain is of communistic leanings and that his patriotism is questioned; and
Whereas the people of this State know that such attacks upon Congressman McSwain are absolutely without any foundation whatsoever, and that his patriotism is above reproach and that in his private and public life he has at all times demonstrated that he is a deep advocate of true Americanism in accordance with the plan of our form of government: Now, therefore, be it

Resolved by the house of representatives (the senate concurring),
That the general assembly of this State condemns the attacks that have been made on Congressman McSwain and unequivocally state that he is a man of the highest type, reflecting the ideal of true

that he is a man of the highest type, reflecting the ideal of true Americanism; be it further

Resolved, That a copy of these resolutions be sent to the presiding officers of the United States Senate and the National House of Representatives, and that a copy also be sent to the Secretary of War and to the Honorable J. J. McSwain.

The VICE PRESIDENT also laid before the Senate a resolution of the Council of the City of Cleveland, Ohio, favoring the making of a \$1,500,000,000 work-relief appropriation for the next fiscal year, which was referred to the Committee on Appropriations.

He also laid before the Senate a letter from Hon. Quintin Paredes, Resident Commissioner of the Philippines, transmitting copies of radiograms addressed to the Secretary of War by the United States High Commissioner to the Philippines, containing requests of the Philippine Coconut Planters Association and an assembly representing coconut producing Provinces in the Philippines, for the enactment of legislation to repeal the excise tax on importations of coconut oil from the Philippines used for soap-making purposes, which, with the accompanying papers, was referred to the Committee on Finance.

He also laid before the Senate a resolution of United States Department of Agriculture Post, No. 36, the American Legion, of Washington, D. C., endorsing the so-called Reynolds alien deportation bill, being the bill (S. 4011) to further reduce immigration, to authorize the exclusion of any alien whose entry into the United States is inimical to the public interest, to prohibit the separation of families through the entry of aliens leaving dependents abroad, and to provide for the prompt deportation of habitual criminals and all other undesirable aliens, and to provide for the registration of all aliens now in the United States or who shall hereafter be admitted, which was referred to the Committee on Immigration.

He also laid before the Senate a resolution adopted by the Parliament of Community Councils of the City of New York, N. Y., endorsing the so-called Costigan-Wagner antilynching bill, which was ordered to lie on the table.

Mr. CAPPER presented a petition signed by 367 citizens, being railroad employees of the State of Kansas, praying for the enactment of legislation to amend section 4 of the Interstate Commerce Act, which was referred to the Com-

Mr. WALSH presented the petition of the Central Labor Union of Lowell, Mass., praying for the making of further appropriations for continuation of Federal relief projects, which was referred to the Committee on Appropriations.

He also presented a letter in the nature of a petition from the Malden (Mass.) Chamber of Commerce, praying for the enactment of legislation to repeal the excise tax on importations of coconut oil from the Philippines used for scapmaking purposes, which was referred to the Committee on Finance.

He also presented a letter in the nature of a memorial from the Fall River (Mass.) Chamber of Commerce, remonstrating against the enactment of the so-called Pettengill bill, to amend the fourth section of the Interstate Commerce Act, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by District Lodge, No. 64, International Association of Machinists, of Fall River, Mass., favoring the enactment of legislation providing for the manufacture of munitions of war by Government plants operated under civil-service laws and rules, which was referred to the Committee on Military Affairs.

FLOOD CONTROL-CHEMUNG RIVER, N. Y.

Mr. WAGNER presented a resolution of the board of directors of the Elmira (N. Y.) Association of Commerce, which was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Resolution adopted by the board of directors of the Elmira (N. Y.)
Association of Commerce Tuesday, March 31, 1936

Whereas the basis for justification of flood-control expenditure for the program as recommended by the Army Engineers for southern New York and northern Pennsylvania is that such cost shall be governed and limited by the amount of damages suffered over a period representing the frequency of a great flood and that such periodicity or frequency is expressed as approximately 70 years of time; and

Whereas the Chemung River, from source, the confluence of the Tioga, Canisteo, and Cohocton at Corning, N. Y., to its joining with the Susquehanna at Athens, Pa., has caused damage because of high water and overflow of \$5,000,000 over a period of 70 years, which, distributed in yearly loss, would be nearly \$72,000 annually;

Whereas the Army Engineers' research department reported damages from floods in southern New York and northern Pennsylvania prior to 1935 costing approximately \$100,000,000, which damage statistics were not considered in the process of justification for expenditure for flood control in this region; and

Whereas the reported recommendation for flood protection car-

Whereas the reported recommendation for flood protection carries with it a damage survey of \$28,000,000 as the total loss for the region in July 1935, with approximately one twenty-eighth of that sum representing the loss of Chemung Valley's inhabitants and government agencies, public and private utilities, etc.; and Whereas it is evident that the Chemung River will benefit to the extent of one twenty-eighth of the general expenditure for construction, while the damage done over 70 years would alone justify one-seventh of such cost of protection works, and this may be conceded as unfair to other communities so long as the expendi-

one-seventh of such cost of protection works, and this may be conceded as unfair to other communities so long as the expenditure is recommended as given, to wit, \$34,000,000:

Resolved, That in order to accord the Chemung River proper share in a correct outlay for flood control, as well as a general figure of expenditure for the entire region governed by the damages from floods over the whole period of 70 years on a basis reasonably justified both by past economic and life loss and also present advance and future development, the Federal Government be asked to more fully explain the process or basic method by which the Army Engineers' flood-control cost has been arrived at and justified; and

Resolved, That the Federal Government be requested to include in its basis of justification for flood-control cost the damages suffered by this area over the entire period of 70 years.

IMPROVEMENT OF HOUSING CONDITIONS

Mr. WAGNER presented a resolution adopted at a mass meeting held under the auspices of the Brooklyn (N. Y.) Committee for Better Housing, which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Resolution adopted by Brooklyn Committee for Better Housing at a mass meeting March 26, 1936

In the face of the dire and extensive need for low-rent housing of adequate standards which is known to exist in Brooklyn, the administration has seen fit to undertake the construction of Ten Eyck Houses, a demonstration low-rental housing project designed to shelter approximately 2,000 families.

While we welcome this work as of immediate and lasting benefit our community we would noint out that it can represent only

to our community we would point out that it can represent only

a beginning of what must be done if living conditions in Brooklyn are to be improved. To that great number of Brooklyn's citizens who now exist amid conditions of squalor and degradation the present low-rent housing program of the administration offers no

If the living conditions for vast numbers of Brooklyn families are to be improved the present demonstration program of low-rent housing must be vastly amplified, guaranteed continuation, and granted additional funds. To be effective such action must be taken during the present session of Congress.

Therefore we ask that the administration give its aid and sup-

Increased appropriations by Congress to be made immediately for slum clearance and low-rent house production.

Creation of a permanent Federal low-rent housing agency.

Decentralization of the present program through the granting of autonomy to minor political subdivisions for the planning and construction of their housing programs with Government aid.

DIRECT RELIEF GRANTS TO THE STATES

Mr. BENSON. Mr. President, I am in receipt of a resolution unanimously adopted by the council of the city of St. Paul, Minn., urging continuance of direct relief grants by the Federal Government to States regardless of plans for work programs and other security measures. I ask that the resolution be printed in the RECORD and appropriately re-

I should also like to have printed in the RECORD, and likewise appropriately referred, a supporting letter by Mr. A. A. Heckman, of St. Paul, director of relief activities for that city.

There being no objection, the resolution and letter were referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

Whereas in the President's message to Congress delivered March 18, \$1,500,000,000 was requested for the continuation of the W.P.A.; and

and
Whereas this would indicate that it is the present intention of
the Federal Government to grant no direct relief to the States; and
Whereas it is the opinion of the council of the city of St. Paul
that the Federal Government should grant further direct relief
to the States, and that this relief be granted regardless of plans
for any work program or security measures, and unless a grant
is given by the Federal Government the State of Minnesota will
be unable to carry out its relief load for the year 1936: Therefore
be it be it

be it

Resolved, That the council of the city of St. Paul go on record urging the Federal Government to give further direct relief grants to the States; that direct relief be given regardless of plans for any work program or other security measures; and it is the opinion of the council of the city of St. Paul that unless the Federal Government does so act the direct relief needs for the State of Minnesota cannot be met; be it further

Resolved, That copies of this resolution be sent to the Senators and Representatives from Minnesota in Congress of the United States.

St. Paul, Minn., March 27, 1936.

Hon. Elmer Benson,
United States Senator, Washington, D. C.
Honorable Sir: The President in his recent message to Congress HONORABLE SIR: The President in his recent message to Congress on March 18 did not mention the need for direct relief assistance from the Federal Government to States. I also note he requested approximately a billion and a half dollars for the continuance of W. P. A., with the implication that this sum, together with balances remaining from the present fiscal year, would be sufficient Federal assistance until June 30, 1937. It therefore appears that beginning July 1, 1936, there will be less Federal aid, even in the form of W. P. A. grants, than for the year just ending. This obviously means a reduction in W. P. A. employment and a heavier ously means a reduction in W. P. A. employment and a heavier direct relief burden on State and local governments. Private employment may take up some of the slack, but I believe it obvious that it will not take up as much as the President appears to expect. Past history indicates we can look for little increased employment by P. W. A., useful and desirable as that program may be. may be.

From close contact with our State and local public relief offi-cials, and from a careful analysis of relief figures of the past 5 years, I am quite sure Minnesota and its counties and cities can-

years, I am quite sure Minnesota and its counties and cities cannot meet the present direct relief needs, to say nothing of the additional burden the President's plan, if carired out, would place upon them. Continued borrowing through bond issues is placing a burden upon real property to such an extent that our cities and counties will soon be bankrupt.

In addition to this burden there is great need for prompt action on the transient situation. Local governmental units are not meeting this big problem, nor is it likely they could meet it successfully because of varying legal settlement laws. Thousands of individuals, young and old, and families are roaming the country with little relief and suffering from lack of proper food, clothing, and medical care.

I sincerely hope you will give serious consideration to the need

I sincerely hope you will give serious consideration to the need for direct relief grants to States, regardless of plans for work

programs or other security measures. If aid is not forthcoming from the Fedeal Government, I am sure Minnesota will not be able to meet its direct-relief needs.

Sincerely yours,

A. A. HECKMAN.

REPORTS OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 242) authorizing and directing the Commodity Credit Corporation to facilitate the liquidation of loans to cotton producers, reported it without amendment.

He also, from the same committee, to which was referred the bill (S. 4105) authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission of Maryland for park purposes, reported it with amendments.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH:

A bill (S. 4430) relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BYRNES:

A bill (S. 4431) for the relief of Lissie Maude Green; to the Committee on Claims.

A bill (S. 4432) authorizing and directing the Secretary of War to lease land on the Fort Moultrie (S. C.) Military Reservation to the owners of certain cottages thereon; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 4433) to provide for the extension of Prospect Street in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. SHIPSTEAD:

A bill (S. 4434) for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers; to the Committee on Claims.

By Mr. ROBINSON:

A bill (S. 4435) authorizing the President to present in the name of Congress a medal of honor to Harold R. Wood; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 4436) for the relief of Llewellyn B. Griffith; to the Committee on Military Affairs.

By Mr. WHEELER:

A bill (S. 4437) for the relief of certain employees and former employees of the post office at Helena, Mont.; to the Committee on Claims.

By Mr. BENSON:

A joint resolution (S. J. Res. 246) requesting the President to proclaim October 9 as Leif Ericson Day; to the Committee on the Judiciary.

By Mr. COOLIDGE:

A joint resolution (S. J. Res. 247) authorizing and requesting the President to extend to Governments and individuals an invitation to join the Government and people of the United States in the observance of the three hundredth anniversary of the founding of Harvard University, which marked the first formal beginning of higher education in the United States; to the Committee on the Library.

HOUSE BILL REFERRED

The bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

CHANGE IN NAME OF DEPARTMENT OF THE INTERIOR-AMENDMENT

Mr. LEWIS submitted an amendment, in the nature of a substitute, intended to be proposed by him to the bill (S. 2665) to change the name of the Department of the Interior

and to coordinate certain governmental functions, which was ordered to lie on the table and to be printed.

NATIONAL YOUTH MOVEMENT

Mr. VAN NUYS. Mr. President, I am in receipt of a letter from Hon. William Lowe Bryan, president of the Indiana University, in which he says that "the Federal Government has done nothing else to meet the problems of depression more worthy of continuance than the N. Y. A." I ask to have this splendid letter, coming from such an eminent authority, incorporated in the RECORD at this point as a part of my

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> INDIANA UNIVERSITY. Bloomington, March 31, 1936.

Senator Frederick Van Nuys,

United States Senate, Washington, D. C.

My Dear Senator Van Nuys: There is this to be said of the thousands of students who have had work through C. W. A., F. E. R. A.,

and N. Y. A.:

They have been rescued from demoralization by idleness and at the same time from demoralization by receiving money without working for it. They have been taken out of competition for jobs in their home communities, leaving available jobs for others of the unemployed. They have by their school studies been preparing for the work of life. They have been doing this in the years when the work of life must be prepared for. Whatever lies ahead of our Nation, nothing is so essential for the Nation or for our young people as that the young shall by proper education get ready for whatever may befall themselves and the Nation.

The Federal Government has done nothing else to meet the prob-

The Federal Government has done nothing else to meet the prob-lems of depression more worthy of continuance than the N. Y. A.

Very truly yours,

W. L. BRYAN.

INVESTIGATION OF WORKS PROGRESS ADMINISTRATION

Mr. DAVIS. Mr. President, last Thursday, April 2, I made a short statement of about 600 words to the Committee to Audit and Control the Contingent Expenses of the Senate relative to an investigation of the Works Progress Administration.

The committee listened attentively to my statement, but deferred action until a later date because of the absence of one of the leading members of the majority.

I ask unanimous consent at this point to have printed in the RECORD the statement made before the committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR JAMES J. DAVIS TO THE COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE, APRIL 2,

When I first asked for an investigation of the Works Progress Administration, I had but one thought in mind. I desired to get the names and salaries of W. P. A. workers in the upper brackets, whose income was \$100 a month or above. These would

get the names and salaries of W. P. A. workers in the upper brackets, whose income was \$100 a month or above. These would be primarily those who were doing administrative work. In order to get this information which I had asked for and which had not been obtained, I suggested an appropriation of \$5,000. I realized, of course, that other Senate investigations were costing all the way from \$50,000 to \$100,000. But when I asked for \$5,000, I had only in mind the expense which might attach to securing the list of names for which I had asked.

Since this first suggestion was made so many new developments have come to my attention that I now see that this investigation will cost far more than that. In the first place, the Committee on Expenditures in the Executive Departments has asked that an investigation of the Federal Emergency Relief Administration be added to the investigation of the Works Progress Administration. This was not my request, but I agreed to it. When word went out over the country that there was prospect of an investigation, letters came to me from all over the country, telling of conditions in the W. P. A. which, if thoroughly examined, would mean an investigation of the Works Progress Administration in every State in the Union. Such an investigation, if once begun, would have to be completed. It would cost

Administration in every state in the Union. Such an investiga-tion, if once begun, would have to be completed. It would cost all the way from \$100,000 to \$250,000. At least \$50,000 would be necessary with which to begin. I wish to say emphatically that I desire to have no part in an investigation which is abortive. If a thoroughgoing investigation is to be made, I want to be sure that it is actually what it purports to be. The purpose of such an investigation should not be either to smear anyone or to whitewash anyone, but actually to discover conditions as they are so that information may be made available for the proper regulation of work-relief activities in the future.

We were plunged into work-relief activities in a hurry. administrative set-up was formed to meet an emergency. Very now see that what was said to be an emergency represents condition which promises to be with us for some time. Wo relief is now with us on more or less permanent basis. of these facts, we cannot afford to treat abuses as though they will disappear of their own accord in the near future. We do not know how long work relief will be necessary. We do know will disappear of their own accord in the near future. We do not know how long work relief will be necessary. We do know that at the present time more money is being spent in this way than in any other governmental agency. With the expenditure of so much money there comes an inevitable responsibility to safeguard the administration of these funds, no matter in whose hands they are entrusted.

in whose hands they are entrusted.

If work relief lasts for years to come, we cannot begin too soon to examine ways and means to discover how the tax-payers who foot this bill can get the most for their money. Obviously, we have come to the time when work relief can no longer be continued on an emergency or experimental basis. The Audit Committee will have to determine whether a thoroughgoing investigation is desired or something less searching. In the beginning I asked for \$5,000, in order that the names and seleries of administrative officers in the upper brackets above

salaries of administrative officers in the upper brackets, above \$100 a month, might be secured and an investigation begun in the State of Pennsylvania, as was suggested by Senator Lewis, chairman of the Committee on Expenditures in the Executive

Departments.

I am prepared to proceed with a thoroughgoing investigation if it is authorized by the Senate, but again I wish to make clear my belief that such an investigation will cost upward of \$100,000, and I do not wish to begin an investigation and then later on be compelled to abandon it for lack of necessary funds. If a full and complete investigation of the W. P. A. and F. E. R. A. is to be made, I wish to be sure that it is conducted on a scale commensurate with its importance to American taxpayers. If only \$5,000 is to be appropriated, I should like to have distinctly understood that this amount will be used only for the limited purpose for which it was asked.

ADDRESS BY SENATOR THOMAS OF OKLAHOMA BEFORE OKLAHOMA STATE DEMOCRATIC CONVENTION

Mr. HATCH. Mr. President, on March 30 the senior Senator from Oklahoma [Mr. Thomas] delivered a very informative address before the Democratic State convention of Oklahoma. I ask that the address may be incorporated in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, ladies and gentlemen of the convention, I bring to you greetings from each member of your delegation in Congress. The members of our delegation have a choice collection of legislative trophies and bacon to exhibit and to deliver; hence I am authorized to say that they will be calling on you very soon.

The Honorable James A. Farley, chairman of the National Democratic Committee, sends you the following message:

"Will you please express to the Democratic State convention as-

"Will you please express to the Democratic State convention as-sembled today my heartiest congratulations and best wishes. Oklasembled today my heartiest congratulations and best wishes. Oxfahoma supported President Roosevelt in splendid fashion in 1932, and I know full well your State will again give President Roosevelt and Vice President Garner the same substantial majority in 1936. To all who assisted in any way in 1932 and to those who will be found supporting the ticket in 1936 I extend my sincere thanks and appreciation."

I am authorized by the President to convey to you a message of good will and his appreciation of the loyal support of the Democ-

racy of Oklahoma.

acy of Oklahoma.

Quite naturally I am delighted to be back in this great Democratic city in our great Democratic State. Oklahoma is what it is today because, since statehood, we have been under an unbroken line of Democratic Governors. The Democratic sons and daughters of Oklahoma, native and adopted, have builded here one of the leading Commonwealths of the American Union.

Through Democratic preferment, I have been privileged to participate in this development; and, for such preferment, I am pro-

foundly grateful.

As I travel from State to State and learn of the burdens of debt resting upon our neighbors, in some instances bonded debts running into the hundreds of millions, I am gratified to reflect that our party has builded here a well-completed structure, and notwithstanding the deficits occasioned by the depression, our present State

indebtedness totals less than \$19,000,000.

As a citizen, I am proud of the record my party has made in the development and management of Oklahoma.

This State Democratic Convention is our official opening of the 1936 campaign. This campaign, soon to become national, will result in the election of the Members of the Seventy-fifth Congress and of a President of the United States.

The temporary chairman of a convention is presumed to state The temporary chairman of a convention is presumed to state the issue or issues to be considered and acted upon by such convention. Later this convention will set forth in resolution form its recommendations and demands and then will select delegates to represent the democracy of Oklahoma at the national convention, where the party platform will be shaped and where our standard bearer will be nominated.

In this convention our task has been made easy and our duty plain. The Democrats of Oklahoma, as well as the Democrats of the Nation, have their candidate already selected. For us, as well as for the Democrats of the Nation, our issue has already been defined. The paramount issue in this campaign will be the New

Deal. The Democratic candidate will be Franklin D. Roosevelt. Upon this issue and behind our candidate, democracy will sweep the country, and Franklin D. Roosevelt will be reelected President of the United States.

Our candidate needs no eulogy at my hands. He is known to one and all. He is loved, supported, and followed by the masses of the people everywhere, and, when the history of this generation shall have been written, the name of Roosevelt, the second, will take first rank among the world's powerful and great.

The efforts made by President Roosevelt to rescue 125,000,000 of patriotic and long-suffering people from the ravages of the Hoover depression constitute the platform upon which we will go before the country. These efforts and accomplishments are the tenets of the New Deal, which we will ask the people to approve.

The "new deal" will be opposed by the "old deal." The voters will be called upon to approve the "new" or to reclaim the "old." Upon this issue we have no doubt about the decision in November. What is the "old deal" which we approve?

What is the "old deal" which we condemn?

Upon what do we base our confidence in the voters of the Nation?

Nation?

Such questions will be upon the lips of citizens from now until

November. My task is to define the issue.

It is fair to assume that, in the campaign now being inaugurated, the Democratic Party will reassert the principles of government given to America and the world by Jefferson, Jackson, Wilson, and Roosevelt.

It is likewise fair to assume that the Republican Party will reassert the reactionary policies of President Hoover; the stand-pat policies of President Coolidge; and the "back to normalcy" policies of President Harding.

From its organization the Democratic Party has been the champion of the rights and interests of the common man—constituting the masses of the people. Since Lincoln's last day the Republican Party has been the champion of the interests of favored groups and classe

On last Monday Rollins College conferred upon President Roose On last Monday Rollins College conferred upon President Roosevelt the degree of Doctor of Literature. In accepting such honorary degree our President defined the difference between Democrats and Republicans and between the new and the old deal. He said that the problem of government is not to consider the interests of and to act for any one group, or for any few groups. "For the Federal Government," said President Roosevelt, "the problem is to adjust great groups in the interest of the largest group of all—125,000,000 people—in whom reposes the sovereignty of the United States of America."

From the Roosevelt definition of our governmental problem I

of the United States of America."

From the Roosevelt definition of our governmental problem I am privileged to conclude that government of groups, by groups, and for groups, set forth the Republican standard, while government for "the largest group of all—125,000,000 people"—is the goal or standard of the Democratic Party.

Group government for groups is "old deal" government. Government for the masses is "new deal" government.

Am I justified in the conclusions just stated? Let me refer briefly to the record.

briefly to the record.

During the past quarter of a century each of the two major During the past quarter of a century each of the two major parties has been in power one-half the time. From 1913 to 1921 Woodrow Wilson was our leader and President. During those historic years all the progressive policies demanded by the people were enacted into law. At the end of those 8 years times were good; the general price level was high; wage earners were employed; banks were making loans; money was plentiful; and credit was shundant credit was abundant.

credit was abundant.

It was during the Wilson administration that the United States "grew up" and became the strongest, richest, and most influential Nation of the earth. History will record that the years 1912 to 1920, under Woodrow Wilson, constituted "America's Golden Age."

Then in 1920 the people, tired of work and with a surplus accumulated, decided to take a rest and voted the Republican ticket. Many of them have been resting ever since. Many are now tired of resting and want to return to work again.

After Wilson came Harding, and the near panic of 1921 and 1922. After Harding came Coolidge and Hoover and the "panic of all panics" of 1929.

panics" of 1929.

Time will not permit me to dwell upon the economic conditions

Time will not permit me to dwell upon the economic conditions existing at the end of 12 years of Republican rule. They are all too fresh in your memory to need repeating.

In addition to the responsibility of government having been divided equally between the two major parties during the past six administrations, let me call your attention to the fact that during the past 8 years each party has been in power likewise one-half the time. This fact gives the people a perfect chance to judge of the records and accomplishments of the Republican and Democratic Parties.

By reflecting just a moment the voters may recall the deeds.

By reflecting just a moment the voters may recall the deeds,

By reflecting just a moment the voters may recall the deeds, records, and results of the two last administrations. The records of the two great parties stand out in bold relief.

The principles and policies of the Republican Party, as administered by its agents, have been uniformly in favor of the socalled big interests of the Nation. To demonstrate the truth of this statement I have only to refer to a few of the policies enacted into law by the Republican Party.

It was under the Hoover administration that the highest tariff taxes in history were enacted into law. As a member of the Senate Finance Committee I listened to the representations and appeals of selfish monopoly for higher tariff duties. President Hoover endorsed the higher rates and a Republican House and Senate enacted the law. Senate enacted the law.

The tariff rates and schedules of the Hawley-Smoot tariff law erected a wall around our country so high that foreign trade was curtailed and practically destroyed.

Foreign countries and peoples had but little gold; their silver was all but worthless, and our tariff rates were so high they could not possibly sell their goods in the markets of the States. The inevitable result was the closing of our markets to the world, and when our former trading neighbors could no longer sell, they ceased to buy. The result was economic stagnation in America America

The Hawley-Smoot Tariff Act was group, hence "old deal" legislation. Under President Roosevelt and New Deal policies we are reducing these excessive tariff rates through reciprocal-trade agree-

ments and our world trade is increasing.

ments and our world trade is increasing.

When the depression struck in October 1929 the first relief measure proposed and passed by the Republican Congress and signed by President Hoover on December 16, 1929, was a bill reducing the tax rates upon incomes, applicable to the large tax-payers, such as personal incomes, corporations, insurance companies, and nonresident allens. The amount of this rebate to the big taxpayers of the country totaled \$160,000,000. Again legislation for a small group of the largest income-tax payers of the country.

This was the first dole granted by the Republican Congress. It was recommended by President Hoover. It was passed within 60 days after the panic broke upon the country. It was made retroactive and thereby the act reached back and made such rebates effective for a year before the bill became the law.

rebates effective for a year before the bill became the law.

The second relief measure recommended by President Hoover and passed by a Republican Congress was the moratorium granted to foreign nations owing our Government some \$11,000,000,000 of war debts. This moratory law was supported by American interests having vast holdings and credits abroad. These shrewd internationalists knew that our foreign debtors, without gold or silver, and unable to pay our high tariffs and sell us goods, could not possibly pay both their private debts and, at the same time, pay the interest and installments due our Government. our Government.

The plan developed was to have our Government extend to such debtor nations a gratuitous permissive delay in making payments.
The Hoover moratorium was what the internationalist wanted.
It was the excuse the debtors were looking for. It was the practical cancelation of the war debts due the United States.
This moratory law recommended by President Hoover and en-

This moratory law recommended by President Hoover and enacted by a Republican Congress in December 1931 transferred debts of some \$11,000,000,000 from the borrowers abroad to the overburdened taxpayers of the United States.

Under Republican administrations, when a favored group or groups forming the so-called big interests of the country want special legislation, such as higher tariffs for protected interests; lower taxes on large personal and corporate incomes; or when even a moratorium is sought to assist a special group to collect their private foreign debts, the House and the Senate are often kept in session into the nighttime to hasten action upon their bills.

Over the dome of the Capitol at Washington is a large glassed-in

session into the nightlime to hasten action upon their bills.

Over the dome of the Capitol at Washington is a large glassed-in room resembling an ocean lighthouse. When either the House or Senate is in session after nightfall a large lamp burns in this elevated tower. The light may be seen from all parts of the city and from afar. When this light burns it is often asked, "What big interest is robbing the Treasury tonight?"

This moratory law was passed near midnight on December 22, 1821

But the "old deal" cherished policies of the Republican Party failed utterly even when administered by their superexecutive, President Hoover. As just stated, when the depression came the very first to ask for direct relief were the agents of monopoly. The second demand for aid came from the largest industries of the country

Acting upon such demand President Hoover recommended the creation of the Reconstruction Finance Corporation for the purpose of loaning public funds to banks, trust companies, life-insur-

ance companies, and the railways of the country.

The laws just mentioned are samples of Republican or "old deal" policies of government. Likewise such laws typify the Hoover or "old deal" plan of relief.

Time and disinclination forbid that I should longer dwell on the

failures of the "old deal" policies of the Hoover administration.

At this point permit me to call your attention, very briefly, to the conditions confronting Governor Roosevelt when on March 4, 1933, he was inaugurated President of the United States. On that cloudy, gloomy day all banks were closed. Factories were still.

Millions were walking the streets and highways begging for bread, clothing, and shelter.

At that time money was the scarcest and prices the lowest in generations. Cotton sold in Oklahoma for 5 cents per pound, wheat sold for 19 cents per bushel, hogs and cattle sold for less than \$3 per hundredweight, and oil sold for less than 20 cents

per barrel.

At that time the total massed annual tax burden resting upon the people amounted to some \$10,000,000,000, the total massed annual interest item amounted to another \$10,000,000,000,000, and the total massed debts of all the people was estimated to be \$250,000,000,000.

At that time the total annual income was scarcely enough to meet the two items of taxes and interest. Such was the inevitable result of "old deal" policies placed in operation by the Republican Party. Such was the picture confronting President Roosevelt on his inaugural day.

No time was lost or wasted by the incoming administration nder the "new deal" administrator. The banks had to be opened. Prices had to be raised. The unemployed had to be given work. Business had to be stimulated and kept going.

The first problem for solution was the money problem. On May 7, 1933, President Roosevelt addressed the people of the Nation. On that occasion he said:

Nation. On that occasion he said:

"The administration has the definite objective of raising commodity prices to such an extent that those who have borrowed money will, on the average, be able to repay that money in the same kind of dollar which they borrowed."

At this point let me remind you, my fellow Oklahomans, that our State is, in the main, a producer of commodities. We grow cotton, wheat, and corn. We produce oil and lead and zinc. We produce lumber, coal, and livestock. To pay our taxes, interest, and debts we must have money, and the only thing we have to exchange for money are services and the products of our fields, our mines, our ranches, and our factories.

our mines, our ranches, and our factories.

The question that always has been and always will be of supreme interest to Oklahomans is how much of our commodities will we have to produce and deliver to get a dollar.

Prices had to be increased. To raise prices the dollar had to

be cheapened.

One of the first acts of the new administration was the pa One of the first acts of the new administration was the passage of a law providing for the devaluation of the dollar. President Roosevelt acted under the law and reduced the size and weight of the gold dollar 40 percent. This act has had the effect of cheapening the dollar. To the extent that the dollar has been cheapened prices have been increased, and in proportion that the general price level has been raised prosperity has returned.

In rapid succession we enacted laws in an effort to check the ravages of the worst depression in history. We passed a law seeking to increase the purchasing power of our farmers. We passed an act seeking to protect the farmers against foreclosures at a time when they could neither refinance nor meet their maturing

an act seeking to protect the farmers against foreclosures at a time when they could neither refinance nor meet their maturing obligations. We passed a law providing a plan for the conservation and improvement of our farm lands to the end that such lands may be made to feed and support not only the present generation but the generations yet to come. It must be admitted that the fertility of our farms is being rapidly depleted. Likewise, it is obvious that our farm lands suffer depreciation from the production of unusable and unsalable crops as well as from soil erosion. In brief, the Democratic farm-relief program provides a plan for keeping the soil on the farm.

We passed a law seeking to divide such work and labor as was demanded among as many workers as possible to the end that hours might be shortened, wages might be raised, and distress might be relieved.

We passed a law undertaking to guarantee the safekeeping and

We passed a law undertaking to guarantee the safekeeping and return of deposits in both State and National banks. We passed a law making available public credit to the home owners of the country. We passed a law seeking to stimulate and promote the construction of homes by the people. We passed a law seeking to protect investors in the purchase and ownership of securities of corporations.

We passed laws making available public funds for the relief of citizens in distress. We passed a law which has resulted in taking some 500,000 boys from idleness in the streets, on the roads, and in public places, and enrolling them in the Civilian Conservation

The public places, and enforming them in the Civital Conservation Corps camps located in every State in the Union.

We passed laws providing pensions for those no longer able to work, insurance for those temporarily out of employment, and laws providing aid and assistance to the mothers and children of the land. We passed a law against the employment of child labor.

We passed laws providing public funds for loans and grants to States and subdivisions for the employment of idle labor and for

public-improvement purposes.

Again let me remind you that the Federal program for public works originated right here in Oklahoma. Early in 1931 a general mass meeting was held in the labor temple of this city for the purpose of trying to devise some plan for providing work for the

purpose of trying to devise some plan for providing work for the unemployed of the country.

E. W. Marland, of Ponca City, now Governor Marland of Oklahoma, served as chairman of the meeting. A few days later William H. Murray, then Governor of the State, issued a call for a State-wide mass meeting to be held in Oklahoma City. The meeting was a success. A program was adopted. The program gained such support that Governor Murray called a national conference to meet at Memphis, Tenn. The Memphis meeting resulted in the calling of a national convention of unemployment relief through a broad program of public improvements at Kansas City, Mo.

The "new deal" public-works relief program follows very closely

The "new deal" public-works relief program follows very closely the plan initiated in Oklahoma and sold to the Nation through the

Memphis and Kansas City conventions.

What party, what group, or what "old deal" orator dares to attack the "new deal" policy of credit relief, its policy of social security, its policy of bank-deposit insurance, or its policy of boys' conservation

An attempted attack by indirection was reported to have been made against President Roosevelt in this city only a few days ago. The "old deal" orator, in extolling the virtues of his "old deal"

"Alf has both feet on the ground."

That flight of "old deal" oratory should remind us that only recently a former President had his whole anatomy on the ground. I am wondering just what kind of a race Governor Alf will run with both feet on the ground.

I am perfectly willing to concede that a "both feet on the ground" governmental policy correctly interprets the wishes of

those who are opposing the reelection of President Roosevelt. "Both feet on the ground" means inaction, means reaction, and means standpatism. Such a policy is not for either the democracy of Oklahoma or of the American Nation.

of Oklahoma or of the American Nation.

Oklahoma from birth has been known as the "new deal" State.

Our Constitution was a "new deal" organic law, The first political slogan in Oklahoma was, "Let the people rule."

In conclusion: We have gone a long way since 1933. Instead of 5-cent cotton we now have 12-cent cotton. Instead of less than 30-cent wheat we have \$1 wheat. Instead of 20-cent oil we have \$1 oil. Insofar as price is concerned, oil and wheat are the Siamese twins of Oklahoma.

With conditions infinitely better with prices already doubled.

With conditions infinitely better, with prices already doubled and trebled, yet we are not wholly satisfied. For Oklahoma to have the prosperity to which our people are entitled, cotton must sell for some 20 cents per pound, wheat must sell for some \$1.50 per bushel, and when wheat sells for \$1.50 per bushel, oil will be selling for a comparable price per barrel.

With commodity prices up, employment will increase and wages will be raised accordingly.

Business conditions are improving. Under the Roosevelt administration only one large institution has failed. This institution was the red-ink industry developed under the Hoover administration.

With the price trend upward, with purchasing power increasing, with business improving, and with the masses united, Oklahoma will give President Roosevelt an unprecedented "new deal" majority.

COMPULSORY MILITARY TRAINING IN SCHOOLS AND COLLEGES

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of a letter from former Attorney General Mitchell in reply to a letter from the Secretary of the Interior in regard to the compulsory military training law, which was discussed here a few days ago when the Army appropriation bill was under consideration.

I also have three clippings from newspapers, one from the New York Evening Post, being an article by Ernest L. Meyer on this subject, one from the Baltimore Sun, and one from the Washington Post. I ask unanimous consent that they may also be printed in the Record.

There being no objection, the letter and newspaper articles were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE, June 20, 1930.

To the SECRETARY OF THE INTERIOR.

Sir: I have the honor to acknowledge receipt of your letter of

Sir: I have the honor to acknowledge receipt of your letter of May 23, 1930, requesting my opinion as to whether agricultural colleges having grants under the act of July 2, 1862 (c. 130, 12 Stat. 503), and amendatory acts, are required to include military tactics among the compulsory courses of study or whether they may simply offer this subject as an elective course.

The pertinent provision of the statute is contained in section 4, which reads as follows:

"And be it further enacted, That all moneys derived from the sale of the lands aforesaid by the States to which the lands are apportioned, and from the sales of land scrip hereinbefore provided for, shall be invested in stocks of the United States, or of the State, or some other safe stocks, yielding not less than 5 percent upon the par value of said stocks; and that the moneys so invested shall constitute a perpetual fund, the capital of which shall remain forconstitute a perpetual fund, the capital of which shall remain for-ever undiminished (except so far as may be provided in section 5 of this act), and the interest of which shall be inviolably apever unaiminished (except so far as may be provided in section 5 of this act), and the interest of which shall be inviolably appropriated, by each State which may take and claim the benefit of this act, to the endowment, support, and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies, and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such manner as the legislatures of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life." (Italics supplied.)

Amendments of this section by the act of March 3, 1883 (c. 102, 22 Stat. 484 (U. S. C., title 7, sec. 304)), and by the act of April 13, 1926 (c. 130, 44 Stat. 247 (U. S. C., Supp. III, title 7, sec. 304)), reenacted the language printed in italics above, without change. By the act of August 30, 1890 (c. 841, 26 Stat. 417), annual appropriation is made "for the more complete endowment and maintenance of colleges for the benefit of agriculture and the mechanic arts now established, or which may be hereafter established. In accordance with an act of Congress approved July 2, 1862. * * *" By section 4 of this act the Secretary of the Interior is charged with its administration, and he is directed to ascertain and certify to the Secretary of the Treasury annually as the cash State and Tarritory weether it is entitled to receive its.

ascertain and certify to the Secretary of the Treasury annually as to each State and Territory whether it is entitled to receive its share of the annual appropriation. There is no requirement that the moneys appropriated under this act shall be devoted by the the moneys appropriated under this act shall be devoted by the State to an institution then teaching military tactics, but only to an institution which had been or should be established under the act of July 2, 1862. The act of August 30, 1890, provides that the money shall "be applied only to instruction in agriculture, the mechanic arts, the English language, and various branches of mathematical, physical, natural, and economic science, with special reference to their applications in the industries of life, and to the facilities for such instruction • • •"."

But by the act of March 4, 1907, chapter 2907, Thirty-fourth Statute, 1256, 1281, which appropriated additional money "for the more complete endowment and maintenance of agricultural the more complete endowment and maintenance of agricultural colleges now established, or which may hereafter be established, in accordance with the act of Congress approved July 2, 1862, and the act of Congress approved August 30, 1890, * * *", it is provided that the money so appropriated is to "be applied only for the purposes of the agricultural colleges as defined and limited in the act of Congress approved July 2, 1862, and the act of Congress approved August 30, 1890." Another paragraph of this statute provides that the payment of the money appropriated shall be governed by the provisions of the act of 1890.

ute provides that the payment of the money appropriated shall be governed by the provisions of the act of 1890.

Under these statutes you and your predecessors have recognized the duty, so far as the appropriations made by the act of March 4, 1907, are concerned, to withhold a certificate as to any State which has not one or more colleges which are conducted in compliance with the provisions of the act of July 2, 1862. In determining whether such a certificate should be issued, you are consequently confronted with the problem whether an institution, in order that it may comply with the act of July 2, 1862, must include military tactics as a compulsory course of study.

The statutes nowhere specifically require that the offered course in military tactics must be compulsory. My attention has been called to the fact that at the time when the original statute was passed in 1862, it appears that all or almost all courses offered in universities were compulsory; but, of course, this is not conclusive of the intention of Congress. The association of the words "military tactics" in the statute with the words "such branches of learning as are related to agriculture and the mechanic arts" shows that there was no intention to require instruction in military tactics to be compulsory upon the students any more than those branches of learning related to agriculture and mechanic arts. If one branch is compulsory, all must be; and when we consider the great variety of branches which are related to agriculture and mechanic arts. It is generally recognized that there is no obligation on agricultural colleges having land grants under the act of July 2, 1862, to compel their students to take any course related to agriculture or mechanic arts.

The use of the words "leading object" in the statute indicates that Congress must have intended to repose some discretion in the

mechanic arts.

The use of the words "leading object" in the statute indicates that Congress must have intended to repose some discretion in the State or in the college to determine to what extent agriculture and mechanic arts, scientific and classical studies, and military tactics should be taught or required. The additional provision of the statute that these branches of learning should be taught "in such manner as the legislatures of the States may respectively prescribe", also suggests that it was the purpose of Congress to leave to the States a wide measure of control in the administration of the statute tion of the statute.

I have given consideration to the legislative history of the act of 1862. The manner in which the language in question came to be inserted in the bill does not convince me that Congress intended the course in military tactics to be compulsory. If it had had such an intention, it seems fair to assume that it would have expressed that intention in clear language. An examination of the report of the speech of Mr. Morrill, of Vermont (Congressional Globe, 37th Cong., 2d sess., pt. 4, Appendix, p. 256), who had charge of this bill in the House, reveals no clear statement to the effect that it was contemplated that military training would be compulsory on all students.

I have also considered what was done after the passage of the act of 1862. From a memorandum submitted to me, it appears that in several of the States at least courses in military tactics

act of 1862. From a memorandum submitted to me, it appears that in several of the States at least courses in military tactics were compulsory in the years immediately following the passage of the act. But in a letter to the Secretary of War, under date of July 19, 1923, the Acting Secretary of the Interior informed the Secretary of War that "the policy of the Department of the Interior has been that a State fulfills its obligation under the law when it offers instruction and provides facilities for instruction. when it offers instruction and provides facilities for instruction in the branches of learning specified in the land-grant college

legislation."

This ruling was published in 1925 by the Bureau of Education of your Department in a bulletin entitled "Federal Laws and Rulings Affecting Land-Grant Colleges. I understand that this policy has been consistently followed, and that cases presenting the precise question under consideration have arisen. The problem has in particular been presented with respect to the State of Wisconsin since 1923, for in that year the legislature of that State provided by statute that the study of military training at the State university should be optional (Wisconsin Laws, 1928, c. 226). It is significant that in 1926 Congress, in amending the act of July 2, 1862, reenacted the precise language of the act of July 2, 1862, italicized at the outset of this opinion.

The Supreme Court has held in National Lead Co. v. United

The Supreme Court has held in National Lead Co. v. United The Supreme Court has held in National Lead Co. v. United States (252 U. S. 140, 146-147) that the reenactment of a statute while an administrative interpretation of the statute in effect "amounts to an implied legislative recognition and approval of the executive construction of the statute * * *; for Congress is presumed to have legislated with knowledge of such an established usage of an executive department of the Government (United States v. Bailey, 9 Pet. 238, 256).

To the same effect are United States v. Cerecedo Hermanos y Compania (209 U. S. 337, 339); United States v. Falk & Bro. (204 U. S. 143, 149).

I am of the opinion that the construction of the statute adopted by your Department is a reasonable one, and that it was in effect approved by Congress by the reenactment of the language in question after the adoption and publication of that construction by your Department. Added force is given to the reenactment of this language by the act that it occurred after the legislation in Wissenstein of the colors of the colors of the colors of the colors. consin referred to above.

I therefore advise you that you are justified in considering that an agricultural college which offers a proper, substantial course in military tactics complies sufficiently with the requirements as to military tactics in the act of July 2, 1862, and the other acts above-mentioned, even though the students at that institution are not compelled to take that course.

Respectfully,

WILLIAM D. MITCHELL.

[From the New York Evening Post of Mar. 21, 1936] As the Crow Flies—The Campus Goose Step, Expensive and Worthless Gesture

By Ernest L. Mever

Thursday's newspapers reported that the United States Senate by a vote of 59 to 18 rejected an amendment to the War Department supply bill to withhold Reserve Officer Training Corps funds from colleges requiring military training. Senator Lynn J. Frazier, Republican, North Dakota, author of the amendment, said he was "opposed to Prussianizing these schools."

"opposed to Prussianizing these schools."

Everyone interested in saving America from the sword-clanking mania of Europe will lament the bill's defeat. Senator Frazier's arguments were dismissed by the militarists as pink and pacifistic. Yet from a practical standpoint, compulsory military training in our colleges is a silly and expensive gesture. I speak from personal experience. I had 2 years of goose stepping at the university.

The drill periods were three times a week. Each period was, after a tedious roll call, slightly more than half an hour long. Two periods were devoted to military tactics, the third was classroom work in military theory. In the first year students learned the momentous secrets of the manual of arms, of marching movements on the parade ground, of military etiquette, and how properly to salute a sophomore "noncom" with two stripes and a strut.

THE HYPNOTIC LECTURES

During the second year various companies in our outfit specialized in divers military operations. The company I was in specialized in setting up pup tents. Week after week we sweated and fumbled for silly hours in squad competitions, and when our squad in the June review succeeded in putting up pup tents in 6½ minutes there was great jubilation and we were presented with bronze

medals.

As for the weekly lecture periods, they gave the cadets a chance furtively to con engineering textbooks or snooze hynotically with their eyes open. For the life of me I can honestly recall not a thing I learned during those comatose hours except, for some reason, how to construct latrines for an army on the march. I have the unhappy notion that my genius in this direction will remain forever hidden under a bushel.

During the World War I talked as a conscript with a Regular Army drill sergeant at a cantonment in Kentucky. I asked him what he thought of the rookies in his outfit who had had drill at college. In his reply he was, I regret, singularly explosive and eloquent, yet I can give the gist of his answer by using proper elisions.

elisions.

"Why, those —— conceited apes", he roared. "I tell you I could take any fathead off the street and in 1 week on the parade ground teach him more than all the sloppy work he could learn in 2 years as a college cadet. Honest, it takes me a whole week to have the country of those groups colonels."

trate on his studies or discipline his emotions to control his

CAT OUT OF THE BAG

Once I taught a class of "disciplined" soldiers in an army barracks and found them hopelessly uninteresting and uninterested, slack, disorderly, and dull. As for the discipline of emotions, one can hardly call a soldier on leave a model for St. Anthony. I recall a line of soldiers a block long in front of a prophylaxis tent after a barroom and bawdyhouse brawl.

From the practical viewpoint, then, college drill is wasteful; it is a triweekly interruption in the normal curriculum; it is expensive in the mere matter of uniforms guas and trappings.

sive in the mere matter of uniforms, guns and trappings, and paid instructors.

What is one of the real reasons that our Washington militarists are putting on such a valiant fight to retain the R. O. T. C. in the colleges?

The cat was let out of the bag only a few weeks ago by Lt. Col. Orvel Johnson, director general of the R. O. T. C. Association of the United States.

In an address before a National Defense Week meeting in New York City, Colonel Johnson asserted that the R. O. T. C. has a vital peacetime function—that of guarding against "subversive activities" in schools, colleges, and throughout the country in general.

Our student cadets, then, are the uniformed bully boys and bouncers of Hearst, the American Liberty League, and all the other backers and fraternities of jingoes.

[From the Baltimore Sun of Mar. 20, 1936] FALSE PRETENSES

Although Senator Frazier was unsuccessful in persuading the Senate to deny Federal funds to State universities which make military training compulsory, the debate on the subject did expose certain facts concerning the methods by which compulsory training has been imposed upon the States. As was stated repeatedly by Senators during the debate, there is a widespread belief that the Morrell Act, by which land-grant money was set aside for State agricultural schools, required military education to be compulsory. The Maryland Court of Appeals, in the Coale case, evidently took this view, for its opinion stated that neither the Morrell Act nor the State laws implementing it for Maryland, contained any provision "exempting any sincere religious conscientious objector from military training." military training.

The supposition, which has never been discouraged by emissaries of the War Department, has been that the Morrell Act required that military training in institutions receiving land-grant aid must be compulsory

be compulsory.

The fact is that the Morrell Act required that "military tactics" be included in the curricula of land-grant beneficiaries, but said nothing at all about making military training compulsory for individual students. Senators on both sides of Wednesday's argument agreed to that, but in all but two institutions receiving money under the Morrell Act military training is compulsory. The fact that those two colleges (in Wisconsin and Minnesota) which offer military training but do not make it compulsory are still receiving their land-grant money ought to dispose of the fraudulent insistence, often worked on State boards of trustees, that they must institute compulsory military training to be eligible for land-grant money. land-grant money.

land-grant money.

Furthermore, the Senate heard impressive evidence as to the extent to which instructors in "military tactics" are invading other fields and spreading propaganda upon subjects in no way related to military tactics—such as public utility ownership, international peace movements, and "citizenship." The extraordinary audacity of some of this propaganda makes even more striking the irony that thousands of young men with other things on their minds should be required to take such courses, when no law makes compulsory military training necessary.

[From the Washington Post of Mar. 27, 1936]

STUDENT HAZING OVER R. O. T. C. GRADES BARED—DERN ORDERS IN-QUIRY WHEN TOLD PENN STATE BOYS WERE STRAPPED

Charges that Pennsylvania State College R. O. T. C. students making the lowest scores in rifle practice were forced to "run the gantlet", in which they were whipped by other students armed with brass reinforced cartridge belts, at the order of Maj. Arthur F. Bowen, of the R. O. T. C. staff at the college, were being investigated last night at the order of Secretary of War George H. Dern.

Dern.

The matter was brought to Secretary Dern's attention in a letter from the committee on military education of New York City, signed by Edwin C. Johnson, committee secretary.

The letter said that on December 17, 1935, Major Bowen, second in command of the unit at the college, ordered low-score students in several rifle-practice sections to run the gantlet of other students armed with cartridge belts.

Reports of the incident were published in the Penn State student newspaper, the Collegian, on January 7, 1936, and an editorial in that paper on that day called the incident "shocking, disgraceful, storm-trooper sadism", and referred to the personnel of the military science and tactics department of the school as "feeble-minded jingoes" and as "thick-headed."

STUDENT TONGUE-LASHED

One student, according to that report, refused to "participate in the mauling" and was "tongue-lashed" by an unnamed sergeant on duty with the R. O. T. C., who "proceeded to give him a lecture on the inadvisability of being a slacker in the Army."

An Associated Press dispatch from State College, Pa., the seat of the school, quoted Major Bowen as stating that a "paddle line" for low scorers in rifle practice was a voluntary proposition and had no connection with military discipline. He said that the "paddle line" was "just for fun" and that no student complained

later, and added that most of the statements in the Collegian's article were "incorrect."

The letter called on Secretary Dern "publicly to repudiate as contrary to approved War Department policy the outrageous conduct of Major Bowen and his War Department associates" at the college.

It also demanded that the War Department investigate the incident thoroughly, "particularly to determine whether Major Bowen, on other occasions, has resorted to similarly brutal tactics for punishing students having low scores in rifle practice, and, further, to ascertain the identity of the unnamed student who maligned the patriotism and courage of the student who quite properly refused to respond to Major Bowen's command."

CHARGES ARE URGED

In addition, the committee's letter urged that charges be preferred against Major Bowen for conduct unbecoming an officer and to discipline any others connected with the incident with penalties inflicted by court martial "upon those found guilty of the flagrant breach of military discipline which has been committed."

Well-known names on the committee's letterhead include those of Oswald Garrison Villard, formerly editor of the Nation, and Norman Thomas, Socialist candidate for President in 1932.

Secretary Dern, not commenting on the letter, referred the investigation in routine form to Maj. Gen. Albert J. Bowley, commander of the Third Corps Area, at Baltimore. The routine investigation will require a report from Col. J. F. Venable, head of the R. O. T. C. staff at Penn State. If Colonel Venable's report warrants, a special investigator will then be sent to the town of State College, Pa., to gather further facts.

ARTICLE COPY ENCLOSED

A copy of the report in the Penn State Collegian, enclosed with the letter to the War Department, said, in part:

"At the beginning of one of the classes the students were enlightened to the fact that the two having the lowest score in the target practice would have to run the gantlet. After the barrage had subsided and the scores were tallied Major Bowen * * commanded: "These two men were low. Take off your belts, gentle-

"The rest of the section, which numbered 75 or more, formed a line around the armory floor, and the low scorers' part of the ceremony was to run along that line while those forming the gantlet helped along with swinging belts. The staccato of the belts that found their mark resounded most loudly when the punished slowed down to round the corners.

"One student, a conscientious objector to this particular phase "One student, a conscientious objector to this particular phase of M. S. & T., refused to participate in the mauling. When it was observed that he was not helping, a sergeant of the military department proceeded to give him a lecture on the inadvisability of being a slacker in the Army.

"* * Although the practice was continued throughout most of the classes that day, Maj. G. M. McMullin told his students it would not take place in his classes, since it did not seem to him a

fitting military action.

"One objector pointed out that although his eyes were not fitted to perfect marksmanship, they still were good enough to read page 87 of the R. O. T. C. manual, which states: "The true method of establishing military discipline is by reliance upon the pride of the

establishing military discipline is by reliance upon the pride of the soldier; by appeals to his common sense; by treating him as a human being and not as a machine, and by force of example."

Pennsylvania State College is a land-grant college, and thus R. O. T. C. training is compulsory. A total of 2,496 students are enrolled in the R. O. T. C. department, with nine other officers ranked below Colonel Venable and Major Bowen, according to War Department records.

Mr. Johnson, signer of the committee's letter to Major Bowen,

said in a statement to the press:
"By an odd coincidence, Maj. Gen. Johnson Hagood was testifyby an out contractive, Maj. Creit. Johnson Hagood was testifying before a congressional committee on December 17, 1935, the very day that Maj. Arthur F. Bowen, of the Pennsylvania State College R. O. T. C., was ordering students having low scores in rifle practice to run the gantlet composed of other students equipped with their brass-reinforced cartridge belts.

It will be of interest to many citizens to learn what action, if any, the War Department will take with reference to the obviously more flagrant breach of military discipline committed by Major

DEPORTATION OF ALIEN CRIMINALS

The Senate resumed the consideration of the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes.

The VICE PRESIDENT. The Senator from North Carolina [Mr. REYNOLDS] had the floor yesterday when the Senate recessed, and gave notice that he would like to have the floor this morning. The Chair recognizes the Senator from North Carolina.

Mr. REYNOLDS. Mr. President, I am indeed very happy to have the opportunity of continuing my address in regard to a question which holds the interest of the people of every one of the 48 States of the Union. In view of the fact that it is a subject commanding the interest of the great masses of the people in all the 48 States, I unhesitatingly assume that the subject under discussion is of vital interest to the Members of this body.

The question of immigration is one which has concerned us since George Washington, the first President of the United States, in an inaugural message made mention of the question of immigration as it related particularly to the character and the blood strains of the people who eventually were to constitute, as I have no doubt he had in mind, the 125,000,000 or 130,000,000 people who live in our country today.

In order that those Members of the Senate who were not here yesterday may understand at the outset that I am not only expressing my personal opinion in reference to my op-

position to what is known as the Kerr-Coolidge bill, but that my opinion is shared by millions upon millions of men and women, young and old, in every section of the United States, many millions of whom are affiliated with leading patriotic organizations that are interested in America, I wish to say that my opinion of and my opposition to the Kerr-Coolidge bill are shared by the American Federation of Labor, the American Legion, the Veterans of Foreign Wars, the Disabled Veterans of the World War, the Junior Order of United American Mechanics, the Patriotic Order of the Sons of America, the Daughters of the American Revolution. the Sons of the American Revolution, and 110 other different patriotic organizations and societies of America.

I go further and state that every single patriotic organization in America, without exception, stands in vigorous opposition to the passage of the Kerr-Coolidge bill because they know that it is an un-American measure, because they know that the bill before the Senate for consideration is actuated by sympathy and consideration only for the aliens who are in our country today and the hordes which will be constituted by the million beyond the shores of our fair land who legally will be entitled to enter my country and your

country if the bill shall be passed.

Yesterday I was particularly anxious that the country at large might understand my attitude on this question. knew they could not possibly fathom or understand my attitude unless my position were correctly stated through the columns of the press. However, it seems that I did not express myself sufficiently clearly to the members of the press. for whom I have a great affection and admiration, having myself been a member of the fourth estate once upon a time. I make mention of this because a friend of mine, as I was entering the Chamber a few moments ago to answer to the roll call, preparing to continue to speak upon this all-important subject, handed me a copy of today's Washington Daily News.

In order that Senators may know that, despite the fact that I have endeavored to make myself absolutely plain and clear as to my position, it appears from a report in the Washington Daily News that as yet I have not made my position clear. In order that I may go further in that direction by which I hope to reach my point, I wish to read the article, eliminating the first two paragraphs. The article is entitled:

Senate filibuster threatens passage of immigration law. Rev-NOLDS trying to talk measure to death.

That is right! Mr. President, I am going to talk this bill to death if I can, because I know that if it should be passed it would permit the entrance into this country of thousands upon thousands of people who would be entitled to come into the country legally under sections 3, 4, and 5 of the Kerr-Coolidge bill. So the News is correct. I wish to state to my distinguished friends in the Senate that it is correct because it states I am trying to talk the bill to death. I want to endeavor to aid my colleagues, who are interested in the welfare of the American people, in killing the bill, if I can, because if we shall succeed in doing that we will have succeeded gloriously in serving admirably the interests of the great masses of the American people and the very fundamental principle of the American Government.

I read from the article:

A filibuster usually is futile this far from the end of a session, but the Senate convenes Monday as a Court of Impeachment and may spend several weeks hearing charges against Judge Halsted L. Ritter, of Florida. Unless congressional action can be had before then it may be too late-

"It may be too late!" It cannot be too early.

It may be too late to prevent deportation of 2,862 aliens of good naracter for whom the Immigration Service has recommended leniency.

Senators, yesterday afternoon, during a period of more than an hour, having been advised that officials of the Immigration Service would claim to the Members of the Senate and to the Members of the lower House of Congress that those 2,862 persons were persons of good character, I brought to the attention of the Senate transcripts of the records filed in the office of the Commissioner of Immigration and Naturalization, and I showed by the Department's own records that the aliens whom the officials would not deport, whom they themselves have violated the law in not deporting, were persons of bad character.

Why, there was a fellow by the name of George Gaston Grenier. I remember his initials were "G. G. G." He was listed in the Department's files as being a man of good character. According to today's News, he evidently was one of the good characters whom the Department officials desire to keep in this country.

Let us review in our respective minds the records as transmitted from the Department of Labor, and let us see for ourselves whether or not we want that man of "good character", George Gaston Grenier, to remain in this country to contribute to the blood strain of future generations, to contribute to the inspiration of the youth of our land. I am going to read this man's record again in just a minute for the benefit of Senators who were not here on yesterday, and in answer to the article published in the News to the effect that the persons whom we are trying to get out of our country are persons of good character.

Grenier's record in the transcript which I personally made at the Department of Labor, where I worked for several days, appears in my digest to be on page 89; so, therefore, I shall turn to page 89.

My friend who wrote the article which appeared in today's News evidently did not read through the records in the Department of Labor, but he evidently read the record sent to the United States Congress as the result of a resolution passed in the House of Representatives. He evidently read the record which was prepared by Colonel MacCormack, the Commissioner of Immigration and Naturalization, and sent here.

The records that we demanded of the Department of Labor-by way, I may add, of a respectful request-were supposed to give us the whole facts, the whole truth, and nothing but the truth. On the contrary, however, those records were misleading; and I am a bit peeved about it, because those records have deceived my friend in the press gallery who wrote the article in today's News. What does he say? He says:

Unless congressional action can be had before then, it may be too late to prevent deportation of 2,862 aliens of good character for whom the Immigration Service has recommended leniency.

I myself am about to cry. [Laughter.]

Let us see. Let us see how badly these aliens have been treated.

I am glad to see the Senator from Texas [Mr. Sheppard] pull out his handkerchief and weep. [Laughter.] I myself feel like weeping. In fact, I am weeping so much as a result of this unfortunate condition that my tears have clogged up my glasses, and I shall have to cleanse them and dry them before I can read the record of this man of "good character." God bless him right now, but let us see what we shall say about him as soon as we read the record.

Mr. George Gaston Grenier! Let us see on what page he is referred to in the record sent down here by Colonel MacCormack. His record appears to be on page 23.

Senators, in reference to the tears we are losing over these aliens of "good character", I wish to read the information, in the form of a summary, which was sent down here by Colonel MacCormack, of the Immigration Service, which service says to us, "For God's sake, do not deport these good people! For God's sake, do not wreck their lives! For God's sake, do not send them out of this country! Because if you do, all inspiration for the children of our land today will have been destroyed. Leave George Gaston Grenier here. He is a great contribution to our country. He comes from sunny France, across the blue waters of the Atlantic. He is a greater contribution to America than ever the great Lafayette was when he came here during the trying days of history."

You would think, on reading this man's record, that he was a great war hero; that he had contributed largely to the culture, to the blood strain, to the inspiration, to the material things of life in America. So, my friends, I shall read to you what Colonel MacCormack says about George Gaston Grenier, and you will find that he is all I have just described him as being.

George Gaston Grenier. He last entered the United States

On inquiry as to whether or not he had previously been in the United States he said, "Yes, gentlemen; I have been here."

On inquiry as to how long he had been here he said, "A period of 9 years and 3 months, gentlemen."

Very satisfactory! One good thing that I see about this fellow is that once upon a time he did have enough sense to go to Chicago, Ill.—a great metropolitan section of America, from which hails our distinguished colleague and beloved friend, the senior Senator from that State [Mr. Lewis]. Mr. Grenier resided there at 1213 East Fifty-third Street.

Mr. Grenier, have you any dependents in the United States? Yes, indeed, gentlemen; I have a wife and a son.

Perfectly fine! A home-loving man, I presume; one of the fireside boys.

Have you any other relatives in the United States? No; I have no other relatives in the United States. What is your occupation, Mr. Grenier? Why, gentlemen, I am a painting contractor.

It strikes me that our friend the Commissioner of Immigration and Naturalization and his assistants must have taken some lessons under Mr. Grenier, because they can paint these records better than anybody else I ever saw could paint

Are you self-supporting, Mr. Grenier?
Why, I certainly am self-supporting, gentlemen.
Have you ever been on relief?
Why, of course not! Certainly I have never been on relief. Have you ever been a public charge? Why, certainly I have never been a public charge.

Mr. COOLIDGE. Madam President-

The PRESIDING OFFICER (Mrs. CARAWAY in the chair). Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. REYNOLDS. I am delighted to yield to my friend. Mr. COOLIDGE. I should like to ask the Senator from North Carolina if this is not the same case he brought up and discussed yesterday. Is not this a repetition?

Mr. REYNOLDS. Absolutely. Mr. COOLIDGE. There are 2,862 of these cases. Why does not the Senator take up some of the others?

Mr. REYNOLDS. Mr. President, I will tell the Senator why I am taking up this man's case: It is because there are Senators here today who were not here yesterday; and I have always found, in the trial of cases before a jury, that particularly in trying a criminal case before a jury the best thing is to know your jurymen well. If you know them well enough to go right up to the jury box and pat them on the knee, that personal contact is the best thing on earth. It has won more cases than law ever won. I found that the next best thing to personal contact with juries in trying cases is to repeat some of the strong points of your case. The old saying is, as is known by some of my brothers here who have practiced law out in the sticks, as I have done, "If you have the facts, talk about the facts. If you have the law, talk about the law. If you have neither the law nor the facts, then go to the woods."

I always used to know whether or not I had the law or the facts. I will confess that I never knew much about law. That reminds me that after I had been prosecuting attorney in a number of mountain counties in North Carolina for a number of years I began private practice in my home town of Asheville, N. C. I was stopped on the street one day by a good friend of mine, one of the ablest members of the bar, Judge Jones, who, I am sorry to say, has now passed to the Great Beyond. He was an old man, for whom I had great affection and admiration. He stopped me on the street one day and said, "Bob, I have been noticing you in the courtroom. You would make a wonderful lawyer. Study law." I said, "Hell, Judge, I am too busy practicing." [Laughter.]

Now I wish to return to the matter about which I was talking, and answer the inquiry directed to me by my friend the Senator from Massachusetts [Mr. Coolings], for whom I have actual, genuine admiration and affection; and I mean that, because I know the Senator is interested not only in his constituents in the great, historic Commonwealth of Massachusetts, to which we often refer as the "cradle of liberty", but because I know he is interested in the people of the 48 States of the Union, in whom every Senator who takes the oath and obligation as a Member of this body is interested.

I wish to say that I have brought this matter to the attention of the Senate for two reasons. The first reason is that my good friend who reported this measure stated that we were trying to deport 2,862 people of good character, and I am bringing the matter before the Senate to show him the facts about the character of one of these 2,862 cases. I today stand upon the floor of the Senate and lay down again unhesitatingly, unblushingly, and unafraid, the challenge I made on yesterday when I said that any man in this body is at liberty to take from the files of the Commissioner of Immigration and bring one case or a hundred cases to the floor of the Senate, and at the same time bring the briefs that were prepared by the Immigration and Naturalization Service which have deceived Senators. I make this challenge because I know that if it is met I shall not have to make expenditure of my energy in trying the case before this duly constituted body. The colleagues of mine who are here, who are just as much interested in protecting America for Americans as am I, will try the case upon this floor.

Secondly, I bring the matter to the attention of the Senate because, as I said to my good friend from the great historic State of Massachusetts, the cradle of American liberty, strength is to be found in repetition. I can very readily understand-and other Senators can readily understandthat the Senator from Massachusetts objected to my bringing to the attention of this honorable body the case of Mr. Gaston Grenier because it hurts. If I were in the position in which my distinguished friend is now, I likewise would have raised an objection. I would have objected to repetition, would have objected to bringing to the attention of this honorable body the name of this angelic person, the name of this man, who, from the description provided by Colonel MacCormack, we could readily fashion, in our minds, as one who had never feasted his eyes upon the golden shores of America, on the Atlantic or the Pacific, but, according to the description given by Colonel MacCormack and by the Immigration and Naturalization Service, had floated serenely from the blue skies above and set foot quietly upon the fertile soil of America.

To those who were not here yesterday, those who have not had an opportunity to read the Record, I shall continue to refer to the remainder of the description that was recited of Mr. Gaston Grenier by the Commissioner of Immigration and Naturalization:

Question no. 10. Public charge?

I can just read into the RECORD his answer. He takes offense:

No

Of course not. In connection with question no. 11 they state the grounds for deportation. The laws of the United States provide that this man must be deported; that is mandatory. But he has not been deported. He is here now in violation of the law of our country, and the Commissioner of Immigration and Naturalization has virtually said, by his action, "What do I care about the laws of the United States? I am bigger than the law itself. I am bigger than the men who made the law."

Grounds for deportation: That he is in the United States in violation of the Immigration Act of 1924, in that at the time of his entry he was not in possession of an unexpired immigration visa.

It appears in the record that the only thing Gaston Grenier had ever done for which he could be deported legally was that he happened to be here in violation of the Immigration Act.

In connection with question no. 12 they recite the "unfavorable factors or reports." Listen to this. This is in answer to the article in the morning paper of today in which it is stated that this man Grenier is a man of good character. They do not name him specifically, but they refer to the 2,862, and I repeat that I am ready at any time to debate on the floor of the Senate any single case which any Senator will get from the Immigration and Naturalization Service and bring into the Senate Chamber. When he brings the records here I shall bring here the summary as provided by Colonel MacCormack, which was supposed to reveal to us the facts.

Under the caption Unfavorable Factors or Reports, Colonel MacCormack's report says:

Allen has a bad moral record. He admitted that he is the father of an illegitimate child, whom he later adopted.

As I stated on yesterday, the only thing I can see that is redeeming about the man is that he had manhood enough, that he had courage enough, that he had decency enough to adopt the child whose mother he deceived and debauched.

His statements as to birth and military service are ridiculous. Favorable factors or reports.

Here we have the reason why they say he ought to be kept in the United States.

United States citizenship of wife and child. Reason for stay.

The reason why they permitted him to stay here, the reason why they are keeping him here now in violation of the law which Congress passed, is that they wanted to permit voluntary departure, to prevent the separation of the family. He wanted to go out of the country, evidently, but Colonel MacCormack would not let him go. He wanted him to stay here.

Date of last investigation, 31st of October 1935.

On that record, I being a big-hearted man, my heart would beat in sympathetic accord for this man, because I realize that none of us is perfect; because I have enough sense to realize and unhesitatingly admit that I have sinned a thousand times; but I hope the great God above will forgive me. None of us is perfect. This man has erred, and with only this before me I should dislike to rob him of opportunities provided for Americans who are deserving.

This is the record provided by the Commissioner of Immigration for our attention and our consideration. It is the record upon which he asks us to change the present immigration laws so that Gaston Grenier may remain in the United States.

At this point I wish to remind the Members of this body that we are under no obligation to let anyone into this country, that the only reason why we have ever permitted any immigrants at all to come into this country was that they might be a benefit to the country. Our immigration laws are not made for the purpose of benefiting immigrants, but they are designed and passed for the purpose of benefiting our own country.

I now ask Senators, as a jury of 96, is this man beneficially contributing to the blood strain, to the upbuilding, to the development of their beloved America? I say "no"; I am in sympathy with him. I am in sympathy with every man who is in trouble. I am in sympathy with every person whose tears reach his cheeks; but, Senators, I am personally—I have greater sympathy—for those of my own fireside, and those of my own home, and those of my beloved America. I am for America first and last and all the time, after which I can permit my heart to beat faster and my tears to flow for those of different nations who are beyond the seas.

I address myself to the coauthor of the Reynolds-Starnes bill. Will Representative Joe Starnes be good enough to let me have the book at which he is looking? I am delighted to see in the Chamber this morning Hon. Joe Starnes, Representative from the State of Alabama, coauthor of the Reynolds-Starnes bill. I am glad to find that he is just as much interested in the American people as I am. I take

this opportunity publicly to congratulate him upon the time | and the energy he has given to the American people; and I desire further to say that I hope his interest will never wane nor weaken, and that he will in all cases, as he has in this case, give sympathy first to those of his fireside, to those of his household, to those of his congressional district, to those of his State, and to those of the Nation, before he gives sympathy to and sheds tears over those who are from shores beyond.

I again congratulate Representative Starnes. I know he is worthy of his constituency, and from all I have heard from his State, I believe his constituents appreciate his efforts.

Mr. President, according to the record from which I have read and from which I shall continue to read, Senators' hearts would go out to some of those whose cases are mentioned in it. My heart has gone out to some of them. In the case I just mentioned, the man did one courageous thing. He did the only manly thing, and that was to adopt the unfortunate child. So, according to Colonel MacCormack's record, we have concluded to let him stay in the United States. This is merely an assumption for the purpose of argument. "But," say other Senators and I, "let us go a little further into this case."

The question may be asked, "Why does anyone wish to go any further into the case? You do not mean to insinuate, Mr. Senator, that you would go back on the records which were filed here as the result of a resolution directed to the Department of Labor? You do not mean to say that you would have the audacity to insinuate that the record does not fully embody the truth?" Why certainly not! Certainly not! I know that none of our high officials, after having been called upon to provide this body with the information upon which we could proceed in this case and change the law would intentionally deceive the Senate. Certainly I do not insinuate that any such official or anybody else would intentionally deceive the Senate. At the same time, we are all liable to make mistakes. None of us is perfect. At the same time, so far as I am concerned, Senators, I personally should like to see if that is all there is concerning Mr. Gaston Grenier-de la Paris. So I read further in reference to him.

Mr. AUSTIN. Mr. President-

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from North Carolina yield to the Senator from Vermont?

Mr. REYNOLDS. I yield.

Mr. AUSTIN. I call the attention of the Senator from North Carolina to something which corroborates his impression that Colonel MacCormack did not willfully misstate about these cases. I read from page 203 of part IV of the

I do not suppose that I personally have passed on more than 20 or 30 of them-

Meaning these 2,862 cases-

and every one which they have put up to me I rejected with one exception. They were all border-line cases.

Mr. REYNOLDS. Mr. President, will the Senator be good enough to mark the portion he read, and give it to a page, so that I may see it?

Mr. AUSTIN. Yes. I should like to call attention also to something else testified to by Colonel MacCormack which appears on page 201 of the same hearings:

Senator King. Those 2,800 deported are not habitual criminals, and are not tainted with any acts of conduct which would make them unfit for citizenship?
Mr. MacCormack. Absolutely not.

Again, on page 202, Mr. MacCormack, testifying, says:

Every stayed case has been repeatedly reviewed. In the first

2,000 about a dozen bad ones were found.

They came in to us from the field and had all the superficial evidences of being within the class which we are proposing to stay, but when they were reviewed we found a number of bad ones.

Senator Austin. Just what do you mean by "bad ones", Colonel?

Mr. MacCormack. Criminals. Each case, however, has been reviewed several times. In the first 2,000, we found a dozen really bad ones, including criminals. These and hundreds of others have

since been rejected because they did not meet the conditions stated in the bill, or even if they met the conditions stated in the bill, because it did not appear in the public interest that the stay be granted. For example, a man might be of good character, no criminal record, have lived here a long time, with his wife and children, but not be because to his families of support them. but yet be no use to his family, not support them. A case like that is rejected.

Senator King. He would be deportable? Mr. MacCormack. We have done that in hundreds of cases. have only stayed cases that to a careful administrator, looking out for the interests of the United States, seemed to warrant a stay. There has been no sentiment about it. The cases have been scrutinized by Shaughnessy here and his hard-boiled board of review, and there is darned little sentiment entering into the decisions.

I ask the Senator to consider that testimony with reference to the facts he has already disclosed and is about to disclose

regarding these cases.

Mr. REYNOLDS. With the Senator's permission, I will underline the words "hard-boiled board of review"; and I wish to take this opportunity to thank my distinguished colleague from the State of Vermont for his worthy and commendable contribution to this argument. As soon as I shall have finished with Mr. Grenier-Gaston Grenier-whose case was passed upon by that harsh, "hard-boiled" board, I shall return to the evidence of our delightful friend, Colonel MacCormack.

Senators, I have read the record as provided by Colonel MacCormack; and my good friend the Senator from Vermont has brought to my attention the fact that Senators must believe the record which was sent here by Colonel Mac-Cormack, because Colonel MacCormack said, "We went over those cases time after time." I can see the colonel right now sitting over there with all his aides gathered around him, like an old hen surrounded by her little chickens, acackling and apuffing and ablowing-I can see them all straining and sweating in an effort to get these records correct—the old hen just straining and puffing and blowing to see that everything is right. [Laughter.] These records are right, because Colonel MacCormack knows that he has been called upon to give "the truth, the whole truth, and nothing but the truth" about these cases, and he wants to provide the Senate and Representative STARNES, of Alabama, and his colleagues in the House with the facts so that the Congress may pass upon the question intelligently and conscientiously.

Mr. COOLIDGE. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. REYNOLDS. I gladly yield.

Mr. COOLIDGE. This George Grenier is the same George" the Senator has been talking about?

Mr. REYNOLDS. Yes; it is the same "George." I will never forget George as long as I live. I believe after I had read the first description of him, depicting him as a fine, kindly, manly character, that if I had gone to heaven and entered the pearly gates the first man I would have recognized would have been George, because of Colonel Mac-Cormack's description.

Mr. COOLIDGE. Has he transgressed any laws of the United States, except that he came here illegally?

Mr. REYNOLDS. I am going to read the record. I do not want the Senator to take my word for it. I want to read the record. I have the facts in this case, and I want to try this case by the facts.

Mr. COOLIDGE. It is evident from the facts that if he had been deported the Government would have been compelled to take care of his dependents-some children and his wife-I imagine; also, if he had been deported he would have been brought before a court martial, and I think we will agree that that might have resulted in his being stood before a firing squad. I do not know how far the Senator's reports go in that respect, and I myself have never looked into any of the 2,862 cases. I am hoping the Senator is not picking out the worst one of the whole 2,862?

Mr. REYNOLDS. No; I am glad the Senator mentioned that, because this is but one case as to which I am overanxious to be fair with my opponents, because in this case I have got the goods; I have the facts, I have the evidence, and I want to reveal all the facts and all the evidence. That

is the reason why I flung down the gauntlet; why I threw down the challenge to any Member of this body to go to the Labor Department and pick out at random or have Colonel MacCormack or anybody else pick out cases-a hundred of them—and bring them here and try them; and if this body thinks the persons involved in those cases ought to remain in this country, of course, they are going to stay; but I know that the Members of this body are interested in American citizens first and then their sympathies can extend to the

Before I leave the point in regard to which my good friend asked me, namely, if I picked out just the good ones, I want to say, as I stated yesterday, that I went to the Department with a stenographer. There were two or three cases that I wanted to examine. The only reason I wanted to see them was because each morning when I arrived at my office at 7 o'clock, as I usually do-and I will make the confession now that I am saying that for the benefit of my constituents in North Carolina; I want to be fair about everything, so I am going to be fair about everything in this argument-I found a little paper there called the American Citizen, and it had the names of two foreigners, aliens, anarchists, revolutionists, on the front page. So when I was conversing with Colonel MacCormack I asked him kindly to give me a report upon those two men. Finally he condescendingly sent me a letter, and I am going to take that up when I review all these cases. After looking at those cases, I was working on some other cases in the library, and asked a gentleman, whose name I have forgotten-and I do not see him in the gallery today, though he has been here virtually every day, I assume looking after the interests of the Department of Labor-kindly to go in and pick out 20 or 30 cases and bring them in. He said, "Certainly; what kind of cases do you want?" I said, "Bring in the lily-white cases." That is classification no. 1. It represents the perfumed ones, the best they have. So he brought them in: I have them here, and I am going to read them; and as soon as I read them I am going to ask Representative STARNES to pick me out a number one case.

Let us see whether the case I have been referring to is that of a lily-white fellow. George Gaston is in classification no. 4. There are four classifications. I read yesterday a case from no. 2. I will refer to other cases today or tomorrow or sometime next week, as I hope to be able to speak on this subject for several days more and to discuss these cases fully in order that my friends in the Senate may know just what is presented to them for dissection and decision.

Mr. COOLIDGE. Mr. President, should not the record be corrected a bit there, because the Senator says that the "George", to whom he has referred and whose case he picked out, was one of the best ones? Is not that one of the worst

Mr. REYNOLDS. No; I say that from reading the report sent here by Colonel MacCormack I would have imagined that that fellow dropped down from the heavens, he is pictured as being so angelic. He is depicted as a man of courage; he is very frank and open about his remarks; he is industrious; he has never been on relief; his wife and child are self-supporting, and he had the courage and manhood to adopt his illegitimate child. According to that report, the man deserves consideration, and I do not hesitate to say so. I say, according to the report, George Gaston Grenier is not a bad fellow at all; that is, according to what Colonel Mac-Cormack reported about him in the statement which he sent here asking us to pass upon the information given by him.

Mr. COOLIDGE. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. REYNOLDS. I yield. Mr. COOLIDGE. The Senator ought to know something about Massachusetts. He paid a visit to my State, which was a great compliment, and he saw many historical places and points of interest there. Perhaps about the only thing he did not see were the citizens of Massachusetts dressed in Indian uniforms tipping tea over into the ocean. However, as the Senator visited Massachusetts, he can realize the cos-

mopolitan character of the population we have there. In Massachusetts there are many Italians, Germans, Jews, and other nationalities, and the information I get from practically every source in Massachusetts indicates that they are hoping that this bill will pass. There are many aliens in Massachusetts. I do not know how many deportable aliens we have. but I understand that we have quite a good many, and that in the State of the Senator from North Carolina there are five aliens who are deportable.

Mr. REYNOLDS. We have, I suppose, several thousand aliens there, but we have fewer in North Carolina than there are in any State in the Union, I believe. I think the next State in that respect is Tennessee, and there are very few aliens in Alabama; there are some in Florida; but in Arkansas and Mississippi the number is limited, and, as a matter of fact, in Louisiana there are not a great many. There are only a few States in which there are a great many aliens.

Mr. COOLIDGE. I am hoping that the Senator picked a fair sample out of the 2,862 cases.

Mr. REYNOLDS. Yes; I did. The Senator certainly knows that I want to be fair, and I have been fair, because I took more lily-white cases than any other kind. I want to be fair; otherwise I would not make the challenge to any Senator to get any case in the Department files or any batch of a hundred cases and bring them here and let the Senate

survey them on their individual merits.

I wish to repeat publicly what I said a while ago. I do not know, Mr. President, any man in this body for whom I have a greater affection or greater admiration and respect than I have for the Senator from Massachusetts [Mr. Coolinge]. I do not know of any and do not believe there is any Member of this body who is more conscientious than is the Senator from Massachusetts. I have his interest at heart; I am fond of him, as is everyone else; but this matter is just one of those as to which our opinions differ. Insofar as I am concerned I am exceedingly regretful that the difference is along this score, because I know of the high esteem that my colleague from Massachusetts is held by the Senate and the extremely high esteem in which he is held in the State of Massachusetts. I do not believe that Massachusetts could be any better represented by anybody than by my colleague from Massachusetts. It is well that Massachusetts has such a representative, because Massachusetts is the cradle of liberty. It was there, I believe, that Paul Revere, about whom I was reading last night, galloped from the center of the then small municipality of Boston down the road by Harvard University to Concord. Some time ago I made a statement upon the floor of the Senate about the Harvard campus, and a gentleman, writing to the Boston Globe, said, "The Senator is wrong; we have no campus." We hear very much about the Harvard campus; a street or, for that matter, an alley may be a campus with a greensward, whether like the campus we have at the University of North Carolina or not. At the University of North Carolina we have an immense campus covering acres and acres of land. The University of North Carolina has made tremendous progress in the last several

I also made mention in that article concerning my trip about having been to Concord, where the first shot fired in the revolutionary days "was heard round the world." criticized by some historian for that. As a matter of fact, I remember when I was a boy in school I learned that little poem about the boy standing on the burning deck; and I learned another one about Concord and the first shot heard round the world; I studied it in my barefooted, knicker-bocker-trouser days; and I recited that little poem about the Village Blacksmith, which begins-

Under a spreading chestnut tree The village smithy stands.

I was looking at an American flag; and when I recited that little piece of poetry which I had studied night after night while sitting by the old fireside, I actually thought that the shot heard round the world was the shot fired there at Concord. So I was amazed at my mistake in history; and I called my most able and efficient secretary, Mr. Wesley E. McDonald, and asked him to communicate with the Library of Congress

and have them send me a book that would reveal the truth about the matter. I discovered that some historian stated that the first shot was not fired there; that it was just a legend. I was sorry to hear that, because I had just built my whole world about that little poem which I learned when I was a boy.

I know that the Senator feels about the matter under consideration exactly as I do. If there are worthy cases in the 2,862, I am going to say to the Senator that I want the persons involved in such cases to stay in this country. Knowing the Senator as I do, I know deep down in my heart—and nobody can tell me otherwise—that the Senator does not want to keep any criminal aliens in this country; I know the Senator does not want to keep anybody in this country who is going to destroy the fine, pure blood stream of our stock. I know that the Senator does not want to keep in the country any alien who will smother the inspiration of oncoming generations or those of their offspring.

I may say to the Senator who so ably represents the great Commonwealth of Massachusetts that I am with him. We are in accord. We are together 100 percent. How? Because I believe the Senator from Massachusetts wants to expel from this country the criminals, and he wants to keep here the good people. We will go through all these matters from time to time, and then let us introduce private bills. In that connection, as I am sure the Senator knows, and I state it for the benefit of others who may not know, private bills have been introduced to permit aliens in those classifications to remain here, to permit those who are worthy of being here to remain. One such bill has already been passed by the Congress and signed by the President, and there are three more on the list. I shall give the names of those a little later.

I am with the Senator 100 percent because I know the Senator is in accord with me about letting the best people remain. We do not want to break any hearts where a heart is deserving of being spared or destroy any lives where life is worth while saving. I know the Senator from Massachusetts wants to expel from this country criminal aliens, those who have not observed our laws and customs and principles, and who do not deserve our consideration or the protection of our great flag.

Mr. COOLIDGE. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. REYNOLDS. I yield gladly. Mr. COOLIDGE. I know the Senator is interested in immigration because, though not being a member of the committee, as an interested listener he has been in attendance at the hearings every day. During some of those hearings the Senator must have observed that some of the social workers testified. I have in mind particularly a lady from Buffalo who testified before the committee, who had been to see some of the alien families who, with all the vigor of her being, appealed to the committee in behalf of those who were deportable under the present law, but whose deportation would mean a separation of families. She went to see them, and, having seen them, said none of those families ought to be deported.

The minute we adopt the course suggested in the "George" affair about which the Senator is talking, we establish a precedent, because it is only one sample case. George came in here illegally, but that is his only offense. If we send him out of the country, we will have to support his offspring and probably his wife. If the Senator has a big heart, which I know he has-I am sure he has-I cannot see how in this particular case he can ask that the man be deported. I doubt if there is another such case among the 2,862. I think the Senator must have picked out the worst ones. If this man should be deported and sent back to his native land, he would probably go before a court martial and probably meet his doom before a firing squad.

The Senator from North Carolina and I have had several talks on immigration. I thought we were in perfect accord. I had never seen his bill until yesterday, although it is before the committee. We agreed that he might have a hearing on any bill at any time he might desire.

Mr. REYNOLDS. The Senator has been very kind and

Mr. COOLIDGE. I thought there were three essentials to which he referred in his bill, including cutting down the quota 90 percent.

Mr. LEWIS. Mr. President, will the Senator from North Carolina kindly yield?

Mr. REYNOLDS. I am delighted to yield to my friend from Illinois.

Mr. LEWIS. May I be pardoned for giving some information in connection with the tribute the Senator from North Carolina has paid to one of the name of Paul Revere. While adding my tribute to that of both the distinguished Senator from Massachusetts and the eminent Senator from North Carolina, I must inform the Senator from North Carolina that in my great metropolitan city has just been organized a society, something of an organization, whose purpose is to defeat the President of the United States, discredit his measures, hold them up to contempt as unworthy and unconstitutional, and which has adopted for its name "The Paul Revere Society." That organization was addressed by Hon. Silas Strawn, of the Liberty League, night before last. The basis of his speech was to demonstrate how Roosevelt is unworthy of the people's confidence and that all who uphold him should be confined somewhere as either lunatics or criminals.

Mr. CONNALLY. Mr. President— Mr. REYNOLDS. I am glad to yield to the able Senator from Texas.

Mr. CONNALLY. Let me suggest that the choosing of that name may not be altogether unfortunate, because it will be remembered that the record discloses that Paul Revere never did complete his ride. He never reached Lexington or Concord.

Mr. REYNOLDS. And the first shot was not fired there! Mr. LEWIS. I was commenting on how a great name had been misinterpreted and misapplied.

Mr. CONNALLY. Mr. President, if I may interrupt the Senator further-

Mr. REYNOLDS. Certainly. Mr. CONNALLY. I have enjoyed the very splendid oration of the Senator from North Carolina, who is seeking to preserve the ideals of historical events of America, but I was a little bit shocked at his attack on the great State of Massachusetts, represented so ably by the junior Senator from Massachusetts [Mr. Coolinge], when he said no shot was fired at Concord. As I recall, and if the Senator visited Lexington and Concord he will remember, at the stream, not at Concord, but before one gets to Concord, stands a monument upon which the lines of Emerson are inscribed:

> By the rude bridge that arched the flood, Their flag to April's breeze unfurled, Here once the embattled farmers stood, And fired the shot heard round the world.

It is not suggested that that was the first shot. As I now recall, without reference to the Library of Congress for confirmation of my recollection, the first shot was fired on the village green at Lexington. The British troops then proceeded on to Concord to capture the arms and munitions which were stored at Concord, and the farmers met the British again and another engagement ensued. It was that engagement which Emerson immortalized in his poem.

I hope the Senator from North Carolina will not make any further assaults on the fictions, even though they be fictions, the beautiful, poetical, and historical allusions which make New England what she was-not what she is, but what she was-in the days of old. I hope he will not cast any more opprobrium upon the great Commonwealth of Massachusetts. [Laughter.]

Mr. REYNOLDS. Mr. President, the Senator from Texas evidently was not here to listen to what I have been saving about the great Commonwealth of Massachusetts. I believe that I have never in all my life expressed a more friendly feeling, a more genuinely friendly feeling, than I have expressed for the great Commonwealth of Massachusetts.

Mr. BARKLEY. Mr. President, will the Senator yield? Mr. REYNOLDS. Certainly.

Mr. BARKLEY. I should like to inquire of the Senator from Texas or the Senator from North Carolina or the Senator from Massachusetts if either of them knows who it was that decided which one of those shots it was that was heard around the world. Someone had to decide that; because if the one that was fired at Lexington was not heard around the world, then it must have been the one fired at the Concord Bridge; but who decided that question?

Mr. REYNOLDS. That is a matter I shall be very glad to take up later and discuss at length upon the floor of the Senate, with the permission of my fellow Senators.

I am surprised that the Senator from Texas [Mr. Con-NALLY] did not take advantage of the opportunity to mention something about the celebration which is to take place in his State this year.

Mr. CONNALLY. May I say to the Senator from North Carolina that, knowing the high level of intelligence of the Senator from North Carolina and of all others with respect to the great and historic traditions of my own State, which are to be so handsomely observed in this good year 1936, I assumed that it would serve no purpose of the humble junior Senator from Texas to call their attention again to those matters.

Mr. REYNOLDS. It would serve a very good purpose, because we are all delighted to listen to anything said by the able junior Senator from Texas. I made that suggestion because I thought it might present an opportunity to the Senator from Texas to advise many more people by way of his remarks, which would be published in the Congressional Record.

Mr. COOLIDGE. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts?

Mr. REYNOLDS. Yes.

Mr. COOLIDGE. Outside of the bill we are discussing there are three items in which the Senator from North Carolina is interested. The first one is a lower quota of 15,300 immigrants, instead of 153,000. The second one is provision for keeping a better record of the immigrants who land here. The third is fingerprinting those who have come over here as immigrants.

On principle, I am in perfect accord with the Senator, as he understands.

Mr. REYNOLDS. Yes.

Mr. COOLIDGE. I had hoped there would be a separation, whereby the pending bill would be acted on and then the Senator would bring in his bill dealing with the other matters.

Personally, as one of the members of the Immigration Committee, I am quite in accord with those three suggestions; and I am wondering if we possibly have not arrived at a point where the Senator can permit us to proceed with the pending bill, and then we will take up those three phases of the Senator's bill and get all this proposed legislation out of the Senate and over to the House and have it enacted.

Mr. REYNOLDS. Mr. President, I could never agree to permit the passage of sections 3, 4, and 5 of the pending bill, because those three sections really make this an importation bill and not a deportation bill. I made that statement yesterday on the floor of the Senate; and, since the Senator has been good enough to mention that aspect of the matter. I wish to go further in explanation and state to the Members of this body that if sections 3, 4, and 5 of the bill are enacted into law they will make the bill an importation bill instead of a deportation bill. Those sections really provide for bringing in aliens instead of deporting them. If this bill is passed as now proposed, it will keep here all those who are here; and all those whose stay is legalized under sections 3, 4, and 5-and the bill legalizes their stay here-will have the right and privilege, under the immigration laws of the country, of bringing in the members of their families who now are abroad. So, instead of closing the floodgates of immigration, we shall be opening them up; and if we pass the bill there will be such a flood of immigrants that the recent physical floods cannot be compared with the thousands upon thousands who will be permitted legally to come into this country.

Unfortunately, very few persons understand anything about the Kerr-Coolidge bill. Most persons think it is an immigration bill. A great many persons think that all the individuals we are talking about here are persons of excellent character, as stated in the report in today's newspaper.

If the Senator now will permit me to proceed—because I do not wish to lose the thought—

Mr. COOLIDGE. I would not interfere with the Senator's line of thought; but, in regard to aliens coming into this country, I think the matter is very well guarded at the present time. I am sure the Senator knows that the officials of the Department of Labor have certain discretionary powers; and if they feel that a person coming into this country is liable to become a public charge in any way, shape, or manner, no matter if he does have relatives here, they make him give a good-sized bond, a bond that appears to be ample protection to guarantee that he shall not become a public charge on either the State or the Nation, and that he shall not become a charge on his relatives.

Mr. REYNOLDS. I may state for the Senator's information that the records show that because of a strict construction and interpretation of the public-charge clause, the State Department, through its various representatives in foreign ports, has been successful in keeping from this country within the past several years more than 1,000,000 immigrants who sought to come to this country. I think the Secretary of State, Hon. Cordell Hull, and the other officials of his Department, are to be congratulated upon that strict construction and interpretation of the public-charge clause.

Mr. COOLIDGE. Mr. President, is there not a dividing line which will enable us to proceed with this bill and then take up those three essentials of the Senator's bill? Can we not separate the two measures so that we may enact the Senator's bill as well as ours? I know that the other members of the committee, like myself, are entirely in sympathy with the Senator from North Carolina.

Mr. REYNOLDS. And I am entirely in sympathy with the Senator from Massachusetts. We are both working toward the same goal; but one goal is for America—

Mr. COOLIDGE. I cannot understand why two professional men cannot get together.

Mr. REYNOLDS. I believe we can get together and agree, with the consent of the other Members of this body, upon perhaps a commission to pass upon these 2,862 cases and see which ones really ought to remain here. I think we can get together on the matter. I thank the Senator for that statement; and I shall be very happy indeed, sometime at the Senator's leisure, to talk about the subject with him, because we are both interested solely in doing that which is best for the American people.

Mr. COOLIDGE. Then, why does not the Senator bring before the Senate, as amendments to the committee bill, any amendments he would like to present before the Senate and see whether or not the Senate will agree with him in regard to them? Why not first square away with this bill and then take up the Senator's bill?

The Senator from North Carolina is a professional man and a lawyer. There are eight other lawyers on the committee. Six of them have been sitting continuously in the hearings and in the executive sessions of the committee which framed the bill. The only fault that seems to be found with the bill is that one Senator, a member of the committee, has an amendment to offer to it.

Mr. REYNOLDS. I assure the Senator that I am not going to criticize the members of the Senate Committee on Immigration. I should not think of doing that; and if, at any time during the course of my argument, I should drop the slightest hint of criticism, I wish to be pardoned for it, because it would be far beyond me to criticize the members of the committee. But, like millions of other persons in the country, I feel that the Members of this body are entitled to know what the Kerr-Coolidge bill represents and what it really is designed to do. I feel it my honor-bound duty to oppose its passage with every ounce of strength I can command; and therefore I do not see how in the world we could ever agree to the Senator's proposal. Perhaps we can talk

about it a little later, however. I am glad the Senator has suggested a compromise.

Mr. COOLIDGE. We may have a respite of a week or so while the impeachment proceeding is going on.

Mr. REYNOLDS. Yes; we shall be able to talk it over, and perhaps we shall get somewhere. All we have to do is to look after our own home folks first, and then think about the other fellows.

Mr. COOLIDGE. There is nothing illogical about the Senator's three proposals.

Mr. REYNOLDS. I thank the Senator for that statement. Mr. COOLIDGE. I have always been in favor of restriction and limitation of immigration, and a better record of immigrants. As we are talking today, I understand that the Department of Commerce is taking a census; and I think they are trying to include in that census every alien. I hope so, at any rate. In fact, if we do have another census, the next census ought to include every alien in the country.

Mr. REYNOLDS. I am very happy to know that my colleague and friend agrees with me that all aliens should be

Mr. COOLIDGE. If we ask that the veterans receiving a bonus and a pension be fingerprinted, why not ask that aliens be fingerprinted, too?

Mr. REYNOLDS. The Senator is absolutely correct.
Mr. COOLIDGE. There is not another country in the world to which we could send thirty or forty thousand criminals annually which would accept them, is there?

Mr. REYNOLDS. The Senator is absolutely correct.

Mr. COOLIDGE. Then why do we not get together on two separate bills, and pass them both, if the Senator does not want these persons to come in?

Mr. REYNOLDS. I think possibly we can get together. I see that the Senator has my viewpoint about this matter, and I thank him for mentioning the fact that there ought to be fingerprinting of aliens, especially in view of the fact that we are fingerprinting our veterans. There is no earthly reason why we should not have aliens fingerprinted in order that we may ascertain the number of aliens in the country.

Mr. President, I have not finished with Mr. Grenier. We heard what Colonel MacCormack said about Mr. Grenier. Judging from what Colonel MacCormack says about Mr. Grenier, he is not a bad fellow at all. But I undertook, on my own initiative, to find out a little something more about George Gaston Grenier de la Paris. Here is what I found at the Department of Labor:

I went to the Department and personally investigated the records. I took with me a stenographic reporter to take down exactly what I found there. I found that George Gaston Grenier is not the angelic person so delightfully painted by the brush of Colonel MacCormack and his assistant artists. Before going into that matter, however, I wish to say this:

Senators remember that the Senator from Vermont [Mr. AUSTIN] brought to my attention the testimony of Colonel MacCormack before the committee of the Senator from Massachusetts [Mr. Coolinge], in which Colonel MacCormack said:

Why. Senator, we combed these cases with a fine-tooth comb. We went over them time and again.

Several pieces must have been broken out of the comb. however, because the Department missed more than they found. They must have been working very late at night; they must have been so sleepy and tired that they could not see the record, because here is what my eyes revealed in the morning light as to George Gaston Grenier:

The files of the Immigration Service show that Grenier entered the country illegally in 1926. He violated the law in coming into this country. He had no respect for the immigration laws of our country, and nobody else has respect for them. We might just as well understand that at this time. Nobody has any respect for our immigration laws, because aliens come in here every year by the thousands upon thousands in violation of our laws, in disrespect of our laws; and I do not wonder that that is a fact. Why should they have any respect for our laws? Why should the aliens

who are slipping into our country every day, overnight, have any respect for the immigration laws of the country, when our own Commissioner of Immigration and Naturalization has no respect for the laws we have made? I say that because the Department officials, out of ill respect and disrespect for our laws, have taken it upon themselves to hold in this country persons who have been declared mandatorily deportable.

Mr. BAILEY. Mr. President-

The PRESIDING OFFICER (Mr. Schwellenbach in the chair). Does the Senator from North Carolina yield to his colleague?

Mr. REYNOLDS. I am very glad to yield to my colleague. Mr. BAILEY. I am troubled by subsection (b) on page 3 of the bill introduced by my colleague, reading in this way:

Whenever the President shall proclaim an emergency to exist in the United States, the Secretary of Labor shall take into custody all aliens subsisting upon public or private relief and deport them forthwith to the country of their origin.

I wish to ask the Senator to clear my mind on the subject of the rights under the fifth and fourteenth amendments to the Constitution of a child born in this country, the son or daughter of an alien.

Mr. REYNOLDS. I assume the Senator is desirous of ascertaining from me as to whether or not we would have a right to deport that child?

Mr. BAILEY. That is precisely the question.

Mr. REYNOLDS. I am of the opinion that under those amendments to the Constitution, this Government would not have the right to deport that child; but it would have the right to deport the alien who had come into the country in violation of the law, and if he is a good man, if he is a Godfearing man, if he loves his own flesh and blood, he will take his child back with him.

Mr. BAILEY. Mr. President, that is not the question. The language is, "Whenever the President shall proclaim an emergency to exist the Secretary of Labor shall take into custody all aliens subsisting upon public or private relief and deport them forthwith to the country of their origin." It is not a matter of committing a crime, it is a matter of being here and of our deporting them. This would give the right to deport the father and mother, but I raise the question as to whether we could do that when the consequences would be to deport a child born in the United States, in the face of the fifth and the fourteenth amendments.

Mr. REYNOLDS. I am rather inclined to think that we could not deport the child. I am glad the Senator brought that to my attention. I desire to read an editorial in regard to aliens dependent upon this Government, but before I do that I will come back to the Senator's question, and I am very glad he raised the point. I desire to finish with George, and then I will come back to the Senator's question.

George came into this country illegally, without any respect for the law. George was a deserter from the French Army.

Mr. COOLIDGE. Is this the same George?

Mr. REYNOLDS. This is the same George. We will never forget George. Further, he stole an airplane. In the first place, he violated the immigration laws of our country by coming into the country. In the second place, he deserted from the army of his country.

We permit immigration into this country only for the purpose of adding to the strength of our country, benefiting our country, improving our country. There is no reason on earth why we should permit anyone to come into this country unless we want him, and the only reason why immigration is permitted is for the purpose of helping our country; it is not for the purpose of helping the alien.

What good would this man be to our country? If he did not have enough love and respect for the country of his birth, what do we want with him?

Mr. DAVIS. Mr. President, did I understand the Senator to say that he stole an airplane?

Mr. REYNOLDS. He stole an airplane.

Mr. DAVIS. Could he operate the plane himself?

Mr. REYNOLDS. Evidently.

Mr. DAVIS. Did he take it from one field and fly to

Mr. REYNOLDS. The record charges him with stealing an airplane.

Mr. COOLIDGE. Did he land in this country in an airplane?

Mr. REYNOLDS. He evidently landed safely.

Mr. COOLIDGE. Did he land in this country in an airplane?

Mr. REYNOLDS. He must have done so, according to Colonel MacCormack, because he was painted so lily white that he must have dropped out of the skies. That must have been how he got into this country. I never thought of that before. Colonel MacCormack painted him so lily white, perfumed like the lovely red, red rose in the springtime garden, that I can understand now how he got into this country. The colonel painted him so lily white and perfumed so deliciously that I could not imagine the man slipping across the border. Now I see how he got into the country. He must have flown over here and dropped down in a parachute from the skies.

Now, I desire to state something else about this man:

. That he gave false testimony in applying for United States citizenship.

He perjured himself.

That he was convicted of a bastardy charge.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. DAVIS. Was citizenship granted to him?

Mr. REYNOLDS. This is one of the fellows whom we should not send back, who, according to Colonel Mac-Cormack, is so pure and good, setting an example for the young of the country, a man who will contribute to the blood strain, to the stock, to the development of America, the greatest country on the face of the earth. That is the kind of people Colonel MacCormack wants to keep here in defiance of our laws.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. AUSTIN. I should like to ask the Senator from North Carolina whether this man is one of those included in this description of the 2,862, in a question in which Colonel MacCormack was asked whether they were habitual criminals or "tainted with any acts of conduct which would make them unfit for citizenship", and he answered, "Absolutely not."

Mr. REYNOLDS. This is one of them. According to Colonel MacCormack's description, he was whiter and purer than the paper I hold in my hand, which was probably made in Michigan.

I wish to show the sort of people who are coming into this country. I know that the Members of the Senate do not want to keep this kind of people in the United States, but I say that if they do want to keep such men here, it is all right with me. If they can stand them, I can stand them. But I am going to let the American people, the people of my State and the people all over this country, know where I stand on this matter. I am voting for Americans first, then I will think about the people in other portions of the world. But I want it understood that I am an American, I am for America for Americans, and I am going to stand by Americans first, last, and all the time, and afterward, if I have any time and energy left, I will give it to the people abroad.

Let us see what else we have here. Here is a man who got into the country illegally. He deserted from the army of his country. If we should naturalize him and give him American citizenship, during the next war he would desert from our Army. He perjured himself. He was convicted of a bastardy charge. This is the man referred to by the Senator from Vermont [Mr. Austin] when he asked me a moment ago whether this was one of the 2,862 cases who Colonel MacCormack says are men of fine character, and are not tainted with anything that is suggestive of immorality, that is suggestive of anything but fine, manly, courageous citizenship.

Let us see something more about George. If Colonel MacCormack can make a mistake in one, he can make a mistake in 2,862. Lo and behold, I find that this man entered this country twice illegally.

Grenier, according to the records, made two illegal entries into this country, his first arrival being dated back in 1919.

Listen to this carefully:

At that time he came into the country under false papers which he had purchased.

Not content with slipping in here the first time in violation of the law, after he was deported he actually had the gall and the nerve to buy a falsely prepared passport and to come in under that.

He was ordered deported to France in 1932, but somehow or other he managed to stay the deportation order, and it eventually was canceled.

Why was that deportation order canceled? Here is a man who, the law says mandatorily, must be deported, but the Commissioner of Immigration says, "You will do no such thing. I will pay no attention to the American laws, made by the American Congress. I know more than they do. I am going to do what I want to do. I will not send this man out of the country, even if the law says he ought to be sent out of the country, but I am going to keep him here." Why? At the suggestion of the board of review, that "hardboiled" board of review mentioned by my colleague the Senator from Vermont [Mr. Austin] he canceled the deportation order because a welfare agency somewhere said he ought not to be sent out of the country. The Commissioner is going to let the welfare agencies run the office. He is violating the law himself by not carrying out the laws of the country.

The welfare agency examined into his history.

That is the most remarkable statement I have ever read. The welfare agency said that he ought to be permitted to remain in this country because they had examined into his history. They did not find where he had come illegally into this country, did not find where he had deserted from the army of his country, that he had stolen an airplane, that he had debauched a poor woman.

Can I believe that the Members of the Senate would rely upon such statements as that in a matter of such importance as this? No! I declare a thousand times: no!

Listen to this. I particularly call this to the attention of the Senator from Vermont, who has been kind enough to listen to all this argument. I am glad indeed to see that he is interested in America for America first, and I want to say that the people of his Commonwealth are glad to know that he is interested in America, and not in aliens; that his sympathies are with Americans, and not with aliens. I wish all the people of America to know where my sympathies are. My sympathies are with the Americans and not with the aliens.

Listen to this:

One of the moving considerations which led the welfare agency in its report to recommend leniency in the case of Grenier was that if he should be returned to France he would face court martial.

Of all reasons for staying a deportation, of all reasons for keeping a criminal in this country, the reason assigned for not sending him back to France, the country whose flag he had dishonored, the soil of which he had besmirched, was that they did not wish to see the poor fellow court-martialed.

If an American of that kind were in France—assuming there ever was an American like that—how long do Senators think he would be permitted to stay there? He would be kicked out of France so fast that the seat of his trousers would be as full of holes as a Swiss cheese. [Laughter.] The seat of his trousers would look as the immigration laws of this country will look if the pending bill shall be passed.

That, Senators, is the case of George Gaston Grenier.

Later I shall discuss the question as to whether or not those who come into this country have to undergo physical examination upon their arrival. Before I reach that, however, I again wish publicly to thank the Senator from Vermont, who is standing for Americans in preference to aliens, for bringing to my attention the sworn testimony appearing in the hearings before the Committee on Immigration, United States Senate, Seventy-fourth Congress, second session, on Senate bill 2969, part 4, March 11, 1936. I read from page 201, that which was especially called to my attention by the Senator from Vermont.

Senator KING-

The Senator from Utah is a member of the Committee on Immigration, and at that time, as I recall, he was sitting with the chairman of the Committee on Immigration, the Senator from Massachusetts [Mr. Coolinge]. The Senator from Utah asked the question:

Those 2,800 deported are not habitual criminals, and are not tainted with any acts of conduct which would make them unfit for citizenship?

Colonel MacCormack, who was on the stand, answered under oath:

Absolutely not.

What in the world did Colonel MacCormack mean? Colonel MacCormack was before the Senate Committee on Immigration. Colonel MacCormack, I assume, had been sworn. I assume Colonel MacCormack was testifying under oath. If he was not under oath, at least he was testifying; and, regardless of whether or not the oath had been administered to him, he was supposed to tell the truth, the whole truth, and nothing but the truth, because the Senate Committee on Immigration was sitting as a body for the purpose of getting sufficient information on which intelligently to pass upon this most important legislation.

The Senator from Utah asked the question:

Those 2,800 deported are not habitual criminals, and are not tainted with any acts of conduct which would make them unfit for citizenship?

Colonel MacCormack answered:

Absolutely not.

He said "absolutely not." That is what he told the Senate committee. He said none of them were tainted. He said they were men of good character; there was nothing which would place them in a category which would make them unfit for citizenship.

I ask Senators to answer this question in their own respective minds conscientiously, as I know they will do: Would they consider fit for citizenship in this country a man who had entered this country illegally, in violation of the laws which Congress had made? Would they consider fit for citizenship in this country, and fit to associate with their blood kin or friends, a man who had deserted his flag, who had deserted his army, who had deserted the country of his birth? Would they consider fit for citizenship in this country a man who was a thief, who had stolen an airplane, who had perjured himself and sworn falsely by buying a counterfeit, a forged passport?

Senators certainly would not so consider. I can answer that question for them. I do answer that question for them, and I answer it unhesitatingly, because I know the character of men Senators are, and of what they are built. I know what consciences they have in their bosoms. No; George Grenier is not fit for citizenship in this country, but yet he is one of the 2,862 cases which Colonel MacCormack says are as pure as the drifted snow, and which should be permitted to remain in this country.

I know there are some cases out of the 2,862 which are worthy of consideration, and my heart goes out in sympathy to the persons involved, and I wish them to stay in this country; but I am not willing to help pass a law which will blanket into this country 2,862 people, the greater portion of whom are not entitled to be in this country. I should be derelict in my duty if I helped to pass upon 2,862 cases under a blanket law when I knew I was doing an injustice to the 12,625,000 unemployed persons in this country, and to the millions of persons upon relief.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER (Mr. MURPHY in the chair). Does the Senator from North Carolina yield to the Senator from Kentucky?

Mr. REYNOLDS. I yield.

Mr. BARKLEY. What is the Senator's theory as to those who ought to pass upon the cases and decide whether or not they should remain here? Congress cannot do it.

Mr. REYNOLDS. Oh, yes; we can, Senator. Mr. BARKLEY. We cannot take up every individual case and pass an act concerning that case. We never could do that.

Mr. REYNOLDS. There are a number of bills pending before Congress now, known as private bills, giving relief to such individuals. Further, I wish to say to the Senator that I could not trust, and I do not believe anybody else could trust, the Immigration and Naturalization Service to pass upon these cases after Colonel MacCormack testified before the committee of the Senate that they were all lily white, that there was nothing in the world wrong about them, that there was nothing about them that would not make them

Perhaps we can come to some conclusion concerning a commission or a committee to pass upon such cases. One could go through a hundred of those cases in the Department every day and get the facts, if one were willing to work 8 or 10 hours a day, and pass upon these cases, and present a bill covering each case. But what is asked to be done in the pending bill is to blanket into this country 2.862 criminal aliens, 98 percent of whom have violated the criminal laws of this country, as admitted by Colonel MacCormack; and it might mean, with respect to a million such cases in the next 3 years, that the same Department of Labor shall be given power to say whether or not the aliens shall be permitted to violate the laws of this country.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. AUSTIN. I should like to ask whether the Senator from North Carolina believes the pending bill would be more endurable if the Senate should adopt the amendment proposed by the Senator from Vermont, which divides the sheep from the goats, and puts all the criminal class out of the discretion which is granted to a departmental committee, and leaves to the departmental committee in all cases where hardship would result, and where the only offense was that of illegal entry into the United States, the right to permit such persons to remain in the United States and to become citizens? Would not the bill be more tolerable than it now is if such an amendment were placed in it?

Mr. REYNOLDS. I wish to say very frankly to the Senator that any amendment which would separate the black sheep from the white sheep would strengthen the bill, because to blanket into the country all these 2,862 cases is unfair to the American people. The bad thing about this bill is that in section 3 not only does it blanket in those who came into the United States illegally but it gives discretionary power to an interdepartmental committee for a period of 3 years, during which it may pass upon the cases of a million people which may come before the committee for decision as to deportation. I cannot bring myself to let any interdepartmental committee pass upon those cases after having read the record.

I am going further into the matter mentioned sometime back by the Senator from Vermont, who has contributed very largely to this debate.

Mr. VANDENBERG. Mr. President, will the Senator yield? Mr. REYNOLDS. I yield.

Mr. VANDENBERG. Would the Senator resist the amendment proposed by the Senator from Vermont?

Mr. REYNOLDS. I wish to state very frankly to the Senator from Michigan that I have not had time to give study to it; but at a later date I hope to confer with my colleague the Senator from Vermont regarding the matter.

Mr. VANDENBERG. I should like to say to the Senator that many of us have a profound sympathy with the fundamental thesis which the Senator from North Carolina is developing. We simply have a doubt in our minds regarding some of the situations referred to, which, it seems to me, could appropriately be covered without any derogation of the main purpose sought by the Senator from North Carolina. I recommend to the Senator that he consider the amendment

proposed by the Senator from Vermont.

Mr. REYNOLDS. I thank the Senator. He has expressed my opinion precisely. As I stated a moment ago, just previous to the contribution to the discussion by the Senator from Michigan, whose fine home city of Grand Rapids is so favored, that I know there are many worthy cases in the 2,862. I do not want to send any worthy aliens out of this country. If I should send any such person out of this country by my efforts or the efforts of those who are cooperating with me in this matter, I would feel very badly about it; I would feel very sad. It would hurt me deeply to bring sorrow into the heart of any little child or to any wife or to any father. I want to avoid that; but I do not want to blanket all these people in here now and have the people of the world say, "Did not I tell you what the immigration law of the United States amounted to?" I want to make the people of the world respect our immigration laws, even if the people of America do not respect their own laws. It is unfortunate that our reputation has gone far and wide to the four corners of the earth and over the waters of the seven seas as being the most lawbreaking people upon the face of the earth, attributable to the delays in trial procedure and other things.

Listen to what Colonel MacCormack says. On page 202and this was brought to the attention of the Senate a moment ago by the Senator from Vermont [Mr. Austin]-

Every stayed case has been repeatedly reviewed.

He testified to that before the committee.

In the first 2,000 cases about a dozen bad ones were found.

He says that "in the first 2,000 cases about a dozen bad ones were found", while I examined 30 and found about 20 had ones.

Mr. DAVIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. REYNOLDS. I yield.

Mr. DAVIS. Did the Senator examine the two-thousandeight-hundred-odd cases?

Mr. REYNOLDS. No, sir; I did not. I picked at random some 20 or 30 or 40 cases.

Mr. DAVIS. From the files?

Mr. REYNOLDS. From the files. I did not ask of those in charge of the files for any particular cases. I said, "Just pick them out of the files and bring them here."

Mr. DAVIS. Does the Senator think the same ratio runs

all through the 2,862 cases?

Mr. REYNOLDS. I cannot say that; I would not want to say that; but if the Senators are sufficiently interested in the problem, that is of more interest to the great masses of the American people than any other legislation before this body now-and there can be no question about that-if they want more information about it I wish to say that I will gladly go to the Department of Labor with an official reporter or representative or anyone else and just ask them to pick out a hundred cases, make a record of them, and bring them into this body and see what they turn out to be. I want to do the right thing, but I am getting sick and tired of our crying over and giving consideration to foreigners when we ought to be thinking about our people here at home. We had better be thinking about our own and not crying about the poor aliens. That is the way I feel about it, and that is the way millions upon millions of people in this country feel about it.

Mr. DAVIS. Of the 2,800 cases, how many of the persons involved had jobs?

Mr. REYNOLDS. That would be quite problematical, because the fact is revealed that there have been at one time or another more than 1,500,000 aliens upon our relief rolls; and during the time that 1,500,000 were on the relief rolls they sent back to their respective homelands from which they came in international money orders more than \$250,-000,000, as has been estimated.

Mr. DAVIS. Those who have entered surreptitiously, if

they are employed, have jobs that ought to belong to legally admitted aliens who are now on relief, as well as to American citizens now on relief.

Mr. REYNOLDS. Certainly. Every job that is held by an alien today is a job taken away from an American.

Mr. DAVIS. I am talking about the illegal aliens.

Mr. REYNOLDS. As to them, it is estimated that they are anywhere from 1,000,000 to 5,000,000 in the country.

Mr. DAVIS. Within the time the interdepartmental committee has the right to give legal status to illegal aliens here, how many are there who can come within that time limit? I have forgotten the number of years which the bill provides.

Mr. REYNOLDS. Three years.

Mr. DAVIS. It is to be in effect for 3 years, but it goes back so many years—I have forgotten the exact language of the bill. How many came in illegally up to that particular time which is made the deadline?

Mr. REYNOLDS. There is no way of telling, because we do not know how many people have entered the United States illegally; we have no registration of them. When we started out on our emergency-relief program, if Mr. Hopkins had had on his charts or his cards a notation that designated whether the individual was an alien or a citizen. whether he was foreign-born or American-born, whether he was naturalized or not, we would know how many aliens there are on relief rolls: but there was no such designation made upon the cards by Mr. Hopkins.

Mr. DAVIS. The Senator would not want to deny general relief to one who had legally been admitted here?

Mr. REYNOLDS. I would not.

Mr. DAVIS. Such an alien has cast his lot with us, and is he not, under proper circumstances, entitled to relief?

Mr. REYNOLDS. He is entitled under international law to the same benefits to which our citizens are entitled. I thank the Senator for his contribution.

Mr. NEELY. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from West Virginia?

Mr. REYNOLDS. I gladly yield to my distinguished friend from the State of West Virginia.

Mr. NEELY. The Senator just stated that Mr. Hopkins did not designate on his records whether certain persons were aliens or American citizens. In order to avoid the possibility of an inference of neglect of duty on the part of Mr. Hopkins being drawn from that statement, I venture to inquire of the Senator from North Carolina if it is not a fact that it was impossible for Mr. Hopkins to indicate whether persons on the relief rolls were aliens because of the nonexistence of record evidence concerning the matter?

Mr. REYNOLDS. I am glad the Senator makes that sug-

gestion.

Mr. DAVIS. If the Senator from North Carolina will permit me, let me state that I think those who are handling relief and the employers of labor in the United States who have hired aliens should ascertain first whether they were legally admitted into the United States and if they have come in within the last year. Under the passport law, which, I think, was put in effect in 1927 or 1928, a certain certificate is attached to the passport. When a legal alien left the ship and was admitted by the immigration inspectors at the port, he was given such a certificate to show that he was legally in the country. There is no trouble about asking the alien when he goes to a place of business whether he was legally admitted and whether he is a citizen. Of course, if he is a citizen, that is all to the good for him. If he is an alien, he may be told, "Show your papers to prove that you were legally admitted." He ought to have those necessary papers to show that he was legally admitted; and when he applies for relief, he ought to show his certificate of legal entry to establish that he is legally in the country.

Mr. REYNOLDS. Yes, sir. Now, in regard to what my friend and colleague said a moment ago: At the time we were preparing to take care of the millions upon millions of unfortunate people in this country, everything possible that should have been done could have been done. I am not by any means criticizing Mr. Hopkins, I want my friend from West Virginia to understand—not at all—because, even if it had been shown that these people were not entitled to relief because they had come into the country illegally, we would difference; but that, whether they were black or white, or whatever their religion was, or whatever portion of the world they came from, they would be cared for. We are a bighearted, generous people, and we would not have permitted anybody to have starved or to have gone naked or cold. I mention incidentially, in connection with the chart on the wall, to which I expect to make reference in the next day or two in regard to this question, that if we had thought about it, proper records could have been kept. I will admit that if I had been in Mr. Hopkins' place that I would never have thought about it: I would never have thought at that time about putting on each card whether a person was an alien or an American. It just would not have gotten to my mind; but, if that had been done or if it could be done now, for that matter, then we could have some general idea of the number of aliens in this country; whereas, as it is, we have no idea whatsoever as to the number in the country.

Mr. DAVIS. Mr. President-

Mr. REYNOLDS. I gladly yield to the Senator from Pennsylvania.

Mr. DAVIS. Does the Senator fully understand that every immigrant admitted to the country must pass certain medical inspection?

Mr. REYNOLDS. That is my understanding, in cases where the alien enters legally.

Mr. DAVIS. But where he enters illegally he is not subject to medical inspection.

Mr. REYNOLDS. That is quite true.

Mr. DAVIS. Since the inspectors have taken them in charge and since the time has been extended and they are permitted to remain in the country, I wonder if the aliens involved in the 2.862 cases have been sent to the Department of Public Health of the Government to be examined to ascertain whether they have no contagious disease. Does the Senator know whether any of the reports show that that was done?

Mr. REYNOLDS. The records do not show. Mr. COOLIDGE. Have the 2,862 people filed some sort of bond with the Government?

Mr. REYNOLDS. It is my understanding some of them have filed bonds, and some of them have been turned loose on their own recognizance.

Mr. DAVIS. May I say to my very distinguished friend from Massachusetts that in many instances the bonds were forfeited and the parties are at large in the country? It is impossible to find them. A man's name may be Mr. A today and tomorrow it is Mr. B. If I remember correctly, the Government collected thousands upon thousands of dollars because of bonds which had been defaulted.

Mr. REYNOLDS. That is quite true. I am sure the Senator from Pennsylvania knows, because he was Secretary of Labor under two Presidents.

Mr. DAVIS. I have in mind that at one time we had a very difficult time with Chinese who had been in this country and gone to China again and wanted to reenter without examination. We insisted that the Public Health Service should examine them, even though they were coming back to a legal domicile. We found then a new disease which was called clonorchiasis. It was said to be a very contagious The Public Health Service had a very difficult time in handling it. I am wondering whether it would not be wise for the Senator to ask the Public Health Service now to make similar examinations if the excepted aliens are going to remain in the country temporarily?

Mr. REYNOLDS. I thank the able Senator from Pennsylvania for that suggestion. I think it a very good suggestion, particularly in view of the fact that it is the purpose of those of us who are interested in the American people to see that they are spared from any immediate association with those who are afflicted with contagious diseases.

Mr. DAVIS. I am sure the Senator knows about the examinations which are made under the La Follette Seamen's Act, which was probably a new charter of liberty for the seamen who work on the ships that travel to practically every port in the country. Every time they make a trip the

have said—as we all know—that it would not have made any seamen are examined. During our more prosperous days I understand more than a million seamen were examined. If it was found they had a contagious disease, they would be taken off the ship and sent to the port hospital and treated at the expense of the ship. The Government, of course, furnished the service and would charge the expense to the ship. I think many thousands of dollars were so charged in such cases.

> When we had thus cleared more than a million seamen they had a right under the law to remain in the United States for 60 days, and I would not change that law, because it is the seamen's charter of liberty. But the Chinese, Japanese, and Hindoos who come here get the same right of entry, and then go into the interior, where it is impossible to find them. The same thing is true of a good many other aliens.

> Mr. REYNOLDS. Mr. President, continuing with the suggestion made by way of reference to the hearings before the Senate committee, Colonel MacCormack said:

> Every stayed case has been repeatedly reviewed. In the first 2,000 about a dozen bad ones were found.

> They came in to us from the field and had all the superficial evidences of being within the class which we are proposing to stay, but when they were reviewed we found a number of bad

In other words, they took out the bad ones and left the 2,862.

Senator Austin. Just what do you mean by "bad ones", Colonel?

Mr. MacCormack. Criminals. Each case, however, has been reviewed several times. In the first 2,000 we found a dozen really bad ones, including criminals. These and hundreds of others have since been rejected because they did not meet the conditions stated in the bill, or even if they met the conditions stated in the bill, because it did not appear in the public interest that the stay be granted. For example, a man might be of good character, no criminal record, have lived here a long time, with his wife and children, but yet be no use to his family, not support them. A case like that is rejected.

Senator King. He would be deportable?

Senator King. He would be deportable?

Mr. MacCormack, We have done that in hundreds of cases. have only stayed cases that to a careful administrator, looking out for the interests of the United States, seemed to warrant a stay. There has been no sentiment about it. The cases have been scrutinized by Shaughnessy here and his hard-boiled board of review, and there is darned little sentiment entering into the

I wonder what came over that "hardboiled" board of review when they let George G. Grenier stay on the list of 2,862.

At that same meeting the Senator from New Jersey [Mr. Moorel directed this inquiry to Colonel MacCormack:

Maybe they do not understand the bill.

Mr. MacCormack. I know that they do not understand the bill. If they did understand it, they would not oppose it.

The very trouble about it is that we do understand the bill, and that is why we are opposing it.

Colonel MacCormack went on to say:

I would like to analyze the 2,862 stayed cases.

Mr. ROBINSON. Mr. President, will the Senator from North Carolina yield to me to enable me to call up another

Mr. REYNOLDS. I am delighted to yield to my good friend from Arkansas for that purpose.

REGISTRATION OF LOBBYISTS

Mr. ROBINSON. Mr. President, yesterday I asked the Presiding Officer to lay before the Senate a message from the House of Representatives relative to House bill 11663. At the time the request was made it was explained that the Senate had passed a Senate bill (S. 2512) in May 1935, and that the House bill had passed the House March 27, 1936. The two bills are different but relate substantially to the same subject matter.

I asked the Senate to proceed to the consideration of the House bill with a view to moving to strike out all after the enacting clause and insert in lieu thereof the Senate bill. The Senator from Michigan [Mr. Couzens] desired an opportunity to look into the proposed legislation, and the matter went over until today.

I desire now to renew my request.

Mr. COUZENS. Mr. President, since I objected to the procedure last evening proposed by the Senator from Arkansas I have looked into the bill passed by the Senate, Senate bill 2512, and compared it with House bill 11663. The Senator from Arkansas proposes a substitution of the language of the Senate bill for the text of the House bill.

At that time I took the position that none of us understood-at least, I did not understand-the exact difference between the two bills. I have since examined both of the bills. They are both simplified by being called antilobbying bills.

There is a very clear distinction, a very vital distinction, between the bill passed by the Senate, Senate bill 2512, and the bill passed by the House of Representatives on March 27, House bill 11663. The Senate bill is in every respect far preferable to the House bill. In my judgment, the Senate bill covers a wider and more important field than does the House bill. The fear I entertained last night was that when the bill goes to conference—and that will be the procedure—the Senate may yield to the House regarding the provisions of the House bill, and the most important features of the Senate bill may be omitted in conference.

The Senate bill proposes to deal with individuals who engage in lobbying before Congress, as well as with those who engage in lobbying at departments of the Government. Senate bill 2512, which passed the Senate May 28, 1935, relates not only to persons who engage in lobbying before the Congress for legislation but also to those who practice before the departments in the interest of contractors or claimants, or with reference to any other matter with which the department heads may have authority to deal. The Senate bill provides that all such persons shall register and that they shall file reports as to their income. The House bill leaves entirely out of consideration any reference to lobbying or working with or soliciting favors or privileges from any of the departments of the Government. There is absolutely no reference to such procedure in the House bill.

While I recognize, from a parliamentary standpoint, that we probably shall have no opportunity of dealing with the matter except in conference, I wish to say that I think it would be better to defeat any antilobbying legislation than to attempt to accept as a compromise the House bill in preference to the Senate bill. Having had the opportunity of making this statement today, I withdraw any objection such as I made last night.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas?

Mr. AUSTIN. Mr. President, the Senator from Oregon [Mr. McNary] was necessarily called from the floor a few moments ago. Before leaving he authorized me to say if this matter should come up that he had no objection to the request; and I have no objection to it.

There being no objection, the Senate proceeded to consider the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes.

Mr. ROBINSON. Mr. President, I move to strike out all after the enacting clause of the bill, and to insert in lieu thereof the provisions of Senate bill 2512.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed, as follows:

Be it enacted, etc., That any person who shall engage himself for pay, or for any consideration, to attempt to influence legisla-tion, or to prevent legislation, by the National Congress, or to tion, or to prevent legislation, by the National Congress, or to influence any Federal bureau, agency, or Government official, or Government employee, to make, modify, alter, or cancel any contract with the United States Government, or any United States bureau, agency, or official, as such official, or to influence any such bureau, agency, or official in the administration of any governmental duty, so as to give any benefit or advantage to any private corporation or individual, shall before entering into and engaging in such practice with reference to legislation as herein set out

register with the Clerk of the House of Representatives and the register with the Clerk of the House of Representatives and the Secretary of the Senate, and shall give to those officers his name, address, the person, association, or corporation, one or more, by whom he is employed, and in whose interest he appears or works as aforesaid. He shall likewise state how much he has been paid, and is to receive, and by whom he is paid, or is to be paid, and how much he is to be paid for expenses, and what expenses are to be included, and set out his contract in full.

SEC. 2. Any person, before he shall enter into and engage in such practices as heretofore set forth, in connection with Federal bureaus, agencies, governmental officials, or employees, shall register with the Federal Trade Commission, giving to the Federal Trade Commission the same information as that required to be given to the Clerk of the House and Secretary of the Senate in section 1 of this act. this act.

SEC. 3. At the end of each 3-month period, each person engaged in such practices as aforesaid shall file, either with the Federal Trade Commission or the Clerk of the House or the Secretary of the Senate, as required herein, a detailed report of all moneys received and expended by him during such 3-month period in carrying on his work as aforesaid, to whom paid, and for what purpose, and the names of any papers, periodicals, or magazines in which he has caused any articles or editorials to be published.

Sec. 4. All reports required under this bill shall be made under oath, before an officer authorized by law to administer oaths.

oath, before an officer authorized by law to administer oaths.

SEC. 5. Any person who may engage in the practices heretofore set out without first complying with the provisions of this act shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than \$5,000 or imprisonment for not more than 12 months, or by both such fine and imprisonment.

SEC. 6. Any person who shall make a false affidavit, where an affidavit is required in this act, shall be guilty of perjury and upon conviction shall be punished by imprisonment for not more than 2 years.

years. SEC. 7. A new registration shall be required each calendar year on or before January 15.

The title was amended so as to read: "A bill to require registration of persons engaged in influencing legislation or Government contracts and activities."

Mr. ROBINSON. I move that the Senate insist upon its amendment and ask for a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. ASHURST, Mr. KING, and Mr. BORAH conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. ROBINSON. Mr. President, the Senator from North Carolina [Mr. REYNOLDS] has not concluded his remarks, and I am informed that he will require some considerable time to do so. With that understanding, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. Reports of committees are in order. If there be no reports of committees, the clerk will state the first nomination in order on the calendar.

POSTMASTER

The Chief Clerk read the nomination of Claude C. Badeaux to be postmaster at Garden City, La.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

That completes the calendar.

Mr. ROBINSON. Mr. President, I understand that the chairman of the Committee on Foreign Relations desires to call up a matter which is on the calendar.

CONVENTION BETWEEN UNITED STATES AND MEXICO FOR PROTEC-TION OF MIGRATORY BIRDS AND GAME MAMMALS

Mr. PITTMAN. Mr. President, I ask the Chair to lay before the Senate Executive A (74th Cong., 2d sess.), being a convention between the United States of America and the United Mexican States for the protection of migratory birds and game mammals, signed at Mexico City, February 7, 1936.

The VICE PRESIDENT. The Chair lays before the Senate a convention, which will be read by title.

The Chief Clerk read the convention by title.

Mr. PITTMAN. Mr. President, this convention is similar to the one we have entered into with Canada with regard to the same subject matter. I will say frankly, however, that this convention does not go nearly so far as did the other one. The present convention provides that there shall be a closed season for migratory birds between March 10 and

September 1. It also provides that there shall not be any shooting season longer than 4 months. It provides against killing insectivorous birds. It provides against the transportation of either migratory birds or mammals across the boundary line without the consent of both parties to the convention. It is an advance in the right direction and is unanimously approved by the committee, and I hope it will be ratified.

Mr. AUSTIN. Mr. President, at this hour on Saturday afternoon, with so many Senators absent, I should feel obliged to suggest the absence of a quorum if we were to proceed with the consideration of the convention.

Mr. PITTMAN. In that case, Mr. President, I withdraw the request for the consideration of the convention at this time.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON. Mr. President, I wish to state that on Monday, if the Senator from North Carolina [Mr. Reynolds] will yield the floor for that purpose, when the opportunity arises I shall ask that the Senate proceed with the regular order of business.

Attention is also called to the fact that the Senate is to sit as a Court of Impeachment beginning at 12 o'clock noon on Monday.

I move that the Senate take a recess until Monday next immediately following the conclusion of the impeachment proceedings on that day.

The motion was agreed to; and (at 2 o'clock and 30 minutes p. m.) the Senate took a recess until Monday, April 6, 1936, immediately following the conclusion of the impeachment proceedings.

CONFIRMATION

Executive nomination confirmed by the Senate April 4 (legislative day of Feb. 24), 1936

POSTMASTER

LOUISIANA

Claude C. Badeaux, Garden City.

SENATE

MONDAY, APRIL 6, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting as a Court for the trial of articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian, having adjourned to that hour while sitting as a Court on Friday, April 3, 1936.

The managers on the part of the House, Hon. Hatton W. Sumners, of Texas; Hon. Randolph Perkins, of New Jersey, and Hon. Sam Hobbs, of Alabama, accompanied by the clerk of the Committee on the Judiciary of the House of Representatives, Elmore Whitehurst, and by Thomas M. Mulherin, special agent, Federal Bureau of Investigation, Department of Justice, appeared in the seats provided for them.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms will make proclamation.

The Sergeant at Arms made the usual proclamation.

The VICE PRESIDENT. The Chair will inquire if any Senators are present who have not as yet taken the oath as members of the Court? If so, the Chair will administer the oath.

Mr. Gerry rose, and the cath was administered to him by the Vice President.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	La Follette	Radcliffe
Ashurst	Couzens	Lewis	Reynolds
Austin	Davis	Logan	Robinson
Bachman	Dieterich	Lonergan	Russell
Bailey	Donahey	Long	Schwellenbach
Barbour	Fletcher	McGill	Sheppard
Barkley	Frazier	McKellar	Shipstead
Benson	George	McNary	Smith
Black	Gerry	Maloney	Steiwer
Bone	Gibson	Metcalf	Thomas, Okla.
Brown	Glass	Minton	Thomas, Utah
Bulkley	Guffey	Moore	Townsend
Bulow	Hale	Murphy	Truman
Byrd	Harrison	Murray	Vandenberg
Byrnes	Hastings	Neely	Van Nuys
Capper	Hatch	Norris	Wagner
Caraway	Hayden	Nye	Walsh
Carey	Holt	O'Mahoney	Wheeler
Clark	Johnson	Overton	White
Connally	Keyes	Pittman	
Coolidge	King	Pope	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. Costigan], the Senator from California [Mr. McAdoo], and the Senator from Florida [Mr. Trammell] are absent because of illness; that the Senator from New Mexico [Mr. Chavez] is absent because of illness in his family; and that the Senator from Mississippi [Mr. Bilbo], the Senator from Wisconsin [Mr. Duffy], the Senator from Nevada [Mr. McCarran], the Senator from Georgia [Mr. Russell], the Senator from Nebraska [Mr. Burke], and the Senator from Oklahoma [Mr. Gorel] are necessarily detained from the Chamber. I ask that this announcement stand of record for the day.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson] is necessarily absent.

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

Mr. ASHURST. I ask unanimous consent that the Journal of the proceedings for the last session of the Senate, sitting as a Court of Impeachment, be considered as read and approved.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LOGAN. I send to the desk an order and ask for its adoption.

The VICE PRESIDENT. The clerk will read the proposed order.

The legislative clerk read as follows:

Ordered, That the opening statement on the part of the managers shall be made by one person, to be immediately followed by one person who shall make the opening statement on behalf of the respondent.

The VICE PRESIDENT. Is there objection to the order? The Chair hears none, and the order is entered.

Mr. KING. Pursuant to the practice heretofore observed in impeachment cases, I send to the desk an order, and ask for its adoption.

The VICE PRESIDENT. The order will be stated.

The legislative clerk read as follows:

Ordered, That the witnesses shall stand while giving their testimony.

The VICE PRESIDENT. Is there objection to the adoption of the order? The Chair hears none, and the order is entered.

REPLICATION OF MANAGERS ON THE PART OF THE HOUSE

The VICE PRESIDENT. Do the managers on the part of the House desire to make an opening statement?

Mr. Manager SUMNERS. Mr. President, the managers on the part of the House desire to make an opening statement, but prior to that the managers desire to have filed—and I assume it should be read—a very brief replication, which is according to the practice in impeachment proceedings.

The VICE PRESIDENT. Does the manager want it read or printed in the RECORD and Journal?

Mr. Manager SUMNERS. It is not of concern. It may just as well be printed. It is a formal matter.

The VICE PRESIDENT. Without objection, the replication filed by the managers on the part of the House will be considered as read and will be printed in the Journal and the RECORD.

The replication is as follows:

REPLICATION OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE ANSWER OF HALSTED L. RITTER, DISTRICT JUDGE OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF FLORIDA, TO THE ARTICLES OF IMPEACHMENT, AS AMENDED, EXHIBITED AGAINST HIM BY THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF

The House of Representatives of the United States of America, having considered the several answers of Halsted L. Ritter, district judge of the United States for the southern district of Florida, to the several articles of impeachment, as amended, against him by them exhibited in the name of themselves and of all the people of the United States, and reserving to themselves all advantages of exception to the insufficiency, irrelevancy, and impertinency of his answer to each and all of the several articles

impertinency of his answer to each and all of the several articles of impeachment, as amended, so exhibited against the said Halsted L. Ritter, judge as aforesaid, do say:

(1) That the said articles, as amended, do severally set forth impeachable offenses, misbehaviors, and misdemeanors as defined in the Constitution of the United States, and that the same are proper to be answered unto by the said Halsted L. Ritter, judge as aforesaid, and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

(2) That the said House of Representatives of the United States of America do deny each and every averment in said several answers, or either of them, which denies or traverses the acts, intents, misbehaviors, or misdemeanors charged against the said Halsted L. Ritter in said articles of impeachment, as amended, Halsted L. Ritter in said articles of impeachment, as amended, or either of them, and for replication to said answers do say that Halsted L. Ritter, district judge of the United States for the southern district of Florida, is guilty of the impeachable offenses, misbehaviors, and misdemeanors charged in said articles, as amended, and that the House of Representatives are ready to prove the same.

HATTON W. SUMNERS, On behalf of the Managers.

OPENING STATEMENT ON BEHALF OF THE MANAGERS ON THE PART OF THE HOUSE OF REPRESENTATIVES

Mr. Manager SUMNERS. Mr. President, Mr. Manager PERKINS will make a statement on behalf of the managers on the part of the House.

The VICE PRESIDENT. May the Chair suggest to the manager on the part of the House that he stand at the desk in front of the Vice President?

Mr. Manager PERKINS (speaking from the desk in front of the Vice President). Mr. President and Senators, the managers on the part of the House deem it practical to make a simple, plain opening statement of the facts expected to be proved on the part of the House in this impeachment proceeding against Judge Ritter.

There are seven articles of impeachment. The first is an article which charges that Judge Ritter received from his former partner in the law business the sum of \$4,500 without any consideration, that that money was corrupt and dishonest money, and that therefore Judge Ritter should be impeached.

The facts are that late in the year 1929 Judge Ritter came to Florida, and in 3 short years was a judge on the Federal bench. About 6 months after he arrived in Florida he was admitted to the Florida bar and shortly thereafter went into partnership with a man named A. L. Rankin. That partnership continued about 21/2 years and was dissolved upon the appointment of Judge Ritter to the bench. The partnership was a small law business, the income of the partners being divided equally, amounting to less than \$5,000 a year to each partner.

When Judge Ritter went on the bench not one word was said to anyone about his having an agreement to have Mr. Rankin purchase from him his partnership assets. Nearly 2 years passed by. If there were any such agreement it was locked up in the secrecy of their hearts during all that time. No demand was ever made by Judge Ritter upon Mr. Rankin for a payment on account to him because of dissolution of the partnership. No letter was written by one to the other, and there was no agreement or promise in writing of any kind.

Nearly a year after Judge Ritter went on the bench a lawyer named Richardson, who had been trustee and was then trustee in bankruptcy of a beautiful hotel at Palm Beach. conceived the idea of continuing himself in office as trustee or as receiver. He took into the arrangement with him a

lawyer named Metcalf. They started to prepare the information necessary to file a bill to foreclose the first mortgage on the hotel before the trusteeship had been terminated. During the trusteeship a third mortgage had been foreclosed, the property was purchased, and the deed delivered to a man named Moore, representing the holder of the third mortgage.

Mr. Richardson and Mr. Metcalf, finding the operation of the hotel was a very valuable thing, sought out the former partner of Judge Ritter, to wit, Mr. Rankin, and combined him with them with a view to perpetuating the hotel property in litigation. Mr. Richardson said in one of his communications that for 6 months he had been planning and scheming and devising a method by which the property could be taken away from those who had purchased it on the foreclosure on the third mortgage and thrown back into his possession either as receiver or trustee, or at least get it back into litigation.

Richardson, Metcalf, and Rankin represented no one connected with the hotel, but they sought clients. Through the strategic position Mr. Richardson had by reason of being trustee in bankruptcy, having all the documents and papers connected with the hotel, he finally located a number of persons who held first-mortgage bonds.

The first-mortgage bond issue was \$2,500,000, distributed among 7,000 owners throughout the United States. During a number of months Richardson and Metcalf, with Rankin, were scouring the country to some extent to find persons who might lend their names to them to begin suit to foreclose the mortgage. Under the terms of the trust deed the mortgage could be foreclosed only by either the trustee or bondholders holding bonds to the extent of \$50,000.

Up to the time of 2 weeks before the filing of the bill-in fact, 1 week before the filing of the bill-all the bondholders these men had been able to get together held bonds amounting to only \$4,500. Mr. Richardson, by reason of the fact that he was trustee, received a communication from a man in Boston named Bert Holland, in which Holland asked the trustee what was the situation in the bankruptcy proceeding. Richardson then sought Holland and asked what was his interest in the hotel. He learned Holland had \$50,000 of bonds which he held as trustee. He then communicated with a man named Sweeny, who, under the trusteeship had been operating the hotel, and asked Sweeny to see Holland; to see if they could not get Holland to come into the plan of permitting Richardson and Metcalf and Rankin to file the bill to foreclose the mortgage.

About the 3d of October 1929 Sweeny obtained permission from Holland to file the bill to foreclose the first mortgage. Mark you, gentlemen of the Senate, long before the 3d of October 1929, Richardson, Metcalf, and Rankin had been seeking a client. No client had been seeking a lawyer in the case. They had been amassing information, gathering it from the files of the trustee, gathering it out of the court, getting it from the courthouse where the mortgage and a copy of the bonds were recorded. Before they obtained the client on the 3d of October 1929, they had practically prepared a bill to foreclose the mortgage.

On the 3d of October Holland gave his consent. He then communicated with other bondholders, and on the 10th of October he notified Mr. Rankin, former partner of Judge Ritter, not to proceed in the case and not to file the bill to foreclose the mortgage. He notified him by wire. The wire was received by Rankin on the 10th of October 1929, and before the bill was filed. In response to that wire Rankin stated in a telegram that he had mailed the bill of foreclosure from his office at West Palm Beach to Miami, but it had not reached the clerk's office, and in fact it did not reach the clerk's office until the 11th of October, giving the lawyer ample time to telephone or telegraph or, perhaps, even to write to notify the clerk not to file the bill, as directed by the client.

On the 16th of October Mr. Holland forwarded another wire to Mr. Rankin and told him not to proceed with the foreclosure suit at all, that he did not want a receiver, that he was acting with the bondholders' committee for the protection of the bondholders. Notwithstanding that, Mr. Rankin, knowing that without Holland and the \$50,000 of bonds he held it would be impossible for them to proceed with their foreclosure, filed an intervention on behalf of \$4,500 worth of bonds to clinch the proceedings in the court and make it impossible for Holland to get out.

When Rankin sent the bill of complaint to the clerk at Miami he wrote a letter, which will be produced in evidence before this honorable body, in which he said he was enclosing the bill, and in which he asked the clerk of the court to put the bill under lock and key and not let anyone know it was filed, to keep the newspapers from having information in order that there should be no publicity—until when? Until the return of Judge Ritter, who then had been trying some cases in the city of New York.

During the latter part of September and the early part of October, Judge Ritter was engaged in trying cases in Brooklyn, N. Y. After this conspiracy had been fomented and this litigation started on its way, and before the client had been obtained by these champertous attorneys, Richardson and Rankin and a man named Tucker took a trip to New York. We say that one of the objects of the trip was to have a conference between Rankin and Judge Ritter with reference to this foreclosure suit and with reference to the appointment of a receiver in the foreclosure suit.

You will observe, gentlemen of the Senate, the proof will be that Mr. Richardson had spent two or three thousand dollars in fomenting this litigation before he even had a client; and in order to recover back the money he had expended, and put himself in a position where he could make a good deal of money by again being receiver, it was necessary that they get a client. Finally, after Holland had discharged Rankin and notified him as his attorney to proceed no longer, the matter came up for hearing before Judge Ritter on the 28th of October.

Before the client entered the courtroom with the former partner of the judge, the client discharged Mr. Rankin, told him he did not want him in the case any more, and that he wanted to discontinue the suit, because he had joined with other bondholders to protect their interests by means of a bondholders' committee. They went into the court. This man Holland came all the way from Boston to Miami to present to the judge his side of the case. He told the judge that he had discharged Rankin, that he desired the bill dismissed, and that he did not wish to proceed with the foreclosure. What was he met with? He was met with a statement by the judge that the court would not stand for these out-of-town or out-of-State litigants bringing proceedings in the courts of Florida and then seeking to set them aside or have them dismissed.

Then Holland urged Judge Ritter, even if he could not have the bill dismissed, that no receiver be appointed. Judge Ritter announced his intention of appointing Richardson, the man who for 6 months had been scheming and devising a way of continuing his operation of the property in connection with Sweeny.

A very reputable firm, Shutts & Bowen, were represented in court by Mr. McPherson. He objected to Richardson being appointed receiver. He asked the court for time to file affidavits or read the necessary documents to show the unfitness of this man Richardson, who fomented the litigation. The matter was adjourned until early in the afternoon, when Mr. McPherson appeared with either telegrams or letters which demonstrated right on their face that Richardsonthe man who had been trustee and who then was trustee in bankruptcy and whom the judge mentioned as receiver-had for 6 months been plotting and planning to continue his operation of this property. Notwithstanding these letters or telegrams read by McPherson, the judge, brushing aside the application of Holland, and refusing to listen to his request to dismiss the bill, made complete the champertous efforts of Richardson, Rankin, and Metcalf by appointing receiver the very man who had fomented the litigation and who they knew had fomented the litigation and who Judge Ritter knew had fomented the litigation, as stated by Mr. McPherson.

The receivership went on through 2 years' operation of the hotel after the filing of that bill; and I dare say, gentlemen,

the testimony will show that Mr. Rankin did not do more toward the preparation of the bill than merely to sign his name to it. You gentlemen will be the judges of that.

The litigation went on from October. Then, in a little while, Mr. Rankin came in and asked for a fee. Judge Ritter allowed him a \$2,500 fee, which fee was originally opposed by the same firm of Shutts & Bowen, who really represented the people in interest, the bondholders. Finally, I believe, there was an acquiescence in the \$2,500 fee.

Later Rankin wanted more money. He had made an application for a fee of \$15,000. Judge Ritter wrote a letter, which will be offered in evidence before this honorable Court, showing that the matter was sent to Judge Akerman and that Judge Akerman fixed a final, complete fee in this foreclosure suit of \$15,000.

There will be some dispute as to whether it was a final and complete fee. Perhaps there will be someone who will say that under the practice in Florida in a foreclosure suit there may be two fees—one for conserving the property and finally one as the fee on the final decree.

But from the time of the entry of that order for \$15,000 to the receipt by Mr. Rankin of the money thereunder he did practically nothing in this case which he and others had fomented. He had a few conferences; but the burden of carrying on the litigation was on the attorneys who represented the bondholders. They were the persons in interest. The bondholders really owned the property; but the persons who had gotten into possession of it were the receiver, Richardson, who had been the trustee, and his attorneys. They operated the property for two seasons.

operated the property for two seasons.

This property is a beautiful hotel. It operates from the 1st of January until about the 1st of April in each year. There is a 3-month season down there in this hotel. During all that time Mr. Rankin did practically nothing. These vigilant attorneys who represented the bondholders gave him a 120-day notice to take his affidavits in proof of the allegations of fraud he had set out in his bill of complaint. He sat idly by and did nothing with reference to taking any affidavits. The only thing we find that he did, after he signed the bill and caused it to be filed, was to appear upon the application for the appointment of a receiver and make application for fees.

After the 120 days had elapsed, and this Mr. Rankin, attorney for the plaintiff, did nothing, the firm of lawyers representing the bondholders gave notice of motion to take depositions to disprove the fraud and to prove the allegations in their counterclaim. They went to Chicago and took ample affidavits, which may be offered in evidence here. They thoroughly disposed of the question of fraud set out in the bill of complaint. There was nothing to it. Mr. Rankin did not even appear, nor did anyone appear on behalf of the receiver, or on behalf of Rankin or Metcalf, in Chicago when those affidavits were taken. Rankin sat down and let the litigation drift. There was only one thing they were intending to do. Richardson then was in the saddle as receiver, and the object was to keep the hotel operating as long as they could, because in ordinary seasons it took in three or four hundred thousand dollars net.

Upon the appointment of the receiver, Judge Ritter said to Metcalf, who signed the bill for the complainant with Mr. Rankin, that if Metcalf would step aside, he would appoint him attorney for the receiver. So, under an order of the court, Metcalf was appointed attorney for the receiver; and to counterbalance and to protect the interests of the bondholders, Shutts and Bowen were appointed attorneys for the receiver; and about a year passed by.

Finally, after long and difficult labor on the part of the attorneys for the bondholders, they were able to get Mr. Rankin to agree to a final decree. As I said, he did nothing of any consequence in this foreclosure suit from the time he signed his name to the bill until the time he took the check and endorsed the check for fees. He made a demand for at least \$50,000 of fees to come to himself. The bondholders were powerless. The hotel was about to run into another year's operation. The real owners were being deprived of the possession of it. So, finally, the bondholders, through their

attorneys, were obliged to submit to Mr. Rankin's demand for a \$50,000 fee; and a consent decree was drawn—not drawn by Rankin, but drawn by the bondholders' attorneys, and changed to some extent by Mr. Rankin—by which a consent fee of \$75,000 was allowed to Mr. Rankin. Together with the \$15,000 fee he had received, it meant \$90,000 of fees. The labor, all the work of any kind in the litigation, had been done by Shutts and Bowen. Before the decree was signed it was understood that they were to get one-third of whatever fee was allowed. Of the \$75,000, they received \$25,000, and they probably earned it.

What did Rankin do with the balance, gentlemen of the Senate? He gave 20 percent of the \$50,000 balance to Metcalf, who helped to get him into the case and had helped to prepare the bill, for no reason whatever except that Metcalf had helped prepare the bill—\$10,000 to Metcalf. He gave \$5,000, or 10 percent of the \$50,000, to Richardson, the man who was trustee in bankruptcy, and who had succeeded in making himself, through Judge Ritter, receiver in the foreclosure suit. Five thousand dollars of the \$50,000 went to Richardson; and, if the answer be correct, \$5,000 of it, or \$4,500 of it, we allege, went to Judge Ritter.

You see, there was a cutting of the fee. After the \$75,000 had been allowed and \$25,000 taken out for the attorneys who did the work leaving \$50,000 20 percent of the \$50,000 or

did the work, leaving \$50,000, 20 percent of the \$50,000, or \$10,000, this attorney Rankin gave to Metcalf, who also got \$5,000 for acting as attorney for the receiver; 10 percent of it he gave to Richardson, the receiver, who got \$30,000 in

addition for acting as receiver; and either 9 percent or 10 percent went to Judge Ritter.

Under what circumstances did it go to Judge Ritter? Nearly 2 years after the dissolution of the partnership of Ritter & Rankin, without one word ever having been said by either Ritter or Rankin to each other about any agreement to dissolve contemplating the payment of a purchase price for the law business, without a whisper, without a letter, without a bill, without anything in the line of documentary evidence, admitted by them, I believe, when they go on the stand, the day before Christmas, December 24, under another order made made by Judge Ritter, Rankin received \$25,000 of the \$90,000 from the receiver. That very day he went to the bank and deposited it-\$25,000 paid on account-and, gentlemen of the Senate, why was it not all paid? Because there was not the money in the hands of the receiver from the operation. In order for them to get enough money to pay these exorbitant fees it was necessary to operate the hotel through another season, and this was the 24th of December, and the season does not open until the 1st of January.

So \$25,000 was paid to Mr. Rankin. What did he do with the \$25,000? He went down and put it in the bank. Then he drew a check for \$3,000 and cashed the check; and then, with the cash in his pocket, he went over and saw this judge who has been impeached; and, slipping into the judge's chamber, with no one present but themselves, he handed to the judge not \$3,000, but, the story is, \$2,500 in cash—dishonest money, we say.

What did the judge do with the \$2,500? When the money was offered to him, did he say, "Oh, no; there should be evidence of what is going on here"? No; he took \$500 of the \$2,500 and put it in a little tin box, and kept it for 6 or 8 months in the little tin box, and he put \$2,000 in the bank.

They allege in their answer that there was an honest debt from Rankin to Ritter of \$5,000. Gentlemen, with a law business as small as this, it will be shown to this honorable Court that the books of that office were not worth \$100; that all of the fees which were earned and which had not yet been paid, when they came in, were in their turn divided 50-50 with Judge Ritter, of which we make no complaint. One-half of the fees were paid over to Ritter, all paid over by checks, not one in cash.

I was about to call your attention to the fact that of this \$15,000 Mr. Rankin received, as he names it, as a preliminary fee, he paid not one cent to the judge. It was only when he received the \$25,000 that he paid \$2,500; and when he got the balance of it, he again gets \$2,000 in cash.

His office was in West Palm Beach, and he has a bank account in West Palm Beach and one in Miami. What does Rankin do? He goes into the bank at West Palm Beach and cashes a check for a thousand dollars and puts the cash in his pocket, or in his brief case. Then he comes the 70 miles by bus or motor from West Palm Beach to Miami, then goes into the bank in Miami and draws another check for a thousand dollars and puts the cash in his pocket, then he seeks out Judge Ritter, and, in the privacy of that chamber, without a witness, he slips the \$2,000 cash to Judge Ritter. Gentlemen, we say that was dishonest money.

We say, further, notwithstanding everything that is in the answer, notwithstanding the claim that there was an agreement to sell the business for \$5,000, that Judge Ritter made complete the conspiracy of these men. He appointed the receiver whom they expected to be appointed. In one of the communications it was said, "If a receiver is appointed, Bemis and Sweeny will operate the hotel", and he made an order for them to operate the hotel. That, we say, covers the first two charges.

The third charge is a charge of practicing law. After this judge went on the bench, about a month elapsed, when he wrote a letter to a firm of lawyers in New York City in which he said, "I am now a Federal judge. I can no longer represent you in this suit of the Mulford Co.", a foreclosure suit, "but I think I did a lot of work." He said, "I will watch that proceeding to its finish. I think I ought to have \$2,000 more", notwithstanding the fact that he agreed that \$4,000, which up to that time had been paid, was all the fee.

The lawyers in New York transmitted the communication to their client, and the client, through the lawyers, sent him a fee of \$2,000. In that letter he said he would see the proceedings to the finish; and he did. The name of the firm of Ritter & Rankin appears on all the papers in the foreclosure suit, from the time it was originally instituted, down through the appointment of the judge, and down to the final decree. We say that is practicing law.

In the case of J. R. Francis, the judge received a fee of \$7,500 in the year 1929. We say that he was practicing law during 1930 and 1931 in the matter of Francis, and that he received these fees. We expect to prove, to some extent by documentary evidence, that he was actively practicing law, contrary to the statute.

The last two charges are charges of false income-tax returns. In the year 1929 Judge Ritter made an income-tax return and did not show any taxables. We will show to this honorable court that in that year he received, over and above his salary as judge, between \$11,000 and \$12,000 which was taxable, and on which he should have paid an income tax.

We charge that in 1930 he made another false incometax return. In his income-tax return for 1930 he included nothing whatever for professional income. The only item was an item of his salary as judge, which was exempt. We will show that in that year he received at least \$5,200 which should have been returned. We will show that he received in that year out of this Rankin payment at least \$2,500.

Gentlemen, the last impeachment charge deals with the man as a judge on the bench, while the first six, to some extent, deal with him individually. We say in the last charge that by reason of the conduct of this judge he has brought the United States district court into disrepute; he has caused the public to lose faith in its court; and that by reason of his conduct he should be removed.

At the opening of the proceedings the managers on the part of the House struck out two items of article VII. The object of that was to curtail these proceedings. We felt, after a careful examination, that in all of the proceedings there was sufficient evidence, and these two other items would take at least 3 or 4 days to try before this honorable Court, and having in mind the pressure of business here and on the other side, and the fact that ninety-odd witnesses were subpenaed, we concluded it well to take those two items out. But, Members of the Court, the removal of those two items does not in any way change or affect the charge in that

impeachment article. That charge is a charge of bringing the court into disrepute and disgrace.

If we prove these charges we shall expect from the hands of this honorable body a verdict that Judge Ritter is not fit to be judge of the United States district court.

The PRESIDENT pro tempore. Under the order, the honorable counsel for the respondent will now have an opportunity to make a statement.

OPENING STATEMENT ON BEHALF OF THE RESPONDENT, BY FRANK P. WALSH, OF COUNSEL

Mr. WALSH (of counsel) (speaking from the desk in front of the Vice President). May it please this honorable Court, it becomes my duty to make a statement of the actual facts in this case. In view of the statement made by the distinguished gentleman who preceded me, I have to ask the indulgence of this Court for some little time to do that. I had intended to take the charges up right at the start, but in view of what has been said, and my surprise at it, I feel that, in justice to Judge Ritter, I must make some answer and comment upon it.

I had supposed that when a matter was stricken out—although I should have been very glad to say something about it—that that was the end of it; that there would be no more to say. Two items were stricken out, and, in view of what my distinguished friend, whom I admire very much, has said, I feel compelled to tell the truth about them.

They struck out the charge against this man, who we say is innocent, which brought him into the proceedings. They struck out the charge that he did something that was wrong in the appointment of a master in a public-utility case in Florida. I shall not take up time with that except to say—and I want to be challenged if this is not a fact—that we went down to Florida and interviewed every witness, every single witness, and found that the conduct of the judge was absolutely meticulous in that case. We found that every person connected with it said that his conduct was of that character.

We interviewed the witnesses the managers on the part of the House had subpensed. In fact, there had been an agreement between us that this was in the nature of an investigation, and that we could all interview all the witnesses, no matter by whom they were subpensed. Every man they had upon the record refused to say a word against this respondent, but said that his conduct in that case was absolutely correct, and that they had adopted a resolution to that effect because they believed he was an honest, conscientious, and intelligent judge, and they would have nothing to do with the effort to impeach him.

The same thing might be said of the Florida Trust case. It took us over a week to prepare that case. I will make this statement very brief; I will tell the Members of the Court why they dismissed the Florida Trust case.

With one exception, that was the most complicated case I ever ran across in a court of equity. But we have every witness in that case, except one, under subpena.

Mr. Manager SUMNERS. Mr. President, I do not want to disturb the eminent counsel—

Mr. WALSH (of counsel). You are not disturbing me.

Mr. Manager SUMNERS. But I believe we have to challenge the statement just made, that all the witnesses who were summoned by the managers would have testified that the conduct of this respondent was meticulous, or anything that approached that.

Mr. WALSH (of counsel). Did you excuse them all?

Mr. Manager SUMNERS. I assume they have all been excused

Mr. WALSH (of counsel). Did you excuse them all before you left Miami? I will not have a controversy with you; you have been so kind and courteous to me.

Mr. Manager SUMNERS. I just wish to enter a formal challenge of the statement as to what the excused witnesses would have testified.

Mr. WALSH (of counsel). Very good. I will not further pursue the answer to that question. I wish to set those matters aside. They are ended.

I should have said nothing about that question except that I believe if this man had committed an offense which was a disgrace to the bench, if he did something unfair in that utility case, or if he did something wrong in the case of the Florida Trust Co., the managers on the part of the House would have brought such conduct before this high Court and had it pass upon it.

I shall now have to go into a little detail concerning the rest of this charge. I shall make it as brief as I possibly can, of course.

We must first take a look at this man. Who is Halsted L. Ritter? He is a man who was admitted to the bar in the State of Indiana when he was 24 years of age. He was the son of a distinguished lawyer who served his State and served his profession honorably and well. He practiced with his father for 1 year, when he went to Denver, Colo. There he had a distinguished career.

I think it is well to say here that he was not a lawyer who devoted himself entirely to the material part of the practice of law; but he gave freely of his time and energy, during the 30 years he was in the State of Colorado, to matters that were the concern and behoof of all the people of Colorado, and not merely to private professional practice.

In 1895 he started to practice in Denver. In 1907 and 1908 he was a member of the Colorado Railroad Commission. It was the first railroad commission of the State. He was the lawyer member of it. He sustained its constitutionality in the highest court in the State of Colorado.

In 1908 and 1909 he was the president of the Denver Bar Association.

From 1915 to 1924 he was president of the Social Service Bureau of Denver.

In 1909 he was appointed by the Governor and served as a member of the Colorado Child Welfare Bureau.

In 1924 he was elected president of the Denver Community Chest, which was new at that time.

In 1924 and 1925 he was the founder and president of the Denver Legal Aid Society, to furnish legal assistance to those whose economic condition did not permit them to hire lawyers.

When he came to the State of Florida he had been elected president of the National Association of Community Chests. He went to Florida, first, on account of the health of Mrs. Ritter. With a few visits, Mrs. Ritter's health becoming so much better, he concluded to locate there. He went there for that purpose, to locate permanently in 1925.

That, the testimony will show, was just at the time when the great Florida land boom was flattening out. A real-estate organization had been gotten up there of which he was elected secretary. He was not yet admitted to practice law, and the intention was that after he had qualified himself he would be the general attorney for the company. It was an ambitious undertaking. It lasted 4 or 5 months. His salary while it lasted, and while he collected it, was \$25,000 a year. When it collapsed, in 4 or 5 months, he went into the law office of Winters & Foskett. Winters is a witness here on some aspects of the case. Judge Ritter stayed in that office some 5 or 6 months.

He took the bar examination in Tallahassee in the late summer of 1926. While taking that examination, he met Mr. Albert L. Rankin. He had never known the gentleman before. He had practiced during all of his youth and later manhood in Denver; and I desire to say at this point that his success in Denver was, we will say, above the average. For the last 15 or 20 years of his practice his average income was about \$30,000 a year. In the whole 30 years it ranged from about \$10,000 in the lowest year to about \$80,000 in the highest year. His only reason for coming to Florida was because of his wife's health.

After he took the examination in Tallahassee, considering that Florida was a common-law State, that Alabama had a limited code, and that Florida had a complete code, he was attracted to Mr. Rankin, who seems to be—and I think he is—a very good common-law lawyer. He was admitted to the bar, having come from Andalusia, in Alabama, where they had this limited code. In November 1926, 2 years and

some months before the judge went on the bench, they went into this partnership arrangement. They went in, each to contribute half, each to share half and half in the fees that were made. They started exactly as two young men would start who were just admitted to the bar. One of them was well advanced in the fifties, the other perhaps a few years younger.

That was a prosperous business from the first. Judge Ritter had established connections in many parts of the United States, particularly in the East and in Colorado, and the business came to that office. The earnings were misstated-not intentionally misstated, I am sure-by my brother on the other side. My recollection is that in the latter part of the partnership the fees ran up to something like \$18,000; and it was only 2 years after Judge Ritter had started in, as I say, with an absolute stranger, and both at the ages I have mentioned.

They first started on the fourth floor of the Comeau Building in West Palm Beach. The business increased, and they moved up to the eighth floor.

At the time the judge went on the bench they had a modern, well-equipped law office. They had a large reception room; a room for each of the partners; a library, and a file room. They had modern steel furniture and first-class equipment throughout. That is a trifle, and if it had not been so terribly belittled by my brother, I do not believe I should have mentioned it. They had books. They did not have a great many, but the judge brought the textbooks he had from Colorado, and some of the reports, running along currently at that time, the decennial and other modern reports; and Mr. Rankin, who had served for several years as a judge in Alabama, brought his books.

Under the testimony there is going to be no question, I say to this honorable Court, about just what that property was, and about just what was transferred under the contract that was subsequently made. I say they did not have many books. They had 895, which have been checked up, textbooks and these current reports.

As to the law business, there will be no further question about that. All of it we checked up, and accurately, I believe, in connection with the Judge and my good friends the counsel here. I think we can show this Court exactly what law business was left in that firm, and very close to what the actual value was. At any rate, we can show you absolutely correctly the amounts of money that Judge Rankin got out of this purchase during the years intervening down to the present time.

The only case in which there is any charge whatsoever made against this honorable man, involving his conduct while on the bench, is the Whitehall case; and about that I shall go into detail later.

When it came to dissolving partnerships, it turned out that Judge Ritter had brought more than 95 percent of the business into the firm. Mr. Rankin, so far as getting business was concerned, was not successful.

The cases were of great variety. Many of them came from other places. The evidence will show that when it came to the question of dividing the business, it was agreed that there were certain cases there that had been entirely attended to by Judge Ritter, probably one or two, out of which he should get the fee; that is, cases that had been finished. There were a number of cases, not a great number, that had been finished, and nothing was left in them except the collection of the fee. As to those it was agreed, because they were readily collectible and about to be collected, that they would be divided between the partners before the judge went on the

The evidence will show that the reason why there was a contract made at all, and why Judge Ritter agreed to a contract, which you might say was manifestly too generous to Mr. Rankin, was the fact, first, that Mr. Rankin had not been successful. He left Andalusia in a great deal of debt, the property he had was mortgaged, his insurance was mortgaged. Judge Ritter said to him, "Now, I am going on the bench, and there is some good business here out of which the money will be collected, but it will run a long time; I in the year 1929, the first year he went on the bench.

and what I would like-you understand the business-is for you to say to me that you will pay a lump sum for the business, so far as the cases are concerned; and then, no matter how much work is done on those cases, no matter how much money you get out of the business, I will have no further income from it, because it would not do, of course, for me to be attempting to carry on a system of accounts running perhaps over years."

As a matter of fact, since he and I were in Florida one of those cases has been settled. The case in which this fee of \$7,000 against a defunct corporation is involved is now 7 years old, but they had a written guaranty by a man and his wife in Boston to pay that fee of \$7,000.

In the investigation that was held sometime ago these things were picked out at random. So far as God has given my colleague Judge Ritter and me the power to do it, there will be nothing said in this case at random. We will produce and show you the entire case.

At the time that agreement was made, and the judge stepped out, there was a young man named Salisbury, a graduate of Harvard Law School, and a man whom the judge knew in the State of Colorado, an associate and schoolmate of some of the judge's children.

In order to see that this business was carried out, because Mr. Rankin was not very fast in his movements-partly on that account and partly that the clients might be properly served-Judge Ritter wished Mr. Rankin to continue, and he asked Mr. Rankin if he could suggest to him that Mr. Salisbury come into that office, because he was an energetic young man; that he would keep Mr. Rankin "on his toes" that he would get the business that was sent to the firm of Rankin & Ritter disposed of; and, incidentally, that thereby an opening would be made for a young friend who, he thought, would be worthy. Mr. Salisbury will appear before this honorable Court during the course of these proceedings. That young man went in there, and for some time-I will not say how long, a year or two, a considerable length of time-handled the inside of that business and a great deal of the outside of it. An agreement was made that out of all the business that was in the office turned over by Judge Ritter and of any new business that came in Mr. Salisbury should have 15 percent net for himself of the proceeds that came from any of that business.

We have had a registered accountant of ability go through all the books and all the memoranda that were left in the

I ought to say that Judge Rankin—and I do not want to reflect on him-was a man who kept no accounts and was a good deal like some of us other southern country lawyers who are not very orderly in that respect. I do not think, however, there will be any difficulty in pointing out to this honorable Court just what he did. There will be a description now of the mechanical part of the office. There were 44 unfinished cases left in the office.

I forgot to say that when Judge Ritter asked Judge Rankin what he thought he ought to pay for it Judge Rankin said \$5,000. Judge Ritter did not stop to calculate it, but, for the reasons I have stated, was very glad to close the matter in that way. So the agreement was that he was to pay him \$5,000. There was no agreement of partnership, and there was no agreement of dissolution, either.

Now, making it as brief as I can, it turns out that out of those 44 cases Mr. Rankin has collected in cash \$14,125. That does not take into account the \$7,000 that will be collected if the guaranty in this case that was just settled a few days ago is made good. It took a long time to work some of that out, and I think we can give you dates and facts that will leave it beyond peradventure. So much for the dissolution of that firm.

As I have pointed out, the Whitehall litigation is the only case before the Court in which there is any complaint against Judge Ritter's conduct on the bench.

The proceedings in the Whitehall case originated in 1929. The other complaints against him likewise had their origin When he was mentioned along in November or December 1928 for the judicial vacancy he naturally gave some time to it. So it may be said that the end of the activity of that law firm came probably in December 1928.

His name was sent to the Senate by the President and was referred to the usual committee. There were a great number of applicants; the receptive candidates numbered about 40, I understand. A careful study was made of his whole life. His private life was found to be absolutely above reproach, and his public and professional life the same. So, without any objection, his appointment was confirmed.

Now, as to the Whitehall case, if this case, in any way, shape, or form presented the picture given it by Mr. Manager Perkins, I know that the judge would hang his head in shame and walk out of this Court; and I am sure that

I would not be here trying to excuse him.

First, as to how that suit came about. Here was a hotel—one of the largest hotels and undoubtedly the finest in Florida. It was the last word in a hotel for people who had money to spend. I have to give the history of that hotel so that the Court may realize what caused this litigation, and when you hear it, it will be very different from the way in which it has been depicted. I will have to state to this honorable Court that if I could not prove it by documentary evidence, again I would not ask to be believed.

There were two men down there in the hotel business in 1924, one whose name has not been mentioned, Martin Sweeny, now living in New York, and the other H. E. Bemis.

They started together quite young men. Martin Sweeny began as a bookkeeper for the East Coast Railroad that owned all those great hotels down there, the Flagler chain of hotels, and railroads. The name of H. E. Bemis has not been mentioned here, and if it be true that these men conspired, why, then, I simply have to say it casts odium upon a man who stood higher, perhaps, than any other business man in the State of Florida, H. E. Bemis.

There was another gentleman in the same business named Paris Singer. These three men got together and purchased

the Flagler home.

They put \$437,000 in that enterprise. They made the necessary improvements and opened it as a hotel and a club in the off season in 1924. They ran it for 1 year as a club, the three of them being equally interested, and they paid for the entire property.

In 1925 Mr. Sweeny met a man named W. J. Moore, a financier. These three men were about to build an addition of 100 rooms on this hotel when they met Moore. Moore told them that he could finance it if they would manage it because they had a reputation. I know that will not be questioned by the managers for the House, but if it is I say that there is no one higher in this business, down to date, than Martin Sweeny is, and that before Mr. Bemis died he was not outranked by anyone in standing. Mr. Sweeny is still down there operating hotels; he has been a Florida hotel manager and president for 31 years from the time he was bookkeeper.

They succumbed to the suggestion that Mr. Moore should furnish the finances for that hotel.

They took him in. Their investment was \$437,000. When they financed the hotel, he got in on the no-par common stock for absolutely nothing. He was supposed to be the man who would furnish all the money. More of that gentleman later on.

Mr. Sweeny will testify that he estimated the cost of the building at \$3,000,000 for improvements and enlargement. Everything was left as Flagler left it, the works of art, paintings, and so forth. The price was to be \$3,000,000. Moore gave the contract on the building to his own company, the Longacre Construction, Co. Mr. Sweeny will be here as a witness. The managers on the part of the House have subpenaed him, and I suppose will put him on the witness stand, but if they do not, we certainly shall.

When the building was completed, they were \$1,000,000 in debt to the Moore Building Co. They owed for equipment and for furniture. These men, who were practical hotel operators, had had a complete success from the time they started until the time they had met William J. Moore.

In March of 1928 there were three mortgages upon the hotel, one for \$2,500,000, a second mortgage for \$500,000, and a third mortgage for \$60,000. They were all controlled by Moore. Moore now owned one-half the capital stock in the Whitehall Building & Operating Co. Martin Sweeny and his brother, Ed, owned one-half of the balance or 25 percent of the total. Mr. Bemis, who has since passed away, owned the other 25 percent. The testimony will show that Mr. Bemis and Martin Sweeny together, and after Mr. Bemis' death Martin Sweeny alone, determined to try to hold the property in which they had invested practically all their savings. They served a higher duty, too, which you will find running all through the correspondence, because these millions which were collected on the first mortgage bonds largely came through those who had faith and confidence in H. E. Bemis, Martin Sweeny, and Ed Sweeny.

In 1928 the trustee under the first-mortgage bond or trust deed was Harold Moore. He was a son of W. J. Moore. The trustee under the second mortgage was a man named Thomas, who was a clerk and employee of the American Bond & Mortgage Co., which is their company. The third trustee was a man named Hayden Ward. He was likewise a clerk and an employee for the Moores. Ward was trustee under the \$60,000 encumbrance which will have a great deal to do with this case.

In March, and before the first default upon which they could have sought foreclosure, they having left out of all mortgages a large number of unsecured creditors, Mr. W. J. Moore concluded that he would have the hotel go into the hands of receivers. The men were helpless. The debt was there.

You will see the fruits of the work of Martin Sweeny and H. E. Bemis through all these years. They were all money makers, but the volume of indebtedness was so great and the load so high that they had to fight it through with difficulty. With Bemis gone, Martin Sweeny is there today, and he will tell you the whole story and assert that he will never give it up as long as justice reigns.

A receiver was to be appointed. Judge Ritter was not in office at that time. This was in March of 1928. The creditors got together and, to their disappointment, Mr. Bemis selected a young lawyer down there named Walter J. Richardson, who has been so savagely condemned by my distinguished friend on the other side. Mr. Richardson went in to operate the hotel during the period of the winter of 1928 and until the late winter of 1929.

Mr. Sweeny will have an epitome of the proceedings of every year, including all the years in question, when he comes before you, and will show that the highest returns that were ever made were made during the first bankruptcy in which young Richardson acted as trustee in bankruptcy.

During the second foreclosure, in 1929, Richardson was put in as receiver for the unsecured creditors and a stipulation was made. You may bring any witness from Florida, I may say to my distinguished friend of the opposition, and every one will say it was a wise act that Judge Ritter performed in making the order that kept the hotel under the management of Martin Sweeny and Mr. Bemis, the men who put their money into it and brought it to the place where it was and held it, under this terrible load of debt, because they were the best ones to operate the hotel. The profits in all those years show that it was properly handled. The profits were enough to pay the interest practically all the time on the first mortgage.

I want to answer, in a word if I can, what the gentleman said about the trustee in bankruptcy, the receiver of the hotel, getting \$30,000. Stated that way, it looks like a large sum. All he really got was his salary for 2 years, at \$15,000 a year, because when Judge Ritter came into office there was not a thing to be done in the case except to approve the bills. Those were in the hands of the referee in bankruptcy, who had gone carefully through all of them and who will be before you gentlemen to testify. When he got \$30,000 and the other fees, except the one fee which I shall explain, he was getting only his salary and compensation for what he was doing. What he brought out of that hotel, except for taxes and insurance, was about \$300,000 net profit.

That receivership is closed. It is said these men, mentioning Mr. Rankin and Mr. Richardson alone, went around to foment litigation and start a champertous suit. I think I am as familiar as any of us with the meaning of "champerty." It means a case in which a stranger, with no interest, combines with the plaintiff and defendant in an agreement that he will maintain litigation financially for a share of the profits which come out of the case, whether in land or property or money.

After the receivership was practically closed, there was nothing to do but to submit the report. Mr. Moore went to Mr. Bemis and Mr. Sweeny and tried to break them apart, but their friendship and personal relations were such that

it could not be done.

Those friendly relations lasted until the death of Mr. Bemis. Mr. Moore wanted to sell out that property under the third mortgage and get title to it. There stood the \$300,000 profits in the property in that year. He wanted to get title to it and have the money divided among themselves. Sweeny refused and Mr. Bemis refused. Do not depend upon my statement of the evidence. Mr. Sweeny has been subpensed as a witness by the other side and no doubt will be placed on the witness stand. Two letters have been taken from their correspondence and will be read to you. They were taken out of a correspondence numbering perhaps a hundred letters and, standing alone, look as though there was something champertous involved. As a matter of fact, these men were still the owners of half of the property through the corporation known as the Whitehall Building & Operating Co.

They had assisted in selling these bonds all over the country, and they had two objects, and you will find it all through these letters. One was to retain the property that was theirs. When the hard times came, and they were pressed, the evidence will show that Martin Sweeny put up \$100,000 of his own money, and so did Mr. Bemis, and lost it all.

At this point Mr. Bemis began, as he had a right to do, to look around for some persons with bonds who would join in a suit for the purpose of protecting the first-mortgage bond-holders and that \$2,500,000 worth of bonds. All of these letters will be brought in. They show one continuous purpose all the way through—the letters of Bemis to Richardson, the letters of Sweeny to Bemis, and the replies from Bemis. When that evidence is produced it will dispose of the first part of this charge with reference to the Whitehall Hotel.

Mr. ASHURST. Mr. President, will the honorable counsel suffer an interruption at this point?

Mr. WALSH (of counsel). Yes.

Mr. ASHURST. I ask the honorable counsel if it would interrupt the stream of his statement if the Senate, sitting as a Court, were now to take a recess for luncheon?

Mr. WALSH (of counsel). Not at all. I myself shall be grateful for it.

RECESS

Mr. ASHURST. Mr. President, I move that the Senate, sitting as a Court of Impeachment, take a recess until 2 o'clock this day.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Arizona.

The motion was agreed to; and (at 1 o'clock and 25 minutes p. m.) the Senate, sitting as a Court of Impeachment, took a recess until 2 o'clock p. m., at which time it reassembled.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Byrd	Fletcher	Johnson
Ashurst	Byrnes	Frazier	Keyes
Austin	Capper	George	King
Bachman	Caraway	Gerry	La Follette
Bailey	Carey	Gibson	Lewis
Barbour	Clark	Glass	Logan
Barkley	Connally	Guffey	Lonergan
Benson	Coolidge	Hale	Long
Black	Copeland	Harrison	McGill
Bone	Couzens	Hastings	McKellar
Brown	Davis	Hatch	McNary
Bulkley	Dieterich	Hayden	Maloney
Bulow	Donahey	Holt	Metcalf

Minton Vandenberg Overton Sheppard Moore Murphy Shipstead Smith Van Nuys Pittman Pope Radcliffe Wagner Murray Steiwer Walsh Wheeler Neely Norris Reynolds Robinson Thomas, Okla. Thomas, Utah White Nye O'Mahoney Russell Schwellenbach Townsend Truman

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present. Counsel for the respondent will proceed with his statement to the Senate.

CONTINUATION OF OPENING STATEMENT ON BEHALF OF RESPONDENT

Mr. WALSH (of counsel). May it please the Court, I ought to say at this point that the evidence will show that Judge Ritter had absolutely no knowledge of anything about the Whitehall case until it came before him regularly in court. I believe that there will be no dispute about that.

At this point I ought also to reply to the insinuation that was made here about the trip to New York. The judge was holding court in Brooklyn. There was a case of a drainage district in Florida in which he had participated and in which an order was necessary to compromise the suit. Mr. Sydnor Tucker, a reputable attorney down there, and Mr. Rankin were counsel in the case. They stipulated that the order should be signed outside of the district because no other judge than Judge Ritter was familiar with the facts in this case. So they went to Brooklyn and saw Judge Ritter. We will introduce here, may it please the Court, the order that was brought to him to sign, with his signature and the date, so that under the evidence there can be no doubt about that.

Mr. Richardson never saw Judge Ritter when he came to New York at that time; Mr. Rankin never saw Mr. Sweeny when he came on that occasion. So, we think all of the testimony will leave that absolutely clear.

In addition to the interests which Mr. Sweeny had in Florida, he became the president and general manager, and is today, of four hotels in New York. The most prominent one is the Chatham, also the Berkshire and the Lenoir, and as a president of the Wilson Catering Co., Sherry's Park Avenue Hotel.

[We find the situation in March of 1929 to be that the suit was coming to an issue on the receivership, the receivership in which Mr. Richardson was receiver.]

On October 11, 1929, the unsecured creditors' trusteeship was at an end. There was nothing more to be done. Here were the three mortgages. The suit had been brought to foreclose the \$60,000 mortgage, brought by the holder of the bonds, a man named Kenneth Moore. Kenneth Moore was another son of W. J. Moore, of the American Bond & Mortgage Co. He brought the suit in foreclosure, and Mr. Richardson naturally thought he was doing it to protect the first-mortgage bondholders. They were coming along through the year to the open season before the fall and winter when the Whitehall was finally opened.

The proceeding went along. The evidence will be that Moore tried to get Mr. Bemis or Mr. Sweeny, or both of them to agree to that sort of proceeding. Richardson believed he was acting in the interest of the first bondholders and wrote to him asking him not to sell the property under the \$60,000 mortgage. He refused or at least did not give his assent to withdrawing the matter, and as it came close to the time, with the money in the hands of the company which was operating the hotel, Mr. Richardson took \$60,000 plus the interest, in gold coin of the United States of standard weight and fineness as called for in the provisions of the bond, and went to Moore and said he would pay it and stop the sale. Moore refused to accept it.

Then the approach was made to Mr. Sweeny and Mr. Bemis that they should take Moore in and that the three should lease the hotel and operate it. Mr. Sweeny refused and Mr. Bemis refused on the sole ground of their own interest and because of their belief that the ones to be considered were the first mortgage bondholders.

The matter ran on until the day of the sale came. Kenneth Moore, the son of W. J. Moore, bought in the property and secured title to it for \$2,600, leaving a deficiency judgment

between \$2,600 and the amount specified in the bonds plus the interest, their purpose being, as will be clearly shown, to take over the hotel and operate it, with the record behind it of having earned \$316,000 profit during the preceding season.

Mr. Sweeney and Mr. Bemis both got busy. In March, Bert Holland had written to Mr. Richardson. He did not know Mr. Richardson. He just wrote to the receiver of the hotel and asked him about the payments that were provided for in the bonds. That is where he came into the picture in the first place. Mr. Richardson finally wrote and gave him the information that the sale was proceeding. He notified Mr. Sweeney that here was a man who had \$50,000 of the bonds. Mr. Holland wrote the receiver another letter and told him he could not attend to any matter because he had not yet been discharged as trustee for the creditors in the first foreclosure suit.

Correspondence took place and he afterward wrote that if they wanted to know anything about it he would refer them to the firm of Metcalf & Hyatt. That was the first

time any lawyer came into the case.

When the sale was made under the \$60,000 deed of trust, Mr. Bemis went to Mr. Metcalf and got an opinion on the right of foreclosure of the first mortgage. The memorandum of law written by Mr. Metcalf will be produced here in evidence. Mr. Metcalf advised him that under one provision of the trust deed, to start a foreclosure proceeding a person would have to have \$50,000 in bonds. If a man did not have \$50,000 in bonds and the trustee did not proceed, the question was open as to whether or not anybody that had any of the bonds could come in and do it. That was an open question.

Mr. Metcalf advised that in case there was fraud in the management of the property, or in the case of an unfaithful trustee, any person who had a bond of \$500 as a minimum, or more, had a right to bring a proceeding and had a right to have the foreclosure; or, if there was antagonism between the trust as represented by the trustee under the first mortgage and the interests of the second or third mortgages, again they would have a right to foreclose without getting the

\$50,000 of bonds.

I shall skip the intermediate steps because it is conceded that these men were finally employed. Here is how Mr. Rankin came to be employed. He had done some other business for Mr. Bemis. Mr. Bemis, by the way, was the operator of a very large hotel in Palm Beach. He knew Mr. Rankin and asked that Mr. Rankin be taken into the case. Mr. Rankin went over the memorandum of law written by Mr. Metcalf and advised the parties that he concurred, that if there was fraud anybody could foreclose.

We come now to the time of the first appearance in court. The uncontradicted evidence will show that Judge Ritter had not heard of this proceeding and knew nothing about it. Mr. Sweeney was the one who met Mr. Holland. He came to New York for that purpose and saw him at the Berkshire Hotel and explained the whole situation. He had nothing in mind except to save his own interests and to save the interests of the first-mortgage bondholders. He got clear authority from Mr. Holland to bring a proceeding.

While this negotiation was going on, Mr. Bemis and Mr. Sweeney were attempting to form a bondholders' committee. They had submitted the names of the highest-standing men, morally and financially, that there were in the State of Florida. The matter came to be a contest between those in

Florida and those in Chicago.

Moore never came near the hotel. He did nothing and he could have done nothing in the management of the hotel. It was not to the advantage of the hotel, or so Mr. Sweeney and Mr. Bemis believed, for them to let the hotel get into the hands of these other people. They themselves had had the experience with the building and everything else in connection with the property.

At that point the suit was brought. On the one side were the American Bond & Mortgage Co., doing everything they could to control the hotel. On the other side were the two owners, doing everything they could to hold it and to pro-

tect the bondholders. The evidence in the case, all the correspondence, and other documentary evidence will show that beyond any possibility of doubt.

Mr. Rankin went ahead and filed the suit and alleged fraud and the antagonism of interest between the first mortgage-bondholders or trustee and the third mortgage, so far as the bondholders were concerned. He sent the suit to be filed on the 10th day of October; and with this fight going on, the judge being away, he wrote to the clerk and asked him to lock up the bill and not let anybody know about it until the judge arrived there. They knew that efforts were being made to get up another bondholders' committee; and, although it was a secret at that time, the fact afterward came out that while this was going on the American Bond & Mortgage Co. surrendered their assets to another company, a subsidiary of the American Bond & Mortgage Co., and from that to another company in Chicago, so that the American Bond & Mortgage Co. were insolvent at that time, although it was not generally known. So the effort was being made by the Moore interests in Chicago to get a bondholders' committee and bring suit, and the effort was being made by the Floridians to save the property.

At that point, on the 11th of October, the suit was filed and that letter of instructions given.

On the 10th Mr. Rankin received a telegram from Mr. Holland telling him not to file the suit. Mr. Rankin sent Mr. Holland in reply a telegram which will be introduced in evidence here. Rankin thought, of course, he was working for Holland at that time, and he sent Holland a telegram in reply setting out the facts, telling him what they were, and how highly necessary he believed it was to file the bill.

Rankin got a telegram from Holland saying, in view of the circumstances, not to do anything further in the case; to allow it to remain just as it was, in statuo quo. Now,

here is what was going on:

Efforts were being made to get up a bondholders' committee in Chicago. Mr. Shutts' firm—and there is not a finer firm in the State of Florida—had gone into the case, representing the trustee, who they had every right to believe was faithful. They had gone in and asked that a receiver be not appointed, or that the appointment be deferred, and it was deferred at their request for a few days.

On the 24th day of September this matter finally came up. On the 28th they had induced Mr. Sugden, who was represented by Mr. Holland, a Boston lawyer, to go in with the other set of bondholders in Chicago; but when they came down there on the day this case was set, on the 28th, every person who had any interest in the litigation was present—Mr. Rankin and Mr. Metcalf, representing the plaintiffs; Shutts & Bowen, representing the trustee of the bondholders; Mr. John P. Stokes, representing the interests of Messrs. Bemis and Sweeney; and Mr. Lautmann, of Chicago, representing the bondholders' committee that had been formed only a few days before.

When this \$50,000 in bonds came in, it was the effort of all of them—and it was known to Mr. Holland—to get all the interveners they could, and they had gotten bondholders who became interveners whose holdings I think amounted to about \$7,500. They had the right to proceed under that if fraud and antagonism existed. So, when the parties came

down there, that was the situation.

My friend is in error when he asserts that Mr. Holland came in and asked that the suit be dismissed. Mr. Holland did not ask that the suit be dismissed. He asked that the suit remain in status quo. He said he did not want it dismissed, but he did not want a receiver appointed. The evidence will show that they wanted their own receiver appointed. The court overruled the request; and I need not stop here to explain that the court's judicial action honestly taken, and an opinion honestly given, is not subject to condemnation by any court in the world.

Judge Ritter refused to do what was asked. He announced that he was going to appoint Mr. Richardson. Mr. Richardson had made the largest return that was ever made on that property in its whole existence. Judge Ritter knew also that there were two men there to manage that property,

and only two, the men who originated it, the men who owned it; and in order to be perfectly fair about it and sure that the matter would be handled in the interest of the bondholders, Judge Ritter provided in his order that the property should be managed by H. E. Bemis and Martin Sweeney.

At that point, this objection having been made, I think Mr. McPherson was given some time, and came in the afternoon with two letters taken out of all the correspondence—two letters which the other side say will be introduced in evidence here, without the others, of course—showing what the fight actually was, and what was going on. Judge Ritter said that that was not sufficient to disqualify this man who had conducted this hotel successfully; and, therefore, that he was going to appoint him; and he did appoint him.

Every known interest was represented there—Mr. Lautmann, the bondholders, and the others, as I have suggested. No exceptions were taken to anything that was done there that day. No appeal was taken from it; so that the matter, so far as Judge Ritter was concerned, was settled upon its face.

I may shorten this statement by relating what became of the charges of fraud that Mr. Rankin is criticized for having made, and then not attempting to take any depositions in regard to them.

Before that time came, the American Bond & Mortgage Co.—and I take it probably every Member of this high Court now knows all about that—crashed, and the news was on the front pages of every newspaper. They were bankrupt. To have pursued them in the taking of depositions for the accounting and the damages that might have been obtained because of their fraud would have been a pure waste of money; and I may say here that within a year all of those men were in jail or under indictment in various parts of the country.

The time was coming then for another season's operation of the property. The receiver was reappointed and in the next year he again made a profit which justified the action which had been taken.

I wish to speak about the first fee paid to Mr. Rankin. If I do not touch adequately upon the subject, call my attention to it, because I desire to have the Court understand every item of this case.

First was a fee upon which an advance of \$2,500 was made. The gentlemen on the other side say it is going to be claimed here—it is not claimed; it is the law; the law of that jurisdiction—that the attorney for the moving party in a case of this kind is entitled to a fee for bringing the assets into the estate; for conserving the assets and making them the subject of the litigation. Among other things, besides this beautiful building and the works of art in it, there was over \$200,000 in cash brought in to be conserved; so Mr. Rankin applied for \$15,000 as a fee. There was some objection to it. The judge allowed him an advance of \$2,500, and referred the whole matter to Judge Akerman, on account of the fact that Mr. Rankin was the judge's former partner, and there was objection by the other side to the amount of the fee Mr. Rankin was claiming. There can be no question, under the evidence here, that that was only a conservation fee, because the application for it set that forth specifically, and the order signed by Judge Akerman also set it forth; that is, that it was for conservation

As the matter proceeded Mr. Rankin was approached by the attorneys on the other side—this whole scandal of the Moore case and the American Bond & Mortgage Co. having broke—to get together and compromise the case. They did get together. The evidence will show that what Mr. Rankin did for his clients cannot be minimized.

It is claimed here that nothing was done in that case. We simply say that we will bring here a trunkful of motions and various papers that were filed in that case, and I shall be very glad to give the gentlemen on the other side an index to it, so that it will not encumber the record of the Court, and so that anything any Member of the Court wishes or the other side wishes may be handed to them from the record itself.

The next thing Judge Ritter heard of this case, they told him there was going to be an order of foreclosure that had been agreed upon among all of the parties. So that order was afterward brought in. Judge Ritter heard nothing of that order until it was actually presented to him. The lawyers had gone to one side and agreed upon the whole matter. Mr. McPherson, one of the leading members of the firm of Shutts & Bowen, took up the matter with the bondholders' representatives in Chicago. The question of fees arose, and the evidence will be that Mr. McPherson urged that the fee of their firm alone in this case should be between \$50,000 and \$60,000. He sent back a telegram to his office to get further information about it and received in return a telegram, which will be introduced here, giving the amounts of fees and the cases in which they had been paid in Florida for them to justify the fee which they demanded of between fifty and sixty thousand dollars.

When the matter came before the court the question of fees arose, and the court was told that there was an agreement on the fee. The question was as to whom the fee should be ordered, and the court naturally said it should be ordered to the moving party who brought the suit and induced the foreclosure; and it was so done.

Of course, Rankin did not get the \$75,000. As explained here, he paid \$25,000 to Shutts & Bowen, \$10,000 to Mr. Metcalf, and \$4,500 or \$5,000 to Mr. Richardson for the work he did. Mr. Richardson had gathered together evidence of fraud, everything that had been done, and he give them the information which probably no one else could have given them at that time.

The first payment upon the total fee of \$75,000, as I understand the testimony, was \$30,000.

I am not going to say to this Court that there were not circumstances about this matter which made it look suspicious, but I am going to say that there is nothing in the case except suspicion, and conjecture, and the acting upon what we might say were half-known facts, the fact that he did get some money, that they did not know he had an agreement, the fact that the man had been his partner, and the fact that he paid him in cash. There were reasons for everything that was done, I honestly believe the evidence will show.

In the first place, as I have said, this man, Mr. Rankin, had been unsuccessful, owed a great deal of money, was trying to get it, had all that business on his hands, and included in the convincing evidence we propose to present to show that this was not clandestine will be evidence as to the knowledge of the young man in the office, Mr. Salisbury.

Mr. Rankin did not pay the young man his 15 percent promptly, and Mr. Salisbury went to his friend, Judge Ritter, to complain about it. Judge Ritter said that Mr. Rankin was honest, that he was very slow, that he knew he was in financial difficulties, and he had not paid him anything on the obligation which he made when he sold out his business to him. In other words, Judge Ritter did not press that, and it seems to have occasioned great suspicion in the minds of those who afterward came to push the proceedings in the House.

However, when Mr. Rankin came in that evening, he brought the judge \$2,500 in currency. I believe he tried to testify honestly, and according to that testimony there were two things operating on his mind. The City National Bank had failed the day before, and there was a run on the bank. He was really anxious to get the money out, he says, not to be carrying a large balance. He paid \$12,500 of that money immediately, gave a check for it, to Shutts & Bowen, so that he would not have the responsibility of holding that check. He gave them more than their one-third share at that time. He drew this check himself.

It was Christmas time. He says he took \$500 to go back to Alabama. Mr. Rankin paid off life-insurance, mortgages, and for automobiles, and other things. If it is necessary, we will put evidence of all that in and let you see everything he did with the money. Rankin took \$2,500 and gave it to Judge Ritter. The judge asked him, "Why did you give it to me in currency; why did you give it to me in cash?" He said, "On

account of the fact that we were formerly partners, I thought it might cause gossip or question as to why I was paying you that money." That is the reason he had in his mind, according to his testimony.

The judge took that money and put it in a small deposit box in a steel, locked cabinet in his own office. He put only \$2,000 of it in the bank, because, as I will explain to you, everyone there was retaining a certain amount of cash, and he put it in with the amount which his wife kept, fearing that the bank situation might grow worse as they went along.

Going back just a little, I ought to say that when the fee came to be fixed in the Whitehall case it was called to the attention of the judge. The judge asked whether or not the bondholders had participated in the settlement and the agreement for the fee. Mr. Bowen said that that was a fact, but that in order to make very sure about it for the judge, he would go and call them up. He called up the attorneys for the bondholders in Chicago, and they came back, O. K.'d it, and therefore it was paid. That payment of \$2,500 still left a balance of \$2,500. When this man got the other payment he paid \$2,000, which left \$500. Again, while the judge was away one time he sent him \$200, and later on he sent him \$300. When he sent him the \$300 the judge gave him a receipt in full for the balance due on the sale of the business. That is the story of that entire transaction, and I think it will not be departed from any in the evidence in this case.

In addition to that, in order to show that there was nothing clandestine about this, the others who knew about this contract by conversing with either one of these gentlemen will be brought before this Honorable Court to tell their own stories.

As I have said, I think this case has no parallel in impeachment proceedings. It dates back all the way to 1929. It is difficult in human memory to go that far and be accurate, but I believe we will have enough documentary evidence of an uncontradictable character to point the way to the truth in the case. So much for that,

Now, a word about the Mulford case, which arose just as Judge Ritter was going on the bench. Mr. Mulford was a New York gentleman who had an interest down in Florida in what was called the Brazilian Court Hotel. He had an indebtedness against it secured by a mortgage of \$150,000. Earlier in time, perhaps about the end of the first year after the partnership was formed, Mr. Mulford brought that mortgage into the office for foreclosure. The case was attended to from beginning to end by Judge Ritter. There was an agreed fee in the case of \$4,000. However, after the case started a cross bill was filed by a man named d'Esterre, in which he set up a claim to the ownership of a first mortgage for \$70,000, which was held in escrow, and which predated the agreement of Mr. Mulford.

Instead of this being a plain foreclosure, it turned into a battle for the ownership of that property through the mortgage, and had it not been that they were successful in interposing evidence showing an estoppel, d'Esterre would have gotten the property and Mulford would have lost.

When Judge Ritter went on the bench there was money owing to the firm in that case. Mulford had paid \$3,500 of the \$4,000 fee. There was quite a number of items, and as those came in if there was anything to be paid out the firm paid it out. Inasmuch as the judge had handled that matter during the entire time it was in the office, and Mr. Rankin knew nothing about it, the judge suggested to him as a part of this contract that this was one of the cases in which he reserved a fee, one of the few cases in which he could take the balance that was due by Mr. Mulford, which was \$500 on the fee and \$1,400 in expenses, paid out as his own. Accordingly, that was done.

Judge Ritter wrote the letter to Mr. Mulford which has been referred to, telling about this circumstance, stating that it had turned into a different sort of a suit—although they knew that anyway—saying that he thought it was no more than fair that he should get another fee of \$2,000. That was referred to Mr. Brodek, the lawyer in New York, who will be here to tell of that circumstance.

Following that Judge Ritter never went into court in that case; he never took any action of any kind, with the exception, perhaps, of having a meeting or an interview a time or two with Mr. Mulford's representatives or Mr. Rankin.

It would take a very grave stretch of the imagination, if not of the conscience, to say that he was practicing law when he did what I have narrated.

Next we have the Francis matter in these charges. Mr. Francis was a friend of Judge Ritter. They were as close as two men could be outside of a family. The wife of Mr. Francis had been Judge Ritter's schoolmate in the grade school in Indianapolis. The wives were very, very close friends.

Mr. Francis for a long time had been insisting on Mr. Ritter getting a lot which was close by Miami on an island there, Reovo Alto. This was after he went upon the bench. Prior to that time he had never rendered a bill to Mr. Francis for anything he did for him, for the advice he gave him in the office, the street, or at home, or any place where the advice might have been given. He never collected a fee from Mr. Francis for that.

After Judge Ritter was elevated to the bench there was a lot which they viewed on this island close to Mr. Francis' place, where he desired to go and live, and he gave Judge Ritter a check for \$7,500 and told him to go and buy that lot. Judge Ritter took the money for that express purpose and purchased the lot. The deed will be here, or proof of it.

Mr. Francis lived in Flint, Mich., had a home down in Florida, but was very seldom there until shortly before his death. Judge Ritter concluded not to build on the property, not to take the property for that purpose, and therefore he did nothing further. In 1931 Mr. Francis died. After his death Mr. Ritter talked to Mrs. Francis about this circumstance and told her the facts about it, and she agreed with him and insisted upon it, that it was a gift from her husband. She was perfectly willing to have Judge Ritter keep the lot, and he could, if he wished, call it square for everything that he ever did for Mr. Francis.

Judge Ritter had never sent Mr. Francis a bill in his life. He thought it was all right not to do so, as Mr. Francis kept going down there. In 1933 the present proceeding started. Judge Ritter may have made a mistake in the case I have just discussed, because, of course, he had no reason to report that. It was a gift undoubtedly, and at that time the law was that gifts were not taxable.

I give you the date in connection with it, because I do not want to go into details about it. When this investigation started in 1933 a Government official came down and inquired about this matter. Judge Ritter had deposited the \$7,500, so that the whole transaction was apparent there on its face. He had bought the property, and out of an abundance of caution, due to the interview he had had with Mrs. Francis, he had the lot appraised. That was what he would have to pay income tax upon as of the time he got it. The lot appraised \$4,000, and he filed an amended report and sent it in. If that was a mistake on his part, he did it. And certainly I do not think it should rise to the importance of blasting his whole life.

These last two charges have been made in the presence of the Court, and I am not going into them except to say this: No matter what mistakes were made about those income taxes, I think the proof will be uncontradicted and incontestable that he paid the Government tax on every dollar of taxable income he had. I do not know whether this incometax case is to be tried in the highest court known to our Constitution and laws or not. I think we could have made a motion against that, but we did not care to do so. We want you gentlemen to hear it, and if we have to try it as we do an income-tax case I think we will be able to show you that there is no court in the United States which would convict Judge Ritter of attempting to evade the taxes on the evidence which will appear before you.

There is one other thing I wish to mention. It is said that Judge Ritter went to the hotel and lived there without paying anything to the hotel, and that it was a waste of the assets of the hotel. During the 2 years or more that that case was in his court under a receivership he went into that

hotel twice: once on Washington's Birthday and once on another occasion. The total assets which were wasted, which is the assertion made here, amounts to \$44 and some cents.

The evidence in this case will be both by Mr. Sweeny and by the gentleman who invited him, Mr. Richardson, that it was the common practice and the rule in all these first-class hotels to allow the manager to have a complimentary list. The people whose names were on the list could be invited by the manager. It will be shown that such action does not result in a loss, as will be established by the evidence of the hotel men.

Judge Ritter knew nothing about any of his relatives going there. It was never called to his attention if they did go. The case of the secretary stands alone. It is a small matter, but the judge naturally feared, and I did, that it would be looked upon as a petty, mean sort of a thing, so we are going to the trouble to give you the proof. The judge did not know that the lady in question and her husband went into the hotel at all, but I am informed-I have not seen them-that when they come here they will bring with them their letter of invitation.

Gentlemen of the Court, I have taken up more time than I intended to take. I say to you candidly and sincerely from the bottom of my heart that if this man is a dishonest man, he ought not to hold the office he now holds. If he is the honest man we think he is, if the evidence comes in as I shall try with the strength that God has given me to produce it here, then I say a verdict of guilty is by comparison worse than death. I ask the earnest consideration of this Court, and I feel it is going to be given in listening to the evidence. I feel that every word of this evidence which comes in here will be heard by the members of this Court as far as it is possible for them to be present; and if they do not hear it all, they will read the record.

LIST OF WITNESSES

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the Sergeant at Arms with reference to the witnesses, which will be printed in the RECORD.

The communication from the Sergeant at Arms and the list of witnesses are as follows:

> SENATE OF THE UNITED STATES. OFFICE OF THE SERGEANT AT ARMS, Washington, D. C., April 6, 1936.

Hon. JOHN N. GARNER,

Vice President and President of the Senate, Washington, D. C.

MY DEAR MR. VICE PRESIDENT: There are attached hereto a list of witnesses for the Government submitted to me by the managers on the part of the House of Representatives and a list of witnesses for the respondent submitted to me by his counsel, all of said witnesses to be subpensed for the trial of Halsted L. Ritter, United States district judge for the southern district of Florida.

There are also attached hereto original subpenas served on the witnesses desired by both parties, said subpenas being duly served as shown by my report on the back thereof, and return made according to law.

Respectfully,

CHESLEY W. JURNEY, Sergeant at Arms.

Impeachment of Halsted L. Ritter, Monday, April 6, 1936, in the Senate of the United States

WITNESSES A

(H. M.) Judge Alexander Akerman, United States district judge, Tampa.
(R.) H. P. Adair, attorney, Jacksonville.
(H. M.) Homer T. Amis, attorney, West Palm Beach.

- (H. M.)
 (R.) Judge Paul D. Barns, State circuit judge, Miami.
 (H. M.)
 (H
- (R.) George O. Butler, clerk, circuit court (State), West Palm
- (H. M.) Charles C. Callaway, West Palm Beach.
 (R.) James E. Calkins, attorney, Miami.
 (H. M.) Judge C. E. Chillingworth, circuit court (State), West Palm Beach.
 - (R.) George W. Coleman, attorney, West Palm Beach.
 (R.) L. Earl Curry, referee in bankruptcy, Miami.

- (H. M.) Judge Fred Davis, Chief Justice, Florida Supreme Court, Tallahassee.
 - (R.) Hugh Dillman, West Palm Beach.
 - (R.) E. B. Donnell, attorney, West Palm Beach.

(H. M.) Harry H. Eyles, attorney, Miami.

- (R.) H. C. Fisher, attorney, West Palm Beach.
 (R.) Francis P. Fleming, attorney, Jacksonville.
 (H. M.) Albert C. Fordham, West Palm Beach.
 (H. M.) Judge William L. Freeland, former State circuit judge, Miami.
 - (H. M.) Jerome D. Gedney, attorney, West Palm Beach. (H. M.) Clarence P. Grill, West Palm Beach.

- (R.) M. Lewis Hall, attorney, Miami.
 (H. M.) Bert E. Holland, Boston.
 (R.) Lloyd C. Hooks, assistant United States attorney, Miami.
 (R.) Mrs. Lloyd C. Hooks, care of United States attorney, Miami. .7
- (R.) Harry A. Johnston, attorney, West Palm Beach.

(R.) Dayton Kieth, attorney, Chicago.

T.

(R.) Herbert M. Lautmann, attorney, Chicago.
(R.) Mrs. Lillian Lovegrove, room 200, Post Office Building, Miami. M

(H. M.) Ernest Metcalf, West Palm Beach.
(H. M.) Joseph M. McPherson, attorney, Miami.
(H. M.) Cecil Montague, auditor, First National Bank, Miami.
(R.) Edward P. Morse, attorney, Chicago.
(H. M.) Vincent S. Mulford, care of McClure, Jones & Co., New National Company.

- (H. M.) Edwin T. Osteen, West Palm Beach. (R.) D. E. Overholser, West Palm Beach.

(H. M.) A. L. Rankin, attorney, West Palm Beach. (R.) Walter S. Richardson, attorney, Reconstruction Finance Corporation, Washington, D. C.

(R.) S. P. Robineau, attorney, Miami. (H. M.) Palmer Rosemond, deputy clerk, in charge United States district court, Miami.

(R.) J. W. Salisbury, attorney, West Palm Beach. (H. M.) Marshall F. Sanders, attorney, Miami. (R.) John P. Stokes, attorney, Miami. (R.) John B. Sutton, attorney, Tampa. (H. M.) (R.) Martin C. Sweeny, New York City.

T (R.) S. J. Tucker, Palm Beach.(R.) A. G. Turner, attorney, Tampa.

(R.) Charles H. Warwick, Jr., attorney, West Palm Beach.
(H. M.) C. R. West, Internal Revenue agent, Jacksonville,
(H. M.) E. F. Withers, Miami.
(H. M.) J. K. Williamson, attorney, West Palm Beach.
(H. M.) Mark A. Wilson, receiver, Union Industrial Trust & Savings Bank, Flint, Mich.
(R.) Bert E. Winters, attorney, West Palm Beach.

The PRESIDENT pro tempore. Are the managers on the part of the House ready to present their evidence?

Mr. Manager SUMNERS. Yes; if the President please. May we have a couple of minutes of opportunity to talk to our witnesses?

The PRESIDENT pro tempore. How long do the managers

Mr. Manager SUMNERS. I think we might proceed to call the witnesses and swear them. The Sergeant at Arms has the list of the witnesses. We will ask him to call Mr. A. L. Rankin.

(Mr. A. L. Rankin entered the Chamber.)

Mr. Manager SUMNERS. Mr. President, Mr. Manager Hobbs will examine the witness.

DIRECT EXAMINATION OF A. L. RANKIN

A. L. Rankin, having been duly sworn, was examined, and testified, as follows:

By Mr. Manager HOBBS:

Q. Your name, please, sir.

The PRESIDENT pro tempore. The witness states that he is a little hard of hearing, and the manager on the part of the House conducting the examination will please accommodate himself to that condition as much as possible.

By Mr. Manager HOBBS:

Q. What is your name, please?-A. A. L. Rankin.

Q. Mr. Rankin, were you ever judge of any circuit court in the State of Alabama or elsewhere?—A. No; I was never judge of any circuit court. I was judge of the city court of Andalusia, Ala., which had circuit court jurisdiction in civil matters up to \$5,000, as I recall, and jurisdiction of all misdemeanors.

Q. It was called, in the act creating it, an inferior court, was it not?—A. Well, I believe it was.

Q. That is the only court that you have ever been judge of in the State of Alabama or elsewhere?—A. Yes.

Q. You have never been judge of any circuit court anywhere?—A. No. sir.

Q. What was the first approach that you made or that was made to you with regard to the Whitehall case?—A. The first approach that I recall was by Walter S. Richardson, who had been trustee in bankruptcy of that property.

Q. When and where?—A. It was in West Palm Beach, Fla., in my office, to the best of my recollection, some time

about the 1st of September 1929.

Q. At that time Judge Ritter, who had formerly been your law partner, had ascended the bench of the Federal court, the United States District Court for the Southern District of Florida, had he not?—A. He had.

Q. And you were practicing with a then partner who had been suggested to you by Judge Ritter? Is that true?—A. That is correct,

Q. And to your office one day in the fall of 1929 came Walter S. Richardson?—A. That is correct.

Q. Judge, was he or was he not a lawyer?—A. Yes; he was a lawyer.

Q. What was the conversation that he had with you with respect to employing you to bring the foreclosure suit in the Whitehall case?—A. Well, as I recall, Mr. Richardson came into my office and stated to me that he and Mr. Ernest Metcalf had been looking up the law with reference to the respective rights of first-mortgage bondholders of the Whitehall Hotel. I believe the name of the corporation at that time was the Whitehall Building & Operating Co. That is my recollection. He stated to me that Mr. H. E. Bemis would like to have my opinion with reference to the right of the bondholders to foreclose the trust deed or mortgage. He stated at the time that Mr. Bemis was very much worried with reference to the status of that property. He stated that Mr. Bemis had been a large stockholder, or was a large stockholder, in the Whitehall Building & Operating Co.; he had been the executive head or manager, and by reason of that fact when the Whitehall bonds were issued a great many of Mr. Bemis' friends invested in those bonds, and that it looked like unless someone would take active action, or quick action, in order to protect the first-mortgage bondholders, that the property would be dissipated; and that Mr. Bemis' chief aim was to subject this property to payment of the first-mortgage bonds. He asked me to give him an opinion with reference to the respective rights of the bondholders; and my recollection is that he left with me a copy of the trust deed at the time.

Q. So his solicitude was entirely for the protection of the first-mortgage bondholders?—A. That is what he said.

Q. At that time he was trustee in bankruptcy, was he not, in that hotel case?—A. Well, he had been. The best of my recollection is that he stated to me that he had wound up all of his labors as trustee in bankruptcy and made a final settlement, but there was one or two contested claims that would have to be settled; and enough money had been set aside when he made his final settlement to take care of that.

Q. He was still acting as trustee in that sense to that limited degree, was he not? Did he not tell that to you?—

A. I cannot answer that.

Q. You do not know when his trusteeship terminated officially?—A. I do not.

Q. Judge, I will ask you if under the provisions of the deed of trust or mortgage securing the issue of first-mortgage bonds on the Whitehall Hotel property—and when we refer to the Whitehall property or the Whitehall Hotel property we are meaning the property which was then owned by the Whitehall Building & Operating Co., or whatever its name was—the deed of trust or mortgage securing the first-mortgage bonds on that property contained a provision limiting the right of the bondholders to foreclose with respect to the amount in ownership of the bondholders, did it not?—A. Yes; the trust deed did have a limitation.

Q. What was that limitation?—A. Well, as I recall, it provided that the holders of \$50,000 worth of bonds could bring a foreclosure.

Q. In other words, Judge, the trustee of that bond issue could foreclose at any time that a default was made—is that true?—but that if the bondholders cared to foreclose there must be at least \$50,000 worth of first-mortgage bonds represented in the petition. Was that your understanding of the purport of that deed of trust?

Mr. WALSH (of counsel). Mr. President, I think that— The PRESIDENT pro tempore. Does the manager on the part of the House yield to counsel for the respondent for an interruption?

Mr. WALSH (of counsel). Mr. President, I do not desire to interrupt; I wish to interpose an objection. I think that the mortgage itself on that point would be the best evidence. It is rather an involved matter, but the statement with respect to the particular matter is not so very long, and then the manager could examine from that, if I may make that suggestion.

Mr. Manager HOBBS. I appreciate the suggestion and will take the ruling of the Chair.

The PRESIDENT pro tempore. The objection is overruled.

The WITNESS. Will you please repeat the question? By Mr. Manager HOBBS:

Q. I was simply asking you for your understanding of the provisions of this deed of trust or mortgage securing the issue of first-mortgage bonds. What was your understanding of the provisions with relation to the opinion that was called for by Mr. Richardson from you?—A. My understanding and the way I construed the trust deed was that, in the event there was a default in the payment of the bonds, and the trustee failed or refused to bring foreclosure proceedings, then a bondholder or bondholders holding \$50,000 or more of first-mortgage bonds or bonds under the trust deed could foreclose.

Q. And that that was the minimum limit?—A. That was the minimum limit, as the trust deed provided.

Q. In other words, as you understood and advised your then client, fewer bonds in amount than \$50,000 could not so act.—A. No; I did not advise him that.

Q. That is a fact, is it not?—A. No.

Q. It is not a fact?—A. No; it is not.

Q. In the absence of fraud, is not that a fact?—A. In the absence of fraud or collusion it might be.

Q. Yes. But, in the absence of fraud or collusion, it does require a minimum of \$50,000, does it not?—A. That is right.

Q. As a matter of fact, you said that you did not know whether Walter Richardson was then trustee in bankruptcy even when you filed the bill. You joined him as party respondent, as trustee, did you not?—A. I do not recall that.

Q. You do not recall that?-A. No, sir.

Q. Judge Rankin, you went to New York a short while after Walter Richardson approached you, did you not?—A. I did.

Q. You went in the company of Mr. S. J. Tucker?—A. I did.

Q. Mr. S. J. Tucker was receiver, or trustee, in bankruptcy of the Highland Glades drainage district?—A. He was the receiver—equity receiver—of the Highland Glades drainage district.

Q. He was receiver in equity of an estate being administered before the District Court of the United States for the Southern District of Florida, pending in the Miami division?—A. That is right.

Q. Mr. Rankin, who else accompanied you to New York upon that trip?—A. Mr. Tucker and Mr. Walter Richardson.

Q. Judge Ritter was holding court in Brooklyn at that time, was he not?—A. He was.

Q. The purpose of the trip that took you from West Palm Beach to New York was to see Judge Ritter, was it not?—A. It was to present a petition to Judge Ritter in the Highland Glades drainage district matter with reference to the settlement of State and county taxes.

Q. Was that all?—A. That was all, as I recall, that was provided for in the petition, that is, as we were applying for it.

Q. That so-called tax settlement that you say you went there to talk to him about, the petition, related to giving away \$11,000, approximately, of taxes lawfully levied against over 12,000 acres of land belonging to four individual owners, did it not?—A. No; it did not.

Q. What did it refer to?—A. Well, I would have to go into the history of the Highland Glades drainage district litiga-

tion, and I would have to think some about it.

Q. I wish you would think and tell us.—A. To the best of my recollection, there was a deal on for the Southern Sugar Co. to purchase a tract of land of the Highland Glades drainage district. They had made to the receiver—they had made to the owner of the land some kind of a proposition of purchase. The owner of the land in turn came to Mr. Tucker for some kind of an adjustment, to see if he could get some kind of an adjustment of the taxes. There were some \$75,000 or \$100,000, to the best of my recollection, of back taxes, State and county taxes, due on the lands that were embraced in the High Glades drainage district. Those taxes were still due. Just what the proposition was that they were making I do not recall. That was in 1929. I would have to go over that record in order to refresh my memory.

Q. For the purpose of refreshing your recollection, I will ask you whether or not there were four individual owners of land, aggregating over 12,000 acres, against which accrued taxes of \$27,812.14 had been levied for the years 1922, 1923, 1925, 1926, 1927, and 1928, and if you did not petition, in behalf of the receiver, that those taxes be reduced to and

settled for \$16,000?-A. I do not recall that.

Q. Judge Rankin, you say you made that trip up there to get that order signed. At the time you went there were two other district judges for the southern district of Florida in the southern district of Florida. Is not that the fact?—A. That I do not know.

Q. You do not know whether Judge Lake Jones was in Jacksonville when you passed through?—A. No; I do not.

Q. You do not know that Judge Alexander Akerman was in Tampa at the time you left?—A. No; I do not.

Q. But they are or were at that time district judges of the United States for the southern district of Florida with concurrent jurisdiction, excepting for divisional limitation, with Judge Ritter, were they not?—A. Yes. They were two judges sitting, but whether they were there or not I did not attempt to find out.

Q. Did you seek to present this application or this petition for settlement of these taxes to either one of the two judges of concurrent jurisdiction?—A. No; I did not.

Q. You went to New York?-A. Yes, sir.

Q. You also had another matter in mind to discuss with Judge Ritter, had you not?—A. No; I had no other matter in mind

Q. You discussed no other matter with him?—A. No other matter with him? Oh, I probably did discuss other matters with him, but my trip there was principally for the Highland Glades drainage district matter.

Q. What was the nonprincipal purpose?—A. That was the principal purpose, and the nonprincipal purpose? I had no other purpose in going to New York.

Q. Did you or did you not have a subsidiary purpose?—A. I did not.

Q. Did you have any more important purpose?—A. I did not.

Q. Then your statement under oath at this time is that you had no other purpose whatsoever on your trip to New York except the granting of this ex-parte petition?—A. That is true.

Q. Judge Rankin, when you came back home a firm of lawyers representing some of the interested parties in the Highland Glades drainage district case filed a motion before Judge Ritter to vacate his order granting that petition, did they not?—A. That is true.

Q. And Judge Ritter wrote two decrees on two different days denying that petition to vacate, did he not?—A. I do

not recall.

Q. But you do recall that he did deny it?—A. I think that is true.

Q. A short while thereafter he granted an order permitting the movants, who had sought to vacate the order he had signed in Brooklyn, to appeal from that decision, did you not?—A. Will you repeat the question?

Q. Judge Ritter shortly thereafter made an order permitting those movants to appeal, did he not?—A. To the best

of my recollection, he did.

Mr. WALSH (of counsel). Mr. President, I think I ought to object to that question. There is no charge that Judge Ritter did anything that was improper there or entered any judgment that was not proper. The only question on this issue is whether they were there or not. If we go into every one of these things I imagine we will consume a great deal of time.

The PRESIDENT pro tempore. Will counsel repeat the question?

Mr. Manager HOBBS. I asked the witness if it were not a fact that Judge Ritter granted an order permitting the aggrieved movants to appeal from his decision denying their motion to vacate the order made in New York.

The PRESIDENT pro tempore. The Presiding Officer thinks the facts are material. The objection is overruled.

By Mr. Manager HOBBS:

Q. Is that a fact?—A. I have already answered.

Q. Shortly after the assignments of error were filed and this permission had been granted by Judge Ritter to appeal was granted, within, say, a month or 6 weeks, Judge Ritter then wrote an order vacating the New York order made in the Highland Glades case, did he not?—A. I do not recall.

Q. You do not know whether or not he did?—A. No; I do not.

Q. You were attorney, by appointment of Judge Ritter, for Mr. Tucker, the receiver, were you not?—A. I was the attorney for Mr. Tucker.

Q. And you knew nothing of Judge Ritter's order vacating the order he signed for you in New York?—A. Certainly I must have. I did know it.

Q. But you do not now recall it?—A. I do not now recall it.

Q. Mr. Rankin, did you see Judge Ritter when you were in New York?—A. Yes; I saw him.

Q. How often?-A. I saw him on two occasions.

Q. What two occasions and where?—A. I saw him when Mr. Tucker and I presented the petition to him. I saw him over in Brooklyn.

Q. Where else did you see him?—A. Then in the evening Mr. Tucker and I and the judge and Mrs. Ritter had dinner together.

Q. Those were the only two times you saw the Judge?—A. The only two times I saw him.

Q. So you got that order signed within a few minutes the first morning you were there in chambers in the court room—that is, in connection with the court room in Brooklyn where he was then presiding? Is that right?—A. That is correct.

Q. The only other time you saw him was that night in a social way when you took dinner with him and the others?—A. That is the only other time I saw him.

Q. You did not discuss with him, I believe you stated, anything in relation to the Whitehall case?—A. None whatsoever, because I had not been employed in it.

Q. Did you discuss with Mr. Walter S. Richardson, the man who had employed you and went with you to New York? Did you discuss it on the way to New York?—A. No doubt we did. The best of my recollection is we did discuss it.

- Q. He discussed it with you all the way up there?—A. And I discussed it with him some after we arrived in New York.
- Q. And then on the way back?—A. Well, I do not recall whether Richardson came back with me or not.
- Q. Did you tell him the purpose of your trip to New York?-A. Tell whom?
- Q. Mr. Walter S. Richardson, your client, the man who had hired you .- A. Well, I had not been hired.
 - Q. You had not?-A. No.
- Q. Oh, I see. You had just been employed to render an opinion. You had not then been employed in the Whitehall foreclosure case?—A. I had not been employed.
- Q. I see; but you did discuss with Mr. Walter S. Richardson on the way up there and after you got to New York the Whitehall case?-A. Yes; I did.
- Q. What was Mr. Walter Richardson's business, if he told you, in New York at that time?-A. Well, the best of my recollection is that he told me that he was going to New York for the purpose of seeing Mr. Bemis and Mr. Sweeny with reference to a foreclosure proceeding on Whitehall.
- Q. Judge, under the Florida practice, the only way in which mortgage foreclosures are effected, in the usual routine way, is by a petition in chancery or bill in equity?-A. A bill in equity; yes.
- Q. There is no procedure in Florida for foreclosure under a power of sale contained in the instrument itself?-A. No procedure in Florida.
- Q. Judge Rankin, when you were testifying before the subcommittee of the Judiciary Committee of the House down in Florida, when this matter was under investigation, you testified that you saw Judge Ritter only once while you were in New York; did you not?-A. I believe that is correct; but I did not recall the dinner that we had with him at the time.
- Q. Mr. Rankin, after your trip to New York, in which the sole and only purpose, you say, was to present and have signed this ex parte order relating to the reduction of taxes in this Highland Glades case-after that, when did you return to West Palm Beach, or to Florida?-A. I do not recall that I stated that that was the sole and only business of my trip up there.
- Q. I beg your pardon, sir; I so understood you. I shall be very happy to have you correct me if I am in error. What was the other purpose?-A. Well, I was handling some business for Howard Cole & Co. in New York at the time, and I had to see them, and I had to stay there 2 or 3 days in order to get to see him. He was out at the time, although I had written previously and told him that I would be there; but he was called to Chicago, and I had to stay there 2 or 3 or 4 days; I do not recall now.
- Q. Who paid the expenses of your trip to New York and your expenses while there and returning?-A. The Highland Glades Drainage District paid part of it, and I paid part.
- Q. How much did you pay?-A. My recollection is that I paid \$100 and they paid \$100.
- Q. The total expense of your trip from West Palm Beach, Fla., to New York City, where you remained for several days, was only \$200?-A. That is the best of my recollection.
 - Q. Who paid Mr. Tucker's expenses?-A. I do not know.
- Q. Mr. Rankin, when did you first hear of Bert E. Holland?—A. Who?
- Q. Bert E. Holland, the client who afterward employed you to file the foreclosure suit in the Whitehall Hotel matter .-A. I believe—to the best of my recollection; I will put it that way-Mr. Richardson told me either before we went to New York or on the way up there that he had had some correspondence with a man by the name of Bert E. Holland, or that he had the information that Bert E. Holland, he and his associates, or he, controlled some \$50,000 in Whitehall bonds.
- Q. Mr. Richardson also told you on that trip, did he not, that he had written to Martin Sweeny to get in touch with Mr. Bert E. Holland and seek to get him to employ counsel to file the bill for foreclosure on the Whitehall first-mortgage bond issue?-A. Well, he may have told me that.
- Q. And he told you that he was going up there at that time to see Martin Sweeny and Mr. Bemis about that very matter, did he not?—A. That is right; he told me that.

- Q. Looking to the filing of a foreclosure bill under the firstmortgage deed of trust on the Whitehall Hotel property?-A. Yes.
- Q. Mr. Rankin, on February 10, 1930, or at any time about that time, did you or not give Mr. S. J. Tucker a check for \$200 which you marked on the face "Account trip to New York"?-A. Well, I may have.
- Q. Do you have any recollection of so doing?-A. No: I do not. I have a recollection of giving him a check on account of the trip to New York; but just what it was, the amount of it, I do not recall.
- Q. You do recall giving him a check with reference to his expenses to New York on this particular trip?-A. I believe I recall that.
- Q. Sir?-A. I believe I recall giving him a check. The amount of it-
- Q. You do not recall the amount?-A. No, sir.
- Q. Will you look that up, please? I do not mean at this time, but we have subpensed you to produce that .-- A. Yes; I will look it up.
- Q. Now, Judge, you never heard anything from anybody else while you were in New York with reference to the Whitehall foreclosure case that was then being fomented until you went back to Florida with Walter Richardson? Is that right? He is the only man who talked to you about it going up, in New York, or going back?-A. To the best of my recollection, he is.
- Q. All right, sir. When you got back home, what was the next step in your employment? Whom did you see next who said anything about hiring you?-A. Well, the next, as I recall, either Mr. Sweeny or Mr. Holland called me from New York on the long-distance phone.
- Q. Sweeny or Holland?—A. Yes, sir; one or the other; and during the conversation, whether it was Sweeny or Mr. Holland that called me, I do not recall-but during the conversation the best of my recollection is that I talked to Mr. Holland, or he talked to me, about the foreclosure of the trust deed. He stated to me that he had some bonds.
- Q. Did he say anything to you about wanting you to represent him in the foreclosure?-A. Yes; he said that I had been recommended to him, or that Ernest Metcalf and I had been recommended to him, by Mr. Sweeny or Mr. Richardson; I do not recall which.
- Q. You say that either you, or Mr. Ernest Metcalf and you, he told you, had been recommended to him to file this bill for him?-A. That is right.
- Q. Did he authorize you to go ahead and to foreclose this first mortgage, or to file a petition for foreclosure in his name?-A. He instructed me to file a bill to foreclose the mortgage.
- Q. And he told you whom he represented, did he not-he gave you the name?-A. He said he was trustee, with some others, for \$50,000 worth of bonds.
- Q. And he told you the names, did he not?—A. Not at that time; but he gave me-I told him I wanted the information. I think I wired him or wrote him; my recollection is that I wired him for the information.
- Q. All right, sir.—A. And he gave it.
- Q. Walter S. Richardson was a lawyer, was he not?-A. Yes; he was a lawyer.
- Q. Practicing law in Florida at that time?-A. Yes; he was practicing law.
- Q. Ernest Metcalf was a lawyer practicing law in Florida at that time, was he not?-A. Yes.
- Q. And Holland or Sweeny-neither of whom you had ever seen or heard of until Walter Richardson told youeither Holland or Sweeny, over the phone from New York, told you that you had been recommended to them, and that they wished you to join, with whom?-A. Metcalf.
 - Q. With Metcalf, in the filing of this bill?—A. Yes. Q. You did so, did you not?—A. Yes. Q. Who prepared that bill?—A. I prepared it.

- You did?-A. I did.
- Q. You yourself prepared that bill of complaint?--A. I prepared the bill; wrote every word of it.
 - Q. You wrote every word of it yourself?—A. Dictated it.

- Q. And Mr. Metcalf did not?—A. No. Metcalf was sitting in, and so was Richardson.
- Q. The three of you were sitting in on it, but you actually did the writing?-A. I actually dictated every word of it.
- Q. You actually dictated every word of that original bill of complaint?-A. That is right.
- Q. All right, Mr. Rankin. What was the next thing you
- did in that case?—A. What was the next thing?
- Q. Yes, sir.-A. Well, I dictated the bill and had it written, typewritten, and it took me then about 4 or 5 days to prepare the bill, and I finished with it on the 10th of October, and we signed the bill and put it in the mails.
- Q. What time did you put it in the mail?-A. Oh, as I recall it, it was some time about noon.
- Q. Why did you wire Bert E. Holland on the 10th, then, that you had the bill prepared and would file it "tomorrow or the next day"?-A. Why did I wire him?
 - Q. Yes, sir.—A. Well, he was asking about it.
- Q. I mean, if you mailed it by 12 o'clock on the 10th, why did you wire him at 2:30 or 3 p. m. that the bill was prepared and that you would file it "tomorrow or the next day"?—A. Why did I wire him that?
- Q. Yes.-A. I do not know that I mailed the bill along about noon; I mailed it some time after noon, I do not know; along about noon or some time after noon; but the reason I mailed it at that time was because Richardson gave me the information that there was a lease-parties negotiating for a lease on the building for that season, and it was at his suggestion and Metcalf's, and all three of us agreed to it that we had better get that bill filed immediately.
- Q. You just stated to this honorable Court that your best judgment was that it was mailed about noon on the 10th day of October.—A. Well, it was sometime about noon or a few hours after; I do not recall.
- Q. All right, then. I want to know what you had in mind by wiring Bert E. Holland, your client, on that same afternoon, that you were not going to file the bill until "tomorrow or the next day"?-A. We changed our minds about it afterward.
- Q. Then, after you wired him that, he wired you again the same day and told you not to file it, did he not?—A. He did: told me to hold it up.
 - Q. Told you not to file the bill?-A. Yes.
- Q. He had wired you prior to that time not to file it, had he not?-A. Prior to that time?
- Q. Yes, sir.-A. No; he had not.
- Q. He had not?-A. He had not wired me not to file the bill before I put it in the mail.
 - Q. He had not?-A. No; he had not.
- Q. So, just out of a clear sky, without any communication at all, you wired him and told him that the bill "is ready and I am going to file it tomorrow or the next day", and then you put it in the mail; or was it already in the mail?-A. I think we put it in the mail after the wire was sent.
 - Q. After the wire was sent?-A. Yes, sir.
- Q. Yet you never wired Bert Holland that you changed your mind, did you?-A. You say I did not wire him?
- Q. No, sir.-A. But I advised him.
- Q. I know, but not until after the wire from him later in the day told you not to do it?-A. No; I did not advise him immediately.
 - Q. You did not do it that day?—A. No.
- Q. You did not do it until the next day, after you had gotten another wire from him that afternoon telling you not to file it?—A. I do not recall just when I filed it.
- Q. You do not remember this telegram of the 11th? A. I say I do not recall. You are talking about matters which are 6 or 7 years old.
- Q. Mr. Rankin, when you mailed that bill, you wrote the clerk to put it under lock and key and not to let anybody know anything about it being filed until Judge Ritter got back, did you not?-A. I did.
- Q. And you got a letter back from him saying that he would keep it dark, or words to that effect?-A. I did.
- Q. It was on the 10th and the 11th that you had that correspondence and that exchange of telegrams with Bert E. Holland, your client, was it not?-A. Yes.

- Q. Along about the 16th, some 4 or 5 days later, he was still wiring you not to do anything about this case, was he not?-A. Yes; he was.
- Q. And on the 17th, after receiving his telegram of the 16th, you wired him that-"as requested, will not make application for you for receiver Whitehall pending instructions?"-A. Yes; I sent him that wire.
- Q. Mr. Rankin, as a matter of fact, you had gotten, through Walter Richardson's solicitation, clients to authorize you to swear in their names to interventions and had filed them on the day before you sent that wire, had you not?-A. I believe I had.
- Q. And they lived out in the Middle West, and had never seen you, and came to you at the solicitation of Walter Richardson, did they not?-A. That is right.
- Q. And you filed and swore yourself to those bills of intervention which were filed by you in court on the 16th and wired him on the 17th that you would not intervene?-A. Yes: that is true.
- Q. You brought this suit in Bert Holland's name, did you not, Mr. Rankin?—A. Metcalf and I brought it.
 - Q. That is what I mean.—A. Yes.
- Q. He was the only one who had been able to be found by Walter S. Richardson or by anyone else who had control of as many as \$50,000 worth of first-mortgage bonds. Is that true?-A. He was the only one who had been suggested to me as having that amount of bonds.
- Q. And you knew that Walter Richardson was after him, through Martin Sweeny and otherwise, did you not?-A. After the bonds?
 - Q. Yes .- A. Yes; I knew that.
- Q. You knew that Walter Richardson was seeking to get clients who could put you in court?-A. I knew that.
- Q. In other words, you knew he wanted to find a client who could be induced to lend you his name to file the bonds for foreclosure on behalf of all the first-mortgage bondholders. You knew that Walter Richardson was doing that, did you not?-A. Yes; I knew Walter Richardson was after the bonds.
 - Q. And for that purpose?—A. And what?
 - Q. And for that purpose?—A. And for that purpose; yes.
- Q. Bert Holland was your client was he not? He was the man who had the qualifying amount of bonds under his control to enable you to file the foreclosure?-A. He was the man who furnished me with the \$50,000 worth of bonds.
- Q. That was the qualifying amount under the deed of trust under which you operated?-A. Under the deed of trust; it was.
- Q. He was your client. Is that right?-A. He was my client.
- Q. What time did the mails run from West Palm Beach to Miami, or what time did they run at that time?—A. I do not recall.
 - Q. You lived there, did you not?-A. Yes; I live there.
- Q. You do not know what time the mails ran between those two towns?-A. No; I did not.
- Q. Mr. Rankin, why did you file that bill after Bert E. Holland had told you not to?-A. I did not file it after he told me not to; that is, I mailed it before I got the wire from him.
- Q. You mailed it before you received his wire?-A. That is right.
- Q. You did not mail it until sometime in the afternoon of the 10th, did you?-A. Well, I told you a few moments ago that I mailed it some time after noon.
 - Q. That is what I say.—A. Yes.
- Q. You just said it was noon, or thereabouts, and then you said several hours later, possibly; therefore it was after noon of the day of the 10th of October 1929 that it was mailed, was it not?-A. I did not understand that question.
- Q. Was it or not in the afternoon of October 10, 1929, before you mailed that bill?-A. It was.
- Q. You did not send it by air mail, did you?-A. No.
- Q. Straight, open mail? It went by train?-A. I do not think we had any air mail then.
- Q. It went by train or truck, did it not?—A. It went by train.

Q. And it went the next morning, did it not?—A. I do not recall: it probably went that night.

Q. You do not know when it is shown that that letter, from the stamp on the back of the envelope, was mailed?—A. No; I do not. We dropped it in the mail box in the Comeau Building.

Q. You had written the clerk to lock it up and to keep it dark, had you not?—A. I did.

Q. And you knew that that thing was under your control, subject to be withdrawn at any minute you saw fit? You knew that nobody had seen it except Palmer Rosemond, the deputy clerk, did you not? He told you so?—A. Told me what?

Q. Palmer Rosemond.—A. Told me what?

Q. Told you that he had locked it up as you requested, and that he would let no one see it?—A. Yes; he wrote me that.

Q. You knew you could stop it at any moment you wanted to, did you not?—A. And that he would hold it there until Judge Ritter came back.

Q. Yes, sir. And you knew that you could have withdrawn it at any minute until the judge had come back, did you not?—A. Yes.

Q. And yet in spite of the fact of your only client with \$50,000 worth of bonds necessary for you to qualify you to file it, telling you not to, you let it stay?—A. Yes; I let it stay.

Q. Now, Judge, why did you do that?—A. Why did I do that?

Q. Why did you violate the known instructions of your only qualifying client?—A. Simply because I knew from representations that Mr. Richardson made to me that Mr. Holland had gotten under the control of the Moore crowd and American Bond & Mortgage Co. temporarily.

Q. So when your client had come under the evil influence of the opposite crowd you ignored his instructions?—A. In the meantime, other bondholders had come in and we had intervened for them.

Q. You mean that Walter Richardson had brought you employment from them and you had done so?—A. That is correct.

Q. You did not dismiss as to Helland, did you?—A. How is that?

Q. You did not dismiss the bill as to Holland, did you?—A. No; I did not.

Q. And you knew that Walter Richardson had solicited the employment of you and Metcalf by these interveners, did you not?—A. Yes. Wait, let me catch that question.

Q. I want you to catch it. I ask you, sir, if you did or did not know that Walter S. Richardson had solicited these interveners for whom you filed on the 16th of October?—A. No: I did not know that.

Q. You did not know that?-A. No.

Q. You did not know-A. No; I did not.

Q. When you answered my question a few minutes ago—I do not mean right now—you did not know that Walter Richardson was doing that?—A. No; I did not know that he had.

Q. But you thought he was? Did you not, Judge?—A. Well, we did not think here.

Q. You did not think. All right,

Mr. KING. Mr. President, may I send to the desk a question to be propounded to the witness at this point, with the consent of the honorable counsel?

The PRESIDENT pro tempore. The clerk will read the question.

Mr. KING. I should like to have it answered by the witness.

The Chief Clerk read the question propounded by Mr. King, as follows:

Did you regard your conduct as ethical in representing Holland and at the same time you got clients to begin intervention proceedings?

A. Yes; I considered that ethical.

By Mr. Manager HOBBS:

Q. Judge Rankin—A. Just a moment.

The PRESIDENT pro tempore. The witness desires further to answer the question. Will the Senator from Utah give attention to the witness, please?

The WITNESS. I will answer it this way:

Mr. KING. Did he change his answer?

Mr. Manager HOBBS. Not yet.

Mr. ASHURST. Mr. President, I ask that the witness' previous answer be read by the reporter.

The official reporter (Fred A. Carlson) read as follows:

A. Yes; I considered that ethical.

The PRESIDENT pro tempore. The witness desires to make further answer.

The WITNESS (reading):

Did you regard your conduct as ethical in representing Holland and at the same time you got clients to begin intervention proceedings?

Well, that is not just the situation, because I had nothing to do with procuring the clients for whom I intervened by the intervention proceeding, and with that explanation I say that it was ethical.

Q. By Mr. Manager HOBBS. And yet, Judge, you swore to those interventions yourself, did you not?—A. Yes.

Q. None of your clients ever swore to them, did they?—A. No.

Q. And on the day after you had filed them in court you wired Bert Holland, your client, that you were not going to file the interventions, did you not? Is that not true, Judge?—A. I do not recall.

Q. I will ask you to look at this telegram to refresh your recollection, please sir [handing telegram to the witness].—A. Yes; I sent him that telegram. But as I understood your question, that telegram is not worded as you put it.

Q. I am asking you, Judge, after you had, on the 16th of October, filed interventions for these other people, if you did not wire Holland that you would not—"as requested will not make application for you for receiver for Whitehall (case)"?—A. That is right, I wired that; that I would not make application for him.

Q. That is right?—A. Yes. For him.

Q. Yes. But you had already done so, had you not?—A. No.

Q. You did not do so in the original bill of complaint—you did not have a prayer for a receivership?—A. Why yes; I had a prayer for a receivership.

Q. You did not have a motion filed at that time in the name of Bert E. Holland asking for receivership?—A. Well, I do not recall that, but when we applied for a receiver we applied on petition by the interveners.

Q. And you applied in the name of Bert E. Holland also, did you not?—A. Not at the time.

Q. I am talking about on the 28th when you went there and argued the matter?—A. No; I did not apply for it.

Q. You did not?—A. No; I did not.

Q. All right, sir; but you had already filed a bill in his name, seeking a receivership?—A. That is what we had.

Q. And you did file a motion for receivership in the names of the complainants, one of whom was Bert E. Holland?—A. That was in the bill.

Q. Yes; and also in the motion, too, was it not?—A. I do not recall that it was. We filed a separate petition for the interveners.

Q. That is a matter of record. Now, having lulled him by this and similar telegrams into believing that you were not going to proceed for receivership in his name, telling him to talk to you over the long-distance phone, as you do in others, we come now to the 28th day of October 1929, in the court room of Judge Ritter. I ask you if before entering that room you saw your client, Bert E. Holland.—A. Yes; I saw him.

Q. I will ask you if he did not tell you that he no longer desired or wished your services in that case?—A. No; he did not.

Q. He did not?-A. No.

The PRESIDENT pro tempore. Will the counsel read the telegram which he just quoted from for the purpose of the record?

West Palm Beach, Fla., October 17-

Omitting the hieroglyphics which I do not understand-"1114A", and so on-

BERT E. HOLLAND,

Palmer House, Chicago, Ill.:

As requested, will not make application for you for receiver Whitehall pending instructions. Suggest you call me long distance, as you losing strategic position by delay.

A. L. RANKIN.

Then some other numbers "1125a", or something. Was that what you wished, Mr. President? The PRESIDENT pro tempore. Yes. By Mr. Manager HOBBS:

Q. Judge Rankin, on the 28th you say that Bert Holland did not see you in the hall and tell you he no longer desired your services?-A. No.

Q. Did he not tell you that that suit had been filed by you and Metcalf in defiance of his orders as your client and that he was through with you, or words to that effect?-A. No: he did not say that.

Q. He did not say that. What did he say?-A. He told us that he did not want any receivership-or receiver appointed at that time, and did not want us to make an application for the appointment of a receiver for him, and we told him that we would not make an application for appointment of receiver for him, but we would make an application for the appointment of a receiver for the interveners.

Q. And then you went on into the courtroom?-A. Yes.

Q. And you say that is what Bert Holland said to you and what you said to him?-A. That is what Bert Holland said to me and that is what he said to Metcalf, and we were both together.

Q. You were both together in the hall?-A. Yes.

Q. It was called to my attention, Judge, that you paid the filing fee for filing this bill of complaint, \$15, yourself .-A. Yes.

Q. Mr. Holland never paid it?-A. No.

Q. Never paid you a dime of your expenses in the matter at all?-A. No. I paid it.

Q. Did he ever pay you any fee?—A. Did he ever pay me any fee?

Q. Yes.—A. No; he never paid me a dime.

Q. Did you ever ask him for one?-A. No; I never asked him for a fee.

Q. And you paid the expenses of filing the bill and the other incidental expenses yourself?-A. Yes; I paid it.

Q. You paid out of your own pocket the expense of filing the interventions, did you not?-A. I believe I did.

Q. Now, on the 28th of October, when your client showed up from Boston in Miami, he got up in open court and made a statement to the judge, did he not?-A. Yes; he made a statement to the judge in open court.

Q. He is an attorney at law, is he not?-A. I really do not know.

Q. You do not know that?-A. No, sir.

Q. You have received letters from him. Have you never received one on his letterhead?-A. I do not recall.

Q. That is all right, sir. He got up and made a statement in open court, did he not?—A. Yes; he made a statement in open court.

Q. What did he say?—A. As I recall, he stated that he did not care to have a receiver appointed at that time, and objected to it.

Q. What did Judge Ritter say?-A. Judge Ritter, to the best of my recollection, asked him if he authorized his attorney to file that bill; and he said he did; and the judge said, "You are not asking now for this bill to be dismissed"that is as I recall it—"but you just do not want the court to appoint a receiver"; and he stated, I believe, that that was his position.

Q. Judge, that was not your testimony when you were on the witness stand before in this matter, was it?-A. It may not be, but it was in words very much to that effect, though and show the work that I did in the case. I was in con-

Mr. Manager HOBBS. Certainly, Mr. President. It is I do not just recall the exact conversation or just what took place there.

> Q. And you would not attempt to swear positively what took place?-A. No; I would not swear positively, because I do not recall positively.

> Q. Do you recall whether or not Judge Ritter said anything about a man coming into his court from out of the State and starting something and then trying to stop it?-A. Judge Ritter made some remark, but I just do not recall what it was.

> Q. It may be a little later, after you argued—I believe you did argue for the appointment of this receiver, did you not?-A. I do not recall whether I presented the petition or whether Mr. Metcalf presented it.

> Q. Do you not remember that you did present it yourself and that you argued it for quite awhile?-A. I may have.

> Q. And then a gentleman from Chicago by the name of Lautmann, who represented quite a large number of the bondholders, tried to say something, did he not?-A. Yes; Mr. Lautmann rose and made some argument.

> Q. What did Judge Ritter tell him?-A. I do not recall what he told him.

Q. You do not?-A. No: I do not.

Q. He represented about 90 percent of the bondholders under the first mortgage deed of trust, did he not?—A. Who?

Q. Lautmann?-A. I do not know. It was the first time had ever seen him, and I had never heard of him before.

Q. I believe you were Judge Ritter's former law partner, were you, up to the time he went on the bench?—A. Yes.

Q. Then, for the purpose of clarifying the record, I will ask you when the formation of the partnership between you and Judge Ritter began, or when it was accomplished?-A. It was in October or November, I think-my best judgment is October or November-1926.

Q. When did you move to Florida?—A. I moved to Florida in June 1926.

Q. And you and Judge Ritter both stood the bar examination at Tallahassee that summer and were admitted to practice in Florida, and for the first time formed your partnership that fall and continued your partnership until he went on the bench?—A. That is right.

Q. Judge Ritter appointed the receiver on the 28th day of October 1929, after Bert E. Holland had made his statement in court, and after you had argued for the appointment of a receiver, and after Lautmann had attempted to say something, then Judge Ritter said that he was going to appoint a receiver, did he not?—A. Yes.

Q. And he said he was going to appoint Walter S. Richardson?-A. Yes; he said that.

Q. Nobody had mentioned Walter S. Richardson's name in the courtroom, had they?-A. Nobody had.

Q. Not until Judge Ritter had?-A. I had not. Q. Then nobody else had?—A. Metcalf had not.

Q. You had been there, had you not?—A. Yes; but I had not heard anyone mention his name as receiver.

Q. And, to the best of your judgment, until his name fell from the lips of Judge Halsted L. Ritter, no one mentioned it?-A. Judge Ritter, to the base of my recollection, was the first one who called his name.

Q. Then, as soon as he did it, Mr. McPherson, of the firm of Shutts & Bowen, objected to the appointment of Walter S. Richardson as receiver, did he not?-A. Yes; he did.

Q. And asked for time to bring in documentary proof to show his unfitness, did he not?-A. To the best of my recollection, he said that.

Q. And Judge Ritter granted him until 2 o'clock that afternoon to do so; is that right?-A. I think that is what happened.

Q. From that good moment or throughout the whole time that this receivership was running what did you do? I do not mean this offensively; I mean except your applications for your allowance of fees from time to time, what other services did you perform?-A. Well, the record will show. If I had the record here, I could pick out the papers I filed

sultation every few days with Mr. Bemis, Mr. Sweeny, and | Whitehall case?—A. I do not recall whether it was settled Mr. Richardson.

- Q. So you had some conferences with Bemis, with Sweeny, and with Richardson?-A. Yes.
- Q. You were not attorney for the receiver?-A. How is that?
- Q. You were not attorney for the receiver?-A. No; I was not.
- Q. Judge Ritter suggested that either you or Ernest Metcalf should withdraw as attorney for Holland and that if either one of you would do so he would appoint you attorney for the receiver, did he not?-A. Yes.
- Q. That suggestion came from the court, did it not?-A. Yes, sir; it did.
- Q. So you were not attorney for the receiver, Walter S. Richardson, were you?-A. No; I was not his attorney, but I was attorney for the complainant.
- Q. All right, sir. Why were you conferring with the managers of the hotel under the receivership? What was the purpose of those conferences?-A. There were a great many questions that arose with reference to repairs, management, operation, and purchases, everything of that kind. They were very frequently calling on me. I do not recall just what the different things were that we discussed.
- Q. Ernest Metcalf, at the suggestion of Judge Halsted L. Ritter, had retired as your associate representing a complainant and had gone over and taken the receiver's counselship, had he not?-A. Yes; he had.
- Q. So the receiver, himself a lawyer, had another lawyer, Mr. Ernest Metcalf, to represent him, did he not?-A. Yes; he had another lawver.
- Q. And he had employed Bemis and Sweeny to run the hotel, had he not?-A. Yes; the court required him to do it.
- Q. And Bemis and Sweeny and Richardson consulted you?-A. They did.
- Q. What papers did you say you filed? I do not mean in detail-of course, the records will show-but I mean just what papers do you recall not relating to the petitions for fees to be paid you; what other papers do you recall that you filed from the 28th of October on?-A. Well, as I recall it, I filed answers to the cross bill of Harold A. Moore; and, as I recall it. I filed replies to the answers of some of the other defendants there-that is, the answer of the trustee under the second mortgage; and then I prepared, but the papers were not filed, the warning order to get service on the nonresident defendants; but they came in and answered and I did not have to file those. Then later I prepared the final decree in full.
 - Q. You did?-A. I did. I prepared the final decree in full.
 - Q. You wrote that yourself?-A. I did.
- Q. Prepared it in full? Have you stated to us in substance the content and extent of your services in this case?-A. Is that the extent, do you say?
 - Q. Yes.—A. I am sure it was not.
- Q. But to the best of your recollection at this late day that is all you can recall? The records will show the balance?-A. Yes; the records will show.
- Q. That is all you can recall?-A. No; it is not. There was a claim in the bankruptcy case of Albert Pick & Co. involving-I do not remember just how much it was, but several thousand dollars. I went down to the hearings on two or three occasions, and on behalf of the bondholders I contested that claim of twenty-some-odd thousand dollars. In other words, I filed objection to the allowance of it and attended several hearings. Then after that I attended several hearings before the special master in which there were some contested claims, and they took testimony on several occasions. Then I made several trips to Tampa, since the case was transferred to Tampa, on hearings instigated by the special master in different matters with reference to instructions, and so forth.
- Q. Judge Rankin, do you not know that the Albert Pick claim was settled before the special master long after the final decree in this case was rendered?-A. Do I know what?
- Q. Do you not know the Albert Pick contest before the special master was settled long after the final decree in the

- prior to the entry of the final decree or subsequent to the entry of the final decree, but you asked what I did after the filing of the bill, and I am trying to answer your question.
- Q. Up to the time of the filing of the decree.—A. I did not understand you.
- Q. I beg your pardon. It is my fault. I did not make myself clear. I want to ask one other question. To go back to the appointment of the receiver, Walter S. Richardson, that afternoon at 2 o'clock, on October 28, 1929, when you came back in there, Mr. McPherson presented some letters to Judge Ritter protesting against the appointment of Walter S. Richardson, and in those letters he showed this drumming up of business, did he not?-A. Those letters showed
- Q. The solicitation of a client to institute the suit.—A. I do not recall that.
- Q. You did not hear that?—A. I did not hear it?
- Q. Did you or did you not hear it?-A. I don't remember whether I heard it or not, but I don't recall it.
- Q. You do not recall it?-A. No.
- Q. You do not recall Mr. McPherson introducing in evidence upon that occasion, and it being read and commented on before Judge Ritter, the fact that Walter S. Richardson had solicited clients to bring cases?-A. I do not recall hearing him make a statement like that.
- Q. You do not?-A. No. I do not say that he did not do it.
- Q. All right. Judge Rankin, on the day that the final decree was signed in the Whitehall case you had agreed upon a split of the fee that was to be allowed you, had you not?-A. Yes.
- Q. How was it to be split?—A. The fee was to be split with Shutts & Bowen and Fordham. The understanding was that whatever fee the court allowed they would participate to the extent of one-third and I would participate to the extent of two-thirds.
 - Q. You had already gotten \$15,000, had you not?-A. Yes.
- Q. That was allowed to you by Judge Akerman, and \$2,500 by Judge Ritter?-A. Yes, sir.
- Q. You had already gotten that, and on the day the final decree was signed you had reached before that an agreement with counsel on the other side of the case whereby they were to get a slice out of your fee?-A. Yes; we had an agreement, a settlement agreement.
- Q. Shutts & Bowen and Fordham were to get \$25,000?-A. They were to get one-third of whatever the court allowed.
 - Q. That was the agreement, was it?-A. Yes.
- Q. What connection did Shutts & Bowen and Fordham, as you call them, have with this case?-A. They represented the trustee under a trust deed, under the first-mortgage trust
- Q. In other words, they represented Moore?—A. That is, the Moore interests.
- Q. The man you had called in your bill the perpetrator of a fraud?-A. That is correct.
- Q. And when they took testimony in Chicago, to disprove the allegations of fraud against Moore, you were not there?-A. No; I could not go at the time. I think I was out of the State; that is my best recollection.
- Q. You got notice of the hearing and the taking of testimony, did you not?-A. I believe I did.
- Q. You knew they were going to take testimony to disprove the averments of your bill, did you not?-A. I do not recollect that.
- Q. You do not recall about that? You did not go to Chicago, did you?-A. No.
- Q. You did not participate in the hearing there when they took over 400 pages of testimony, did you?-A. No; I did not go to Chicago.
- Q. They were representing the men at whom you were shooting, Shutts & Bowen?-A. Yes; they were representing the same interests.
- Q. And Fordham, as you call him, is the Honorable Albert C. Fordham, of West Palm Beach? Is that right?-A. Yes.

- Q. He was the local attorney in West Palm Beach for the Moore interests, was he not?-A. Yes.
- Q. So they were the ones against whom your bill was filed? Is that true?-A. Yes.
- Q. You agreed to give them a third of whatever fee was allowed you?-A. I did.
- Q. In addition to that you agreed that they should be paid \$6,500 as the balance on the bank trust deed, did you not, out of the fee which they contended should have been allowed them in the bankruptcy phase of the Whitehall case?-A. For services they had rendered Harold A. Moore, trustee; yes.
 - Q. That was in the bankruptcy case?—A. That is right.
- Q. That had nothing to do with this case?-A. It had nothing to do with this particular case—that employment.
- Q. Not a thing? You knew, did you not, that the referee in bankruptcy before whom the bankruptcy was pending had heard their petition and denied their petition for that fee in that particular case?-A. I don't recall that. The fact is I don't believe I remember anything about that.
- Q. You knew the referee in bankruptcy had allowed them a fee of \$8,500 for their services to the trustee in that bankruptcy, did you not?-A. No; I did not.
 - Q. You did not know that?-A. No.
- Q. You knew they were claiming \$15,000, did you not?-A. No; I did not.
- Q. You did not know about the \$6,500 balance they had petitioned to the referee for in that bankruptcy phase of the proceedings before any of this was instituted, and that he had heard the petition and the evidence in support of it and had denied that petition for this fee? Did you know that?-A. No; I did not know that.
- Q. So, then, when you agreed that \$6,500 should be paid in this case for services rendered in another case, you were ignorant of the facts I have just hypothesized?-A. Yes; I knew nothing of that.
- Q. In addition to that, Judge, you had agreed to pay Ernest Metcalf \$10,000, had you not, out of your fee?-A. Yes.
- Q. He got \$5,000 decreed to him; did he not?-A. I believe he did.
- Q. So you were just giving him \$10,000 on the side?-A. No: Metcalf had done quite a little work in the matter. The fact of the business is, he had drawn a rough form of bill of complaint, I think a few pages, and then he and Richardson had assisted me and been with me all the time that I was drawing the final decree-I mean, the bill of complaint-and after he had withdrawn from the case and been appointed attorney for the receiver, I agreed to compensate him for the work that he had done.
- Q. So, just out of appreciation for his having drawn the first rough draft of the bill of complaint in the Whitehall case that we have been talking about, and just because he had withdrawn as your associate counsel, just to be a good fellow, you handed him \$10,000 out of your fee?-A. Well, I felt like I was obligated to pay him something.
- Q. Judge, you similarly felt, did you not, the urge to compensate Walter Richardson, the trustee in bankruptcy, who, while he was trustee, had been seeking these bondholders so that he could initiate this foreclosure proceeding, and then who took you to New York, or you went with him, talked it over there, and he told you what he was going for? You felt the urge to compensate that man, too, did you not?-A. Yes; and I did.
- Q. And you slipped him \$5,000?-A. For services he had rendered prior to the time he was appointed receiver.
- Q. Yes, sir. Judge Rankin, on Christmas Eve of 1930, the day that the final decree was signed by Judge Ritter, your former law partner, you got an advance payment on the \$75,000 fee that he allowed you that day. You got a payment of \$25,000, did you not?-A. Thirty thousand dollars.
- Q. All right, sir. You deposited only \$25,000, did you not?—A. As I recall it, I deposited \$30,000.
- Q. Well, twenty-five or thirty thousand dollars; that is a difference of only \$5,000. You got some little bit of money, an advancement on your \$75,000 fee?-A. Yes.
- Q. What did you do with it?-A. Well, it was a check on the First National Bank in Miami.

- Q. Yes, sir. You went down to the bank and deposited it; did you not?-A. I went down to the bank and deposited it, and I told Mr. Bowen, of Shutts & Bowen, to come on down there with me and I would pay them \$12,500, or half of what I had agreed to pay them.
 - Q. And you did so?-A. I did.
- Q. And they went to the bank with you, you say?-A. Yes; they went in the bank with me-Shutts and Bowen.
- Q. And yet, while they were right there at the bank window, where the cash was, you paid them in checks, did you not?-A. I did not understand you.
- Q. I will ask you this question: How did you pay Shutts & Bowen and Mr. Fordham?-A. I gave a check to Shutts & Bowen for \$12,500 in the bank.
- Q. And that was supposed to pay off Messrs. Shutts & Bowen and Mr. Fordham?-A. Yes.
- Q. For their part, for a little bit more than their part. You had agreed on a third, and you paid them half of this advance?-A. I gave them half of what was coming to them.
- Q. But although they were standing there in the bank with you, where the cash was, you gave them a check?-A. Yes; I gave them a check. They asked me to.
- Q. All right, sir. Whom else did you pay out of that fee?-A. I paid Judge Ritter \$2,500.
- Q. No, sir; I am not coming to that. Did you pay Walter Richardson any of it?-A. I believe I did. I will have to see my checks to see.
- Q. And you paid him with a check, did you not?-A. Paid him with a check?
 - Q. Yes, sir.—A. Yes; I paid him with a check.
- Q. So everybody in this case except Judge Ritter got his in a check?-A. That is correct.
- Q. How did you get Judge Ritter's pay to him?-A. How did I get it to him?
- Q. Yes, sir.—A. I drew a check for \$3,000 cash. I went to the window and got the \$3,000 in cash. I put \$500 of it in my pocket-well, I took out \$2,500 and went over, and on my way to my car-it was parked back of the Federal Building-I went into Judge Ritter's office and paid him \$2,500 in cash.
- Q. Who was present when you paid him that cash?-A. There was no one in his private office. His secretary was out
- Q. And you went in and closed the door and paid him \$2,500 in cash?—A. Well, I do not recall that I closed the door.
 - Q. You do not?-A. No. I may have, or I may not have.
- Q. And there you paid him \$2,500 cash on Christmas Eve of 1930?-A. Yes, sir.
 - Q. Is that the truth?—A. That is true.
 - Q. That is what happened?—A. That is what happened.
- Q. All right; and he is the only man in this case that you did pay in cash?—A. The only man I paid in cash.
- Q. You did not take any receipt for it?-A. Did I have a reason for it?
- Q. I say, you did not have any receipt for it; you did not take any receipt for it?-A. No; I took no receipt for it.
 - Q. Not a scratch of a pen?—A. Not a scratch of a pen.
- Q. All right, sir. The sum and substance of that is that you got \$25,000 under a decree signed by Judge Ritter that day, and took the check giving you that \$25,000 to the bank; and then, after writing a couple of other checks, you drew a check for \$3,000, and brought back the proceeds, and gave \$2,500 out of the proceeds to Judge Ritter in the privacy of his own chambers, without a scratch of a pen?-A. That is exactly right.
- Q. Judge Rankin, I want to ask you please to look at this check [exhibiting check to the witness and to Mr. Walsh. of counsel]. This is a check which purports to have been drawn on December 24, 1930, payable to the order of cash, for \$3,000, signed by you. Is this the check that you drew?-A. It is.
- Q. You did not draw it.—A. I did not what?
 Q. Your handwriting is not on the face of it, is it [again exhibiting check to witness]?-A. That is the check that I signed. Mr.—the best of my recollection is Mr. Raum wrote the check.

Q. You signed it there in the bank, did you not, Judge?-A. I did.

Q. When did you put that endorsement in the left-hand lower corner, which reads as follows, on there:

For payment on purchase of business, \$2,500; for expenses of trip,

A. I put that on there some time after I received my checks back from the bank.

Mr. ASHURST. Mr. President, will the Official Reporter please read the last question and answer?

The PRESIDENT pro tempore. The last question and answer will be read.

The Official Reporter (Percy E. Budlong) read as follows:

Q. When did you put that endorsement in the left-hand lower corner, which reads as follows, on there:

"For payment on purchase of business, \$2,500; for expenses of trip, \$500."

A. I put that on there some time after I received my checks back from the bank.

By Mr. Manager HOBBS:

Q. So this check in its new form is not the check in the form in which you presented it to the bank?-A. No.

Q. In that this endorsement down in the left-hand lower corner, "For payment on purchase of business, \$2,500; for expenses of trip, \$500", was written long after you had received this check back from the bank, after it had cleared?-A. It was some time after I received it back from the bank.

Q. That was written in the privacy of your own office, was

it not?-A. I do not recall; no doubt it was.

Q. Do you recall where you wrote it?-A. No, I do not; but I merely put it on there for a memorandum as to what went with the money.

Q. Judge Rankin, do you not know that was put on there the same day on which you made the so-called receipt when you paid him \$300?-A. I do not recall that.

Q. Do you not know that you and Judge Ritter had heard that there was talk about this thing and thought you had better have some written evidence of it, and that you put it on there in 1932?-A. No; I put it on there prior to any time that I had heard any talk with reference to it.

Q. Is that so?—A. That is my recollection.

Q. Judge Rankin, was there any danger of you forgetting that you had, in the privacy of his chambers, paid your former law partner \$2,500 in cash hot into his own hand?-A. No; there was no danger of my forgetting it.

Q. Yet you say you made this endorsement some time after it cleared at the bank in order that you might not forget it.-A. It is just a memorandum of what went with that \$3,000 in cash.

Q. All right, Judge.

Mr. KING. Mr. President, while counsel are consulting, may I have several questions read which I sent to the desk a moment ago?

The PRESIDENT pro tempore. The clerk will read the

The legislative clerk read the first question propounded by Mr. King, as follows:

Were you arranging for filing a suit for the interveners while you were acting for Holland?

Mr. KING. Now, I should like to have the next question read.

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read the second question propounded by Mr. King, as follows:

Could the interveners file a suit in intervention without consent of the court?

The legislative clerk read the third question propounded by Mr. King, as follows:

Could there be a suit for foreclosure by bondholders owning or holding less than \$50,000 of bonds?

A. Yes.

The legislative clerk read the fourth question propounded by Mr. King, as follows:

How could you get into court as interveners with bonds representing less than \$50,000?

A. You could file a petition with the court for an order allowing intervention.

By Mr. Manager HOBBS:

Q. Judge Rankin, with further reference to this endorsement in the lower left-hand corner, where you show that \$2,500 went for the purchase of the business, and for the expenses of the trip \$500, you reported that \$500 in your income-tax return for that year as farm expenses?-A. I do not recall.

Q. You do not recall talking to Mr. C. R. West about this matter, the investigator of the Income Tax Bureau at Jacksonville, who then lived in your home town of West Palm Beach?—A. Yes; I recall talking to Mr. West about my income tax, but I do not recall just what I said to him with reference to that check.

Q. Judge, what was your agreement with Metcalf as to percentage of the fee you were to be allowed? You agreed with Shutts & Bowen and Fordham on a 331/3-percent cut, did you not?-A. Yes.

Q. What percentage of cut did you agree on with Ernest Metcalf?-A. We did not have any percentage agreement with him.

Q. So the fact that it was 20 percent of the \$50,000 did not signify?-A. That did not signify.

Q. You just agreed to give him \$10,000?-A. Yes.

Q. What percentage did you agree to give Walter Richardson?-A. I do not recall that we had a definite percentage agreement. We may have had, but I do not recall it.

Q. You knew, of course, that Ernest Metcalf was allowed, and allowed without objection, a fee for representing the receiver in this very case, did you not?-A. Yes; I knew that; or that he would be.

Q. So, for all the services he performed in this case, except the preparation of the rough draft of the original bill, he had been paid, had he not?-A. For all the services he performed?

Q. In this case; yes .- A. With reference to the receivership?

Q. Yes, sir.—A. Yes; he had been, or would be paid at the time.

Q. Except for the rough draft that he prepared of the original bill of complaint. That was what you were paying the \$10,000 for, plus the consideration that he had withdrawn from association with you, and therefore deprived himself of part of the fee?-A. Yes.

Q. Is it not a fact, Judge Rankin, that Walter Richardson, when he had fomented this litigation, had an agreement with both you and Metcalf that he was to get 10 percent of any amount you received, and 10 percent of any amount that Ernest Metcalf received, in payment for his letting you in on it?-A. I do not recall that we had an agreement of that kind.

Q. You do not recall that?—A. No; I do not. I know I paid him some four or five thousand dollars.

Q. You paid him a little more than that, did you not?-A. I may have paid him a little more.

Q. You paid him \$6,500 or \$6,800; but the point is he was being paid as receiver, anyway, was he not?-A. Yes; he was getting paid as receiver.

Q. He was paid \$30,000 for acting for 6 months during the two seasons the hotel ran, was he not?-A. I did not catch that question.

Q. He was paid \$30,000 as receiver's fees for the two short winter seasons that he ran the hotel as receiver?-A. That is my recollection; that he got \$30,000.

Q. But you paid him \$5,000 additional?-A. Yes; I paid him, because I agreed to pay him that before he was appointed receiver, for the work he had done.

Q. For the work he did; and you agreed to pay him 10 percent of anything you got out of it, did you not?-A. I may have. I do not say I did or I do not say that I did not.

Q. And Ernest Metcalf agreed to pay him 10 percent of anything he got, too, did he not?-A. I do not recall.

Q. Do you not remember that Walter Richardson told you what was in his mind? Do you not remember when he told you that he was not going to get his hands off this property as easy as old man Moore and old man Fordham thought

they were going to shake him loose; that he had this scheme, and if he could find any bondholders representing \$50,000 worth or more of the first-mortgage bond issue he was going to put his scheme through, and he would use you two men if you would give him 10 percent of any fees allowed—A. No; he did not tell me that.

Q. What did he tell you?—A. Well, I have already outlined at the beginning of my examination what he said to

me, approximately, with reference to that.

Q. When did he have the conversation with you in which you say that you may have told him something about 10 percent, but you will not be sure, but you did agree to pay him something?—A. Well, it was along about the time that we started on the work.

Q. When was that—when you went to New York?—A. After we came back from New York.

Q. After you came back from New York?—A. Yes; and after we started on the preparation of the bill.

- Q. And then how much did he say he wanted out of you for letting you in on it?—A. How much did he say he wanted?
- Q. Yes. How much did he say that he wanted of your fee?—A. We had a settlement, and I paid him somewhere around \$5.000.
- Q. But you said that a short while after you got back from New York you agreed that you were going to pay him something for letting you in on this thing?—A. That is right.
- Q. How much did you agree to pay him? Not how much you paid.—A. Well, I did not state that I agreed to pay him any definite amount.

Q. Did you or did you not?-A. I do not recall.

- Q. You do not recall. And you do not recall whether you agreed to pay him a percentage? You do not remember whether you agreed to pay him one-third, or one-half, or 10 percent of your fee?—A. No.
- Q. But you did agree to pay him something in addition to his fees that he was to receive as receiver?—A. Yes; that is correct.
- Q. And based upon the amount of your fee?—A. Yes; based upon the amount of my fee.
- Q. In other words, if you got—A. Now wait a minute. No; it was for the services that he was rendering.
- Q. Why, of course.—A. And I told him that I would pay him a substantial amount.
- Q. What do you mean by "substantial"?—A. Well, I would think \$5,000 was pretty substantial. That is what I paid him.
- Q. I agree with you fully about that; but what I am asking you is, What was to be the basis according to your understanding with Mr. Walter S. Richardson for his compensation? In other words, did you tell him that it was to have any relation whatsoever as to the amount that you got out of the case? Were you going to pay him the same if you got a large fee or a small one?—A. I do not recall just what our agreement was.
- Q. But I am asking you if you do recall—although you do not recall just what it was, do you recall that point, that you agreed to pay him a substantial amount, dependent upon how much you got?—A. Well, I just cannot answer that because I do not remember.
- Q. As a matter of fact, Judge, you and Metcalf each agreed to pay him 10 percent of anything you got out of it, did you not?—A. I just do not recall.
- Q. And you did pay him that, did you not?—A. I paid him \$5,000. That amounted to more than 10 percent of what I really received.
- Q. But you did pay him substantially 10 percent?—A. I say that amounted to more than 10 percent of what I actually received.
- Q. Judge, let us get on down to the second trip that you made to Judge Ritter's office. It was in the spring, was it not, when you got another order from Judge Ritter to make another payment to you?—A. Yes; some time.
- Q. There was not enough money in the receivership to pay Q. It is 67 miles from you the full amount of \$75,000 until after you had gone into not?—A. It is 70 miles.

- a second season of operation, was there?—A. Well I do not recall that.
 - Q. You do not?-A. No-that there was not enough.
- Q. Why, then, after he had just allowed you a \$75,000 fee, did you pray for \$30,000 to be paid you then? Did you not recite in that petition that the \$30,000 was in the treasury, in the hands of the receiver?—A. Yes.
- Q. Did you not assign that as the reason why he could allow you your part payment of your fee that day, Christmas Eve?—A. Yes: I think I alleged that in my petition.
- Q. Then you did not know that there was not \$75,000 to be distributed in that way at that time, did you not?—A. That there was not?

Q. Yes .- A. No; I did not.

- Q. You did not know that. All right, sir. The seasonal operation there begins the 1st day of January and runs through January, February, and March, does it not?—A. Yes.
- Q. So along in April, after you had finished the season and had collected the amounts that had been brought in by these people that occupied the hotel, you asked Judge Ritter to order the payment of the balance due you, did you not?—A. I did. My recollection is that it was after the sale of the property at the master's sale, and after probably—well, anyway, I do not recall that, but it was sometime after, along about the 1st of April somewhere.
- Q. On the 14th day of April he gave you an order to be paid the balance of your fee, you having had \$5,000 between the time of the first payment and this? That is right, is it not?—A. I did not understand the question.

Q. I will make it specific. On the 24th day of December

1930 you got \$25,000, did you not?-A. \$30,000.

- Q. \$30,000. Then between then and October 14 you got another \$5,000, did you not?—A. I do not recall that I did.
- Q. Then either that is true or on April 14 you got the whole balance of your fee?—A. I think that is the truth.
- Q. Either way, you got the balance, did you not?—A. I got the balance.
- Q. How much was that payment, approximately?—A. \$45,000.
- Q. What did you do with it?-A. I deposited it in the bank.
- Q. What bank?—A. I do not recall just how the payments were made to me—whether it was one check on one bank, or whether it was two or more checks on other banks—on different banks.
 - Q. All right, sir.—A. I deposited the checks all right.
- Q. I am satisfied you did, sir. And you deposited part of it in West Palm Beach in a bank up there, and you deposited part of it in Miami, did you not?—A. I think that is correct.
- Q. And then one day up there at Palm Beach, on the day that you had made that deposit, or shortly thereafter, you decided to take a trip to Miami to see Judge Ritter, did you not?—A. Yes; I went down to Miami.
- Q. And so you went down to the bank in West Palm Beach in which at the time you had more than \$2,000 balance, and you drew a check for \$1,000, did you not?—A. I did.
- Q. And you put it in your pocket and walked out?—A. I
- Q. Then what did you do by way of getting toward Miami with that \$1,000 in your pocket? Did you go in your car?—A. I think—to the best of my recollection, I went in my car.
- Q. Then you rode from West Palm Beach the 67 miles down to Miami, along the highway of Florida, with the thousand dollars cash in your pocket?—A. Yes, sir.
- Q. And when you got to Miami you went to another bank and drew out \$1,000 in cash, did you not?—A. I did.
- Q. And then you went around for the second time to Judge Ritter's private office, and in chambers you gave him \$2,000 more in cash?—A. I did.
- Q. And that is the way you got hold of the \$2,000 to give him; is it not?—A. That is the way. I drew a thousand dollars out of the bank in West Palm Beach and \$1,000 out of the bank in Miami, and I carried it in there and paid it to Judge Ritter.
- Q. It is 67 miles from West Palm Beach to Miami, is it not?—A It is 70 miles

Mr. ROBINSON. Mr. President, at this point I should like to submit two questions, which I send forward.

The PRESIDING OFFICER (Mr. Bachman in the chair). The clerk will read the first question submitted.

The legislative clerk read the first question propounded by Mr. Robinson, as follows:

Why did you not give Judge Ritter a check instead of paying him cash?

A. Well, the reasons—there were two reasons. One was that the day before, on the 23d, they had had a bank failure there in Miami. The City National, as I recall, I think had had a run on the bank; and I wanted to pay as much as I could on what I owed, and I owed Judge Ritter some money, and I started to write a check to him for \$2,500, and then it occurred to me that it might not be that Judge Ritter did his banking there at the same bank, and it might subject him or me, or both of us, to criticism if I would, on the same day that I deposited \$30,000 there, write him a check for \$2,500, I being his former law partner. That is the explanation, and the only explanation that I could make of it.

The PRESIDING OFFICER. The clerk will read the second question submitted by the Senator from Arkansas.

The legislative clerk read the question propounded by Mr. Robinson, as follows:

How did you reach the conclusion that Richardson was entitled to receive any part of the attorney's fees?

A. We had agreed originally, after we had been employed, to pay Richardson reasonable compensation for his assistance there in helping us draft the bill and furnishing us data.

Mr. WALSH. Mr. President, I submit two questions.

The PRESIDING OFFICER. The clerk will read the first question submitted by the Senator from Massachusetts.

The legislative clerk read the first question propounded by Mr. Walsh, as follows:

What time in the day, which I understand was the day before Christmas, December 24, 1930, did you receive the order from Judge Ritter for the payment of your fee?

A. It was along around noon or just before noon, as I remember.

The PRESIDING OFFICER. The clerk will read the second question submitted by the Senator from Massachusetts.

The legislative clerk read the second question propounded by Mr. Walsh, as follows:

What time was it that you, on December 24, 1930, paid Judge Ritter?

A. I think the answer to the former question would probably answer that question.

The PRESIDING OFFICER. The witness does not seem to have answered the Senator's question. Let it be read again.

The legislative clerk read as follows:

What time was it that you, on December 24, 1930, paid Judge Ritter?

A. To the best of my recollection it was a little before noon.

Mr. WALSH. Mr. President, I understood the witness to say he made the deposit a little before noon. Did he make the payment to Judge Ritter at that time?

The PRESIDING OFFICER. Let the witness answer each question again.

The WITNESS. I did not understand the first question. I will answer it again.

Mr. WALSH. What I want to know is, What time was the order made and what time did the witness make payment on that same day?—A. I will answer the question, "What time in the day, which I understand was the day before Christmas, did you receive the order from Judge Ritter for the payment of your fee?" To the best of my recollection it was before noon and shortly after the time of the final decree. All of the attorneys of record were present at the time he entered the order, as I recall it, allowing the payment of the advance fee of \$30,000. Answering the other question, to the best of my recollection, it was some time shortly before noon that I paid Judge Ritter the \$2,500.

Mr. BARKLEY. Mr. President, I submit two questions.

The PRESIDING OFFICER. The clerk will read the first question submitted by the Senator from Kentucky.

The legislative clerk read the first question propounded by Mr. Barkley, as follows:

Why did you make the second payment of \$2,000 in cash instead of by check?

A. For the same reason that I did not pay the first \$2,500 in cash; that is, the controlling reason was that I did not want to subject Judge Ritter or myself to criticism by giving him a check. I owed him an honest debt and my judgment was that the best way to pay him was in cash and take his receipt in full when I finished paying him. That is just what happened.

The PRESIDING OFFICER. The clerk will read the second question submitted by the Senator from Kentucky.

The legislative clerk read the second question propounded by Mr. BARKLEY, as follows:

Why did you cash two \$1,000 checks to obtain the \$2,000 which you paid Judge Ritter, instead of drawing a single check?

A. I can answer that only by the best of my recollection, I may be wrong about the amount of my deposit there in Miami at the First National at the time, but it is the best of my recollection that I wanted to get as much of that money out of Miami as I could. I may be wrong, but the best of my recollection is that I only had about \$1,500 or \$2,000—I do not say definitely that that was it—so I drew one check on the Central Farmers, and when I reached Miami I drew the other check for \$1,000 on the First National. That is the best of my recollection.

HOURS OF SESSIONS

Mr. ASHURST. Mr. President, I send to the desk an order and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the order submitted by the Senator from Arizona.

The legislative clerk read as follows:

Ordered, That until or unless otherwise ordered, the daily sessions of the Senate sitting for the trial of the impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida, shall be held as follows:

From 12 o'clock noon until 1:30 o'clock p. m., and from 2 o'clock p. m. until 5:30 o'clock p. m.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, I think I should state that when the proposal was first submitted to me it provided for sessions from 11 o'clock a. m. until 1:30 o'clock p. m. and from 2 to 5 p. m. After conferring with some of the Members on this side of the Chamber, it was thought that the hour of 11 o'clock would interfere with committee work, which is very important and very abundant at this time; hence I suggested meeting at 12 o'clock, continuing until 1:30 p. m., and from 2 to 5:30 in the afternoon.

I cannot speak for all the Members on this side of the Chamber, but personally I should not object to the first proposal. However, I think the latter is the better of the two. So far only as I am personally concerned, I have no objection to the order, though I hope that anyone who feels otherwise will make known his attitude at this time.

Mr. ROBINSON. Mr. President, I think it is the intention of the Senator from Arizona that the 30 minutes' interim between 1:30 o'clock and 2 o'clock be availed of as a recess for the purpose of enabling members of the Court and the managers and counsel to take lunch.

Mr. McNARY. Yes. The only criticism I heard suggested, which I do not think is very serious, is that the proposed afternoon session from 2 to 5:30 is a little long, and may tax the energy of the managers on the part of the House and counsel for the respondent; but that is for them to consider.

The PRESIDING OFFICER. Is there objection to the adoption of the proposed order?

Mr. JOHNSON. Mr. President, I express simply a personal preference in regard to the time of meeting, and do not, of course, desire to object if a general conclusion has been reached.

Personally I should prefer that the Senate meet at 11:30 and run to 1:30, if the extra half hour is desired, and then

from 2 until 5, instead of going on until 5:30 in the afternoon. If that is not agreeable, it is merely a personal

Mr. McKELLAR. Mr. President, I may say to the Senator from California that several appropriation bills are now being considered by the committee every morning from 10:30 until 12; and I hope an order will not be entered immediately to interfere with their consideration.

Mr. ROBINSON. I may say to the Senator from Cali-fornia that his suggestion was considered and it was objected to, because it would interrupt and interfere with the work of committees to require Senators to appear in the Senate at 11:30, and it would probably not conserve time. The difficulty of having a quorum in attendance at 11:30 in the customary procedure of the Senate was believed to be so great as not to justify the Senate sitting as a Court meeting at that hour.

Mr. JOHNSON. As I said in submitting the suggestion, I do not wish to object to what has been agreed upon; and if there is substantial agreement among my brothers, and the hours have been fixed, I shall be very glad to assent thereto.

The PRESIDING OFFICER. The Senate has heard the

proposed order as presented. The question is on agreeing to

The order was agreed to.

The PRESIDING OFFICER. What is the further pleasure of the Court?

LEGISLATIVE SESSION

Mr. ROBINSON. Mr. President, I move that the Court suspend its proceedings and that the Senate proceed to the consideration of legislative business; and I should like to make a brief statement as to the reason for the motion. Some Senators have said that they desire an opportunity to present amendments to general appropriation bills which are pending, and that it will be necessary that the amendments be presented today in order that they may be considered by the committee having jurisdiction of the subject matter. I make the motion.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following memorial of the House of Representatives of the State of Colorado, which was referred to the Committee on Agriculture and Forestry:

Whereas the Colorado Planning Commission, in accordance with whereas the Colorado Flamming Commission, in accordance with the purposes for which it was created, and in the exercise of a part of the powers and jurisdiction conferred upon it, in cooperation with several Colorado representatives of Federal agencies, including the Biological Survey, the Resettlement Administration, and the Forest Service, and with various parties representing the and the Forest Service, and with validus parties investigation as to the desirability and feasibility of the acquirement and use by the people of the United States of a part of the lands in the South Park area in Park County, Colo., for use as a preserve for large game, fish, and fowl, for recreational purposes, and the elimination of nonproductive lands;

Whereas the State of Colorado is vitally interested in said matters not only from the standpoint of the people of the State of Colorado but also from the standpoint of the people of the United States as a whole, and as a matter of conservation of the natural resources and recreational facilities of the Nation;

resources and recreational facilities of the Nation;
Whereas the said Colorado Planning Commission, pursuant to request of the Gevernor, after investigation and full hearing, through its proper committee, has unanimously approved the acquirement of said area for said purposes, and requested the adoption of a memorial of the Legislature of the State of Colorado to the President and to the Congress of the United States, and to the Honorable Harold L. Ickes, Secretary of the Interior, and to the Honorable Henry A. Wallace, Secretary of Agriculture, and to other proper Federal agencies having charge of the matters involved therein;
Whereas the following pertinent and material facts concerning

Federal agencies having charge of the matters involved therein;

Whereas the following pertinent and material facts concerning said proposed projects are known to exist;

First. That the area involved in the proposed project consists of approximately 549,000 acres in Park County, bounded by the Pike National Forest, and that of said area approximately 25 percent, is now owned by the United States Government, 14 percent by the State of Colorado, and 2 percent by Park County, the remainder being privately owned and largely by nonresidents; that the proposed area is located in almost the exact geographical center of the State of Colorado, and through transcontinental railroads and by good State and National highways from all parts of the State easily accessible to the general public.

Second. That it is not now and has not been for a long time possible profitably to farm the area now proposed for a game preserve, and that almost all of the persons and families owning or homestead lands in said area are on relief, and that said persons and families constitute in excess of 85 percent of the entire present relief roll of Park County.

Third. That the area involved is well adapted, by reason of geography, topography, and climatic conditions, for the use proposed, and before the artificial changes made by the homesteader and cattleman was the natural habitat of every species of wild game and a hunter's paradise for the Indians and trappers.

Fourth. That the project will be self-supporting and self-liquidating, and will be of financial benefit not only to the persons whose lands will be acquired but to the entire county of Park and its citizens, and to the State of Colorado generally; that the area is free from any complications of taxation or outstanding bond

Fifth. That in addition to the merits of the project for the use contemplated, the incidental benefits which will result therefrom are very great not only to the State of Colorado but to the entire western country, in that the purchase, acquisition, and use of said area for the purpose contemplated will free to the South Platte River and its tributaries for use below the proposed area throughout the States of Colorado and Nebraska, from sixty to eighty thousand acre-feet of water per annum which is now uneconomically used and wasted in the production of unprofitable crops; that the reasonable value of this water alone is \$100 per acre-foot, or from six to eight million dollars.

Sixth. That the conservation of said water and the addition of the water now wasted will not result in the cultivation of any new lands, but will supplement the frequently insufficient and uncertain supply now available for lands having water rights and already highly cultivated and improved and lying from the mouth of the Platte Canyon to the Nebraska line and beyond. Seventh. That practically all of the individual owners of land

in the proposed area have signified their willingness to sell their

holdings.

Eighth. That the centralized control resulting from the carrying out of this project will be of immense value to the entire area of Colorado lying below the boundaries of said preserve, from the standpoint of sanitation and prevention of contamination of domestic water supply of all cities and towns located on or near the South Platte River, and will, to a large extent, equalize stream flow and prevent peak floods: Now, therefore, be it

Resolved by the house of representatives, That the President of the United States is hereby respectfully requested to lend his influ-ence, and the Congress of the United States is hereby respectfully ence, and the Congress of the United States is hereby respectfully requested to lend its influence, and the Congress of the United States is hereby memorialized and urged to give prompt and full consideration and to enact legislation, or otherwise take appropriate action to enable the proper agencies of the Federal Government to acquire, take over, and control said South Park area for said purposes and for a preserve for large game, fish, and fowl, and for the segregation and use of such other parts of said area for purposes most beneficial and for the best interests of the people and Government of the United States and for the people and government of the State of Colorado; be it further

Resolved, That copies of this memorial be forwarded to the Presi-

dent and to the Congress of the United States, and to the Honorable Harold L. Ickes, Secretary of the Interior; and to the Honorable Henry A. Wallace, Secretary of Agriculture; and to each of Colorado's Senators and Representatives in the National Congress.

The VICE PRESIDENT also laid before the Senate the following memorial of the House of Representatives of the State of Colorado, which was referred to the Committee on Finance:

Whereas widespread unemployment still exists throughout our land and only temporary, palliative and uneconomic measures, operating with borrowed money, have been taken to alleviate this condition; and

Whereas we are fully mindful that such measures were neces y and expedient under the desperate circumstances confront-this national administration; and

Whereas we believe that permanent, sound, and fundamental approach to the problem should now be devised to raise the buying power of labor and stabilize industrial balance for the future; and

Whereas there has been developed in Denver, Colo., known as the Beatty prosperity plan, which plan is considered by many economists to be a scientific solution to our economic problems, and is one which does not favor any class or interests above another or seek to regiment labor or industry; and

Whereas we believe the subject matter of this plan is worthy of the earnest consideration of our Chief Executive and National Congress, in an effort on the part of the national administration to amend our Federal income-tax laws, to accomplish a more equitable distribution of wealth. Now, therefore, be it

Resolved, That the President of the United States and the Sen-

ate and House of Representatives of the United States and the Sei-ate and House of Representatives of the United States Congress is hereby respectfully memorialized and urged to give consideration to the said Beatty prosperity plan, a copy of which is hereto attached; be it further

Resolved, That copies of this memorial and copies of the said Beatty prosperity plan be set forth in a pamphlet entitled "In-

dustrial Balance Through Tax and Wage Ratio" be forwarded forthwith to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and the Senators and Representatives of the State of Colorado in the National Congress.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Colorado, which was referred to the Committee on Interstate

Whereas it has come to the attention of the members of the Thirtieth General Assembly of the State of Colorado, assembled in second extraordinary session, that Federal Coordinator of Transportation Joseph B. Eastman has submitted a plan for consolidation of railway terminals and consolidation of railways; and

Whereas said general assembly is opposed to such plan because due consideration is not given to employees and communities in-volved: Now, therefore, be it

Resolved by the house of representatives of the thirtieth general assembly (the senate concurring herein), That the President of the United States and the Congress of the United States be memorialized and urged to prevent the placing in operation of said plan by Coordinator of Transportation Joseph B. Eastman unless due consideration is given to all employees and communities which are affected by said plan; be it further

Resolved, That copies of this memorial be forwarded to the President of the United States and to the Senate and House of Representatives of the United States, and to each of the Colorado Representatives and Senators in the National Congress.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Colorado, which was referred to the Committee on Irrigation and Reclamation:

Whereas in the matter of the conservation and development of water, Colorado occupies a position of commanding importance by reason of the following facts:

1. That the State contains within its borders the crest of the Continental Divide, and that in the higher reaches of these mountains are the headwaters of many rivers of importance which

flow across the four borders of the State into the Gulf of Mexico on the east and the Pacific on the west;

2. That because of its semiarid climate Colorado has imperative need for the highest and most beneficial use of these waters before they escape across its borders, and that through the de-

velopment of irrigation works approximately 3,500,000 acres of fertile farm land are now being irrigated from these waters;

3. That this use of waters arising within the State is not largely a consumptive use, but that the greater part of waters used for irrigation returns eventually to the rivers through underground drainage and is available for use in the lower States;

4. That because of changed crop programs due to changing line.

4. That because of changed crop programs due to changing living and industrial conditions, these lands are now in desperate need of additional water supplies, not to provide for the cultivation of new lands but to assure permanent security to these lands which for many years have been and now are being farmed in crops adapted to existing conditions;

5. That the irrigation of lands from the direct flow of the rivers have been additional water and that additional water.

has reached its maximum development, and that additional water supplies henceforth must be secured by the construction of great storage reservoirs to impound the flood stages of the rivers for use during the irrigating seasons, when supplies now available

use during the irrigating seasons, when supplies now available are wholly inadequate;
6. That the construction of such reservoirs, in addition to adding to the security of many thousands of people dependent upon these waters for their livelihood, will constitute an important, and probably an indispensable, part of any program for the control of floods on the lower reaches of these rivers or the rivers to which they are

on the lower reaches of these rivers or the rivers to which they are tributary;

7. That the laws of Colorado permit the organization of water users competent to contract with the Reclamation Bureau, the Public Works Administration, and other Federal agencies;

8. That there are within the State six major river basins; that a comprehensive plan for the State-wide development of water resources and the elimination of sectionalism is now under way, and that the consummation of such plan by surveys and construction will effectually eliminate all sectional differences among the people of these river basins;

9. That the people of Colorado are not financially able to construct these essential storage works without the aid of the Federal Government, and that the Federal Government, because the element of flood control is a national, rather than a local, problem, can well afford to be just in the distribution of the costs of such works between its own agencies and those water users who will be directly benefited: Now, therefore, be it

directly benefited: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the United States Government, through its proper agencies, be requested and urged to give to the conditions herein set forth the most serious consideration; that in any emergency or ordinary program of public works it give all possible aid to the dominant industry of Colorado and to the relief of the menace of recurrent floods on the lower rivers; that the United States Government participate to the fullest possible extent, through its proper agencies, in surveys to determine the present and future water needs of all sections of the State and the best possible

method of conserving the waters arising within its boundaries and method of conserving the waters arising within its boundaries and devoting them to beneficial use before they flow across its borders and are forever lost to the people of Colorado; that the United States Government, so far as is consistent with sound public policy and the use of public funds, aid in the construction of such works as are deemed essential to the development herein described, upon such just and equitable terms as may be agreed upon between the Government and all parties concerned; and be it further Resolved, That copies of this joint resolution be sent to all Colorado Members of the United States Senate and House of Representatives, to the Secretary of the Interior, and to the President of the United States; and be it further

Resolved, That copies of this joint resolution, duly certified, be forwarded to the Secretary of the United States Senate and the Clerk of the House of Representatives, respectively, in Washington, with the request that they be read into the Journals of the said hodies.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Colorado, which was ordered to lie on the table:

Whereas there is now pending in the Congress of the United States H. R. 11172, known as the Starnes-Reynolds bill, which is a measure authorizing the prompt deportation from this country

States H. R. 11172, known as the Starnes-Reynolds bill, which is a measure authorizing the prompt deportation from this country of criminal and other undesirable aliens and restricting immigration into the United States; and

Whereas there are now in the United States approximately 8,000,000 of aliens, three and one-half millions of whom are in this country illegally; and

Whereas of the many millions of unemployed more than one and one-half millions of those now on public relief and charity and who are costing the State and Federal Governments more than \$500,000,000 yearly for support are aliens; and

Whereas the State of Colorado now has within its borders large numbers of criminal and otherwise undesirable aliens, who have become public charges and for whom the State must provide; and Whereas the enactment into law of H. R. 11172, the Starnes-Reynolds bill, would permit the deportation from the State of Colorado of many of the said criminal and otherwise undesirable aliens illegally within the borders of the State: Now, therefore, be it Resolved by the house of representatives of the thirtieth general assembly (the senate concurring herein), That the Congress of the United States is hereby respectfully memorialized and urged to enact into law the said H. R. 11172, the Starnes-Reynolds bill, to the end that the State of Colorado, with the other States, may receive the benefits from the operation of said laws; be it further Resolved, That copies of this memorial be forwarded forthwith to the President of the Senate to the Speaker of the House of

Resolved, That copies of this memorial be forwarded forthwith to the President of the Senate, to the Speaker of the House of Representatives of the Congress of the United States, and to the Senators and Representatives of the State of Colorado in the Congress of the United States.

gress of the United States.

The VICE PRESIDENT also laid before the Senate the petition of the Citizens' Joint Committee on Fiscal Relations Between the United States and the District of Columbia, signed by Edward F. Colladay, chairman, and so forth, Theodore W. Noyes, chairman of its executive committee, and other citizens, being presidents or chairmen of its constituent and cooperating organizations in the District, praying that while the lump-sum payment plan of Federal contribution toward National Capital upbuilding continues as the annual exceptional appropriation practice for the government of the District of Columbia (temporarily substituted by the Congress for the 60-40 definite proportionate contribution plan provided by the unrepealed substantive law of 1922) the amount of the lump-sum payment be substantially increased, which, with the accompanying paper, was referred to the Committee on Appropriations.

IMPORT DUTIES ON COTTON AND SILK LACES

Mr. GERRY. Mr. President, I have today received a number of telegrams from lace manufacturers in my State who are very much disturbed with reports of an impending reciprocal-trade agreement with France, reducing import duties on cotton and silk laces, which, if put into effect, will seriously cripple the lace-making industry and result in hundreds of employees being thrown out of employment in Rhode Island.

Reports of what it is understood will be the new tariff rates in effect upon the agreement taking effect, and what they will mean to my State, are set out in these telegrams, as well as in a telegram I received from the American Lace Manufacturers' Association, with headquarters in New York City, sent by Clement J. Driscoll, of that association, on behalf of the Rhode Island lace manufacturers, as stated.

I ask, Mr. President, that these telegrams be printed in full in the RECORD, with the signatures, and referred to the Committee on Foreign Relations.

There being no objection, the telegrams were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

NEW YORK N. Y. April 3, 1936.

Hon. PETER G. GERRY,

Hon. Peter G. Gerry,

Senate Office Building, Washington, D. C.:

On behalf of undersigned lace manufacturers of Rhode Island and at their direction I am forwarding this plea for your assistance in the matter of the proposed reciprocal treaty with France as effective the lace industry. Advice from France indicates French reciprocal treaty will be signed within next few weeks and will contain tariff reduction on laces completely destructive of the proposed treaty committee with will contain tariff reduction on laces completely destructive of our industry. We have supplied reciprocal treaty committee with complete details, but under ruling of committee we can neither confer with its members nor obtain any information. If the treaty is effected with provisions reducing duty on products of 12-point machines to 60 percent and duty on all silk lace products regardless of machines upon which they are made to 65 percent our industry will be completely wiped out. The above rates are as we understand it the rates tentatively agreed upon. If these rates are included in the treaty the lace mills of Rhode Island will undoubtedly be wiped out. The lace manufacturers of Rhode Island direct me to plead with you for assistance. If you desire I shall be glad to confer with you further in Washington at such time as you may direct. This telegram is sent at the request of the following mills: American Textile Co.; Bodell Lace Co.; New England Lace Mills; Seekonk Lace Co., of Pawtucket; Bancroft Lace Co.; Levers Lace Co., Riverpoint Lace Works, of West Warwick; Beattie Lace Works, of Washington; Rhode wood Lace Co.; Washington Lace Works, of Washington; Rhode Island Lace Works, of West Barrington; Central Lace Works; United Nets Corporation, of Central Falls; Richmond Lace Works, of Alton.

CLEMENT J. DRISCOLL, American Lace Manufacturers Association, New York, N. Y.

NEW YORK, N. Y., April 3, 1936.

Senator Peter G. Gerry, Senate Office Building:

Senate Office Building:

We are much disturbed by reports from France, reference to early conclusion of reciprocal-tariff treaty reducing duty on cotton laces made on 12-point machines to 60 percent and silk laces made on machines of any gage to 65 percent. Unable to obtain information from our officials. French Minister of Commerce predicted in address yesterday early conclusion of treaty. Believe lace industry in this country would be ruined by reduction of duties to above rates. Believe basing of duty on gage machines an impracticable method. an impracticable method.

WINSLOW A. PARSONS, Treasurer, Richmond Lace Works, Inc., Alton, R. I.

WARREN, R. I., April 3, 1936.

PETER G. GERRY, Senate Office Building:

We learn from French sources that the French treaty is being put into effect within 2 weeks. If lace tariff has been reduced to 65 percent, as scheduled, it will absolutely prevent American lace manufacturers from competing with French laces. Our 250 employees will be thrown out of work. Please do everything possible to prevent treaty being put into force.

RHODE ISLAND LACE WORKS, INC.

WASHINGTON, R. I., April 3, 1936.

Hon. Peter G. Gerry,

Washington, D. C.:

Information received from France indicate French reciprocal treaty effective near future. Stated rates of 60 percent cotton and 65 percent silk will ruin the lace industry, resulting loss of work for several thousand people employed therein,

Washington Lace Mills,

Grosse Clark.

GEORGE CLARK.

WASHINGTON, R. I., April 4, 1936.

Senator PETER GERRY,

Washington, D. C.:

Regarding reciprocal tariff, understand our Commission returning from France with proposition to make duty on laces 60 percent 12 points and 65 percent 10 points. As domestic manufacturer, I earnestly request that you oppose signing by President of this agreement, as it will eventually destroy greater portion of our lace industry, due to fact our labor costs in this country are 300 percent higher than France.

HARRY GEHRING LINWOOD LACE WORKS.

PAWTUCKET, R. I., April 3, 1936.

Hon. PETER G. GERRY.

Senator, Washington, D. C.:

If the French reciprocal treaty should become effective, as it is indicated, for the near future, it will ruin our lace industry and result in thousands of people being idle. Please use all influence possible to save us from its drastic effects.

BODELL LACE, INC., BODELL.

PAWTUCKET, R. I., April 3, 1936.

Hon. PETER G. GERRY,

Senate Office Building:

Information received from France indicates French reciprocal treaty effective near future. Stated rates of 60 percent cotton and 65 percent silk will ruin our lace industry, with loss of employment to several thousand people, and make a junkyard out of our mill.

SEEKONK LACE CO.

PAWTUCKET, R. I., April 3, 1936.

Senator Peter G. Gerry, Washington, D. C.:

Information received from France indicates French reciprocal treaty effective near future. Will have drastic effect on lace industry and result in thousands of people being out of employment.

VALLEY & CENTRAL LACE WORKS,

NEWTON.

REPORTS OF COMMITTEES

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4430) relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes, reported it without amendment.

He also, from the same committee, to which was referred the resolution (S. Res. 265) directing the Secretary of Agriculture to furnish the Senate with certain information concerning producers (submitted by Mr. Vandenberg on Mar. 23, 1936), reported it with amendments.

Mr. HATCH, from the Committee on Indian Affairs, to which was referred the bill (S. 4298) to authorize an appropriation to pay non-Indian claimants whose claims have been extinguished under the act of June 7, 1924, but who have been found entitled to awards under said act, as supplemented by the act of May 31, 1933, reported it without amendment and submitted a report (No. 1745) thereon.

MINNIE C. LAMB

Mr. PITTMAN submitted the following resolution (S. Res. 277), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1935, to Minnie C. Lamb, widow of Walter C. Lamb, late an assistant clerk to the Committee on Foreign Relations, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, less expenses incident to the last illness and the funeral of the deceased, and such personal debts and obligations of the deceased as the financial clerk of the Senate may consider should be paid out

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the foregoing resolution, subsequently reported it without amendment, and it was considered by unanimous consent and agreed to.

MISSOURI WILLIAMS

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate Resolution 267 and ask for its present consideration.

The PRESIDING OFFICER (Mr. Bachman in the chair). The resolution will be read.

The legislative clerk read Senate Resolution 267, submitted by Mr. Ashurst on March 24, 1936, as follows:

Recoived, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1935, to Missouri Williams, widow of the late Octavius Augustus Williams, an employee of the United States Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The amendment reported by the committee will be stated.

The amendment was, on page 1, line 6, after the word "to", to strike out "6 months" and insert "1 year."

The amendment was agreed to.

The resolution, as amended, was agreed to.

IMPEACHMENT OF HALSTED L. RITTER-ADDITIONAL EXPENSES OF TRIAL

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate Resolution 272, and ask for its present consideration.

The PRESIDING OFFICER. The resolution will be read. The legislative clerk read Senate Resolution 272, submitted by Mr. ASHURST on March 31, 1936, as follows:

Resolved, That there is hereby authorized to be expended from the contingent fund of the Senate, to defray the expenses of the impeachment trial of Halsted L. Ritter, \$15,000 in addition to the amount heretofore authorized for said purpose.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate will proceed to consider the resolution.

The PRESIDING OFFICER. The amendment reported by the committee will be stated.

The amendment was, on page 1, line 4, to strike out "\$15,000" and insert "\$10,000."

The amendment was agreed to.

The resolution, as amended, was agreed to.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Marvin L. Sollmann to be postmaster at Anna, Ohio, in place of E. C. Ludwig, which was ordered to be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GUFFEY:

A bill (S. 4438) to authorize the Reconstruction Finance Corporation to cooperate with local banks in making rehabilitation loans to merchants whose properties were damaged or destroyed by floods during the year 1936; to the Committee on Banking and Currency.

By Mr. BONE:

A bill (S. 4439) granting a pension to Adah C. Seed; to the Committee on Pensions.

By Mr. SCHWELLENBACH:

A bill (S. 4440) to authorize municipal corporations in the Territory of Alaska to incur bonded indebtedness, and for other purposes; to the Committee on Territories and Insular Affairs.

By Mr. PITTMAN:

A joint resolution (S. J. Res. 248) to provide for participation by the United States in an inter-American conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936; to the Committee on Foreign Relations.

AMENDMENTS TO STATE, JUSTICE, ETC., APPROPRIATION BILL

Mr. PITTMAN submitted amendments intended to be proposed by him to House bill 12098, the State, Justice, etc., Departments appropriation bill, which were referred to the Committee on Foreign Relations and ordered to be printed. as follows:

On page 29, line 25, after the words "Secretary of State", insert "\$90,000 together with", and on page 30, line 2, after the figures "1936", strike out the words "is continued" and insert in lieu thereof the words "to remain."

On page 27, line 16, to insert the following:

On page 27, line 16, to insert the following:

"For the expenses of participation by the United States in an inter-American conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936, including personal services in the District of Columbia or elsewhere without reference to the Classification Act of 1923, as amended; stenographic reporting and other services by contract, if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses (and by indirect routes

and by airplane if specifically authorized by the Secretary of State); hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; equipment, purchase of necessary books, documents, newspapers, periodicals, and maps; stationery; official cards; entertainment; printing and binding; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State."

AGRICULTURAL DEPARTMENT APPROPRIATIONS

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 11418) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1937, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses

Mr. RUSSELL. I move that the Senate insist on its amendments, agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Russell, Mr. Hayden, Mr. Smith, Mr. Keyes, and Mr. McNary conferees on the part of the Senate.

BENEFIT PAYMENTS UNDER AGRICULTURAL ADJUSTMENT ACT

Mr. VANDENBERG. Mr. President, the Secretary of Agriculture has made a preliminary report in response to Senate

Resolution 265. I ask that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The preliminary report is as follows:

Hon, Ellison D. Smith,

Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR SMITH: This is in response to the request from

Dear Senator Smith: This is in response to the request from you as chairman of the Senate Committee on Agriculture and Forestry for a report of the attitude of the Department of Agriculture concerning Senate Resolution 265. This resolution proposes that the Secretary of Agriculture be directed to furnish to the Senate forthwith the name, address, and amount paid to each producer, exceeding \$10,000, in each calendar year, under the provisions of the Agricultural Adjustment Act, as amended.

A preliminary report on the largest payments made by the Agricultural Adjustment Administration is transmitted herewith. Payments of more than \$10,000 have been made in the programs for producers of each of the following commodities: Sugar, cotton, wheat, corn and hogs, tobacco, and rice. In the 1933 cotton program, for example, 46 payments out of a total of 1,031,549 payments exceeded \$10,000. The proportion of large payments was much the greatest in connection with the sugar program, because of the extent to which sugar production has become a large-scale of the extent to which sugar production has become a large-scale operation and has become concentrated in the hands of large corporations.

An examination of the different production-adjustment programs and a comparison of the size of payments with the acreages or production on which payments were based shows that the payments per acre or per unit of production, as the case might be, were uniform. The fact that some payments were much larger than others was directly and entirely due to the extent to which control of farm land and producing facilities had fallen into the hands of corporations absentes owners and large operators. This control of farm land and producing facilities had fallen into the hands of corporations, absentee owners, and large operators. This development, in turn, had been due in large part to the crushing effect of low prices of farm products on thousands of small farmers who were squeezed to a point where they lost their lands. The adjustment programs, which were largely designed to preserve the family size farm as an American institution, have, I am glad to say, arrested this alarming development, which had been proceeding at an especially rapid rate in 1931 and 1932.

In order to lift farm prices sufficiently above the ruinous levels.

In order to lift farm prices sufficiently above the ruinous levels of 1932 to enable farmers to hold their lands, it was essential to carry out Nation-wide programs of production adjustment. This obviously would have been exceedingly difficult if not impossible if the largest producers were encouraged to continue with unlimited expansion of production, thus placing the whole burden of reduction, or the alternative burden of low prices, upon the small or average farmers. The only way to include large operators in the program, unless they were to be singled out to be the objects of coercive measures, was to compensate them as well as the other producers on the basis of actual, voluntary adjustments in production. The Adjustment Act did not make a distinction as between large and small producers, although landlords were required to divide their payments with the share tenants and share croppers on their land, and cash tenants were paid the entire

The real significance of these large payments is not in the fact that, in paying uniform rates the Government made payments which varied with the number of acres or units of production involved, but rather the social and economic implications of such

concentration of the ownership and control of farm land as had come about previous to the launching of the adjustment programs

Neither the act, nor the farmers using the act, regarded the payments as charity, but as a system of financing a practicable operation to control production and bring about improvement for the whole agricultural industry. One of the hard facts which the farmers in operating their programs had to face was the existence of processor control of large-scale farming units, particularly in the production of sugar and rice. Anyone contending that payments large enough to bring big operators into the programs should not have been made, should be ready to propose either a method of breaking up these large-scale holdings, or a plan of production adjustment which would have worked without their being included.

Whether or not Senate Resolution 265 is adopted, the Department of Agriculture will make available to the Senate and to the public, as soon as the information can be obtained without delaying disbursements authorized by Congress to farmers who in good faith carried out provisions of the production-control programs, a much more comprehensive report than is called for by the

The report of the Department of Agriculture will include a classification of payments as to amounts, showing not only those in excess of \$10,000, to which Senate Resolution 265 is confined, but also the number and amounts of large payments in brackets less than \$10,000, and the number and amounts of smaller checks.

As to publication of the names and addresses of recipients of checks the Agricultural Adjustment Administration feels that this is a matter of policy which is very properly a prerogative of Congress to determine.

gress to determine.

If the Senate desires a report to include the names and addresses which Senate Resolution 265 proposes to call for; that is, the recipients of checks of more than \$10,000; the administration has no objection whatever to furnishing them, in addition to the information it will publish in any event. The Department merely requests time to prepare an accurate report, and wishes the gathering of information to interfere as little as possible with disbursements owing farmers who cooperated in production-control programs.

programs.

While the Agricultural Adjustment Administration believes that publication of such information is a matter of policy lying clearly within the prerogatives of Congress, its own view had been that it should not itself publish this information while the payments were being disbursed among farmers.

The Adjustment Administration has received floods of requests and amounts of disbursements. Many of

were being disbursed among farmers.

The Adjustment Administration has received floods of requests for names, addresses, and amounts of disbursements. Many of these requests came verbally or otherwise from interests which wished to use the information to exploit the farmers commercially, from creditors who wished to collect debts, or from those who apparently thought they could derive some financial, political, or other personal advantage from possession and use of information concerning payments to individuals.

In some instances, requests were even made for advance information on disbursements, so that those who possessed this knowledge might have their agents ready in the field, prepared to begin exploitation of the farmers as fast as the checks arrived.

Although careful steps were taken for accurate accounting of all funds, partly with a view to ultimate publication of comprehensive information, the Adjustment Administration declined to make contemporary release of names, addresses, and amounts of individual payments, because it did not wish to be a party to the commercial and other exploitation to which farmers, by such a practice, would have been exposed.

Instead the Agricultural Adjustment Administration has made public voluminous reports showing the total amount of payments disbursed in every State and in every county each month. These monthly reports have been released as soon as the information could be compiled, or 4 to 7 weeks after the close of the month covered by the report. In all the principal production-control programs, the county production-control committees, composed of farmers, checked and approved the conditions of payment and the amount of each check disbursed in the county and complete records were checked and approved the conditions of payment and the amount of each check disbursed in the county and complete records were kept by the farmers' committees of all these transactions. They were scrutinized and approved by State committees and audited in Washington.

In the sugar program, carried out under provisions of the Agricultural Adjustment and Jones-Costigan Acts, there were localities in which the actual producer entitled to the payment was a corporation, and where the farmers' committee form of local adminisporation, and where the farmers committee form of local adminstration could not apply. All payments to Hawaiian sugar corporations and the large payment to the corporation operating in Florida referred to later in this report were referred to the General Accounting Office for approval by the Comptroller General before disbursement.

disbursement.

A resolution similar to Senate Resolution 265, except that it would have called for a report on payments above \$2,000 instead of \$10,000, was introduced in the House in February as House Resolution 462. The House resolution was reported adversely by the House Committee on Agriculture, and the House voted to sustain the adverse committee report.

Approximately 6,900,000 contracts have been signed by producers with the Secretary under the agricultural-adjustment programs. The information concerning payments under these contracts is tabulated on probably about 20,000,000 punch cards.

If the House Resolution had been adopted, and if it were interpreted to require an immediate cross-check of contracts to disclose total amounts over \$2,000 paid to producers or landlords having an interest in more than one contract in more than one county or

State, a substantial percentage of machinery and equipment would have been tied up, and checks owing farmers would have been delayed for weeks

To get the information Senate Resolution 265 proposes to ask for, would require somewhat less time because of the smaller number of checks in the bracket above \$10,000. Including 3 weeks to run cards through the sorting machines, the information could be assembled within probably 6 weeks without using an average of much over 100 employees for the task, provided the resolution be so worded as not to require a cross-check over county and State lines to show the total amounts paid to the same individual operating in different counties.

ing in different counties.

Such a report would give a fairly clear picture of relative amounts of payments, and the names and addresses of recipients could be made readily available to the Senate if desired. A report by counties would fail, however, to disclose total amounts paid multiple landlords, such as insurance companies which shared payments with crop-share tenants on the same basis as the crop was shared, or of owners operating farms in more than one county. But while such a report would not disclose this particular information, we wish to point out that the cross-checking of contracts between countles would require the greatest amount of time, and might cause more delay in payments to farmers than the additional information obtained would expressed tental transfer of the contracts the country of the c formation obtained would at present justify.

While it will take some weeks to make a systematic and complete classification of payments by amounts and counties, the Agricultural Adjustment Administration always has exercised special care in checking the larger contracts and, therefore, already has available considerable information in satisfactory form as to the largest payments. Although this information is not all tabulated and has not been checked officially against the records of the 6,900,000 contracts, it still is believed to be sufficiently accurate so far as it goes to answer some of the questions that have been raised

I am supplying these facts so far as I have them. The data are not uniform as to commodities, since they are based on records available in the different commodity divisions. Inasmuch as the Adjustment Administration has not up to this time decided to make public names of recipients, they are not included. But the names of recipients of the largest payments cited in this report can be supplied if the Senate wishes.

can be supplied if the Senate wishes.

The most comprehensive records thus far available cover payments made in the 1933 cotton-adjustment program. This has been prepared in table form. It shows the payments classified by amounts up to \$10,000 and over, and represents a beginning in the kind of a study we are having made as to the other programs, not only for 1933 but for 1934 and 1935 operations of the adjustment programs. Any kind of a report or break-down of the 1933 cotton payments above \$10,000 that may be desired can be quickly supplied.

Out of a total of 1931 540 cotton.

out of a total of 1,031,549 cotton payments under 1933 contracts, 46 were in the bracket above \$10,000, and 227 were between \$5,000 and \$10,000. Of a total of \$112,794,039 in payments to all cotton farmers, \$818,656, or about seven-tenths of 1 percent, was paid in the bracket above \$10,000, and \$1,484,194, or somewhat more than 1.3 percent was paid in the bracket between \$5,000 and \$10,000. The average payment in the highest bracket was \$17,797.

The complete table follows, as page 4-A.

United States summary—Number of offers accepted, with acres planted, acres offered, reduction in production (bales), total cash payment, and size of payments, 1933 cotton-reduction program (as of Apr. 30, 1934)

Size of payment	Number of offers	Acres planted	Acres offered	Reduc- tion in produc- tion	Cash payment
Total	1, 031, 549	29, 895, 033	10, 479, 866	3, 983, 126	\$112, 794, 039
Under \$24.99		905, 493	285, 664	101, 106	2, 596, 834
\$25 to \$49.99		3, 400, 770	1, 148, 214	404, 929	11, 034, 103
\$50 to \$74.99		3, 380, 880	1, 161, 204	425, 518	12, 096, 464
\$75 to \$99.99		2, 390, 741	827, 481	301, 421	8, 593, 469
\$100 to \$124.99		2, 277, 002	794, 196	301, 535	8, 559, 664
\$125 to \$149.99		1, 449, 018	510, 709	180, 403	5, 432, 287
\$150 to \$174.99		1, 489, 307	519, 956	195, 602	5, 736, 316
\$175 to \$199.99		1, 922, 163	366, 525	126, 797	3, 563, 619
\$200 to \$224.99		1, 520, 607	535, 604	195, 824	5, 946, 337
\$225 to \$249.99		740, 459	268, 261	92, 521	2, 654, 205
\$250 to \$274.99		686, 359	242, 647	97, 341	2, 684, 622
\$275 to \$299.99		800, 149	286, 987	100, 475	3, 054, 038
\$300 to \$324.99		722, 168	259, 768	99, 149	2, 795, 522
\$325 to \$349.99		516, 790	182, 879	70, 841	2, 204, 546
\$350 to \$374.99		650, 691	239, 477	85, 986	2, 514, 621
\$375 to \$399.99		275, 879	100, 771	36, 820	1, 078, 973
\$400 to \$424.99		622, 405	229, 364	87, 808	2, 616, 334
\$425 to \$449.99		381, 132	137, 898	53, 850	1, 657, 049
\$450 to \$474.99		224, 243	85, 757	28, 743	850, 239
\$475 to \$499.99		313, 279	115, 977	45, 353	1, 241, 507
\$500 to \$599.99		944, 421	349, 003	135, 272	4, 084, 721
\$600 to \$699.99		675, 935	249, 411	102, 034	2, 869, 637
\$700 to \$799.99		534, 546	197, 283	79, 110	2, 262, 278
\$800 to \$899.99		446, 320	164, 993	66, 675	1, 934, 929
\$900 to \$999.99		284, 566	103, 328	44, 306	1, 182, 033
\$1,000 to \$1,499.99.		1, 089, 024	384, 931	167, 473	4, 567, 625
\$1,500 to \$1,999.99		533, 865 382, 961	181, 298	85, 723	2, 195, 96
\$2,000 to \$2,499.99		703, 150	129, 300	61, 621	1, 551, 598
\$2,500 to \$4,909.99			235, 195	114, 676	2, 868, 600
\$5,000 to \$9,999.99 \$10,,000 and over		354, 532 176, 178	121, 468 64, 317	60, 837 33, 377	1, 484, 194 818, 656

Federal loans made to large operators prior to March 4, 1933, including production loans of regional agricultural credit corporations using Reconstruction Finance Corporation funds and seed loans which in 1932 were made to producers under agreements to reduce cotton production 35 percent, were in part secured by the 1933 cotton crop. Therefore the three highest 1933 cotton payments, as well as smaller ones, were made jointly payable to the producers and to the Farm Credit Administration which, on May 25, 1933, had assumed farm credit functions formerly exercised by 25, 1933, had assumed farm credit functions formerly exercised by the Reconstruction Finance Corporation, the Department of Agriculture, and the Federal Farm Board. In this way the Federal Government protected through the 1933 cotton program credit advances made in that and earlier years.

The highest rental payment in the 1933 cotton program was made jointly to the Federal Farm Credit Administration and an Advances company agreed in production of earlier. This pay-

Arkansas company engaged in production of cotton. This payment was for \$84,000, and the entire amount was used to pay off a Government loan taken over by the Farm Credit Administration. The next highest rental payment was for \$80,000, paid to another Arkansas concern, and the whole amount was paid to the Farm Credit Administration to satisfy a Government loan made in February 1933

The third largest 1933 cotton payment was paid jointly to a Mississippi company and the Farm Credit Administration. As was announced in June of 1933, Oscar Johnston, of Mississippi, nationally known cotton expert, manager of the Federal Cotton Pool and associated since June of 1933 with the Agricultural Adjust-

tionally known cotton expert, manager of the Federal Cotton Pool and associated since June of 1933 with the Agricultural Adjustment Administration, is president of this company. The payment to this company amounted to \$54,200, and the entire sum was paid over to the Farm Credit Administration, joint payee. On February 21, 1933, this company had been granted a Federal production loan of \$250,000 through the regional agricultural credit corporation with Reconstruction Finance Corporation funds.

Before checks made jointly payable to Federal lending agencies were released, operators were required to settle with their tenants and croppers, who were entitled to a percentage of the proceeds of the check equivalent to the percentage of the crop shared by each. Large producers, as well as all other producers in the 1933 cotton program, were required to certify in their compliance forms that payments had been shared with tenants and croppers in the manner provided, and the tenants were required to acknowledge that proper settlement had been made. This required the Arkansas company receiving the \$84,000 rental payment to share it with 1,125 tenants and share croppers. It required the Arkansas company receiving the \$80,000 rental payment to share with 400 tenants and croppers. It required the Mississippi company receiving the third highest payment to share with 1,300 tenants and croppers. The payments were required to be divided between landlord and tenants or croppers as the proceeds of the crop were divided. The Arkansas company receiving the \$84,000 payment, and the Mississippi company, chose, as many other producers did, to take their payment partly in cash rental and partly in options on Farm Board cotton at 6 cents per pound.

On the increase of cotton prices above Farm Board values wisch accompanied the 1933 cotton program, the value of options was realizable by producers either by sale or by their use as collateral for Federal loans. If these companies had taken their entire 1933 compensation in cash rental paymen

1933 compensation in cash rental payments instead of partly in options, the amounts of cash rental payments would have been about \$56,000 more for the Arkansas company, and about \$37,000

higher for the Mississippi company.

The fourth highest cotton rental payment in 1933 was paid to the Mississippi State penitentiary, for a reduction of 3,600 acres in its 1933 cotton acreage. The payment was \$43,200. A similar payment of \$25,500 was made in 1933 to the Arkansas penal institution.

In the 1934 cotton program the Arkansas company receiving the largest payment in 1933 received \$115,700. The property of the Arkansas company receiving the second highest 1933 payment was divided into smaller properties in 1934. The Mississippi company received \$123,747 in its 1934 payment.

In general, the 1933 cotton payments averaged higher, when option values were included, than payments in the 1934 and 1935 cotton programs.

cotton programs.

Voluminous and detailed summaries by States have been compiled as to 1933 cotton payments, and are attached hereto in photostat form. Anyone who wishes to study these records can readily obtain from them detailed information concerning the

No such compilation covering the whole agricultural-adjust-ment program is available. However, the following information is submitted as to payments in programs other than cotton.

WHEAT

The largest wheat payment for a single year under the program totaled \$29,398.32. This was paid to a California farming concern. Of the sum, which covered the second 1934 and the first 1935 wheat payments, the landlord got \$5,870.06 and the tenant, \$23,528.26.

tenant, \$23,528.26.

The second highest wheat payment was paid to the operator of a number of farms in Washington. Unofficial check shows \$26,022.06 paid to cover the second 1934 and first 1935 payments. The third largest payment was made to a California bank, which was the owner-operator of large wheat acreage. The total covering the second 1934 and first 1935 payments was \$23,845.22.

There were also payments to a large Montana farmer, operating partly as an owner and partly as a tenant on Indian lands, of \$22,325.82, covering the second 1934 and first 1935 payments.

The number of wheat payments, covering the second 1934 and first 1935 installments, which exceeded \$10,000 is shown to be seven by preliminary reports, which, however, do not include a cross-check over county and State lines on possible multiple land-

The seven large checks were out of a total number of wheat contracts exceeding 580,000 in 1934. Under the wheat program, cash tenants got the entire payment, and share tenants shared in the payment as they shared in the crop.

CORN-HOGS

There were 19 corn-hog contracts in 1934 on which the total payment was in excess of \$10,000. There were 1,155,294 contracts finally accepted under the corn-hog program for that year. There were no corn payments in excess of \$10,000. These 19 large hog raisers met all the requirements of the program, and their figures were given a supplementary check here in Washington before any payments were made. In 1935 the hog payments were only two-fifths of those made in 1934, so that only two payments were made in 1935 in excess of \$10,000. There were eight 1934 contracts in excess of \$16,000. There was one contract between \$15,000 and \$16,000; two contracts between \$14,000 and \$15,000; two between \$13,000 and \$14,000; one between \$12,000 and \$13,000; three between \$11,000 and \$12,000; and two between \$10,000 and \$11,000.

\$13,000 and \$14,000; one between \$12,000 and \$13,000; three between \$11,000 and \$12,000; and two between \$10,000 and \$11,000.

The largest payment, which exceeded \$150,000, was made to a California farming corporation. This farm, like all of the other 19 farms on which the payment was in excess of \$10,000, raised and fed out to a large number of hogs on garbage. It is the largest hog farm in the world. Between 5,000 and 6,000 sows farrow two litters of pigs a year. This company has acres of concrete feeding floors and large farrowing houses. They employ a large force of labor who take care of these hogs and clean the pens daily. At times the purchase large quantities of corn and barley to supplement their garbage. There are 445 acres all devoted to buildings, feed lots, roads, and lanes. They maintain a very well equipped office and have fine records, with original sales slips showing the disposal of all hogs which were sold to established packing plants. Their records for the establishment of their hog base were carefully Their records for the establishment of their hog base were carefully checked

Like all of the farms through the Corn Belt, these large companies were adversely affected by the low price of hogs during the period 1930-33, and the Government program helped them to stay in business and kept their help employed. This company was paid approximately \$157,020, less administrative expenses, on a hog base of 41,872.

base of 41,872.

The second largest payment was made to a farming company in New Jersey of approximately \$49,194.38, less administrative expenses. This concern feeds a great deal of garbage from the greater New York area, and has a large investment in sheds, feed lots, and equipment. All their records were very carefully checked. The hog base was 13,118.

The third largest payment was made to a hog company in California of approximately \$22,623.75, less administrative expenses, on a hog base of 6,033 hogs. The fourth largest payment was made to a Massachusetts producer of approximately \$19,098.75, less administrative expenses, on a base of 5,093 hogs. The fifth largest payment was made to a California producer of approximately \$17,838.75, less administrative expenses, on a base of 5,111 hogs.

As to landlords, they shared payments with share tenants as their interest in the crop was shared. Cash tenants received the entire payment.

entire payment.

TOBACCO

Except for cigar leaf, there were no production adjustment programs for tobacco in 1933.

The total number of contracts in all tobacco programs in 1934 was 288,908. The total amount of payments to producers participating in the 1934 tobacco programs was \$43,136,860.08.

The largest 1934 tobacco programs was \$43,136,860.08.

The largest 1934 tobacco payment was to a Florida concern operating 49 farms totaling 29,158 acres. The total of 1934 payments to this concern was \$41,454. The second largest 1934 payment was to a Connecticut company for \$20,530.91. Payments totaling \$16,843, \$13,263, and \$15,450.30 were made, respectively, to one grower in South Carolina and two in Kentucky. The information as to these payments follows in tabular form:

	Total 1934 payments to grower	Number of farms	Number of acres
Florida concern	\$41, 454. 00 20, 530, 91	(1)	29, 158 (¹)
Kentucky grower Do South Carolina grower	² 15, 450. 38 ³ 13, 263. 20 ⁴ 16, 843. 79	(1) 135	7, 043 3, 307 14, 521

Information not yet available.
 \$11,592.38 of this amount was shared by 48 share tenants and share croppers.
 \$11,393.29 of this amount was shared by 4 share tenants and share croppers.
 \$12,647.79 of this amount was shared by 139 share tenants and share croppers.

RICE

The rice production adjustment program was in effect only in 1935.

The 1935 rice program offered assistance not only to owner-producers, but to producers operating as tenants on corporation holdings.

The rice program provided for the lumping into a single contract all of an individual's or a corporation's rice operations.

Cooperating share-tenants on these operations received their indi-

vidual checks in their own names.

Nineteen out of 10,659 contracts (or less than two-tenths of 1 percent) for 1935 amounted to more than \$25,000. All of the contracts listed belonged to corporate landlords and canal companies which furnished land and/or water to large numbers of producers on a shore basis. One Louisiana company, for example, operated through 650 share tenants.

Listed below by States are the preliminary records of rice producers whose 1935 adjustment contracts were in excess of \$25,000, together with the acreage planted to rice on which those payments

State	Acreage allotment	1935 pay- ment
Louisiana	2, 981 2, 205 3, 584 3, 308 2, 586	\$59, 285, 01 54, 453, 81 41, 595, 04 31, 511, 27 31, 202, 48 27, 820, 22 24, 489, 60 28, 261, 20 50, 983, 77 45, 870, 62 40, 668, 66 38, 472, 00 37, 379, 35 30, 185, 22 26, 896, 94 63, 768, 75 33, 806, 75 31, 836, 75

PEANUTS

In connection with the peanut production adjustment program, out of a total of approximately 40,000 contracts, the largest payment was less than \$3,000 under the production-adjustment contract.

SUGAR

The sugar program differed from the other programs and involved some payments of much larger amounts than were made in any of the other programs.

The reason for this is that corporate production is more commonly carried on in sugar than in any other kind of agricultural production. This is especially true of sugarcane.

The sugar program was designed to assist producers in continental latted State and the involvement producers for continental latted.

United States and the insular producing regions. To accomplish this purpose it sought to reduce the burdensome surpluses overhanging the American market and stabilize the price to give relief to domestic and insular producers without injuring consumers.

It was essential, in order to do this, to have the cooperation of the

It was essential, in order to do this, to have the cooperation of the principal insular producers, which frequently were corporations.

The benefits of the program to small and large holders of 77,000 beet-sugar contracts and about 10,000 sugarcane contracts within continental United States depended for effectiveness upon surplus reductions in insular regions, where corporate production was most common. For example, all of Hawaii's sugar is produced by only 39 producing concerns, which together produce about 13 percent of all the sugar consumed in the United States.

Under the quota system it would have been possible for the large producers owning mills to expand their production, to the exclusion of the small, independent producer, if the burden of restriction had not been equally distributed through the medium of production-adjustment contracts. In other words, if the production-adjust-

adjustment contracts. In other words, if the production-adjustment contract had not been employed, corporation producers could have secured the total benefits of and advantageous price due to quota controls, while the uncompensated burden of restriction would have fallen on small producers.

Although the control system necessitated large payments to cor-porations, whenever such payments were made provisions were included in contracts to require that the program's benefits would

included in contracts to require that the program's benefits would be passed on to tenants, sharecroppers, and laborers, so that these classes would share in the results of the program. Hence in these instances the program included prohibition of child labor less than 14 years old, limiting the hours of employees 14 to 16 years old to 8 hours per day, provisions for fixing wages of labor, and to assure payment of wage bills before Government payments were disbursed to the employers.

In addition to other conditions which virtually necessitated offers of contracts to large corporations producing sugar, the Jones-Costigan Act authorized the return to Puerto Rico of processing taxes collected on Puerto Rico sugar and expenditure of these funds either in the form of payments to producers or for the general benefit of agriculture in Puerto Rico. This same provision applied to Hawaii and the Philippine Islands. This meant that in Hawaii, where all sugar production is by corporations, and in Puerto Rico, where it is handled to a large extent by corporations, payments would have to be offered to corporations if production adjustment were to be attempted at all in those islands.

PUERTO RICO

PUERTO RICO

One Puerto Rican producer has been paid \$961,064. Payment was made at the rate of \$4 per ton on 240,660 tons of surplus sugarcane of the 1934-35 crop in accordance with public notice over a year ago that \$4 per ton would be paid to Puerto Rican producers on their cane which, because of the sugar quotas, could not be ground into sugar. not be ground into sugar.

The largest corporation in Puerto Rico, which would have received a considerably larger payment, did not consider that the sugar contract, with its provisions for passing benefits along to labor in higher wages, and the curtailment of production, offered sufficient inducement to the corporation. Hence it refused to sign the contract.

As this report is being written, a preliminary list is available of advance 1935 payments over \$10,000 in Puerto Rico. The 1935 advance payment is included in the \$961,064 referred to above as the largest sum having been paid to any one corporation. The total payments, however, in most cases could be about five to six times the individual figure given as the advance payment in the following table:

Puerto Rico payments over \$10,000-advance 1935 payment

erto Rico	\$45, 533, 40
Do	30, 432, 60
Do	26, 686, 68
Do	41, 030, 04
Do	10, 597, 14
Do	53, 023, 20
Do	20, 404, 50
Do	32, 064, 24
Do	18, 304, 62
Do	34, 690, 80
Do	21, 359, 46
Do	13, 245, 30
Do	103, 667, 94
Do	14, 970, 60
Do	103, 015, 80
Do	30, 111, 00
Do	23, 751, 84
Do	13, 555, 38
Do	12, 634, 32
Do	10, 928, 40
Do	11, 646, 90
Do	99, 617, 28
Do	33, 522, 60
Do	21, 354, 54
Do	19, 507, 02
Do	24, 423, 78
Do	32, 576, 28
Do	28, 495. 50
Total	931, 151. 16

List of sugar-beet total payments over \$10,000

State	Number of parties to con- tract	Advance 1934 payment	Compliance 1935 payment	Total pay- ment
California	1	\$14,664.00	energy and a	\$14, 664. 00
Do		15, 657. 60	405 000 10	15, 657. 60
Do		11, 358. 00	\$25, 296. 10	36, 652, 10
Do		12, 675. 00	29, 207, 83	41, 882, 83
Do		15, 510. 00 14, 248. 50	31, 326, 69	46, 836, 69
Do		16, 088, 80	40, 129. 51 25, 861, 05	54, 378. 01
Do		12, 212, 96	20, 001. 00	41, 949. 83 12, 212, 96
Do		12, 519, 00	32, 089, 35	44, 608, 3
Do		11, 168, 00	23, 285, 34	34, 453, 34
Do		12, 694, 00	21, 210, 60	33, 904, 60
Do		12, 304. 00	LANGE BEING	12, 304, 00
Do		25, 870, 00	66, 367, 72	92, 237, 73
Do		11, 565, 00		11, 565, 00
Do			23, 058, 00	23, 058, 00
Do	1	400.00	10, 567, 80	10, 967, 80
Do		9, 000. 00	19, 717. 75	28, 717. 71
Do		6, 680. 00	13, 014. 98	19, 694. 9
Do		5, 400. 00	12, 361. 73	17, 761. 7
Do	2	4, 800. 00	11, 121. 83	15, 921. 8
Do		8, 752.00	28, 904. 20	37, 656. 2
Do		4, 862.00	12, 193. 03	17, 055. 0
Do		4, 590. 00	12, 261. 86	16, 851. 8
Do		2, 508. 00	11, 198. 61	13, 706. 6
Do Colorado		6, 580. 00 25, 326, 00	12, 630, 19 40, 179, 25	19, 210. 19 65, 505. 21
Colorado		20, 020.00	40, 178. 25	00, 000. 20
Total	105	277, 430. 86	601, 983, 42	779, 414. 28
		CONTRACTOR OF THE PARTY.	ATT THE PARTY OF T	

In Louisiana and Florida the bulk of the cane is grown by com-In Louisiana and Florida the bulk of the cane is grown by companies, and such processor-growers have received large checks. The largest one is to a sugar corporation in Florida, which has received to date \$1,067,665 in three checks. This company employs about 3,000 laborers during the active crop season, and under the contract the company agreed to pay wages established by the Secretary of Agriculture and to maintain standards as to labor conditions and child labor.

List of sugar nauments over \$10,000 in Louisiana

		delecta dell'Artifat		7-
State	Number of parties to con- tract	Advance 1934 payment	Compliance 1935 payment	Total pay- ment
Louisiana Do. Do. Do. Do.	1 2 3 1	\$14, 035, 20 10, 286, 00 14, 207, 50 34, 891, 50 12, 569, 00	\$28, 731. 04 11, 943. 72 25, 834. 32 39, 248. 98 14, 636. 50	\$12, 767. 24 22, 229. 72 40, 041. 82 74, 140. 48 27, 205. 50

List of sugar payments over \$10,000 in Louisiana-Continued

State	Number of parties to con- tract	Advance 1934 payment	Compliance 1935 payment	Total pay- ment
Louisiana	6	\$15, 272. 00	\$30, 299. 57	\$45, 571. 57
D0	2	17, 529. 40 28, 969. 00	29, 702. 23 26, 944. 32	47, 231, 63 55, 913, 32 29, 788, 49 170, 676, 16
Do	5	28, 909.00	15 162 00	20, 913. 32
Do	1 1	14, 624. 50 49, 954. 00	190 799 16	170 878 18
Do	3	11, 863. 50	32 793 66	44, 657. 16
Do	18	18, 996. 20	15, 163, 99 120, 722, 16 32, 793, 66 39, 732, 28	58, 728, 48
Do	2	63, 186. 00	118, 337. 11	181 593 11
Do	13	13, 647. 00 20, 301. 20		13, 647, 00 44, 701, 85 70, 099, 75 64, 203, 28 86, 068, 43
Do		20, 301, 20	24, 400. 65 47, 296. 75 40, 953. 78	44, 701. 85
Do	4	22, 803, 00 23, 249, 50 30, 321, 00	47, 296. 75	70, 099. 75
Do	17	23, 249, 50	40, 953. 78	64, 203, 28
Do	1	46, 100, 00	55, 747. 43	109, 859, 14
Do	1 1	16, 645. 00	63, 759. 14 29, 948. 82	46, 593, 82
Do	1	21 088 00	15 202 21	36 380 21
Do	1	21, 088, 00 15, 684, 00	15, 292, 21 25, 298, 96 39, 200, 21 15, 950, 18	36, 380, 21 40, 982, 96 57, 685, 81 29, 071, 18
Do	5	18, 485, 60	39, 200, 21	57, 685, 81
Do	1	18, 485. 60 13, 121. 00 12, 812. 70	15, 950, 18	29, 071, 18
Do	1	12, 812, 70	19, 640. 21	32, 452. 91 55, 864. 46
Do	1	18, 645, 20	37, 219, 26	55, 864, 46
Do	1	13, 703, 20	22, 849, 96	36, 553. 16
Do	1	15 102 20	12, 760. 80	27, 953, 00 101, 524, 72 65, 941, 97 84, 535, 54
Do	1	34, 771. 00 19, 119. 20 24, 846. 20 12, 670. 00	66, 753. 72 46, 822. 77 59, 689. 34	101, 524. 72
Do	1	19, 119. 20	46, 822, 77	65, 941. 97
Do	3	24, 840. 20	09, 689, 34	84, 535, 54 39, 186, 06
Do	1	12, 670, 00	26, 516. 06	33, 062. 76
Do	2	11, 881. 00 84, 926. 50	21, 181. 76 171, 084. 06	956 010 56
Do	1	75, 454, 00	171,004.00	107 333 40
Do	6	24 326 20	46 148 70	70 474 90
Do	1	24, 326, 20 13, 192, 50	22, 153, 30	35, 345, 80
Do	2	13, 834. 00 13, 390. 00 12, 776. 60	171, 1879, 49 121, 879, 49 46, 148, 70 22, 153, 30 18, 974, 29 22, 146, 40	256, 010, 56 197, 333, 49 70, 474, 90 35, 345, 80 32, 808, 29 35, 536, 40
Do	1	13, 390, 00	22, 146, 40	35, 536, 40
Do	1	12, 776, 60	11, 905. 57	24, 579. 97
Do	1	25, 745. 80	43, 236. 83	68, 982, 63
. Do	1	9, 320. 50	10, 466. 51	19, 787. 01 15, 285. 72
Do	1	5, 142, 00	10, 143. 72	15, 285. 72
Do	1	5, 272, 50	10, 191. 39 16, 190. 61 13, 209. 14 11, 386. 30	15, 463, 89
Do	3	8, 983, 80 5, 567, 70 3, 991, 40	10, 190, 01	15, 463, 89 25, 174, 41 18, 776, 84 15, 377, 70
Do	16 13	2 001 40	11 298 20	15 277 70
Do	21	11, 732. 00	26, 548. 02	38, 280. 02
Do	5	8, 785, 00	14 929 82	23, 017. 83
Do	2	6, 082, 00	13, 782. 83	
Do	2	351. 30	39, 114, 00	39, 465, 30
Do	29	5, 003, 00	13, 982, 04	18, 985. 04
Do	2	130. 80	13, 782, 83 39, 114, 00 13, 982, 04 11, 950, 85	39, 465, 30 18, 985, 04 12, 081, 65 17, 844, 79 127, 793, 14
Do	1	6, 450. 00	11, 394. 79	17, 844. 79
Do	1	50, 570, 80	77, 222. 34	127, 793, 14
Do	1	7, 744, 40	12, 361, 99	20, 106. 39
Do	1	20, 342. 30 8, 993. 00	16, 694. 64	37, 036, 94 29, 272, 43 17, 666, 78
Do	2	5, 828. 80	20, 279, 43 11, 837, 98 12, 076, 87 10, 402, 15 11, 366, 32	17 868 79
Do	3	9 353 00	12 076 87	21, 429, 87
Do	1	9, 353. 00 4, 260. 50 3, 823. 40	10, 402 15	21, 429, 87 14, 662, 65
Do	î	3, 823, 40	11, 366, 32	15, 189. 72
Do	1	4, 066, 30	11,081.41	15, 747, 71
Do	5	7, 673. 30	19, 317. 78	26, 991, 08
Do	1	4, 655. 00	10, 006. 25	14, 661, 25
Do	1	5, 001. 60	10, 682. 16	15 683 76
Do	1	9, 473. 00	20, 925. 48	30, 398. 48
Do	1	9, 004. 20	14, 886. 15 11, 096. 19	30, 398. 48 23, 890. 35 15, 996. 19
Do	1	4, 900. 00	11,096.19	15, 996, 19
Do	1 1	9, 448. 40 7, 074. 40	18, 616. 15	28, 064, 55 22, 277, 82
Do	1	5, 254. 00	15, 203, 42 12, 785, 71	18, 039, 71
Do	1	9, 593, 00	25, 631. 87	35, 224. 87
#/V		7, 145, 60	11, 395, 21	18, 540. 81
Do	4			

In Hawaii there are only 39 plantation producers, all of them large enterprises. The largest plantation produced approximately 80,000 tons of sugar annually. The checks were all very large, the highest single check being \$470,313. In this case the total payments made thus far amount to \$862,460.06. The estimated total payments for the life of the adjustment program, however, including one payment still to be made, will amount to \$1,022,037.87. This plantation in 1936 produced 1.25 percent of the total sugar consumed annually in the United States and has about 3,000 year-around employees sharing in the benefits of the program.

By the terms of the contract the plantation producers agreed that they would make the necessary reduction in sugarcane on plantation land and not on that of the 3,500 small adherent planters who were paid a share of the benefit payments by the companies.

The owners of these 39 large plantations also agreed that they would bring about "reduction in production required by the contract in such manner as to cause the least labor, economic, and tract in such manner as to cause the least labor, economic, and social disturbance", and they followed out a policy of not reducing the number of workers employed on the several plantations by reason of such reduction in production, or because of any provision of the production-adjustment contract. In addition, the contract included labor provisions which prohibited the employment of children under 14 years of age and limited labor of children between 14 and 16 years of age to 8 hours a day. It also provided that the Secretary adjudicate labor and contract disputes.

of those who holler now for Mr. Roosevelt voted to defeat his utility holding-company bill.

The people may be dumb but they are not dumb enough to swallow words when acts speak so loudly.

FAIRMONT (W. VA.) TIMES AND THE UNITED MINE WORKERS

Mr. HOLT. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from hearing before

Furthermore, the plantation producers inaugurated a bonus-payment plan in which the 50,000 laborers on the plantations participated in payments made to adherent planters. If the adjustment programs had not been interrupted by court action it was estimated that the increase in the annual pay roll would have amounted to between \$2,500,000 and \$3,000,000 a year as a result of this bonus plan. of this bonus plan.

PHILIPPINE ISLANDS

In the Philippine Islands the checks were disbursed almost entirely to small growers since there are very few companies which grow any cane.

While the foregoing data give, I believe, a comprehensive idea of the largest payments under the adjustment programs, the studies of the programs now begun will within a reasonable time provide much more detailed and voluminous information. Since disbursement of most of the payments under the production-control programs probably will have been completed within the next several weeks, and payments under the soil-conservation program probably will not start so soon, the Adjustment Administration will be in position to devote equipment and personnel to the large task of compilation.

The Agricultural Adjustment Administration would appreciate an

The Agricultural Adjustment Administration would appreciate an opportunity to proceed with disbursement of payments still due farmers under the production control programs without the delay which would result from the necessity to devote equipment to an immediate cross-check of all payments over county lines.

From the scope of the information herewith submitted it will be evident that considerable time will be required to compile official and complete reports. The Adjustment Administration requests that it be given time to do this properly so as to utilize equipment when not needed for work in connection with disbursement of payments now due hence evolding a tie up of convertigate.

when not needed for work in connection with disbursement of payments now due, hence avoiding a tie-up of operations.

The public report which the Adjustment Administration will make whether or not Resolution 265 is adopted will give accurate and comprehensive data on payments. Obviously the Congress and the public are entitled to know how public funds are spent so as to be able to judge whether they are spent properly and in accordance with law.

I would be pleased to know whether the Senate interprets the foregoing principle to mean that the Adjustment Administration in preparing its reports should depart from its former policy and publish names of recipients of payments. The summary of payments in the 1933 cotton program shows that a report of recipients of payments over \$1.000 would mean publishing a list of 7,014 producers' names merely for this one program for a single year.

Since most of the money will long ago have reached producers and opportunities that publicity would give for high-pressure commercial exploitation of recipients will have largely passed, some of the original reasons for disinclination to make public the names will no longer apply.

From the standpoint of economy it would, we believe, be inad-

From the standpoint of economy it would, we believe, be inadvisable to attempt to publish the names of the several million farmers who have received payments due them under adjustment programs. Therefore, if Congress believes that it is in the public interest to make the names of recipients of A. A. A. payments public, our proposal would be to publish in the Adjustment Administration's report, when the information can be assembled, the names of these who in any work programs. of those who in any year's operation of any program received more than \$1,000, with the amount paid in each instance.

Sincerely yours,

H. A. WALLACE, Secretary.

SUPPORT OF PRESIDENT ROOSEVELT-EDITORIAL FROM CHARLESTON GAZETTE

Mr. HOLT. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Not That Dumb", published in the Charleston Gazette of the 4th instant.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Charleston (W. Va.) Gazette of Apr. 4, 1936] NOT THAT DUMB

A lot of our Representatives in Washington who are seeking so desperately to succeed themselves are yelling themselves purple in the face avowing their loyalty and devotion to the President. The reason is obvious; the President will be the issue this fall and they want to ride into office on his coattails. But regardless of how much they affirm their allegiance, nor how loudly they praise him, they should not make the fatal error of thinking the people of this State are so dumb as to forget one very important thing.

one very important thing.

West Virginians may listen to the protestations of loyalty to President Roosevelt, but they have not forgotten that in the time of crisis, when his fondest hope lay in the balance, a good many of those who holler now for Mr. Roosevelt voted to defeat his

a Senate committee in 1928, being the testimony of Van A. Bittner, of the United Mine Workers of America.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From U. S. Senate hearings (pp. 1258–1259, Conditions in Coal Fields of Pennsylvania, West Virginia, and Ohio, vol. 1, 1928]

TESTIMONY OF VAN A. BITTNER, UNITED MINE WORKERS OF AMERICA, RE: C. E. SMITH, MEMBER OF NATIONAL BITUMINOUS COAL BOARD AND EDITOR OF THE FAIRMONT TIMES, BEFORE THE UNITED STATES SENATE COMMITTEE, 1928

Mr. BITTNER. Now, you asked about the newspapers. The Fairmont Times, in Fairmont, W. Va., is edited by one C. E. Smith. This paper is a daily and has been continuously and consistently against the United Mine Workers of America in this fight. It has favored the coal operators entirely. It has been sold into the nonunion mining camps by bundles, or taken in there and distributed in the same manner as the Labor Tribune is distributed

nonunion mining camps by bundles, or taken in there and distributed in the same manner as the Labor Tribune is distributed in the mining camps of the Pittsburgh Coal Co., except that the Fairmont Times was distributed in the camps of the Bethlehem Mines Corporation, the Consolidation Coal Co., the Jamison Coal & Coke Co., and other interests in the Fairmont field.

The paper is published in the city of Fairmont, and has been used as nothing else but a propaganda sheet against the United Mine Workers of America. And, by the way, I have sent for copies of the paper in which they were paying their compliments to this investigating committee and paying their compliments in the usual way, saying that you might fool the people down here in Washington but that no Senate committee can fool the people in West Virginia. That is a general outline of the paper.

The coal operators there—and we will furnish documents if we have them here, or witnesses if necessary, to show that the coal operators there, the Consolidation Coal Co., the Clark Coal Co., the Bethlehem Mines Corporation, the Brady-Warner Corporation, the Jamison Coal & Coke Co., and the New England Fuel & Transportation Co., were paying this gentleman \$150 per month for the assistance he has been rendering them. They recently purchased him a home in Fairmont, which home is held under a deed of trust by one E. A. Thurnes, who is the private secretary of Mr. Brooks Fleming, vice president of the Consolidation Coal Co.

I have an affidavit here that I wish to present [reading]: State of West Virginia.

County of Marion, to wit:

STATE OF WEST VIRGINIA,

County of Marion, to wit:

This day Pat C. Moran personally appeared before me, Ulysses A. Knapp, a notary public in and for the county and State aforesaid, and being by me first duly sworn, says:

That he is 29 years of age and a citizen and resident of Marion County, W. Va., and has resided in said county for the past 6 years and in the State of West Virginia all of his life; that on the 3d day of March, 1928, affiant examined the records in the office of the clerk of the county court of Marion County, W. Va., concerning the title of certain property now occupied by one C. E. Smith, editor of the Fairmont Times; that affiant found upon information that the said property was conveyed by J. R. Spease to one A. E. Thurnes, who affiant is informed is secretary of Brooks Fleming, Jr.; that affiant is informed Brooks Fleming, Jr., is vice president in charge of allied operations of the Consolidation Coal Co., which operates nonunion mines in northern West Virginia. Virginia.

Virginia.

Affiant further states that he is informed that the said A. E. Thurnes is an unmarried man and lives at the Elks Club in Fairmont, Marion County, W. Va., and also that the said A. E. Thurnes has never received any rent money from the said C. E. Smith since he has occupied said property.

Affiant further states that he is a regular reader of the Fairmont Times and that since the strike of the United Mine Workers of America has been in progress in northern West Virginia, the said Fairmont Times has been bitterly hostile to the said United Mine Workers of America, and especially in the "Good Morning" column of said paper which is conducted by the said C. E. Smith; that affiant is informed and believes that the said property was purchased particularly for the use and occupancy of the said C. E. Smith because of his concerted and repeated efforts to discredit the said United Mine Workers of America and the dissemination of propaganda against the said United Mine Workers through the columns of the said Fairmont Times.

Affiant further states that he knows the facts herein stated to

Affiant further states that he knows the facts herein stated to be true except those stated upon information, and that those stated upon information were obtained from reliable sources and affiant believes them to be true.

Taken, subscribed, and sworn to before me this 3d day of March 1928.

ULYSSES A. KNAPP, Notary Public in and for Marion County, W. Va. My commission expires September 22, 1929.

WAR DEBTS-ARTICLE BY PROF. HERBERT WRIGHT

Mr. MURRAY. Mr. President, Prof. Herbert Wright, of the Catholic University of America, has recently written a very able article discussing the subject of war debts, which I ask leave to have printed in the RECORD as a matter of interest to the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Mar. 29, 1936]

GREEK OFFER ON DEBTS MAY BE HINT OF NEW WAR—SETTLEMENT OF EUROPEAN NATIONS' OBLIGATIONS TO UNITED STATES WOULD PAVE WAY TO FURTHER LOANS, NOW BANNED

(By Herbert Wright, professor of international law, the Catholic University of America)

University of America)

Is the offer of Greece to make partial payments on its debt to the United States the camel's nose under the tent for a reconsideration of the whole question of intergovernmental debts? Is it the prelude to another European war? Will the United States be called upon to underwrite the expenses of the sanctions invoked against Italy in its dispute with Ethiopia?

Many discerning observers see such possibilities in the Greek offer, and it may therefore be well to examine the factors involved in such possibilities. The whole question of war debts was complicated by the Hoover 1-year moratorium of June 20, 1931, and by the fact that the debtors have always maintained, notwithstanding the consistent and persistent opposition of the United States, that there is an absolutely essential connection between war debts and war reparations. All the debtors accepted President Hoover's moratorium except Yugoslavia, which suspended payments outright. The moratorium, however, was only a stopgap measure and did not at all solve the problem of financial unrest.

LAUSANNE CONFERENCE HELD

LAUSANNE CONFERENCE HELD

On June 16, 1932, the representatives of Germany, Belgium, France, Great Britain, Italy, and Japan met at Lausanne to consider measures for the improvement of the world economic situation, one of the main factors in which was the question of German reparations. The date originally proposed had been January, but delay was caused by negotiations between Great Britain and France, who had strongly divergent views on the question of reparations. The United States was precluded from association with the conference, since the Congress in December had passed a resolution that "it was against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner. of foreign countries to the United States should be in any manner canceled or reduced."

on July 8 it was announced that an agreement had been reached abolishing reparations, subject to the delivery by Germany to the Bank for International Settlements of 5-percent redeemable bonds (with 1-percent sinking fund) to the amount of 3,000,000,000 gold marks (\$714,286,000). The bonds were to be held by the bank as trustee for 3 years, after which they might be negotiated and placed in the open market at a price not lower than 90 percent, though it was never expected that these bonds would be issued in full.

The agreement was helded as the beginning of a new speech in

would be issued in full.

The agreement was hailed as the beginning of a new epoch in post-war history, but it was soon (July 14) revealed that the creditor powers on July 2 had joined in a separate "gentlemen's agreement" to the effect that the settlement would have final effect only after ratification by the creditor powers and that such ratification would not follow "until a satisfactory settlement has been reached between them and their own creditors", that is, the United States. In case no such settlement could be arranged, "the legal position is that which existed before the Hoover moratorium."

LAUSANNE AGREEMENT DROPPED

The Acting Secretary of State of the United States, on July 9, while expressing his pleasure "that, in reaching an agreement on the question of reparations, the nations assembled in Lausanne have made a great step forward in the stabilization of the economic situation in Europe", promptly gave notice that "on the question of war debts owing to the United States by European governments there is no change in the attitude of the American Government", which was that war debts and reparations were two distinct questions. The Lausanne agreement, therefore, was dropped, at least temporarily.

After the expiration of the moratorium five governments (Czechoslovakia, Great Britain, Italy, Latvia, and Lithuania) made "token" or partial payments as evidence of their good faith, while the rest claimed inability to pay or asked for a postponement. Finland alone maintained the full payment of its obligations. These "token" payments were considered by the United States Government as relieving the debtor nations, taking them from the position of being defaulters. On June 14, 1933, the President issued a statement in which he said:

"In a spirit of cooperation I have, as Executive, noted the representations of the British Government with respect to the payment

In a spirit of cooperation I have, as Executive, noted the representations of the British Government with respect to the payment of the June 15 installment, inasmuch as the payment made is accompanied by a clear acknowledgment of the debt itself. In view of those representations and of the payment, I have no personal hesitation in saying that I do not characterize the resultant situation as a default."

NEW STATEMENT IN NOVEMBER 1933

Again, on November 7, 1933, when another installment on the debts was about to come due, President Roosevelt issued another statement, in which he said:

"In view of these representations, of the payment, and of the impossibility at this time of passing finally and justly upon the request for a readjustment of the debt, I have no personal hesitation in saying that I shall not regard the British Government as in default." default.

Shortly before the next installment was due the Congress, on April 13, 1934, passed the so-called Johnson Act, making it unlawful for any person in the United States, whether an American citizen or not, to "purchase or sell the bonds, securities, or other obligations of any foreign government * * * issued after the passage of this act, or to make any loan to such foreign government * * * except a renewal or adjustment of existing indebtedness", so long as there is default in the payment of such "obligations or any part thereof.'

A few days after the passage of this act the Secretary of State requested from the Attorney General an opinion upon various questions pertaining to the act. In the course of his reply, dated May 5, 1934, the Attorney General called attention to the statements of the President quoted above and also to the fact that these statements by the President were accepted in good faith by Great Britain and certain other countries.

TOKEN PAYMENTS DEFAULT

He also pointed out that Mr. McReynolds, who had charge of the Johnson Act during its consideration by the House of Representatives, was apparently of the same view as the President, and that "the President, by signing the bill, participated equally with the House of Congress" and his view of the meaning of the words contained in the act was "of great significance." He therefore concluded that the five countries mentioned above were not at that time "in default under the terms of the act."

The clear implication of this opinion, although not stated in so many words, is that governments making "token" payments thereafter would be considered in default. This implication is borne out by a ruling of the Department of State, on May 10, 1934, that any "token" payments in the future would constitute default. any "token" payments in the future would constitute default. Accordingly Great Britain, on June 4, 1934, although prepared to continue token payments "on the assumption that they would again have received the President's declaration that he would not consider them in default", announced the suspension of all wardebt payments because of their understanding "in consequence of recent legislation no such declaration would now be possible."

About a week later Secretary of State Hull wrote to Sir Ronald Lindsay, the British Ambassador, as follows:

"The Attorney General has advised me that, in his opinion, the debtor governments which, under the rulings of his office of May 5, 1934, are not at present considered in default because of partial payments made on earlier installments, would have to pay only the amount of the installment due June 15, 1934,
in order to remain outside the scope of the act."

DECLINE PAYMENT RESUMPTION

But Great Britain declined to resume payments and the other nations (except Finland) followed Britain's lead. Her position was that "the primary question for settlement is the amount that should be paid, having regard to all circumstances of these debts." This means that refunding arrangements now in force were made by Great Britain at a time when she expected substantial reparations payments from Germany, and that they should be revised in the light of the changed situation caused by the virtual scrapping of reparations payments at Lausanne.

tions payments from Germany, and that they should be revised in the light of the changed situation caused by the virtual scrapping of reparations payments at Lausanne.

With regard to the Greek debt, the official records disclose that on February 10, 1918, an agreement was made with Greece by the Governments of Great Britain, France, and the United States providing for advances of approximately \$48,000,000 to be made to Greece under certain conditions. As a result of this agreement the United States made advances to Greece in 1919 and 1920 aggregating \$15,000,000. From time to time Greece has urged certain claims for additional advances, but without success. For instance, in the latter part of 1925 and the early part of 1926, two special commissioners from Greece consulted with the World War Foreign Debt Commission, created by an act of Congress of February 9, 1922, with this end in view, but their efforts were unsuccessful.

The Greek Government maintained that there existed a commitment to them of the remainder of the original \$48,000,000. Having received \$15,000,000 up to that time from the United States, they claimed the remaining \$33,000,000. But Secretary Mellon pointed out that the original commitment was a joint undertaking between France, Great Britain, and the United States, and since France had failed to advance any funds and Greece had released Great Britain without the consent of the United States, the United States was legally and morally released from any obligation or liability to make the additional payment of \$33,000,000.

\$12.167.000 ADVANCE TO GREECE

The World War Foreign Debt Commission, therefore, claimed that there was no legal obligation for the United States to make the additional advance and that a proposal for such an advance would require authorization by the Congress. On February 19, 1929, the Congress passed the bill authorizing such an additional advance and on May 10, 1929, \$12,187,000 was actually advanced to Greece. At the end of the calendar year 1929 the total indebtedness of Greece to the United States was \$32,231,000, representing 10 percent of the total foreign indebtedness of Greece. Since that time no payments have been made on principal or interest. time no payments have been made on principal or interest.

time no payments have been made on principal or interest. Hence it caused considerable surprise when, on February 5, 1936, the press dispatches carried the item that "the first break in the international impasse created by the wholesale war-debt defaulting by European nations 2 years ago, came yesterday when the Treasury Department received an offer from Greece of a partial settlement of its two 1936 installments. * * Greece has expressed willingness to pay 35 percent of the coupon value of payments due May 10 and November 10. Demetrios Sicilianos, the Greek Minister, it was announced, has communicated to the State Department an offer to pay \$76,272 of the \$217,920 due on each of those dates."

After mature consideration of this substantial offer, Secretary Hull, on February 8, acepted the Greek offer, although announcement of the acceptance was not made for nearly 2 weeks. An

Associated Press dispatch in the morning papers of February 21, reported that it was announced on the preceding evening in authoritative quarters that the United States had accepted the Greek offer, "without prejudice to the contractual rights of the United States."

HINT AT ULTERIOR MOTIVES

This reservation of contractual rights seems to hint at the This reservation of contractual rights seems to hint at the possibility of ulterior motives in the Greek offer. At any rate, the question naturally arises, whence comes this sudden good feeling and good faith on the part of a debtor government which has been in default for several years? Has Greece unexpectedly entered upon an era of prosperity, alone of all the defaulting nations? Greece must know that the Johnson Act is still on the statute books and that the ruling of the Attorney General on "token" payments still holds. Certain it is that the United States waived no "contractual rights." How does it happen that, while the debtor nations (always excepting Finland) have generally followed the lead of Great Britain in defaulting on the payments due, now Greece takes the lead in offering a substantial payment upon the installments due?

Is there any connection between this Greek offer and the

Is there any connection between this Greek offer and the alleged secret agreement concerning a disposition of the Dodecanese Islands somewhat favorable to Greece, if military sanctions become necessary against Italy and Greece throws in her lot with Italy's opponents? Do the great powers of Europe feel the pinch of economic and financial sanctions against Italy and desire to have the entire debt question reconsidered and settled in order to make possible the floating of additional loans in the United States? Is the offer by Greece, therefore, merely the prelude to the reopening of discussions with the United States concerning a general settlement of all the war debts?

Color is lent to such a conclusion by the fact that on February 17

general settlement of all the war debts?

Color is lent to such a conclusion by the fact that on February 17
Senator W. Warren Barbour, Republican, of New Jersey, introduced a bill (S. 4031) to create a commission to enter into negotiations with respect to the refunding of certain obligations of foreign governments held by the United States, which was referred to the Committee on Finance. A little over 2 weeks later Senator WILLIAM G. McAdoo, Democrat, of California, who was Secretary of the Treasury when many of the debts were contracted, introduced a joint resolution (S. J. Res. 222), a little more carefully drafted, for the same purpose, except that it was for "the settlement of certain debts" of these foreign governments.

PROVIDES FOREIGN DEBT BOARD

The McAdoo measure in many respects follows the wording of the The McAdoo measure in many respects follows the wording of the Barbour measure. The chief differences are that it provides for a Foreign Debt Commission of 9 members (3 Senators appointed by the Vice President, 3 Representatives appointed by the Speaker, and 3 members not connected with the Government and appointed by the President and confirmed by the Senate) instead of a World War Debt Refunding Commission of 5 members (the Secretary of the Treasury and 4 members appointed by the President and confirmed by the Senate). The McAdoo measure authorizes \$100,000 for the expenses of the Commission and in general provides for a more independent and more powerful commission, although both measures require that any agreement reached with a foreign government can become effective only after approval by the Congress. approval by the Congress.

approval by the Congress.

Neither measure has won much approval. Senator Borah is known to be opposed to any such measure, while Senator Pittman, chairman of the Committee on Foreign Relations, on March 8 was reported as frankly "not in favor of the resolution." He maintained that Great Britain was more concerned over nonpayment of her war obligations than the United States because she realized she could not regain her pre-war creditor position while herself a delinquent. He represented it as the position of the United States Government, with which he was in agreement, "that if there was to be any further consideration of the matter, it should be at the request of the debtors, not the creditor."

It should be pointed out in passing that the new neutrality law recently enacted prohibits loans to any nation at war, so that Italy would be effectively restrained from floating new loans in the United States if Italy removes herself from the operation of the Johnson Act by meeting the payments due on her debt at present

United States if Italy removes herself from the operation of the Johnson Act by meeting the payments due on her debt at present or even if a new settlement of the existing debts were made in the face of the Johnson Act. On this score, the Greek offer might be considered the opening wedge in a new financial sanction against Italy, by opening to the sanctionist nations the loan markets of the United States closed to Italy by the neutrality law.

The real purpose, however, of the Greek offer was disclosed, when Greek Minister Sicilianos let the cat out of the bag in an address before the Order of Ahepa in Washington February 24. In commenting on the friendly relations between the two Govern-

address before the Order of Ahepa in Washington February 24. In commenting on the friendly relations between the two Governments, he felt the necessity of giving some reason for the unexpected action of the Greek Government. He said that the Greek Government was "prompted by its capacity to pay", although it is a notorious fact that Greece suffered severely when Great Britain went off the gold standard on September 21, 1931, that Greece herself was forced to abandon the gold standard on April 25, 1932, and that, as recently as May 10, 1935, the Greek Parliament temporarily suspended the service on the foreign and internal loans. Therefore there is some reason to believe that Greece is not appreciably more able to pay now than formerly.

"As a result of the offer and acceptance", he continued, "every May and November of each year, and until world conditions improve or a definite settlement is reached, Greece will pay to the United States \$76,000." Perhaps he said more than he intended

when he used the words "until * * a definite settlement is reached", but at any rate they show what was in the back of his mind—namely, "a definite settlement."

This is not the place to discuss the question of whether the United States should cancel, or virtually cancel, the war debts in return for some material concession looking toward real international peace based upon justice. Recent developments in Europe, with France and Germany armed to the teeth and Great Britain embarking upon an ambitious armament program, rather impel one to ask, is the Greek offer the camel's nose under the tent to drag the United States into underwriting "another war to Britain emparking upon an amount and another the impel one to ask, is the Greek offer the camel's nose under the tent to drag the United States into underwriting "another war to end war"? Perhaps there is need of another Laoccoon, who, when the Grecian horse was being introduced inside the walls of Troy, exclaimed, "I fear the Greeks, even when bearing gifts"!

RECESS

Mr. ROBINSON. Mr. President, while the Senate was sitting as a Court of Impeachment a few moments ago, an order proposed by the Senator from Arizona [Mr. ASHURST] was entered to the effect that the Court of Impeachment resume its sessions at 12 o'clock noon daily until further order. I therefore move that the Senate take a recess in legislative session.

The motion was agreed to; and (at 5 o'clock and 8 minutes p. m.) the Senate took a recess, to meet, sitting as a Court of Impeachment, tomorrow, Tuesday, April 7, 1936, at 12

o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 6, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Heavenly Father, in whom are centered our aspirations, our hopes, and our longings, be very near us, impressing us with the seriousness and the duty of life. Take away from the individual heart all guile, that we may have the ideal government, the ideal home, and the ideal church. The Lord God bless and preserve the defenders of our Republic who are in their ranks today, moving before the eyes of men. Grant that the freedom which has been gained and the institutions founded may be carried on to greater achievements; may our citizens honor and reverence them. Establish the work of our hands, the work of our hands, establish Thou it. In our Redeemer's name.

The Journal of the proceedings of Friday, April 3, 1936, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had ordered that the Secretary of the Senate communicate to the House of Representatives an attested copy of the answer of Halsted L. Ritter, district judge of the United States for the southern district of Florida, to the articles of impeachment, together with supplementary rules of trial.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 11663. An act to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. ASHURST, Mr. King, and Mr. Borah to be the conferees on the part of the

LEON FREDERICK RUGGLES

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6297) for the relief of Leon Frederick Ruggles, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Michigan asks

H. R. 6297, with a Senate amendment thereto, and concur in the Senate amendment. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object, to state to my friend that if he will come into the middle aisle, and there, from no man's land, make his request, I shall not object, but there will be no unanimous consents granted from the Republican side today.

Mr. HOFFMAN. Mr. Speaker, if I have to pay tribute to the gentleman from Texas I shall do so, and from the middle aisle, no man's land, as he says, I make my request, so that this veteran of the World War may receive the amount so justly due him.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The Clerk will report the Senate amend-

The Clerk read as follows:

Line 8, after "operation", insert ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The SPEAKER. The question is on concurring in the Senate amendment.

The Senate amendment was concurred in.

PUBLICITY OF A. A. A. PAYMENTS

The SPEAKER. Under the special order, the Chair recognizes the gentleman from Oregon [Mr. Pierce] for 15

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include at the end of my remarks a letter from a neighboring friend, living in my valley.

The SPEAKER. Is there objection?

There was no objection.

PUBLICATION OF TRIPLE A PAYMENTS

Mr. PIERCE. Mr. Speaker, as a member of the Agricultural Committee of the House I made the prevailing motion to report adversely on H. R. 426, introduced by our colleague from New York [Mr. TABER]. He made this resolution the subject of a recent speech on this floor. The resolution called for the name and address of every person or firm receiving more than \$2,000 in any one calendar year by reason of benefits granted under the allotment plan of the Triple A. When the resolution was considered by the committee I thought it called for a useless expenditure of time and money. I still think so, though events have moved swiftly since I asked for time to reply to my colleague. During the intervening week the Senate Committee on Agriculture has prepared a resolution calling for the names of those who have received payments of \$1,000 or over each year and finally for a list of those over \$10,000. Secretary Wallace this morning gives to the press a statement of the largest payments. He adds the information that a much more detailed report will be forthcoming and again sets forth his basic objection to publicity for payment, in that it would amount to a betrayal of confidence, and that it is his opinion that it would be unwise to give returns to the public. He asks why any person except the cooperating farmer should receive benefit from knowledge of his transactions with the Government. I do not entirely share that feeling. I have no objection to publicity when it is helpful or if it will prevent fraud and favoritism. I believe that most people in each community generally know about how much their neighbors have been paid by the Government. My objections to the proposed resolutions of both Senate and House are founded on very different reasoning. The Secretary's statement shows clearly that there is nothing to conceal. unanimous consent to take from the Speaker's table the bill The payments were legitimate under the law enacted by this Congress and they were uniform for acre or unit of production. It is fundamentally important that we should have all facts in regard to the operation of the law which will help toward constructive legislation for the future. That is the only reason we are entitled to ask that time and money be spent to give us such information.

I earnestly hope that the currently published statement about the largest payments will not divert attention from the real benefits of the Triple A program to the average farmer, especially the wheat- and hog-control programs. I believe it is urgently important that the future program for the noncommercial farmer should not be jeopardized by feeling engendered by these reports.

I recall the condition of the country before this act was passed, the spirit of rebellion in rural America, the feeling of resentment and of helplessness which indicated the possibility of agrarian revolution. This has been quelled, debts have been paid, hope has been renewed. I am asking to have printed at the end of these remarks, and as part of them, the story of one such farmer, my neighbor, as a reminder of the situation before the enactment of the law and the value of the act. His statement reflects the attitude of 90 percent of the beneficiaries.

This morning's statement by the Secretary, and these pending resolutions, offer convincing evidence of the need of intensive study of the agricultural situation on the part of every Member of Congress, preparatory to framing permanent agricultural legislation which shall, if possible, provide a more equitable division of benefits.

I know little of the sugar and cotton situation, as it is outside my personal experience. Yes; I have read about it, and I have heard about it in the Agricultural Committee for hours at a time, but I still feel that I do not have a solution for that problem. Two things have been impressed upon my mind in connection with it. First, it raises the question, brought to the front also by large payments to insurance companies and banks, of dangerous concentration of wealth. The control of land is the control of our means of existence. When it is highly concentrated certain evils always follow from such concentration and control. Certainly the condition of the sharecroppers and tenant farmers growing some of the commodities included under the Triple A amounts to farm slavery. Those conditions are intolerable, and every man who learns of them must be convinced of his duty to work toward a revision of the program which will do justice to these submerged laborers. I have for many years looked with fear upon foreclosures which brought many farms into the hands of few owners, usually absentees. The Triple A has done much to prevent further corporation control of farm land. Certain results of such concentration are inevitable. These powerful owners, who largely control legislation, will shift the tax burden entirely from the land. Witness the struggle for a sales tax! How helpless the small farmer has been under the injustices of high taxes, which he was powerless to shift! The most evil result is tenancy and the losses to citizenship. Yes; these disclosures raised the question of how to deal with such a problem in the future, and how to prevent further concentration of wealth and land holdings.

There are just a few points which I feel it important to drive home, especially to the minds of those who are not farmers, and have not been deeply concerned with the farm problem. I also wish to say some things about the benefits, other than monetary, which have accrued to the Nation through the operation of that epoch-making experiment in recovery legislation—the Triple A. I feel sure we all agree that there was no corruption and no intention of granting special privilege in the administration of that act. We are convinced by the Secretary's message that the Department has nothing to conceal, and that it is not only futile but contrary to the public welfare to try to make Triple A payments a campaign issue or propaganda against the present administration.

The second point I would like to make, as forcefully as possible, is that the cooperation of the big operators was absolutely essential. If they had not been allowed to come

into the program, they would have ruined it, because it was a program based upon controlled production. If they had remained outside the program, they would have usurped the markets and privileges yielded by the small farmers and the noncommercial farmers for the sake of the common good. There is no use probing into accounts with suspicion. There is no particular point in the gradation of payments at which it can be said special privilege begins. The big operators were, under the law, entitled to their payments. The only question in our minds should be the handling in the future of this very serious problem.

The other point I wish to emphasize is the folly of spending time and money to collect data which can benefit neither the Government nor the farmer. The act is no longer on the statute books. Studies of an entirely different character are urgently needed in order that we may proceed with constructive legislation. Let us approach this matter without political partisanship and let us free our minds of prejudice as we discuss the important questions of limitation of payments, the properly guarded cooperation of large landholders, publicity for payments in the future, the fundamental issue of controlled production, the cost of the program, and the returns from the program. I cannot, in this short time, cover all these subjects adequately, but I can suggest a line of thought, and I request the privilege of revising and extending my remarks so that I may make them available for others who are deeply concerned over these problems.

LIMITATION OF PAYMENTS

A few days ago I voted on the floor of this House for what was known as the Hope amendment to the soil erosion and conservation bill which is now the new farm law. The Hope amendment would have limited benefit payments, in the future, to \$2,000 to any firm or individual, in any one calendar year. The reason I was willing to support the limitation of payments in the new bill is that we have moved forward in our recovery program and are enabled to build on our experience under the former act. The Triple A was definitely designed to control production and to put money into the hands of producers who agreed to withhold lands from cultivation for the common good, during a crisis. The new act has a different objective, looking to the future, as well as to the present, in initiating a policy of soil conservation. Even if we are agreed that a benefit limitation should have been in the former act, it is too late to talk about it now. No good can come from the necessarily large expenditure required, solely to prove that a mistake was made or to satisfy curiosity, or to furnish political propaganda against the framers of that emergency act. Any valuable lessons drawn from that experience may well be used in formulating permanent legislation to take the place of that which dragged us from the depths of 1932. Our people are entitled to full value received from every cent of governmental expenditure. I can see no value to the farmers, nor the Government, in going into the past and attempting to draw attention to possible weaknesses of an act which is now history, because the Supreme Court of this land held, by a decision of six to three, that the Triple A Act was unconstitutional.

COOPERATION OF LARGE LANDHOLDERS ESSENTIAL

Under the old Triple A law, a landlord, whether a corporation, bank, insurance company, or an individual farm owner, had the right to collect the landlord's share of the allotment money. The landlord had his rights in the benefit payment on land farmed by tenants, the renter also getting his share of the Government's payment. There are insurance companies which own thousands of acres of farming land taken from farmers through foreclosures brought about by the depression and now, happily, decreasing under our farm-credit system and the Triple A. Such a company might own some thousands of acres of land in Minnesota, other thousands in Iowa, and so on throughout the Nation wherever they had their widely spread farm-mortgage loans. That insurance company would receive for each individual farm it owned a payment for the landlord's share of the land entered under the allotment plan. Inevitably that company's checks, in the aggregate, would be large and they

would be large in any individual county in which it owned a large number of acres. Had such companies been barred from benefits under the original Triple A Act by an amendment similar to the Hope amendment, they would not have cooperated. Their entire acreage would have been planted to corn, wheat, or cotton, as the case might be, thus defeating the program and giving holders of extensive acreage, or numerous farms, an advantage which would have enriched them and ruined cooperation. There are undoubtedly many sections of the United States where large acreages are held by corporations, as well as individuals, and on these holdings they did receive fat checks; but, I repeat, their cooperation was necessary to a successful control program.

This large-scale operation is the type of organization which prevails in sugar production. It is true that benefits are passed on to tenants and laborers, but the processor or corporation owner probably received too much. I was shocked to read of the amounts paid to land owners in our insular possessions, but I know no remedy except to spread ownership by just such measures as the Triple A.

THE PROGRAM WAS COOPERATIVE AND DEMOCRATIC

The Triple A Act of May 1933 was locally managed and enforced. Programs were conducted in almost 3,000-actually 2,951—of the 3,071 counties of our country. The farmers in the 96 percent of cooperating counties very certainly enjoyed a large measure of security under the act, but indirect results undoubtedly were felt by the noncooperating 4 percent in the "marginal" counties which were not concerned with production of basic crops. In the cooperating counties the farmers organized, elected their own officials, and appointed their own committees. Instructions and blanks were furnished by the Department of Agriculture. The farmers who accepted the terms of the contract made out their applications which were presented to the committees composed of neighboring allottees. The statements for crops grown or animals raised for the previous 5 years, upon which the benefits were based, were furnished to these committees and carefully studied by the members. Such statements were always supported by sufficient evidence. The farms were then surveyed under committee supervision. The amount to be paid to each allottee was calculated by the local committee and approved by a State committee. It was again checked by auditors in Washington. Whether Jim Jones drew \$700 or \$2,700 was not figured out in Washington. That was done locally by farmers who knew his land, his crops, and his business reputation. If there had been any fraud or wrong, it would have been discovered and checked by the local committee and its advisors. It is inconceivable that farmer groups and extension agents throughout the country would have entered into any conspiracy to defraud our Government. Secretary Wallace and his assistants had nothing to do with details and enforcement, except as arbitrators settling disputes and as paymasters. The work was supervised by county agents under the extension service of the agricultural

Departmental consultation with farm leaders and farmers was a progressively important feature of Triple A policy When the first emergency programs were formulated, pressure of time left little opportunity to sound out the sentiment of individual farmers, but advisory delegations of farm leaders took a vital part in shaping the act of 1933. As soon as that act came into operation, the Democratic basis of the program was broadened by the formation of the aforementioned county control associations for the basic commodities for which voluntary control programs were undertaken. The executive committees of these associations became the administrators of the details of the program. There were approximately 4,600 such associations in operation in 1935.

In addition to their county control associations, farmers had a further opportunity for the democratic expression of opinion in the referenda, which provided for direct polls of producers of five of the basic commodities. Six referenda were held in 1934 and 1935 among producers of wheat, cotton, tobacco, corn, and hogs, resulting in a vote for continuance of production-control measures varying from 67 to more than 95 percent of the total. The total vote of signers and nonsigners

cast in these referenda was 4,288,510. Continuance of production-control measures was favored by 3,707,642 voters.

Agricultural history affords no better example of real cooperation than the enforcement of the Triple A Act of May 1933. In fact, I have stated on this floor that the value to the farmers in teaching them cooperation was worth all that it cost. This experience of acting together in community and county groups, functioning in a national program, was shared, between 1933 and 1936, by at least half of the Nation's six and one-half million farmers. Wonderful, far-reaching, and permanently effective must be the results of this real achievement, which marks an epoch in our social history.

PUBLICITY FOR LISTS OF BENEFICIARIES

The question of giving out information regarding payments received by individuals who signed the contracts under the Triple A was often considered by the Department. From the beginning the Administration has held that the individual contract signer was entitled to protection from those who might make unethical use of the information if it were made public. The contracts were an agreement between the Secretary of Agriculture and the contract signers, and were held in confidence except to the county committees and the officials in charge. The Administration felt that they should not expose the individual records to possible commercial or other exploitation by giving out contract data for the press. This definite policy was announced by Administrator Davis on April 15, 1935, when he clearly stated that only cooperating governmental agencies, such as the Internal Revenue Service, should have access to the records of the county productioncontrol associations. I repeat, I do not fear publicity. The strongest objection to a detailed report at this time is the fact that such a demand would retard the work of making payments now due the farmers, and would take money needed for more important things. Surely we all agree that we should not interrupt the orderly procedure upon which farmers are dependent. My offices has each year a flood of letters asking investigation of delayed payments. These delays work great hardship on those who have depended upon prompt receipt of the pledged funds, and are costly to participants. Indeed, my criticism would be directed toward that defect in the system which has been responsible for the postponement of payments expected and taken into account when farmers were making financial arrangements. The great expense involved in the task of segregating, by amounts and recipients, payments on over 3,000,000 contracts would seem to be entirely unjustifiable. It would be necessary for the Department to identify related agencies, and there would be endless investigation, resulting only in further wrangling over operations closed and finished.

There is involved no question of integrity, possibly some question of judgment, and certainly a question of future procedure. Some now seeking the information which would be so costly failed to suggest publicity or limitation when the act was under discussion. I have investigated this matter in some detail, and as I have learned of the time and staff requirements for such a piece of work I have become convinced that it would be entirely without general benefit to persist in this proposal.

OBVIOUS REASONS FOR DEMANDING PUBLICITY

Our vehement and forceful colleague from New York and the inquiring Senators possibly have not considered all aspects of this matter. Some of them are so intent on making campaign issues they surrender their judgment and fairness to party necessities. We all know how hard it is for our friends in opposition to formulate a campaign, and we do not begrudge them a few issues. We only ask that they shall not unreasonably interfere with the rights of others not parties to this dispute and just emerging from an economic battle in which they have been terribly wounded.

Did our New York colleague ask for an investigation when Hoover's Farm Board dumped a half billion into a so-called solution of the farm problem and practically wasted all of it? Did our colleague demand a hauling out of old figures in times when there were four thousand million dollars drained out of the United States Treasury by income-tax refunds to big corporations? No; his party was deaf to all pleas. Their

inquiring minds were not then awakened. It makes a great deal of difference whose ox is being gored. To make political capital, to retard the work of getting out benefit payments to those who have earned them, to try to make sentiment against the farmers' friend who now lives in the White House—these are the reasons for House Resolution 426.

Some of our colleagues on the other side question the sincerity and judgment of the Secretary of Agriculture in this matter. I want to say of the able man who holds that position that the farmers of this country have never had in that high office a more sympathetic friend and a more devoted and cooperative leader. Honest, upright, hard working, believing thoroughly in cooperation, he has carried out his family tradition for public service. He sees clearly the dangers which threaten our civilization through forcing farmers to peasantry. He seeks action which will permanently improve the farm outlook.

COST OF THE TRIPLE A

The total expenditures under the Agricultural Adjustment Act from its inception May 12, 1933, through January 31, 1936, were approximately \$1,487,000,000. About forty-four millions of this amount were disbursed in the form of processing-tax refunds and need not be considered here. Of the \$1,443,000,000 remaining, approximately one thousand one hundred and ten million has been disbursed to farmers as rental and benefit payments under production-adjustment contracts. There has been expended under the surplus removal, drought relief, and disease eradication programs, together with the trust-fund operations, an additional \$252,000,000. The balance of approximately \$81,000,000 was used for administrative expenses.

The processing and related tax collections made during the period from May 12, 1933, to January 31, 1936, total \$969,000,000, and after the deduction of forty-four millions for tax refunds, there is a balance of approximately \$925,-000,000, which represents net tax collections. The net processing-tax collections are slightly more than 83 percent of the amount disbursed in the form of rental and benefit payments, and approximately 68 percent of the disbursements under Agricultural Adjustment Administration programs, exclusive of administrative expenses. The net tax collections represent about 64 percent of the \$1,443,000,000 expended under programs and for administrative expenses by the Agricultural Adjustment Administration. The administrative expenses represent about 5.6 percent of the \$1,443,000,000 in disbursements.

The amount expended by the Agricultural Adjustment Administration, over and above the amount derived from processing taxes, has been made available through various appropriations. Approximately, the difference between the amount paid as rental and benefit payments to farmers, and the amount collected in processing taxes, is represented by taxes that were impounded, due to court decisions, since July 1935, and up until the time of the Supreme Court decision in the Hoosac Mills case. Had the normal collection of taxes been made during this period, the amount paid to farmers, plus administrative expenses, would have been approximately offset by the total amount of tax collections.

Never was there a more satisfactory return for money collected for a specific purpose than from funds collected under the Triple A law through processing taxes.

RETURNS FROM THE TRIPLE A PAYMENTS

The Triple A plan worked when help was needed. It put the farming world on its feet, and that prosperity stimulated the Nation. The present hopeful outlook is, then, due to this emergency legislation which served its purpose. Great changes have taken place in the agricultural situation during the past 3 years. We have had reported to us the higher prices paid farmers, the gains in railway-freight traffic, 38.8 percent in the first year of the program; increased demand for goods used principally by farmers, 75.1 percent; and a gratifying improvement all along the line in industry and commerce.

Cash income from farm production in the years 1932-35, including benefit payments, is estimated by the Department as follows:

Year	Cash income including benefits	Increase over 1932	Index of prices paid	Increase in pur- chasing power over 1932
1932 1933	\$4, 377, 000, 000 5, 409, 000, 000 6, 267, 000, 000 6, 900, 000, 000	Percent 24 43 58	107 109 123 125	Percent 21 25 35

The magnitude of this operation is shown by the following table giving the number of adjustment contracts accepted by the Secretary of Agriculture, through January 6, 1936, by commodities and by years:

Commodity	1933	1934	1935
Corn hogs Cotton Wheat Tobacco Peanuts	1, 027, 335 580, 634 17, 797	1, 154, 470 1, 002, 550 567, 272 288, 907	980, 395 1, 274, 172 506, 333 305, 504 52, 029
RiceSugar		85, 818	9, 954 71, 858
Total	1, 625, 766	3, 099, 018	3, 200, 250

Total of rental and benefit payments called for under contracts covering production for the years through January 6, 1936, are set forth in a parallel table, which completes the story.

Corn hogs		\$311, 639, 894, 01	60E 960 409 96
Cotton	\$112, 548, 430. 89 93, 737, 689. 24 2, 058, 731. 63	115, 019, 705. 33 101, 507, 941. 06 43, 630, 256. 02	\$85, 368, 483, 26 106, 927, 973, 34 60, 512, 443, 04 7, 661, 054, 23 2, 429, 249, 03
Rice Sugar		48, 265, 136. 03	9, 396, 256, 25 8, 802, 382, 12
Total	208, 344, 851. 76	620, 062, 922. 45	281, 097, 841. 27

CONTROLLED PRODUCTION FUNDAMENTAL

The object of the Triple A Act was not only to pay benefits to farmers but also to control surplus agricultural production. This means control of the supply of those commodities of which we produce annually an exportable surplus and a heavy carry-over. Many believed, and still believe, that no successful farm program can be worked out unless production is controlled. The control or removal, through subsidy, of that burdensome surplus must now be sought through other plans. The problem presses for solution. Without foreign markets and exports through world-trade arrangements, our producers will still be crushed by supplies of cotton, wheat, hogs, and other commodities which will break the market. What agency is to decide who shall produce and how much each shall be allowed to contribute to our great store of food and textile crops? We hope for a home consumption which shall, through economic readjustment, more justly distribute these goods among our own people. Until we have resumption of foreign trade and increased domestic use, we must rely upon some form of voluntary and cooperative control. We have now been told by the Supreme Court that such control is unconstitutional. Pending a constitutional amendment which will grant the Congress a clearly defined right to legislate for the general welfare, in a changing economic and social order, we must seek the desired ends by other means.

THE NEW FARM PROGRAM—LET US PULL TOGETHER

The new farm program, like the Triple A, was necessitated by emergency, and time was not given for working out permanent legislation, because the death blow to the Triple A demanded immediate action by Congress. The next 2 years under the program recently devised will give opportunity for studies toward the permanent program to take the place of the Triple A. During these years we must study the farm problem with renewed earnestness, and we must base decisions upon scrutiny of all returns. Changes in world

conditions, especially in world trade, will influence the final program. The farmers of America are fortunate in having in the White House, and in the person of the Secretary of Agriculture in the Cabinet, men who are friends proven by word and action. These men have by their courageous leadership broken the chains by which this country was bound as a result of the unfortunate experiments of the former administration. Benefits to the farming world are reflected in most other lines of activity. While the Triple A Act is dead as a result of the Supreme Court decision, it will in the future be referred to as the first act drawn for the benefit of those who make a basic contribution as producers through agriculture. This act, in the administration of which farmer cooperation was sought, did even more than its framers had dreamed it could do. All political parties should forget party lines while strengthening and supporting funamental legislation for our common welfare.

The new farm program is based on soil conservation and prevention of erosion. Any thinking and observing man who has inspected the rolling farm lands after a summer rain does not need the added testimony of dust storms to convince him of the necessity of such a program. It is estimated that the \$470,000,000 appropriated for the coming year for benefit payments to farmers, who assist the Secretary of Agriculture in carrying out this program, can be saved each single year in conservation of the soil.

Let us forget our petty differences. Let us omit farm legislation from our campaign propaganda, and let us agree to put no hindrance in the path of those who are attempting to restore to us our customary American prosperity.

Mr. Speaker, I now quote the letter from my farm neighbor and commend it to my colleagues as a case more typical of Triple A than the few great payments reported today. Such a statement is inspiring and helpful. It will clear the air. It will help us to conduct our future discussions on farm aid with the farmer in mind.

AN AVERAGE FARMER'S OPINION OF THE A. A. A.

I am a farmer of the ordinary variety, not what is termed a tenant farmer, neither am I the landed landlord, I am the "in between" variety.

We live on a farm of 240 acres, about 3 miles from La Grande,

Oreg., a town of about 8,000 population, in a fertile valley where a crop failure from natural causes is about as unknown as a snow storm in July. In addition to the 240 acres which we own (or rather we have an equity in it, we hope) I rent 320 acres adjoining my own land, and another farmer and myself have rented

adjoining my own land, and another farmer and myself have rented 240 acres more of good land about one-half mile from my own farm, making a total of about 800 acres, about half of which is average farm land and about half is pasture.

When I said that I was an ordinary farmer, I mean in more ways than one; I probably am an average farmer all around. I raise good crops, have the average quality of livestock, not the best, but not the worst that you see in tour of farms and ranches.

When I traded for this farm in 1926, I assumed the indebtedness against it, some \$50 per acre, which was not too high at that time, and not nearly as high as some land of inferior quality and location, the mortgage to run some 20 years, payments of interest and principal to be paid semiannually. I started right in with diversified farming, raising lots of hogs, milking quite a few cows, raising lots of chickens, gradually building up a small herd of stock cattle, raising wheat, oats, rye, barley, and alfalfa hay. What could be more diversified? For the first few years I was able to meet my land-bank payments promptly when they became due, What could be more diversified? For the first few years I was able to meet my land-bank payments promptly when they became due, pay my taxes promptly, pay my labor bills each week, and, in fact, meet all of my obligations in general, and then "boom I faw down." And believe me that is the right term, I did begin to "faw" down on every obligation that I was supposed to meet. My taxes went unpaid, my land-bank payments and interest became past due and had to be extended, I had to quit buying any machinery, or to do any repairing only what was absolutely necessary. The only thing that I did keep paid up was my labor bills and that was some job. In fact, I went around with the seat of my pants out most of the time, but the men got their pay.

While these conditions actually did happen a little gradually, it seemed as though they came over night. Even though they were gradual, I kept kidding myself and thinking that they would

were gradual, I kept kidding myself and thinking that they would change the other way for the better any day, and that prices we were receiving for our products and livestock would soon start

on the uphill climb. A carload of hogs was raised, fed, and exhibited by me at the A carload of logs was raised, ied, and exhibited by me at the Pacific International Livestock Show in Portland, Oreg., in 1926, and were awarded grand champion ribbon and prize money, and sold to Swift & Co. for \$15 per hundredweight. In 1931 I was awarded the same place on a carload lot of about the same quality and weight, and they were sold to Swift & Co. for \$6.50 per hundredweight. In the intervening years I was awarded the same

class each year and the hogs sold from \$13.50 down to \$11.50 per hundredweight. Taking the \$6.50 per hundredweight for the hogs was an example of what was happening, and one of the many reasons why I could not meet my obligations. The same was true of butterfat, steers that I had to sell, poultry, eggs, and anything that we had to dispose of to try and pay our bills and meet our obligations.

Our income was not enough to meet them; so we could see only one thing to do, to increase production to a point where we could have enough money coming in to balance things up; and that, we thought, would cure our ills; but it merely shoved us over the hill a little closer to the poorhouse. In 1932 I raised about 800 hogs, had about twice as many steers to feed and sell as normally, raised more chickens, and milked more cows. Surely with all of this to sell I could meet my obligations, below the description to sell I could meet my obligations. this to sell I could meet my obligations, help my daughter to get through school, and maybe buy my wife a new hat; but it was not to be that way. My obligations stayed right where they were; I could not meet them; my daughter went to work instead of to school, and my wife dyed the feather on her old hat and sneaked could not meet them; my daughter went to work instead of to school, and my wife dyed the feather on her old hat and sneaked an army button from my mackinaw coat to keep the feather company and fool her friends. Everything I had to sell was sold far below the cost of production; the hogs sold for as low as \$2.65 per hundredweight when they weighed about 200 pounds, the steers went the way fat steers go, at from \$4.10 to \$4.65 per hundredweight, after being grain fed for about 4 months in Portland, Oreg., netting me about 50 cents less than prices mentioned. We produced a lot of butterfat and sold it for 11 cents per pound, case after case of eggs went for 10 cents per dozen, and poultry was not worth the effort. The lower prices went the more we tried to produce, to raise the necessary amount of money to go around. Labor was cheap—yes, far too cheap—but yet it was lots harder for me to dig up the \$1 per day that I was forced to reduce to than it was to pay the \$3 per day that I was forced to reduce to than it was to pay the \$3 per day that I had paid many, many times in former years. No matter how many corners we cut, how many things we did without, things kept getting worse; less money coming in to pay with, everything selling below the cost of production. There is only one place that we did not cut down on sharply, and that was food. We have always made our eggs set the table; in other words, have traded eggs for groceries; and as well kill our own meat, pork and beef, together with poultry, we always have plenty to eat. As I said, I have gone around with the seat of my pants out many times, but my stomach was full.

About the time that things looked the worst, and after I had exhausted all means and ideas that I could work out to make things meet—borrowed on all of my life insurance and worked my credit to the limit—along comes the plans for controlled production. I, like thousands of others, said that it would not work, that it could not. I went to the meetings; I was ready to try anything that sounded feasi

tion. I, like thousands of others, said that it would not work, that it could not. I went to the meetings; I was ready to try anything that sounded feasible or not, with the hopes that it might work. And, notwithstanding all things said to the contrary, it has worked—worked for the benefit of all farmers that were willing to cooperate with their fellow farmers. First the wheat production control associations were organized and got to working, and I am very sincere when I say that I saw more cooperation and good work done than in any thing I ever saw a bunch of farmers try to run. Of course, the basis for all this was furnished by the Agricultural Administration, but the local organizations were set up and run by the farmers themselves, and all regulations were and run by the farmers themselves, and all regulations were enforced by them.

enforced by them.

Next in our county came the corn-hog control program, and, like the wheat program, it actually did work for the farmers' benefit. I have heard and read so many times how much more the farmer would be getting for hogs if the processing tax was not in effect. This is being written 3 weeks from the day that the opinion was handed down by the Supreme Court, and as yet I have failed to notice any material gain in the price of hogs to the producer. We only had two programs in effect in the county, the wheat control and corn-hog control, yet these two branches of the Triple A put over \$200,000 in circulation in this small county during the year 1934: the payments for 1935 were slightly less. Go into Triple A put over \$200,000 in circulation in this small county during the year 1934; the payments for 1935 were slightly less. Go into La Grande, our county seat, and ask the merchants what they thought of it and whether it increased their business, how many more men were put back to work; ask the tax department of our county government what it did for their collections. I know the answer too well, it was like throwing a life-belt to a person in deep water. The water was getting too deep for me, I know, and

deep water. The water was getting too deep for me, I know, and it was a lifesaver.

I paid all of my back and current taxes on the farm and personal property, paid most of my delinquent land-bank payments and interest, and will pay all of my forced extension when I get what is due me on my 1935 contracts, and I have faith enough in the present administration to believe that I will get it. I had picked up most of the stray ends and was on the road back to where I was about 6 years are. Now I do not know where the road

picked up most of the stray ends and was on the road back to where I was about 6 years ago. Now I do not know where the road leads to, if they open the way permanently for increased production. I think I know, though—back to where we were a few years ago, days and nights of worrying about how this and that were ever going to be paid.

Some will say that the drought and other things of nature had most to do with the improvement in prices and condition, but I am still giving the Triple A credit for most of my personal gain, and I do not believe that it has hurt any one individual enough to make them suffer for my gain. I have figured processing taxes on all articles taxable used on our farm and it amounted to less than \$9 per year, less than 75 cents per month. This small amount spread among an average of six people is indeed insignificant.

Again, some will say that I should have had enough laid aside during the good years when we were getting from \$10 to \$15 per hundredweight for hogs and a like amount for cattle and other things that we produced to protect myself when the dynamite went off. I will ask these same people if they ever ran a ranch of any size, with fences to repair, machinery to buy, a thousand and one things that have to be done, and they all take labor and cash.

Now things have gone "boom" again; the Supreme Court has decided that it is all wrong. The main bone of contention all along has been that we were taxing one class of people to benefit another class. Granted that we were, was it not indirectly helping all classes of people? How about the new cars that were being sold to farmers, new farm machinery by the hundreds of carloads, more repairs being done to farm buildings, dozens of things that are directly and indirectly making more labor turn-over and putting more cash into circulation, helping hundreds of industries both directly and indirectly? Are not all of our taxes based similarly, along the same lines that the processing taxes were based, taxing one class to benefit another? Do not part of the taxes that I pay on my farm and equipment go to protect the man that lives in town in a rented house or the single man that resides at a boarding house or a hotel? Do not part of my taxes go to support a country school that I have never had a child attend? What is the primary difference between that and taxing a sack of flour or a cured ham that I may receive a benefit check to increase my income to a point where I may meet my land payments and such necessary items? I was not hoarding this money; I was putting it back into circulation. I have not the desire to accumulate enormous wealth or large land where I may meet my land payments and such necessary items? I was not hoarding this money; I was putting it back into circulation. I have not the desire to accumulate enormous wealth or large land holdings or great herds of cattle. I want to receive enough for my products to be able to live without continual worry about whether I am going to lose my ranch or be unable to meet my obligations, enough to give my children an ordinary education, to be able to go through life like an average ordinary person, and I want to work for it all, not have it given to me. But I cannot do it on \$3 hogs, 11-cent butterfat, and \$4 steers, nor can any other farmer, though he work 24 hours a day. It's too far below the cost of production in this day and age, and the more he produces the more we will go in the red. They say volume counts, but it counts the wrong way when one is producing below cost. When I received my different benefit checks never had I the feeling that I was receiving something for nothing, rather I had the feeling that I had earned it and was getting nearer my just dues than I had been getting for 4 or 5 years.

Was getting and the following and the following followin

LA GRANDE, OREG., January 27, 1936.

COMMENDATION OF SERVICES OF CONGRESSMAN MARTIN DIES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein two letters received by the gentleman from Texas [Mr. Dies] and an excerpt from the Congressional Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, I desire to say something in regard to the splendid services rendered by my friend and colleague Martin Dies, of Texas, in behalf of the payment to World War veterans of the remainder due them on their adjusted-service certificates.

MARTIN DIES was a member of the so-called Patman steering committee of 22 House Members who were selected to take every parliamentary step possible to obtain passage of a measure to pay in cash the adjusted-service certificates. As a member of this committee, Congressman Dies attended every meeting and cooperated to the fullest extent possible in securing passage of a suitable bill. As the only Texas member of the powerful Rules Committee, he was largely instrumental last session in obtaining a rule to permit consideration on the floor of the House of the Patman bill and the Vinson bill. He was selected as a member of the committee to confer with Congressman Vinson and Congressman McCormack, and also Commander in Chief James E. Van Zandt and National Commander Ray Murphy, of the American Legion, to bring about a complete understanding and agreement among the different factions with a view of securing passage of a suitable bill. As a result of this conference the Vinson-Patman-McCormack bill was agreed upon, and all factions united to secure its passage. The agreement entered into between these respective parties established complete harmony among the proponents of the legislation and caused early passage in the House and Senate and its enactment into law.

Congressman Dies voted in favor of the cash payment of the remainder due on the adjusted-service certificates each and every time the bill came before the House for a vote. The veterans and their dependents do not have a more loyal and steadfast friend than Congressman Dies, and the veterans owe him a debt of gratitude.

His splendid work on the Rules Committee and the steering committee had much to do with the final passage of this compromise measure. In addition to his constructive work in behalf of the cash payment of the adjusted-service certificates, Congressman Dies voted in favor of the independent offices appropriation bill which restored the compensation taken from the veterans.

I desire to insert in the Congressional Record, along with my remarks, expressions of gratitude, and appreciation to Congressman Dies from James E. Van Zandt, commander in chief of the Veterans of Foreign Wars, and from Ray Murphy, national commander of the American Legion, and from Congressman Fred Vinson, of Kentucky, coauthor of the bill.

> VETERANS OF FOREIGN WARS OF THE UNITED STATES FEBRUARY 14, 1936.

Hon. MARTIN DIES

Member of Congress, Washington, D. C.

MY DEAR CONGRESSMAN DIES: With the bonus law a reality, it
now behooves the veterans of this country to take stock of their

I am writing you in order that you may realize how deeply the Veterans of Foreign Wars of the United States appreciate your contribution to the bonus fight. In supporting this legislation, you have made possible at least a temporary feeling of economic security for World War veterans all over the Nation. For this

security for World War veterans all over the Nation. For this we are deeply grateful.

In addition to your untiring work to bring the bonus payment about, I want you to know that we also are fully aware of your uncompromising fight against the alien influences in this country. I believe when proper laws controlling the aliens are finally on the statute books, much of the credit will have to go to yourself. For this you also have the everlasting gratitude of all thinking veterans and American citizens.

With my kindest personal regards and best wishes for your

With my kindest personal regards and best wishes for your continued health and success, I remain,
Yours respectfully,

JAMES E. VAN ZANDT, Commander in Chief.

THE AMERICAN LEGION

MARCH 27, 1936.

MARTIN DIES

House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: Please accept this rather belated appreciation of the loyal and effective service you rendered in connection with the passage of the bill for immediate payment of the adwith the passage of the bill for immediate payment of the adjusted-service certificates. I started out from Washington the day after the bill became law and have been so constantly in travel since that time that I have been compelled to delay acknowledgment of your good work.

I realized that you were unselfish in your support of this legislation, and that in giving it your support you rallied to its cause many Members who might have wished otherwise to support some other form of payment plan. For your willingness to cooperate I am deeply grateful.

With all good wishes, I am
Sincerely yours.

Sincerely yours,

RAY MURPHY. National Commander.

[Excerpt from remarks of Hon. Fred Vinson of Kentucky, in the House of Representatives Jan. 13, 1936]

House of Representatives Jan. 13, 1936]

In conclusion, I want to express my appreciation for the splendid cooperation we have received from the members of the Committee on Ways and Means. They, at all times, have been very considerate of the veterans' interests. Particularly do I want to thank our chairman, Hon. Robert I. Doughton, who has been of most valuable assistance in the preparation of the bill and its expeditious consideration. The veterans of this country are indebted much to Speaker Byrns for his friendly cooperation—a highly important service—in our arriving at "a united front." Also, we must not overlook the friendly attitude of the important Committee on Rules, which has enabled the bill to come up at this time. The committee appointed by the Patman conference, composed of Congressmen Colmer (chairman), of Mississippi; Connery, of Massachusetts; Hancock, of North Carolina; Dies, of Texas; Scrugham, of Nevada; and Berlin, of Pennsylvania, assisted Texas; Scrugham, of Nevada; and Berlin, of Pennsylvania, assisted materially in enabling this measure to come to the floor of the House with a united front, and their efforts in this respect are appreciated.

TOBACCO ROAD

Mr. DEEN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection? There was no objection.

Mr. DEEN. Mr. Speaker, first I read this brief excerpt | from this morning's edition of the Washington Herald:

TOBACCO ROAD TRAGIC TALE OF GEORGIA BRUSH COUNTRY-DISTINGUISHED AUDIENCE GREETS CALDWELL CLASSIC AT NATIONAL WITH COUNTLESS CURTAIN CALLS

A barren land that knows no God as we know Him, that marvels no more than the animals over birth and death, where romantic love between people is unheard of—that is the brush country of Georgia through which wends Erskine Caldwell's Tobacco Road so vividly dramatized by Jack Kirkland. The play opened last night at the National for a week's run.

The subject is completely foreign to the experiences of average life, and as it first unfolds you shrink from the violence of its unadorned truth. But as the play progresses the fact is inevitably driven home that this is life—life as it is lived today by far too many people in these United States.

These people have no schooling as a violence to the complete of t

These people have no schooling, no religious training, no code of right or wrong. They live by the most primitive instincts shorn of even the dignity savages achieve in their native haunts through form, ceremony, and tradition. The simplest human instincts of pity and hope are killed. There is only one love—the land.

Mr. Speaker, I have asked this time to request my colleagues of the House of Representatives to either see this most infamous, wicked, and damnable play, or talk with someone who has seen it, and to join with me in requesting the district attorney of the District of Columbia and the Commissioners of the District to have the presentation of the play stopped in this city today. The mayor of Chicago declined a few weeks ago to permit this infamous and wicked play to be presented in the city of Chicago. It was written by a young man, the son of a Presbyterian minister, of high-school age, before he went to college. It is predicated on conditions which are as far from the truth and the facts as the east is from the west. It is based on a condition that never existed, based on conditions supposed to exist in my congressional district. There are millions of tenant farmers in this country, there are thousands of them in my district, and some of them are today working their tobacco on their farms, and as their humble representative I resent with all the power of my soul this untruthful, undignified, and unfair sketch of southern life, which it is said is worse than savagery 200 years ago.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. DEEN. I decline to yield for the moment. There is not a word of truth in it. I denounce it and resent it. The play is well acted, I am told, and the actors are doing a good job. You cannot buy tickets for it. They are sold

I want to thank Miss Rhoda Milliken, of the women's division of the Metropolitan Police Department, who went down last night and saw the play, and who this morning recommended to the district attorney that most of this play be deleted or cut out. She said to me this morning that if that were done, there would not be enough left for anybody to go and see. I hope my colleagues will bear in mind that it does not represent the conditions existing among the people of Georgia.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. DEEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DEEN. Mr. Speaker, the play entitled "Tobacco Road", and taken from the book Tobacco Road, is a reflection on the life of the tenant farmers of America. It is a reflection on their families. It is not consistent with the facts and conditions on which it is purported to be based. The illustrations are filth, debauchery, vulgarity, and flirtations with immorality.

In addition, the observer gets the idea, just as is illustrated in the article in today's Washington Herald, that the people of the brush country of Georgia know no God and that they marvel no more over birth and death than animals. The article states that these tenant sharecroppers have no schooling, no religious training, no code of right or wrong. The article continues to state that they live by primitive methods which would lower the dignity of savages 200 years ago. It is not only a reflection on the sharecroppers of lessly "all in" financially, the less chance they have to con-

Georgia but on sharecroppers and humble workers throughout the entire Nation.

It is true that living conditions are not as desirable among the poor people of the country as we would like to see them. Living conditions among tenant and sharecroppers in Georgia are not what any of us would like to see them; however, I did not think I would ever live to see the time when untruthful conditions would be depicted as being true and then commercialized by those who want to make money. It would be bad enough if the real conditions were commercialized in a drama and staged for the world to look at, but when poor and innocent people who are doing the very best they can are held up to ridicule and scorn and commercialized it is then time to call a halt.

Of all times and places that this play should not be shown it is at the present time in the Nation's Capital when thousands of visitors from every part of the country come here to attend the cherry-blossom festival. Thousands of them attending this show will carry back with them to their homes the impression that Georgia sharecroppers live in a barren land where there is no God, where there is no romantic love, no religious training, no schooling, no standards of right or wrong. They will carry back with them to their homes the impression that sharecroppers in Georgia are living in environments inferior to savages 200 years ago.

For the thousands of sharecroppers and their families who are not in the Nation's Capital to defend themselves against this infamous, vile, and wicked web into which they have been woven by those who would commercialize upon them, I am calling upon the bar of public opinion and public justice to render its decision against the appearance of Tobacco Road in the Nation's Capital.

SEED LOANS

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

Mr. BLANTON. Mr. Speaker, recognizing that the gentleman does not belong to the other side of the House-

Mr. MARTIN of Massachusetts. Mr. Speaker, a point of order.

Mr. BLANTON. I shall not object.

Mr. MARTIN of Massachusetts. Mr. Speaker, who has

Mr. SNELL. Mr. Speaker, the regular order.

The SPEAKER. The regular order is, Is there objection to the request of the gentleman from North Dakota that he may address the House for 5 minutes?

There was no objection.

Mr. BURDICK. Mr. Speaker, this Congress passed an appropriation of \$50,000,000 for seed for needy farmers of the United States. The President vetoed the bill on the theory that it was not necessary; and the work of delivering the seed was turned over to the Resettlement Division. In the Northwest States today it is impossible for a farmer to get seed for these reasons: First, in order to qualify under the Resettlement Division a farmer is required to do two things in the application, either of which is inconsistent with the other. For example, the first thing a farmer must do is convince the Administrator beyond any reasonable doubt that he is financially "all in"; that he cannot get any relief from anyone, and he has absolutely nothing financially. At the end of that application he must then convince the Administrator that, notwithstanding his financial condition, he will be able to pay back the loan. [Laughter.]

We find such a case in history, the case of Scylla and Charybdis. The ancients tell us there was a huge rock off the coast of Italy called Scylla, and in close proximity was a whirlpool called Charybdis. The ancient pilots used to dread this spot. If they turned too much to the right they would strike Scylla. If they went too much to the left they ran into Charybdis. In either case the ship was lost. That is the situation of the farmers of the Northwest. The more they try to convince the Administrator that they are hopevince the same Administrator that they cannot pay back the bill. If this country today were at war with some foreign country, it would not be 24 hours until there would be enough seed to plant every farm in this country. It would not take 24 hours. We saw that happen before. But I say to you today, Mr. Speaker, that we are in a war now. We are in a war against this depression, and we cannot afford to have these farms lie idle another year because there is

I understand the Senate is going to take some action on a new bill to be introduced in the Senate that would provide money for this seed, but I think the time is too late now for legislative action. I am sure that if wheat is not planted in North Dakota within the next 2 weeks, there is no use planting it, because the hot winds will take it as they did this year. What we need now is executive action. I think the Members of this House who are in the majority ought to use their influence to have an Executive order issued to make this seed wheat available to the farmers of this country now when they need it. One dollar spent today will take the place of a thousand dollars later on if this wheat is furnished now.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield? Mr. BURDICK. Yes; I yield. Mr. WOLCOTT. I would like to ask the gentleman if the

same thing will not be accomplished by taking from the Speaker's table the House bill that was vetoed, and passing it, notwithstanding the objections of the President?

Mr. BURDICK. Yes, that can be done; but I am not

making any statement that reflects on the President or the administration or anyone else. I simply call attention to the fact that there are 15,000 farmers in my State alone who cannot qualify under the provisions of the Resettlement plan. Let me state further that in order to qualify they must budget their affairs up there, public and private. A man's wife must go to town. She must agree to the budget.

The affairs of that house are under the control of the Government as long as that loan is outstanding. We have a great many farmers who are not "all in" financially. They have something left, but they have no money. They cannot come in under the Resettlement Division. I have at least a hundred letters from those who did qualify. They were told, "You are a fit subject for the Resettlement Division, but you cannot convince us that you can pay back the loan." So in my State we have 15,000 farmers in that condition. Outside of North Dakota there are probably another 15,000 in Montana and South Dakota. I say it demands action by this Congress now. [Applause.]

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield? Mr. BURDICK. Yes; I yield.

Mr. BANKHEAD. The purpose of Congress, as I understand, in passing this seed-loan bill, which we have been passing for a number of years, was to come to the relief of those farmers who did not have local credit and who could not obtain it. It was passed in order that they might secure loans from the Government for the purpose of buying seed. As I understand it, the issue that has been presented in the gentleman's section is that there are a number of applicants for these seed loans who are on the relief rolls, and they want to continue on the relief rolls and at the same time secure a seed loan. Does the gentleman think that would be a fair thing for the credit of the Government to undertake, to give a double subsidy, so to speak?

The SPEAKER. The time of the gentleman from North

Dakota has expired.

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 3 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BURDICK. I wish to say there is no one in North Dakota receiving relief except through the Works Progress Administration. No one is receiving any work under the Works Progress Administration except he was on relief last year. If a farmer, through personal pride and a little extra effort, has been able to keep off of relief until this year, there is no place in North Dakota where that farmer can get any

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield further?

Mr. BURDICK. Yes; I yield.

Mr. BANKHEAD. Will not the gentleman admit that there has been a very great deal of criticism, particularly upon the part of the opposition, about this whole seed-loan program? And is it not a fact this administration, upon its recommendation, secured passage of a law setting up a permanent Government agency through which farmers who could qualify for credit could obtain loans? Is it true or is it not?

Mr. BURDICK. I say the administration is entitled to a great deal of credit. That is the first time it was ever done.

Mr. BANKHEAD. I want to assure the gentleman, and I want to assure those who are interested in making these seed loans, because I know what I am talking about, that there is no disposition upon the part of those administering these loans to work any undue hardship upon farmers needing these loans. The gentleman talks about putting them on the spot about their credit and the probability of their repayment. I think it is entirely reasonable that when the Government is extending these loans to farmers that the Government has the right to go into the question of the probability of their being able to repay the loans. If this has been done out in the gentleman's section, I think it is an entirely reasonable regulation; but I want to assure the gentleman. to assure this House, and to assure the country, that there is no disposition upon the part of those administering these seed loans to work any undue hardship upon any deserving farmer. [Applause.]

Mr. BURDICK. I believe that is true, but as the thing works out in practice, we find letter after letter and telegram after telegram coming to our desks from people who have gone to the Resettlement Division, have qualified, but finally the loans fell through because the officials thought the applicants could not repay the loans.

Mr. MARTIN of Colorado. Mr. Speaker, if the gentleman will permit, I want to say to the gentleman we have at least 8,000 farmers in Colorado under what they call subsistence grants, which are virtually starvation grants, and which took the place of mortgage loans to drought farmers on relief, and who should have remained on relief. It was a travesty to place them under loans. These farmers have no money or means whatever with which to buy seed. They have got to be furnished seed by the Government or they will be on relief for another year, even though we have a season out there that would produce a crop.

Mr. BURDICK. My suggestion to the House is that the leadership of this House and those responsible for this part of the administration use their influence with the Executive of this Nation and have this difficulty cured by a proclamation. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. BLANTON. Mr. Speaker, I am forced to object to the request.

Mr. ZIONCHECK. Mr. Speaker, I make the point of order the gentleman's objection comes too late.

The SPEAKER. The point of order is overruled.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, in view of the precedent set by the gentleman from Texas I want to serve notice that there will not be granted any unanimous consent from the Democratic side either until we have this straightened out.

Mr. Speaker, I object.

Mr. BLANTON. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Mr. Speaker, the ventilation is terrible, there is something offensive in the air that smells like spoiled cheese from Potsdam.

Mr. SNELL. Mr. Speaker, the gentleman is not stating a point of order.

The SPEAKER. The gentleman is not stating a point of

THE CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

SAN CARLOS APACHE INDIANS

The Clerk called the first bill on the Consent Calendar, S. 2523, authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I promised the gentlewoman from Arizona I would get a statement from the Comptroller in reference to this claim. I have the statement and ask unanimous consent to place it in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The matter referred to follows:

COMPTROLLER GENERAL OF THE UNITED STATES, Washington, March 26, 1936.

Hon. JOHN J. COCHRAN,

Hon. John J. Cochran,
Chairman, Committee on Expenditures in the
Executive Departments, House of Representatives.
My Dear Mr. Chairman: There has been received your letter of
March 16, 1936, with enclosure of a copy of S. 1567, Seventy-fourth
Congress, and House Report 1820 thereon. You request the views
and recommendations of this office with respect to the proposed
bill, which would amend section 5 of the act of March 2, 1919 (40

bill, which would amend section 5 of the act of March 2, 1919 (40 Stat. 1274, 1275), as follows:

"That no person who filed a claim in accordance with the provisions of section 5 of the act entitled 'An act to provide relief in cases of contracts connected with prosecution of the war, and for other purposes', approved March 2, 1919, shall be deprived of any of the benefits of said act as amended by the act of February 13, 1929, by reason of failure to file suit under said amendment in the Supreme Court of the District of Columbia or through abatement of any suit so filed.

the Supreme Court of the District of Columbia or through abatement of any suit so filed.

"Upon petition to the Secretary of the Interior in such abated suits and in claims wherein no suits were filed under the said amendment the Secretary is hereby authorized and directed to review all such claims upon matters of fact and in the light of decisions of the Supreme Court of the District of Columbia in similar cases; and, in accordance with the provisions of the said act, as amended, to make awards or additional awards in said claims as he may determine to be just and equitable.

"Sec. 2. The rights of any deceased claimant under section 5 of said act shall be held and considered to descend to the legal representatives as personal property of such deceased claimant.

"Sec. 3. This act shall not authorize payment to be made of any claim not presented to the Secretary of the Interior within 6 months after its approval."

months after its approval."

months after its approval."

While the Congress has provided since section 3 of the act of March 3, 1817 (3 Stat. 366), which was carried forward as section 236, Revised Statutes, that all claims and demands against the United States should be settled and adjusted by the accounting officers, this act of March 2, 1919, authorized the Secretary of War to settle certain classes of claims where the contracts had not been entered into in accordance with law, and it also authorized the Secretary of the Interior to adjust, liquidate, and pay certain net losses in connection with the production, or preparing to produce. Secretary of the Interior to adjust, liquidate, and pay certain net losses in connection with the production, or preparing to produce, either menganese, chrome, pyrites, or tungsten in compliance with the request or demand of certain agencies of the Government. It will be noted that this act of March 2, 1919, was prior to the Budget and Accounting Act of June 10, 1921 (42 Stat. 24), establishing the General Accounting Office and reenacting as section 305 thereof the above referred to section 3 of the act of March 3, 1817. It seems to have been unfortunate that the act of March 2, 1919, deported as to these particular claims from the settled procedure

It seems to have been unfortunate that the act of March 2, 1919, departed as to these particular claims from the settled procedure in the settlement and adjustment of claims against the United States; that is, by conferring authority on the administrative officers whose acts gave rise to the claims to settle and adjust them instead of requiring that the claims be settled and adjust them instead of requiring that the claims be settled and adjust them cacordance with the established procedure—that is, by the accounting officers of the United States on the basis of administrative reports as to the facts—with right of claimants to institute suit against the Government, as in other somewhat similar cases when the claimants were dissatisfied with the settlements so made. The result of this situation has been, among other things, that The result of this situation has been, among other things, that the act of March 2, 1919, has been amended by the act of Novemthe act of March 2, 1919, has been amended by the act of November 23, 1921 (42 Stat. 322); acts of June 7, 1924 (43 Stat. 634) and February 13, 1929 (45 Stat. 1166), and there has been considerable litigation in the courts of the District of Columbia concerning these claims; apparently there is continued dissatisfaction with respect thereto as is evidenced by this bill, S. 1567, Seventy-fourth Congress, and S. 1432, Seventy-fourth Congress, concerning that the congress was described by the congress of March 12, 1926.

which a report was made to you in office letter of March 13, 1936.

It is suggested for the serious consideration of the Congress that where the right to sue the United States is given jurisdiction should be confined to the Court of Claims with right of review in accordance with established procedure.

It would seem that otherwise meritorious claims should not be considered followed the course of follows of claims and their attorneys to follow the course of follows.

denied because of failure of claimants and their attorneys to follow

the proper procedure in the filing of suits in the Supreme Court of the District of Columbia or because the original claimants may have died before settlements were effected in the cases, but as the Secretary of the Interior reported in his letter of March 19, 1935, which was published in the above referred to House Report 1820 accompanying this bill, these claims arose in 1918–19, or approximately 17 years ago, and while the Government appears to have adjusted nearly all other claims arising in the World War, these particular war-mineral claims continue to claim the time and attention of the Congress and administrative agencies of the Government.

It is suggested that paragraph 2 of section 1 of the bill, as above quoted, be amended to read as follows:

quoted, be amended to read as follows:

"Upon petition to the Secretary of the Interior in such abated suits and in claims wherein no suits were filed under the said amendment the Secretary is hereby authorized and directed to review all such claims upon the basis of any newly discovered evidence or facts not before his predecessors and in the light of any decisions of the courts in similar cases; and in accordance with the provisions of the said act, as amended, to make reports and recommendations to the Comptroller General of the United States as to the additional amount, if any which the said Secretary may helieve the additional amount, if any, which the said Secretary may believe should be allowed to the respective claimants and the Comptroller General shall settle and adjust said claims upon a fair and equitable

It would seem that the time has come to end the expense to both the United States and claimants, as well as the expenditure of time and effort of officers and employees of the Government in the con-sideration of these war mineral claims, and it is believed that the adoption of the above-suggested amendment will go far toward accomplishing that purpose.

Sincerely yours,

J. R. MCCARL, Comptroller General of the United States.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill may go over without prejudice; the gentlewoman from Arizona is absent for the moment.

The SPEAKER. Is there objection? [After a pause.] Objection is heard.

This bill requires three objections. Is there objection to the consideration of the bill?

Mr. McLEAN, Mr. WOLCOTT, and Mr. MARTIN of Massachusetts objected.

Mr. RANDOLPH. Mr. Speaker, before the next bill is taken up I ask unanimous consent that on tomorrow, immediately after the reading of the Journal and the disposition of business on the Speaker's table, I may address the House

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

ONE HUNDREDTH ANNIVERSARY OF THE FOUNDING OF PRATTVILLE, ALA.

The Clerk called the resolution, House Joint Resolution 241, to provide for the observance and celebration of the one hundredth anniversary of the founding of Prattville, Ala.

The SPEAKER. This resolution requires three objections. Mr. KELLER. Mr. Speaker, I ask unanimous consent that this resolution may be laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ECONOMIC STUDIES OF FISHERY INDUSTRY

The Clerk called the next bill, H. R. 8055, to provide for economic studies of the fishery industry, market-news service, and orderly marketing of fishery products, and for other purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. DRISCOLL, Mr. WOLCOTT, and Mr. MARTIN of Massachusetts objected.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I say that the only objection I have to the bill is the fact that it provides for an unlimited amount of personnel outside the civil-service classifications. If the bill is amended in this respect, I think it may be passed.

Mr. BLAND. I took that matter up with the Bureau of Fisheries, and I think all of these employees will come under the civil service.

Mr. WOLCOTT. The bill specifically states that they will have the power to appoint and remove, as well as fix the

necessary compensation of the employees. There is no provision that these employees shall come under the civil service.

Mr. BLAND. I have no objection to an amendment of that

The SPEAKER. Is there objection to the request of the gentleman from Virginia that the bill be passed over without

Mr. RICH. Mr. Speaker, reserving the right to object, may I say that I happened to be walking down Twelfth Street and at the Twelfth and F Streets intersection I passed Woolworth & Co.'s store here in Washington, in which I observed in the window many cans of fish. As I looked at these cans of fish, I noticed they were practically all imported. I thought to myself, are we importing all the fish in this country and not taking care of our own fisheries?

Now, may I ask, is this bill going to enable an investigation of the fisheries of this country, so that eventually we will give a privilege and a preference to our own fishermen in this country and give the business to our own people, or are we going to continue to import all the fish that we use?

Mr. BLAND. This bill would not help importations. I am as much opposed to these importations as is the gentleman from Pennsylvania. This bill would not relate to that at all. It deals with extension of service and assistance, such as exists in the Department of Agriculture for agricultural products. It would enable our domestic fishermen to obtain better prices and information with reference to markets in the disposition of their own fish.

Mr. RICH. I would like to say here that you cannot gain any more information or help our fishermen unless you stop the importation of these foreign fish. Otherwise we can never take care of our American fish industry.

Mr. BLAND. I am opposed to trade agreements that would increase the importations of fishery products.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I may say this bill authorizes an appropriation of \$200,000, which the Department reports is not in accord with the President's financial policy. I would request the committee to give some consideration to that matter between now and the time the bills on the Consent Calendar are called again.

Mr. BLAND. The committee has given some consideration to that, and additional consideration will be given.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, I desire to submit a unanimous-consent request. My attention was diverted a few minutes ago in conversation with some Members. A bill has been introduced by my colleague the gentleman from Alabama [Mr. Hobbs] with reference to the Prattville, Ala., anniversary. This bill was laid on the table. The gentleman from Alabama [Mr. Hobbs] is now engaged in an impeachment proceeding before the Senate. It is a rather unusual course to table a bill appearing on the Consent Calendar. I therefore ask unanimous consent, under the circumstances, that the order tabling the bill be vacated and the bill restored to the calendar without prejudice until the gentleman who introduced the bill may be here to be heard. He would be here except for the fact he is in the exercise of the business of the House in connection with an impeachment proceeding before the Senate.

The SPEAKER. The gentleman from Alabama [Mr. BANKHEAD] asks unanimous consent that the order whereby House Joint Resolution 241, to provide for the observance and celebration of the one hundredth anniversary of the founding of Prattville, Ala., was laid on the table be vacated and the bill restored to the calendar and passed over without prejudice. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I am very sorry to be obliged to do so under the circumstances.

Mr. BLANTON. Mr. Speaker, I demand the regular

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

HOURS OF DUTY OF POSTAL EMPLOYEES

The Clerk called the next bill, H. R. 10193, to amend the act to fix the hours of duty of postal employees.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. RICH. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Public Law No. 275, entitled "An act to fix the hours of duty of postal employees, and for other purposes", approved August 14, 1935, shall be construed in its application to those employees of the mail-equipment shops covered therein to mean that the 40 hours per week of labor established by the act shall be compensated for at the same rate which had theretofore been allowed by law for 44 hours per week.

SEC. 2. This act shall be retroactive in effect to and including October 1 1935.

October 1, 1935.

With the following committee amendment:

On page 1, line 9, after the word "same", insert the word "weekly."

Mr. DOBBINS. Mr. Speaker, I rise in support of the committee amendment.

I strongly desire to express to my colleagues in the House the appreciation of the Committee on the Post Office and Post Roads for permitting this very humanitarian piece of legislation to be considered in the House today. This is not in any sense a partisan measure. It affects 192 employees in the mail-equipment shop. If these employees have any party affiliations-and this fact could be checked-I suspect it could be shown that a majority of them are or have been affiliated with the party represented by the present minority in the House. But this circumstance entered in no way into the committee's consideration of the bill which comes before you unanimously reported and supported by our committee.

Mr. Speaker, Mr. MEAD, the chairman of our committee, I know would be happy if he were here at this moment to tell you of his gratification at the action of the House in taking this bill up for consideration. He is not here for the reason that he was the guest last evening in Buffalo of a wonderful testimonial banquet given in his honor by the postal employees of his home city. Sixteen hundred of these employees and citizen guests filled to overflowing the great banquet hall of the Hotel Statler; and just to witness the affection and esteem in which our chairman is held in his home community much more than repaid the four members of his committee who made the long trip to Buffalo and return in order that we might be present on that great occasion.

Chairman Mean is now on his way back to his duties here; but at his request I returned here this morning, necessitating my departure from Buffalo before the banquet was concluded, and he asked this of me, because of his special interest in the advancement of this legislation, and in other legislation for the welfare of postal workers, and of the pilots and men employed in the air-transport industry.

When consideration of the pending bill was last sought on the floor of this House Mr. MEAD urged its adoption, and in answer to an implied criticism that postal employees are overpaid, he stressed the fact that the efficiency of the postal employees had greatly increased during recent years. In the meantime there have been prepared three graphic charts showing the progress of this increase in efficiency. These graphs or charts are mounted on a display board here in the Speaker's lobby, and I commend them to the attention of every Member. If you will examine them you will see that they afford a striking comparison of the postal employees' efficiency as it improved from 1908 to 1930. They are based on complete data available for the years 1908, 1910, and 1912, and the years 1926-30, inclusive; and if data were available for the period since 1930 I am sure it would show continued improvement.

These charts have been carefully prepared, and their accuracy checked by the research staff of the American Federation of Labor, at the request of and in collaboration with Mr. Gilbert Hyatt, legislative representative of the National Federation of Post Office Clerks. If you will look at them, particularly the one in the center on the display board, you will see a graphic illustration of the increased efficiency of the manpower of the postal service.

It is not generally realized that the extent of services and the rate of output of the Post Office Department has been enormously increased during the past 30 years. Nor is it generally known that this drastic increase in postal activity has been absorbed by a force of employees never augmented in proportion to the added activity.

During the period of 1908-12, the hours of work of postal employees averaged 10 hours per day for the service as a whole. On a full-time basis this meant 2,910 hours of employment for each employee per year. In the next period for which data is available, 1926-30, the 8-hour day was in effect and the annual full-time hours per employee were 2,120. On this basis we find that productivity per employee per hour increased between 1908 and 1930 by 135.8 percent. This meant that each postal worker for each 100 units handled per hour in 1908 had to handle 235.8 units in 1930. This increase of productivity per employee, without the corresponding increase in employment, is shown by the red line in graph I.

We see that while actual employment increased between 1908 and 1930 from 177,469 to 274,014, possible employment on a 40-hour basis could have ranged from 270,102 to 521,836. In other words, in 1930 the number of employees required on 1908 basis of output on a 40-hour week would be almost twice the number of workers actually employed in 1930.

Without separating out the technological factor, the same comparison between the actual employment and the employment possible on a 40-hour week, assuming the technological basis of 1908, is made in graph II, where identical data is presented by a line graph, better illustrating the relation between the actual and the possible trends.

I am sure that you will find a careful study of these charts to be very instructive, not only as proof of what has been accomplished in the postal service, but as pointing the way to greater progress in the solution of our general problems of unemployment and industrial efficiency, if advantage is taken by industry generally of the progressive advances and the far-sighted program of limitation of hours which has been so successfully put into practice by the greatest business and industrial institution in the world—the United States Post Office Department.

Mr. RANDOLPH. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, yesterday marked the third anniversary of the Civilian Conservation Corps.

Mr. MARTIN of Massachusetts. Mr. Speaker, I regret to have to call the gentleman's attention to the fact that he must speak on the bill before the House.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed out of order for 5 minutes.

The SPEAKER pro tempore (Mr. McCormack). Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

Mr. ZIONCHECK. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, in order to conserve time, I do not want to rise to a question of personal privilege and consume 1 hour of the time of this House.

On Friday last I moved to strike out the last word on an appropriation bill that had something to do with post offices, or so some could construe it, and during the course of that argument I asked the gentleman from Texas [Mr. Blanton] some questions concerning an editorial in a paper that goes through post offices. The gentleman answered a few of the questions, and I was at the office all that day waiting for any call that might come and then, to my surprise, when I read the Congressional Record the next day I found that the gentleman from Texas had revised my remarks without my permission.

Mr. BLANTON. Mr. Speaker, will the gentleman yield? Mr. ZIONCHECK. Yes, I yield.

Mr. BLANTON. The gentleman will not find one word in his remarks that I revised, not one.

Mr. ZIONCHECK. If I do not so find it, I am going to apologize to the gentleman from Texas.

Mr. BLANTON. Not even a syllable.

Mr. ZIONCHECK. Not a syllable? If the gentleman from Texas is so blind, I will say this on my own responsibility, unless I am entirely mistaken, and I think I was conscious at the time I was on this floor, the gentleman was asked whether he preferred a night rider in Washington to a "red rider."

Mr. BLANTON. And I told you I preferred night riders to "red riders" if the "red riders" were "reds."

Mr. ZIONCHECK. That is correct; but right after that the gentleman from Texas went on to say:

Mr. Blanton. The Post and its editor, Karl Schriftgiesser-

Mr. BLANTON. I said they are Russian Communist sympathizers.

Mr. WOLCOTT. Mr. Speaker, a point of order.

Mr. ZIONCHECK. The Post goes through the post offices. Mr. WOLCOTT. Mr. Speaker, I make the point of order that the last two words are "1st, 1935", and the gentleman is not speaking of the last two words.

Mr. ZIONCHECK. I want to point out-

The SPEAKER pro tempore. The gentleman from Washington will suspend until the Chair rules on the point of order.

The gentleman from Washington will proceed in order and discuss the committee amendment.

Mr. ZIONCHECK. I simply want to point out, Mr. Speaker, that this did not happen in 1935. I would not have objected to it at that time.

I am quoting from page 4928 of the RECORD:

Mr. Blanton. The Post and its editor, Karl Schriftgiesser, know that I have never belonged to the Ku Klux Klan, and that in the zenith of its power one of its high kleagles ran against me for Congress, and I carried every county in my district against him by a big majority.

Mr. Speaker, I ask any Member of the House whether he recalls hearing the gentleman from Texas [Mr. Blanton], on Friday last, make that statement.

Mr. BLANTON. Did not the gentleman say at that time, "Why does the gentleman not answer the question?" referring to the question he asked me about night riders?

Mr. ZIONCHECK. That is right.

Mr. BLANTON. And about the Ku Klux Klan.

Mr. ZIONCHECK. That is right.

Mr. BLANTON. And did I not tell the gentleman I had never been a member of the Ku Klux Klan?

Mr. ZIONCHECK. And that is all you did say; but you put this other in the Record in addition to that and you know the rules of the House.

Mr. BLANTON. I told the gentleman that I had never been a member of the Ku Klux Klan.

Mr. ZIONCHECK. You have been here 20 years and know the rules of the House.

Mr. BLANTON. Mr. Speaker, the gentleman knew I had never been a member of the Ku Klux Klan when he asked that question.

Mr. ZIONCHECK. I did not know whether you had or not, but the point is you revised my remarks without my permission or the permission of the House.

Mr. BLANTON. I did not revise one word of the gentleman's remarks.

Mr. ZIONCHECK. Did you say that on the floor of the House?

Mr. BLANTON. Yes; I told the gentleman I was not a member of the Ku Klux Klan.

Mr. ZIONCHECK. There is not a Member here that will corroborate your statement.

Mr. BLANTON. That is not right; I know what I said. You admitted it a moment ago what I said. I was not going to let the gentleman stand up here and intimate that I had been a member of the Ku Klux Klan when I had never been a member of the klan in my life.

Mr. ZIONCHECK. I did not say you were.

Mr. BLANTON. And I called his hand when he tried to put that in the Record, and I called the hand of that Russian Communist reporter of the Washington Post, Karl Schriftgiesser.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, after this performance I make the point of no quorum.

Mr. ZIONCHECK. Mr. Speaker, the gentleman from Texas should be ashamed of himself.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Does the gentleman from New York [Mr. Taber] insist on his point of no quorum?

Mr. BANKHEAD. Mr. Speaker, I hope the gentleman will not do that. The feeling over here has passed away and we want to do some business on the Consent Calendar this afternoon.

Mr. TABER. We are tired of this performance.

Mr. BANKHEAD. I know the gentleman wishes to assist us in getting through the business today, and we have a right to proceed with the Consent Calendar.

Mr. TABER. We have not been proceeding with the calendar, we have had disorder, and if we are to have disorder we might as well have a quorum.

Mr. BANKHEAD. Well, I cannot control the gentleman's judgment, but I hope he will not insist on the point of order. These things are coming up constantly, and we cannot prevent them, but we do want to get on with the consideration of the calendar.

The SPEAKER pro tempore [Mr. McCormack]. Does the gentleman from New York insist on his point of no quorum?

Mr. TABER. Yes.

The SPEAKER pro tempore. Evidently there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed and the Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 551

Adair	Dear	Hobbs	Peterson, Fla.
Allen	Delaney	Hoeppel	Pfeifer
Andrews, N. Y.	Dickstein	Holmes	Quinn
Ashbrook	Disney	Jenckes, Ind.	Rayburn
Barden	Dockweiler	Jenkins, Ohio	Reed. Ill.
Beam	Dorsey	Kahn	Richards
Beiter	Doutrich	Kee	Robertson
Bell	Drewry	Kelly	Romiue
Biermann	Duffy, N. Y.	Kennedy, Md.	Sanders, La.
Boylan	Dunn, Miss.	Kennedy, N. Y.	Schneider, Wis.
Brennan	Eaton	Kenney Kenney	Schuetz Schuetz
Brooks	Eckert	Kocialkowski	Short
Buckbee	Ekwall	Kramer	Sirovich
Buckley, N. Y.	Ellenbogen	Kvale	Sisson
Bulwinkle	Evans	Lee, Okla.	Somers, N. Y.
Burch	Farley	Lucas	Stack
	Ferguson	McAndrews	Steagall
Cannon, Wis.	Fish	McGehee	Sullivan
	Flannagan	McGrath	Sumners, Tex.
Cary	Frey	McKeough	Sweeney
Casey			Terry
Cavicchia	Gasque	McLaughlin	Thomas
Celler	Gavagan	McReynolds	Tinkham
Chandler	Gillette	McSwain	
Citron	Gray, Pa.	Marcantonio	Tonry
Claiborne	Greenway	Mead	Turpin
Clark, Idaho	Gregory	Meeks	Underwood
Clark, N. C.	Hancock, N. C.	Monaghan	Utterback
Collins	Hart	Montague	Wadsworth
Cooley	Harter	Moritz	Wearin
Cooper, Ohio	Hartley	Norton	Wigglesworth
Corning	Healey	O'Leary	Woodrum
Crowther	Hennings	Oliver	Zimmerman
Cullen	Higgins, Conn.	O'Malley	
Doudon	Higgine Moce	Patton	

The SPEAKER pro tempore. Two hundred and ninetytwo Members have answered to their names. A quorum is present

Perkins

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Hill, Ala.

The doors were opened.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF VESSEL FOR PACIFIC OCEAN FISHERIES

The Clerk called the bill (H. R. 3013) to provide for the construction and operation of a vessel for use in research work with respect to Pacific Ocean fisheries.

The SPEAKER pro tempore. Is there objection? Mr. BLAND. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection? There was no objection.

EXTENDING THE BENEFITS OF THE EMERGENCY OFFICERS' RETIRE-MENT ACT OF MAY 24, 1928

The Clerk called the bill (S. 2265) extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional officers of the Regular Establishment who served during the World War.

The SPEAKER pro tempore. Is there objection?

Mr. ZIONCHECK. I object. Mr. THOMASON. Will the gentleman withhold his objection?

Mr. ZIONCHECK. Yes.
Mr. THOMASON. I fear the gentleman from Washington does not understand the provisions of this bill, because there has been a lot of misconception about it. When the bill came up on the Consent Calendar 2 weeks ago, the gentleman from Massachusetts [Mr. McCormack] offered an amendment affecting all retired emergency officers. I understand he will not offer that amendment today because it is not germane, and he is for this bill. I would like to say to the gentleman from Washington that this covers only a very few provisional officers, and a careful reading of the report will disclose that only 10 provisional officers would be affected, and in no event more than 42.

There were a lot of these fine young men taken into the Army as provisional officers. They were not Regular officers and they were not emergency officers. Many of them rendered the same distinguished service as other officers who fought side by side with them. They have no status today and cannot avail themselves of the benefits of emergency officers' law, although they have permanent and direct service-connected disability. I have in mind two fine officers in my home town, Captain Chaffee and Captain Griffin. I have another friend at Alpine, Tex., and there are just a few scattered over the country. They are not being treated fairly and it is rank discrimination.

Although these few provisional officers have rendered just as fine service as any regular or emergency officer, yet they have no standing whatever under the retirement emergency act. I submit to the Members of the House that those men are entitled to the relief proposed by this bill. I am opposed to the opening up of the cases of all these retired emergency officers, but I repeat that a reading of the report from the Veterans' Bureau, as well as the War Department, will show that only a very few deserving young provisional officers are affected, and that the cost for the first year would not exceed \$10,000.

Mr. TABER. Does this change in any way the provisions that now exist with reference to the granting of this retirement proposition?

Mr. THOMASON. I cannot say what effect it would have on other veteran legislation except that the report itself signed by General Hines, on page 3, says:

It has been impracticable to furnish a satisfactory estimate of the potential number of provisional officers who might be eligible to benefits if this proposed measure should be enacted into law, but it can be stated that a check with the War Department of the disallowed claims of emergency officers indicates that 42 provisional officers have been denied retirement pay under the Emergency Officers' Retirement Act. The War Department has informally advised the Veterans' Administration that 2,468 provisional officers were honorably discharged from service prior to 1922.

As you know, the provisions of Regulation No. 5, promulgated pursuant to the act of March 20, 1933, Public, No. 2, Seventy-third Congress, place certain restrictions upon entitlement to emergency officers' retirement pay, so that many persons heretofore entitled It has been impracticable to furnish a satisfactory estimate of the

Congress, place certain restrictions upon entitlement to emergency officers' retirement pay, so that many persons heretofore entitled will not receive benefits under present limitations. Considering this fact, it is conservatively estimated that this bill would cost approximately \$10,000 the first year over and above the compensation now being paid and would affect 10 provisional officers. Since it appears from a reading of the bill that it does not contemplate payment of benefits prior to date of application, it would seem that no retroactive payments would be made, so the estimate of cost is presented on that basis.

Coming as that does from the Veterans' Bureau, signed by General Hines, I would say to my friend from New York that it does not open up the field, and that these few provisional officers are the only ones who would be affected by this bill. I hope the gentleman from Washington will not object, so that we can debate the bill on its merits. The bill has passed the Senate and has the approval of the House Committee on Military Affairs, of which I am a member.

Mr. ZIONCHECK. Mr. Speaker, I do not usually give reasons for objecting, but my reason for objecting to this matter, and I may be the only one that will object, is this: There has been too much consideration given to officers of the last war, as well as officers of previous wars, while the men who actually did the fighting have been forgotten too often. I object to this, even if I am the only one to object.

DEPORTATION OF CERTAIN ALIENS

The Clerk called the bill (H. R. 11040) to deport certain aliens who secured preference-quota or nonquota visas through fraud by contracting marriage solely to expedite entry to the United States, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

Mr. SCHULTE. Mr. Speaker, I object.

TAX EXEMPTION, OLYMPIC GAMES, LOS ANGELES

The Clerk called the bill (H. R. 11327) to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That no Federal income tax or gift tax shall now or hereafter be imposed upon any present, past, or future members of the Xth Olympiade Committee of the Games of Los Angeles, U. S. A., 1932, Ltd., in respect of any surplus of moneys received by such committee from the operation of the Olympia Games in California in 1932 and donated (1) by such committee, or any of its members, to the State of California, or (2) by such committee, or any of its members, through the Community Development Association, Ltd., to the city of Los Angeles in such State or the county of Los Angeles in such State.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PERRY'S VICTORY MEMORIAL

The Clerk called the bill (H. R. 8474) to provide for the creation of the Perry's Victory and International Peace Memorial National Monument on Put in Bay, South Bass Island, in the State of Ohio, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. TABER. Mr. Speaker, I object.

Mr. O'CONNOR. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. TABER. Yes.

Mr. O'CONNOR. I understand this memorial is partly completed, and this is just a continuation of it, carrying out part of the plans.

Mr. FIESINGER. Oh, the monument has been completed for many years. This bill is merely for the Government to take over the maintenance of it.

Mr. TABER. And that will cost how much?

Mr. FIESINGER. I do not know exactly what the amount is.

Mr. TABER. The cost will be about 10 times what it was before.

Mr. DEROUEN. It will be a very nominal sum.

Mr. TABER. I think I shall object.

Mr. O'CONNOR. Mr. Speaker, will the gentleman permit this to go over without prejudice?

Mr. TABER. Yes.

Mr. O'CONNOR. Mr. Speaker, I make that request. The SPEAKER pro tempore. Is there objection? There was no objection.

DISABILITY PAY FOR ALIEN EMPLOYEES, PANAMA CANAL

The Clerk called the bill (H. R. 4991) authorizing superannuation disability pay for alien employees of the Panama Canal.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, this bill would grant a pension to aliens who are not citizens of the United States. I object.

Mr. TAYLOR of South Carolina and Mr. McFARLANE also objected.

REMOVAL AT GOVERNMENT EXPENSE OF CERTAIN ALIENS

The Clerk called the bill (H. R. 3472) to amend section 23 of the Immigration Act of February 5, 1917 (39 Stat. 874). The SPEAKER pro tempore. Is there objection?

Mr. SCHULTE, Mr. McFARLANE, and Mr. BLANTON objected.

REPATRIATION OF CERTAIN NATIVE-BORN AMERICAN WOMEN CITIZENS

The Clerk called the bill (S. 2912) to repatriate nativeborn women who have heretofore lost their citizenship by marriage to an alien, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON, Mr. SCHULTE, and Mr. THURSTON objected.

Mr. GEARHART. Will the gentlemen reserve their objections until I can make an explanation?

The SPEAKER pro tempore. That is in the discretion of the gentlemen who have objected.

Mr. BLANTON. Mr. Speaker, we insist on the objection. Mr. GEARHART. I may say this same bill was agreed to last year by the gentleman from Texas.

Mr. BLANTON. But since then I have found out a great deal about this immigration office that ought to be stopped.

The SPEAKER pro tempore. Three objections have been

Mr. GEARHART. May I ask that the bill go over without prejudice for 1 week?

Mr. BLANTON. I object, because the three objections stop the bill.

The SPEAKER pro tempore. Three objections have been heard. The Clerk will report the next bill.

TO REPATRIATE NATIVE-BORN CITIZENS

The Clerk called the next bill, H. R. 3023, to provide for citizenship to persons born in the United States, who have not acquired any other nationality by personal affirmative act, but who have heretofore lost their United States citizenship through the naturalization of a parent under the laws of a foreign country, and for other purposes.

The SPEAKER pro tempore. Is there objection to the

present consideration of the bill?

Mr. FADDIS, Mr. BLANTON, and Mr. STARNES objected. PERIOD OF RESIDENCE REQUIRED OF ALIEN HUSBAND AS PREREQUI-SITE TO NATURALIZATION

The Clerk called the next business, House Joint Resolution 336, to clarify the provisions of section 4 of the act of May 24, 1934, with regard to period of residence required of an alien husband of a citizen of the United States as a prerequisite to naturalization.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON, Mr. SCHULTE, and Mr. TAYLOR of South Carolina objected.

SPECIAL MEXICAN CLAIMS COMMISSION

The Clerk called the next bill, H. R. 10670, to amend section 11 of Public Law No. 30, approved April 10, 1935, to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, I understand this additional \$90,000 is asked for, with the distinct understanding that this is the last money which will be asked to carry on this Commission.

Mr. BLOOM. That is the understanding before the committee.

Mr. TABER. Reserving the right to object, has this thing not gone along three or four times on that same basis?

Mr. BLOOM. No.

Mr. TABER. This has been going on for years. Mr. BLOOM. No. Just once. They received \$90,000 first, and they found out that \$90,000 would not go far enough to compel all the claims. However, this is money merely advanced. The Government today has in the Treasury \$1,000,000 to repay this \$90,000 and the previous \$90,000, or \$180,000 altogether, so this is merely an advance by the Government, and the money will be returned out of the first moneys received. They already have that much money.

Mr. WOLCOTT. I understand the life of this Commis-

sion expires in about another year?

Mr. BLOOM. Yes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McFARLANE. Mr. Speaker, I object.

The SPEAKER. Three objections are required.

There being no other objections, the Clerk will report the

The Clerk read as follows:

Be it enacted, etc., That section 11 of the act approved April 10, 1935, entitled "An act to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and United Mexican States concluded April 24, 1934" (Public, No. 30, 74th Cong.), is hereby amended by substituting for the figures "90,000", in the second line thereof, the figures "180,000."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF TURTLE MOUNTAIN BAND OF CHIPPEWA INDIANS OF NORTH DAKOTA

The Clerk called the next bill, H. R. 6499, referring the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota to the Court of Claims for adjudication and settlement.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I ask unanimous consent to place in the RECORD at this point a letter I have received from the Comptroller General on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The letter referred to is as follows:

COMPTROLLER GENERAL OF THE UNITED STATES Washington, March 30, 1936.

Hon. John J. Cochran

Chairman Committee on Expenditures in the Executive

Chairman Committee on Expenditures in the Executive
Departments, House of Representatives.
My Dear Mr. Chairman: Further reference is made to your letter
of March 16, 1936, acknowledged March 17, requesting a report on
bill H. R. 6499, Seventy-fourth Congress, entitled "A bill referring
the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota to the Court of Claims for adjudication and
settlement", which bill, as amended by the Committee on Indian
Affairs, was reported favorably to the House of Representatives Aupure 5, 1935

The bill as amended is, excepting the title, identical with S. 1786, Seventy-fourth Congress, which passed the Senate July 29, 1935, and was referred to the Committee on Indian Affairs, House of Representatives, July 31, 1935. The title of H. R. 6499 should be

and was referred to the Committee on Indian Affairs, House of Representatives, July 31, 1935. The title of H. R. 6499 should be amended so as to conform to the body of the bill.

S. 326, Seventy-third Congress, a bill having the same general purpose as the pending bill, was passed by the Congress, but vetoed by the President on May 10, 1934 (p. 8587, Congressional Record). However, that bill proposed to submit the involved claims to the Court of Claims for adjudication and settlement, which has been the procedure in cases involving Indian claims. The present pending bill would submit the claims to the Congress. In his veto message the President said:

"The principal claims of these Indians were settled by a treaty ratified by the Indians and by the act of Congress of April 21, 1904, whereby \$1,000,000 was appropriated for the benefit of the Indians, and under which they executed a release of all claims whatsoever held by them against the United States.

"If such releases and settlements are ignored or deprived of their legal effect in this instance, an undesirable precedent would be created for applications for similar relief for other Indian tribes. This would require the Court of Claims and Supreme Court to pass upon questions of governmental policy in dealing with the Indians, and upon the propriety or impropriety of the Government's action in specific cases. These are questions of a political nature which, heretofore, Congress has consistently refused to remit to the courts for review."

The act of Congress referred to by the President is found in

Thirty-third Statutes 194, and it provides, in part, as follows:

"* and be it further enacted that the sum of \$1,000,000 "* * and be it further enacted that the sum of \$1,000,000 be appropriated out of any money in the Treasury not otherwise appropriated, for the purpose of carrying into effect the provisions of said amended agreement when ratified and accepted as aforesaid by said Indians: Provided, however, That no part of said sum shall be paid until said Indians in general council lawfully convened for that purpose shall execute and deliver to the United States a general release of all claims and demands of every name and nature against the United States, excepting and reserving from such release the right of said Indians to the tract of land particularly mentioned, described, and set apart by the Executive order of the President, dated June 3, 1884, and their right to individual allotment as provided in said amended agreement * * *."

On June 18, 1924, the President vetted a similar bill 5, 3626.

On June 18, 1934, the President vetoed a similar bill, S. 3626

(73d Cong.), stating:
"While the purpose of this is good, it does not cure the objections raised by me in the veto of a similar bill, S. 326, on May 10, 1934."

The provision contained in section 3 of the bill relative to the Government's right of set-off appears to be objectionable in that it is not in language which has heretofore been interpreted by the Court of Claims, and therefore it is impossible to foresee the interpretation which the court will place upon this provision, and in that the requirement that the amounts to be set off must be "proved to have been heretofore paid or expended directly for said band or bands of Indians" imposes upon the Government a heavy hurden of proof. Such a provision probably would have heavy burden of proof. Such a provision probably would have the effect of eliminating as possible items of set-off practically all disbursements which have been made under gratuity appropriations. In connection with a somewhat similar provision, Mr. George T. Stormont, Special Assistant to the Attorney General, in charge of Indian suits, made the following statements in a

in charge of Indian suits, made the following statements in a memorandum:

"Amendment no. 2: This would put upon the Government a burden of proof which it could not possibly sustain and would have the practical effect of nullifying the section. These gratuities, it must be remembered, extend back a hundred or more years, and the persons who actually delivered the moneys or the goods have long since died, so that with reference to the great bulk of the gratuities, probably 80 or 90 percent, it would be simply impossible to obtain direct evidence that the Indians actually received the goods or articles purchased for them gratuitously by the Government. To illustrate: Suppose the Congress, 20, 30, 50, or more years ago, appropriated \$10,000 for the purchase of beef cattle for an Indian tribe. The Government records would show the appropriation and would show that the money was forwarded to the particular Indian agent, and there our proof would stop. The agent, who would be the only person who could testify competently to the actual delivery of the cattle to the Indians, is dead, and we would simply be unable to prove that the cattle were delivered to the Indians."

The furnishing of proof that moneys were paid or expended directly for the cattle nor proof with the cattle were delivered to the Indians.

cattle were delivered to the Indians."

The furnishing of proof that moneys were paid or expended directly for the said Indians would be further complicated by the fact that the Turtle Mountain Band of Chippewa Indians were affiliated with other tribes of Indians, as shown by an examination of the reports of the Commissioners of Indian Affairs.

Accordingly, it is recommended that the provision relative to set-off following the semicolon in line 25, page 8, of the bill and including the first five lines on page 9, be struck out, whereupon if the bill is enacted there will be for application to this matter by the Court of Claims the general provisions relative to set-off in cases involving claims of Indian tribes or bands contained in section 2 of the act of August 12, 1935 (49 Stat. 596). Or if it be deemed advisable to include in the bill a specific provision as to set-off, there is suggested for consideration the following language in lieu of that proposed to be struck out:

"The said Court of Claims is hereby directed to include in its

"The said Court of Claims is hereby directed to include in its report a statement of the amount of money which has been expended by the United States gratuitously for the benefit of the said band or bands of Indians, with such exceptions as are specified in section 2 of the act of August 12, 1935 (49 Stat. 596)."

If amended as herein suggested, this office knows of no objection to enactment of the bill H. R. 6499 other than those hereinabove suggested for the consideration of the Congress. If the bill is suggested for the consideration of the congress. If the birds is enacted and the claims of the said Indians submitted to the Court of Claims as contemplated, the preparation of the necessary report by this office covering disbursements which have been made by the Government to these Indians under gratuity appropriations would require the services of six persons for a period of approximately

Sincerely yours,

R. N. ELLIOTT,
Acting Comptroller General of the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, this bill has been twice vetoed by President Roosevelt, once in the Seventy-third Congress and once in the Seventy-fourth Congress. I object to the consideration of the bill.

Mr. BLANTON. Mr. Speaker, I object. Mr. RICH. Mr. Speaker, I object.

SETTLEMENT OF OUTSTANDING CLAIMS AGAINST CHAPMAN FIELD. FLA.

The Clerk called the next bill, H. R. 4670, to authorize the Attorney General to settle outstanding claims against Chapman Field, Fla., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Reserving the right to object. Mr. Speaker, a proposed committee amendment which appears on page 2 appropriates the sum of \$5,000 for the purpose of this bill. The committee has stricken the words "authorized to be appropriated the sum of \$5,000 for such purpose" and seeks to make an appropriation for \$5,000. I do not have any particular objection to this bill, but I do think we should protect the rules of the House in these matters, and as a matter of principle this appropriation should be considered by the Committee on Appropriations. I have no objection to the bill itself, but I intend to make a point of order against the committee amendment if the bill is passed by unanimous consent, and I am convinced my point of order will lie, so that it will authorize an appropriation rather than appropriate the

Mr. COCHRAN. Mr. Speaker, will the gentleman yield? Mr. WOLCOTT. I yield.

Mr. COCHRAN. I would like to say to the gentleman it has been the policy for the Comptroller General to settle claims of this character, and not the Attorney General of the United States. That is what the Comptroller General's office is set up for. I think this bill ought to be amended so as to make it read "the Comptroller General" rather than "the Attorney General." I am satisfied to see the bill passed, but would like to see it amended.

Mr. WILCOX. I am not the author of this bill, but this particular field is in my district, and I am somewhat familiar with the circumstances.

Mr. TABER. Mr. Speaker, there has been some confusion about this bill, and I ask unanimous consent that it go over without prejudice.

Mr. WILCOX. Will the gentleman withhold that for a moment, until I can make a short explanation? I will say that "the Attorney General" was placed there instead of "Comptroller General" because it is litigation pending in the courts of Dade County, Fla., involving the title, and this was simply to authorize the Attorney General to settle the suit.

Mr. TABER. Well, Mr. Speaker, if the gentleman does not want this to go over, I will object.

Mr. RICH. Mr. Speaker, I object.

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

ADDITIONAL DISTRICT JUDGE, EASTERN DISTRICT OF PENNSYLVANIA

The Clerk called the next bill, H. R. 11072, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I do not see the gentleman interested in this bill present. I ask unanimous consent that the bill may go over without prejudice.

Mr. WALTER. I am interested; it is my bill.

Mr. MARTIN of Massachusetts. I had in mind another gentleman from Pennsylvania who was interested in the bill.

Mr. WALTER. Will the gentleman withhold his request? Mr. MARTIN of Massachusetts. I withhold my request, Mr. Speaker.

Mr. WALTER. I may state to the gentleman from Michigan that the gentleman from Pennsylvania [Mr. Wilson] is very much interested in this bill. He is a member of the committee and voted for it. As a matter of fact, he urged

its passage very strenuously. This bill does not create a permanent judgeship, but is designed to relieve a very bad situation in Philadelphia. One of the three judges has not been sitting for some time, with the result that approximately 2,000 cases are on the calendar unfinished. This bill merely provides for the appointment of a judge whose term shall continue until the death, resignation, or removal of one of the three sitting judges.

Mr. MARTIN of Massachusetts. I would suggest to the gentleman that there appears to be a misunderstanding about this bill. I think under the circumstances it would be best to ask that it go over without prejudice.

Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WAMSUTTER, WYO.

The Clerk called the next bill, S. 3761, authorizing the Secretary of the Interior to patent certain land to the town of Wamsutter, Wyo.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That upon payment therefor at the rate of \$1.25 per acre, the Secretary of the Interior be, and he is hereby, directed to cause patent to issue to the town of Wamsutter, Wyo., for the northeast quarter northwest quarter section 34, township 20 north, range 94 west, of the sixth principal meridian, Wyoming, under the provisions of sections 2387 to 2389 of the Revised Statutes having reference to town sites: Provided, That the coal deposits contained in the land are reserved to the United States, together with the right to prospect for, mine, and remove the same.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEDAL COMMEMORATIVE OF TEXAS INDEPENDENCE

The Clerk called the next bill, H. R. 10906, to authorize the Director of the Mint to prepare a medal commemorative of Texas independence, and for other purposes.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman withhold his objection?

Mr. WOLCOTT. I withhold my objection, Mr. Speaker.

Mr. ZIONCHECK. Mr. Speaker, a bad condition has risen through the creation of coins for the commemoration of one thing or another. Information has come to the members of this committee that a very small number of such coins are issued, and that soon these 50-cent pieces are sold for \$60 and \$75. It has turned out to be a racket. Now, I understand this particular bill is just to make a little change and no additional coins are to be issued. Is that right?

Mr. WOLCOTT. No.

Mr. ZIONCHECK. Oh, no; this is not the bill.

Mr. COCHRAN. Mr. Speaker, will the gentleman from Michigan yield?

Mr. WOLCOTT. I yield.

Mr. COCHRAN. I may say to the gentleman from Washington that his statement cannot be correct, because the bills are so worded as to require the coining of at least 25,000 50-cent pieces, and lately we have raised the number to 50.000.

Mr. ZIONCHECK. What do these 50-cent pieces sell for afterward?

Mr. COCHRAN. Some sell for as low as 60 cents. Naturally there is a small premium to cover cost of special coinage.

Mr. ZIONCHECK. And some for a few dollars, too.
Mr. COCHRAN. That was long ago, if it ever existed; long before they started coining them in sufficient numbers. The committee is now protecting the coin collectors.

Mr. ZIONCHECK. It is not long before they sell for \$50. Mr. BLANTON. Mr. Speaker, will the gentleman from

Michigan yield?

Mr. WOLCOTT. I yield.

Mr. BLANTON. The author of this bill is our colleague the gentleman from Texas [Mr. Sumners], who is now engaged in the trial of the Ritter case over in the Senate.

The SPEAKER. The Clerk will call the next bill.

The Clerk read as follows:

Calendar No. 625, S. 3413-

Mr. WALTER. A parliamentary inquiry, Mr. Speaker. The SPEAKER. The gentleman will state it.

Mr. WALTER. What disposition was made of Calendar No. 624?

The SPEAKER. If the gentleman refers to his bill, the Chair understands it was passed over without prejudice.

Mr. MARTIN of Massachusetts. It was passed over without prejudice.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the objector withdraw his objection and that this bill may be passed over without prejudice.

Mr. MARTIN of Massachusetts. That was done.

Mr. ZIONCHECK. I may state the reason for this request is that the chairman of the Judiciary Committee is conducting the impeachment trial. He ought to be here before we pass on the bill.

Mr. WOLCOTT. Mr. Speaker, I objected to the passage of the bill.

Mr. WALTER. Will the gentleman withdraw his objection? The author of the bill is engaged in the impeachment proceedings against Judge Ritter, and I do not think it is quite fair to object to the bill in his absence.

Mr. WOLCOTT. I had in mind that the gentleman was referring to Calendar No. 617. He refers to Calendar No.

624?

Mr. WALTER. Yes.

Mr. BLANTON. The gentleman is right; it was the bill of the gentleman from Texas [Mr. Sumners].

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the bill, Calendar No. 624, be passed over without prejudice.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I objected to the passage of the bill and I am going to continue to object to it. I can see no reason why it should go over without prejudice. It puts the United States Mint into the business of making medallions for this centennial.

It is only a step from there to making badges for conventions.

CONVENTION BETWEEN UNITED STATES AND CERTAIN OTHER COUNTRIES IN RE WHALING

The Clerk called the next bill, S. 3413, an act to give effect to the convention between the United States and certain other countries for the regulation of whaling, concluded at Geneva, September 24, 1931, signed on the part of the United States, March 31, 1932, and for other purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. JOHNSON of Texas. Will the gentleman withhold his objection?

Mr. WOLCOTT. I withhold my objection. I may say that I have no particular objection to the bill except that it brings in the Navy and compels the Navy to act as a police force in the operation of this act.

Mr. JOHNSON of Texas. No; the enforcement is in the Coast Guard and Bureau of Customs, not the Navy, and the Coast Guard is under the Treasury Department. The Navy is not involved except on request in emergency from Secretary of Treasury to Secretary of Navy. It is the Commerce Department and the Coast Guard which is primarily involved. The Coast Guard, I may say, has boats patrolling these waters at the present time. This will not involve any additional expense to enforce the treaty. We had a hearing at which the Coast Guard was represented, also the Commerce Department and Bureau of Fisheries. As I stated, the Coast Guard is not under the Navy Department but under the Treasury Department. We thought this was appropriate and that we would have this additional enforcement without any added expense.

Mr. WOLCOTT. Is the Coast Guard under the Navy Department?

Mr. JOHNSON of Texas. No; it is under the Treasury Department.

Mr. WOLCOTT. Section 9 provides for cooperation by the Secretary of the Navy. That means nothing then?

Mr. ZIONCHECK. Will the gentleman yield?

Mr. JOHNSON of Texas. I yield to the gentleman from Washington.

Mr. ZIONCHECK. The point is that the Coast Guard must do what the Secretary of the Navy tells them to do. They have guns, cannon, and everything else, and they could start a war themselves.

Mr. WOLCOTT. That is so wrong in theory that I cannot believe it to be true.

Mr. JOHNSON of Texas. The Navy has nothing to do with the Coast Guard. I may say that the committee sought a means to enforce this treaty without any additional cost. The Commerce Department has certain boats doing patrol work. The Coast Guard also has certain boats. We were trying to place the enforcement upon these various governmental departments where there would be no additional expense incurred, and since they already have the patrol boats in the waters where whaling is done we thought they could accomplish the task of enforcement. We had quite extensive hearings, which were attended by representatives of the various departments of the Government. The hearing on this bill before the committee consumed something like four, five, or maybe six different meetings of the committee. We think we have worked out a good bill and one which will be effective in carrying into effect the terms of this treaty; we have improved the bill—as it passed the Senate-in several particulars. We also considered the constitutional feature and I believe if the gentleman knew of the exhaustive hearings we had and the fact we have gone into this matter very carefully and considered it from every angle he would not object.

Mr. WOLCOTT. I am in sympathy with the endeavors of the committee along this line. The gentleman will recall that for a good many years we have been protecting the Army and the Navy of the United States against the possibility of having to do police work in the enforcement of standing laws. During prohibition there were repeated attempts to enlist the Navy in the enforcement of the Prohibition Act. As I read section 9 of this bill, if the Secretary of the Navy is compelled to cooperate, the only way he can do so is to bring a battleship, cruiser, or some other ship of the Navy into play in connection with the enforcement of this act. I may say to the gentleman that as far as I am personally concerned, that is my only objection.

Mr. JOHNSON of Texas. I do not think it is contemplated that this should be done. The only purpose was to have the various departments involved granted concurrent power in connection with the enforcement of this act.

Mr. WOLCOTT. If the gentleman's committee wants to consider the matter, having this in mind, then I have no objection to the bill going over without prejudice for that purpose.

Mr. JOHNSON of Texas. I feel sure if the gentleman was aware of the fact the Navy Department had appeared before the committee and indicated that they were satisfied the gentleman would not object.

Mr. WOLCOTT. It may be entirely satisfactory to the Navy Department, but as American citizens and as a Congress we should protect the armed forces of the United States against such legislation, whether they want it or not.

Mr. JOHNSON of Texas. This is not designed to place any additional burdens upon the Navy in connection with the enforcement of this act. The Coast Guard and the Commerce Department will be the only two departments involved, and it is only in an emergency that the Secretary of the Treasury has the right to request the Secretary of the Navy to cooperate in enforcement.

Mr. WOLCOTT. Does the gentleman realize that under this bill the Secretary of the Treasury could compel every officer in the Navy to pick up every whaling boat in these waters, bring them in and be responsible for the prosecution of those men in our district courts?

Mr. ZIONCHECK. Is it not possible one of these boats might run into a Japanese whale of some kind?

Mr. JOHNSON of Texas. I would rather the gentleman objected to the consideration of the bill; then the next time it comes up for consideration it will require three objections.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent

that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. WOLCOTT. Mr. Speaker, I withdraw my request that it be passed over without prejudice.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT and Mr. MARTIN of Massachusetts objected.

THE GREENBRIER RIVER IN WEST VIRGINIA

The Clerk called the next bill, H. R. 3383, to provide a preliminary examination of the Greenbrier River and its tributaries in the State of West Virginia, with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Greenbrier River and its tributaries in the State of West Virginia, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

THE CHEAT RIVER IN WEST VIRGINIA

The Clerk called the next bill, H. R. 3384, to provide a preliminary examination of the Cheat River and its tributaries in the State of West Virginia, with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Cheat River and its tributaries in the State of West Virginia, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE POTOMAC RIVER

The Clerk called the next bill, H. R. 3385, to provide a preliminary examination of the Potomac River and its tributaries with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Potomac River and its tributaries, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE MARAIS DES CYGNES RIVER, IN KANSAS

The Clerk called the next bill, H. R. 8301, to authorize a supplemental examination of the Marais des Cygnes River, in the State of Kansas, with a view to the control of their floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a supplemental examination to be made of the Marais des Cygnes River, in the State of Kansas, with a view to the control of their floods in accordance with the provisions of section 3 of an act entitled "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

With the following committee amendment:

Page 1, line 4, strike out "supplemental" and insert "preliminary"; in line 6, strike out the word "their" and insert the word "its"; and amend the title.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended and a motion to reconsider laid on the table.

IMPEACHMENT OF HALSTED L. RITTER

The SPEAKER laid before the House the following order from the Senate of the United States:

In the Senate of the United States sitting for the trial of the impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida

Apprt 9 103

Ordered, That the Secretary of the Senate communicate to the House of Representatives an attested copy of the answer of Halsted L. Ritter, United States district judge for the southern district of Florida, to the articles of impeachment, as amended, and also a copy of the order entered on the 12th ultimo prescribing supplemental rules for the said impeachment trial.

The answer and the supplemental rules to govern the impeachment trial were referred to the House managers and ordered printed.

THE CONSENT CALENDAR

AMENDMENT OF THE SHIPPING ACT OF 1916

The Clerk called the next bill, S. 3467, amending the Shipping Act, 1916, as amended.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I anticipate this is for the purpose of making some correction in the bill, and I would call the gentleman's attention to the fact that the penalty of the bill is a fine of not less than \$1,000 or more than \$3,000, and under all the interpretations of all the courts that I know anything about, this means that in order to enforce the act a civil suit must be brought for the collection of such fine.

Mr. BLAND. I am not sure about that, but that shall be taken into consideration. The purpose of asking that the bill go over is that there is some objection made to the bill that seems to have some merit and is now being considered by the Shipping Bureau.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, furthermore, I trust there will be some further hearings held in reference to the bill.

Mr. BLAND. I would not be able to promise that now, but I think there will be unless these objections are met.

Mr. TABER. Mr. Speaker, should not the bill, under the circumstances, be rereferred to the committee?

Mr. BLAND. For the present, I do not think that is necessary. It may be amendments will be agreed on that will be satisfactory.

The SPEAKER. Is there objection to the request of the gentleman from Virginia that the bill be passed over without prejudice?

There was no objection.

VETERANS OF FOREIGN WARS OF THE UNITED STATES

The Clerk called the next bill, H. R. 11454, to incorporate the Veterans of Foreign Wars of the United States.

Mr. McLEAN. Mr. Speaker, reserving the right to object, the report on this bill states as follows:

It is the judgment of the committee that the activities of this organization bring it within the rule which the committee has strictly adhered to, that it will limit its recommendations of Federal incorporation to organizations national in scope and which assist the execution of some express or implied power in the Constitution or some governmental function thereunder.

It is encouraging, Mr. Speaker, to read such sound doctrine coming from the Committee on the Judiciary. The practice has developed of Government officials organizing under State law corporations for the purpose of carrying on purely Federal functions. I know of 30 such corporations and have reason to believe there are many more, which have been organized under the laws of the State of Dela-

ware. It is alleged that the stock of these corporations is held for the benefit of the Government of the United States. The fact remains that Federal employees have absolutely no authority to create these corporations, and the practice is a subterfuge, which has been used to create agencies to spend money and engage in activities not authorized by law.

Mr. WALTER. Mr. Speaker, if the gentleman will yield at that point, that is one of the reasons the incorporation should be desirable. If such organization has a Federal charter, then, of course, its records are available for any Government investigation or inspection.

Mr. McLEAN. I take it, then, that the gentleman agrees with me that the incorporation by Federal officials of corporations under the laws of the State of Delaware, or any other State, for carrying on Federal functions, violates the laws of the United States. Such corporations should be incorporated by the Congress of the United States.

Mr. WALTER. I agree entirely with what the gentleman says.

Mr. McLEAN. The incorporation of these bodies under the State of Delaware is a violation of the fundamental law and our conception of government under the Constitution. As stated I know of 30 companies that have been incorporated in Delaware that have had allocated to them as invested capital millions of dollars which have been spent without the consent of or appropriation by the Congress of the United States. This method of carrying on the affairs of the Government does violence to our fundamental law and is wrong in principle.

Mr. WALTER. But what the gentleman says does not apply to this organization.

Mr. McLEAN. I realize that. This act is very well drawn; it puts the Government in a position to know who the incorporators are. All of its records will be available in a Federal office and one can readily ascertain who are the officers of this corporation, and other facts incidental to corporate activity. The bill requires a report to Congress of the activities of the corporation, and Congress will be informed what has been done with the money entrusted to its care.

But that is not so with corporations that have been incorporated under State law. I have no objection to the enactment of this bill.

There being no objection, the Clerk read the bill, as

follows:

Be it enacted, etc., That the following persons, to wit: James E. Van Zandt, Altoona, Pa.; Bernard K. Kearney, Gloversville, N. Y.; Scott P. Squyres, Oklahoma City, Okla.; Robert B. Handy, Jr., Kansas City, Mo.; Henry F. Marquard, Chicago, Ill.; William E. Guthner, Denver, Colo.; Edward J. Neron, Sacramento, Calif.; Dr. Joseph C. Menendez, New Orleans, La.; the Reverend Paul L. Foulk, Altoona, Pa.; Robert E. Kernodle, Kansas City, Mo.; Walter I. Joyce, New York City, N. Y.; George A. Ilg, Cranston, R. I.; James F. Daley, Hartford, Conn.; Charles R. Haley, Pittsburgh, Pa.; F. C. Devericks, Clarksburg, W. Va.; John J. Skillman, Miami, Fla.; Ellie H. Schill, New Orleans, La.; Gerald C. Mathias, Lagrange, Ind.; James W. Starner, Effingham, Ill.; Leon S. Pickens, Wichita, Kans.; Archie W. Nimens, Minneapolis, Minn.; Dr. Harvey W. Snyder, Denver, Colo.; Charles O. Carlston, San Francisco, Calif.; Walter L. Daniels, Seattle, Wash.; John E. Swaim, Tulsa, Okla.; Peter J. Rosch, Washington, D. C.; and their successors, who are, or who may become, members of the Veterans of Foreign Wars of the United States, a national association of men who as soldiers, sailors, and marines have served this Nation in wars, campaigns, and expeditions on foreign soil or in hostile waters, and such national

ors, and marines have served this Nation in wars, campaigns, and expeditions on foreign soil or in hostile waters, and such national association, are hereby created and declared a body corporate, known as the Veterans of Foreign Wars of the United States.

Sec. 2. That the said persons named in section 1, or their successors, and such other persons as are duly accredited delegates from any local post or State department of the existing national association known as the Veterans of Foreign Wars of the United States, under its constitution and bylaws are hereby authorized to States, under its constitution and bylaws, are hereby authorized to meet and to complete the organization of said corporation, by the adoption of a constitution and bylaws, the election of officers, and to do all other things necessary to carry into effect and incidental

to do all other things necessary to carry into effect and incidental to the provisions of this act.

SEC. 3. That the purposes of this corporation shall be fraternal, patriotic, historical, and educational; to preserve and strengthen comradeship among its members; to assist worthy comrades; to perpetuate the memory and history of our dead, and to assist their widows and orphans; to maintain true allegiance to the Government of the United States of America, and fidelity to its Constitution and laws; to foster true patriotism; to maintain and extend the institutions of American freedom; and to preserve and defend the United States from all her enemies, whomsoever.

Sec. 4. That the corporation created by this act shall have the following powers: To have perpetual succession with power to sue and be sued in courts of law and equity; to receive, hold, own, use, and dispose of such real estate, personal property, money, contract, rights, and privileges as shall be deemed necessary and incidental for its corporate purposes; to adopt a corporate seal and alter the same at pleasure; to adopt, amend, apply, and administer a constitution, bylaws, and regulations to carry out its purposes, not inconsistent with the laws of the United States or of any State; to adopt, and have the exclusive right to manufacture and use, such emblems and badges as may be deemed necessary in the fulfillment of the purposes of the corporation; to establish and maintain offices for the conduct of its business; to establish, regulate, or discontinue subordinate State and Territorial subdivisions and local chapters or posts; to publish a magazine or other publications, and generally to do any and all such acts and things as may be necessary and proper in carrying into effect the purposes of the corporation.

SEC. 5. That no person shall be a member of this corporation unless he has served honorably as an officer or enlisted man in the Army, Navy, or Marine Corps of the United States of America in any foreign war, insurrection, or expedition, which service shall be recognized as campaign-medal service and governed by the authorization of the award of a campaign badge by the Government of the United States of America.

SEC 6. That said corporation may and shall acquire all of the SEC. 4. That the corporation created by this act shall have the

United States of America.

SEC. 6. That said corporation may and shall acquire all of the assets of the existing national association known as the Veterans of Foreign Wars of the United States upon discharging or satisfac-

of Foreign Wars of the United States upon discharging or satisfactorily providing for the payment discharge of all its liabilities.

SEC. 7. That the said corporation shall have the sole and exclusive right to have and to use, in carrying out its purposes, the name "Veterans of Foreign Wars of the United States" and the sole and exclusive right to the use of its corporate seal, emblems, and badges as adopted by said corporation.

SEC. 8. That said corporation shall, on or before the 1st day of Japuary in each year make and transmit to the Congress a report.

January in each year, make and transmit to the Congress a report of its proceedings for the preceding fiscal year, including a full and complete report of its receipts and expenditures: Provided, how-That said financial report shall not be printed as a public document.

SEC. 9. That as a condition precedent to the exercise of any power or privilege herein granted or conferred, the Veterans of Foreign Wars of the United States shall file in the office of the secretary of state of each State the name and post-office address of an authorized agent in such State upon whom legal process or demands against the Veterans of Foreign Wars of the United States

may be served.

SEC. 10. That the right to repeal, alter, or amend this act at any time is hereby expressly reserved.

With the following committee amendments:

Page 1, line 9, strike out the word "Doctor", and at the end of the line strike out the word "the."

Page 1, line 10, strike out "Reverend."
Page 2, line 7, strike out the word "Doctor."

The committee amendments were agreed to.

AMERICA AND THE WORLD WAR, APRIL 6, 1917

Mr. LUNDEEN. Mr. Speaker, I move to strike out the last word. Members of Congress, this is neither the time nor the occasion for long speech or debate and controversy. Today we honor our great leader, the immortal La Follette, master statesman these last 50 years of American politics. Yes; La Follette and that great company which followed him and his disciples, among whom I had the privilege to be one of the least.

THE BRAVE AND GALLANT GENERAL SHERWOOD

We remember Gen. Isaac R. Sherwood, last of the Grand Army of the Republic; Congressman and United States Senator William E. Mason, of Illinois; Col. Edward C. Little, of the famous Twentieth Kansas, Spanish-American War hero. These and Senator Lane, of Oregon; Senator Gronna, of North Dakota; Senator Stone, of Missouri, chairman of the Foreign Relations Committee of the United States Senate; Senator Vardaman, of Mississippi; and Senator Norris, most able and distinguished of our Senators today, standing shoulder to shoulder with Robert M. La Follette, on that fateful Good Friday morning when the American people were crucified on the cross of war.

These 6 United States Senators and 50 Congressmen-56 in all-what is the judgment of history today? Coming in on the train from Philadelpia this morning I had ample time to search the great papers of the country, their editorial pages and news articles. Not one of them spoke in praise or sought to interpret the World War, except the New York Sun, and this is the statement of the editorial in the New York Sun:

EDITORIAL ON WORLD WAR, NEW YORK SUN, APRIL 6, 1936

It may not be said that history has yet given its final verdict, but 19 years after we can at least see that however mixed may

have been their motives, however inadequate the arguments they used, the fear of these 56 that the Great War would neither bring "ultimate peace" nor the "liberation" of all peoples have been better realized than the lofty hopes of those who overwhelmed

And that is the editorial in a great New York newspaper on the 6th of April 1936-19 years after our declaration of war.

The war lords, the munition makers, the international bankers, and war profiteers had their day, but history is having its day now, and the judgment of history will be harsh and unrelenting upon their guilty heads.

In the train of that war we have today 15,000,000 unemployed; 20,000,000 in relief lines; billions of unpaid European war debts: a national debt which neither we nor our children nor our children's children will ever see paid. That is the price of adventure into foreign lands and into quarrels and intrigues we do not understand and never will understand.

OUR VETERANS OF FOREIGN WARS

How lofty then the pronouncements of Washington, Jefferson, Jackson, and Lincoln who warned us, "Why stand upon foreign ground?" I take it this is an appropriate time to venture these few remarks on April 6, 1936, and now while we are considering this very bill dealing with matters concerning veterans of foreign wars, I want to say that I have always supported the veterans of all wars and always will. If the veterans want this bill I am for it. They served in time of war and duty demands that we remember them in times of peace. But why call our boys into foreign service? We will defend our own soil; there let us stop.

The greatest state paper of all time—the Washington Farewell Address-oh, why do we give only lip service, why not follow his advice-Washington was a wiser patriot than any of these who are now-listen.

THE FAREWELL WORDS OF WASHINGTON

Nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings toward all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions to the favorite nation of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted, or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and So likewise, a passionate attachment of one nation for another

attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils! Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence (I conjure you to believe me, fellow citizens) the jealousy of a free people ought to be constantly awake; since history and experience prove that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another cause those whom they actuate to see danger only on one side, and serve to veil and even

second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith. Here

Europe has a set of primary interests which to use have none, or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enuities. ships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an effi-cient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve attitude as will cause the neutrality we may at any time resolve upon to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation; when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit

our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maximum no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

sary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commer-Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them conventions; when the properties that present port them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from that it is folly in one nation to look for disinterested rayors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought

That is real Americanism and it is good enough for any real red-blooded American.

THE FOREIGN POLICY OF WASHINGTON AND JEFFERSON

Remember that American foreign policy for a century and a half followed the straight course laid down by Washington, Jefferson, Jackson, Lincoln, and every President down to and including the first administration of the war President. That policy was friendship for all, trade with all, and entangling alliances with none.

The President and the Congress elected in 1916 on the solemn pledge to keep America out of the World War immediately proceeded to betray that pledge and plunged America into the quarrels of Europe, from which our forefathers wisely emigrated in order that they might build a new nation, free from kings and emperors, European conscription, war taxes, and wars.

This departure from the Washington-Jefferson foreign policy was a colossal blunder and a crime against the American people, and so long as those who plunged us into that disaster continue in power we will never extricate ourselves from this panic.

FIFTY-SIX MEMBERS OF CONGRESS VOTED AGAINST OUR ENTRY INTO THE

Two years ago there were 8 Congressmen out of 50 and 1 United States Senator out of 6 remaining in Congress who voted against America entering the World War: Almon, of Alabama; Britten, of Illinois; Church, of California; Dill, of Washington; Frear, of Wisconsin; Knutson, of Minnesota;

Lundeen, of Minnesota, in the House; and United States Senator George W. Norris, in the Senate. After serving in the House during the War, Congressman Dill, of Washington, was later elected United States Senator, and served there some 12 years.

In the present Congress only three of these eight remain: The senior Senator from Nebraska, George W. Norris, the noblest Roman of them all; the able dean of the Minnesota delegation, who has served continuously in Congress for some 19 years, Harold Knutson, of Minnesota; and your servant, ERNEST LUNDEEN.

COST OF THE WORLD WAR

On Armistice Day, November 11, 1928, Calvin Coolidge, then President, made this statement: "When the last soldier and the last dependent of the soldier has disappeared over the horizon the World War will have cost America more than \$100,000,000,000."

SHALL WE ENTER ANOTHER WORLD WAR?

America is again on the road to war. The greatest peacetime war preparations in the history of this world are now under way in these United States. No nation at any time in the history of the world has ever indulged in such tremendous building for war. War for what? War against whom? Who is going to attack us? Oh, yes; I see we are going to deliver the deciding blow on other continents-Asia, Europe, or Africa. Our Army is to be the policeman of the earth. We are going to decide for other nations how they are going to govern themselves. A most dangerous and destructive international policy. Every nation and every empire in the world attempting anything like that went crashing into the dust of the ages.

DEFEND OUR OWN SOIL-THERE LET US STOP

We want America to live. We need only such preparations as will defend our own soil. Thrusting ourselves into the quarrels of other nations will never settle those quarrels and will only injure ourselves. We are again on the road to war. We traveled that road 19 years ago. Speak now before it is too late.

"SAVE THE WORLD FOR DEMOCRACY"-"END ALL WAR"

April 6, 1917, we went to war, they said to "Save the world for democracy"; to "end all war", to erect a League of Nation structure with a sovereignty over our sovereignty and a flag over our flag, inevitably imposing dictation from Europe. Not a single Congressman can be found who will rise on this floor and defend his voting for war. Selfish, ignorant, and stupid men plunged America into the abyss of the World War. We financed that war and brought America's financial structure into collapse and chaos.

THE WESTERN HEMISPHERE IS OUR SPHERE OF ACTION

I am glad I opposed America's entering that war. I am glad that there is no blood on my hands, and I pledge the American people most sincerely and solemnly that I will never be party to plunging the youth of America into the wars of Asia, Europe, and Africa. The Western Hemisphere is our sphere of action-North and South America and the outlying islands; that is sphere enough for us. We are losing heavily in South American trade. We need to extend our influence and trade there. More than 90 percent of the trade of the United States is within our own borders. Here we can build solidly and upon a sure foundation for future success, prosperity, and real national greatness.

DO NOT DESTROY AMERICAN DEMOCRACY ON THE BATTLEFIELDS OF EUROPE

America will work its way out. Of that I am sure. We must not make that blunder again, lest we may not work our way out another time. It may then be forever too late. If you wish to imperil American democracy, send our armies into a second world war, and you may see forms of government yet undreamed of. The Washington, Jefferson, Jackson, and Lincoln foreign policy is the north star of our foreign affairs. It ought to be good enough for any real red-blooded American. Friendship with all nations; trade with all nations; entangling alliances with none.

On April 6, 1936, we again call the roll.

SENATORS WHO VOTED AGAINST ENTRY INTO WORLD WAR Gronna, La Follette, Lane, Norris, Stone, Vardaman.

REPRESENTATIVES WHO VOTED AGAINST ENTRY INTO WORLD WAI

Almon, Bacon, Britten, Browne, Burnett, Cary, Church, Connelly of Kansas, Cooper of Wisconsin, Davidson, Davis, Decker, Dill, Dillon, Dominick, Esch, Frear, Fuller of Illinois, Haugen, Hayes, Hensley, Hilliard, Hull of Iowa, Igoe, Johnson of South Dakota, Keating, King, Kinkaid, Kitchin, Knutson, La Follette, Little, London, Lundeen, McLemore, Mason, Nelson, Randall, Rankin, Reavis, Roberts, Rodenberg, Shackleford, Sherwood, Sloan, Stafford, Van Dyke, Voigt, Wheeler, and Woods of Iowa.

[Applause.]

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ADJUSTING COMPENSATION OF RAILWAY MAIL SERVICE OFFICIALS

The Clerk called the bill (H. R. 10267) to provide for adjusting the compensation of division superintendents, assistant division superintendents, assistant superintendents at large, assistant superintendent in charge of car construction, chief clerks, assistant chief clerks, and clerks in charge of sections in offices of division superintendents in the Railway Mail Service, to correspond to the rates established by the Classification Act of 1923, as amended.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Postmaster General is authorized and directed to adjust the compensation of division superintendents, assistant division superintendents, assistant superintendents at large, assistant superintendent in charge of car construction, chief clerks, assistant chief clerks, and clerks in charge of sections chief cierks, assistant chief cierks, and cierks in charge of sections in offices of division superintendents, Railway Mail Service, to correspond, so far as may be practicable, to the rates established by the Classification Act of 1923, as amended, for positions in the departmental service in the District of Columbia. Any appropriation now or hereafter available for the payment of the compensation of employees in the Railway Mail Service shall be available for payment of compensation in accordance with the rates adjusted in accordance with the rates adjusted in accordance with the provisions of this act.

With the following committee amendment:

Page 1, line 3, after the word "General", insert "with the concurrence of the Civil Service Commission."

The amendment was agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CREDITING LABORERS IN POSTAL SERVICE WITH SUBSTITUTE SERVICE

The Clerk called the bill (H. R. 10930) to credit laborers in the Postal Service with any fractional part of a year's substitute service toward promotion.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That Public Act No. 366, entitled "An act to provide time credits for substitute laborers in the Post Office when

appointed as regular laborers", approved August 27, 1935 (U. S. C., 1934, title 39, sec. 101), is amended to read as follows:

"That section 5 of the act entitled 'An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing

aries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes', approved February 28, 1925 (43 Stat. 1053; U. S. C., title 39, sec. 101), is amended by adding thereto a new paragraph to read as follows:

"Whenever any substitute laborer, watchman, or messenger is appointed to a permanent position as laborer, watchman, or messenger, the substitute service performed by such laborer, watchman, or messenger shall be computed in determining the eligibility of such person for promotion to grade 2 on the basis of 306 days of 8 hours constituting a year's service. Effective at the beginning of the first quarter following approval of this act, all laborers, watchmen, and messengers who have not progressed to grade 2 shall be promoted to that grade, provided they have the necessary credit of 306 days of 8 hours each constituting a year's substitute service will be included with service as a regular laborer, watchman, or messenger in the Postal Service in determining eligibility for promotion to the next higher grade following appointment to a regular position. Effective at once following approval of this act, all laborers, watchmen, and messengers who have not progressed to grade 2 shall be promoted to that grade, provided they have the necessary credit of 306 days of 8 hours each constituting a year's service."

With the following committee amendments:

Page 1, line 6, in the parentheses after figures "1934", insert "edition, Supp. I", and on page 2, line 3, in the parentheses, strike "1053" and insert "1060."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CONVEYING CERTAIN LANDS TO CLACKAMAS COUNTY, OREG.

The Clerk called the bill (H. R. 9485) to convey certain lands to Clackamas County, Oreg., for public-park purposes.

The SPEAKER. Is there objection?
Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. The Secretary of the Interior, in making his report on this bill, made certain recommendations concerning an amendment which would protect the Government. I notice that although consideration was undoubtedly given to his amendment, it was not recommended by the committee. I am wondering if the committee can explain why the recommendation of the Secretary of the Interior was not followed in that

Mr. MOTT. Mr. Speaker, if the gentleman will yield, I will be glad to explain. The recommendation in the Secretary's report to the Public Lands Committee seems to be a formal suggestion which is invariably made by him on any bill of this kind. The matter came up and was thoroughly considered by the committee, and the committee did not concur in the Secretary's suggested amendment. Bills conveying public lands of this character to municipalities for park purposes and for watershed protection, and so forth, have usually been approved by our committee in the form in which this bill is written. The Government is thoroughly protected under the provisions of this bill, and it does not place upon the municipality the unnecessary hardship which the amendment suggested by the Secretary of the Interior would incur. The Secretary of the Interior always makes this suggestion, but you will not find it incorporated in any of the bills of this kind which have been reported out of our committee during the past two sessions.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent to Clackamas County, Oreg., on behalf of the United States, for the southeast quarter southon behalf of the United States, for the southeast quarter southwest quarter, the northeast quarter southwest quarter, and the northwest quarter southeast quarter section 11, township 4 south, range 2 east, Willamette meridian, in the State of Oregon, containing 120 acres, more or less, on condition that such county shall accept and use such lands solely for public-park purposes; but if such county shall at any time cease to use such lands for public-park purpose, or shall permit the use of such lands for any other purpose, or shall alienate or attempt to alienate them, they shall revert to the United States: Provided, That there shall be reserved to the United States, its patentees, or their transferees, the right to cut and remove therefrom the merchantable timber reserving to Clackamas County, Oreg., when such sale is made under the provisions of the act of June 9, 1916 (39 Stat. 218), a preference right to purchase the timber at the highest price bid.

Sec. 2. The Secretary of the Interior shall prescribe all necessary regulations to carry into effect the foregoing provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PURCHASE OF PUBLIC LAND BY SCAPPOOSE, OREG.

The Clerk called the bill (H. R. 9654) to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the act of June 9, 1916 (39 Stat. 218).

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to issue a patent, upon payment of \$2.50 per acre, or fraction thereof, to the city of Scappoose, Oreg., for the northwest quarter of the northeast quarter and the northeast quarter of the northwest quarter of section 11, township 3 north, range 2 west, Willamette meridian, containing approximately 80 acres, subject to all valid existing rights at the time of the filing of the application by the city of Scappoose: Provided, That there

shall be reserved to the United States, its patentees, or their transferees, the right to cut and remove therefrom the merchantable timber, which in the opinion of the Secretary of the Interior may be cut and removed without material damage to the city reservoir, reserving to said city of Scappoose, when such sale is made under the provisions of the act of June 9, 1916, a preference right to purchase the timber at the highest price bid.

SEC. 2. That the Secretary of the Interior shall prescribe all necessary regulations to carry into effect the foregoing provisions of this act.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider laid on the table.

TERM OF DISTRICT COURT AT PANAMA CITY, FLA.

The Clerk called the bill (H. R. 9244) providing for the establishment of a term of the District Court of the United States for the Northern District of Florida at Panama City.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That a term of the District Court of the United States for the Northern District of Florida shall be held annually at Panama City, Fla., on the first Monday in September: Provided, That suitable rooms and accommodations for holding court at Panama City are furnished without expense to the United

Mr. MILLER. Mr. Speaker, I offer the following amend-

The Clerk read as follows:

Amendment offered by Mr. Miller: Page 1, line 5, strike out the word "September" and insert in lieu thereof the word "October."

The amendment was agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

UNIFORM OCEAN BILLS OF LADING

The Clerk called the next bill, S. 1152, relating to the carriage of goods by sea.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That every bill of lading or similar document of title which is evidence of a contract for the carriage of goods by sea to or from ports of the United States, in foreign trade, shall have effect subject to the provisions of this act.

TITLE I

SECTION 1. When used in this act—
(a) The term "carrier" includes the owner or the charterer who

(a) The term "carrier" includes the owner or the charterer who enters into a contract of carriage with a shipper.
(b) The term "contract of carriage" applies only to contracts of carriage covered by a bill of lading or any similar document of title, insofar as such document relates to the carriage of goods by sea, including any bill of lading or any similar document as aforesaid issued under or pursuant to a charter party from the moment at which such bill of lading or similar document of title regulates the relations between a carrier and a holder of the same.

(c) The term "goods" includes goods, wares, merchandise, and articles of every kind whatsoever, except live animals and cargo which by the contract of carriage is stated as being carried on

deck and is so carried.

(d) The term "ship" means any vessel used for the carriage of

goods by sea.

(e) The term "carriage of goods" covers the period from the time when the goods are loaded on to the time when they are discharged from the ship.

RISKS

Sec. 2. Subject to the provisions of section 6, under every contract of carriage of goods by sea, the carrier in relation to the loading, handling, stowage, carriage, custody, care, and discharge of such goods, shall be subject to the responsibilities and liabilities and entitled to the rights and immunities hereinafter set forth.

RESPONSIBILITIES AND LIABILITIES

Sec. 3. (1) The carrier shall be bound, before and at the beginning of the voyage, to exercise due diligence to—
(a) Make the ship seaworthy;

(a) Make the ship seaworthy;
(b) Properly man, equip, and supply the ship;
(c) Make the holds, refrigerating and cooling chambers, and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage, and preservation.
(2) The carrier shall properly and carefully load, handle, stow, carry, keep, care for, and discharge the goods carried.
(3) After receiving the goods into his charge the carrier, or the master or agent of the carrier, shall, on demand of the shipper, issue to the shipper a bill of lading showing among other things—

(a) The leading marks necessary for identification of the goods as the same are furnished in writing by the shipper before the loading of such goods starts, provided such marks are stamped

or otherwise shown clearly upon the goods if uncovered, or on the cases or coverings in which such goods are contained, in such a manner as should ordinarily remain legible until the end of

(b) Either the number of packages or pieces, or the quantity or weight, as the case may be, as furnished in writing by the

(c) The apparent order and condition of the goods: Provided, That no carrier, master, or agent of the carrier, shall be bound to state or show in the bill of lading any marks, number, quantity, or weight which he has reasonable ground for suspecting not accurately to represent the goods actually received, or which he has had no reasonable means of checking.

had no reasonable means of checking.

(4) Such a bill of lading shall be prima-facie evidence of the receipt by the carrier of the goods as therein described in accordance with paragraphs (3) (a), (b), and (c) of this section: Provided, That nothing in this act shall be construed as repealing or limiting the application of any part of the act, as amended, entitled "An act relating to bills of lading in interstate and foreign commerce", approved August 29, 1916 (U. S. C., title 49, secs. 81–124), commonly known as the Pomerene Bills of Lading Act.

Act.

(5) The shipper shall be deemed to have guaranteed to the carrier the accuracy at the time of shipment of the marks, number, quantity, and weight, as furnished by him; and the shipper shall indemnify the carrier against all loss, damages, and expenses arising or resulting from inaccuracies in such particulars. The right of the carrier to such indemnity shall in no way limit his responsibility and liability under the contract of carriage to any person other than the shipper.

(6) Unless notice of loss or damage and the general nature of such loss or damage be given in writing to the carrier or his agent at the port of discharge before or at the time of the removal of the goods into the custody of the person entitled to delivery thereof under the contract of carriage, such removal shall be prima-facie evidence of the delivery by the carrier of the goods as described in the bill of lading. If the loss or damage is not apparent, the notice must be given within 3 days of the delivery. Said notice of loss or damage may be endorsed upon the receipt

Said notice of loss or damage may be endorsed upon the receipt for the goods given by the person taking delivery thereof.

The notice in writing need not be given if the state of the goods has at the time of their receipt been the subject of joint survey or inspection.

In any event, the carrier and the ship shall be discharged from In any event, the carrier and the ship shall be discharged from all liability in respect of loss or damage unless suit is brought within 1 year after delivery of the goods or the date when the goods should have been delivered: Provided, That if a notice of loss or damage, either apparent or concealed, is not given as provided for in this section, that fact shall not affect or prejudice the right of the shipper to bring suit within 1 year after the delivery of the goods or the date when the goods should have been delivered.

In the case of any actual are apprehended loss and delivered.

In the case of any actual or apprehended loss or damage the carrier and the receiver shall give all reasonable facilities to each other for inspecting and tallying the goods.

other for inspecting and tallying the goods.

(7) After the goods are loaded the bill of lading to be issued by the carrier, master, or agent of the carrier to the shipper shall, if the shipper so demands, be a "shipped" bill of lading: Provided, That if the shipper shall have previously taken up any document of title to such goods, he shall surrender the same as against the issue of the "shipped" bill of lading, but at the option of the carrier such document of title may be noted at the port of shipment by the carrier, master, or agent with the name or names of the ship or ships upon which the goods have been shipped and the date or dates of shipment, and when so noted the same shall for the purpose of this section be deemed to constitute a "shipped" bill of lading.

(8) Any clause, covenant, or agreement in a contract of carriage

(8) Any clause, covenant, or agreement in a contract of carriage relieving the carrier or the ship from liability for loss or damage to or in connection with the goods, arising from negligence, fault, or failure in the duties and obligations provided in this section, or lessening such liability otherwise than as provided in this act, shall be null and void and of no effect. A benefit of insurance in favor of the carrier, or similar clause, shall be deemed to be a clause relieving the genilar from liability.

relieving the carrier from liability.

RIGHTS AND IMMUNITIES

Sec. 4. (1) Neither the carrier nor the ship shall be liable for loss or damage arising or resulting from unseaworthiness unless caused by want of due diligence on the part of the carrier to make the ship seaworthy, and to secure that the ship is properly manned, equipped, and supplied, and to make the holds, refrigerating and cooling chambers, and all other parts of the ship in which goods are carried fit and safe for their reception, carriage, and preservation in accordance with the provisions of paragraph (1) of section 3. Whenever loss or damage has resulted from unseaworthiness, the burden of proving the exercise of due diligence shall be on the carrier or other persons claiming exemption under this section.

(2) Neither the carrier nor the ship shall be responsible for loss or damage arising or resulting from—

or damage arising or resulting from—

(a) Act, neglect, or default of the master, mariner, pilot, or the servants of the carrier in the navigation or in the management of the ship;

(b) Fire, unless caused by the actual fault or privity of the

carrier;
(c) Perils, dangers, and accidents of the sea or other navigable waters;

Act of God;

(e) Act of war; (f) Act of public enemies; (g) Arrest or restraint of princes, rulers, or people, or seizure

under legal process;
(h) Quarantine restrictions;
(i) Act or omission of the shipper or owner of the goods, his

(1) Act or omission of the shipper or owner of the goods, his agent or representative;

(j) Strikes or lockouts or stoppage or restraint of labor from whatever cause, whether partial or general: Provided, That nothing herein contained shall be construed to relieve a carrier from responsibility for the carrier's own acts;

(k) Riots and civil commotions;

(k) Riots and civil commotions;

(1) Saving or attempting to save life or property at sea; (m) Wastage in bulk or weight or any other loss or damage arising from inherent defect, quality, or vice of the goods;

(n) Insufficiency of packing;
(o) Insufficiency or inadequacy of marks;
(p) Latent defects not discoverable by due diligence; and
(q) Any other cause arising without the actual fault and privity
of the carrier and without the fault or neglect of the agents or servants of the carrier, but the burden of proof shall be on the person claiming the benefit of this exception to show that neither the actual fault or privity of the carrier nor the fault or neglect of the agents or servants of the carrier contributed to the loss or damage.

(3) The shipper shall not be responsible for loss or damage sustained by the carrier or the ship arising or resulting from any cause without the act, fault, or neglect of the shipper, his agents,

or his servants.

(4) Any deviation in saving or attempting to save life or property at sea, or any reasonable deviation shall not be deemed to be an infringement or breach of this act or the contract of carriage, and the carrier shall not be liable for any loss or damage resulting therefrom: *Provided, however*, That if the deviation is for the purpose of loading or unloading cargo or passengers it shall, prima

pose of loading or unloading cargo or passengers it shall, prima facie, be regarded as unreasonable.

(5) Neither the carrier nor the ship shall in any event be or become liable for any loss or damage to or in connection with the transportation of goods in an amount exceeding \$500 per package lawful money of the United States, or in case of goods not shipped in packages, per customary freight unit, or the equivalent of that sum in other currency, unless the nature and value of such goods have been declared by the shipper before shipment and inserted in the bill of lading. This declaration, if embodied in the bill of lading, shall be prima-facie evidence, but shall not be conclusive on the carrier. on the carrier.

By agreement between the carrier, master, or agent of the carrier, and the shipper, another maximum amount than that mentioned in this paragraph may be fixed: *Provided*, That such maximum shall not be less than the figure above named. In no event shall the carrier be liable for more than the amount of damage actually surfaced. sustained.

Neither the carrier nor the ship shall be responsible in any event for loss or damage to or in connection with the transportation of the goods if the nature or value thereof has been knowingly and fraudulently misstated by the shipper in the bill of lading.

fraudulently misstated by the shipper in the bill of lading.

(6) Goods of an inflammable, explosive, or dangerous nature to the shipment whereof the carrier, master, or agent of the carrier, has not consented with knowledge of their nature and character, may at any time before discharge be landed at any place or destroyed or rendered innocuous by the carrier without compensation, and the shipper of such goods shall be liable for all damages and expenses directly or indirectly arising out of or resulting from such shipment. If any such goods shipped with such knowledge and consent shall become a danger to the ship or cargo, they may in like manner be landed at any place, or destroyed or rendered innocuous by the carrier without liability on the part of the carrier except to general average, if any.

SURRENDER OF RIGHTS AND IMMUNITIES AND INCREASE OF RESPONSI-

SURRENDER OF RIGHTS AND IMMUNITIES AND INCREASE OF RESPONSI-BILITIES AND LIABILITIES

5. A carrier shall be at liberty to surrender in whole or in part all or any of his rights and immunities or to increase any of his responsibilities and liabilities under this act, provided such surrender or increase shall be embodied in the bill of lading issued to the shipper.

The provisions of this act shall not be applicable to charter parties, but if bills of lading are issued in the case of a ship under a charter party they shall comply with the terms of this act. Nothing in this act shall be held to prevent the insertion in a bill of lading of any lawful provision regarding general average.

SPECIAL CONDITIONS

SPECIAL CONDITIONS

Sec. 6. Notwithstanding the provisions of the preceding sections, a carrier, master or agent of the carrier, and a shipper shall, in regard to any particular goods be at liberty to enter into any agreement in any terms as to the responsibility and liability of the carrier for such goods, and as to the rights and immunities of the carrier in respect of such goods, or his obligation as to seaworthiness (so far as the stipulation regarding seaworthiness is not contrary to public policy), or the care or diligence of his servants or agents in regard to the loading, handling, stowage, carriage, custody, care, and discharge of the goods carried by sea: *Provided*, That in this case no bill of lading has been or shall be issued and that the terms agreed shall be embodied in a receipt which shall that the terms agreed shall be embodied in a receipt which shall be a nonnegotiable document and shall be marked as such.

Any agreement so entered into shall have full legal effect: Provided, That this section shall not apply to ordinary commercial

shipments made in the ordinary course of trade but only to other shipments where the character or condition of the property to be carried or the circumstances, terms, and conditions under which the carriage is to be performed are such as reasonably to justify a special agreement.

SEC. 7. Nothing contained in this act shall prevent a carrier or a shipper from entering into any agreement, stipulation, condition, reservation, or exemption as to the responsibility and liability of the carrier or the ship for the loss or damage to or in connection with the custody and care and handling of goods prior to the loading on and subsequent to the discharge from the ship on

which the goods are carried by sea.

SEC. 8. The provisions of this act shall not affect the rights and obligations of the carrier under the provisions of the Shipping Act, 1916, or under the provisions of sections 4281 to 4289, inclusive, of the Revised Statutes of the United States, or of any amendments thereto; or under the provisions of any other enactment for the time being in force relating to the limitation of the liability of the owners of seagoing vessels.

TITLE II

Sec. 9. Nothing contained in this act shall be construed as permitting a common carrier by water to discriminate between competing shippers similarly placed in time and circumstances, either (a) with respect to their right to demand and receive bills of lading subject to the provisions of this act; or (b) when issuing such bills of lading, either in the surrender of any of the carrier's rights and immunities or in the increase of any of the carrier's responsibilities and liabilities pursuant to section 5, title I, of this act; or (c) in any other way prohibited by the Shipping Act, 1916, as amended.

SEC. 10. Section 25 of the Interstate Commerce Act is hereby amended by adding the following proviso at the end of paragraph 4 thereof: "Provided, however, That insofar as any bill of lading authorized hereunder relates to the carriage of goods by sea, such bill of lading shall be subject to the provisions of the Carriage of

Goods by Sea Act."

SEC. 11. Where under the customs of any trade the weight of any bulk cargo inserted in the bill of lading is a weight ascerany bulk cargo inserted in the bill of lading is a weight ascertained or accepted by a third party other than the carrier or the shipper, and the fact that the weight is so ascertained or accepted is stated in the bill of lading, then, notwithstanding anything in this act, the bill of lading shall not be deemed to be prima-facie evidence against the carrier of the receipt of goods of the weight so inserted in the bill of lading, and the accuracy thereof at the time of shippent shall not be deemed to have been guaranteed by the shippen.

by the shipper.

SEC. 12. Nothing in this act shall be construed as superseding any part of the act entitled "An act relating to navigation of vesany part of the act entitled "An act relating to navigation of vessels, bills of lading, and to certain obligations, duties, and rights in connection with the carriage of property", approved February 13, 1893, or of any other law which would be applicable in the absence of this act, insofar as they relate to the duties, responsibilities, and liabilities of the ship or carrier prior to the time when the goods are loaded on or after the time they are discharged from the ship. charged from the ship.

SEC. 13. This act shall apply to all contracts for carriage of goods by sea to or from ports of the United States in foreign trade. As used in this act the term "United States" included its districts, territories, and possessions: *Provided*, however, That the trade. As used in this act the term "United States" included its districts, territories, and possessions: Provided, however, That the Philippine Legislature may by law exclude its application to transportation to or from ports of the Philippine Islands. The term "foreign trade" means the transportation of goods between the ports of the United States and ports of foreign countries. Nothing in this act shall be held to apply to contracts for carriage of goods by sea between any port of the United States or its possessions, and any other port of the United States or its possessions, and any other port of the United States or its possessions, Provided, however, That any bill of lading or similar document of title which is evidence of a contract for the carriage of goods by sea between such ports, containing an express statement that it shall be subject to the provisions of this act, shall be subjected hereto by the express provisions of this act: Provided further, That every bill of lading or similar document of title which is evidence of a contract for the carriage of goods by sea from ports of the United States, in foreign trade, shall contain a statement that it shall have effect subject to the provisions of this act.

SEC. 14. Upon the certification of the Secretary of Commerce that the foreign commerce of the United States in its competition with that of foreign nations is prejudiced by the provisions, or any of them, of title I of this Act, or by the laws of any foreign country or countries relating to the carriage of goods by sea, the President of the United States may, from time to time, by proclamation, suspend any or all provisions of title I of this act for such periods of time or indefinitely as may be designated in the proclamation. The President may at any time rescind such supports.

periods of time or indefinitely as may be designated in the proclamation. The President may at any time rescind such suspension of title I hereof, and any provisions thereof which may have been suspended shall thereby be reinstated and again apply to contracts thereafter made for the carriage of goods by sea. Any proclamation of suspension or recission of any such suspension shall take effect on a date named therein, which date shall be not less than 10 days from the issue of the proclamation.

10 days from the issue of the proclamation.

Any contract for the carriage of goods by sea, subject to the provisions of this act, effective during any period when title I hereof, or any part thereof, is suspended, shall be subject to all provisions of law now or hereafter applicable to that part of title I which may have thus been suspended.

SEC. 15. This act shall take effect 90 days after the date of its approval; but nothing in this act shall apply during a period not to exceed 1 year following its approval to any contract for the carriage of goods by sea, made before the date on which this act is approved, nor to any bill of lading or similar document of title issued, whether before or after such date of approval in pursuance of any such contract as aforesaid.

Sec. 15. This act may be critical to the "Corrigor of Carried by the contract as aforesaid."

SEC. 16. This act may be cited as the "Carriage of Goods by Sea Act."

Passed the Senate July 29 (calendar day, Aug. 16), 1935. Attest:

EDWIN A. HALSEY, Secretary.

With the following committee amendment:

Page 14, line 25, strike out the word "included" and insert in lieu thereof the word "includes."

The committee amendment was agreed to.

The bill as amended was ordered to be read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

BLUE RIDGE PARKWAY

The Clerk called the next bill, H. R. 10922, to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, in the absence of the author or sponsor of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

LEAVE OF ABSENCE TO SETTLERS OF HOMESTEAD LANDS DURING 1936

The Clerk called the next bill, H. R. 9997, granting a leave of absence to settlers of homestead lands during the year

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I ask if this is the same bill which we have been called upon to pass every year for the last 4 years? Does it differ in any way from those bills?

Mr. GREEVER. There is no difference at all.
Mr. WOLCOTT. I understand the purpose of the act is so that they will keep their rights, even though during the period of the depression they have had to seek a livelihood, or part of a livelihood, in other pursuits and have had to leave the land temporarily for that purpose?

Mr. GREEVER. That is it exactly. It is where they have to leave their homesteads in order to obtain work for the necessities of life. That is what the bill provides.

Mr. COSTELLO. Will the gentleman yield further?
Mr. GREEVER. I yield.
Mr. COSTELLO. The Secretary of the Interior has recommended an amendment to the bill. Would the committee be willing to accept that amendment, that is, that payments should be made on the lands, rather than defer

Mr. GREEVER. I may say the committee did not feel that that amendment should be made.

Mr. COSTELLO. But the committee did consider the amendment at the time?

Mr. GREEVER. Yes; the amendment was considered by the committee.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That any homestead settler or entryman who, during the calendar year 1936 should find it necessary, because of economic conditions, to leave his homestead to seek employment in order to obtain the necessaries of life for himself or family or in order to obtain the necessaries of life for himself or family or to provide for the education of his children, may, upon filing with the register of the district his affidavit, supported by corroborating affidavits of two disinterested persons, showing the necessity of such absence, be excused from compliance with the requirements of the homestead laws as to residence, cultivation, improvements, expenditures, or payment of purchase money, as the case may be, during all or any part of the calendar year 1936, and said entries shall not be open to contest or protest because of fallure to comply with such requirements during such absence; except that the time of such absence shall not be deducted from the actual residence required by law, but a period equal to such absence shall be added to the statutory life of the entry: Provided, That any entryman holding an unperfected entry on ceded Indian lands may be excused from the requirements of residence upon the conditions provided herein, but shall not be entitled to extension of time for the payment of any installment of the purchase price of the land except upon payment of interest, in advance, at the rate of 4 percent per annum on the principal of any unpaid purchase price from the date when such payment or payments became due to and inclusive of the date of the expiration of the period of relief granted hereunder. relief granted hereunder.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. LEWIS of Maryland. Mr. Speaker, I ask unanimous consent that I may address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the

gentleman from Maryland?

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

CONSENT CALENDAR

EXTENSION OF BOUNDARIES OF HOT SPRINGS NATIONAL PARK

The Clerk called the next bill, H. R. 9183, to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, this is a bill providing that the Federal Government may acquire additional lands to increase the Hot Springs National Park. I would like to ask the gentleman who is sponsoring this bill what increased amount of money will be required of the Federal Government?

Mr. McCLELLAN. The approximate value of the lots involved in this bill is \$15,000, but I will say to the gentleman from Pennsylvania it is not expected that the Government should bear that burden. The Chamber of Commerce of the City of Hot Springs contemplates the purchase of the lots, with the aid of the Department, but they cannot purchase the lots, or the Government cannot acquire title until it is authorized to do so, even though the lots are given.

Mr. RICH. Does the gentleman mean that the Chamber of Commerce of Hot Springs is going to see that these lots go to the Federal Government without any cost to the Federal Government.

Mr. McCLELLAN. I do not say that. I say they are working in cooperation with the Department and will expect to make a substantial contribution.

Mr. RICH. But the gentleman expects some of the departments of Government to make a contribution of this

money to purchase the property.

Mr. McCLELLAN. I will say to the gentleman that the appropriation is already made. No new appropriation will be required for the purpose, but the Government has expended on this park at the place where we desire to acquire these interests approximately \$200,000 to improve it within the past year. There is no adequate entrance to the park. The only purpose is to make it possible for the Government to extend the boundaries so that a proper entrance can be provided.

Mr. RICH. I appreciate that, but the Hot Springs National Park is a great area of ground at the present time. We keep adding to these national parks for the purpose of increasing the size of them. Every time we increase the size of them we have additional expense. If the Chamber of Commerce of Hot Springs, Ark., or some other person or persons, is going to see that this land is donated to the Federal Government, I will not object, but if the gentleman cannot give me that assurance, I will have to object to the passage of the bill.

Mr. McCLELLAN. I do not want to make any statement that will mislead the gentleman. It is my impression that the chamber of commerce is going to make a contribution, together with the Department, and in that way acquire the property. Now, the city wants to contribute as well as the Government and jointly acquire the property which is needed. I am sure the gentleman, if he understood the local situation, would heartily endorse this from the standpoint of patriotism and pride of country. There is no use in spending a lot of money in having these parks and then not having a suitable or appropriate entrance. It is for the interest of the Government as well as for the citizens of Hot Springs.

Mr. RICH. We tried to get that information in our committee hearings, and I was unable to get the information as to what this was going to cost. I think we ought to be able to get that information before we allow this bill to be enacted

Mr. McCLELLAN. I believe the gentleman is in error and was not present at the committee hearing when this bill was considered.

Mr. RICH. I think I was present when this bill was considered on March 19 in the Public Lands Committee. Several similar bills were considered at the same time and we did not know what the cost would be. This is what I am trying to find out now.

Mr. McCLELLAN. I think the gentleman is mistaken, for I presented the bill myself and the gentleman was not there. No question was raised about the cost. I think the gentleman has confused this with some other bill.

Mr. RICH. I would not want a misstatement on my part to appear in the RECORD, but I may state to the gentleman that I have been present at almost every one of the Public Lands Committee hearings, and the members on the Public Lands Committee will bear me out in this statement. I have only missed a meeting when I was in attendance at some other committee. I do not think, however, I have missed any Public Lands Committee meetings this year. What I have been trying to find out is what the cost of these various improvements will be, and it is very difficult to get the amounts. Each year we add to the national parks it costs for maintenance additional money. I am trying to get from the gentleman a statement as to how much this will cost the Federal Government.

Mr. McCLELLAN. I think the gentleman is mistaken about being present when this bill was taken up.

Mr. RICH. If the gentleman can tell me whether the Federal Government is going to have to shoulder all of the cost involved in this project, I wish he would.

Mr. McCLELLAN. I may say to the gentleman that the cost should not exceed \$15,000. The people there are very much interested and want to cooperate. They are trying to do what the gentleman would expect to be done if this were a park in the gentleman's district.

Mr. RICH. Will they pay half of it?

Mr. McCLELLAN. I have no authority to bind them, but I think that is the situation.

Mr. RICH. If it does not cost more than half of the \$15,000, under the gentleman's assurance, I will let the bill

Mr. McCLELLAN. I have stated the true purpose and intention of all concerned as I understand it to be.

The SPEAKER. Is there objection to the consideration of

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the boundaries of the Hot Springs Na-Be it enacted, etc., That the boundaries of the Hot Springs National Park in the State of Arkansas be, and the same are hereby, extended to include the following land, to wit: Lot 11, block 101; lot 5, block 185; lot 6, block 186; lots 5, 6, and 7, block 187; and lots 1, 2, 3, 6, and 15, block 188, United States Hot Springs Reservation, as surveyed, mapped, and plotted by the United States Hot Springs Commission, and any of such lands when acquired by the Secretary of the Interior on behalf of the United States shall be and remain a part of the Hot Springs National Park, subject to all laws and regulations applicable thereto. all laws and regulations applicable thereto.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEN. HIGINIO ALVAREZ

The Clerk called the next bill, H. R. 11961, authorizing an appropriation for the payment of the claim of Gen. Higinio Alvarez, a Mexican citizen, with respect to lands on the Farmers Banco in the State of Arizona.

Mr. WOLCOTT. Mr. Speaker, I make a point of order against the bill.

The SPEAKER. The gentleman will state the point of

Mr. WOLCOTT. Rule XIII, clause 1, paragraph 3, dealing with reference of bills to calendars, reads:

COMMITTEE OF THE WHOLE

A calendar of the House to which shall be referred all bills of a private character.

This is a bill of a private character and, in my opinion, clearly comes within this rule and should be on the Private Calendar instead of the Consent Calendar.

Mr. BLOOM. Mr. Speaker, if I may be heard on the point of order, this is not a private bill but is a bill that interests the Government of Mexico and other individuals. The Government has taken over the property, and to get possession of it, is to pay part of this money to the Government of Mexico and the other part, \$5,000, to General Alvarez.

Mr. WOLCOTT. In this case, though, Mexico acts merely as the agent or trustee of the claimant, Gen. Higinio Alvarez.

Mr. BLOOM. I maintain the bill is properly on the Consent Calendar, for one of the claimants under the bill with whom the Government of the United States must settle is the Government of Mexico.

Mr. JOHNSON of Texas. Mr. Speaker, will the Chair hear me on the point of order?

The SPEAKER. The Chair will hear the gentleman briefly.

Mr. JOHNSON of Texas. The claim in this case rises between the Government and an individual upon the question of the boundary line between Mexico and the United States. Due to a flood in 1905 by which the course of the Rio Grande River, which constitutes the boundary line, was changed a dispute occurred between the United States and Mexico over the boundary.

The SPEAKER. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. BANKHEAD. With the indulgence of the Chair, I ask the gentleman from Michigan upon what theory he considers this a private bill?

Mr. WOLCOTT. It is a bill for the settlement of a claim of Gen. Higinio Alvarez.

The SPEAKER. The Chair is ready to rule.

In the opinion of the Chair, this is a public bill. It provides that part of this money shall be paid to the Government of Mexico.

The Chair reads from page 204 of Cannon's Procedure:

A bill which applies to a class of individuals as such, of which, though for the benefit of individuals, includes provisions of general legislation, is a public bill.

Examples are then given; for instance:

A bill to indemnify a foreign government for injury to its nationals.

The Chair is clearly of the opinion that this is a public bill and is properly on the Consent Calendar.

The point of order is overruled.

Mr. WOLCOTT. I shall, of course, be guided by the ruling of the Chair; but, inasmuch as I was honestly of the opinion that it was a private bill and not properly on the calendar, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the bill be passed over without prejudice. Is there objection?

Mr. BLOOM. Mr. Speaker, I object.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

PARTICIPATION BY THE UNITED STATES IN THE NINTH INTERNA-TIONAL CONGRESS OF MILITARY MEDICINE AND PHARMACY IN RUMANIA

The Clerk called House Joint Resolution 538, to provide for participation by the United States in the Ninth International Congress of Military Medicine and Pharmacy in Rumania, in 1937; and to authorize and request the

President of the United States to invite the International Congress of Military Medicine and Pharmacy to hold its tenth congress in the United States in 1939, and to invite foreign countries to participate in that congress.

The SPEAKER. Is there objection to the consideration of the joint resolution?

Mr. TOBEY. Mr. Speaker, I object.

TERM OF DISTRICT COURT FOR WESTERN DISTRICT OF OKLAHOMA
AT SHAWNEE

The Clerk called the next bill, H. R. 11994, to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Shawnee, Okla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a term of the District Court of the United States for the Western District of Oklahoma shall be held annually at Shawnee, Okla., on the first Monday in October: Provided, That suitable rooms and accommodations for holding court at Shawnee are furnished without expense to the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

The Clerk called the next bill, H. R. 8293, to amend the Longshoremen's and Harbor Workers' Compensation Act.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, this bill has been pending here a long time. For years I have had considerable to do with the Longshoremen's Compensation Act. I understood when this bill was referred back to the Judiciary Committee the last time it was on the calendar, it was for the purpose of further consideration in reference to a proposal that I advanced at that time and before to the committee to strike out the limitation of \$7,500 for death or injury, a most outrageous provision which the committee did not endorse in its report of a year ago. It is not consistent with any compensation law in America, and the committee should consider that provision and strike out subdivision (m) of section 14 before they report the bill again.

Mr. WALTER. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Pennsylvania.

Mr. WALTER. I would like to state that the limitation of \$7.500 was placed in the bill.

Mr. O'CONNOR. It was placed in the bill under a misapprehension. In the report which the committee brought out in August 1935 the limitation was deliberately stricken out of the bill after hearing.

Mr. WALTER. I think the gentleman is correct.

Mr. O'CONNOR. Take the case of a young longshoreman 21 years of age. He is injured for life, and under this limitation he would receive only \$7,500. This is not done in New York, Oregon, Massachusetts, or any other maritime State, or, as a matter of fact, in any of 17 States in the Union.

Mr. Speaker, this bill should be defeated rather than passed with this limitation in it, and all longshoremen legislation for which we have worked for years might well be defeated if the limitation is not taken out of this bill. When we passed the Longshoremen's Act, Mr. Graham, then chairman of the Judiciary Committee, made a statement that the limitation would not affect payments covering permanent total disability cases. That was not the fact. It has been the experience since then that if you pay for death or permanent disability only \$7,500, you might as well not have any Longshoremen's Compensation Act, for which some of us have fought for a great many years. If you are not going to put that in, some of us are going to try to obstruct the passage of this bill. I thought the committee was going to report it again today without this limitation. If the committee will accept an amendment to repeal subdivision (m) of section 14, I have no objection to the bill.

Mr. WALTER. I may say I have asked unanimous consent that the bill be passed over without prejudice. I certainly cannot speak for the committee and agree to the amendment which the gentleman has suggested.

Mr. O'CONNOR. The committee is very familiar with the amendment and has had it brought to its attention before.

Mr. ZIONCHECK. Why not let the bill pass and offer an

amendment; then put it up to a vote.

Mr. WALTER. Mr. Speaker, I demand the regular order. The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. Walter] that the bill be passed over without prejudice?

There was no objection.

CHANGE OF THE NAME OF THE DEPARTMENT OF THE INTERIOR

The Clerk called the next bill, H. R. 11642, to change the name of the Department of the Interior to be known as the Department of Conservation.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. MAPES. Mr. Speaker, this bill is too important to be brought up on the Consent Calendar, and I object.

Mr. ZIONCHECK. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. ZIONCHECK. Has the bill (H. R. 8293) to amend the Longshoremen's and Harbor Workers' Compensation Act been passed over without prejudice?

The SPEAKER. It has been passed over without prejudice.

SELECTION OF CERTAIN LANDS IN THE STATE OF CALIFORNIA

The Clerk called the next bill, H. R. 1997, to amend Public Law No. 425, Seventy-second Congress, providing for the selection of certain lands in the State of California for the use of the California State Park System, approved March 3, 1933.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. BURNHAM. Mr. Speaker, will the gentleman withhold his request?

Mr. ZIONCHECK. I want to study the bill a little more. I do not know as I shall object to it when it comes up for consideration again.

Mr. BURNHAM. I may say that this bill was passed by the Seventy-third Congress and has the recommendation of the Secretary of the Interior.

Mr. ZIONCHECK. I do not care whether it passed 50 Congresses. It may have been a bad bill in the first place.

Mr. BURNHAM. I would like to say to the gentleman, however, that this bill has been recommended favorably by the Secretary of the Interior to the Seventy-third Congress. It passed one Congress and has been favorably recommended to this Congress.

Mr. ZIONCHECK. Sometimes too much pressure is put on the Secretary of the Interior as well as other secre-

Mr. BURNHAM. I have never been able to put any pressure on the Secretary of the Interior. This land has been ceded to the State of California for park purposes.

Mr. ZIONCHECK. Mr. Speaker, I withdraw my unanimous-consent request.

The SPEAKER. Is there objection to the consideration

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the act entitled "An act to provide for the selection of certain lands in the State of California for the use of the California State Park System", approved March 3, 1933, is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "Provided tauther. That in order to consolidate pask areas and or the client further, That in order to consolidate park areas and/or to eliminate private holdings therefrom, lands patented hereunder may be exchanged, subject to the mineral reservation in the United be exchanged, subject to the mineral reservation in the United States as hereinbefore provided, with the approval of, and under rules prescribed by, the Secretary of the Interior for privately owned lands in the area hereinbefore described of approximately equal value containing the natural features sought to be preserved hereby, and the land so acquired shall be subject to all the conditions and reservations prescribed by this act, including the reversionary clause hereinbefore set out."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE ST. LAWRENCE RIVER NEAR OGDENSBURG, N. Y.

The Clerk called the next bill, H. R. 10925, to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.

The SPEAKER. There is a similar Senate bill (S. 3971) on the Speaker's desk and, without objection, the Clerk will report the Senate bill.

There being no objection, the Clerk reported the Senate bill, as follows:

Be it enacted, etc.. That the times for commencing and com-Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y., authorized to be built by the St. Lawrence Bridge Commission by an act of Congress approved June 14, 1933, heretofore extended by acts of Congress approved June 8, 1934, and May 28, 1935, are hereby further extended 1 and 3 years, respectively, from June 14, 1936.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The House bill (H. R. 10925) was laid on the table.

BRIDGE ACROSS THE OHIO RIVER NEAR SISTERSVILLE, W. VA.

The Clerk called the next bill, H. R. 11772, to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Sistersville, W. Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Ohio River at or near Sistersville, W. Va., authorized to be built by the Sistersville Bridge board of trustees by an act of Congress approved June 18, 1934, heretofore extended by an act of Congress approved August 27, 1935, are hereby further extended 1 and 3 years, respectively, from June 18, 1936.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF CERTAIN PROVISIONS OF THE WHEELER-HOWARD ACT TO THE TERRITORY OF ALASKA

The Clerk called the next bill, H. R. 9866, to extend certain provisions of the act approved June 18, 1934, commonly known as the Wheeler-Howard Act (Public Law No. 383, 73d Cong.; 48 Stat. 984), to the Territory of Alaska, to provide for the designation of Indian reservations in Alaska, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 1, 5, 7, 8, 15, 17, and 19 of the act entitled "An act to conserve and develop Indian lands and react entitled "An act to conserve and develop Indian lands and resources; to extend to Indians the right to form business and other organizations; to establish a credit system for Indians; to grant certain rights of home rule to Indians; to provide for vocational education for Indians; and for other purposes", approved June 18, 1934 (48 Stat. 984), shall hereafter apply to the Territory of Alaska: Provided, That Indian-chartered corporations in Alaska may be organized and carry on business without regard to residence on any Indian reservation or reservations.

SEC. 2. That the Secretary of the Interior is hereby authorized

SEC. 2. That the Secretary of the Interior is hereby authorized to designate as an Indian reservation any area of land which has been reserved for the use and occupancy of Indians or Eskimos by section 8 of the act of May 17, 1884 (23 Stat. 26), or by section 14 or section 15 of the act of March 3, 1891 (26 Stat. 1101), or which has been heretofore reserved under any Executive order and placed has been heretofore reserved under any Executive order and placed under the jurisdiction of the Department of the Interior or any bureau thereof, together with additional public lands adjacent thereto, within the Territory of Alaska, or any other public lands which are actually occupied by Indians or Eskimos within said Territory: Provided, That the designation by the Secretary of the Interior of any such area of land as a reservation shall be effective only upon its approval by the vote, by secret ballot, of a majority of the residents thereof who vote at a special election duly called by the Secretary of the Interior upon 30 days' notice: Provided further, That nothing herein contained shall affect any valid existing claim, location, or entry under the laws of the United States, whether for homestead, mineral, right-of-way, or other purpose whatsoever, or shall affect the rights of any such owner, claimant, locator, or entryman to the full use and enjoyment of the land so occupied. occupied.

With the following committee amendments:

On page 2, line 2, after the word "Provided", strike the remainder of said line 2 and all of lines 3, 4, and 5 and insert in lieu thereof the following:

"That groups of Indians in Alaska not heretofore recognized as and groups of indians in Alaska not heretofore recognized as bands or tribes, but having a common bond of occupation, or association, or residence within a well-defined neighborhood, community, or rural district may organize to adopt constitutions and bylaws and to receive charters of incorporation and Federal loans under sections 16, 17, and 10 of the said act of June 18, 1934 (48 Stat. 984)."

On page 3, line 2, after the word "the" and before the word "residents", insert the words "Indian or Eskimo."
On page 3, line 4, after the colon following the word "notice", insert the following: "Provided, however, That in each instance the total vote cast shall not be less than 30 percent of those en-

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COINAGE OF 50-CENT PIECES IN COMMEMORATION OF THE ONE HUNDREDTH ANNIVERSARY OF THE INDEPENDENCE OF TEXAS

The Clerk called the next bill, H. R. 10317, providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of independence of the State of Texas.

Mr. MAPES. Mr. Speaker, within the year the entire State of Michigan and the Michigan delegation in Congress were interested in getting a 50-cent piece coined in celebration of the centennial of the admission of Michigan into the Union.

At that time the Department and the Secretary opposed this desire of the State of Michigan. I notice now a great many of these bills are coming along. Is there one rule for some and another rule for others in this respect?

Mr. SOUTH and Mr. COCHRAN rose.

Mr. MAPES. I yield first to the gentleman from Texas.

Mr. COCHRAN. I wanted to answer the gentleman's statement, which had reference to the action of the committee having such matters in charge, and I think I can answer the statement for the committee, being the ranking member.

Mr. SOUTH. I may say to the gentleman from Michigan that this is a bill that was passed in 1933, providing for the coinage of one million and a half 50-cent pieces. The bill now under consideration does not increase the number, but simply provides that the design on the reverse side of the coin may be changed so that the total number of coins will remain the same.

Mr. MAPES. There have been several bills of this general nature passed recently. Why should this design be changed?

Mr. SOUTH. For the purpose of expediting and facilitating the sale of this large number of coins; I may say to the gentleman the money is used for the purpose of constructing a memorial museum building on the university campus at Austin, Tex. The Federal Government has already contributed \$300,000 and it will be a magnificent building. The regents of the University of Texas are handling the matter and the American Legion is behind it. There will not be a dollar wasted or a dollar go to any special concern for the profit of any individual or any concern other than for the erection of this magnificient building.

Mr. MAPES. If the gentleman was instrumental in getting this bill passed originally, I congratulate him and I am wondering how he accomplished it.

Mr. SOUTH. The gentleman refers to 1933?

Mr. MAPES. Yes; or at any other time.

Mr. SOUTH. I did not have the honor of being a Member of this distinguished body at that time and can claim no credit for it.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. MAPES. I yield.

Mr. COCHRAN. I may say to the gentleman there has not been one of the bills referred to the Committee on Coinage. Weights, and Measures that has not been favorably reported when the Member introducing the bill requested it be reported.

I personally have handled such bills on the floor of the House for a number of Members on both sides of the aisle and secured their passage. I handled three bills early in the | across the Waccamaw River at or near Conway, S. C.

last session. There have been bills brought in and passed at this session. So far as I know, no matter who introduced a bill, it has been reported without delay if the Member requested the committee to make a report.

Mr. MAPES. I think the knowledge of the gentleman from Missouri is quite limited. If he will examine the files of the committee, I think he will find that his statement does not apply to the Michigan situation.

Mr. WOLCOTT. I may say to the gentleman from Missouri that when the Michigan delegation took this up they were informed that the program for the coinage of 50-cent pieces was completely through for the year, and there would be no further issue of 50-cent pieces. Out of deference to the Secretary of the Treasury, we as good soldiers—as Michigan residents always are-took our medicine.

Mr. COCHRAN. Permit me to ask the gentleman to try and find one favorable recommendation from the Treasury Department for the coinage of 50-cent pieces. You will not find one, and Congress has been passing such bills for

Mr. MARTIN of Massachusetts. I want to say that I commend the act of the Treasury Department. There are a good many manufacturers who manufacture badges and medals, and their people are out of work. These people come here and get the Government to do it. How do you expect the people to be employed if you are continuously getting the Government into business, turning out these badges, medals, and so forth?

Mr. COCHRAN. The factories are not going to coin 50-cent pieces. That work can only be performed by the

Government.

Mr. MARTIN of Massachusetts. It is not only 50-cent pieces, but medals and badges that you ask the Government to issue which would give employment to the people.

Mr. MAPES. I would like to ask the gentleman from Missouri, as he seems to be an authority on the subject, if this ignoring of the recommendation of the Secretary of the Treasury continues up to the President. Does the President ignore the recommendations of his Secretary of the Treasury? Has any of these bills become a law or has the President refused to sign them?

Mr. COCHRAN. I have been on the committee 9 years, and the committee has overruled the objections of the Treasury Department for those 9 years, and bills have been passed for Members on both sides of the aisle, signed by Presidents, both Republican and Democrats, in the face of Treasury opposition. Several such bills were signed in the last Congress, including the original bill which the pending measure amends.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. MAPES. I object.

BRIDGE ACROSS THE MISSOURI RIVER AT WELDON SPRING, MO.

The Clerk called the bill (H. R. 9273) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Weldon Spring, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Weldon Spring, Mo., by an act of Congress approved March 3, 1931, heretofore extended by an act of Congress approved February 24, 1934, are hereby extended 1 and 3 years, respectively, from March 3, 1935.

Sec. 2. The right to alter, amend, or repeal this act is hereby

expressly reserved.

With the following committee amendments:

Page 1, line 5, after the word "Missouri", insert "authorized to e built by the State Highway Commission of Missouri. Page 1, line 9, strike out "1935" and insert "1936."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS WACCAMAW RIVER, S. C.

The Clerk called the bill (H. R. 11043) to extend the times for commencing and completing the construction of a bridge

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Waccamaw River at or near Conway, S. C., authorized to be built by the State of South Carolina, by an act of Congress approved February 10, 1932, heretofore extended by acts of Congress approved May 12, 1933, and February 18, 1935, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

TOLL BRIDGE ACROSS DELAWARE RIVER, NEAR DELAWARE WATER GAP

The Clerk called the bill (H. R. 11402) authorizing the Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey to construct, maintain, and operate a toll bridge across the Delaware River at a point near Delaware Water Gap.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. I object.

Mr. WHITE. I object.

RAILROAD BRIDGE ACROSS WEST PEARL RIVER, LA.

The Clerk called the bill (H.R. 11476) to revise and reenact the act entitled "An act granting the consent of Congress to the Lamar Lumber Co. to construct, maintain, and operate a railroad bridge across the West Pearl River, at or near Talisheek, La.", approved June 17, 1930.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the act approved June 17, 1930, granting the consent of Congress to the Lamar Lumber Co., its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the West Pearl River, at or near Tallsheek, La., be, and is hereby, revived and reenacted: Provided, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within larger and completed within 3 years from the date of enproved. 1 year and completed within 3 years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER AT ST. LOUIS, MO.

The Clerk called the bill (H. R. 11478) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites. Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near a point on Broadway between Florida and Mullanphy Streets, in the city of St. Louis, Mo., and a point opposite thereto in the town of Stites, in the county of St. Clair, State of Illinois, and connecting with St. Clair Avenue extended in said town, authorized to be built by the county of St. Clair, Ill., by an act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from August 30, 1936.

SEC. 2. The right to alter, amend, or repeal this act is hereby

expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS TENNESSEE RIVER, LAUDERDALE COUNTY, ALA.

The Clerk called the bill (H. R. 11613) to extend the times for commencing and completing the construction of a bridge across the Tennessee River between Colbert County and Lauderdale County, Ala.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Tennessee River, at a point suitable to the interests of navigation, between Colbert County and Lauderdale County, in the State of Alabama, authorized to be built by the State of Alabama, its agent or agencies, Colbert County and Lauderdale County, in the State of Alabama, the city of Sheffield, Colbert County, Ala., the city of Florence,

Lauderdale County, Ala., and the Highway Bridge Commission, Inc., of Alabama, or any two of them, or either of them, by an act of Congress approved June 12, 1934, as amended, are hereby extended 1 and 3 years, respectively, from August 23, 1936.

SEC. 2. The right to alter, amend, or repeal this act is hereby

expressly reserved.

With the following committee amendment:

Page 1, line 4, after the word "River", strike out "at a point suitable to the interests of navigation."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER, MORGAN AND WASH STREETS, ST. LOUIS

The Clerk called the bill (H. R. 11644) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill., authorized to be built by an act of Congress approved May 3, 1934, and heretofore extended by an act of Congress approved August 5, 1935, are hereby further extended 1 and 3 years, respectively, from May 3, 1936.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

With the following committee amendment: Page 1, line 7, after the word "built", insert "by the city of East St. Louis, Ill."

The amendment was agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS PEARL RIVER, MONTICELLO, MISS.

The Clerk called the bill, H. R. 11738, granting the consent of Congress to the State Highway Commission of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Monticello, Miss.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the consent of Congress is hereby granted to the State Highway Commission of Mississippi to construct, maintain, and operate a free highway bridge and approaches thereto across Pearl River on United States Highway No. 84, at a point suitable to the interests of navigation, at or near Monticello, Miss., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was real the third time, and passed, and a motion to reconsider laid on the table.

COINAGE OF 50-CENT PIECES, CELEBRATION AT SHREVEPORT, LA.

The Clerk called the bill (H. R. 8107) to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State Territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory, in 1935 and 1936.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I reserve the right to object, although I shall not object-

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

EFFECTIVENESS AND EFFICIENCY OF AIR CORPS

The Clerk called the bill (H. R. 1140) to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the United

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AIR RESERVE TRAINING CORPS

The Clerk called the bill (H. R. 11969) to promote national

defense by organizing the Air Reserve Training Corps.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

TO EMPLOY COUNSEL, SENATE COMMITTEE OF INVESTIGATION OF LOBBYING

The Clerk called Senate Joint Resolution 234, authorizing the Senate Special Committee of Investigation of Lobbying Activities, to employ counsel in connection with certain legal proceedings, and for other purposes.

The SPEAKER. Is there objection?

Mr. McLEAN. Mr. Speaker, it was my purpose to object to the consideration of this joint resolution. I understand that it is to be considered under a rule, and in the absence of the chairman of the Committee on the Judiciary I ask unanimous consent that the joint resolution go over without preju-

The SPEAKER. Is there objection?

There was no objection.

MEASUREMENT OF VESSELS USING PANAMA CANAL

The Clerk called the next bill, S. 2288, to provide for the measurement of vessels using the Panama Canal, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'CONNOR. Reserving the right to object, Mr. Speaker, is that the matter concerning which we had a rule pending since the last session, and on which the Senate has recently acted?

Mr. BLAND. Mr. Speaker, this is the same matter, with the exception that the bill on which the rule is pending has three sections. Two deal with the rates and the time of going into effect. Section 2 of that bill provides a commission to study the Panama Canal rules and make a report. The Senate, when it considered the matter, defeated a bill similar to the one on which the rule has issued and enacted a bill substantially the same as section 2 of the former bill. I may say to the gentleman that the War Department, realizing the importance of getting action, realizing that it would not be possible to pass the other bill, as the Senate has defeated the bill as originally introduced, desires to have this bill passed. I may say further that the gentleman from California [Mr. LEA], a member of the Committee on Interstate and Foreign Commerce, who introduced the bill which came before the Committee on Rules and on which the rule issued, is present and unites in the request that this bill be passed.

Mr. O'CONNOR. May I ask this: This bill, as I understand, only goes to the investigation?

Mr. BLAND. That is true.

Mr. O'CONNOR. Which is one feature of the bill introduced by the gentleman from California?

Mr. LEA of California. That is true; yes.

Mr. O'CONNOR. Of course, there was a great deal of anticipated objection to the bill which was reported out of the Rules Committee. Does the gentleman know how the gentleman from New Jersey [Mr. LEHLBACH] stands on the bill which provides for just the investigation feature?

Mr. BLAND. The gentleman from New Jersey [Mr. LEHL-BACH] is in favor of the bill. He was present when it was reported out.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to appoint a Be it enacted, etc., That the President is authorized to appoint a neutral committee of three members, for the purpose of making an independent study and investigation of the rules for the measurement of vessels using the Panama Canal and the tolls that should be charged therefor and hold hearings thereon, at which interested parties have full opportunity to present their views. Such committee shall report to the President upon said matters prior to January 1, 1937, and shall make such advisory recommendations of changes and modifications of the "Rules for the Measurement of Vessels for the Panama Canal" and the determinations of tolls as it finds necessary or desirable to provide a practical, just, and equitable system of measuring such vessels and levying such tolls. Members of such committee shall be paid compensation at the rate of \$825 per month, except that a member who is an officer or employee of the United States shall receive no compensation in addition to his compensation as such officer or employee. Such committee is authorized to appoint such employees as may be pecessary for the execution of its functions ployees as may be necessary for the execution of its functions under this act, the total expense thereof not to exceed \$10,000.

Passed the Senate February 24 (calendar day, March 12), 1936.

EDWIN A. HALSEY, Secretary,

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS DELAWARE RIVER AT DELAWARE WATER GAP

Mr. WALTER. Mr. Speaker, I ask unanimous consent to return to Calendar No. 655, H. R. 11402, authorizing the Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey to construct. maintain, and operate a toll bridge across the Delaware River at a point near Delaware Water Gap.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Delaware River at a point suitable to the interests of paylington. waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey all such rights and powers to enter upon the state of New Jersey all such rights and powers to enter upon the lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or exprepriation of property for publishing the state of the same as in the condemnation or exprepriation of property for publishing the same as in the condemnation or exprepriation of property for publishing the same as in the condemnation or exprepriation of property for publishing the same as in the condemnation or exprepriation of property for publishing the same as in the condemnation of expressions. same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of

the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 40 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested. and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

On page 3, line 9, strike out the word "forty" and insert in lieu thereof the word "thirty."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VENUE OF STOCKHOLDERS' SUITS

The Clerk called the next bill, S. 2524, amending section 112 of the United States Code, Annotated (title 28; subtitle "Civil suits; where to be brought").

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. MILLER. Mr. Speaker, reserving the right to object, will the gentleman withhold that request for a moment?

Mr. ZIONCHECK. I will withhold it; but I want to look

into the matter. There is no rush about it.

Mr. MILLER. There is no rush about it, except there are a lot of minority stockholders being deprived of any right at all. A subcommittee of the Committee on the Judiciary has given very careful consideration to this bill, as well as the full committee. We have tried to work out a bill that will really afford some relief to oppressed minority stockholders in corporations.

Mr. ZIONCHECK. Well, there is no objection to its going over for 2 weeks, is there?

Mr. MILLER. I think it is a very important matter.

Mr. ZIONCHECK. I know, but these minority stockholders have been without any rights for nigh on these many years.

Mr. MILLER. That is true; but that is no justification for allowing them to continue without any rights.

Mr. ZIONCHECK. I have not had a chance to look into the matter yet.

The gentleman ought to be willing to take Mr. MILLER.

the judgment of the Committee on the Judiciary. Mr. ZIONCHECK. I do not know who I would rather take

the judgment of than the judgment of the gentleman from Arkansas, but I would like this to go over for 2 weeks so that I can look into it.

Mr. MILLER. I have no other alternative if the gentleman insists, of course.

Mr. ZIONCHECK. Well, let it go.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That except as provided in sections 113 to 117 of this title, no person shall be arrested in one district for trial in another, in any civil action before a district court; and, except as provided in sections 113 to 118 of this title, no civil suit shall be brought in any district court against any person by any original process or proceeding in any other district than that whereof he is an inhabitant; but where the jurisdiction is founded whereof he is an inhabitant; but where the jurisdiction is founded only on the fact that the action is between citizens of different States, suit shall be brought only in the district of the residence of either the plaintiff or the defendant: Provided, That in cases where there is more than one defendant, suit may be brought in any district where any of such defendants resides, but the court shall, upon petition transfer such suit to the district where the convenience of all the parties will be best subserved, and process in such cases may be served on any defendant who resides in any other district than the one in which such civil suit is brought by service in the district where such other defendant resides or may be found.

With the following committee amendment:

strike out all of lines 3, 4, 5, and 6 and insert:

"Sec. 51. Civil suits; where to be brought: Except as provided in the five succeeding sections, no person shall be arrested in one district for trial in another, in any civil action before a district court; and, except as provided in the six succeeding sections."

Mr. MILLER. Mr. Speaker, I offer a substitute for the committee amendment. The substitute merely adds the words that section 51 of the Judicial Code (U. S. C., Annotated, title 58, sec. 112), be amended.

The SPEAKER. The Clerk will report the substitute amendment for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER as a substitute for the committee amendment: Strike out all of lines 3, 4, and 5 and all of line 6, through the word "title", and insert in lieu thereof the following: "That section 51 of the Judicial Code (U. S. C., title 58, sec. 112), is amended to read as follows:

"'SEC. 51. Civil suits; where to be brought-except as provided in the five succeeding sections, no person shall be arrested in one district for trial in another, in any civil action before a district court; and, except as provided in the six succeeding sections."

The SPEAKER. The question is on the substitute amendment

The substitute amendment was agreed to.

The SPEAKER. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The Clerk read as follows:

Further committee amendment:

Page 2, line 2, beginning with the colon, strike out the entire remainder of the bill, and insert in lieu thereof a semicolon and the following: "except that suit by a stockholder on behalf of a corporation may be brought in any district in which suit against the defendant or defendants in said stockholders' action, other than said corporation, might have been brought by such corporation and process in such cases may be served upon such corpora-tion in any district wherein such corporation resides or may be found."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title of the bill was amended to read as follows: "An act to amend section 51 of the Judicial Code of the United States (U. S. C., title 28, sec. 112)."

RIO GRANDE CANALIZATION PROJECT

The Clerk called the next bill, H. R. 11768, authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that

The SPEAKER. Is there objection to the consideration of the bill?

Mr. MARTIN of Colorado. Mr. Speaker, reserving the right to object, I do so to ask a question. The report states that "the total diversion by Mexico has been estimated to be at times largely in excess of treaty allotments." This is followed by the statement: "There have likewise been unauthorized diversions from the upper Rio Grande in the United States." This, of course, means Colorado, but I do not find anything in the bill touching the upper waters of the river or affecting them in any way.

Mr. DEMPSEY. There is no intention to.

Mr. MARTIN of Colorado. It seems to me, in view of this fact, that this statement in the report is rather gratuitous.

Mr. DEMPSEY. I agree with the gentleman.

Mr. MARTIN of Colorado. Somebody must have had something in mind when this statement was placed in the

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. MARTIN of Colorado. Mr. Speaker, I am not asking that, if the gentleman please. I am willing that the bill go through, but I do not think a statement like that should appear in the report when there is nothing in the bill dealing with the upper Rio Grande. I am not, however, objecting to the bill on this ground, and I hope the gentleman will not object.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. DEMPSEY. Mr. Speaker, if the Chair will permit, this is a bill brought in at the request of the State Department. The Rio Grande is a meandering river. Something should be done. Last fall \$1,000,000 damage was done to property in the valley through which it passes.

The Secretary of State points out that this bill is necessary to preserve Government as well as private property, and, potentially, life itself. I see no reason to pass the bill over, and I ask the gentleman to withdraw his request.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT.

Mr. MARTIN of Colorado. I wish to ask the author of the report what purpose the statement serves in the report that there have been unauthorized diversions in the upper Rio

Mr. SHANLEY. That statement covers the meandering nature of the river in America. It is no reflection at all on the State of Colorado.

Mr. MARTIN of Colorado. And it certainly has no effect on this bill, has it?

Mr. SHANLEY. No.

Mr. MARTIN of Colorado. Those upper waters are not involved in any way in this bill?

Mr. SHANLEY. Absolutely not.
Mr. WOLCOTT. Mr. Speaker, this bill involves the expenditure of \$3,000,000. It should be looked into a little more carefully before we authorize such an expenditure by unanimous consent. For this reason, I renew my request that the bill may go over without prejudice.

Mr. SHANLEY. Mr. Speaker, I object.
The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

BRIDGE ACROSS ST. LAWRENCE, ALEXANDRIA BAY, N. Y.

The Clerk called the next bill, H. R. 10631, to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Cierk read the bill, as follows: Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y., authorized to be built by the New York Development Association, Inc., a corporation organized under and by virtue of the membership corporation law of the State of New York, its successors and assigns, by an act of Congress approved March 4, 1929, and heretofore extended by an act of Congress approved February 13, 1931, and further heretofore extended by acts of Congress approved April 15, 1932, February 14, 1933, February 26, 1934, and February 20, 1935, are hereby further extended 1 and 3 years, respectively, from February 26, 1936.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

With the following committee amendment:

Page 2, line 5, strike out "February 26, 1936" and insert "the date of approval hereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF BRIDGE ACROSS THE WABASH RIVER AT MEROM, IND.

The Clerk called the next bill, H. R. 11685, to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Wabash River, at or near Merom, Sullivan County, Ind., authorized to be built by Sullivan County, Ind., or any board or commission of said county which is or may be created or established for the purpose, by an act of Congress approved February 10, 1932, heretofore extended by an act of Congress approved April 30, 1934, and June 27, 1935, are hereby extended 1 and 3 years respectively, from April 30, 1936.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

With the following committee amendments:

On page 1, line 9, strike out the words "an act" and insert the word "acts."

word "acts."

On page 2, line 1, strike out "27" and insert "28."

On page 2, line 1, after the word "hereby", insert "further"; and on page 2, line 2, strike out "April 30, 1936" and insert "the date of approval hereof."

The committee amendments were agreed to; and the bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RAILWAY LABOR ACT

The Clerk called the next bill, S. 2496, to amend the Railway Labor Act.

Mr. CROSSER of Ohio. Mr. Speaker, I ask unanimous Mr. CROSSER of Ohio. Mr. Speaker, I ask unanimous On page 2, line 7, at the end of the bill, insert a colon and consent that this bill be passed over without prejudice. I the following: "Provided, That on the Red River of the North and

shall later move to suspend the rules of the House and pass this bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. BACON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BACON. Mr. Speaker, can a bill that is passed over without prejudice be brought up under suspension of the rules?

The SPEAKER. The Chair thinks so.

Is there objection to the request of the gentleman from Ohio that the bill be passed over without prejudice?

There was no objection.

PROPERTY BEQUEATHED TO THE UNITED STATES BY JOSEPH PENNELL. DECEASED

The Clerk called House Joint Resolution 526, to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the Librarian of Congress, with the advice and consent of the Library of Congress Trust Fund Board and the Joint Committee of Congress on the Library, is hereby authorized to accept, on behalf of the United States, the property devised and bequeathed to the United States by the last will and testament of Joseph Pennell, deceased (which will was admitted to probate by the register for the probate of wills and granting of letters of administration in and for the city and county of Philadelphia, in the Commonwealth of Pennsylvania, on the 24th day of June 1926), upon the terms and conditions set forth in the said will, if, in their judgment, such acceptance would be to the best interests of the judgment, such acceptance would be to the best interests of the

SEC. 2. Should the property be accepted pursuant to the authority hereinbefore granted, the Librarian of Congress is hereby authorized and directed to do all acts necessary in connection therewith: Provided, however, That the Librarian of Congress shall transfer the assets of the "Pennell Fund" (as designated in the said will) to the Library of Congress Trut Fund Board for administration by the said Board.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIBRARY OF CONGRESS TRUST FUND BOARD

The Clerk called the next bill, H. R. 11849, to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third paragraph of the act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925, is amended to read as follows:

"SEC. 2. The Board is hereby authorized to accept, receive, hold, and administer such gifts, bequests, or devises of property for the benefit of, or in connection with the Library, its collections, or its service, as may be approved by the Board and by the Joint Committee on the Library." mittee on the Library.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATIONS FOR PREVENTING COLLISIONS UPON CERTAIN HARBORS. RIVERS, AND INLAND WATERS OF THE UNITED STATES

The Clerk called the next bill, H. R. 10308, to amend article 3 of the "Rules Concerning Lights, etc.", contained in the act entitled "An act to adopt regulations for preventing collisions upon certain harbors, rivers, and inland waters of the United States", approved June 7, 1897.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the first sentence of article 3 of the "Rules Concerning Lights, etc.", contained in the act entitled "An act to adopt regulations for preventing collisions upon certain

"An act to adopt regulations for preventing collisions upon certain harbors, rivers, and inland waters of the United States", approved June 7, 1897, is amended to read as follows:

"ART. 3. A steam vessel when towing another vessel or vessels alongside shall, in addition to her side lights, carry two bright white lights in a vertical line, one over the other, not less than 3 feet apart, and when towing one or more vessels astern, regardlss of the length of the tow, shall carry an additional bright white light 3 feet above or below such lights."

With the following committee amendment:

the rivers emptying into the Gulf of Mexico and their tributaries, this article shall not affect the signal lights used on towing vessels which propel the tow by pushing at the rear of the tow."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PRELIMINARY EXAMINATION OF VARIOUS CREEKS IN STATE OF CALIFORNIA

The Clerk called the next bill, H. R. 11793, to authorize a preliminary examination of various creeks in the State of California with a view to the control of their floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of Canal Creek, Fahrens Creek, Black Rascal Creek, Bear Creek, Miles Creek, Owens Creek, Duck Creek, Mariposa Creek, Little Deadmans Creek, Big Deadmans Creek, and Burns Creek in the State of California, with a view to the control of their floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROMOTION AND MAINTENANCE OF THE AMERICAN MERCHANT MARINE

The Clerk called the next bill, S. 754, to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 21 of the act approved June 5, 1920 (41 Stat. L. 997), entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", is hereby amended by adding thereto the following proviso: "And provided further, That the coastwise laws of the United States shall not extend to the Virgin Islands of the United States until the President of the United States, after a full investigation of the local needs and conditions, shall, by proclamation, declare that an adequate shipping service has been established to such islands and fix a date for going into effect of the same.

With the following committee amendment:

On page 2, line 1, insert the words "And provided further", and on page 2, line 4, after the word "States", strike out the words "after a full investigation of the local needs and conditions, shall, by proclamation, declare that an adequate shipping service has been established to such islands and fix a date for going into effect of the same" and insert the following: "shall, by proclamation, declare that such coastwise laws shall extend to the Virgin Islands and fix a date for the going into effect of same."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PRELIMINARY EXAMINATION OF PASSAIC RIVER, N. J.

The Clerk called the next bill, H. R. 11806, to authorize a preliminary examination of Passaic River, N. J., with a view to the control of its floods.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause a preliminary examination to be made of the Passaic River in the State of New Jersey, with a view to the control of floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for the control of the floods of the Mississippi River, and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY FARM MORTGAGE ACT OF 1933

The Clerk called the next bill, H. R. 9484, to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I wonder if the gentleman will explain the purpose of this bill.

Mr. PIERCE. I shall be pleased to do so. This is the same bill that passed the Congress last August, but the Senate amended it by what is known as the Sheppard amendment. On account of the Sheppard amendment the bill was vetoed by the President. The President is willing to sign this bill, and I understand there will be no amendment to the bill if it is passed at this session.

Mr. WOLCOTT. May I ask the gentleman whether it will be necessary to raise the amount of capital which the Reconstruction Finance Corporation is authorized to raise?

Mr. PIERCE. No; and it will not require any new appropriation.

Mr. WOLCOTT. I notice there is no provision in the bill stating that the capital of the Reconstruction Finance Corporation shall not be raised by this amount. Has the money already been made available?

Mr. PIERCE. There is money available in the present fund.

Mr. KLEBERG. Mr. Speaker, if the gentleman will permit, I happen to have presided over the hearings on this particular bill, and I may state that out of the \$125,000,000 that was first allocated for the various purposes stated in section 36 there remains about \$4,000,000 available. A great many nonprofit operating companies, organized, however, as private profit companies, wish to reorganize, and they have been denied access to this fund, either because they have not needed refinancing or they have no right to come in, inasmuch as section 36 provided that only nonprofit companies could come in. Under the language of that particular section as drafted here, the scope is broadened to take care of a lot of projects which should be made eligible, but cannot come in because of certain legal technicalities with respect to their organization.

Mr. PIERCE. Companies to be eligible under the present law are required to be organized at the time the original act was passed. This bill will allow new companies to be organized that may buy out the old companies that may want to sell. This cannot be done now on account of the legal technicalities involved.

The R. F. C. sent up their principal solicitor, who appeared before the subcommittee of the gentleman from Texas [Mr. Kleberg], together with Mr. Schram, who is at the head of the Reclamation Service of the R. F. C. They stated they had pending a few marginal projects that could not be aided as the law now stands.

Mr. WOLCOTT. As I understand, all of the original commitment of \$125,000,000 has been lent except about \$4,000,000?

Mr. KLEBERG. Yes.

Mr. WOLCOTT. What is the percentage of repayment?
Mr. KLEBERG. It is very high and they are getting along

Mr. WOLCOTT. Is there going to be needed any additional capital by the Reconstruction Finance Corporation to finance this bill?

Mr. PIERCE. None.

Mr. KLEBERG. I did not go into that because that was not involved in the proposed legislation.

Mr. WOLCOTT. I may say that since the original bill was before the Banking and Currency Committee this is the first time we have had any intimation that any such bill was to be passed and, of course, we are constantly protecting the Reconstruction Finance Corporation against bills that would compel them to increase their capital against their wishes.

Mr. KLEBERG. The R. F. C. Board, including the chairman, is for this bill, I feel, because of the chairman's statement to me.

Mr. PIERCE. And also the chief solicitor.

There being no objection, the Clerk read the bill, as |

Be it enacted, etc., That the first two sentences of section 36 of the Emergency Farm Mortgage Act of 1933, as amended, are amended to read as follows:

"The Reconstruction Finance Corporation is authorized and empowered to make loans as hereinafter provided, in an aggregate amount not exceeding \$125,000,000, including commitments and disbursements heretofore made, to or for the benefit of drainage districts, levee districts, levee and drainage districts, irrigation districts, and similar districts, mutual nonprofit companies and incorporated water users' associations duly organized under the laws of any State, and to or for the benefit of political subdivisions of States which have or propose to purchase or otherwise acquire projects or portions thereof devoted chiefly to the improvement of lands for agricultural purposes. Such loans shall be made for the purpose of enabling any such district, political subdivision, company, or association (hereafter referred to as the "borrower") to reduce and refinance its outstanding indebtedness incurred in connection with any such project; or, whether or not "borrower") to reduce and refinance its outstanding indebtedness incurred in connection with any such project; or, whether or not it has any such indebtedness, to purchase, acquire, construct, or complete such a project or any part thereof, or to purchase or acquire additional drainage, levee, or irrigation works, or property, rights, or appurtenances in connection therewith, and to repair, extend, or improve any such project or make such additions thereto as are consonant with or necessary or desirable for the proper functioning thereof or for the further assurance of the ability of the borrower to repay its loan: *Provided*, That it is not intended that additional lands will thereby be brought into production." duction.

Sec. 2. Such section is further amended by striking out the sentence therein which reads as follows: "When any loan is sentence therein which reads as follows: "When any loan is authorized pursuant to the provisions of this section and it shall then or thereafter appear that repairs and necessary extensions or improvements to the project of such district, political subdivision, company, or association are necessary or desirable for the proper functioning of its project or for the further assurance of its ability to repay such loan, and if it shall also appear that such repairs and necessary extensions or improvements are not designed to bring new lands into production, the Corporation, within the limitation as to total amount provided in this section, may make an additional loan or loans to such district, political subdivision, company, or association for such purpose or purposes."

With the following committee amendments:

Page 2, line 3, after the word "State", insert "or Territory."
Page 2, line 4, after the word "States", insert "and Territories."
Page 2, line 20, after the word "Provided", strike out "That it is not intended that additional lands will thereby be brought into production" and insert "That the terms of this act shall not permit additional or new land to be brought into production."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COAST GUARD PARTICIPATION IN NATIONAL RIFLE AND PISTOL MATCHES

The Clerk called the next bill, H. R. 10763, to amend section 2 of the act entitled "An act to amend the National Defense Act", approved May 28, 1928.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I am not sure that the report on this bill complies with the Ramseyer rule. I am inclined to believe that the Ramseyer rule is broad enough to cover such cases, and under that rule existing law should have been set forth in the report. I have objected heretofore to several bills for this reason. I do not like to object to a meritorious bill simply because some rule has not been complied with.

I assume the bill simply adds the words "Coast Guard" to the several units of the Government which participate in these matches. If this is the only purpose of the bill, I have no particular objection to it, but I do want to call attention to the fact that the Ramseyer rule has not been complied with in the filing of this report, and it is rather difficult for us to know from the bill and report what it purports to do unless that rule is complied with.

Mr. McLEAN. Mr. Speaker, this bill comes from the Committee on Military Affairs, and was introduced by the gentleman from West Virginia [Mr. Edmiston]. I can assure the gentleman that its purpose is just as the gentleman has stated, to have the Coast Guard participate in these matches. I hope the gentleman will allow the bill to pass.

The SPEAKER. Does the gentleman from Michigan press the point of order?

Mr. WOLCOTT. Mr. Speaker, I did not make the point of order, and I do not think I shall. I simply call attention to reconsider was laid on the table.

the fact that I have objected on this account to bills heretofore and I shall be constrained to do so in the future if the Ramseyer rule is not complied with.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. There is a similar Senate bill on the Speaker's desk, and, without objection, the Clerk will report the Senate bill.

There being no objection, the Clerk reported the Senate bill (S. 3860), as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to amend the National Defense Act", approved May 28, 1928 (45 Stat. 786; U. S. C., title 32, sec. 181b), is hereby amended by inserting the words "Coast Guard" after the words "Marine Corps," and before the words "National Guard", in the fourth line of said

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The House bill (H. R. 10763) was laid on the table.

COMBINATION FISHING AND FREIGHTING LICENSE

The Clerk called the bill (H. R. 11036) to amend section 4321, Revised Statutes (U.S.C., title 46, sec. 263), and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4321, Revised Statutes of the United States (U. S. C., title 46, sec. 263), be, and is hereby, amended to read as follows:

"The form of a license for carrying on the coasting trade or

fisheries shall be as follows

"License for carrying on the (here insert 'coasting trade', 'whale fishery', 'mackerel fishery', or 'cod fishery', as the case may be).

"In pursuant of title L (Rev. Stat. 4311-4390), 'Regulation of Vessels in Domestic Commerce', of the Revised Statutes of the United States (inserting here the name of the husband or the United States (inserting here the name of the husband or managing owner, with his occupation and place of abode, and the name of the master, with the place of his abode), having sworn that the (insert here the description of the vessel, whether ship, brigantine, snow, schooner, sloop, or whatever else she may be), called the (insert here the vessel's name), whereof the said (naming the master) is master, burden (insert here the number of tons, in words) tons, as appears by her enrollment, dated at (naming the district, day, month, and year, in words at length, but if she be less than 20 tons, insert, instead thereof, 'proof being had of her admeasurement'), shall not be employed in any trade, while this license shall continue in force, whereby the revenue of the United States shall be defrauded, and having also sworn (or affirmed) that this license shall not be used for any other vessel, or for any other employment, than is herein specified, license is or for any other employment, than is herein specified, license is hereby granted for the said (inserting here the description of the vessel) called the (inserting here the vessel's name), to be employed in carrying on the (inserting here 'coasting trade', 'whale fishery', 'mackerel fishery', or 'cod fishery', as the case may be), for 1 year from the date hereof, and no longer. Given under my hand and seal, at (naming the said district), this (inserting the particular day) day of (naming the month), in the year (specifying the number of the year in words at length);": Provided, That vessels of 5 net tons and over entitled under the laws of the United States to be enrolled and licensed or licensed for the coasting trade may, if and while employed exclusively on the inland waters of the United States, as defined by the Secretary of Commerce under the authority of section 2, act of February 19, 1895, be licensed for the "coasting trade and mackerel fishery", and shall be deemed to have sufficient license for engaging in the coasting trade and the taking of fish of every description, including shelifish, within such waters. That vessels operating on the Great Lakes and their connecting and tributary waters under enrollment and license issued in conformity with the provisions of enrollment and license issued in conformity with the provisions of section 4318, Revised Statutes of the United States (U. S. C., title 46, sec. 258), shall be deemed to have sufficient license for engaging in the taking of fish of every description within such waters without change in the form of enrollment and license prescribed under the authority of that section.

With the following committee amendments:

Page 3, line 6, strike out "if and while employed exclusively on the inland waters of the United States as defined by the Secretary of Commerce under the authority of section 2, act of February 19.

Page 3, line 12, strike out "within such waters" and insert in lieu thereof "Provided further, That the provisions of sections 4364 and 4365 of the Revised Statutes of the United States (U. S. C., title 46, secs. 310 and 311) shall be, and are hereby, made applicable to vessels so licensed: And provided further, That."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to

Mr. ZIONCHECK. Mr. Speaker, at this time I ask unanimous consent to revise and extend my own remarks and to include therein a list of 10 questions asked in an editorial of the gentleman from Texas [Mr. Blanton].

Mr. BLANTON. O Mr. Speaker, this foolishness ought to stop. However, I shall not object if I can have time to answer them.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. MAPES. I object.

EXTENDING THE PROVISIONS OF THE FOREST EXCHANGE ACT

The Clerk called the bill (H. R. 9483) to extend the provisions of the Forest Exchange Act, as amended, to certain lands so that they may become part of the Umatilla and Whitman National Forests.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That within the following-described boundaries any lands not in Government ownership which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes may be offered in exchange under the provisions of the act of March 20, 1922 (42 Stat. 465), as amended by the act of February 28, 1925 (43 Stat. 1090; U. S. C., 1934 ed., title 16, secs. 485, 486), upon notice as therein provided, and upon acceptance of title shall become parts of the Umatilla or Whitman National Forests, to wit:

National Forests, to wit:

Sections 24, 25, 26, 28, 29, 30, 31, 32, 33, 34, and 36; the S½, the NE¼, the N½NW¼, and the SW¼NW¼ sec. 27; the N½, the SE¼, the N½, the SW¼, and the SE¼SW¼ sec. 35, T. 2 S., R. 37 E., Willamette meridian.

Willamette meridian.
Sections 1, 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 29, and 30; the W½, the S½SE¼, the N½NE¼, and the SE¼NE¼ sec. 7; the E½, the NW¼, the E½SW¼, and the SW¼SW¼ sec. 8, T. 3 S., R. 37 E., Willamette meridian.
Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23, 24; the N½, the SE¼, the N½SW¼, and the SW¼SW¼ sec. 21; the S½, the NW¼, the N½NE¼, and the SW¼NE¼ sec. 30, T. 3 S., R. 36 E., Willamette meridian.
Sections 22, 27, 28, 29, 32, 33, 34, 35, and 36; the W½, S½SE¼, N½NE¼, and the SE¼NE¼ sec. 23; the E½, the SW¼, the S½NW¼, and the SE¼NE¼ sec. 23; the E½, the SW¼, the S½NW¼, and the SE¼NE¼ sec. 24; the N½, the SE¼, the N½SW¼, and the SW¼SW¼ sec. 25; the N½; the SW¼, the W½SE¼, and the SE¼SE¼ sec. 26, T. 3 S., R. 35 E., Willamette meridian. meridian.

Sections 1, 2, 3, 5, 8, 9, 10, 11, 12, 14, 15, 16, 20, 21, and 22; the N½, the SE¼, the W½SW¼, and the SE¼SW¼ sec. 4; the N½, the SW¼, the N½SE¼, and the SW¼SE¼ sec. 17; the W½, the SE¼, the N½NE¼, and the SE¼NE¼ sec. 23, T. 4 S., R. 35 E.,

Willamette meridian.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. MARTIN of Massachusetts. I object.

ERECTION OF MONUMENT TO MEMORY OF GOUVERNEUR MORRIS

The Clerk called the bill (H. R. 11854) to provide for the erection of a monument to Gouverneur Morris.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask that this bill be passed over without prejudice.

Mr. O'CONNOR. Reserving the right to object, I want to ask the gentleman if he wants more time to look into the bill?

Mr. WOLCOTT. Mr. Speaker, it seems to me that the people of the great State of New York should be allowed, if they wish to erect a monument to Gouverneur Morris, to do so. At this time, when we are doing everything we can to balance the Budget, which will give encouragement to putting people back to work, it is rather inconsistent and incongruous to appropriate \$50,000 for a monument to Gouverneur Morris or any other great citizen, and for that reason I have asked that the bill go over without prejudice.

Mr. CURLEY. Mr. Speaker, as the sponsor for this bill, and inasmuch as the Nation is making preparations to celebrate the sesquicentennial anniversary of the adoption of the Constitution of the United States on September 17, 1937, the State of New York, and I am certain every State in the

Union, wishes to honor and respect the man who penned the final draft of the Constitution.

For the information of the gentleman, I might state that a signer of the Declaration of Independence, Lewis Morris, is also buried in the same plot of ground on which it is proposed to erect this monument. This bill does not say specifically that the amount involved in the erection of the monument shall be \$50,000. It provides that so much thereof as may be required for that purpose shall be appropriated. In addition to Gouverneur Morris, who penned the Constitution, all the other members of that patriotic Morris family are buried there, and, inasmuch as the whole country is now making preparation to honor Gouverneur Morris and the other signers of the Constitution, the point raised by the gentleman, while ordinarily it might be well taken. I do not think applies now with respect to this particular proposition.

Mr. WOLCOTT. Mr. Speaker, I want to see the gentleman from New York do every honor to Gouverneur Morris. I do not object to the city of New York or the State of New York or, under ordinary circumstances, to the Federal Government appropriating money for that purpose, but it seems to me out of keeping with the times for us to appropriate \$50,000 to erect a monument to this man, although he was of tremendous value to his Nation, when so many of our people are without bread and potatoes to keep body and

soul together.

The SPEAKER. Is there objection to the bill going over without prejudice.

There was no objection.

AUTHORIZING MUNICIPALITIES IN ALASKA TO INCUR BONDED INDEBTEDNESS

The Clerk called the bill (H. R. 8766) to authorize municipal corporations in the Territory of Alaska to incur bonded indebtedness, and for other purposes.

The SPEAKER. Is there objection?
Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. For the last 2 or 3 years we have been called upon to act in specific instances wherein the municipalities in the Territory of Alaska wanted to increase their bonded indebtedness. As I understand this bill, it is a blanket bill to provide that the municipalities of Alaska may bond upon the basis of percentage of the taxable property, and so forth, to obviate the necessity of these municipalities coming here periodically to get this permission?

Mr. DIMOND. Mr. Speaker, the gentleman is correct in

every respect.

Mr. WOLCOTT. I want to commend the gentleman on this bill if it will accomplish that purpose, and on the Territory of Alaska, because I have often wondered why a blanket bill has not heretofore been introduced.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. ZIONCHECK. In the Territory of Alaska incorporated municipalities cannot tax over 2 percent of the valuation of their property. There is no other taxation, so the bonded indebtedness could not get very high.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That municipal corporations in the Territory of Alaska are hereby authorized to incur bonded indebtedness for the construction, acquisition, extension, repair, or improvement of public works of a permanent character, including public utilities. The total outstanding bonded indebtedness of any such municipal corporation shall not exceed 10 percent of the aggregate taxable value of the real and personal property within the corporate limits of such municipal corporations: Provided, however, That nothing herein contained shall affect any bonded indebtedness heretofore incurred by a municipal corporation in said Territory. said Territory

said Territory.

Sec. 2. No bonded indebtedness shall be incurred by any municipal corporation in the Territory of Alaska unless the proposal to incur such indebtedness be first submitted to and approved by not less than 65 percent of the qualified electors of such municipal corporation whose names appear on the last tax assessment roll or record of such municipality for purposes of municipal taxation. Not less than 20 days' notice of any such election shall be given by posting notices of the same in three conspicuous places within the corporate limits of such municipal corporation,

one of which shall be posted at the front door of the United States post office therein. The registration for such election, the manner of conducting the same, the form of ballot, and the canvass of the returns shall be prescribed by the governing body

of such municipality.

SEC. 3. All bonds so issued shall be serial in form and shall mature within not to exceed 30 years from the date of issuance thereof. Such bonds may bear such date or dates, may be in such denominations, may mature in such amounts and at such time or denominations, may mature in such amounts and at such time or times not exceeding 30 years from the date thereof, may be payable in such medium of payment and at such place or places, may be sold at either public or private sale, and may be redeemable or nonredeemable (either with or without premium), and may carry such registration privileges as to either principal and interest, or principal only, as shall be prescribed by the governing body of the municipality issuing the bonds. The bonds so issued shall bear interest at a rate to be fixed by the governing body of the municipality issuing the same, not to exceed, however, 6 percent per annum. All such bonds shall be sold for not less than the principal amount thereof plus accrued interest.

SEC. 4. It shall be the duty of the governing body of every municipal corporation which incurs such bonded indebtedness to levy or cause to be levied each year during the life of such out-

nunicipal corporation which incurs such bonded indebtedness to levy or cause to be levied each year during the life of such outstanding bonds, taxes in amounts sufficient to seasonably provide for payment and to pay all interest on and the principal of such obligations as they respectively accrue and mature.

SEC. 5. All acts and parts of acts in conflict herewith are hereby repealed to the extent of such conflict.

With the following committee amendment:

Page 2, line 23, after the word "payable", strike out "in such medium of payment and."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

RETIREMENT ANNUITIES FOR LIBRARIANS OF CONGRESS

The Clerk called the bill (H. R. 11848) to authorize the retirement annuities for persons who serve as Librarian of Congress for 35 years.

The SPEAKER. Is there objection.

Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. KELLER. Mr. Speaker, will the gentleman reserve his objection.

Mr. ZIONCHECK. I reserve my objection.

Mr. KELLER. It has not occurred to me that there could possibly be an objection to this bill, and I believe, if the gentlemen will think a moment, that he will realize the bill ought to pass. Here is a man who for thirty-seven and a half years has served this Government and given it the greatest library in the entire world. He is now in his seventy-fifth year.

Mr. ZIONCHECK. Mr. Speaker, I did not yield for a Fourth of July speech. Let us hear some of the reasons.

Mr. KELLER. The reason is this. When he came here there was no such thing as retirement. This is for the purpose of doing for him what we do automatically for many hundreds of others.

Mr. ZIONCHECK. This is for the Librarian himself?

Mr. KELLER. Yes.

Mr. ZIONCHECK. If he has been here that long he ought to have saved enough money to take care of himself now.

Mr. KELLER. That is not a matter for the gentleman and me to decide. They may say the same about us.

Mr. ZIONCHECK. Well, we are about to decide it now, are we not?

Mr. KELLER. I hope we will decide it in favor of this man. Mr. ZIONCHECK. I thought this applied to everyone who worked over there. The trouble with that Library is that too many of them have been serving for too long a stretch, and if they did not serve it so long, we could probably get better service.

Mr. KELLER. I hope the gentleman will not object.

Mr. ZIONCHECK. There is entirely too much "efficiency" over there. I object.

THOMAS JEFFERSON MEMORIAL

The Clerk called the next bill, H. R. 12027, to authorize the execution of plans for a permanent memorial to Thomas Jefferson.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. O'CONNOR. Mr. Speaker, will the gentleman let that go over without prejudice? The chairman of the special committee does not happen to be present at this time. I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LOANS BY FARM CREDIT ADMINISTRATION ON LANDS IN DRAINAGE. IRRIGATION, AND CONSERVANCY DISTRICTS

The Clerk called the next bill, H. R. 9009, to make lands in drainage, irrigation, and conservancy districts eligible for loans by the Federal land banks and other Federal agencies loaning on farm lands, notwithstanding the existence of prior liens of assessments made by such districts, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read as follows:

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Farm Credit Administration, the Federal Farm Mortgage Corporation, the Federal land banks, the Land Bank Commissioner, and any lending or financing agency established by or under the Farm Credit Act of 1933, as amended, or the Federal Farm Loan Act, as amended, are authorized to make loans or acquire niortgages on lands in any drainage, irrigation, or conservancy district, notwithstanding the existence of any prior lien or charge arising out of an assessment for special benefits made by such district, in any case where (1) such land is otherwise eligible for a loan, (2) such assessment is payable over a puriod of years, and (3) reasonable security exists for the repayment of the loan, taking into consideration all facts and values, including the term and size of the loan, the integrity of the applicant, and the increased earning capacity of the lands arising from the improvements or benefits in respect of which the assessment was made.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That completes the Consent Calendar.

TO AMEND RAILWAY LABOR ACT

Mr. CROSSER of Ohio. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2496) to amend the Railway Labor Act.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the

point of order that a quorum is not present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is not a quorum present. The Chair will count.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw the point of order.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Railway Labor Act, approved May 20, 1926, as amended, herein referred to as "Title I", is hereby further amended by inserting after the enacting clause the caption "Title I" and by adding the following title II:

"TITLE II

"SEC. 201. All of the provisions of title I of this act, except the provisions of section 3 thereof, are extended to and shall cover every common carrier by air engaged in interstate or foreign commerce, and every carrier by air transporting mail for or under contract with the United States Government, and every air pilot or other person who performs any work as an employee or subordinate efficiel of such carrier or carriers subject to its or their continuing. official of such carrier or carriers, subject to its or their continuing authority to supervise and direct the manner of rendition of his

"SEC. 202. The duties, requirements, penalties, benefits, and privileges prescribed and established by the provisions of title I of this act, except section 3 thereof, shall apply to said carriers by air and their employees in the same manner and to the same extent as though such carriers and their employees were specifically included within the definition of 'carrier' and 'employee', respectively, in section 1 thereof.

"SEC. 203. The parties or either party to a dispute between an employee or a group of employees and a carrier or carriers by air may invoke the services of the National Mediation Board, and the jurisdiction of said Mediation Board is extended to any of the

following cases:

"(a) A dispute concerning changes in rates of pay, rules, or writing conditions not adjusted by the parties in conference.

"(b) Any other dispute not referable to an adjustment board, as hereinafter provided, and not adjusted in conference between the parties, or where conferences are refused.

"The National Mediation Board may proffer its services in case any labor emergency is found by it to exist at any time.

"The services of the Mediation Board may be invoked in a case under this title in the same manner and to the same extent as are the disputes covered by section 5 of title I of this act.

"SEC. 204. The disputes between an employee or group of employees and a carrier or carriers by air growing out of grievances, or out of the interpretation or application of agreements concerning rates of pay, rules, or working conditions, including cases pending and unadjusted on the date of approval of this act before the National Labor Relations Board, shall be handled in the usual manner up to and including the chief operating officer of the carrier designated to handle such disputes; but, falling to reach an adjustment in this manner, the disputes may be referred by petition of the parties or by either party to an appropriate adjustment board, as hereinafter provided, with a full statement of the facts and supporting data bearing upon the disputes.

"It shall be the duty of every carrier and of its employees, acting through their representatives, selected in accordance with the provisions of this title, to establish a board of adjustment of jurisdiction not exceeding the jurisdiction which may be lawfully exercised by system, group, or regional boards of adjustment, under the authority of section 3, title I, of this act.

ercised by system, group, or regional boards of adjustment, under the authority of section 3, title I, of this act.

"Such boards of adjustment may be established by agreement between employees and carriers either on any individual carrier, or system, or group of carriers by air and any class or classes of its or their employees; or pending the establishment of a permanent Nationad Board of Adjustment as hereinafter provided. Nothing in this act shall prevent said carriers by air, or any class or classes of their employees, both acting through their representatives selected in accordance with provisions of this title, from mutually agreeing to the establishment of a National Board of Adjustment of temporary duration and of similarly limited jurisdiction.

"Sec. 205. When, in the judgment of the National Mediation Board, it shall be necessary to have a permanent national board of adjustment in order to provide for the prompt and orderly settlement of disputes between said carriers by air, or any of them, and its or their employees, growing out of grievances or out of the interpretation or application of agreements between said carriers by air or any of them, and any class or classes of its or their employees, covering rates of pay, rules, or working conditions, the National Mediation Board is hereby empowered and directed, by its order duly made, published, and served, to direct the said carriers by air and such labor organizations of their employees, national in scope, as have been or may be recognized in accordance with the provisions of this act, to select and designate four representatives who shall constitute a board which shall be known as the National Air Transport Adjustment Board. Two members of said National Air Transport Adjustment Board shall be selected by said carriers by air and two members by the said labor organizations of the employees, within 30 days after the date of the order of the National Mediation Board, in the manner and by the procedure prescribed by title I of this act for the selecti of the National Mediation Board, in the manner and by the procedure prescribed by title I of this act for the selection and designation of members of the National Railroad Adjustment Board. The National Air Transport Adjustment Board shall meet within 40 days after the date of the order of the National Mediation Board directing the selection and designation of its members and shall organize and adopt rules for conducting its proceedings, in the manner prescribed in section 3 of title I of this act. Vacancies in membership or office shall be filled, members shall be appointed in case of failure of the carriers or of labor organizations of the employees to select and designate representatives, members of the National Air Transport Adjustment Board shall be compensated, hearings shall be held, findings and awards made, stated, served, and enforced, and the number and compensation of any necessary hearings shall be held, findings and awards made, stated, served, and enforced, and the number and compensation of any necessary assistants shall be determined and the compensation of such employees shall be paid, all in the same manner and to the same extent as provided with reference to the National Railroad Adjustment Board by section 3 of title I of this act. The powers and duties prescribed and established by the provisions of section 3 of title I of this act with reference to the National Railroad Adjustment Board and the several divisions thereof are hereby conferred upon and shall be exercised and performed in like manner and to the same extent by the said National Air Transport Adjustment Board, not exceeding, however, the jurisdiction conferred upon said National Air Transport Adjustment Board by the provisions of this title. From and after the organization of the National Air Transport Adjustment Board, if any system, group, or regional board of adjustment established by any carrier or carriers by air and any class or classes of its or their employees is not satisfactory to either party thereto, the said party, upon 90 days' notice to the other party, may elect to come under the jurisdiction of the National Air Transport Adjustment Board.

"Sec. 206. All cases referred to the National Labor Relations

"SEC. 206. All cases referred to the National Labor Relations oard, or over which the National Labor Relations Board shall Board, or over which the National Labor Relations Board shall have taken jurisdiction, involving any dispute arising from any cause between any common carrier by air engaged in interstate or foreign commerce or any carrier by air transporting mail for or under contract with the United States Government, and employees of such carrier or carriers, and unsettled on the date of approval of this act, shall be handled to conclusion by the Mediaapproval of this act, shall be handled to conclusion by the Media-tion Board. The books, records, and papers of the National Labor Relations Board and of the National Labor Board pertinent to such case or cases, whether settled or unsettled, shall be trans-ferred to the custody of the National Mediation Board.

"Sec. 207. If any provision of this title or application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

"Sec. 208. There is hereby authorized to be appropriated such sums as may be necessary for expenditure by the Mediation Board in carrying out the provisions of this act."

The SPEAKER. Is a second demanded?

Mr. MERRITT of Connecticut. Mr. Speaker, I demand a second.

Mr. CROSSER of Ohio. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Ohio [Mr. CROSser] is entitled to 20 minutes, and the gentleman from Connecticut [Mr. MERRITT] to 20 minutes.

Mr. CROSSER of Ohio. Mr. Speaker, I shall take but a few minutes of the time of the House in regard to this matter, because it is so simple that it does not require much explanation. This bill merely places the Air Pilots Association under the terms of the Railway Labor Act, which provides for the settlement of disputes. The Railway Labor Act has been found so very satisfactory for the purpose for which it was originally enacted that the members of the Committee on Interstate Commerce felt this would be a most satisfactory means for the settlement of disputes arising between the air pilots and their employers.

I believe all must concede that the operation of the Railway Labor Act has preserved peace in the railway industry more effectively than has ever before been possible. For that reason we believe that it is very desirable to bring the Air Pilots Association under the operation of the Railway Labor Act. That is all that this bill does; nothing more. It does not change the terms of the Railway Labor Act. It simply brings the air pilots' organization within the terms of the Railway Labor Act.

Mr. FIESINGER. Mr. Speaker, will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. FIESINGER. Does that include all pilots, in whatever service they may be?

Mr. CROSSER of Ohio. Just the air pilots.

Mr. FIESINGER. In connection with the railroads?

Mr. CROSSER of Ohio. No; all air pilots.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. CROSSER of Ohio. I yield.

Mr. BLANTON. It does not embrace the Army and Navy air pilots.

Mr. CROSSER of Ohio. Oh, no; no.

Mr. BLANTON. It is only commercial air pilots.

Mr. CROSSER of Ohio. Only commercial air pilots. I thank the gentleman for calling that to my attention.

Mr. Speaker, I reserve the balance of my time.

Mr. MERRITT of Connecticut. Mr. Speaker, I do not object to the general principle of the bill, but I do think that both sides should have a hearing on a bill of this sort which affects an entire industry. The fact of the matter is that the air lines have not been heard before the committee on this bill. It is also a fact that the air lines are now carrying the mail on a fixed price per mile, maximum and minimum. While they have those contracts, the Government has made various orders which have very much increased the expense of carrying the mail, without increasing their compensation.

Doubtless the effect of this bill, owing to the demands of the Pilots Association, will be to increase the charges of the lines, and they will not have anywhere to go to get the increased compensation. Therefore it seems to me that this bill ought to be postponed. That is the reason I asked to have the bill passed over without prejudice, so that the air lines could be heard. They have not yet been heard. I think it is an unfair thing to subject them to this legislation when they have not been heard.

As you all know, most of the air lines are today running at a loss. If they can, they want to make some arrangement to get together and get themselves out of the red.

It is a young industry. It is not like the railway industry or other industries in which all the conditions are known. I think the existing lines should be left free until they have got a fair start before we pass legislation of this type. At least they should be given a full and fair hearing.

The SPEAKER. The question is on the suspension of the rules and the passage of the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

WATER USERS ON RECLAMATION PROJECTS

Mr. WHITE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4232) to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. McLaughlin (at the request of Mr. Coffee), for 2 weeks, on account of necessity for his presence in his congressional district for that length of time.

To Mr. MITCHELL of Illinois, for 10 days, on account of offi-

cial business.

To Mr. Moritz, indefinitely, on account of illness in his family.

To Mr. O'LEARY, indefinitely, on account of illness. To Mr. Sirovich, for 1 week, on account of illness.

EXTENSION OF REMARKS

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein two statements from the commissioners of health and labor of Puerto Rico in regard to the social security bill being a standard for the island.

The SPEAKER. Is there objection to the request of the Resident Commissioner from Puerto Rico?

Mr. MARTIN of Massachusetts. Mr. Speaker, under the policy laid down by the gentleman from Texas [Mr. Blanton], I must object.

Mr. BLANTON. And that is the Potsdam policy, inaugurated Friday, effective for today only, so far as I am concerned.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to extend my own remarks.

Mr. MARTIN of Massachusetts. Mr. Speaker, I object. Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to

revise and extend my remarks in the Record.

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows: S. 1424. An act to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 40 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 7, 1936, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DEEN: Committee on Education. H. R. 12120. A bill to provide for the further development of vocational education in the several States and Territories; with amendment (Rept. No. 2372). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 11253) granting a pension to Alfred A. Abel, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. O'CONNOR: A bill (H. R. 12167) to amend section 603 of the Revenue Act of 1934; to the Committee on Ways and Means.

By Mr. LEWIS of Maryland: A bill (H. R. 12168) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam; to the Committee on Coinage, Weights, and Measures.

By Mr. HOEPPEL: A bill (H. R. 12169) to provide increased pensions to totally disabled veterans of the Spanish-American War, the Philippine Insurrection, and the China Relief Expedition; to the Committee on Pensions.

By Mr. UTTERBACK: A bill (H. R. 12170) to provide for the completion of the 25-mile spacing of horizontal and vertical control surveys in the State of Iowa; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAWFORD (by request): A bill (H. R. 12171) to provide a permanent government for the Virgin Islands of the United States, and for other purposes; to the Committee on Insular Affairs.

By Mr. RISK: A bill (H. R. 12172) to authorize the erection of a United States veterans' hospital in the State of Rhode Island; to the Committee on World War Veterans' Legislation.

By Mr. RAMSAY: A bill (H. R. 12173) to provide for the establishment of a coast guard station on the shore of the Ohio River at or near Wheeling W. Va.; to the Committee on Merchant Marine and Fisheries.

By Mr. STUBBS: A bill (H. R. 12174) to provide a preliminary examination of the Ventura River, in Ventura County, State of California, with a view to the control of its floods; to the Committee on Flood Control.

By Mr. VINSON of Georgia: A bill (H. R. 12175) to regulate the purchase of land out of funds allocated by the President from (1) the Fourth Deficiency Act, fiscal year 1933; (2) Emergency Appropriation Act, fiscal year 1935; and (3) the Emergency Appropriation Act of 1935; to the Committee on Expenditures in the Executive Departments.

By Mr. SMITH of West Virginia: Resolution (H. Res. 479) providing for the consideration of S. 1432; to the Committee on Rules

By Mr. MAPES: Joint resolution (H. J. Res. 561) to create a committee on the reorganization of the executive branch of the Government; to the Committee on Rules.

By Mr. ROGERS of New Hampshire: Joint resolution (H. J. Res. 562) declaring June 21 to be the anniversary of the establishment of the Constitution of the United States, and providing for the observance of Constitution Day; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EDMISTON: A bill (H. R. 12176) for the relief of Charles Tabit; to the Committee on Claims.

By Mr. GRAY of Pennsylvania: A bill (H. R. 12177) granting an increase of pension to Annie E. Ashcom; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 12178) granting a pension to Nancy Jane Dyer; to the Committee on Invalid

By Mr. MONTAGUE: A bill (H. R. 12179) for the relief of Ellen Taylor; to the Committee on Claims.

By Mr. O'CONNOR: A bill (H. R. 12180) for the relief of Alice Steinhardt; to the Committee on War Claims.

By Mr. PETERSON of Florida: A bill (H. R. 12181) granting an honorable discharge to Roy Wesley Allen, exfireman (second class), United States Navy; to the Committee on Naval Affairs.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 12182) for the relief of J. L. Summers; to the Committee on Indian Affairs.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 12183) for the relief of Gladys Hinckley Werlich; to the Committee on Foreign Affairs.

By Mr. SANDERS of Louisiana: A bill (H. R. 12184) for the relief of Pearl A. Stevens; to the Committee on Claims.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 12185) granting an increase of pension to Emma C. Miller; to the Committee on Invalid Pensions.

By Mr. TARVER: A bill (H. R. 12186) granting a pension to Thomas Denton; to the Committee on Pensions.

By Mr. UTTERBACK: A bill (H. R. 12187) granting an increase of pension to Mary Ann Holland; to the Committee on Invalid Pensions.

By Mr. WALTER: A bill (H. R. 12188) for the relief of G. A. Laub and Roy S. Kostenbader; to the Committee on Claims.

By Mr. WELCH: A bill (H. R. 12189) to amend the act entitled "An act conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad", approved June 24, 1935; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10671. By Mr. BREWSTER: Twelve petitions from Washington County, concerning House bill 2999; to the Committee on Interstate and Foreign Commerce.

10672. Also, two petitions from Hancock County, concerning House bill 2999; to the Committee on Interstate and Foreign Commerce.

10673. Also, 10 petitions from Penobscot County, concerning House bill 2999; to the Committee on Interstate and Foreign Commerce.

10674. Also, 30 petitions from Aroostook County, concerning House bill 2999; to the Committee on Interstate and Foreign Commerce.

10675. By Mr. KLOEB: Petition of Frank Budde and others regarding the Patman bill (H. R. 8442) to prohibit rebates, etc.; to the Committee on the Judiciary.

10676. By Mr. MILLARD: Resolution adopted by the Board of Supervisors of Westchester County, N. Y., urging an appropriation for the construction of National Guard armories; to the Committee on Appropriations.

10677. By Mr. RISK: Petitions of citizens of the State of Rhode Island to the House of Representatives requesting the early passage of House bill 8739; to the Committee on the District of Columbia.

10678. Also, resolution of the Teachers' Council of Riverside Congregational Church School, of Riverside, East Providence, R. I., requesting that early hearings be provided on motion-picture bills now pending in Congress, and that adequate legal regulation be provided for the motion-picture industry and favoring the passage of House bill 2999; to the Committee on Interstate and Foreign Commerce.

10679. By Mr. PLUMLEY: Petition of 35 residents of East Burke, Vt., and vicinity, favoring passage of House bill 6472 to prohibit the compulsory block booking and blind selling of motion pictures; to the Committee on Interstate and Foreign Commerce.

10680. By Mr. SUTPHIN: Petition of Borough Council of the Borough of Matawan, N. J., commending the Works Progress Administration and urging its continuance; to the Committee on Appropriations.

10631. By the SPEAKER: Petition of the Citizen's Joint Committee on the Fiscal Relations between the United States and the District of Columbia; to the Committee on Appropriations.

10682. Also, petition of the Farm Bureau of Sumner County, Tenn.; to the Committee on Military Affairs.

10683. Also, petition of President Quezon of the Philippines; to the Committee on Ways and Means.

10684. Also, petition of the Illinois Women's Auxiliary of the Progressive Miners of America of Marissa, Ill.; to the Committee on Agriculture.

10685. By Mr. McCORMACK: Petition of Anne Porter, 29 Hosmer Street, Mattapan, Mass., and various others, urging early and favorable consideration of House bill 8540, introduced by Congressman Kenney, of New Jersey, providing for a national lottery; to the Committee on Ways and Means.

SENATE

TUESDAY, APRIL 7, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting as a court for the trial of articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian, in accordance with the order adopted yesterday prescribing the hours of the daily sessions.

The managers on the part of the House, Hon. Hatton W. Sumners, of Texas; Hon. Randolph Perkins, of New Jersey; and Hon. Sam Hobbs, of Alabama, appeared in the seats provided for them.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., and R. O. Cullen, Esq., of Miami, Fla., associated with Mr. Hoffman, appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms will open by proclamation the proceedings of the Senate sitting as a Court of Impeachment.

The Sergeant at Arms made the usual proclamation.

On motion of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the Senate, sitting as a Court of Impeachment for Monday, April 6, was dispensed with, and the Journal was approved.

Mr. LEWIS. I note the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.
The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Coolidge	King	Pope
Ashurst	Copeland	La Follette	Radcliffe
Austin	Couzens	Lewis	Reynolds
Bachman	Davis	Logan	Robinson
Bailey	Dieterich	Lonergan	Russell
Barbour	Donahev	Long	Schwellenbach
Barkley	Fletcher	McGill	Sheppard
Benson	Frazier	McKellar	Shipstead
Black	George	McNary	Smith
Bone	Gerry	Maloney	Steiwer
Brown	Gibson	Metcalf	Thomas, Okla.
Bulkley	Glass	Minton	Thomas, Utah
Bulow	Guffey	Moore	Townsend
Burke	Hale	Murphy	Truman
Byrd	Harrison	Murray	Vandenberg
Byrnes	Hastings	Neely	Van Nuys
Capper	Hatch	Norris	Wagner
Caraway	Hayden	Nye	Walsh
Carey	Holt	O'Mahoney	White
Clark	Johnson	Overton	problem in make
Connelly	Keves	Pittman	

Mr. LEWIS. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. Costigan], the Senator from Florida [Mr. Trammell], and the Senator from California [Mr. McAdoo] are absent because of illness; that the Senator from New Mexico [Mr. Chavez] is absent because of illness in his family; and that the Senator from Mississippi [Mr. Bilbo], the Senator from Wisconsin [Mr. Duffy], the Senator from Nevada [Mr. McCarran], the Senator from Oklahoma [Mr. Gore], and the Senator from Montana [Mr. Wheeler] are necessarily detained from the

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson] is necessarily absent.

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

DIRECT EXAMINATION OF A. L. RANKIN (CONTINUED)

By Mr. Manager HOBBS:

Q. Judge Rankin, yesterday you were saying, as you left the stand, that the reason you paid Judge Ritter in cash, in chambers, was that it would have embarrassed you and the judge, you feared, and, second, because of the precarious condition of the bank in which the money was. Is that true?-A. That is true.

Q. Now, Judge, as a matter of fact, the First National Bank of Miami was at that time and is now and at all times intervening has been reputed to be a tower of financial strength; is not that true?-A. That is correct.

Q. You put in there thousands of dollars, which you left

there for days and days?—A. That is true.

Q. Judge Rankin, if you were afraid of embarrassment for yourself or Judge Ritter if it might become known that the cash payment was made, why, then, did you not adopt the same course with respect to the other payments that you made to Judge Ritter?-A. They were out of collections that I had made for work done in cases which Judge Ritter had retained an interest in; they were very easily explainable; and the money was not paid or earned in his court.

Q. There is no endorsement appearing on any one of these

checks, is there?-A. I do not understand.

Q. There is no left-hand, lower-corner endorsement, such as you put on later in the privacy of your own office in the case of the \$3,000 check, to explain any of these other five checks, is there?—A. I do not recall.

Q. Not until you had got to the \$200 check did you make any such endorsement; is not that true?-A. The \$200 check?

Q. Yes.—A. I do not recall.

Q. That was made in September 1931, I believe. I will ask you to look at this check [the check was handed to the

(The check was also examined by Mr. Walsh, of counsel.) The WITNESS. Will you let me look at that check again,

Q. Was this endorsement in the lower left-hand corner on this check written at the time it went through the bank?-

A. To the best of my recollection it was.

Q. So by September 23, 1931, you had become aware of the fact that there was some criticism, and you put this endorsement on for the first time?-A. I do not recall that there was any criticism or that I had heard of any criticism.

Q. As a matter of fact, that was buzzing like a beehive down there, wasn't it, by the fall of 1931?-A. I didn't hear of it. At that time the best of my recollection is that I had not heard anything about any criticism.

Q. When you made this final check to him that we have in this record, January 28, 1932, for \$300, you made no endorsement on that?—A. You say I made none?

Q. No .- A. I may not have made any.

Q. Although there was no obligation in writing extant, and never had been showing any obligation whatsoever on your part toward Judge Ritter, then for the first time you conceived the idea it was necessary to take a receipt for the money; is that true?—A. No; it is not true.

Q. When did you conceive the idea it was necessary to take a receipt?-A. I told Judge Ritter when I made the first payment that when I finished paying him I would take a

receipt in full.

- Q. But you only took a receipt for \$300, and then only on January 28, 1932, the date of that check for \$300.-A. I took a receipt for \$300 which, to the best of my recollection, recited also payment in full for the balance due on purchase of business.
- Q. That is right. We have no quarrel about that. What I am asking is that on that day you gave him a check which showed on its face it was for \$300, did you not?-A. I did.

Q. Then for the first time you conceived the idea of taking a written receipt?—A. No.

Q. I do not mean you had not told Judge Ritter, according to your statement now, that you were going to insist upon a receipt in full when you finished the payment, but I mean that was the first time there was a scratch of the pen.-A. That is the first time a receipt was issued.

Q. Judge Rankin, we come down to April 14, 1931, when you again took cash to his office and in the privacy of his private office gave it to him, which was \$2,000, which you testified yesterday you had taken, from Palm Beach \$1,000 and from Miami \$1,000, and taken it up to his private office and given it to him. Upon that occasion, you said yesterday, the same reasons applied for making that payment in cash as applied to the \$2,500 payment which was made on December 24, 1930. Is that true?—A. That is true I testified that: ves.

Q. No bank had failed on April 13, had it?—A. Really I do not recall. The banking situation in Florida for several years was very precarious, and you could not tell one morn-

ing what was going to happen next morning.

Q. Neither one of your banks was in a precarious condition, was it?-A. The Central Farmers of West Palm Beach was supposed to be a very substantial bank. The First National in Miami was supposed to be a very substantial bank,

Q. And it was nationally known?

Mr. WALSH (of counsel). Will you kindly allow the witness to complete his answer?

By Mr. Manager HOBBS:

Q. Have you anything further to say? Counsel thought I had interrupted your answer.—A. But the very substantial banks in Florida during those years—you never could tell whenever they might have a big run on them for 2 or 3 or 4 days, and then close up.

Q. You wish to testify before these gentlemen of the High Court of Impeachment that you thought there was danger of the First National Bank of Miami failing in April 1931?—A. No; I do not testify that. I did not say that.

Q. What do you think about the bank at West Palm

Beach?-A. I do not think that, either.

Q. You testified yesterday the reason you gave this money to Judge Ritter in cash was that the City National Bank of Miami had failed the day before, and then in answer to a question you said the same reasons applied to the payment in cash in privacy on April 14. What bank had failed in April?-A. Really I do not recall.

Q. Do not you know none of them had failed?-A. No; I do not.

Q. You do not know?—A. No; I do not.

Mr. KING. Mr. President, I send to the desk a question which I deem to be pertinent.

The VICE PRESIDENT. The clerk will read the question submitted by the Senator from Utah.

The Chief Clerk read the question propounded by Mr. King, as follows:

Do counsel intend to offer any of the checks for the record?

Mr. Manager HOBBS. All of them.

Mr. KING. I should like to have that done.

Mr. Manager HOBBS. Of course, I am just a rank amateur in proceedings of this character, and know nothing about your procedure. The reason the managers are not doing it at the time the testimony relating to the several exhibits is given is simply because we are going to offer the exhibits at once and check them off to be sure we have them in. We desire to conform entirely to the wishes of the Senate in the matter. If you prefer that we introduce them as we go along, we shall be glad to do it.

By Mr. Manager HOBBS:

Q. Judge Rankin, as I understood your testimony yesterday I believe you said from the moment of the dissolution of the partnership up until the time that you went into his private office and gave him in cash that first \$2,500, neither you nor Judge Ritter mentioned anything about any indebtedness you owed him?-A. I do not recall any such testimony yesterday.

Q. I beg your pardon, sir. Is or not that true?—A. Will

you ask the question again?

Q. From the time of the dissolution of the partnership Ritter & Rankin on February 15, 1929, when he ascended the bench, had you or not said anything to him or he to you about the payment of this alleged obligation?-A. I do not say that I did not mention it to him.

Q. You did so swear at Miami, did you not?—A. I may have sworn that in Miami.

MESSAGE FROM THE HOUSE

Mr. ROBINSON. Mr. President, I ask unanimous consent that the Senate temporarily proceed to the consideration of legislative business in order to receive a message from the House of Representatives, and that when that shall have been done the Senate proceed as a Court of Impeachment with the consideration of the case of Judge Ritter.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

(The message from the House appears elsewhere in the legislative proceedings of today's RECORD.)

DIRECT EXAMINATION OF A. L. RANKIN (CONTINUED)

The Senate sitting as a Court of Impeachment resumed its session.

By Mr. Manager HOBBS:

- Q. What is your testimony now with respect to that matter?—A. I do not recall that I had any conversation with Judge Ritter with reference to the payment of this amount that I owed him.
- Q. I will ask you, as a matter of fact, if you do not know there never was a word said between you or by either of you on that subject from February 15, 1929, when the partnership was dissolved, up until the payment of the \$2,500 in cash in chambers?—A. We discussed the question of the amount of money I should pay him for his half interest in the business. We had an agreement about it, and later on I talked to Judge Ritter two or three times before he left West Palm Beach and assumed his duties in Miami with reference to it.
- Q. You did?—A. I did. After he went to Miami, to the best of my recollection, I never did discuss it with him after he went on the bench and assumed his duties.
- Q. I will ask you if you did not swear before a subcommittee of the Judiciary Committee of the House in Miami that from February 1929, at which time the partnership was dissolved, up to December 24, 1932, when you were awarded the \$75,000 by Judge Ritter, Judge Ritter never called upon you for payment of the \$5,000 which you said you owed him. That is correct?—A. That is correct except to this extent—that before he left West Palm Beach we did discuss it before he went to Miami; and he had taken his oath of office a few days before he went down there.
- Q. So he talked to you several times in West Palm Beach before he left for Miami about it?—A. That is the best of my recollection, that we had a conversation about it on two or three occasions.
- Q. Now, I will ask you if you were not asked this question in that hearing:
- Q. And had never discussed the matter with you during those 2 years, or practically 2 years?

And if you did not reply:

No.

A. I probably did.

- Q. Is that your testimony now?—A. It is. I do not recall that we—
- Q. What was the content of those conversations which Judge Ritter had with you with respect to this alleged debt before he left West Palm Beach?—A. Just a casual discussion.
- Q. Was he asking you to pay him?—A. No; because the understanding was that I was not to pay him until I had an opportunity to pay him. In other words, he knew that I was in debt. He knew that I was very heavily in debt at the time.
- Q. Was it contemplated that you were to pay him in installments?—A. The understanding was that I was to pay him as and when I could.
- Q. And was the understanding in your mind that that meant that you were to pay him in installments as and when you could?—A. No; I do not say that that is true.
- Q. But your testimony is that you did it that way. You did not pay Judge Ritter a dime out of the \$12,500 fee that Judge Akerman allowed you; did you?—A. No; I did not.

- Q. You did not pay him a dime out of the first \$2,500 fee that he alowed you in May 1930?—A. No; I did not.
- Q. You paid Walter Richardson \$1,000 out of the \$12,500 fee; did you not?—A. To the best of my recollection, I did.
- Q. Do you not know you did?—A. Well, I think—yes; I know I did.
- Q. Now, I want to ask you this question, sir: In the absence of fraud, averred and proven, did I understand you to testify yesterday that \$50,000 in first-mortgage bonds was a condition precedent, under the terms of the deed of trust, to the institution of any suit for foreclosure by bondholders without the consent of the trustee named in the deed of trust?—A. If I understand your question—if I understand your question, I so construed the trust deed.
- Q. In other words, if there had not been something crooked, "something rotten in Denmark", it did require \$50,000 of first-mortgage bonds to institute this foreclosure suit?—A. There had to be some fraud or collusion or adverse interest.
- Q. Yes, sir; and you averred fraud and collusion and adverse interest in your bill; did you not?—A. I did.
- Q. And yet, although it pended for some—how long? How long did it pend from the time you filed the bill until the final decree? A. It is still pending.
- Q. It is still pending; yet, Judge, you never have taken one word of testimony of a witness on God's earth to substantiate your claim of fraud; have you?—A. No; I have not taken any testimony. I did not have to.
- Q. And you yourself wrote a final decree in that cause exonerating Moore of any fraud?—A. I did.
- Mr. McKELLAR. Mr. President, I send up a question which I should like to have the witness asked.

The VICE PRESIDENT. The Senator from Tennessee submits a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. McKellar, as follows:

What was the net income of Rankin & Ritter for each of the 2 years that the partnership existed?

- A. I do not recall; but there is an accountant here who is a witness who has made up those statements and will have them available. I have the partnership return, income return, with me for the year 1929.
 - By Mr. Manager HOBBS:
- Q. Mr. Rankin, you swore to your income-tax return for 1928, did you not?—A. No; I meant 1928 in place of 1929.
 - Q. Is not that true?—A. I did what?
 - Q. You swore to it .- A. To mine?
 - Q. Yes, sir.—A. Yes.
- Q. You showed a net income from fees and professional services of forty-six-hundred-and-some-odd dollars, did you not?—A. To the best of my recollection, I did.
- Q. That was a 50-50 partnership, was it not?-A. Yes.
- Q. Judge Rankin's return showed the same amount, did it not?—A. I believe it did: yes.
- Q. So the total net income of the partnership for the year 1928 was less than \$10,000?—A. That is right.
- Q. Although you had averred fraud against Harold A. Moore, George H. Thomas, Hayden W. Ward, Kenneth W. Moore, American Bond & Mortgage Co., Inc., W. J. Moore, and American Trust & Safe Deposit Co., each as being guilty of fraud and collusion, and so forth, in the final decree which you swore you wrote, section 24 of it recites—

That Harold A. Moore, George H. Thomas, Hayden W. Ward, Kenneth W. Moore, American Bond & Mortgage Co., Inc., W. J. Moore, and American Trust & Safe Deposit Co., are each to be not guilty of any fraud, fraudulent scheme, or conspiracy against any of the rights of the parties hereto or any of the holders and owners of any of the bonds secured by the mortgages involved herein.

Does it not?-A. That is correct.

- Q. You consented to the rendition of that decree?—A. I consented to the rendition of that decree.
- Q. And you wrote that decree?—A. And I wrote that decree; but the principal——

Mr. BARKLEY rose.

The VICE PRESIDENT. The Senator from Kentucky desires to propound a question?

Mr. BARKLEY. I do, but it is all right for the witness to complete his answer.

The VICE PRESIDENT. Have you completed your answer?

The WITNESS. No; I have not completed it.

The VICE PRESIDENT. Go ahead and complete your answer.

The WITNESS. The entire purpose of this suit, the entire purpose of this bill of complaint, was for subjecting the Whitehall properties to the payment of the first-mortgage bonds. Harold A. Moore's attorney came in and agreed that we could foreclose that mortgage; that we could sell the property for the benefit of the first-mortgage bondholders, the very purpose for which we filed the bill. They had consented that we could proceed with the foreclosure, and that was the reason that we agreed to exonerate them.

We made an investigation. Mr. Bemis was my client in this case. He advised with me and I advised with him with reference to this entire transaction from the inception of it. His principal purpose was to see that the first-mortgage bondholders had this property; that this property should be subjected, it should be operated, for the purpose of paying the first-mortgage bonds. They were fighting me from all sides with reference to that—the Moore interest was. They finally came in and agreed—they had filed a cross bill, after the original bill was filed, asking for a foreclosure of the mortgage, alleging default, and so forth. We had made an investigation-that is, Mr. Bemis and Mr. Sweeny had made an investigation-and Mr. Bemis told me that the other defendants, that the defendants in this case, were all practically bankrupt, and that we could recover no money judgment against them; and when the defendants agreed that we could foreclose this mortgage and sell it, and further agreed that the trustee under the trust deed, Harold A. Moore, would step out of the picture and have nothing further to do with it, why, then, we consented that the allegations of fraud would be-that they would be exonerated from any fraud in the final decree.

The VICE PRESIDENT. The Senator from Kentucky [Mr. Barkley] propounds a question, which will be read by the clerk.

The legislative clerk read the question propounded by Mr. Barkley, as follows:

When you alleged fraud and collusion in your bill or petition, what fraud or collusion did you have in mind?

A. The allegations of the bill set out in detail the fraud and collusion. My recollection is that the trustee, one of W. J. Moore's sons and an officer of the American Bond & Mortgage Co., had bought in the property at a foreclosure sale under a third mortgage, and was in possession of it; that the trustee under the second mortgage trust deed, or the second trust deed, which we alleged in the bill, as I recallthe American Bond & Mortgage Co. was the largest holder of those bonds, and one of the officers of the American Bond & Mortgage Co. was trustee under the second mortgage trust deed, and Harold A. Moore was the trustee under the first mortgage. Harold A. Moore was an officer of the American Bond & Mortgage Co., and he was, as I recall it, the son of W. J. Moore, who was the president of the American Bond & Mortgage Co.; and the allegations of the bill were that they had, through collusion and through fraud, obtained the possession of this property for the purpose of paying off first the second mortgage or the indebtedness of the second mortgage and the indebtedness of the first mortgage, to the detriment of the first-mortgage bondholders.

By Mr. Manager HOBBS:

- Q. Judge, you were given 120 days' notice by opposing counsel in that case to go ahead and take your testimony and establish the averments of your bill, were you not?—A. Ask the question again.
- Q. You were given the regular statutory 120-day notice to take your testimony and establish the averments of your bill by opposing counsel, were you not?—A. Yes.
- Q. You did not do it, did you?—A. You mean I did not
 - Q. No, sir.-A. You mean I did not go to Chicago?

- Q. No, sir; I am not talking about Chicago; I am talking about what you did. You never took any testimony, did you?—A. I never took any testimony.
- Q. After that, and after you failed to do it, they gave you notice that they were going to take testimony to disprove your fraud charges, did they not?—A. I believe they did.
- Q. And they notified you that the testimony was going to be taken in Chicago on a day certain, did they not?—A. They did.
- Q. And you never went there?—A. No; I never went there. Q. They took approximately 400 pages of testimony, did they not?—A. I do not know; there was quite a document.
- Q. You were given a copy of it, were you not?—A. Of the testimony?
- Q. Yes; taken in Chicago.—A. I do not recall that I had a copy of it. I may have had.
- Q. But you never looked at it?—A. I do not recall that. Probably I did look at it if I had a copy of it.
- Q. It was filed in the case, was it not, Judge?—A. Sure it was filed in the case. If they took it in the case, they had to file it.
- Q. It was shooting at you, was it not? You said these men were crooks, and this testimony was taken for the purpose of showing they were not, and you mean to tell these gentlemen that you never read that?—A. I do not understand you. Speak more clearly, please.
- Q. I am asking you whether you ever read the testimony taken on notice given to you, due notice, in writing, on a certain day in Chicago, in this case?—A. The best of my recollection is that I have read it.
- Q. Your best judgment and recollection now is that you read it?—A. Yes.
- Q. Did you do anything about it?—A. No; I did not do anything about it.
- Q. You did not appear there and did not produce any witnesses in opposition, did you?—A. No; I did not.
- Q. You did not cross-examine a single witness?—A. No; I did not.
- Q. You did not even file cross interrogatories?—A. No; I did not.
- Q. That testimony which they put in at Chicago sort of knocked your fraud charges into a cocked hat, did they not, on its face?—A. So far as their testimony was concerned, it would, if we did not introduce any.
 - Q. You did not, did you?-A. No; I did not.
- Q. You say that Bemis was your client?—A. I do; most emphatically.
- Q. Why, then, did you file the bill in behalf of and in the name of Bert E. Holland et al., and not mention Bemis?—A. Why did I file it? Because Mr. Bemis, through Sweeny and others, had secured Mr. Holland to file this bill.
 - Q. And to employ you?-A. And to employ me.
- Q. The interests of Bemis and Sweeny had been entirely cut off by the foreclosure, had they not?—A. I did not understand you.
- Q. I said, the interests of both Mr. Bemis, who was your client—so you just said a few minutes ago—and of Mr. Sweeny, were cut off by the foreclosure, were they not, under the third mortgage?—A. Both were cut off.
 - Q. Yes.—A. By the foreclosure of the mortgage?
 - Q. Yes .- A. Yes; they were cut off.
- Q. So the clients you were representing lost out at the first start of the thing?—A. They lost out insofar as their stock that they originally held in the Whitehall Building & Operating Co. was concerned.
- Q. Judge Rankin, in spite of the fact that you never took a word of testimony to substantiate your fraud charge, and in spite of the fact that they took 400 pages, without your presence, and without so much as a cross-interrogatory to disprove them, when you came to write the final decree you said that none of them were guilty of any fraud or fraudulent scheme, did you not?—A. That was the agreement and understanding we had with the attorneys for the American Bond & Mortgage Co. and Harold A. Moore.
- Q. So you swore before; but that was not my question, if you will pardon me. My question was whether you did not

write that in the final decree.—A. Yes; I wrote it in the final

- Q. You swore to the averments of the bill, did you not?-A. I did.
- Q. So, knowing that you had under oath said that they were guilty of fraud, you wrote a final decree in which you said they were not guilty of any fraud?—A. Yes; I put it in there because it was a settlement between all of the interested parties. It was a settlement and a victory for the complainants.
- Q. I have no doubt of that. You got \$75,000 awarded to you as a fee in that particular decree, did you not?—A. I did. The bondholders got all the profits.
- Q. And you had agreed to split it up with opposing counsel, too, had you not?-A. I had what?
- Q. You had agreed to split the \$75,000 fee up with opposing counsel?-A. I had.
- Q. Now, I want to ask you this: During the pendency of that case you swore in Miami, did you not, that you did not perform any services whatsoever after the filing of the original bill and the granting of the receivership until the final decree except to ask for an allowance of fees to yourself and to file an amended bill of complaint?—A. If I swore that, it was under a misapprehension of the question, a misunderstanding of it.
- Q. You have detailed it and corrected it in your testimony now, yesterday?—A. Ask the question again.
- Q. I will withdraw the question. Judge Rankin, that amended bill which you filed was really drawn by your stenographer, was it not?-A. No; it was not drawn by my stenographer.
- Q. Is it not a fact that all in the world you did was to tell her to include this description of some additional property and recopy the bill?—A. She recopied the bill, but I dictated the amendments to it.
- Q. All that that was, was an added description of some additional land, was it not?-A. If that was all, probably that was all that I did.
- Q. Do you not know what the amended bill was?-A. I do not recall right now. I can turn to it.
- Q. You do not recall that the only difference was the adding into the description of the property originally described in the bill of some additional property?-A. No; I do not recall that.
- Q. Judge Rankin, there was no written communication between you and Judge Ritter about this alleged debt which you say you owed him during all that time, was there?-A.
- Q. No letter to him, no communication whatsoever in writing?-A. Between Judge Ritter and me?
 - Q. Yes; or either of you?-A. No.
- Q. You testified yesterday that you were employed in the Whitehall foreclosure case after you came back from New York and that all you had been employed to do before you went up there was to give an opinion.—A. That is correct, as I recall it.
- Q. I will ask you if you did not testify down in Miami, as appears on page 54 of the transcript, as follows:
- Q. Who employed you in the Whitehall case?-A. Well, Mr. Rich-

- Q. Who employed you in the Whitehall cases—A. Well, Mr. Richardson and Mr. Ernest Metcalf.

 Q. Mr. Richardson and Mr. Ernest Metcalf?—A. Yes—came to me and talked to me about the situation at Whitehall.

 Q. When was that, Mr. Rankin?—A. They came to me and talked to me about the situation at Whitehall and wanted to know if I would be in a position to accept employment with reference to filing a foreclosure suit representing some bondholders, and I told him that I had no reason why that I could not accept employment, and at that time my recollection is they didn't discuss the details with reference to the suit.
- Q. When was that, Mr. Rankin?—A. That was in the summer or fall of 1929.
- Was it before you and Mr. Richardson went to New York? A. Yes; it was a short while before.
- Mr. Rankin, does that refresh your recollection sufficiently to enable you to say whether or not you were employed before or after the trip to New York?—A. Will you let me read
 - Q. I will be so happy to have you do so.

- (Mr. Hobbs at this point handed a pamphlet to the witness.)
- A. That statement is practically correct, as I recall, but with this explanation: That there was no actual employment, except for the purpose of foreclosing the mortgage, until after the bonds-that Mr. Bemis and Mr. Sweeny had secured enough bonds to bring the suit.
- Q. In other words, the employment at that time, before you went to New York, depended upon whether you could find a client?—A. Not whether I could find a client.
- Q. Or whether they could find one for you?-A. Whether they could get enough bonds to bring a foreclosure suit to protect the Whitehall property.
- Q. And so you accepted the employment, knowing that they were going to seek that, and as soon as they found it, that you were going to be actually employed?-A. I told them that there was no reason that I knew at the time why I could not accept employment for that purpose.
- Q. And you did that, and told them that with the knowledge that they were seeking bondholders to act as your client?-A. Yes.
- Q. Judge Rankin, that was before you went to New York?—A. That conversation that I had with Mr. Metcalf and Mr. Richardson was before that.
- Q. So they employed you to file a bill to foreclose the Whitehall mortgage before they went to New York, conditioned only upon their ability to find enough qualifying clients who had as much as \$50,000 worth of first-mortgage bonds to act as your clients?-A. I did not consider then and never have considered that Richardson and Metcalf employed me.
- Q. You testified yesterday, did you not, that Mr. Holland never said a word to you about a fee?-A. No; he did not say anything to me about a fee.
- Q. And he never promised to pay you a dime, did he?-A. He never promised to pay me.
- Q. He did not agree or contract in any way to pay you one cent, did he?-A. No; he did not.
 - Q. He never did?-A. He never did and never has.
- Q. In your petition for allowance, my distinguished associate calls my attention, you swore and recited that he had, did you not?-A. What?
- Q. You swore in your petition for allowance of that fee that he had agreed to pay you, did you not?—A. I do not recall that I did.
- Q. All right, sir. Pass it up. Judge Rankin, I want to ask you if the interventions that you filed for these people who had placed their business in your hands at the request and solicitation of Walter S. Richardson, aggregating a total of, I believe, \$4,500, or some such amount-I will ask you if Judge Ritter granted the privilege of intervening to those interveners upon your petition?-A. Yes.
- Q. He did it on the date it was presented, did he not?-A. He did, as I recall.
- Q. Now, Judge Rankin, that was in direct violation of rule 22 of Equity Practice in his own court, was it not?-A. I do not recall.
- Q. You do not know that rule 22 specifically provides that 5 days' notice shall intervene and be given before such interventions shall be permitted?-A. As I recall it, you can petition for an intervention and an order can be granted any time prior to service on the defendants, and any time up to the time that the defendants are brought into court. That is my construction of it.
- Q. I see, sir. The rule will speak for itself. Judge Rankin, when you petitioned for the fee of \$15,000 which was allowed you by Judge Akerman, you presented to him, did you not, Judge Ritter's letter asking him to act in that matter, as it would embarrass him to grant you an exorbitant fee?-A. As I recall it, I presented the letter. It may have been sent over in the mail, but, as I remember, I probably carried it over.
- Q. And you gave it to Judge Akerman, did you not, while he was on the bench about to pass upon your petition?-A. That is my recollection.

Q. Then, Judge Rankin, he took that letter of Judge Ritter's and attached it to the order that he made granting you this fee, did he not?-A. Setting the fee?

Q. Yes .- A. Fixing the fee?

Q. I said he attached Judge Ritter's letter to the order that Judge Akerman made fixing your fee?-A. I do not recall that he did. I do not remember about that.

Q. And did he or not do that and ask you to take that back and leave it in the file?-A. Will you repeat the question? You are standing right beside the microphone.

Q. Did or not Judge Alexander Akerman attach Judge Ritter's letter addressed to him in which Judge Ritter had asked Judge Akerman to grant you this fee, so as to avoid any criticism of his allowing you, his former law partner, an exorbitant fee-did he or not attach that letter of Judge Ritter's to the order he made?-A. I do not know.

Q. He did not ask you to take it back and put it in the files in Miami?—A. I do not know.

Q. Judge Rankin, I want to hurry along as rapidly as I possibly can. I will skip over some of these things I wanted to ask you about. Oh, yes; you presented some affidavits of lawyers in Florida saying that your \$75,000 fee was reasonable and fair, did you not?-A. I did. I presented those to the court.

Q. And you wrote every one of them yourself, did you not?-A. I wrote every one of them myself, but I left the amount and other items in there blank:

Q. That is right; but you wrote every word of them yourself?-A. Yes.

Q. You went around and told those lawyers—you took your office files around, did you not?-A. Took my files.

Q. Took your office files of the Whitehall?-A. Yes; I did.

Q. Showed them all this bundle of papers and asked them if they would sign this affidavit?-A. No; I did not ask them to sign the affidavit. I asked them if they would make an affidavit as to what was a reasonable fee.

Q. And do you mean to say that those gentlemen each happened to hit upon \$75,000 independent of any suggestion from you?-A. Repeat the question.

Q. Do you mean to say that each of those gentlemen happened to hit upon \$75,000 without any suggestion from you?-A. Well, I do not recall just what I said to them about it.

Q. Do you not recall, however, that you did tell them that you were asking for \$75,000 and that that had been agreed upon by opposing counsel?—A. Well, I may have told them that.

Q. Did you or did you not?-A. I do not recall.

Q. You do not recall. But you did write all of the affidavits, and they are all in your covers?-A. Yes, sir; I wrote them all.

Mr. O'MAHONEY. Mr. President, I send to the desk several questions, which I ask to have read.

The PRESIDENT pro tempore. The Senator from Wyoming presents several questions. The clerk will read the first question.

The legislative clerk read the first question propounded by Mr. O'MAHONEY, as follows:

Did the court have any knowledge of the division of the fee at the time your fee was allowed?

A. I do not recall. There was a stipulation to that effect filed in the records.

By Mr. Manager HOBBS:

Q. Have you concluded your answer?-A. I do not recall whether that was brought to the attention of the court at the

Mr. O'MAHONEY. Present the second question.

The legislative clerk read the second question propounded by Mr. O'Mahoney, as follows:

On what basis did you compute your fee, and what representation with respect to it did you make to the court?

A. The amount of the property—that is, the amount involved, including principal and interest—was approximately \$3,000,000. There was an upset price fixed in the final decree that the property could not be sold for less than one and one-nail million dollars. In arriving at that \$75,000 as | Why did you instruct the clerk to withhold the bill until the being a reasonable fee I took into consideration the amount | respondent returned?

that was involved, the amount that the property would have to bring as an upset price at the sale, and that we had been successful in subjecting this property to the payment of the first-mortgage bonds, the very thing that we had set out to accomplish, and that 5 percent of the upset price would be a reasonable fee. That was 5 percent of one and one-half million dollars.

Mr. O'MAHONEY. I ask that the next question submitted by me be read.

The PRESIDENT pro tempore. The clerk will read the

The legislative clerk read the question propounded by Mr. O'MAHONEY, as follows:

Did or did not the amount you kept for yourself fully compensate you for your actual services?

A. I do not feel that it did.

Mr. MURPHY. Mr. President, I submit a question which I should like to have propounded to the witness.

The PRESIDENT pro tempore. The Senator from Iowa submits a question, which will be read.

The legislative clerk read the question propounded by Mr. MURPHY, as follows:

If you do not recall that you suggested \$75,000 to the lawyer affiants, do you recall that it was merely a coincidence that each of the lawyer affiants determined upon \$75,000 as a proper fee?

A. No doubt I mentioned to the lawyers that we had agreed on \$75,000 as a reasonable fee.

Mr. O'MAHONEY. Mr. President, I have sent to the desk some further questions, which I ask to have propounded to

The PRESIDENT pro tempore. The questions submitted by the Senator from Wyoming will be read.

The legislative clerk read the first question propounded by Mr. O'MAHONEY, as follows:

If you were not fully compensated by what you retained, why did you divide the fee? You could have retained a larger sum.

A. Because it was an end to the litigation. The attorney for Harold A. Moore, the trustee under the trust deed, had agreed that we could foreclose the mortgage and subject the property to the satisfaction of the first-mortgage bonds; and ending the litigation in that way, without having to go on and take testimony and fight it on to a final decree, I agreed to divide the fee with them on the basis of one-third to them and two-thirds to me, on whatever amount the court would allow.

The PRESIDENT pro tempore. The clerk will read the next question submitted by the Senator from Wyoming.

The legislative clerk read the next question propounded by Mr. O'Mahoney, as follows:

How many judges were serving for the southern district of Florida at the time the proceeding in question was instituted?

A. I do not recall. There were three judges of the southern district of Florida. At the time, whether all the judges were in the State, I do not recall.

The PRESIDENT pro tempore. The clerk will read the next question submitted by the Senator from Wyoming.

The legislative clerk read the next question propounded by Mr. O'MAHONEY, as follows:

Did you have any understanding with anyone as to which judge should hear the case?

A. I had no understanding with anyone as to which judge should hear the case.

The PRESIDENT pro tempore. The clerk will read the next question submitted by the Senator from Wyoming.

The legislative clerk read the next question submitted by Mr. O'Mahoney, as follows:

Did it make any difference to you which judge should hear the case?

A. None whatever.

The PRESIDENT pro tempore. The clerk will read the last question submitted by the Senator from Wyoming.

The legislative clerk read the last question propounded by Mr. O'MAHONEY, as follows:

A. Because I did not care to have any publicity about it. | I did not want the American Bond & Mortgage Co. and the Harold A. Moore interests to know about the filing of the bill until the time for applying for a receiver.

The PRESIDENT pro tempore. The Chair will inquire if the Senator from Wyoming has finished his questions?

Mr. O'MAHONEY. I have.

The PRESIDENT pro tempore. The manager on the part of the House will proceed.

By Mr. Manager HOBBS:

Q. And you wrote in that letter to the clerk, did you not?-

It is very important that we have a receiver appointed for this property immediately upon Judge Ritter's return next Tuesday. If you can possibly do so, it will be greatly appreciated by us if you will lock up this bill as soon as it is filed and hold it until Judge Ritter's return, so that we will not have any newspaper publicity before our application is heard by the judge for the appointment of a receiver.

A. Yes; I wrote that letter.

Q. So it was not immediacy of action that you wanted, but immediacy of action by Judge Ritter. Is not that true?-No: it is not true.

Q. Judge Lake Jones was sitting at Jacksonville, was he not, in the southern district of Florida?—A. I do not know if he was at the time.

Q. Judge Alexander Akerman was sitting at Tampa in the southern district of Florida at that time, was he not?-A. I do not know that he was there.

Q. Did you make any effort to find out whether either or both of them were there?-A. I do not recall.

Q. Now, about this upset price you testified to in answer to the Senator's question. You neglected to tell him, did you not, that that upset price you fixed was payable either in bonds or cash so that all that the first-mortgage bondholders had to do to buy in at the sale was to surrender their worthless bonds. Is not that true?-A. Yes; it is true, because the trust deed provided that.

Q. Why, of course. So your upset price simply meant the surrender by the first-mortgage bondholders of their bonds except the part that had been bought in by others. Is not

that true?-A. Propound the question again.

Q. All the cash that had to be put up was to pay outsiders who might have acquired some of the \$2,500,000 firstmortgage bonds. Is not that true?-A. All that had to be put up was bonds, except by the nondepositing bondholders, those who had not deposited their bonds with the bondholders' committee.

Q. And, Judge Rankin, you knew that the purpose of the upset price was in order that Walter Richardson, who by himself or through his family connection had bought a lot of these outstanding bonds at 3 or 4 cents on the dollar and wanted to get 60 cents for them, did you not?-A. No; I did not know anything about it.

Q. You know that is the fact, do you not?-A. No; I do not.

Q. Do you mean to tell this high Court of Impeachment that it was not at Walter Richardson's instance that you held out for an upset price?—A. Why, certainly not.

Q. Judge, you say Judge Ritter did not have read before him in open court that day the precipe filed by Shutts & Bowen dismissing their case and in there reciting that an agreement had been reached for a split of your fee?-A. Ask the question again.

Mr. ASHURST. Let the Official Reporter read the question.

The Official Reporter (James R. Wick) read the question, as follows:

Q. Judge, you say Judge Ritter did not have read before him in open court that day the precipe filed by Shutts & Bowen dismissing their case and in there reciting that an agreement had been reached for a split of your fee?

A. I do not recall. They may have read that to the court before he entered the final decree.

By Mr. Manager HOBBS:

Q. Do not you know it was stated by you to Judge Ritter that it had been agreed upon and that your fee was to be tion of these funds.

distributed with your fellow lawyers?-A. Yes; I believe Judge Ritter was apprised of the fact at the time.

Q. Of course he was. Now, Judge Rankin, why was it that every single time you filed a written petition after that for him to allow you first \$30,000 and then \$5,000-and for the purpose of refreshing your recollection I want to ask you if you do not recall that on the 27th day of December you got another \$5,000 of this \$75,000 fee?—A. On the 27th?

Q. Yes, sir; 3 days later, 2 days after Christmas after you

got back .- A. Why, no.

Q. You did not?-A. No; but-

Q. All right.

The PRESIDENT pro tempore. The witness had not finished his answer. Let him complete his answer.

A. The order was to pay an advance of \$30,000.

By Mr. Manager HOBBS:

Q. Quite true, sir.—A. Mr. Richardson gave a check on the First National in Miami, as I recall it, for \$25,000-

Q. That is true. You testified yesterday \$30,000 .- A. And he gave me later a check for \$5,000, making the total \$30,000.

Q. On the 27th, approximately?-A. Yes.

Q. That is right, sir. Now we are clear on that. I simply wanted the record straight. Now, I am asking you, if you had agreed upon this split of fees, why in every single instance did you recite after that, when you petitioned for partial payment as the money would come into the receiver's hands, that it was to be in part payment of your fee for your services?-A. Well, the final decree recited that \$75,000 was allowed for the solicitor for the complainants as his attorney's

Q. And I never have understood that. Why was that true. if you had agreed in advance to split it with opposing counsel

and with others?-A. Why did I?

Q. Yes, sir.—A. Well, I explained that a few moments ago. Q. All right, sir. We will search the records for that, and pass on, not to take up any more time. Judge Rankin, you testified yesterday that you were interviewed by a C. R. West, an agent of the Internal Revenue Bureau, who at that time lived at West Palm Beach, the same town in which you lived. and in that interview you told him that you owed Judge Ritter \$5,000, and gave him the items composing it, did you not-\$1,000 for furniture and fixtures, \$4,000 for library?-A. Oh, I do not recall that I did.

Q. You do not recall that you did?—A. No.

Q. Then do you not know that the next time that anybody asked you about it was when Mr. Mulherin, investigator of the Judiciary Committee of the House, called on you, and you told him that it was for furniture and fixtures and for library and for 50 shares of stock in the West Palm Beach Bus Co.? You made a written statement, wrote a letter to him, did you not, telling him that?—A. I do not recall.

Q. I will show you the letter so that you may refresh your recollection [exhibiting letter to witness]. That is the only letter I am asking about.—A. There is nothing like that in

Q. Please read it. [A pause.] I beg your pardon. The letter does not show the enclosure of the statement [exhibiting enclosure to witness] .- A. No; it does not state that.

Q. It does not show that a part of the consideration-A. Oh, a part of the consideration? You did not put it that way.

Mr. Manager HOBBS. I beg your pardon, sir. I should like to have this letter and the enclosure read.

The PRESIDENT pro tempore. The letter and enclosure will be read.

The legislative clerk read as follows:

WEST PALM BEACH, FLA., November 9, 1933.

Mr. THOMAS M. MULHERIN.

Care of Columbus Hotel, Miami, Fla.

DEAR MR. MULHERIN: I carried the checks, bank statements, etc., pertaining to the distribution of the Whitehall fees, and checks covering payments made to Judge Ritter as a result of our former partnership business, down to Miami yesterday afternoon. Not being able to locate you I left them with Mr. Palmer Rosemond, the clerk, as you suggested, with instructions that he deliver them to you.

I also had schedules made showing the expenditures of the various funds I received from the Whitehall litigation showing disposi-

Will thank you very much to return the checks and statements

as soon as you have finished with them.

If you find anything concerning which you would like additional information, I shall be glad to assist you in every way possible. Yours very truly,

. L. Rankin—Statement of purchase from Halsted L. Ritter of his one-half interest in the firm of Ritter & Rankin, of West Palm Beach, Fla.

Assets of the firm:

Library, furniture, and fixtures and equipment, and 50 shares of capital stock of the Palm Beach Bus Service Co., a corporation of West Palm Beach, Fla. Price

\$5,000

Paid as follows 2,500 1,000 Rankin, drawn on same bank... Rankin, drawn on same bank.

Apr. 14, 1931. Cash, check to cash, cashed by A. L.

Rankin, drawn on Central Farmers Trust Co. of
"West Palm Beach", West Palm Beach.

Sept. 23, 1931. Check, Halsted L. Ritter, drawn on
Central Farmers Trust Co.

Jan. 28, 1932. Check, H. L. Ritter, drawn on West Palm
Beach Atlantic National Bank of West Palm Beach, 1,000 200 5,000 Total_.

Vouchers: The above checks, together with receipt from Hal-sted L. Ritter for \$300 paid by check January 28, 1932.

By Mr. Manager HOBBS:

Q. Did you write that letter, Judge, and enclose that statement?-A. I wrote the letter. I may have enclosed the statement.

Q. Did you not swear, as appears on pages 136 and 137 of the transcript of testimony here in printed form, that you did?-A. (After examining papers.) It is the best of my recollection that I did not enclose this statement with this

Q. Judge, was not that the statement which you sent to Palmer Rosemond—that thing there, that carbon copy?—A. I sent the letter there.

Q. And did you not send that carbon copy of the statement with it?-A. I do not recall that I did.

Q. You swore in Miami as follows, did you not?

Mr. Rankin, I will get you to examine this statement [producing same] and state if that is the statement that you prepared for Mr. Mulherin.—A. Yes; that is the statement.

Then, again, where it was read to you:

Library, furniture, and fixtures, and equipment, and 50 shares of capital stock of the Palm Beach Bus Service Co., a corporation of West Palm Beach, Fla.; price agreed upon, \$5,000.

That was shown to you and read to you, was it not, and I will ask you if those questions and answers were not propounded to you and given by you before the subcommittee in the hearing in Miami?—A. They probably were, and I probably testified to that.

Q. This is the first time you have ever denied it, is it not?-A. How is that?

Q. This is the first time that you have ever denied making that statement?-A. I have not denied making it yet,

Q. Did you make it?—A. The best of my recollection is I did make it; but the question you propounded to me was did I send that to Mr. Mulherin at the time I mailed this letter

Q. I beg your pardon, sir; I stand corrected. So you did have that statement prepared, and you did give it to Mr. Mulherin?-A. Whether I had the statement prepared or not I will not say, but I remember that I gave Mr. Mulherin that information practically as it is set out here.

Q. One more question that I want to ask you, about your interview with C. R. West. In that interview with C. R. West you told him that the reason that you failed to include in your income-tax return the full fee allowed you in the Whitehall case was because of the fact that you had split it with others, and that the amount that you actually kept for yourself you thought was apt to be taken away from you because of the filing of the bill attacking Judge Ritter's decision in the Whitehall case by Mr. Kirkland, and that you I return when I could have a full accounting of it.

expected it to be taken away from you-part of it-so you thought that the fair thing was to schedule only \$20,000 of it in your income-tax return?-A. I do not recall that I had any conversation like that with him.

Q. What was the reason that you did not schedule it then? Let us tell the Senate as the High Court of Impeachment.-A. All right. Now ask the question.

Q. I ask you why you did not schedule in your income-tax return for the year 1930 any part but \$20,000 of your taxable income?—A. My recollection is that what you stated there was true, but I do not recall making that statement to Mr. West. I do recall making a statement similar to that before the subcommittee in Miami.

Q. What I am interested in is whether or not that was true and that was your reason.—A. That was practically true.

Q. I am trying to get at the exact truth, Judge. Was it exactly true or not?-A. Will you have the question read to me again?

The PRESIDENT pro tempore. The Official Reporter will read the question.

The Official Reporter read as follows:

Q. I ask you why you did not schedule in your income-tax return for the year 1930 any part but \$20,000 of your taxable income?

A. No; it was the original question that you asked with reference to the conversation with Mr. West.

By Mr. Manager HOBBS:

Q. All right, sir, pass that up. We are not talking about what you told Mr. West now. We are talking about the real reason that you did not schedule the full Whitehall fee, your part of it, in your income-tax return for 1930, which was made on the 14th day of March, 1931?-A. Well, I did schedule-to the best of my recollection I did schedule a part of it. I took the-I made an estimate of the amount that I had received, less the proportionate share of it that I had to pay out to the other attorney, and made the return on it.

Q. And your estimated amount was \$20,000, was it not. Judge?-A. For that year.

Q. Yes .- A. Yes; that is the best of my recollection.

Q. How much did you take in in actual cold hard cash?-A. Oh, I do not recall now.

Q. You know it was over \$40,000 though, do you not? You got \$40,000 in the Whitehall fee alone, did you not, Judge?-A. What year was that?

Q. 1930.—A. 1930? Q. Yes.—A. 1930, I received \$30,000, yes—yes, \$45,000.

Q. \$45,000. Well, that is over \$40,000. That is what I asked you. You received more than double the amount that you returned in your estimate, did you not, from that case alone? I am not talking about your other income .- A. Yes; I know that.

Q. Yes. And yet you only scheduled \$20,000?-A. I made an estimate of the expenses that I would have to pay out of it, with the intention that I would file an amended return at a later date.

Q. Oh, I see .- A. And before I had prepared my amended return they filed the Kirkland suit asking that all that be set aside and that I be required to repay the funds that had come in my hands.

Q. I am not interested in your income-tax return. What I am interested in is your reason. That is what I am asking you. Give me your reason, if you please, sir, why you failed to schedule.—A. Why I did not?

Q. Yes. Why did you not state the truth as to your receipts under oath in your 1930 income-tax return?-A. Well, I told him and told you why I did not.

Q. Well, tell me, please, sir, why. Tell it again.—A. I told you, sir, that I made a rough estimate in a hurry of the amounts that I had received, and made my income tax, deducting the expenses that I had incurred and the obligations to pay these other attorneys, and made a rough estimate of it and put it in there with the intention of filing an amended Connally

- Q. Why did you make it so rough, and why did you take so little time with it when you knew you had to swear to it?-A. Why did I what?
- Q. Judge Rankin, as a matter of fact, you never kept any books, did you?-A. Never kept any books.
- Q. Judge, I am asking you this way, then, if you will not give me your reason-

RECESS

Mr. ROBINSON. Mr. President, I suggest that, under the order heretofore entered, the impeachment proceedings be suspended until the hour of 2 o'clock.

The PRESIDENT pro tempore. The hour of 1:30 having arrived, in accordance with the order heretofore entered, the Senate will stand in recess until the hour of 2 o'clock p. m.

Thereupon (at 1 o'clock and 30 minutes p. m.) the Senate, sitting as a Court of Impeachment, took a recess until 2 o'clock p. m., at which time it reassembled.

Mr. BARKLEY. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Coolidge Pope Radcliffe King La Follette Copeland Ashurst Austin Bachman Couzens Davis Reynolds Robinson Lewis Logan Bailey Barbour Dieterich Lonergan Russell Schwellenbach Donahey Long McGill Sheppard Shipstead Barkley Fletcher McKellar McNary Smith Black George Gerry Gibson Steiwer Thomas, Okla. Thomas, Utah Maloney Bone Brown Bulkley Glass Minton Guffey Townsend Truman Murphy Burke Hale Harrison Hastings Murray Vandenberg Van Nuys Byrnes Norris Capper Caraway Hatch Wagner Walsh Nye O'Mahoney Hayden Holt White Carey Overton Pittman Johnson

Keyes The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

Have the managers on the part of the House concluded their examination of the witness?

Mr. Manager SUMNERS. Mr. President, we turn the witness over to the respondent. We may want to put him on the stand again later on one point, but at the present time we are through with the witness.

The VICE PRESIDENT. Do counsel for respondent desire to ask questions of the witness?

Mr. WALSH (of counsel). Yes, Mr. President. The VICE PRESIDENT. Counsel will proceed.

CROSS-EXAMINATION OF A. L. RANKIN

By Mr. WALSH (of counsel):

- Q. Mr. Rankin, were you served with a subpena to bring in the files of your office containing the correspondence and copies of the documents filed in court so far as you have them with you?-A. I brought them along, and I have them with me.
- Q. I want to say to begin with, please, Mr. Rankin, if you do not understand clearly what I say, ask the question to be again repeated, will you please? Your hearing is quite badly impaired, is it not?—A. It is.
- Q. So I am going to ask you, please, to ask to have the question repeated at any time that you have any doubt. First, give me the file of your correspondence in the Whitehall

(The witness handed to counsel the file referred to.)

Q. Have you your office copies of the pleadings in the Whitehall case?-A. I have.

Q. Will you please hand me those?

(The witness handed to counsel the copies referred to.)

Q. Are these copies of all the pleadings?—A. They are the copies of all the pleadings; copies of all the pleadings of both the complainant and the defendant.

Mr. WALSH (of counsel). Mr. President, I should like, if I may, to have brought in the original files in the Whitehall case, which are in the lobby outside the door in the custody of the clerk of the Court. There is no objection to bringing them in, I presume?

Mr. Manager SUMNERS. No. The VICE PRESIDENT. The clerk will bring in the original files.

(The original files were brought in.)

By Mr. WALSH (of counsel):

- Q. You still live at Palm Beach?—A. I did not understand. Q. Do you still live at Palm Beach?-A. I do; in West
- Palm Beach Q. In West Palm Beach. Do you hold any official position there now?-A. I am county attorney for Palm Beach County.
- Q. How long have you held that position?-A. Since January 1933.
- Q. Were you acquainted with Mr. Bemis in his lifetime?-
- Q. What was his position in Palm Beach? What was his business?—A. He was executive vice president of the Florida East Coast Hotel Co. that operated all of the hotels on the Florida east coast, from St. Augustine to Key West.
- Q. For what length of time had you known him before his death?-A. I met Mr. Bemis sometime in the latter part of 1927 or the first part of 1928, and I knew him up until the time of his death in March 2 years ago, to the best of my recollection.
- Q. Are you acquainted with Mr. Martin Sweeny?-A. I am. Q. How long have you known him?-A. I have known Mr.

Martin Sweeny since 1929, the latter part of 1929.

Q. Prior to the bringing of the Whitehall suit, about which you have been interrogated, did you have any correspondence with Messrs. Bemis and Sweeny with regard thereto?-A. Prior to the bringing of the suit?

Q. Yes, sir; prior to the bringing of the suit. I am directing your attention to the time and I want to bring you up finally to the entry into open court.—A. I do not recall any correspondence I had with them.

Q. You were asked on your direct examination as to your employment, whether you were employed directly by Mr. Bert E. Holland or through Mr. Walter Richardson. Do you recall that?-A. I recall that.

Q. I believe your statement was that you did not recall at the time you were asked the question, which one of them it was that directly employed you either over the telephone, by mail, or by wire, did you not?-A. Yes.

Q. I am going to hand you now a copy of a letter dated October 3, 1929, and a paper that goes with it, and ask you to state whether or not you had an original letter of which that is a copy in your possession at the time you brought the suit?-A. Yes; I received a letter similar to this of which this is a copy.

Q. Have you made a diligent search of your office to find out whether or not the original of that is still in existence?-A. I have made a diligent search of the files of my office and I fail to find the original of that letter.

Q. Is this a copy of the letter which you received?—A. It is.

Q. I should like to read this letter:

OCTOBER 3, 1929.

A. L. RANKIN, Esq., Comeau Building, West Palm Beach, Fla.

DEAR SIR: I represent some of the holders and owners of the Whitehall Building & Operating Co. bonds on which their interest

Whitehall Building & Operating Co. bonds on which their interest has remained unpaid for more than a year, and at the suggestion of Walter S. Richardson, of this city, with whom I have had correspondence, I am sending you the numbers and denominations of these bonds.

The bonds were not purchased by me but were delivered to myself and two other parties as trustees in five different trusts of which the beneficiaries are all residents of Boston, Mass., and the other trustees and myself would like to have the proper steps taken for a petition to be filed in the proper Federal court so that, if possible, a self-appointed bondholders' committee may be appointed by the court and that the necessary steps be taken to institute by the court and that the necessary steps be taken to institute foreclosure proceedings immediately in favor of the holders of the first-mortgage bonds. A list of the numbers and denominations of first-mortgage bonds. A list of the numbers and denominations of these bonds is herewith attached and upon advice from your office we shall be pleased to deposit these at the First National Bank of

Palm Beach, Fla., for use as you deem best.

I am taking these steps having in mind that it is the season of the year when this property ought to be put in shape for the coming winter.

I shall be obliged if you will keep me fully informed of the proceedings taken in this matter by writing me at my office at 73 Tremont Street, Boston, Mass.

Very truly yours,

BERT E. HOLLAND.

With this is the following list, and I shall just read the introductory paragraph and ask you about the others:

List of Whitehall Building & Operating Co. bonds held by Catherine Sugden, Bert E. Holland, Whitfield W. Johnson, for benefit of Walter J. Sugden, denominations of each bond being \$500.

Following that are the certificate numbers of a large number of bonds. Did you or did you not get that with the letter which you received from Mr. Holland?-A. I did.

Q. I will ask you whether or not, on October 7, 1929, you sent the following message:

BERT E. HOLLAND,

Attorney at Law, Room 1104 Tremont Building,

Boston, Mass.: Your letter October 3. Have bonds sent at once, First National Bank, Palm Beach, Fla., subject to my use. Is Catherine Sugden married or single?

I will ask you whether or not you received a reply to this telegram, as follows:

Boston, Mass., October 9, 1929.

A. L. Rankin,

812 Comeau Building West Palm Beach, Fla.:

Telegram 7th instant received. Cotrustees away. Therefore cannot send bonds. Telegraph full details as to procedure and why bonds should be sent. Need this information for explanation to cotrustees. Catherine Sugden is widow.

Bert E. Holland.

BERT E. HOLLAND.

When I ask you a question, please answer the question. Did you send and receive these telegrams?-A. I did.

Q. I will ask you whether or not you sent this telegram to Mr. Holland:

OCTOBER 10, 1929.

BERT E. HOLLAND.

BERT E. HOLLAND,
Attorney at Law, Room 1104 Tremont Building, Boston:
Have foreclosure bill prepared and ready to file. Will file tomorrow or next day. No need at present for bonds. Secured copy from trust deed. Will mail copy of bill and advise fully our procedure.
A. L. RANKIN.

A. I sent that.

Q. I will ask you whether or not on October 10 you received the following telegram from Bert E. Holland:

BOSTON, MASS., 4:40 p. m., October 10, 1929.

812 Comeau Building, West Palm Beach, Fla.: Please withhold filing foreclosure bill until further advice. BERT E. HOLLAND.

A. I received that message.

Q. I will ask you whether or not you sent the following message to Bert E. Holland:

BERT E. HOLLAND,

1104 Tremont Building, Boston, Mass.:

Sending by air mail today copy of bill which shows clear conspiracy and fraud against first-mortgage bondholders by trustee of mortgage and associates, also necessity for immediate action if we are to save for first-mortgage bondholders this season's income.

A. L. RANKIN.

Paid CHG A. L. Rankin.

Did you send that telegram?—A. I sent that message.

Q. I will ask you now whether or not you sent the following message to Bert E. Holland on October 11, 1929:

OCTOBER 11, 1929.

Bert E. Holland,

1104 Tremont Building, Boston, Mass.:

Telegram received last night foreclosure bill mailed clerk court Miami yesterday afternoon. Stop. Richardson had advised imperative that we proceed at once his necessary to preserve profits this season operation for first-mortgage bondholders otherwise antagonistic interests would procure lease and possession of mortgaged property and this season income. Stop. Bill seeks foreclosure appointment of receiver instanter injunction against leasing and any disposition of property pending proceedings. Stop. When you familiar facts and conditions confident you approve our quick action this regard. Stop. Mortgagor by its president Martin Sweeny New York filing answer admitting allegations of bill and consent to appointment of receiver. Outstanding men of national reputation including yourself have been selected and consented to act as bondholders committee. Stop. Will apply for sented to act as bondholders committee. Stop. Will apply for receiver Tuesday. Stop. Should we be delayed adverse interests would proceed with foreclosure and thereby control litigation and operation of hotel.

A. L. RANKIN.

Paid CHG A. L. Rankin.

Did you send that?-A. I sent that telegram.

Q. I will ask you whether or not you received the following telegram, October 15, 1929, 9:33 a. m., from Brantley, Ala.: QA15 39 DL Collect.

Brantley, Ala., 16 800A 1929 Oct. 15, AM 933. A. L. RANKIN.

812 Comeau Bldg., West Palm Beach, Fla.:
As you know, I hold Whitehall first-mortgage bonds amounting to thirty-eight hundred dollars. Stop. Please intervene for me in bondholders' foreclosure suit and apply for a receiver. Stop. You have numbers of description of bonds.

Did you receive that wire?—A. I received that.

Q. I will ask you whether or not on October 16, 1929, you sent the following telegram to Martin Sweeny:

OCTOBER 16TH, 1929.

MARTIN SWEENY,

MARTIN SWEENY,

c/o Berkshire Hotel,

21 East 52nd St., New York City, N. Y.:

Received yesterday following wire from Holland: Quote. After investigation have decided to do nothing further in matter receivership. I have no objection to court matter standing as it is for the present. Unquote. Have filed intervention for Hill, of Alabama, and for two other bondholders who have wired authority and will proceed as soon as interventions are allowed by court. Stop. Think Holland will cooperate fully soon as he learns Moore cannot secure you and Bemis to operate hotel this season mailed you yesterday newspaper account. you yesterday newspaper account.

A. L. RANKIN.

Paid CHG A. L. Rankin.

Did you send that message?-A. I did.

Q. Did you send the following telegram to Bert E. Holland October 17, 1929:

WEST PALM BEACH, FLA., October 17.

BERT E. HOLLAND.

Palmer House, Chicago, Ill .: As requested, will not make application for you for receiver Whitehall pending instructions. Suggest you call me long distance, as you losing strategic position by delay.

A. I sent that message.

Q. I will ask you whether or not you sent the following message to H. E. Bemis or Martin Sweeny, care of Berkshire Hotel, 21 East Fifty-second Street, New York City:

WEST PALM BEACH, FLORIDA, Oct. 15, 1929.

H. E. Bemis or Martin Sweeny,

Care Berkshire Hotel, 21 East 52nd St., New York City:

Hearing on application for receiver today; court postponed action until twenty-eighth to allow defendant's counsel to file affidavit; court indicated, however, that we entitled to receiver; have no fears of final decision.

A. I sent that telegram.

Q. I will ask you if you sent the following telegram to Martin Sweeny October 25, 1929:

OCTOBER 25TH, 1929.

MARTIN SWEENY OF H. E. BEMIS, c/o Berkshire Hotel, 21 East 52d Street, New York City, N. Y.: We alleged in foreclosure bill that American Bond and Mortgage Company held approximately four hundred thousand dollars Whitehall second-mortgage bonds. Stop. Mr. Bemis stated that W. J. Moore, president, said that they held approximately this amount. Stop. Please make up affidavit yourself and Mr. Bemis covering this statement and mail at once special delivery.

A. L. RANKIN.

A. I sent that message.

Q. I will ask you if on October 21 Mr. Bemis sent you a copy of a letter which he had written to Walter S. Richardson, Esq., Palm Beach, Fla.:

OCTOBER 21, 1929.

Walter S. Richardson, Esq.,

Palm Beach, Fla.

Dear Mr. Richardson: Naturally, Mr. Sweeny and I are somewhat disappointed that the receivership was not immediately appointed for Whitehall, not from any personal advantage to either of us, but from the fact that we realize more than anyone else. that if there is going to be in the immediate future any rents, earnings, and profits to protect first-mortgage bonds, that the business of Whitehall must be organized within the next 10 days, or the bulk of a large business that we have tentatively booked will go to other resorts.

You must realize that the success of Whitehall, which brings about the enormous rents, earnings, and profits, is not an accident; it is because of the fact that we have by contact, connections, and consistent development brought together an enormous paying business, and unless we can keep the continuity of this business, by immediate notice to all of our patrons of our prospective business, it will be a mistake for us to try and guarantee, to secure, or receive a profitable business for this next season.

You, of course, do not visualize the business as it is possible for us to value it, but we have booked the largest and best business of any year for Whitehall, and some of the leases are extremely favorable, and unless they can be consummated within the next 10 days it is of little value in trying to organize later and make Whitehall profitable.

make Whitehall profitable.

We are anxious, if we are to be connected with Whitehall, to keep our record entirely clear; that is, for a 100-percent management, and for several reasons; principally we feel that the first-mortgage bondholders are entitled to be protected and get the interest on their bonds; secondly, we have a very personal pride in seeing Whitehall a success insofar as it will have profitable management and a progressive business, and I cannot urge too strongly upon you and Mr. Rankin the importance of immediate receivership and immediate appointment of manager.

We do not presume to advise the court, but if there is any possible way to stop further delays, we feel that this should be done. The question of who shall constitute the bondholders committee, or how many bondholders' committees, to our mind is not the first thing to be considered, but the preservation and conservation of Whitehall assets is paramount to any other consideration, and I strongly urge that Whitehall be put in a position to be organized instantly and all differences of bondholders' committees be thrashed out later.

out later.

The bankers' committee, I understand, has been formed to preserve and conserve all of the assets of the American Bond & Mortgage Co., of which Whitehall is only one small unit. The general committee of bankers such as has been formed is very valuable in order to keep all of the assets of various properties applied to the proper channels; Whitehall as a property that is not an asset and can never be operated to earn any moneys for the American Bond. It cannot earn enough to pay off any of the second-mortgage bonds or any other obligations that the American Bond holds against Whitehall, but Whitehall can pay interest on the first-mortgage bonds for this coming year as of November 1929. It can also pay taxes and insurance and for such necessary repairs and improvements that must be taken care of. Consequently I argue that Whitehall should have a local receivership and a local bond-holders' committee in order that this particular unit of the American Bond Co. be treated accordingly to the conditions that actually exist today, and not in a manner that would best suit all of the general conditions of the American Bond Co., which are to be handled by the bankers' committee.

If it could be brought about within the next week, so that the

If it could be brought about within the next week, so that the bankers' committee could feel that the plans we are suggesting are for the best—that a receiver be appointed and that the counsel connected with the receivership be acceptable, with the understanding if they would acquiesce in such an arrangement that the receivers counsel and the local bondholders' committee would work in a friendly way, such a plan would make matters would work in a friendly way—such a plan would make matters very much more agreeable and there would be less protest.

I believe that the bankers' committee occupies a very strong position before the court, but naturally they will find that every single property of the American Bond must be treated differently and that they are too far removed and have too many properties involved to give to Whitehall the immediate consideration that is now necessary.

Could you and Mr. Rankin not get some sort of a compromise Could you and Mr. Rankin not get some sort of a compromise with the bankers committee in order to allow this receivership to go on under yours and Mr. Rankin's plan, promising to work with them, etc., but still retaining unto yourselves the connection that you wish. You understand that our business is to protect Whitehall, and we do not care anything about the American Bond Co.'ss interests, as we feel, and know, that the management of the Whitehall under the American Bond Co. has not been satisfactory for reasons which you and Mr. Rankin and, I think, the court is also aware. also aware.

The bankers committee is a strong one, and will command the respect and cooperation of all American Bond Co.'s holders. We are fearful that it will be necessary for you to arrive at some compromise to get them to acquiesce in this present affair, although I would not suggest, and would not like like to see you and Mr. Rankin eliminated or your plan changed.

Mr. Sweeny and I, of course, are not in a position to discuss any matters with the bankers committee because we do not wish to complicate the situation, but we feel there must be some way of getting to the bankers committee and make them understand that we are trying to work out the Whitehall situation for the best interests of Whitehall, which we can do with your plan immediately, much better than they can possibly hope.

Yours very truly,

H. E. BEMIS.

A. I received that letter.

Q. I will ask you whether or not you wrote the following letter:

OCTOBER 23, 1929.

Mr. D. H. Colegrove, Attorney at Law, 1116-1118 First National Bank Building, Utica, N. Y.

In re Whitehall bonds.

Dear Sir: Your letter of October 11 to Whitehall, Palm Beach,
Fla., has been turned over to me for attention.

This is to advise you that the writer and Ernest Metcalf filed a
bill in the Federal Court for the Southern District of Florida several days ago for the foreclosure of the trust deed in behalf of a number of bondholders for the benefit of all Whitehall first-mort-gage bondholders, in which foreclosure bill we asked that a re-ceiver be appointed, in order to protect the rents, incomes, and profits from the hotel that will be derived from its operation the coming season.

We are forming a very strong bondholders' committee for the protection of all of the bondholders. We have already had a number of bondholders to send in the numbers and amounts of their bonds, asking us to join them as parties plaintiff in the suit. This we have done. If you desire to join in the suit and will send me at once the serial number and amount of the bonds held by your wife, with the request that we handle these bonds along with the bonds of all other bondholders whom we represent, we will be glad to join you in the suit.

We have applied for a receiver which will be acted on by the

We have applied for a receiver which will be acted on by the court on the 28th. If you desire to join in this suit, and in our application for a receiver, and do not have time to advise me of your wishes by mail before the 28th, you may send me a wire and I will act upon that.

Yours very truly. ALR/c

A. I wrote that letter.

Mr. Manager SUMNERS. Mr. President, we were unable to hear the name of the writer of the letter.

Mr. WALSH (of counsel). The name of the writer of that letter was A. L. Rankin.

Mr. Manager SUMNERS. To whom was it addressed?
Mr. WALSH (of counsel). The name of the writer of the last letter was A. L. Rankin, and it was written to Mr. D. H. Colegrove, attorney at law, Utica, N. Y.

By Mr. WALSH (of counsel):

Q. I will ask you whether or not you wrote the following letter to Messrs. Shutts & Bowen, attorneys at law, First National Bank Building, Miami, Fla., August 7, 1930:

AUGUST 7, 1930.

Messrs. Shutts & Bowen, Attorneys at Law,

First National Bank Building, Miami, Fla. (Attention: Mr. Bowen.)

Whitehall foreclosure.

In re: Whitehall foreclosure.

DEAR SIR: Referring to our conversation previously had pertaining to a division of attorney's fees and to satisfactory agreement as to the litigation pertaining to the Whitehall foreclosure, will make you the following proposition:

It will be agreeable with me that your firm receive one-third of whatever fee the court may allow on final hearing for a foreclosure of the trust deed or mortgage executed by Whitehall Building & Operating Co., and that I receive the remaining two-thirds of said allowance. I would be satisfied with \$75,000 as a fee for services rendered in foreclosing the mortgage, and I feel, in view of the fact that there is involved in mortgage, principal and interest, the sum of approximately \$3,000,000, that the court would

thirds of said allowance. I would be satisfied with \$75,000 as a fee for services rendered in foreclosing the mortgage, and I feel, in view of the fact that there is involved in mortgage, principal and interest, the sum of approximately \$3,000,000, that the court would fix as a reasonable fee for the foreclosure of the mortgage a sum not less than \$75,000, in view of the evidence which I will be able to furnish the court as to the reasonableness of such a fee, especially if we are in accord as to the amount of this fee.

This division, however, is conditioned upon the withdrawal of the counterclaim of Harold A. Moore, his resignation as trustee under the trust deed, and his consent that we proceed with the foreclosure by bondholders, in which event I will withdraw the charges of fraud, collusion, and adverse interests against Harold A. Moore as such trustee and Harold A. Moore individually.

Should the above be agreeable, I would expect the cooperation of your firm in all matters pertaining to the foreclosure.

As to the matter of the settlement of the Pick claim and the distribution of the remaining funds in the hands of the trustee in bankruptcy of Whitehall, should we agree on the above proposition, I would then be willing, and consent, to the following distribution of the sum of \$21,228.04, which now remains in the hands of the trustee in bankruptcy, namely: Settlement of claim of Albert Pick & Co. for the sum of \$5,000; payment of the balance of attorney's fees due Shutts & Bowen by Harold A. Moore, as trustee, \$6,500; payment to Harold A. Moore of such sums of money as he has actually and legitimately paid out for and on behalf of the Whitehall property, as trustee, in an amount not to exceed \$9,305.21 (these items would have to be carefully checked and shown that they are proper charges). Balance, if any, to be paid over to the receiver for benefit of first-mortgage bondholders.

As above stated, there is now in the hands of the trustee in bankruptcy \$21,228.04, against which there will be some claims of

Yours very truly,

A. I wrote that letter.

Q. I will ask you whether or not you received this letter:

LAW OFFICES SHUTTS & BOWEN, FIRST NATIONAL BANK BUILDING, Miami, Fla., September 15, 1930.

Mr. A. L. RANKIN, Comeau Building, West Palm Beach, Fla.

DEAR SIR: In accordance with our telephone conversation we are sending you copy of message received from Mr. Bowen, and are retaining the original for our files, so it will not be necessary for you to return the wire to us. We shall, however, appreciate your forwarding to us a copy of the telegram you send to Mr. Bowen.

Very truly yours,

SHUTTS & BOWEN, By J. F. McPherson.

JFM-MR.

A. I received that.

Q. I will read to you a telegram and ask if this came into your possession. It is addressed by C. D. Bowen to Shutts & Bowen, attention McPherson, Miami, Fla., from Peoria, Ill. Do you recall this?—A. Yes; I recall that.

Q. It reads:

CB2 175 NL Collect 1/138-MX
PEORIA, ILL., 14, 1930, Sept. 15, a. m. 1:20.

SHUTTS AND BOWEN

Attention McPherson, Miami, Fla .:

Attention McPherson, Miami, Fla.:

Do not know Rankins initials, and for that reason am wiring you. Stop. Please wire him in my name as follows. Quote. Have received word from my office that you do not intend Whitehall property to be sold until April nineteen thirty one rule day. Stop. Am wondering if there is not some mistake, as it was clearly my understanding, and I thought yours also, that our purpose in making agreement respecting division of fees and form of decree was to expedite sale of property and termination of receivership. Stop. Is there any reason why this plan cannot be carried out and property sold not later than October next. Stop. Am relaying this wire through my office and will appreciate your wiring me at Miami. The wire will be forwarded. Unquote. Please send his reply to Cushman House, Petoskey, Michigan.

C. D. BOWEN.

A. I received that.

Q. I will ask you whether or not you sent the following telegram to C. D. Bowen:

SEPTEMBER 17, 1930.

September 17, 1930.

Hon. C. D. Bowen,

c/o Cushman House, Petoskey, Mich.:

Your telegram, sorry you misunderstood our agreement. In our conversations and in my letters of August 7 and 12 I thought it was made clear that Whitehall properties would not be sold until after next season's operation. My clients and I think it exceedingly unwise under present financial conditions of country to put this property up for sale; especially is it so before a refinancing plan is worked out and approved by the court. This I discussed with you in our conversations. Further, it will take receipts from next season's operation to pay fees, costs, insurance, and other claims filed against the estate. Funds now in hands of receiver grossly inadequate. Copy final decree prepared your office and other claims filed against the estate. Fulfus flow in hands of receiver grossly inadequate. Copy final decree prepared your office directly contrary to agreement expressed in letters of August 7 and 12. However, I am preparing final decree, which think will be satisfactory. This can be signed upon Judge Ritter's return, sale thereunder to be April rule day.

A. L. RANKIN.

Pd. and chg. acct. A. L. Rankin.

A. I sent that message.

Q. I will ask you whether or not you received the letter which I will now read to you, dated October 4:

Palm Beach, Fla., October 4, 1930.

Subject: Embassy Club. Judge A. L. Rankin,

Judge A. L. RANKIN,

Comeau Building, West Palm Beach, Fla.

Dear Judge Rankin: In reference to our recent conversation on above subject, I beg to advise I wrote to Mr. Sweeny and he has had one or two talks with Mr. Bradley and Mr. Bradley is very anxious that Mr. Martin Sweeny, Mr. Edward Sweeny, and myself should in some way take over the entire Embassy Club property and the property to the north, so that he can be relieved of any further notoriety, etc., etc. Mr. Bradley communicated with his attorney, Judge Donnell, and also asked me to see Judge Donnell, and I have today had a conference with Judge Donnell, who will see you after your return next week, and Judge Donnell has promised to write me the latter part of next week in New York, room 508, no. 2 West Forty-fifth Street, after he has learned more fully of the present status of the Embassy Club and after his conference with you.

There is nothing further that Messrs. Sweeny or I can do until we hear further from Judge Donnell; in the meantime, we are keeping everything in reference to this matter strictly confidential.

Hoping you have had a very fine vacation, and with kind regards, beg to remain,
Yours very truly,

H. E. BEMIS

HEB/L CC Judge E. B. Donnell. Shall leave New York October 18.

A. I received that.

Q. I ask you whether or not you received the following letter:

> GENERAL ELECTRIC X-RAY CORPORATION, FORMERLY VICTOR X-RAY CORPORATION,
>
> Des Moines, Iowa, October 18, 1930.

Mr. A. L. RANKIN

Comeau Building, West Palm Beach, Fla.

DEAR SIR: I wish to thank you for the information regarding the Whitehall Hotel issue and your letter of September 3. I am somewhat straightened out now, but each time I survey the situation what straightened out now, but each time I survey the situation I find a new angle presenting the same question. This time I find in a circular sent to me by one of the officials of the American Bond & Mortgage Co., on July 9, 1929, the statement that the property was sold by order of the United States District Court on June 3, 1929, and was bid in by one of the American Bond & Mortgage Co. officers. Mr. Harold A. Moore has since the sale taken possession and is holding the property for the protection and benefit of the first-mortgage bondholders. This circular is signed by Mr. Moore.

benefit of the first-mortgage bondholders. This circular is signed by Mr. Moore.

I have just written Mr. Moore in regards to the statement he made at the time I wrote you—rather Judge Halsted L. Ritter—of, and am anxious to know if he will tell me the sale has been post-poned. Do you know just about what percent of the bonds have been placed in the hands of the bondholders' protective committee? I have been told they are formed for the purpose of working out a way of saving the bondholders a heavy loss in the bankruntey.

Again I thank you for the previous information, and I assure you I will be more than pleased to be informed of any new developments.

Very truly yours,

L. T. WEISBROD.

A. Yes; I received that letter.

Q. I will ask you if you wrote the following letter in reply: OCTOBER 21, 1930.

Mr. L. T. WEISBROD, Care of General Electric X-Ray Corporation, 303 Equitable Building, Des Moines, Iowa.

Re: Whitehall foreclosure.

Care of General Electric X-Ray Corporation,
303 Equitable Building, Des Moines, Iowa.

Re: Whitehall foreclosure.

Dear Sin: This is to acknowledge receipt of your letter of October 18 pertaining to the above matter.

It is true that there was a sale of the Whitehall Hotel properties in the summer of 1929 under a foreclosure decree instituted by the trustee of a third mortgage or trust deed on behalf of the American Bond & Mortgage Co., who was the owner and holder of all of the third-mortgage bonded indebtedness. This property was bought in at the sale by Kenneth W. Moore, a brother of Harold A. Moore, trustee under the first mortgage or trust deed, and an officer of the American Bond & Mortgage Co., and the property was held by him until I filed a bill in the Federal court on behalf of some individual bondholders to foreclose the first mortgage for their benefit and the benefit of all first-mortgage bondholders, when a receiver was appointed by the court, who took possession of the property and has held it up to the present time.

The American Bond & Mortgage Co., controlled by the Moore crowd, owned all of the third-mortgage indebtedness and a great part of the second-mortgage bonds and were endeavoring to hold possession of the Whitehall Hotel properties until they could pay off from its operation all of the second- and third-mortgage indebtedness, knowing that the property was not worth anything like the amount of the outstanding first-mortgage bondholders it became necessary for me to file a bill on behalf of bondholders alleging fraud, conspiracy, and adverse interest on the part of Harold A. Moore, the trustee under the first mortgage, and thereby secure the property, with its rents, income, and profits, for the benefit of the first-mortgage bondholders alleging fraud, conspiracy, and adverse interest on the part of Harold A. Moore, the trustee under the first mortgage, and thereby secure the property, with its rents, income, and profits, for the benefit of the first-mortgage bondholders in the hands of

the court for the court's approval before a sale of the property. I am afraid the bondholders' committee will try to beat the price down so that some of their crowd will be able to buy in the property at a much less price than its real value.

I am writing you fully my views of the matter. I may be wrong, but I am forced to believe, from the movements and actions of the bondholders' committee and others associated with them, that this is true. Please excuse this long letter, but I want to be frank and open with all bondholders and give them whatever information I open with all bondholders and give them whatever information I have.

Yours very truly,

ALR.gs

A. I wrote that letter.

Q. I will now read you a letter of date October 23, 1930, on the letterhead of Shutts & Bowen, and signed J. F. Mc-

Law Offices, Shutts & Bowen, First National Bank Building, Miami, Fla., October 23, 1930.

Mr. A. L. Rankin,

Comeau Building, West Palm Beach, Fla.

Dear Mr. Rankin: The trustee's fee schedule furnished me by the City Trust Co., about which I spoke to you last week, is as follows:

Acceptance fee, one-tenth of 1 percent of the amount involved, or a minimum of \$25.

Annual fee, three-fifths of 1 percent, or a minimum of \$25.

Closing fee, one-tenth of 1 percent.

Where there is litigation, or any unusual services performed by the trustee, and without regard to whether or not a reasonable compensation covering such service is expressly provided for in the mortgage, the court generally makes an allowance to cover such services not to exceed 5 percent of the amount of the mortgage. Yours truly,

J. F. MCPHERSON.

JFMcP/hs.

Did you receive that letter?—A. I received that letter.

Q. I will ask you whether or not the following letter was turned over to you by Mr. H. E. Bemis. This is a letter on the letterhead of Sonneschein, Berkson, Lautman & Levinson, attorneys and counselors at law, 77 Washington Street, Chicago, Ill. That is in your correspondence. Do you remember that letter?-A. Mr. Bemis mailed me that copy.

Q. I read the letter:

SONNENSCHEIN, BERKSON, LAUTMANN & LEVINSON, ATTORNEYS AND COUNSELLORS AT LAW, 77 WEST WASHINGTON STREET, Chicago, Ill., October 16, 1930.

Mr. H. E. BEMIS.

Paim Beach, Fla.

DEAR MR. BEMIS: I acknowledge receipt of your wire of the 14th relative to the Whitehall at Palm Beach, Fla., and, pursuant to our conversation of last Friday, I want to outline briefly to you our thoughts in connection with the situation which appears to

our thoughts in connection with the situation which appears to exist there.

As we see the situation, there is no occasion for any great delay in connection with cleaning up the foreclosure on this property. You will recall that there was an original bill filed on behalf of Bert E. Holland et al. by Mr. Rankin, and that there was a crossbill filed on behalf of Harold A. Moore, as trustee, both of which, in the last analysis, asked that a decree of foreclosure and sale be entered in respect of this property, and, leaving aside all of the technical grounds upon which the prayer for relief in each case is based, the ultimate net result which both the bill and cross-bill seeks is the same. seeks is the same.

seeks is the same.

You will recall that we told you last Friday that it was the desire of the committee to have you and Mr. Sweeny operate the hotel for the coming season, whether you operated it through the receiver or on behalf of the committee, if it becomes the purchaser of the hotel at foreclosure sale. You will also recall that we told you at that time that we had assented to a deal between Mr. Rankin and Messrs. Shutts & Bowen relative to the amount of fees for counsel for the complainant and cross-complainant and the division of those fees between Rankin and Shutts & Bowen. You will also recall that we only consented to the amount of those fees upon the express understanding that the decree of fore-You will also recall that we only consented to the amount of those fees upon the express understanding that the decree of fore-closure be entered and the sale had and the receiver discharged during the month of October 1930. I think the exact date which we specified was the 10th of October, but we do not consider that is material, provided the matter be brought to a speedy conclusion within the next 30 or 40 days.

Now, it seems to us that it should be immaterial from Mr. Rankin's standpoint whether the decree be based on the original bill or on the cross-bill, or both, because in any event the amount of the fees payable to Mr. Rankin would be fixed, and we, representing the committee, are perfectly willing to put the arrangement with respect to them in writing so that there can be no possible misunderstanding.

You will recall that charges against Harold A. Moore, as trustee, have been made which affect Harold A. Moore personally, and

have to do with his good faith and his honor, and you also know that he is unwilling that there be anything in the final decree which would intimate that proof had been made to substantiate the charges. Inasmuch as all parties are seeking the same result we see no reason why any such intimation should be put in the decree, and our suggestion is that the decree specifically state that by agreement no proof whatever was offered with respect to those portions of the original bill dealing with the charges against the trustee, but that the decree, however, be based on the allegations in both the bill and cross-bill, with respect to the failure of the mortgagor to perform its covenants and make its payments under the trust deed.

We understand that Mr. Rankin objects to having the decree

We understand that Mr. Rankin objects to having the decree provide that the proceeds of the sale be paid over to the trustee. We see no logical reason for this objection, but in case Mr. Rankin We see no logical reason for this objection, but in case Mr. Rankin persists in this objection we are willing to provide assurance of the committee that the trustee will duly account for all funds which may be paid over to him and will cause the trustee to deposit these funds in such a way that the committee or its counsel will exercise some supervision over their disbursement. You might also advise Mr. Rankin that the committee has on deposit with its depositaries more than 92 percent of all of the bonds of the issue presently outstanding, and that we feel that from the standpoint of the interest of those bondholders the continuance of this litigation and the continuance of the property. in the continuance of this litigation and the continuance of the property in the possession of the receiver is working a hardship on them and is preventing the committee from effecting any reorganization or refinancing of the property, and thereby preventing the bondholders from realizing any portion of their investment out of such

holders from realizing any portion of their investment out of such reorganization or refinancing.

It is obvious that the committee is not in a position to deal with any prospective operator or purchaser of the property with the litigation in the state in which it now is, and until a final conclusion of the arguments between opposing counsel has been reached nothing of this nature can be accomplished, and furthermore, until a final reorganization is made and a new owner (or an operating company lessee under a long-term lease) is in possession of the property no comprehensive program of advertising, capital betterments, term leases, or other matter of major policy necessary for putting the hotel on its feet can be worked out.

You might also assure Mr. Rankin that in the event a fore-closure sale is held a representative of the committee will bid for the property at such sale and will be supplied with ample funds with which to make good his bid and thereby provide sufficient funds for the payment of counsel fees and other expenses attendant upon the litigation.

Very truly yours,

Sonneschein, Berkson, Lautmann & Levinson,
By Edward P. Morse.

By EDWARD P. MORSE.

A. I received a copy from Mr. Bemis of that letter sometime after its date.

Q. I will ask you whether or not you received a copy of a telegram from the same law firm, namely, Sonnenschein, Berkson, Lautmann & Levinson, addressed to H. E. Bemis, Palm Beach, Fla., as follows:

Straight message.

CHICAGO, October 25 30.

H. E. BEMIS.

Palm Beach, Fla .: Apparently parties are close to settlement on Whitehall. Rankin objects to sale this fall on theory that next spring will be better time to sell property. Apparently he does not understand that committee will be active bidder and will bid at least one million five hundred thousand for property. Perhaps you can persuade him to waive his objections for this reason. If you see him today or Sunday, please telephone me Glencoe one four four three, Glencoe, Illinois.

Sonnenschein, Berkson, Laurmann, & Leurmann.

SONNENSCHEIN, BERKSON, LAUTMANN & LEVINSON.

EPM:FB. 35887-N.

A. I received that.

The PRESIDENT pro tempore. If counsel will suspend for a moment, the Chair will state that there has been an order of the Court that the witnesses shall stand while they testify. If there is no objection, while the witness now on the stand is identifying these telegrams, he may be seated.

By Mr. WALSH (of counsel):

Q. I will ask you whether or not you received a copy of this telegram sent by Mr. Bemis to Messrs. Sonnenschein, Kerkson, Lautmann & Levinson:

Confirmation.

PALM BEACH, FLA., Nov. 4, 1930.

Mr. Edward P. Morse, Esq.,
Sonnenschein, Berkson, Lautmann & Levinson,
77 West Washington Street, Chicago, Illinois:
Judge Rankin preparing final decree along lines agreed upon with Shutts & Bowen and Fordham and will send them and you copy of this final decree for yours and their approval as soon as decree is finished which will not be later than November twentieth.

H. E. Bemis.

HEB:HL Charge Whitehall.

Was that turned over to you?-A. That was turned over |

Q. I will ask you whether or not, on November 5, 1930, you sent the following telegram to Mr. Crate D. Bowen:

NOVEMBER 5TH, 1930.

Mr. Crate D. Bowen, c/o Shutts & Bowen, Attorneys at Law, Miami, Florida:

Drafting final decree Whitehall along lines our agreement, leaving compensation for trustee and receiver blank. When finished will have conference, probably first part next week.

Pd. and chg. acct. A. L. Rankin.

Q. I will ask you whether or not you wrote the following

NOVEMBER 7TH. 1930.

MISS ADELE STERN.

c/o Jacques Kreisler & Co., 36 West 47th Street, New York City.

Re: Whitehall foreclosure.

Dear Miss Stern: Your letters of October 23d and November 4th, inquiring about the status of the above matter received. As you are probably aware, representing bondholders, I filed a suit last fall to foreclose the first-trust deed or mortgage of Whitehall Building & Operating Co. for the benefit of the plaintiffs and all first-mortgage bondholders. Under this bill I had a receiver appointed, who has been in possession of and operated the hotel last season and is making preparation for its operation the coming season, 1930-31. This operation has been under the management of the best hotel people on the lower east coast and the bondholders' interests are better protected at the present than ever before. We are making preparations to get a final decree of foreclosure and have the property sold next spring, after the close of next season's business. In this foreclosure suit by bondholders the court appointed a receiver, and thereby dispossessed the Moore interests, whom it was charged had been operating the hotel for their benefit rather than the benefit of first-mortgage bondholders. DEAR MISS STERN: Your letters of October 23d and November 4th, bondholders.

At the foreclosure sale, if we have no cash bidder, we will arrange to have the property bought in for the benefit of all first-mortgage bondholders.

Rest assured that I am doing all I can for the protection of the bondholders and to get as much out of the property for them as possible. If there is any further information you desire, please advise.

Yours very truly.

ALRES

A. I wrote that letter.

By Mr. HOFFMAN:

Q. Mr. Rankin, did you write this letter to Mr. H. E. Bemis on November 19, 1930?-

NOVEMBER 19, 1930.

Mr. H. E. BEMIS, Room 508, 2 West Forty-fifth Street, New York City.

Re: Whitehall foreclosure.

Dear Mr. Bemis: Enclosed I am sending you copy of rough draft of final decree in Whitehall matter. I have only made an original and one copy, so please bring this copy back with you. I will rewrite the decree within the next day or two, eliminating all of the errors. If you have any suggestions to make, note them on your copy and advise me upon your return. Nothing new has developed. I talked to Mr. Bowen today and he was very much pleased to know that I had the final decree finished and would send him a copy within the next day or two.

Remember me to Mr. Sweeny with kindest regards.

Hope to see Mr. Sweeny here soon and will see you upon your return the first of next week.

return the first of next week.

Yours very truly. AIR.gs/encl.

A. I wrote that letter.

Q. Did you receive this letter from Mr. Bemis under date of November 7, 1930?-

WHITEHALL, Palm Beach, Fla., November 7, 1930.

Judge A. L. RANKIN,

Comeau Building, West Palm Beach, Fla.

Comeau Building, West Palm Beach, Fla.

Dear Judge Rankin: I am enclosing copy of agreement of deposit of first-mortgage bonds sold through American Bond & Mortgage Co., on Whitehall, to the Chicago Bondholders Committee. Also enclosing a pamphlet issued with this circular.

After these two papers have served your purpose, I would like very much to get them back for my files.

I am leaving for New York on the 8th, and intend leaving New York, returning, on November 22, and if, during the meantime, you finish the final decree I would be glad to have you forward a copy to me at Room 508, 2 West Forty-fifth Street, New York City.

As soon as I reach New York Mr. Sweeny and I both will endeavor to get in touch personally with Mr. Harris as we are both anxious to be of some real service to you. In the meantime if

there are any matters you would like to have me take up, kindly address me at the New York office.

Very truly yours,

H. E. BEMIS, Agent.

HEBemis: HL

Did you receive that letter from Mr. Bemis?-A. I did. Q. Did you on November 21, 1930, write this letter to Shutts & Bowen:

NOVEMBER 21, 1930.

Messrs. Shutts & Bowen,

First National Bank Bldg., Miami, Fla.
(Attention Mr. Crate D. Bowen.)

Dear Mr. Bowen: Enclosed I am sending you copy of final decree in the Whitehall matter, which I have just finished. You will please look this over and see if you have any corrections or suggestions to make. I will be down the first part of next week, and will call around to see you pertaining to the decree.

I also enclose a copy of the decree, which you may forward to the bondholders' protective committee in Chicago.

Yours very truly,

ALR. gs

ALR.gs

encls.

Did you write that letter to Mr. Bowen?-A. I did.

Q. Did you receive this letter from Mr. Martin Sweeny under date of November 22, 1930:

Palm Beach, Fla., November 22, 1930.

Judge A. L. RANKIN,

West Palm Beach, Fla.

Dear Judge Rankin: Mr. Bemis loaned me last night the copy

Dear Judge Rankin: Mr. Bemis loaned me last night the copy of the final decree of which you so kindly sent him. From a layman's standpoint it looks as though you have covered every point. I note that in the sale of this property you ask for a minimum price of \$1,500,000, either in bonds or cash, and, as I understand this, it will be necessary for the bondholders' committee to put up two and a half million dollars in bonds of the old issue. In case they only control 93 percent of the bonds, for the balance, or 7 percent of the entire issue, they would put up 60 cents on the dollar. Furthermore, I believe it was our understanding that the bondheld by W. J. Moore, which he bought in after he knew the property was bankrupt, could not be used. This would be another \$300,000 of bonds, or the equivalent of 60 cents on the dollar in cash, would have to be put up.

In other words, whoever bought the property would have to

In other words, whoever bought the property would have to deposit in round figures about \$300,000. I am just reciting these facts to see if they are correct, in case someone does bid upon the property. For I believe it is your intention eventually to put this in the hands of three trustees, for, truthfully speaking between friends, I do not believe the property in the long run would pay out at this figure—\$1,500,000.

out at this figure—\$1,500,000.

Naturally I am anxious to get to Palm Beach, so that you, Mr. Bemis, and I can go over all these various points brought up in the final decree, so as to be able, when the property is finally offered for sale, to be in a position to make a legitimate bid with a company that will have the backing of several Palm Beach men on our board, who would guarantee the bonds at a fair price. I believe this can only be accomplished by the property being put in the hands of three competent trustees who would look at it for a long pull and not from one season's extraordinary earnings.

It is not only so of Florida property but of all real-estate property throughout the United States today, that on bonds of going concerns that are earning money, would not carry the price that you have asked in this final decree. As an illustration, the firstmortgage bonds on the Berkshire, corner of Fifty-second Street and Madison Avenue, the total issue of which was only \$1,350,000, are today offered to us at 60. The property has been built and in operation for 5 years and each and every year has made more than its interest and amortization. In other words, the ground rent on this property is \$75,000 a year, the interest and amortization is \$120,000, making a total of \$190,000. In the last fiscal year we made over \$290,000.

made over \$290,000.

As another illustration, the first-mortgage bonds on the Florida East Coast entire properties are today selling at 35.

I am just giving you these figures and facts so that you can see the future of Whitehall in the final accounting, instead of the earnings of 2 years ago.

We have a moral obligation to the first bondholders who invested their money in this property. Naturally we would like to see them get some of their capital with a guaranteed return of it. I believe we can earn as much on the property for the first-mortgage bondholders, if not more, than any other group.

I believe I am speaking for Mr. Bemis, as well as myself, when I say that I would hate to see this property get into some hands that in the final outcome would in any way reflect upon Judge Ritter's court.

Ritter's court.

I saw Judge Harris the other day, and I wish you would send me the letters that you had from the Governor of Alabama, as it is just possible before I leave for Palm Beach I might see the Honorable James Francis Burke, of Pittsburgh, and, as you know, he has a big influence in Washington. It is just possible I might get a word in to your advantage.

With kindest regards, believe me, I am,

Sincerely yours

MARTIN SWEENY.

Sincerely yours,

A. I received that letter.

Q. Did you write this letter on December 5, 1930, to Shutts & Bowen?-

DECEMBER 5, 1930.

Messrs. Shutts & Bowen,

Attorneys at Law, First National Bank Building,

(Attention Mr. Bowen.)

Dear Mr. Bowen.: Enclosed you will find rewritten pages 9, 10, 13, 16, and 21 of the final decree in the Whitehall foreclosure, which you will please insert in the copies you have and have sent to the bondholders' committee in Chicago. These rewritten pages contain the changes which we agreed upon at our conference yesterday. You will note at the bottom of page 10 that there are three lines of description left out for lack of space. Please have your stenographer insert these three lines at the top of page 11 of your copy. She can get this description from the bottom of page 10 of your present copy. After looking these over, I think it would be wise for us to get together Monday and draft stipulation and necessary papers for final signature of the decree. I can go down Monday, if necessary, and will carry my amended bill for filing. Please advise if you will be ready Monday.

Yours truly.

ALR.gs encls.

ALR.gs encls.

Did you write that letter?—A. I wrote that letter.

Q. Did you receive this letter from Wilson Trammell, attorney at Miami, Fla., December 31, 1930?

WILSON TRAMMELL, ATTORNEY AT LAW, BANK OF BAY BISCAYNE BUILDING, Miami, Florida, December 31, 1930.

Miami, Florida, December 31, 1930.

Hon. A. L. Rankin,
Attorney at Law, Comeau Building, West Palm Beach, Fla.

Dear Mr. Rankin: Please be reminded that you promised to send me a copy of the final decree entered in the Whitehall Hotel fore-closure case the day after I talked with you over the phone. I would like to have this copy so that I may report its contents with my associate counsel in New York.

I understand that Judge Ritter wants a letter from me acquiesceing in the entry of the final decree during my absence and I will be glad to do this.

be glad to do this. Yours very truly,

WILSON TRAMMELL.

That is dated December 31, 1930, after the signing of the final decree.-A. I received that letter.

Q. Whom did Wilson Trammell represent in the case, do you recall? Did he represent one of the defendants?-A. He was representing one of the trustees, to the best of my recollection, under the third-mortgage bonds.

Q. On December 3, 1931, did you send this telegram?

JANUARY 3RD. 1931.

Honorable PALMER ROSEMOND.

Deputy Clerk United States District Court, Miami, Florida. Please deliver to Shutts & Bowen one of my copies Whitehall final decree mail other one to me today.

Paid chg. A. L. Rankin.

A. I sent that.

Q. Did you send this letter to Wilson Trammell in response to the telegram I just read to you, the letter being dated January 7, 1931:

JANUARY 7, 1931.

Mr. Wilson Trammell, Attorney at Law,

Bank of Bay Biscayne Building, Miami, Fla.

Dear Mr. Trammell: Enclosed herewith you will find copy of final decree, entered in the Whitehall Hotel foreclosure on December 24, 1930, as requested in your letter of December 31, 1930. Yours very truly,

A. I wrote that.

Q. On February 24, 1931, did you write this letter to Shutts & Bowen?

FEBRUARY 24, 1931.

SHUTTS & BOWEN, Attorneys at Law, First National Bank Building, Miami, Fla. (Attention Mr. Bowen.)

GENTLEMEN: According to my telephone conversation of today, you will find enclosed copy of notice of special master's sale in the Whitehall matter. Please look this over and see if you have

any corrections or suggestions to offer.

Please advise as to this by return mail, as we should get this notice in the paper the latter part of this week.

Yours very truly,

A. I wrote that.

Q. Did you draw the notice of the master's sale in that proceeding that was published in the newspapers and under which the sale was conducted under the final decree?-A. The master's report of the sale?

Q. The legal notice of the sale published in the newspaper?-A. Yes; I prepared that.

Q. Did you receive this letter dated March 12, 1931, from Shutts & Bowen?-

> LAW OFFICES, SHUTTS & BOWEN, FIRST NATIONAL BANK BUILDING, Miami, Fla., March 12, 1931.

Judge A. L. RANKIN.

Judge A. L. RANKIN,

Comeau Building,

West Palm Beach, Fla.

Re Bert E. Holland et al. v. Whitehall Building & Operating Co.

DEAR JUDGE: I understand from our McPherson that you prepared and submitted to the court a memorandum of authorities on the question of the allowances of attorney's fees to yourself as attorney for the plaintiffs in this case, the authorities which you cited tending to uphold the right of an attorney to fees out of the trust fund or estate where through his efforts an estate has been conserved, protected, or preserved. protected, or preserved

I have looked for this memorandum in the office of the deputy clerk here, but the file seems to be in the hands of the master.

clerk here, but the file seems to be in the hands of the master.

If any of the authorities cited by you purport to define, explain, or illustrate what constitutes conservation or preservation I should appreciate it if you would lend me a copy of your memorandum. We have a copy of only a part of it in our files. If you have only one office copy I shall be glad to make a copy and return it to you. I desire to refer to these authorities in connection with another case that I am handling before Judge Ritter.

Thanking you in advance for your courtesy, I am,

Very truly yours,

LSJULIAN.

L. S. JULIAN.

A. Yes; I received that letter.

Q. Did you write Shutts & Bowen under date of March 16, 1931, as follows:

MARCH 16, 1931.

SHUTTS & BOWEN,

First National Bank Building, Miami, Fla.

(Attention Mr. L. S. Julian.)

In re Whitehall foreclosure.

DEAR Sir: Enclosed I am sending you, as requested, copy of my brief in the above case in reference to application for attorney's fee for conserving assets.

for conserving assets.

I have been delayed in getting this to you on account of my office copy having been borrowed by a brother attorney here, and it was hard to locate.

I have made a copy of my office copy which I am enclosing. This covers all the law that I presented to the court on this point. There was in my original brief some additional argument added to the memorandum, a copy of which I seem to have misplaced.

If I can be of further assistance, please advise.

Yours very truly.

Yours very truly. ALR: cencl: 1.

A. I wrote that letter.

Mr. Manager SUMNERS. Mr. President, I do not want to be in the position of being technical about this matter, but I am wondering if counsel cannot get at what is now being offered without reading the letters, which are clearly selfserving. We do not want to raise the point. I am wondering if we could not shorten the proceedings somewhat. We have no objection to the testimony, but I wonder if we could not have a statement from counsel on which we might agree. I do not know how long the reading of these letters is to continue. The letters are clearly self-serving and are letters written by persons who are not called. We do not want to raise the point, but I am suggesting in the interest of economy of time whether counsel will not make a statement about the contents of the letters.

Mr. HOFFMAN. We have virtually concluded the introduction of this course of correspondence.

Mr. Manager SUMNERS. I withdraw the suggestion to save time.

Mr. FLETCHER. Mr. President, may I suggest that the managers on the part of the House, it seems to me, might well enter into a stipulation respecting the facts, which would save a great deal of time. I believe from what has occurred here that a great deal of this could be agreed on without the necessity of reading this correspondence.

Mr. Manager SUMNERS. We have withdrawn the suggestion.

Mr. HOFFMAN. The object and purpose of presenting the correspondence which we find here is to give to the Court the benefit of the course of negotiations and some idea of what did transpire as revealed by this file, without using the interpretation that counsel might put upon it by trying to get it orally. I believe it will expedite matters much more satisfactorily than trying to interrogate the witness on each particular item. I think we are undoubtedly saving time by having it read and letting the Court have the contents.

Mr. Manager SUMNERS. I withdraw the suggestion. I did not offer an objection. I merely offered a suggestion.

Mr. WALSH (of counsel). May I have the attention of the managers on the part of the House? I have here the entire file in the Whitehall case, brought here by the clerk of the Court. In order to expedite matters, I had the clerk make a chronological list of all of the matters, papers, and documents contained in this file. To these we have given serial numbers marked on each document itself. I want to know if we can have an agreement with counsel on the other side or a stipulation that these shall be considered as offered in evidence. I will give the managers a copy of the list and then we can draw out any on which we wish to interrogate

Mr. Manager SUMNERS. I have not consulted with my colleagues, but if counsel tells me the documents referred to constitute a part of the files in the case, we shall have no objection, I am sure.

Mr. WALSH (of counsel). I have the statement of the clerk. I asked him to prepare it.

Judge, may we have a further agreement as to the number of papers? There are 235 papers and documents of pleadings and motions filed in this case during the time it was being attended to by Mr. Rankin. One hundred and fortynine of these papers were motions and affidavits which were filed before the 24th day of December 1930, and the balance since that date.

Mr. Manager SUMNERS. Who filed them?
Mr. WALSH (of counsel). A description of them is given here. That is what I am trying to avoid going into. You can check them off with this list. I should have to read it all to tell you. They run along. The list begins with the bill of complaint, and runs right through.

Mr. Manager SUMNERS. We have no objection. Mr. WALSH (of counsel). Thank you. I knew you would

I should like to introduce the original bill of complaint, which is number 1.

By Mr. WALSH (of counsel):

Q. I will have you look at this paper which I now hand you, and have you tell the court what it is.

(The witness examined the paper.)

Q. What is that, please?—A. That is the original bill of complaint filed in the Bert E. Holland against Whitehall

Q. How many pages is it?

Mr. Manager SUMNERS. We will agree that it is 200

Mr. WALSH (of counsel). Is that what it is? I do not

Mr. Manager SUMNERS. I do not know, sir. Mr. WALSH (of counsel). I have not looked it up.

A. Apparently, there are 134 pages.

By Mr. WALSH (of counsel):

Q. We have had a list made of the papers contained in the records of the Whitehall case. I wish you would run over it as fast as you can, and tell us whether or not you attended the various hearings and attended the various matters that required an appearance in all of the motions; and did you make an inspection of all of the papers filed in this case? I ought to say that when you were asked, yesterday, what you did, I believe you stated that you might refer to the record to find out. Now we have put it in this short form, so that you can look through it-the other side have a copy of it-and give an answer to my question whether you attended to the various matters mentioned in that. Just run through it, page by page.

(The witness examined the document.)

Mr. Manager SUMNERS. Mr. President, with the consent of the President, I suggest to counsel that the managers on the part of the House would be willing for Mr. Rankin to take that paper with him tonight and come back on the stand in the morning for just whatever time it takes him to answer your question, and examine the paper in the meantime, if that is satisfactory.

Mr. WALSH (of counsel). I wish to expedite matters all I can; but the importance of this matter-

Mr. Manager SUMNERS. I beg your pardon.

Mr. WALSH (of counsel). I wish to give you my reason, because there is no suggestion that I would not take in the way of saving time. Here is a man who is put on without a record of 235 different motions and matters and asked to tell

Mr. Manager SUMNERS. I entirely withdraw the suggestion.

Mr. WALSH (of counsel). And the inference is drawn, in answer to specific questions on cross-examination in a sort of a mode as though it was not believed, that he did but one or two things. Now, I know no other way to do this; and I should like—I will do it as briefly as I can—to do it in my own way and put it in. I have tried to make it short by having him look at this list. I wish to follow this up by getting the matters in about what he was asked that were in written documents that we were not willing for any witness to interpret and that no witness could recollect.

Mr. Manager SUMNERS. Mr. President, I wish to apologize to counsel for respondent for having made that suggestion.

Mr. WALSH (of counsel). I know, Judge, that you are doing your best, and I hope you will think we are.

Mr. Manager SUMNERS. Yes; I know you are.

Mr. ROBINSON. Mr. President, I am constrained to inquire whether counsel are ready to proceed with the witness.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Chair just inquired of the witness the length of time it would take him, the way he is proceeding, to complete his examination of the list, and he thinks it will take 20 or 30

Mr. ROBINSON. Mr. President, I do not think the Court should be asked to delay its proceedings until the witness has completed the inspection of a memorandum which has been prepared. I think it proper to call attention to the fact that this witness has now been before the Senate since the completion of the opening statements yesterday; and while there is no disposition on the part of any member of the Court unduly to hasten the proceeding, some consideration, I think, ought to be shown, in the presentation of the testimony, to the relevancy and materiality of the testimony.

If the managers force an issue which is largely immaterial and introduce testimony which is only remotely related to the conduct of Judge Ritter, which is the subject matter of consideration in this proceeding, I respectfully suggest that it would be well for others to refrain from magnifying issues which are not primarily material.

Considering the large list of witnesses which has been published, if 2 or 3 days are to be taken in the examination of a single witness whose testimony relating to the material issues in the case is necessarily brief, if all the documents and pleadings and all the correspondence which may have taken place are to be reviewed in evidence in detail, there will be no end to the proceedings.

It is somewhat embarrassing at this juncture to make the statement which is being made, but I am doing it at the instance of a large number of Members of the Court.

Frankly, the proceedings which are in progress now are in answer to or in contradiction of testimony which apparently was unduly drawn out yesterday.

I do not think that any member of the Court feels that it would be proper to interfere with the introduction of evidence under circumstances allowing liberal latitude, but we fear there can be no end of this proceeding if we are to go on as we have begun.

Mr. WALSH (of counsel). Mr. President, of course it would be not only a lack of courtesy for me to insist upon something which was not absolutely necessary here, but it would be very foolish for me, in view of the statement made by a member of the Court, to go in opposition to what he says a number of his fellow members of the Court think should be

I shall respectfully show my reasons for this procedure and I shall ask the consideration of the members of the Court of the necessity to introduce this testimony. In view of what

was brought out here, I cannot concede that this is not of the utmost significance, and that it does not bear upon one of the charges made against Judge Ritter, namely, that an exorbitant fee was charged.

I submit to your fairness, Mr. President and members of the Court, whether it would be right as a matter of justice to allow the examination which took place yesterday to pass without permitting us completely to answer it. I shall try to be as brief as possible, but this relates to the question of the allowance of an exorbitant fee.

On the question of the reading of the letters, I say likewise that I feel that I would be neglecting the discharge of my duty if I did not insist on proceeding, and much as I should like to accept the suggestion just made, I do not feel that I would be acting with the courage with which a lawyer should attempt to act in a case of this importance, where the Court has final word, without appeal, if I did not ask permission to proceed.

I say that the charge was made, not only by direct, leading questions, but by the manner in which the questions were asked—and I do not insinuate against it, because it was very cleverly done—that this gentleman on the stand in combination with the judge and with other persons, had fomented a case. The word "fomented" was used all the way through, and the charge is that they entered into a conspiracy.

I will be as expeditious as I possibly can, but I know of no way of refuting that charge but by showing by the documentary evidence exactly what took place, what was in the mind of this gentleman, what was in the mind of Mr. Sweeny, and what was in the minds of the others who are charged with the conspiracy.

The PRESIDING OFFICER. The present occupant of the chair would rule—

Mr. WALSH (of counsel). I have not finished.

The PRESIDING OFFICER. That the examination of the witness should proceed, and that the witness should not take time to examine documents at length. It is the ruling of the Chair at this time that the examination of the witness shall proceed.

Mr. JOHNSON. Mr. President, we did not hear the ruling of the Chair.

The PRESIDING OFFICER. The ruling of the Chair is that the examination of the witness shall proceed.

Mr. JOHNSON. In the manner in which it has been attempted?

The PRESIDING OFFICER. There is no question before the Court at this time.

Mr. JOHNSON. May I be permitted to make a remark at this point?

Of course, we are all in sympathy with what the Senator from Arkansas has said. None of us wishes to sit here longer than we have to. However, the implications of the examination of yesterday are obvious to anyone who sat here and listened to that examination. Any relevant mode of refutation—we speak now not of an absolute refutation, but any relevant mode which is deemed to be appropriate—may be presented here in an endeavor to reply to what was presented yesterday.

As I understand this particular proposition, the counsel for the respondent presents here a précis, as it were; that is, he presents here a memorandum setting forth all the papers filed in the particular case which is before us. He is seeking in that memorandum merely to show the extent of that proceeding. It seems to me that that is a greater timesaver than presenting the particular documents themselves, and it may answer every purpose that counsel has in mind.

Mr. McKELLAR. Mr. President, may I make a suggestion? Why cannot counsel agree as to what the record shows, and let it be put in the record? It seems to me there cannot be any dispute as to what the record shows. I think able counsel on either side could make an agreement, and if the statement which has been offered, and which has been shown the witness is an accurate statement taken from the record, counsel on both sides ought to agree with respect to it, and save an immense amount of time,

Mr. JOHNSON. Mr. President, the Senator from Tennessee was not here when a copy of this précis was handed to the managers on the part of the House. It is in their hands now. It is in the hands of the witness. As I have followed the proceedings here, it strikes me that, with the verity of the statement established by the witness, we are through with the documents, and it ought not to take any particular time to complete the examination now in progress.

Mr. ROBINSON. Mr. President, I merely suggested primarily that the Court ought not to be required to sit while the witness is given an indefinite length of time to examine a memorandum. We certainly are entitled to proceed. I am not trying to hurry anybody; but are we to sit all afternoon until the witness can review notes which have been handed him? I think the Chair has properly held that the examination of the witness should proceed.

Mr. WALSH (of counsel). May I make a statement, Mr. President? I know that you would not cut me off, and I had not finished what I was saying when the Presiding Officer made his ruling. May I be permitted, with the consent of the Court, to finish what I had to say?

The PRESIDING OFFICER. You may.

Mr. WALSH (of counsel). I was going to say that the only way I know how to proceed with respect to the question of the exorbitant fee—and I have the right to proceed in that manner—is to take out the documents one at a time and ask the witness whether he appeared at such time and place, and whether he prepared the papers, and then epitomize when I get through by asking him how much of his time it took for 14 months to do those things.

In order to try to make it short, I have prepared this memorandum. I was asked by a member of the Court adjacent to the counsel table whether this witness had seen it. My answer was that this witness had never seen this memorandum, because it was a big job to complete it. I tried to get it done a week ago, and I have been probably most of that time trying to get it in order. My idea was, in order to get through, that I would ask the witness to look it over, and if the Court insists on it I will ask him to pick out the particular proceedings or hearings and matters he attended to, in order to shorten the examination of the witness.

I did not raise the question that this witness was one who was called by the other side. We allowed the managers on the part of the House to cross-examine him, on the theory, of course, that the matter was of such moment, and the former relations of this gentleman with the judge were so important, that they ought to be investigated in the very best possible way they could be investigated.

Therefore I had no objection to the cross-examination which was conducted; but I do claim that it is the right of this man, in justice, to show just what was done in this case. I will make it as brief as possible. Goodness knows, I do not want to stay here any longer than necessary, and I know it would be very foolish for me to go through a performance before a practical court and jury, composed largely of lawyers, and do anything that a lawyer ought not to do in the introduction of evidence, not only as to its order but as to its integrity and substance.

The PRESIDING OFFICER. The question before the Court is whether the witness shall be permitted time to examine at length the memorandum which has been furnished to him. The witness advises the Chair it will probably take him 15 or 20 or possibly 30 minutes to do so. The Chair will submit the question to the Court. [Putting the question.] The noes have it.

Mr. CONNALLY. Mr. President, why cannot the witness, when the Court is not in session, have exhibited to him and looked over any papers about which counsel afterward desires to interrogate him? Why hold the Court while the witness reads something which he could have read last night?

The PRESIDING OFFICER. The Chair is of the opinion that the "noes" are in the majority. The counsel for the respondent will proceed.

Mr. WALSH (of counsel, addressing Mr. Rankin). Please give me the list, then. That is my only recourse.

By Mr. WALSH (of counsel):

Q. I will ask you whether or not you prepared this paper entitled "Bill of complaint for foreclosure of trust deed or mortgage, appointment of receiver, and other relief."—A. I prepared that.

Q. Did you prepare and file the document marked "no. 2", being Petition for Intervention by Eugenia J. Schopps?—A. I prepared that with the assistance of Mr. Metcalf. I also prepared the bill of complaint with his assistance.

Q. Did you prepare this document which I hand you, marked "No. 3", entitled in this case "Petition for Interven-

tion by A. H. Hill"?-A. I prepared this.

Q. I ask you whether or not you prepared the document marked "4", entitled "Amendment to bill of complaint for foreclosure of trust deed or mortgage, appointment of receiver, and other relief"?—A. I prepared this paper.

Q. I will get you to look at the paper which I now hand you, entitled "Petition for intervention, by A. W. Kirkland", and ask you whether or not you prepared that paper?—A.

I prepared this paper.

- Q. I will ask you whether or not you prepared the paper entitled "Motion to grant order permitting intervention" of A. H. Hill, Eugenia J. Schopps, and A. W. Kirkland?—A. I drafted that.
- Q. I will ask you at this point whether or not, with respect to all these papers I have asked you about heretofore, it is a fact or not a fact that after you prepared those orders you went to court and had them granted—every one of them?—A. That is a fact.

Q. I will ask you whether you prepared document no. 10, entitled "Motion for appointment of receiver"?—A. I pre-

pared that motion.

Q. I will have you look at the document which I now hand you, marked "No. 11", entitled "Bill of intervener, A. W. Kirkland, for foreclosure of trust deed and mortgage", signed by both you and Mr. Metcalf, and ask you whether you prepared that or Mr. Metcalf prepared it, or both, and whether you or Mr. Metcalf or both presented the motion to the court?

Mr. KING. Mr. President, I ask the Chair to ask counsel for the respondent, in view of the fact that he handed the memorandum to the witness, and the witness, as I followed him, examined two or three pages of it, whether the witness is ready to answer respecting the two or three pages which he did examine. If he says that he did examine them, and that he is ready to answer with respect to those two or three pages, it would pretermit any further presentation of those matters which are on the pages referred to which the witness examined.

The PRESIDING OFFICER. Counsel has heard the request.

Mr. WALSH (of counsel). The witness may do that, if I correctly understand the request.

The PRESIDING OFFICER. The document which the witness now has in his hand is a little larger than the others. That is why he took some time to look it over.

The WITNESS. I do not understand.

By Mr. WALSH (of counsel):

Q. You examined two or three pages of that; and, having done so, is that sufficient?

Mr. KING. No, Mr. President; I have reference to the other document. Will the Chair pardon me for one moment? The witness examined two or three of the pages of the document which was handed to him; and it is my suggestion that the witness be asked if, as to the pages which he examined, he is ready to answer.

Mr. WALSH (of counsel). There has been a suggestion made here which I will be very glad to follow.

Mr. ASHURST. Will the honorable counsel yield to me for a suggestion?

Mr. WALSH (of counsel). Certainly.

Mr. ASHURST. I desire merely to be helpful and to save time, if possible. Would the honorable counsel agree that the witness have opportunity this evening to examine that paper, so that tomorrow when he may take the witness stand he can testify as to the various matters? Obviously the witness

would require an hour or so to examine it, and the learned counsel and the learned managers could go ahead with other witnesses meanwhile. Is there any objection to that?

Mr. WALSH (of counsel). We adopt the suggestion.

Mr. ASHURST. I suggest—I doubt that I have the right to do so under the rule, but I ask to be allowed to do so—that the paper be given to the witness so that he may have it this evening for as long as he wishes and examine it, and when the attorneys for respondent desire they may recall him for further examination on this or any other point.

Mr. WALSH (of counsel). I will agree to do that to expe-

dite the matter, although it is a little difficult.

Mr. Manager SUMNERS. May I venture another suggestion which I hope will be helpful? The managers on the part of the House will agree that each of those papers listed in the schedule there are all papers that have been filed in this case. That is all counsel is trying to prove by this witness, I assume, although I do not know and may not understand the object. All we ask is that the witness indicate on the list of documents those that the witness himself prepared. We will agree that they have all been filed in this case.

Mr. WALSH (of counsel). That would not do for this reason: The very next paper that we come to is merely an appraisal, but we have a right to know what he did about that appraisal. Did he go over the appraisal? It is a very important matter. I am going to adopt the suggestion of the member of the Court who made the suggestion as to withholding these papers this evening, and having the witness examine them.

The WITNESS. I did not answer your question with reference to this paper.

By Mr. WALSH (of counsel):

Q. Did you hear the agreement that was made here?—
A. Yes; but this paper was in my hand, and you had asked me a question. Shall I answer it?

Q. Yes. The witness may answer that question, I take it, Mr. President.

A. This amendment or bill of intervention was prepared by Mr. Metcalf and by me.

Mr. WALSH (of counsel). The witness may step aside until tomorrow morning, and the managers may call their next witness.

Mr. ASHURST. Mr. President, I want it distinctly understood that the learned counsel may recall this witness.

Mr. ROBINSON. That is understood.

Mr. ASHURST. Very well.

The PRESIDING OFFICER. The managers on the part of the House will call their next witness.

The managers on the part of the House called Bert E. Holland.

DIRECT EXAMINATION OF BERT E. HOLLAND

Bert E. Holland, having been duly sworn, was examined, and testified as follows:

By Mr. Manager SUMNERS:

Q. Judge Holland, for the purpose of expediting your examination, I am going to venture to make the statement that you are Bert E. Holland; that your residence is in Boston, Mass.; that you are a lawyer; that you were one of the trustees who had control of the bonds in the Whitehall Hotel Co. to the amount of \$50,000; that you were corresponded with by Mr. Sweeny; and, as a result of a series of correspondence, you authorized Mr. Rankin, of Miami, Fla., and an associate to institute litigation for the foreclosure, in behalf of your client, of the first mortgage, or that part of the first mortgage represented by this \$50,000 worth of bonds. Is that correct?—A. That is correct.

Q. Coming down to the time when you appeared at Miami, Fla., at the court of Judge Halsted L. Ritter, will you state to the Court what transpired—and I direct your attention first to your contact with and your statement to Mr. Rankin?—A. I think it was on a Monday morning that I met Mr. Rankin in the courthouse corridor with, I believe, Mr. Metcalf. I was introduced by Mr. Fordham. That was the first time that I had ever met Mr. Rankin. Our conversation, in substance, was this: That I was one of the parties plaintiff in the action of the Sugden trustees against the

Whitehall Building & Operating Co.; that I was there in person and had authority to act for the other cotrustee; that I desired to appear for myself and did not want his services longer; that I desired his bill. I think that he then stated that he thought I was making a mistake in doing that. We then went into the courtroom. Do you wish me to proceed?

Q. I do, if you please.—A. My memory is that the matter of a motion for a receivership was taken up by the court.

Q. That is, a receivership in the Whitehall Hotel matter?-A. Yes; that either Mr. Rankin or Mr. Metcalf started in on that matter of a motion for a receivership. I think Mr. Bowen, of Shutts & Bowen, then stated to the court that I was present from Boston, and he asked the court to indulge me while I could make a few remarks. I then stated to the court that I was there in person; that I desired to take charge of the matter myself, acting for myself and my cotrustees; that we did not want the matter in court, or, if in court, we wanted it stopped there. My memory is that the judge said that we were already in court; that he knew this situation, he knew the property, and had for some time, and that he felt that a receiver should be appointed to take charge of the property. I said that I was there to ask that a receiver be not appointed on account of the expense that would be incurred. I think then-I am not certain, but I believe that then, or possibly when I said I wished the matter to stand, Judge Ritter said that he did not like the idea of people coming from out the State, coming into court in Florida, starting proceedings, and then trying to have them dismissed; that in this particular instance he felt that a receiver should be appointed, that he had in mind the property, and that he should appoint a receiver. I think that, in substance, is what was said between Judge Ritter and

Q. Mr. Holland, to refresh your memory, was there anything said by Judge Ritter, in inquiry by Judge Ritter, as to whether or not or what influence prompted you to appear in the court asking for withdrawal of the suit, or whatever you did ask?—A. I have nothing of that in my memory.

Mr. Manager SUMNERS. Take the witness.

CROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Mr. Holland, did you visit Mr. Martin Sweeny on or about October 3, 1929?—A. I did.

Q. Had you had a telephone conversation with him prior to that time?—A. I think I had had.

Q. Was there an exchange of wires before you came there?—A. I think in telegrams; yes.

Q. It was an arranged meeting?-A. Yes.

Q. That was about the Whitehall matter?-A. Yes.

Q. Did Mr. Sweeny tell you the interest he had in it, the history of it, what he had done in it, and what his interest was in seeing you about it?—A. Some.

Q. Where did you meet Mr. Sweeny?—A. At the Berkshire, I think; his hotel.

Q. Had you connected with anybody else in this matter at all except having an exchange of correspondence with the trustee in bankruptcy, Mr. Walter S. Richardson, at that time?—A. Had I had correspondence or connection with anyone else aside from Walter S. Richardson up to that time?

Q. Yes, sir.-A. I had not.

Q. So the only ones you had had any communication with, either verbally or by any other means, were Walter S. Richardson and Martin Sweeny. Is that correct?—A. Yes.

Q. You began the correspondence, did you not, by writing to Walter S. Richardson in March of that year?—A. The first letter sent was sent to the trustee in bankruptcy of the Whitehall Building & Operating Co., and we received a reply from Walter S. Richardson, trustee.

Q. You had certain inquiries to make as to how the property was being handled so far as meeting obligations of the trust deed were concerned, had you not?—A. Yes.

Q. He answered your letter?-A. He did.

Q. How many letters would you say you had from Mr. Richardson?—A. Three or four.

Q. Have you the letters with you?-A. I have.

Q. Will you please let me look at them?—A. That is, I say I have the letters of Mr. Richardson. I have the copies of the letters I sent him.

Q. That completes it. Will you kindly let me look at them?—A. Yes [handing counsel a file of papers].

Q. I see you have here a letter of June 3, 1929, from Walter S. Richardson, trustee. Are you familiar with that?—A. Yes.

Q. This letter reads as follows, and I am leaving out those which went before that, if I may, and read this one:

In reply to your letter of May 23, I wish to advise that I have handed your letter to the auditors and have requested them to furnish you the information at their earliest convenience, if they have sufficient information before them to gather this for you. I would like to advise that the secured creditors made a compromise settlement with the unsecured creditors whereby the unsecured creditors get 10 percent on their claims in full settlement thereof, and the balance of the money, after paying administration expenses of the bankrupt, will be turned over to the secured creditors. I also wish to advise that Mr. Moore, of the American Bond & Mortgage Co., brought foreclosure proceedings on the third mortgage, which amounts to \$60,000 and interest, etc. He is to sell the property today at 11 o'clock. You appreciate the fact that I am trustee for all the creditors and would not care to become active in behalf of any one or group of creditors. However, I would suggest that you write Metcalf & Hiatt, Harvey Building, West Palm Beach, furnishing them with a list of the bonds held by you and your clients and any other information that you would think they would need in cooperating with you in behalf of your clients. I am very friendly with this firm, and will be glad to cooperate with them in this matter. I understand that other bondholders have taken this matter up with this firm.

Yours very truly,

WALTER S. RICHARDSON, Trustee.

Q. You remember getting that letter, do you?—A. I do.

Q. And you answered the letter?—A. I am not certain. I think that is the last letter.

Q. Yes; I notice that you did not, Mr. Holland. That was on June 3. Did you make any further inquiry into the matter as to the condition of that property upon which you held these bonds?—A. Not from then until I met Mr. Sweeny.

Q. You knew the bonds were in default, did you not?—A. We——

Q. Did you know it?—A. I do not think so.

Q. Did you not know that the bonds had been in default since the middle of the year 1928, and that the trustee had not made any move to protect the first bondholders?—A. I do not think that I individually did.

Q. Did you know that there was a second mortgage and a third mortgage on that property following yours—junior mortgages?—A. Not until later.

Q. What time did you find it out?—A. It was substantially later.

Q. Yes; how late?—A. And the reason—

Q. No; not the reason; just how late it was, first, Mr. Holland. We are all trying to save time.—A. Thank you. I think it was—oh, 6 months or so later.

Q. You knew when you got the letter from Mr. Richardson, did you not, that there was a third mortgage on the property, and it was being foreclosed that day, and the third mortgage amounted to \$60,000?—A. I did.

Q. After you got that, did you make any further inquiry yourself?—A. Not until later.

Q. Did you make any inquiry before you saw Mr. Martin Sweeny?—A. I do not think so.

Q. That was the first time that you ever heard the name of the lawyers there, was it not—Metcalf & Hiatt?—A. I think so.

Q. You had no knowledge of it, and nobody suggested anybody as a lawyer prior to that time?—A. I think that is right.

Q. I wish you would briefly relate the conversation you had with Mr. Martin Sweeny on the 3d day of October 1929.—A. I met Mr. Sweeny in the morning of that day at his hotel and talked with him in regard to the matter, he saying that he understood we had, or the trustees or the Sugdens, I believe he said, had substantial holdings in Whitehall. He asked me the amount. I told him. I think he said that it was necessary to have that amount of bonds in order to be able to start foreclosure proceedings, and

that the property had been handled by him and Mr. Bemis for a year or two; that with the Moores in charge there was nothing that would come to the first-mortgage bondholders, and that for that reason he felt, suggested to me, that the best thing to do was to start foreclosure proceedings by the first-mortgage bondholders.

Q. Prior to that, had you communicated with Harold Moore, the trustee?—A. I think up to that time I never had

met Harold Moore.

Q. Had you asked Harold Moore to perform his duty as trustee, those bonds being in default for a year or more, and to bring proceedings?-A. I think I had not met or corresponded with Harold Moore.

Q. While you were in Mr. Sweeny's office did you write a letter to Mr. Rankin?-A. Yes; subsequent to a letter sent

or written to Metcalf & Hiatt.

Q. Is the Metcalf letter in here?—A. The copy of the letter is there. It has written on it "superseded by'

Q. Will you be kind enough to indicate it?

Mr. CONNALLY. Mr. President, I desire to propound the questions which I send to the desk.

The PRESIDING OFFICER. The clerk will read the

The Chief Clerk read the first question propounded by Mr. CONNALLY, as follows:

When, where, and how did you employ Rankin or other attorneys to bring foreclosure suit, if you did employ anyone?

A. Well, as to when I did that, it was October 3, when I was at Mr. Sweeny's office. That is where.

The Chief Clerk read the second question propounded by Mr. CONNALLY, as follows:

What were the terms of such employment, if any?

Mr. CONNALLY. Mr. President, in order to get any chronological picture of this matter, I wish to have the witness start out at the beginning and detail just what happened, and tell us where it happened-in Florida, New York, Boston, or South America.

The PRESIDING OFFICER. The clerk will again read

the question to the witness.

The Chief Clerk reread the second question propounded by Mr. CONNALLY, as follows:

What were the terms of such employment, if any?

A. Well, those stated, I think, in the letter of October 3 to both Mr. Metcalf and to Mr. Rankin.

The Chief Clerk read the third question propounded by Mr. Connally, as follows:

Prior to filing of suit, did you or not direct Rankin not to

A. Well, I sent a telegram October 10 asking Rankin not to file suit; but I cannot tell the time of day, because it is not on the copy of the telegram which I had.

By Mr. WALSH (of counsel):

Q. So after you talked with Mr. Sweeny, did you write a letter to these gentlemen?-A. We did, or I did, in Mr. Sweeny's office, and by using his secretary.

Q. I am going to read you this letter now and ask you if this was the letter through which you employed Mr. Rankin? You had gotten the Hiatt name from the trustee in bankruptcy, had you not?-A. Yes.

Q. And did you have that letter with you when you went to see Mr. Sweeny?-A. Yes.

Q. Now I will ask you if you wrote this letter to Mr. Rankin:

DEAR Sir: I represent some of the holders and owners of the Whitehall Building & Operating Co. bonds on which their interest has remained unpaid for more than a year, and at the suggestion of Walter S. Richardson, of your city, with whom I have had correspondence, I am sending you the numbers and denominations

Did you so send them the numbers and denominations?-A. Yes; when the letter was sent, a list was sent of the numbers and denominations.

Q. (Reading):

The bonds were not purchased by me but were delivered to my-self and two other parties as trustees in five different trusts of which the beneficiaries are all residents of Boston, Mass., and desk which I should like to have answered.

the other trustees and myself would like to have the proper steps taken for a petition to be filed in the proper Federal court so that, if possible, a self-appointed bondholders' committee may be appointed by the court, and that the necessary steps be taken to institute foreclosure proceedings immediately in favor of the holders of the first-mortgage bonds. A list of the numbers and denominations of these bonds is herewith attached, and upon advice from your office we shall be pleased to deposit these at the First National Bank of Palm Beach, Fla., for use as you deem best. I am taking these steps having in mind that it is the season of the year when this property ought to be put in shape for the coming winter.

I shall be obliged if you will keep me fully informed of the proceedings taken in this matter by writing me at my office at 73 Tremont Street, Boston, Mass. the other trustees and myself would like to have the proper steps

Tremont Street, Boston, Mass.

Prior to the sending of that letter did you discuss with Mr. Sweeny, or did Mr. Sweeny tell you, what his interest was in this property, and what his connection with it had been throughout the years?-A. Yes.

Q. He told you, did he not, that he, Mr. Bemis, and Mr. Singer had bought that property originally for \$437,000?-A. I am not sure of that.

Q. But he told you that they had bought it and that they. through the American Bond & Mortgage Co., which financed it, had made these large improvements and enlargements of the building, did he not?-A. I am not sure of that.

Q. Do you say that he told you that he had had something to do with it for a year or two?-A. Yes; for a couple of.

years.

Q. Did he not tell you that he had something to do with it from the first time it was opened as a hotel after it ceased to be the residence of Mr. Flagler?-A. I am not

Q. But you are certain that he did in a general way tell you his connection with it?-A. Yes.

Q. Did he tell you that he managed it right down to that time for every season?—A. Yes; for a couple of years.

Q. Did you return directly to Boston after your interview with Mr. Sweeny?—A. No; I had the interview with Mr. Sweeny, as I said a moment ago, in the morning.

Q. Yes, sir.—A. He gave me a letter-

Q. Yes, sir.—A. In substance telling me what he wished done, and he gave me also a list of other gentlemen whom he suggested as a bondholders' committee.

Q. Anything else?—A. Yes; he said while I was there that he was not certain whether we should send the letter to Metcalf & Hiatt or to someone else, and while I was therethis was in the evening—he telephoned someone who I think was Mr. Richardson.

Q. Did you hear him telephone?—A. I heard him; I was right at the desk.

Q. Did he say "Mr. Richardson"? I am not questioning it. Do you know whether he telephoned Mr. Richardson?-A. I cannot tell you.

Q. Very well. Go ahead.—A. Then he said to write this letter, to write Mr. Rankin, and we wrote Mr. Rankin, in substance copying the letter I had dictated.

Q. Did he detail the connection Mr. Bemis had with him and had with the operation of this hotel, Mr. H. E. Bemis?— A. Yes.

Q. So you were thoroughly advised of his interest and Mr. Bemis' interest in this matter?—A. Yes.

Q. I will take a little short cut. Martin Sweeny is still operating that hotel, is he not?-A. I understand so.

Q. He has operated it from the day it went into business of being a hotel down to the present time?-A. I do not know that.

Q. You do not know that. All right. You say that after writing this letter you sent a wire to Mr. Rankin—the wire has been introduced here, so we will not go into that—telling him not to file the suit. You say you did not see the time of the telegram, you just had a copy of the telegram?—A. Yes; I had a copy of the telegram.

Q. We have introduced the original here, so I am not going to question you about it, except to say that it shows it was sent at 4:45 and received at Palm Beach at 5:05.-A.

I do not know that.

Mr. CONNALLY. Mr. President, I send a question to the

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. CONNALLY, as follows:

Did you have any agreement with Rankin about a fee, and if so, what was it?

A. I had no agreement with Mr. Rankin except what was stated in the letter of October 3.

Mr. MINTON. Mr. President, I send a question to the

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. Minton, as follows:

Who suggested the employment of Rankin, and why?

A. Mr. Sweeny was the man who gave me Mr. Rankin's name and it was given to me that evening of October 3 when I was at Mr. Sweeny's office.

Mr. MINTON. Mr. President, the witness does not answer the last part of the question. I want to know whether there was any reason why Rankin was suggested.

The PRESIDING OFFICER. The clerk will read the question again.

The Chief Clerk again read the question propounded by Mr. MINTON, as follows:

Who suggested the employment of Rankin, and why?

A. Mr. Sweeny suggested the employment of Mr. Rankin, and my memory is that he was suggested because he was at Palm Beach, and, as I understood, his name was suggested by Mr. Richardson.

By Mr. WALSH (of counsel):

Q. Where did you go after you left New York?-A. On the evening of October 3?

Q. Yes; on the evening of October 3.-A. I returned to Boston.

Q. What time did you get back to Boston the next day? Were you there on the 4th?-A. Yes.

Mr. CONNALLY. Mr. President, I send a question to the desk which I should like to have asked.

The PRESIDING OFFICER. The clerk will read the

The Chief Clerk read the question propounded by Mr. CONNALLY, as follows:

Did Sweeny suggest that Rankin had influence with the court?

A. I do not remember that he did.

By Mr. WALSH (of counsel):

Q. You are a lawyer yourself?-A. Yes, sir.

Q. You knew that when you employed counsel, unless the fee was paid out of the corpus of the estate, you would be liable for a reasonable fee, did you not?—A. Yes, sir.

Q. There was no suggestion that there was not to be a fee, was there?-A. No, sir.

Q. You went to Chicago afterward, did you not?-A. Yes. Q. Did you discuss this matter with anyone after you re-

turned to Boston?-A. Yes, sir. Q. On the 4th?-A. No; I do not know that I did on

the 4th? Q. What did you next do in connection with the mat-

ter?-A. I talked with my associate, Mr. Johnson. Q. You were trustee for \$50,000 of the bonds?-A. Yes.

Q. We might call those, might we not, for convenience here, the Sugden bonds?—A. Yes; on Whitehall.

Q. To whom did you next talk in connection with this matter of the bonds you held on the Whitehall property?-A. I talked with Mr. Johnson, my associate.

Q. Another attorney in Boston?-A. Yes; associated with

Q. Who was the next one?—A. I think I also talked with Mr. Sugden, one of the beneficiaries under the trust.

Q. I am trying to get at when you first received any communication from the city of Chicago, if you did receive any communication.-A. When my associate returned from his home, which was in Illinois, he came through Chicago.

Q. Mr. Johnson?-A. Yes.

Q. What date was that, please?—A. I think the 8th or 9th.

Q. The 8th or 9th day of October?-A. Yes.

Q. Did you then go to Chicago?—A. Yes, sir; with Mr. Johnson, later.

Q. What time did you arrive there?-A. I think we arrived there-I think it was the 11th, although I am not

Q. Did you find out when you arrived in Chicago that the American Bond & Mortgage Co. had been taken over by a committee of bankers, and that they could not pay the sum of about two and a half million dollars?-A. No.

Q. Was a bondholders' committee created while you were there?-A. I am not certain as to that. My memory is that while I was in Chicago, parties left Chicago for New York on the matter of forming a bondholders' committee for the first-mortgage bonds.

Q. And what was the date of that?—A. I cannot tell you.

Q. You say it was either the 10th or the 11th. Was it, or was it not, on the same date that you sent the telegram asking Mr. Rankin not to proceed with the case?—A. I think the telegram suggesting to Mr. Rankin that he cease proceeding with the case—that is, not to enter suit—was before I left Boston.

Q. Was Mr. Johnson in Chicago at that time?—A. He was.

Q. And was he communicating with you by telephone?-A. No. Pardon me—Mr. Johnson had returned, as I say, I think about the 11th, and later Mr. Johnson and I went to Chicago.

Q. Upon what date did you get to Chicago?-A. I think it was the 11th or 12th.

Q. Did you remain in Chicago for the balance of that month?-A. No.

Q. How long did you stay there?-A. I cannot tell you the number of days. It was a few days. I was there, as I remember, on the 14th to the 16th of October.

Q. Was a bondholders' committee organized there in Chicago?-A. I am not certain of that.

Q. Were you present at a bondholders' committee in Chicago representing the Sugden interests?—A. Not then.

Q. Were you there subsequently at a meeting of the bondholders' committee representing the Sugden interests?-A. Yes, sir.

Q. Did you go there for the purpose of attending that meeting?-A. At this time?

Q. Yes .- A. No.

Q. Was the committee organized before you got there?-A. I do not know.

Q. Did you attend the first meeting of that committee?-A. No. I am not certain of that. I attended a meeting of the bondholders' committee just prior to my going to Miami; and I got there, I think, the 26th or 27th.

Q. As a matter of fact, the bondholders' committee in Chicago was organized on the 24th day of October 1929, was it not?-A. I think so.

Q. And you attended the first meeting?-A. I do not know whether I attended the first meeting. I may have. Mr. BACHMAN. Mr. President, I send to the desk several

questions which I ask to have read. The PRESIDENT pro tempore. The clerk will read the questions

The legislative clerk read the first question propounded by Mr. Bachman, as follows:

When appearing to oppose the motion for receivership before Judge Ritter, did you present reasons for opposition?

The legislative clerk read the second question propounded by Mr. Bachman, as follows:

Did you or not state that you had directed Mr. Rankin to with-hold motion for receivership?

A. I think I did.

By Mr. WALSH (of counsel):

Q. I will ask you some questions about that when I get to it, Mr. Witness. In answer to the wire that you sent Mr. Rankin-he sent you a wire, did he not?-A. Yes.

Q. In which he urged reasons why you should not refrain from filing the suit?-A. Yes.

- Q. And you took those into consideration?—A. Yes.
- Q. And then you sent him a telegram telling him to let the matter remain just as it was, but not to have a receiver appointed?-A. I did.
- Q. Yes. So when you started down there the matter was in status quo, was it not?-A. Well, that was the standing of the matter; yes.
- Q. That was the standing of that matter until you got down there, was it not? Is that correct?-A. Yes.
- Q. When you got down there you say you met these two gentlemen in the hallway; that you were sure of Mr. Rankin, I believe, but you did not know whether it was Mr. Metcalf or not?-A. That is my understanding.
- Q. Do you still know whether or not it was Mr. Metcalf? Were you introduced to him?—A. Yes; I was introduced to both of them, I believe by Mr. Fordham; it may have been Mr. Bowen, but I think it was Mr. Fordham.
- Q. You were satisfied that it was Mr. Metcalf that you met, were you?-A. Yes.
- Q. And you had not met him before?-A. I had not seen either of them before.
- Q. And you told them, in brief, that you did not want them to represent you; and did I understand you to say in your direct evidence that you told them you wanted the suit withdrawn?-A. I did not intend to convey that impression. I met both of those gentlemen, and I had only had dealings with Mr. Rankin. He was the gentleman I desired to see, and I did my talking to him.

Mr. CONNALLY. Mr. President, I send to the desk a question which I ask to have read.

The PRESIDENT pro tempore. The Senator from Texas submits a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. CONNALLY, as follows:

Where is the wire Rankin sent you advising to proceed to file suit?

Mr. Manager SUMNERS. I have it, Mr. President.

A. It is in my file which the gentleman has. Shall I read it?

Mr. WALSH (of counsel). I think so.

A. (Reading):

WEST PALM BEACH, FLA., October 10, 1929, 3:01 p. m. BERT E. HOLLAND.

Attorney at law, Room 1104 Fremont Building,

Attorney at law, Room 1104 Fremont Building,
Boston, Mass.:

Have foreclosure bill prepared and ready to file. Will file tomorrow or next day. No need at present for bonds. Secured copy from trust deed; will mail copy of bill and advise fully our proceedure.

A. L. RANKIN.

By Mr. WALSH (of counsel):

- Q. You say you did not intend to convey the impression by your answer that you asked these gentlemen to withdraw the suit?-A. I am not certain of that.
- Q. You did desire that suit to remain just as it was, did you not, except for the appointment of a receiver?-A. I do not think I had any definite impression one way or the other.
- Q. You say you are a lawyer. When you went in there you did not say anything to the judge, did you, about discharging this gentleman?-A. I am not certain of that, but my better impression is that I did.
- Q. Did you tell him anything about the conversation in the hall?—A. I do not know that I stated the conversation.
- Q. Have you read the articles of impeachment in this case against Judge Ritter?-A. The articles of impeachment?
- Q. The articles of impeachment bearing upon the subject matter about which you are now testifying?-A. Yes.
- Q. You saw in the articles of impeachment, did you not, that you were supposed to have asked Judge Ritter to dismiss this suit? Did you see that in the articles of impeachment?—A. Yes.
- Q. You did not ask Judge Ritter to dismiss this suit?-A. I am not certain that I did or did not.
- Q. I shall have to refresh your memory. You testified in this case before, did you not?-A. Yes.
 - Q. In the investigation in the case?—A. Yes.
- Q. Your memory, of course, was fresher then than it is now. That was in 1933?-A. I think so; in the fall.

- Q. The fall of 1933. Just to refresh your memory, I am reading this part of your testimony:
- I then stated to the court that I was one of the parties plaintiff, and it just seems to me as if Mr. Bowen, of Shutts & Bowen, had suggested to Judge Ritter, as I understand, that I was present and one of the parties plaintiff, and that I had something to say, and I stated to the judge that I wished nothing further done in that particular case; that I had attempted to see that nothing should be done, and that I hadn't been very successful, and being here I desired to state to the court that I wished the action to remain just as it was.

Did you tell him that?—A. If the record so states, I suppose I did.

- Q. I am just reading this to refresh your memory. It is not a matter of contradiction. Do you now remember that that is what you stated?-A. I so assume.
- Q. On the morning this matter came up, or the day it came up, the matter of the receiver, there were present besides yourself Messrs. Metcalf and Rankin-just assent as I mention their names .- A. Yes; I think so.
- Q. Messrs. Shutts and Bowen, were there?-A. No. I think Mr. Bowen, but I do not think Mr. Shutts was there.
- Q. He was representing the firm of Shutts & Bowen?-A. Yes.
- Q. They were representing Harold Moore, trustee?-A. I think so.
- Q. Had you become acquainted with Harold Moore by that time?—A. I had met Mr. Harold Moore.
- Q. Was he at the meeting of the bondholders' committee?-A. I am not certain.
 - Q. Had you met W. J. Moore at that time?-A. No.
- Q. John P. Stokes was there, of Loftin, Stokes & Calkins?-A. I do not know.
 - Q. Representing Mr. Bemis?—A. I do not know.
 - Q. Did you know Mr. Stokes?-A. No.
- Q. Wilson Trammell was there representing some interests, was he not?—A. I do not know.
 - Q. Did you know the gentleman?-A. No.
- Q. Mr. Sugden had become a member of that bondholders' committee, had he not, representing the interests which you formerly represented or were still representing?—A. Mr. Sugden was made a member of the bondholders' committee when it was organized.
- Q. That is the Chicago committee? You spoke of another that was attempted to be formed, but this was the Chicago committee.—A. If you have in mind that some of the members were from Chicago, others from Detroit, others from New York, and that Mr. Sugden-
- Q. I was identifying it by calling it the Chicago committee, the meeting you attended in Chicago.—A. I attended the meeting before I went to Miami.
- Q. You mean the meeting that Mr. Sugden attended where he was representing this \$50,000 worth of bonds; was that it?-A. Yes.
- Q. Mr. Lautmann was there, too, was he not, at that meeting?-A. Yes.
- Q. He was there, too? He made certain representations to the court also, did he not?-A. Yes.
- Q. Mr. Lautmann then represented the bondholders' committee in which the bonds were that you first had Mr. Rankin bring suit on, did he not? Did he not so announce?—A. I do not know. I do not think he did.
- Q. Was he attorney for the bondholders of the Chicago organization?—A. He was the attorney, as I understood, for the bondholders' committee.
- Q. That was the committee that had then the \$50,000 worth of bonds? Is that correct?—A. No; they did not have them.
- Q. Mr. Sugden was a representative, I believe you stated, of the same persons. The bonds had not been actually delivered? Is that what you mean?—A. No; the bonds were still in the possession of the trustees.
- Q. But he afterward represented them in that committee, did he not?-A. Yes.
- Q. You joined the committee just afterward, did you not?-A. No; except to go to represent Mr. Sugden.
- Q. Were you a member of the committee that was formed afterward?—A. No.

Q. This bondholders' committee was represented, I believe you said, by Mr. Lautmann. Is that correct?—A. Yes; I think so.

Q. And from that time forward those bonds, until they got rid of the Moore interests, remained in that bondholders' committee, did they not?

Mr. Manager SUMNERS. Mr. President, I do not want to interrupt counsel, but I understand that this witness has testified that those \$50,000 of bonds were in the custody of the bondholders' committee.

Mr. WALSH (of counsel). I will ask him again and try to straighten it out.

By Mr. WALSH (of counsel):

Q. I will ask you if it is not a fact that the Sugden bonds afterward went into the control of the bondholders' committee, which meeting you attended, and Mr. Sugden attended, in the city of Chicago?—A. If I may state the fact as I have it in mind—

Q. I wish you would.—A. Those bonds were in a deposit box under the joint control of Mr. Johnson and myself. When this committee meeting was held in Chicago, the 24th or whenever it was, along in October, I was there, but Mr. Sugden was not there. Later those bonds were deposited with the depositary in Boston.

Q. The depositary of the Boston bond committee?—A Yes; of the bondholders' committee.

Q. That bondholders' committee which was organized took in several other hotels throughout the United States, did it not?—A. My memory is that there were about 200 pieces of property. That is just my memory and not definite.

Q. This Florida piece is one section of it?—A. This is one

piece of property.

Q. Upon that committee which was represented in Miami that morning, the 28th of October, was Mr. Walter J. Sugden? Is that correct?—A. No.

Q. Was not that committee formed on October 24, 1929, pursuant to a deposit agreement of that date, and did not the committee at that time consist of the following: Craig Hazelwood, chairman, and a number of others, including Walter J. Sugden, of Boston, Mass., the chairman being Mr. Hazelwood, and the secretary being Mr. George L. Wire, of Chicago, Ill.; that is correct, is it not?—A. I think so.

Q. Did this bonding committee have a property in Boston under their control, a hotel?—A. Have property? Yes.

Q. What was the name of the hotel?—A. Well, they had several; the Miles Standish—do you wish for them?

Q. Yes; I wish you would give us their names.—A. There was the Miles Standish, the Helen Hall, the Longwood Towers, 250 Beacon Street, Newberry Street Garage, the Roosevelt, and another one. I cannot give you the name just now.

Q. Very well. I will ask if it is not a fact that Mr. Sonne-schein—one of the attorneys, as I understand, of the Chicago Title & Trust Co.—at the first meeting suggested that the committee allocate the properties in different geographic centers to certain members of the committee and individuals, charging them with the duty of assembling necessary data in respect to the properties in their centers, considering the properties, and reporting their recommendations as to policy and course to be pursued as to each particular property; and Mr. Sonneschein and Bert E. Holland were appointed in charge of the Florida area? Was that correct, or not? Did that happen at the first meeting?—A. I cannot tell you. I do not remember.

Q. Do you not remember at all?-A. No; I do not.

Q. Did you belong to that area? Did you have charge, for that bondholders' committee, of the Florida area?—A. I did not understand that I did.

Mr. SCHWELLENBACH. Mr. President, I send to the desk a question which I desire to propound.

The PRESIDENT pro tempore. The Senator from Washington desires to propound a question, which will be read.

The legislative clerk read the question propounded by Mr. Schwellenbach, as follows:

Report as fully and as exactly as you can your statement to Judge Ritter in court.

A. I stated to Judge Ritter that I was there in person and was a member of the bar in Massachusetts; that I had, as my memory serves me, discharged Mr. Rankin, talked with him in the corridor, and had discharged him, and had asked him to render his bill; that I wished the Whitehall property, the suit against the Whitehall property, to—I do not think I used the word "dismissed", but wanted it stopped; I did not want anything further done with it. I think that then the judge stated something about the case, that he knew the property; he had known it for some time, that Mr. Richardson had handled it, and that he felt that it was something that should be carried along by Mr. Richardson; and after that I said that on the motion for the appointment of a receiver I did not want a receiver appointed, because of the expense that would be incurred, and that I—

Mr. WALSH (of counsel). I shall have to ask the question over again.

Mr. KING. The witness is answering another question.

The PRESIDENT pro tempore. The witness is answering the question of the Senator from Washington.

The WITNESS. I am hardly through. I think it was then that Judge Ritter said he did not like the idea of people coming in from out of the State and starting proceedings and then asking that they be dismissed, and that he should appoint a receiver; that the property needed it for its protection.

The PRESIDENT pro tempore. Is that all?

The WITNESS. So far as I know; yes, sir. I have ended. By Mr. WALSH (of counsel):

Q. Mr. Holland, when I read you what you stated in the hearing, at the investigation, I believe you stated that your memory was refreshed, and you then said that you agreed that that was correct now; that you wished the action to remain just as it was. That is a very vital point. Is that correct or not?—A. I assume that is correct, as taken by the stenographer.

Q. Yes, sir. You say that you were not put on the socalled Florida section of that bond committee?—A. Well, I did not know that I was.

Q. Were you on the Boston section of that committee?—A. I think that there was something there that I was a member of—that is, my client, Mr. Sugden, was on the Boston section; and if he was not able to be present, I was supposed to attend.

Q. But my question was, Was it not a fact that you were elected at that first bondholders' committee meeting to represent the area of Florida and the area of Boston, Mass.—not your client, but Bert E. Holland?—A. I understood your question to be that Mr. Sonneschein read that, or stated it.

Q. Yes, sir.—A. I am not certain. I have no recollection of it. I may not have heard it. I do not know.

Q. You have no recollection of his stating that in your presence. Were you paid any money for serving on the sections of that bond committee thereafter?—A. Of Whitehall?

Q. No; by this general committee that you went on.—A. No.

Q. No fees at all in it?—A. My client accounts to me. Mr. Sugden is the one whom I act for—Mr. Sugden—and he pays me.

Q. But did he pay you anything for your service on this bond committee?—A. No.

Q. Did you testify in any of the congressional hearings that were had over the activities of this committee which you joined?—A. No.

Q. Did you know anything at all about them?—A. Well, yes.

Q. Were you subpensed as a witness?-A. No.

Mr. Manager SUMNERS. Mr. President, I do not like to object, but I presume to suggest that that is going pretty far afield, it seems to me.

Mr. WALSH of (counsel). To save time, I will withdraw the question, if in your mind it is not exactly right; but I will ask if this is not a fact:

By Mr. WALSH (of counsel):

Q. From that time forward—from the morning Mr. Lautman appeared in that court and down to the writing of the final decree in this case—did he not act for the bondholders' | committee formed in Chicago on the 24th day of October for all the bondholders, and did not those include Mr. Sugden's bonds that you were speaking about when you were in Miami? Is that correct?-A. I cannot answer it. I do not know.

Q. You do not say that that is not a fact?—A. I cannot answer it one way or the other, because I do not know.

Mr. POPE. Mr. President, I send a question to the desk, which I should like to have answered.

The PRESIDING OFFICER. The clerk will read the question.

The legislative clerk read the question propounded by Mr. POPE, as follows:

Why did you send a telegram to Rankin telling him not to file the suit after you had originally authorized him to file the suit?

A. Because before that telegram was sent Mr. Johnson had returned from Chicago, and while in Chicago he informed me that he had been to the American Bond & Mortgage Co., that he had made inquiries there, and it was his information that there were other properties that were having their trouble; some of them we were interested in, and that was the reason why I attempted to stop the suit being entered in Florida against the Whitehall.

By Mr. WALSH (of counsel):

Q. I believe you stated, if I am not mistaken-but perhaps I did not ask you the question, and I had better ask it now. When you got there did you find out that all these properties had been taken over, all the Moore properties, their interest in all the Moore properties had been taken over by a subsidiary of the American Bond & Mortgage Co.-I cannot call the name-it is the Chicago Title & Trust Co., I believe, or the Chicago Safe Deposit & Trust Co.?-A. No; I did not.

Q. Did you know that subsequent to that the Moores went into bankruptcy?—A. I so understand.

Q. In what month?-A. I cannot tell you.

Mr. Manager SUMNERS. Mr. President, we suggest that that is not pertinent to this inquiry.

The PRESIDENT pro tempore. It seems to the Chair that it is going rather far.

Mr. WALSH (of counsel). I do not think it is. May I make a statement to the Court?

The PRESIDENT pro tempore. Certainly.

Mr. WALSH (of counsel). The suggestion was made here, and I think the proof will follow it, if it has not already gone in, that it would have been of no avail to pursue the Moores for an accounting, or to attempt to get a judgment against them for what they did regarding the Whitehall property, and therefore I want to ask the witness when they went into bankruptcy.

Mr. Manager SUMNERS. Mr. President, we respectfully suggest to the Chair that the charge with reference to which this witness is being examined is the refusal of the respondent to permit him to withdraw his case, or to pay any attention to him when he appeared in his court in Miami after he discharged the lawyer who brought the suit. We do not see that it is pertinent whether this witness used good judgment or not. The question is as to the action of the court, as we see it, and not the question of whether or not this witness or somebody else acted wisely in not having Mr. Rankin proceed with the suit.

Mr. WALSH (of counsel). I admit that this was not asked on direct examination, but I am assuming that the technical rule is not being invoked, and that if a witness who goes on the stand knows anything about the case, we have a right to bring it out, although it was not brought out on direct examination.

Mr. Manager SUMNERS. We do not raise the point that this is a question not brought out on direct examination.

Mr. WALSH (of counsel). Very good. Mr. Manager SUMNERS. We do not raise that point at all. The question we raise is that the development of the facts apparently sought to be developed by this witness would not be pertinent on the trial of the case before the Senate, because, as we understand the charge, it is whether reason he was taking that step. Judge Ritter asked him how

or not this witness should, appearing in a court of this country, have the privilege to control the action with reference to property which he represents. That, we think, is a pertinent question, and, as I said a moment ago, it is not pertinent to this inquiry, we believe, whether the Moores were scoundrels or whether they were bankrupts, or what happened to them. This is a free-born American citizen. and he had a right to use his own judgment in the court of the respondent, we think.

Mr. WALSH (of counsel). Mr. President, this gentleman is giving his recollection of what took place there. We admit that it is a very important question as to just what was said there. We are not bound by his memory at this time, or during the other hearings, or at any other time; but we have a right to produce every fact and circumstance which might indicate that his memory was infirm, or that he was not telling the same story he told prior to that time.

Now, another reason: I asked the first witness who went on the stand why he exonerated these people—that is, before these letters were read explaining it—and his answer was that it was because they were bankrupt; that if he followed it up, it would be of no avail; that is, if they got an accounting there was nothing they could collect. Therefore if they went into bankruptcy on a certain date, it is pertinent to find out what date it was from this witness, although he was not asked that on direct examination. That is all I have to say about it.

The PRESIDENT pro tempore. If the witness testified as to the exoneration of one of the parties to the suit who was charged with fraud, the Chair is under the impression that the cross-examination as to his knowledge of such party with relation to the bankruptcy is proper. The Chair rules at the present time that the attorney for the respondent may ask any question pertinent to the bankruptcy of the party referred to, if the matter was taken up on direct examination.

Mr. WALSH (of counsel). Very well; if that is the ruling, I abide by it.

Mr. KING. Mr. President, I send a question to the desk which I ask to have asked of the witness.

The PRESIDENT pro tempore. The clerk will read the question.

The legislative clerk read the question propounded by Mr. KING, as follows:

Were the bonds which you and Mr. Johnson held for the owners the same in the possession of the bondholders' committee when of the same in the possession of the bondholders' comm you wired Mr. Rankin with reference to beginning suit?

A. No.

Mr. WALSH (of counsel). I have no further questions, Mr. President.

Mr. Manager SUMNERS. We have no further questions. We may want to call the witness back on one point.

Mr. WALSH (of counsel). We may, also.

The PRESIDENT pro tempore. The witness is excused. The managers on the part of the House may call their

The managers on the part of the House called Clarence P. Grill.

DIRECT EXAMINATION OF CLARENCE P. GRILL

Clarence P. Grill, having been duly sworn, was examined, and testified as follows:

By Mr. Manager HOBBS:

Q. Your name, please?-A. Clarence P. Grill.

Q. Mr. Grill, were you in the courtroom of Judge Halsted L. Ritter, of the southern district of Florida, on the day that Mr. Bert E. Holland appeared and made certain statements?-A. I was.

Q. Will you be good enough to state to the members of this honorable Court and the Presiding Officer what was said by Judge Ritter in response to those statements; what was said by Mr. Holland, and so forth, as nearly as you can recall?-A. Mr. Holland asked that the litigation be withdrawn because of the fact that he had been to Chicago and had met several of the people who were to compose a bondholders' committee; that he was satisfied they were men of standing in the world of business and finance, and for that

much he had been paid, and then stated to him that he would not allow outsiders to come into the court or come into that district and induce attorneys to file litigation and then attempt to withdraw it.

Q. Was anything else said that you recall?—A. Not just offhand, now.

Q. Was any motion for receiver argued there?—A. There was a motion argued. I do not know what that motion was. I am not an attorney.

Q. Mr. Grill, did Mr. Herbert Lautmann, of Chicago, make a statement there, or attempt to do so?—A. Mr. Lautmann attempted to make a statement, too, but I do not believe he was permitted to by the judge.

Q. Do you remember what the judge said?—A. No, sir; I do not.

Q. Is that, in substance, your-

Mr. WALSH (of counsel). One minute. I do not think this witness, in fairness, ought to be led when he says he does not know. The witness said he did not know, and then the question was asked if, in substance, he said something. I wish to object to that question as leading in form.

The PRESIDENT pro tempore. The managers will try not

to lead the witness.

Mr. Manager HOBBS. I beg Your Honor's pardon; and I desire a ruling of the Chair as to whether or not it was leading.

The PRESIDENT pro tempore. The Official Reporter will read the question.

Mr. Manager HOBBS. I have no desire to lead. Nothing is farther from my mind than that.

The Official Reporter read as follows:

Q. Is that, in substance, your-

The PRESIDENT pro tempore. There is nothing to rule on so far. The question is unfinished. Counsel has not completed his question.

By Mr. Manager HOBBS:

Q. Is that, in substance, your recollection of what took place upon that occasion?—A. Yes, sir. There were other things that happened, of course, later.

Mr. Manager HOBBS. You may take the witness.

CROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. You say you are not a lawyer, Mr. Grill?—A. No, sir. Mr. CONNALLY. Mr. President, I send to the desk a question which I ask to have read.

The PRESIDENT pro tempore. The clerk will read the question.

The legislative clerk read the question propounded by Mr. Connally, as follows:

What, if anything, did Mr. Rankin say in the presence of Mr. Holland and Judge Ritter?

A. Well, I do not know as I can answer that question. I was not particularly concerned in that. Mr. Rankin made his statement of the case, and that is all that I remember of it.

By Mr. WALSH (of counsel):

- Q. Were you connected with some law firm there?—A. No, sir.
- Q. What was your business there?—A. Do you mean in the courtroom?
- Q. I mean in Miami.—A. I was in the insurance and realestate business in West Palm Beach.
- Q. Were you mentioned for receiver yourself?—A. I beg your pardon?
- Q. Had you been mentioned for receiver yourself?—A. No,
- Q. Or trustee in bankruptcy?—A. I had been mentioned as trustee in bankruptcy months before.
- Q. You never testified in this case before; did you?—A. No, sir.
- Q. And this occurred some 7 years ago?-A. Yes, sir.
- Q. When did they subpena you to come in?—A. Well, I understand they issued the subpena for me to appear in Miami, but I left for Pennsylvania shortly before the process server got to Palm Beach.

Q. You were reached by telegraph; were you?—A. No, sir; I was not. I was subpensed in West Palm Beach last week.

Q. Oh, you were subpensed last week. Had you talked to these gentlemen before you were subpensed while they were down there—any of the honorable managers?—A. Yes, sir; I talked to Mr. Hobbs.

Q. And when had you thought of this case before?—A. I did not get that question.

Q. When had you thought about this case before, or anything that transpired in it?—A. I thought of it for a long time.

Q. You kept it on your mind, did you?-A. Yes, sir.

Q. Who suggested you for the trustee? Was it the American Bond & Mortgage Co.?—A. That I do not know. Mr. Fordham did.

Q. Was he the attorney for the American Bond & Mortgage Co.?—A. I do not know whether he was attorney for the American Bond & Mortgage Co. He was one of the attorneys

Q. The creditors had the selection of the trustee; did they not?—A. I believe so.

Q. And whom did the creditors select?—A. Walter S. Richardson.

Mr. WALSH (of counsel). That is all.

The PRESIDENT pro tempore. Are there any further questions? If not, the witness will be excused.

The witness desires to know whether he will be required to testify again.

Mr. Manager SUMNERS. We will advise the witness, Mr. President, in a few minutes in the corridor.

Mr. President, perhaps it is not for me to suggest, but I believe there are just a few minutes left. We shall not have time to complete the examination of a witness in the time remaining today.

The PRESIDENT pro tempore. The Court, under the order hertofore entered, will stand in recess at 5:30 p.m.

LEGISLATIVE SESSION

Mr. ROBINSON. Mr. President, the order heretofore entered provides for discontinuance of proceedings in the Court at 5:30 o'clock. It is now within 3 minutes of that time. I ask unanimous consent that the Senate now proceed to the consideration of legislative business, with a view to transacting some routine matters.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

During the impeachment proceedings, on motion of Mr. Robinson, the proceedings were suspended so that, as in legislative session, the Senate might receive a message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announcing that the House had passed, without amendment, the following bills of the Senate:

S. 2288. An act to provide for the measurement of vessels using the Panama Canal, and for other purposes;

S. 2496. An act to amend the Railway Labor Act;

S. 3761. An act authorizing the Secretary of the Interior to patent certain land to the town of Wamsutter, Wyo.:

S. 3860. An act to amend section 2 of the act entitled "An act to amend the National Defense Act", approved May 28, 1928; and

S. 3971. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 754. An act to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States; and

S. 1152. An act relating to the carriage of goods by sea.

The message further announced that the House had passed the bill (S. 2524) amending section 112 of the United States Code, annotated (title 28; subtitle "Civil suits; where to be brought"), with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6297) for the relief of Leon Frederick Ruggles.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 1997. An act to amend Public Law No. 425, Seventysecond Congress, providing for the selection of certain lands in the State of California for the use of the California State Park System, approved March 3, 1933;

H. R. 3383. An act to provide a preliminary examination of the Greenbrier River and its tributaries in the State of West Virginia, with a view to the control of its floods;

H. R. 3384. An act to provide a preliminary examination of the Cheat River and its tributaries in the State of West Virginia, with a view to the control of its floods;

H. R. 3385. An act to provide a preliminary examination of the Potomac River and its tributaries, with a view to the control of its floods;

H.R. 8301. An act to authorize a preliminary examination of the Marais des Cygnes River, in the State of Kansas, with a view to the control of its floods;

H. R. 8766. An act to authorize municipal corporations in the Territory of Alaska to incur bonded indebtedness, and for other purposes;

H.R. 9009. An act to make lands in drainage, irrigation, and conservancy districts eligible for loans by the Federal land banks and other Federal agencies loaning on farm lands, notwithstanding the existence of prior liens of assessments made by such districts, and for other purposes;

H. R. 9183. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas.

H. R. 9244. An act providing for the establishment of a term of the District Court of the United States for the Northern District of Florida at Panama City, Fla.;

H. R. 9273. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Weldon Spring, Mo.;

H. R. 9483. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests;

H. R. 9484. An act to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended;

H. R. 9485. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes;

H. R. 9654. An act to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the act of June 9, 1916 (39 Stat. 218):

H.R. 9866. An act to extend certain provisions of the act approved June 18, 1934, commonly known as the Wheeler-Howard Act (Public Law No. 383, 73d Cong., 48 Stat. 984), to the Territory of Alaska, to provide for the designation of Indian reservations in Alaska, and for other purposes;

H. R. 9997. An act granting a leave of absence to settlers of homestead lands during the year 1936;

H.R. 10193. An act to amend the act to fix the hours of duty of postal employees;

H. R. 10267. An act to provide for adjusting the compensation of division superintendents, assistant division superintendents, assistant superintendents, assistant superintendent in charge of car construction, chief clerks, assistant chief clerks, and clerks in charge of sections in offices of division superintendents in the Railway Mail Service, to correspond to the rates established by the Classification Act of 1923, as amended;

H. R. 10308. An act to amend article 3 of the "Rules concerning lights, etc.", contained in the act entitled "An act to adopt regulations for preventing collisions upon certain harbors, rivers, and inland waters of the United States", approved June 7, 1897;

H. R. 10631. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.;

H. R. 10670. An act to amend section 11 of Public Law No. 30, approved April 10, 1935, to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934;

H.R. 10930. An act to credit laborers in the Postal Service with any fractional part of a year's substitute service toward promotion;

H. R. 11036. An act to amend section 4321, Revised Statutes (U. S. C., title 46, sec. 263), and for other purposes;

H. R. 11043. An act to extend the times for commencing and completing the construction of a bridge across the Waccamaw River at or near Conway, S. C.;

H. R. 11327. An act to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles:

H.R. 11402. An act authorizing the Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey to construct, maintain, and operate a toll bridge across the Delaware River at a point near Delaware Water Gap;

H.R. 11454. An act to incorporate the Veterans of Foreign Wars of the United States;

H.R. 11476. An act to revive and reenact the act entitled "An act granting the consent of Congress to the Lamar Lumber Co. to construct, maintain, and operate a railroad bridge across the West Pearl River, at or near Talisheek, La.", aproved June 17, 1930;

H. R. 11478. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H. R. 11613. An act to extend the times for commencing and completing the construction of a bridge across the Tennessee River between Colbert County and Lauderdale County, Ala.;

H. R. 11644. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H. R. 11685. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H.R. 11738. An act granting the consent of Congress to the State Highway Commission of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Monticello, Miss.;

H.R.11772. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Sistersville, W. Va.;

H. R. 11793. An act to authorize a preliminary examination of various creeks in the State of California, with a view to the control of their floods;

H. R. 11806. An act to authorize a preliminary examination of Passaic River, N. J., with a view to the control of its floods:

H.R. 11849. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925;

H. R. 11994. An act to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Shawnee, Okla.; and

H. J. Res. 526. Joint resolution to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2288. An act to provide for the measurement of vessels using the Panama Canal, and for other purposes;

S. 2496. An act to amend the Railway Labor Act;

S. 3761. An act authorizing the Secretary of the Interior to patent certain land to the town of Wamsutter, Wyo.;

S. 3860. An act to amend section 2 of the act entitled "An act to amend the National Defense Act", approved May 28, 1928: and

S. 3971. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.

BENIGNO FERNANDEZ GARCIA

The VICE PRESIDENT laid before the Senate a letter from the president of the Senate and the speaker of the House of Representatives of Puerto Rico, transmitting, with their endorsement, a summary of the charges made by Hon. Santiago Iglesias, Resident Commissioner of Puerto Rico in Washington, relative to the nomination of Benigno Fernandez Garcia to be attorney general of Puerto Rico, and also copy of a memorandum on the same subject submitted to the Committee on the Judiciary by Manuel Rodriguez Serra, ex-first assistant attorney general of Puerto Rico, which, with the accompanying papers, was referred to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Mr. COPELAND presented a resolution adopted by the Common Council of the City of Buffalo, N. Y., favoring the allocation of \$7,000,000 to the city of Buffalo for slum-clearance purposes, which was referred to the Committee on Appropriations.

He also presented a memorial of several citizens of New York City, N. Y., remonstrating against the alleged procedure of the Senate Special Committee to Investigate Lobbying Activities and the Federal Communications Commission in the seizure of private telegrams of individuals and organizations, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Brooklyn and Long Island, N. Y., praying for the enactment of legislation to strengthen the immigration and alien-deportation laws, which was ordered to lie on the table.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated below:

H. R. 1997. An act to amend Public Law No. 425, Seventysecond Congress, providing for the selection of certain lands in the State of California for the use of the California State Park System, approved March 3, 1933;

H. R. 9183. An act to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas:

H. R. 9483. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests;

H. R. 9485. An act to convey certain lands to Clackamas County, Oreg., for public-park purposes; and

H. R. 9654. An act to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land revested in the United States under the act of June 9, 1916 (39 Stat. 218); to the Committee on Public Lands and Surveys.

H.R. 3383. An act to provide a preliminary examination of the Greenbrier River and its tributaries in the State of West Virginia, with a view to the control of its floods;

H. R. 3384. An act to provide a preliminary examination of the Cheat River and its tributaries in the State of West Virginia, with a view to the control of its floods;

H. R. 3385. An act to provide a preliminary examination of the Potomac River and its tributaries, with a view to the control of its floods;

H. R. 8301. An act to authorize a preliminary examination of the Marais des Cygnes River, in the State of Kansas, with a view to the control of its floods;

H. R. 9273. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Weldon Spring Mo.:

souri River at or near Weldon Spring, Mo.;
H. R. 10308. An act to amend article 3 of the "Rules Concerning Lights, etc.", contained in the act entitled "An act the Committee on Indian Affairs.

to adopt regulations for preventing collisions upon certain harbors, rivers, and inland waters of the United States", approved June 7, 1897;

H. R. 10631. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.;

H. R. 11036. An act to amend section 4321, Revised Statutes (U. S. C., title 46, sec. 263), and for other purposes;

H.R. 11043. An act to extend the times for commencing and completing the construction of a bridge across the Waccamaw River at or near Conway, S. C.;

H.R. 11402. An act authorizing the Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey to construct, maintain, and operate a toll bridge across the Delaware River at a point near Delaware Water Gap;

H. R. 11476. An act to revive and reenact the act entitled "An act granting the consent of Congress to the Lamar Lumber Co. to construct, maintain, and operate a railroad bridge across the West Pearl River at or near Talisheek, La.", approved June 17, 1930;

H. R. 11478. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill.;

H.R. 11613. An act to extend the times for commencing and completing the construction of a bridge across the Tennessee River between Colbert County and Lauderdale County, Ala.:

H.R. 11644. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill.;

H.R. 11685. An act to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind.;

H. R. 11738. An act granting the consent of Congress to the State Highway Commission of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Monticello, Miss.;

H.R. 11772. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Sistersville, W. Va.;

H. R. 11793. An act to authorize a preliminary examination of various creeks in the State of California with a view to the control of their floods; and

H.R. 11806. An act to authorize a preliminary examination of Passaic River, N. J., with a view to the control of its floods; to the Committee on Commerce.

H. R. 8766. An act to authorize municipal corporations in the Territory of Alaska to incur bonded indebtedness, and for other purposes; to the Committee on Territories and Insular Affairs.

H.R. 9009. An act to make lands in drainage, irrigation, and conservancy districts eligible for loans by the Federal land banks and other Federal agencies loaning on farm lands, notwithstanding the existence of prior liens of assessments made by such districts, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 9244. An act providing for the establishment of a term of the District Court of the United States for the Northern District of Florida at Panama City, Fla.;

H. R. 11454. An act to incorporate the Veterans of Foreign Wars of the United States; and

H. R. 11994. An act to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Shawnee, Okla.; to the Committee on the Judiciary.

H. R. 9484. An act to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended; to the Committee on Banking and Currency.

H. R. 9866. An act to extend certain provisions of the act approved June 18, 1934, commonly known as the Wheeler-Howard Act (Public Law No. 383, 73d Cong., 48 Stat. 984), to the Territory of Alaska, to provide for the designation of Indian reservations in Alaska, and for other purposes; to the Committee on Indian Affairs.

H. R. 10193. An act to amend the act to fix the hours of duty of postal employees;

H. R. 10267. An act to provide for adjusting the compensation of division superintendents, assistant division superintendents, assistant superintendents, assistant superintendent in charge of car construction, chief clerks, assistant chief clerks, and clerks in charge of sections in offices of division superintendents in the Railway Mail Service, to correspond to the rates established by the Classification Act of 1923, as amended; and

H. R. 10930. An act to credit laborers in the Postal Service with any fractional part of a year's substitute service toward promotion; to the Committee on Post Offices and Post Roads.

H.R. 10670. An act to amend section 11 of Public Law No. 30, approved April 10, 1935, to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934; to the Committee on Foreign Relations.

H.R. 11849. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925; and

H. J. Res. 526. Joint resolution to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased; to the Committee on the Library.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 2, 1936, that committee presented to the President of the United States the enrolled bill (S. 3998) to enable the Commodity Credit Corporation to better serve the farmers in orderly marketing, and to provide credit and facilities for carrying surpluses from season to season.

REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (H. R. 4016) to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934, reported it with amendments and submitted a report (No. 1746) thereon.

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, reported it with amendments and submitted a report (No. 1747) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 4420) to extend certain provisions of the act approved June 18, 1934, commonly known as the Wheeler-Howard Act (Public Law No. 383, 73d Cong.; 48 Stat. 984), to the Territory of Alaska, to provide for the designation of Indian reservations in Alaska, and for other purposes, reported it without amendment and submitted a report (No. 1748) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 3797. A bill to amend an act entitled "An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes", approved May 26, 1920 (Rept. No. 1749); and

S. 3805. A bill to authorize the Secretary of the Interior to reserve certain lands on the public domain in Nevada for addition to the Walker River Indian Reservation (Rept. No. 1750).

LIBRARY OF CONGRESS TRUST FUND

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report back favorably, without amendment, a House bill and a House joint resolution. First I report back favorably without amendment the bill (H. R. 11849) to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925.

The House bill makes a technical amendment in the law creating the Library of Congress Trust Fund. House Joint Resolution 526 authorizes the Library of Congress to accept a gift to the Congressional Library Trust Fund. There can be no objection, I think, to the passage of either the bill or the joint resolution; and, if there is no objection, I should like to have action on them now.

Mr. ROBINSON. I have no objection to the present consideration of the measures.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill mentioned by the Senator from Kentucky?

There being no objection, the bill (H. R. 11849) to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the third paragraph of the act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925, is amended to read as follows:

"SEC. 2. The Board is hereby authorized to accept, receive, hold, and administer such gifts, bequests, or devises of property for the benefit of, or in connection with, the Library, its collections, or its service, as may be approved by the Board and by the Joint Committee on the Library."

BEQUEST OF JOSEPH PENNELL, DECEASED, TO THE UNITED STATES

Mr. BARKLEY. From the Committee on the Library I report back favorably, without amendment, the joint resolution (H. J. Res. 526) to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased, and I ask unanimous consent for its present consideration.

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Librarian of Congress, with the advice and consent of the Library of Congress Trust Fund Board and the Joint Committee of Congress on the Library, is hereby authorized to accept, on behalf of the United States, the property devised and bequeathed to the United States by the last will and testament of Joseph Pennell, deceased (which will was admitted to probate by the register for the probate of wills and granting of letters of administration in and for the city and county of Philadelphia, in the Commonwealth of Pennsylvania, on the 24th day of June 1926), upon the terms and conditions set forth in the said will, if, in their judgment, such acceptance would be to the best interests of the Library.

of June 1926), upon the terms and conditions set forth in the said will, if, in their judgment, such acceptance would be to the best interests of the Library.

SEC. 2. Should the property be accepted pursuant to the authority hereinbefore granted, the Librarian of Congress is hereby authorized and directed to do all acts necessary in connection therewith: Provided, however, That the Librarian of Congress shall transfer the assets of the "Pennell fund" (as designated in the said will), to the Library of Congress Trust Fund Board for administration by the said Board.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GUFFEY:

A bill (S. 4441) for the relief of the Federal Enameling & Stamping Co.; to the Committee on Claims.

By Mr. BARBOUR:

A bill (S. 4442) authorizing the appointment of George Breeman as a chief gunner in the United States Navy; to the Committee on Naval Affairs.

By Mr. CAPPER:

A bill (S. 4443) to regulate the practice of professional engineering, creating a Registration Board for Professional Engineers of the District of Columbia, defining its powers and duties, providing penalties, and for other purposes; to the Committee on the District of Columbia.

By Mr. BYRD:

A bill (S. 4444) directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States; and

A bill (S. 4445) directing the Court of Claims to reopen the case of William G. Maupin, Jr., and others, against the United States, docket no. 34681, and to correct the errors therein, if any, by an additional judgment against the United States; to the Committee on Claims.

By Mr. CONNALLY:

A bill (S. 4446) for the relief of Llewellyn B. Griffith; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma (by request):

A bill (S. 4447) for the relief of J. L. Summers; to the Committee on Indian Affairs.

By Mr. BENSON:

A joint resolution (S. J. Res. 249) proposing an amendment to the Constitution of the United States designating farmers' and workers' rights; to the Committee on the Judiciary.

By Mr. OVERTON:

A joint resolution (S. J. Res. 250) extending thanks in appreciation of services rendered by Hayden W. Wren as superintendent of the docks of the port of New Orleans; to the Committee on Commerce.

AMENDMENT TO RIVER AND HARBOR BILL

Mr. CAPPER submitted an amendment intended to be proposed by him to the bill (H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO STATE, JUSTICE, ETC., DEPARTMENTS APPROPRIATION RILI.

Mr. HAYDEN submitted an amendment proposing to appropriate \$54,650, to be immediately available and to remain available until June 30, 1937, for investigation of location, area, classification, appraisal, land ownership, and feasibility of establishment of a Federal zone along the international boundary, United States and Mexico, and for the construction of fences as authorized by law, etc., intended to be proposed by him to House bill 12098, the State, Justice, etc., Departments appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

REGISTRATION OF LOBBYISTS

Mr. ROBINSON. I ask unanimous consent that the Senator from Arizona [Mr. ASHURST] and the Senator from Idaho [Mr. Borah] be excused from further service as members of the conference committee on the part of the Senate on the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, and that the Presiding Officer fill the vacancies and appoint two additional conferees

The PRESIDENT pro tempore. Without objection, the Senator from Arizona [Mr. ASHURST] and the Senator from Idaho [Mr. Boran] are excused from further service as members of the conference committee, and the Chair appoints as conferees, completing the list of conferees on the part of the Senate, the Senator from Utah [Mr. King], the Senator from West Virginia [Mr. Neely], the Senator from New Mexico [Mr. HATCH], the Senator from Nebraska [Mr. Norris], and the Senator from Vermont [Mr. Austin].

EXTENSION OF COASTWISE LAWS TO VIRGIN ISLANDS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 754) to amend section 21 of the act approved June 5, 1920. entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States, which was, on page 2, line 4, to strike out all after the word "States" down to and including the word "same", in line 7, and insert "shall, by proclamation, declare that such coastwise laws shall extend to the Virgin Islands and fix a date for the going into effect of same."

Mr. COPELAND. I move that the Senate concur in the amendment of the House.

Mr. CLARK. Mr. President, I inquire what is the measure which has been laid down by the Chair?

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The PRESIDENT pro tempore. The Chair has laid before the Senate an amendment of the House of Representatives to a Senate bill

Mr. COPELAND. Mr. President, let me say to the Senator from Missouri that this is a bill which provides that the coastwise laws of the United States shall not extend to the Virgin Islands until, by proclamation, the President shall declare that adequate shipping service has been established to the islands.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New York to concur in the amendment of the House.

The motion was agreed to.

REHABILITATION LOANS TO STORM-STRICKEN AREAS

Mr. RUSSELL. Mr. President, I should like to ask the Senator from Arkansas whether there will be any possibility of now considering an urgent bill which I understand the Committee on Banking and Currency has reported today? It is a bill which will help relieve the situation which has resulted from the catastrophes of tornado and flood by enabling the Reconstruction Finance Corporation to make loans, in order that the damages which have been inflicted may be repaired.

Mr. ROBINSON. Has the bill already been reported?

Mr. RUSSELL. I understand it was reported today by the Senator from Florida [Mr. Fletcher].

Mr. ROBINSON. Very well. I will ask the Senate to-morrow to proceed to the consideration of legislative business, with the thought that that bill may then be taken up.

Mr. RUSSELL. I sincerely hope the Senator from Arkansas will do so. In communities in the South, where millions of dollars' worth of property has been destroyed and many lives have been lost, it is important that the measure should be promptly acted upon.

Mr. ROBINSON. I myself have no objection to its consideration now if it is ready for consideration.

Mr. COUZENS. Mr. President, if the Senator will yield to me, let me say that I do not desire to object, but the Senator from Florida [Mr. Fletcher] is not present.

Mr. ROBINSON. I suggest that the Senate take the measure up tomorrow after the impeachment proceedings shall have been concluded for the day.

Mr. RUSSELL. That will be agreeable.

Mr. VANDENBERG. Mr. President, will the Senator

Mr. ROBINSON. I yield.

Mr. VANDENBERG. Will the Senator consider also the possibility of taking up tomorrow afternoon the report from the Committee on Agriculture respecting the Triple A resolution?

Mr. ROBINSON. I cannot say just when I will be able to arrange for consideration of legislative matters. I hope it may be practicable within a very short time to arrange for a legislative session.

Mr. COUZENS. Mr. President, will the Senator yield to me?

Mr. ROBINSON. Certainly. Mr. COUZENS. May I suggest to the leader on the other side that the bill in which the Senator from Georgia [Mr. RUSSELL] is interested will not take very long, and I think if the Senate could meet at 11:30 o'clock tomorrow morning, we could dispose of that measure as well as the matter which the Senator from Michigan has in mind.

Mr. ROBINSON. After discussing the subject with a number of Senators, I think that it would be better to meet tomorrow afternoon in legislative session, because, in all probability, in the morning Senators will be in committee meetings. I made a survey of the subject this morning, and in one committee that I was attending no one else except the chairman and myself could appear, because every other member of the committee was sitting in other important meetings. Should we meet tomorrow morning, what I think would happen would be that we would have difficulty in getting a quorum. However, we will try to have a legislative session tomorrow afternoon.

UNIFORM BILLS OF LADING

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1152) relating to the carriage of goods by sea, which was on page 14, line 25, to strike out "included" and insert "includes."

Mr. WHITE. Mr. President-

Mr. CLARK. I should like to know the character of that

Mr. WHITE. I was about to move that the Senate concur in the House amendment. There is but one amendment, which merely proposes to correct a clerical error in the Senate bill. The Senate bill carried the word "included"; the House has changed that to the word "includes", making it the present tense instead of the past tense. That is the only change in the Senate bill.

Mr. CLARK. Will the Senator be good enough to explain what the bill proposes to do?

Mr. WHITE. It is the uniform bill of lading bill which passed the Senate and has now passed the House with only this one single change.

Mr. COPELAND. We had hearings in the committee on the bill.

Mr. CLARK. Very well.

Mr. WHITE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

Mr. ROBINSON. I move that the Senate take a recess. The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess, to meet, sitting as a Court of Impeachment, tomorrow, Wednesday, April 8, 1936, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 7, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O divine Heart, be not silent; let Thy cry be heard in the wilderness. We walk with tears in the path of our Nation's sorrow. We appeal for something, our Father, that shall help us through the dark. Our land travails and groans with pain because of the overmeasured affliction which has come to our Southland. O God of mercy, trembling, bleeding, dying, help them to breast the gloom. Staggered, perplexed, and burdened, oh give them comfort. To all who are overwrought, driven to unspeakable conditions, and are in the way of pensive grief, Heavenly Father, stoop to their need and share their load. Wherever there falls a shadow on the human heart may rest be found through Him who hath loved us. May our whole country respond to the call of all humane agencies whose hearts and arms are open and common to all men. In the Savior's name.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate insists upon its amendments to the bill (H. R. 11418) entitled "An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1937, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Russell, Mr. Hayden, Mr. Smith, Mr. Keyes, and Mr. McNary to be the conferees on the part of the Senate.

DEATH OF HIS MAJESTY KING GEORGE V OF ENGLAND

The SPEAKER laid before the House the following com-

DEPARTMENT OF STATE, Washington, April 7, 1936.

The Honorable Joseph W. Byrns,

Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: The engrossed resolution of sorrow of the House of Representatives upon the death of His Majesty King George V, which the President sent to me for transmission to the Government of Great Britain, was on February 13 sent to the American Charge d'Affaires at London for delivery to its high destination, and I now take pleasure in enclosing copy of a desdestination, and I now take pleasure in enclosing copy of a despatch which has been received from Mr. Atherton transmitting copy of a note received by him from the Secretary of State for Foreign Affairs requesting that the House of Representatives be informed of the deep appreciation of Mr. Eden and his colleagues of this token of sympathy in the profound sorrow which the death of His Majesty has brought to the British people.

His Britannic Majesty's Ambassador at Washington states in a note recently received from His Excellency that he has been commanded by His Majesty to express his deep appreciation of the very kind sympathy manifested by the President and the House of Representatives in the irreparable loss which His Majesty, the royal family, and the British people have sustained.

Sincerely yours,

Sincerely yours,

CORDELL HULL.

UNIFORM SYSTEM OF BANKRUPTCY THROUGHOUT THE UNITED STATES

Mr. MILLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6982) to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 4, line 8, strike out (b) and insert (d).

The Senate amendment was concurred in.

TRIBUTE TO J. STERLING MORTON

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Speaker, I wish to take this opportunity to tell my colleagues that at 10:30 a. m. tomorrow. Wednesday morning, we will plant a tree in a very prominent location in front of this historic Nation's Capitol in memory of the late J. Sterling Morton.

I wish at this time to invite every Member of the House to be present at that occasion in order that the tree-planting ceremony will be one fitting to the memory of a great man.

J. Sterling Morton was the founder of Arbor Day-a day which I feel should be declared a national holiday. He was a member of the Cabinet under President Cleveland. He was Secretary of Agriculture. He was a great farmer. He was a tiller of the soil. He was a planter of fine trees.

As early as the 4th of January 1872 he introduced a resolution in Nebraska that the 10th day of April be named as Arbor Day, and be consecrated and set aside for the planting of trees. That day is sacred in my State of Nebraska and every man, woman, and school child anticipates that

The idea has grown to Nation-wide importance and today many States celebrate Arbor Day. As a result great trees, orchards, parks, and forests can be traced as footprints left behind by this great planter.

So, on tomorrow, Mr. Speaker, we who represent the people of our beloved State in the United States Senate and the United States House of Representatives will gather together in front of this great Capitol Building and will plant a tree to the memory of our late and beloved J. Sterling Morton.

Because Arbor Day is as much a national idea now as it once was a Nebraska plan, I hope that as many as possible of the Congressmen from other States will participate in this ceremony.

It was first planned to plant a white oak tree in memory of J. Sterling Morton, but because of his love of the white munication from the Department of State, which was read: | pine, as suggested by his grandson, Sterling Morton, of Chicago, we have secured a magnificent white pine tree. This tree came to Washington especially for this purpose from the beautiful arboretum at Lisle, Ill., built by the son of the late J. Sterling Morton.

So the bringing of this tree from the Morton arboretum in Illinois to Washington, D. C., links this ceremony closer to the history of the late J. Sterling Morton and his family.

Mr. Speaker, in order to complete this record and to make it possible for all Members to know something more about the late J. Sterling Morton, the father of Arbor Day, I have included in this address a brief sketch of his life—a history of his great service to our beloved country and a history of his service to all mankind.

Nebraska was distinguished in its early life, by which is meant the first settlement, by the high character of the young men who came to the new land in search of home and fortune and to assist in laying the foundations of social order and civilized government. The Indian still occupied the soil; he had parted with his title under treaty with the United States, but he was still here in the wild plentitude of his aboriginal character and habits. These young men in striking majority brought with them intellectual cultivation and social refinement. In the midst of the chaos which existed here in 1854 they did not forget to cherish the moral and religious elements as the main foundations for the superstructure which they were about to erect. There were representatives of families who fostered the best in their sons. Typical among these young men, J. Sterling Morton, the peer of all in manly strength and ambitions, and the one who, perhaps, was foremost in the rolling years in impressing his personality and influence upon the new community, was on the threshold of manhood life. He was a strong and original character. It may be said that he differed in a wide degree from others who were on the firing lines of leadership in the conquests that were to be made here, in many of his characteristics. His reputation for mental power, incorruptible integrity of conviction, clear-cut mentality, and moral courage in the maintenance of his views long since passed beyond the boundaries of the State, and even before he entered the Cabinet of President Cleveland his name was known the wide world over by his most important achievement, the invention and establishment of Arbor Day, which has won for him enduring fame.

J. Sterling Morton was a native of New York, having been born in Adams, Jefferson County, in that State, April 22, 1832. He was of distinctly New England stock, emanating from Yorkshire, England, on his paternal side and from Scotch-Irish blood on his mother's side. J. Sterling Morton was the first-born to Julius D. and Emeline Sterling Morton. After acquiring his primary education in the schools of Monroe, Mich., he entered the University of Michigan at Ann Arbor, graduating finally at Union College, Schenectady, N. Y., under its celebrated president, Dr. Eliphalet Nott. He was married to Miss Caroline Joy in the city of Detroit, October 30, 1854, and started with his bride on the same morning on which the ceremony took place for his future home in Nebraska.

Mr. Morton's first public service in the Territory was as a member of the lower house of the second legislative assembly. He represented Otoe County, having been elected in the fall of 1855. Mr. Morton's second election to the legislature was in 1857. This was distinguished in history as the "capital-moving legislature", which undertook to remove the seat of government from Omaha to Florence by the power of resolutions of the two legislative bodies.

Mr. Morton's field of usefulness was now to broaden, and he was first nominated for a Delegate to Congress at a Democratic convention that met at Omaha in September 1860. His opponent was Samuel G. Daily, of Peru. The official returns gave Mr. Morton 14 majority. Mr. Daily contested and won the seat by virtue of a Republican majority which controlled the lower House of Congress at the time.

On the admission of Nebraska as a State in 1867 he was nominated for Governor by the Democratic State convention. Morton was fairly elected by a majority of 148 votes, but a His name is known in connection with Arbor Day the

board of canvassers at Plattsmouth threw out the Rock Bluff vote in Cass County because the judges of election had not signed the tally list, and so David Butler was elected Governor by a hundred-and-some-odd votes. It was at this time that Mr. Morton yielded to the persuasions of Mrs. Morton to abjure politics and devote himself to business pursuits, which he did for the ensuing 14 years with success, when in 1882 he was again nominated for the governorship in the State convention of that year. However, Mr. Dawes, the Republican candidate, was elected by a large plurality. He was again nominated for Governor and made the race against Mr. Dawes in 1884. From this time on he was not a candidate for office; but in 1888 a convention held at Nebraska City nominated him for Congress. It was a convention that he did not attend and in which he had very little interest, because he knew a nomination was only an opportunity to expend money in organizing a party and in laying a foundation for the success of someone else.

Mr. Morton was nominated by his party for Governor again in 1892. It was a stirring campaign. The Republican nominee, Lorenzo Crounse, was elected.

President Grover Cleveland, elected for a second term to the Presidency, tendered Mr. Morton the position of Secretary of Agriculture. In this great office he distinguished himself for administrative ability of the first order. He immediately antagonized the political practices of Congress in the distribution of seeds to the people, which he regarded as useless and pernicious. He came in direct collision with the House of Representatives on that issue, and maintained his ground with his usual ability and firmness.

At the end of the Cleveland administration Mr. Morton retired to his home and resumed his life work in the upbuilding of the State, and especially of Nebraska City, the home which he selected over 40 years before. Mr. Morton's great memorial in Nebraska City, and that which will be most enduring as an evidence of public spirit and grasp of the needs of future generations, is found in the beautiful park which bears his name, and which he donated to the city many years ago.

Mr. Morton's life in Nebraska was dominated for nearly half a century by his example as well as by his precepts in the upbuilding of a strong and useful citizenship in our State and section. He was for all these years essentially a farmer. The practical gospels as to how to raise fine men and women, fine trees, fine apples, fine cattle, fine horses, and fine swine were preached by him in season and out of season through all of our remarkable growth and advance.

As early as the 4th of January 1872, at a meeting in Lincoln of the State board of agriculture, he introduced the following:

Resolved, That Wednesday, the 10th day of April 1872, be, and the same is hereby, especially set apart and consecrated for tree planting in the State of Nebraska, and the State board of agriculplanting in the State of Nebraska, and the State board of agriculture hereby name it Arbor Day; and, to urge upon the people of the State the vital importance of tree planting, hereby offer a special premium of \$100 to the county agricultural society of that county in Nebraska which shall, upon that day, plant properly the largest number of trees; and a farm library of \$25 worth of books to that person who, on that day, shall plant properly in Nebraska the greater number of trees. the greatest number of trees.

The resolution was passed after some discussion of an amendment introduced by the late Chief Justice Oliver P. Mason, supported by J. H. Masters, which proposed to strike out the word "Arbor" and insert "Sylvan", but Mr. Morton insisted that the word "Sylvan" would apply only to forest trees, while the word "Arbor" would include all trees, hedge, and shrubbery. At the close of the debate it was unanimously determined to call the new-born anniversary "Arbor Dav.

On the day named by the resolution over 1,000,000 trees were planted in Nebraska, and perhaps an equal number in 1873. Governor Furnas issued the first proclamation March 1, 1874, calling for the observance of Arbor Day, and in 1884 the legislature made the 22d of April, Mr. Morton's birthday, a legal holiday to be known as Arbor Day.

This is the crowning achievement, as I believe, in his own estimation, of Mr. Morton's important and influential life.

civilized world over. Arbor Day and Arbor Day festivals are in vogue in most of the States and cities of the Union, and countless millions of trees are growing under the influence of his organization of Arbor Day, in our own and other countries, where no trees were ever known to grow before. It has led up to the study of planting of trees as a practical economic necessity, and for the higher work of educating the people in the love of the beautiful in nature on a scale and to an extent that could never have been achieved without it.

The true trend of Mr. Morton's mind was distinctly altruistic. He had an innate love of the good and the beautiful and a corresponding contempt for the false and frivolous. Eminently practical and utilitarian in spirit, he blended in happy harmony a cultivated taste with a devotion of principles of economy and thrift in the homes of the people in which he found the real sources of their happiness and the true strength of the Nation. Upon noisy political agitators of popular discontent he waged aggressive and unrelenting war without regard to parties or persons. He combated error with a vigor which derived its main force from logical and lucid statements, and with an aptitude for illustration which enabled him to pulverize mountains of rhetoric and to demolish the platitudes of vociferous agitators with something that strongly resembled a combination of the Damascus blade with the ponderous power of the trip hammer.

The State historical society, of which Mr. Morton was the president at the time of his death, had much of his attention for many years, and its records contain some of the most interesting and important of the productions with which his pen has enriched the historical literature of the State.

In early December 1901 Mr. Morton delivered an address in Chicago before a convention of stock raisers. He contracted a severe cold while there and returned to Nebraska quite ill. A troublesome cough followed during that winter. It was so persistent and was attended by such marked emaciation as to cause anxiety for fear of disease of the lung. A change of scene and climate was advised by his physician, and a visit to the city of Mexico was decided on. The first week of February 1902, accompanied by his son, Hon. Paul Morton, and his family, and provided with every comfort for travel, he made the long journey. The reception and welcome by President Diaz and the members of the Mexican Government of so distinguished a citizen of our country was marked by the cordial courtesy for which Mexican hospitality is distinguished, and Mr. Morton fully enjoyed and appreciated it. Returning to his home after an absence of a month, friends were alarmed at his great loss of strength and flesh. An insidious disease had stricken the strong man of a few months before. After his return he was too weak to make any effort and suffered constant loss of strength and inability to either relish or assimilate food. He was removed to the home of his son, Mr. Mark Morton, Lake Forest, Ill., accompanied by his sister, Miss Emma Morton, that he might have the benefit of Chicago's best medical skill. Strong confidence was expressed by his physicians that he would regain his strength and health, but he continued to fail steadily, and Nebraska's first citizen passed from the scenes of earth on the 27th of April. A funeral service was held at the home of Mr. Mark Morton the following morning, after which the remains were conveyed to Nebraska City, where they arrived on the morning of April 30. The funeral services were held in the afternoon of the same day. Every evidence was given of the public sorrow by the people over the death of their honored fellow citizen. and Nebraska City and Otoe County, where he was so greatly esteemed, respected, and beloved, was as a house of mourning for the loved and lost.

On the 3d of May 1902, soon after the death of Mr. Morton, the Arbor Day Memorial Association was organized at Nebraska City for the purpose of erecting a monument in honor of the father of Arbor Day. The purpose of the association was to procure a statue of Mr. Morton to be paid for solely by contributions of his friends and admirers out-

side of his immediate family. The first contribution, \$200. was received May 17, 1902, from the Omaha jobbers, and there were more than 3,000 distinct subscriptions and from all parts of the United States. The most notable offering was made on Arbor Day, 1904, by the school children of the State of Nebraska, and amounted to \$1,150.89. Subscriptions covering the cost of the monument-\$15,120-were received before it was unveiled. While Mr. Morton's sons were not permitted to contribute to the cost of the memorial. they assisted indirectly, and especially in beautifying the surroundings in Morton Park where the statue stands. This park adjoins the grounds of Arbor Lodge on the east, and was donated to Nebraska City by Mr. Morton. The monument is simple, dignified, and impressive in design, thus typifying the life and character of its subject. The central figure is a life-size bronze statute of Mr. Morton, which stands upon a solid block of Rhode Island granite. The pose and expression of the figure well represent the virility, courage, and aggressive positiveness of its prototype. The right arm hangs naturally by his side holding the hat, while the left hand rests on a short staff. At the foot of the pedestal stands a bronze figure of a woman, her left hand holding a young tree, while her glance is directed to the spot where it is about to be planted, symbolizing the spirit of Mr. Morton's admonitory apothegm, "Plant trees." A semicircular stone bench stands at some distance back of the pedestal, and forming a frieze around it are the words, "Love of home is primary patriotism" and "Other holidays repose upon the past. Arbor Day proposes for the future." The back of the bench is further ornamented with two large basreliefs in bronze, the one on the left representing the negotiation of a treaty with the Pawnee Indians near the present Arbor Lodge, in which Mr. Morton participated; the one on the right portraying a landscape partly covered with trees, and in the foreground the figure of a woman in the act of planting a tree, the whole typical of the spirit of Arbor Day. At each side of the stone terrace stand stone benches inscribed upon the ends with the legend "plant trees." lower part of this bench bears the inscription, "Erected by the Arbor Day Memorial Association in memory of Julius Sterling Morton, MCMV."

Upon the pedestal is the following inscription: "J. Sterling Morton, 1832–1902, father of Arbor Day. Plant trees." The reverse bears a concise sketch of Mr. Morton's life and public services.

The spaciousness and solidity of the base and foundation of the monument are intended to harmonize with the vastness and substantiality of the western country. The platform around the monument is 50 by 75 feet, and except for the brick used in the platform the entire monument is of granite and bronze. It was unveiled with appropriate exercises October 28, 1905, the principal address being made by ex-President Grover Cleveland.

ERECTION OF A MONUMENT TO GOUVERNEUR MORRIS

Mr. CURLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CURLEY. Mr. Speaker, it is fitting and proper at this time that a monument be erected and dedicated to the memory of one of our great American citizens and statesmen, Gouverneur Morris.

GOUVERNEUR MORRIS, THE "PENMAN"

It was Gouverneur Morris who drew the final draft in the revision of the fundamental law of the land—the Constitution of the United States of America.

In all the pages of history of struggles for recognition of human rights there is nothing so compelling with admiration as this masterpiece of human ingenuity.

Acting in their sovereign capacity, the people of the newborn Nation made this instrument the backbone and framework of our National Government. It is a chapter in the world's history which instantly commands the respect of all and compels doubting autocracies and dictatorships

throughout the world to concede the unqualified success of the American Democracy despite such severe tests as the Nation-wide economic collapse.

CONSTITUTION-ATLAS OF STRENGTH

The great human instrument, predicated as it was upon the fundamental principles of liberty, truth, justice, and equality, was conceived in the minds of all the pioneer leaders in the early days of our American civilization. The wisdom and keen foresight of those distinguished statesmen were incorporated into the organic law of the country. It is recognized as the most marvelous written instrument that ever emanated from the minds of men.

Every fundamental principle dear to the hearts of the freedom-loving people of America is guaranteed under our Constitution.

GOUVERNEUR MORRIS-STATESMAN, PATRIOT

Those pioneer statesmen of our early history, among whom none were more outstanding than Gouverneur Morris, were practical men of common sense and experience. They understood the requirements and living conditions existing in those trying and strenuous times. It was those great Americans who led the Colonies successfully through the crisis of the revolutionary days and sacrificed their private fortunes in doing so in some instances.

The peace and happiness of all the people was uppermost in their minds, no matter what the personal sacrifice to attain it.

So they framed the Constitution and made it an instrument which would forever be a guaranty and protection of freedom, justice, truth, and equality, those four fundamental principles of democracy which form the foundation upon which the United States of America have been built.

GOUVERNEUR MORRIS, MEMBER OF PROVINCIAL AND CONTINENTAL CONGRESSES

Now is the time for grateful American citizens of the present day to emulate and duplicate the kind of courage and loyalty displayed by the designers of our Constitution, who passed through a worse period in our history than the present.

Gouverneur Morris was a Member of the early Provincial and Continental Congresses. He was close to the people and their problems in those anxious days.

GOUVERNEUR MORRIS, UNITED STATES SENATOR

Now is the time, Mr. Speaker, when the country is passing through another great crisis for those defenders of our organic law, the Constitution, to indicate their gratitude by their whole-hearted, undivided support of the Curley bill, H. R. 11854, a bill which provides for the erection of a monument to the memory of Gouverneur Morris in the historical burial ground where his sacred remains are buried at One Hundred and Forty-First Street and St. Anns Avenue, in the Borough of the Bronx, the city of New York. This historical spot should be so marked as there also sleep scores of the famous patrotic Morris family, among whom are:

Gen. Lewis Morris, Member of the Continental Congress, who was the only signer of the Declaration of Independence from New York City and who served in the American Revolution, with three sons, as commander of the Westchester Militia, Continental Army.

Judge Lewis Morris, the first native-born chief justice of New York and first Governor of New Jersey.

Capt. Richard Morris, an officer in Cromwell's army and first proprietor of Morrisania.

Commodore Richard Morris, veteran of the War of 1812 and commander of the Mediterranean Squadron, United States Navy.

Judge Robert Hunter Morris, who was a member of both branches of the New York Legislature, postmaster of New York City, justice of the supreme court, mayor of New York City for three terms, and delegate to the Constitutional Convention of 1846.

Hon. Lewis Morris, member of the Colonial Assembly, judge of the high court of the admiralty, and one of the judges of Oyer and Terminer.

Capt. William Walton Morris, veteran of the War with Mexico, who was promoted for gallant and meritorious service at Palo Alto and at Resaca de la Palma.

Col. Lewis G. Morris, member of the war committee, Westchester County.

Gouverneur Morris, Esq., a pioneer in railroad building and first supervisor of the town of Morrisania.

Judge Richard Morris, chief justice of the Supreme Court, State of New York, member of both houses of the legislature, and champion of the adoption of the Constitution of the United States of America.

Col. Lewis Morris, an officer in Cromwell's army and member of Governor Dongan's council.

Commander Francis Morris, veteran of the Civil War.

Maj. Gen. William Walton Morris, veteran of Florida, Mexico, and Civil Wars, promoted for gallant and meritorious service at Palo Alto, Resaca de la Palma, and in the Civil War.

Lt. Col. Lewis Morris, aide-de-camp to Gen. Nathaniel

Buried there also is Mary Walton Morris, wife of Lewis Morris, known as the "mother of patriots" because she had three sons in the war which gave birth to the Nation, as is also Gouverneur's wife, Anne Carey Randolph, of Virginia, who was seventh in line from Pocahontas, Indian princess.

This memorial monument will hand down to future generations a tangible proof that we of this material age are not lacking in knowledge or in appreciation of the services of those who contributed in the upbuilding of our Nation.

With the tomb of Gouverneur Morris in this hallowed spot and this monument in memoriam to his achievements erected by a grateful country, giving evidence of their appreciation, let this sacred spot become a shrine to attract the youth of all succeeding generations as a fountain of inspiration, a source of encouragement, and a stimulus to good citizenship and patriotism.

"GOUVERNEUR MORRIS", BY THEODORE ROOSEVELT

Morris played a very prominent part in the convention. He was a ready speaker, and among all the able men present there was probably no such really brilliant thinker. In the debates he spoke more often than anyone else (p. 139).

He was one of the warmest advocates of the Constitution; and it was he who finally drew up the document and put the finish to its style and arrangement; so that as it now stands, it comes to us from his property of 1560.

from his pen (p. 166).

He was essentially a strong man, and he was American through

Perhaps his greatest interest for us lies in the fact that he was a shrewder, more far-seeing observer and recorder of contemporary men and events, both at home and abroad, than any other American or foreign statesman of his time. But aside from this he did much lasting work. He took a most prominent part in bringing about the independence of the Colonies, and afterward in welding them into a single powerful Nation, whose greatness he both foresaw and foretold. He made the final draft of the United States Constitution; he first outlined our present system of national coinage; he originated and got under way the plan for the Eric Canal; as Minister to France he successfully performed the most difficult task ever allotted to an American representative at a foreign capital. With all his faults, there are few men of his generation to whom the country owes more than to Gouverneur Morris (p. 364). (p. 364)

This bill (H. R. 11854) has the approval of numerous historical and patriotic societies.

With the approach of the one hundred and fiftieth anniversary of the adoption of our Constitution, no time is more appropriate than the present to honor the memory of the great patriot—Governeur Morris.

THE OHIO SALES TAX ON FOOD, CLOTHING, AND MEDICINE SHOULD BE REPEALED

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. YOUNG. Mr. Speaker, as Congressman at Large from Ohio, I represent a constituency of nearly 7,000,000 of the finest people living anywhere on earth.

We have gone a long way and under a great leadership since that black Saturday in 1933 when Herbert Hoover turned the wreck over to President Roosevelt.

As Congressman representing my State and all of its people, I have supported the recovery program of President Roosevelt. I have upheld his great leadership. As a consequence, and because of the President's recovery program,

this Nation is emerging from a terrible depression. We face a new era. In my State there has been a failure on the part of the State administration to cooperate with the national administration. We need leadership in Ohio as in the Nation. I propose a recovery program for the State of Ohio.

Unfortunately, in Ohio we have a 3-percent sales tax. Furthermore, what is worse, we have a Governor who suggested its continuance and approved its continuance and who, in fact, defends this atrocious and obnoxious tax. Since the present Governor of Ohio has suggested the reenactment of this State sales tax, it is in an even more vicious form than the original. Even from students' dormitories, charity hospital meals, Sunday-school bazaars, church suppers, sales-tax payments are garnered.

The people of my State are entitled to have this sales tax, particularly as it applies to food, clothing, and medicine, repealed without delay. I advocate immediate repeal of this indefensible tax. The Ohio sales tax bears down hardest on the poor. It violates every principle of just taxation. Taxes should be levied according to ability to pay. This is a cowardly tax. I repudiate it from my very soul. It takes food from the tables of the poor. It deprives the sick of medicine. It reduces the purchasing power of the underpaid school teacher. It even levies toll upon the aged from the inadequate amounts they receive in old-age security payments. I am unalterably opposed to the Ohio sales tax. It destroys the consuming power of our people. It is indefensible. It is a tax of last resort. In fact, a tax such as the Ohio sales tax was the direct cause of the French Revolution. Certainly, with the elimination of extravagance and waste in the operation of the State government, there will be and can be no need nor justification whatever for a sales tax of 3 percent against food, clothing, and medicine. Ohio existed for many, many years and prospered without the sales tax. With honesty, intelligence, and vision we go forward to better days. The present Governor has not only failed to take steps toward repeal of this outrageous sales tax, he suggested its continuance. He approved it. I urge its repeal. I ask him this question: Why soak the poor?

The Ohio sales tax is exactly the reverse of the Federal income tax in the manner it burdens our people. The homes of wage earners, of the poor, and of the unemployed are the last places where the tax gatherers should go.

The Ohio sales tax was never designed as anything more than a stopgap to meet an emergency. It was accepted only on that basis, with the promise it would be repealed the moment a permanent, balanced tax program could be perfected. The present Governor evaded this major responsibility of his administration. Then, when this iniquitous sales tax against food, clothing, and medicine was about to expire, he suggested that it be continued. We must not accept this as a permanent tax burden.

What the repeal of the sales tax on food would mean annually to the average Ohio family in the different income groups has been carefully estimated by the Brookings Institution. For a family with an average family income up to \$1,000, \$305 is the average annual expense for food. The Ohio sales tax imposes a cost of \$9.15, taking that amount of food from the table. The percent of income the food tax affects families in this income-tax bracket is 30.5 percent. For families of an average annual income of \$1,000 to \$1,500, \$435 is the average spent per year on food. This represents a cost to the average family of \$13.05. The percent of income the food tax affects is 29. On the other hand, in families with an annual family income of \$5,000, the percent of income food tax affects is 14. In families whose average income is from \$10,000 to \$15,000, the percent of income food tax affects is only 7.

A sales tax imposes a burden opposite that of the Federal income tax. Those in the lower income brackets must bear the heaviest tax burden.

The sales tax on food destroys the consuming power of our people. It afflicts the poor and burdens the unemployed. It takes food from babies as well as grown-ups. It even

takes a part of the inadequate old-age pensions received by 85,000 worthy old people. It brings into the State treasury about \$17,000,000 each year mostly squeezed from the poor. A State income tax would bring in about \$20,000,000.

I do not suppose the idea of repealing the sales tax upon food, low-priced clothing, and medicines ever occurred to the present Governor after he was elected.

The facts are that as a candidate for governor on July 3, 1934, he wrote:

I am in favor of the income tax for the State of Ohio.

Federal salaries are not exempt from the Federal income tax. Congressmen and Senators pay income taxes on their salaries as do other people on their salaries and incomes. If a Congressman has one person dependent on him, he pays between \$400 and \$500 per year in Federal income tax. This is proper. In Ohio the Governor, his cabinet officers, and other high-salaried State officials are exempt from the Federal income tax. There is no State income tax upon such salaries. I favor such a tax properly graduated instead of taxes upon necessaries which soak the poor and retard recovery.

It is my deliberate judgment that with rigid and courageous economy in Ohio we can proceed with immediate repeal of the State sales tax upon food, clothing, and medicine, and without substituting another tax. In event it is found that additional revenue will be needed for adequate old-age pensions, which I favor, and to operate our public schools so they are equal to the best, then the necessary substitute tax should be levied according to ability to pay.

Certainly a graduated-income tax with a higher rate against the larger income would be less burdensome than the present State sales tax against food, clothing, and medicine.

In Ohio a poor woman who purchases a 10-cent soup bone must pay 1 cent as a tax. This is a 10-percent tax. Yet there are \$47,000,000,000 in bonds held by wealthy people of the country that are absolutely tax exempt.

Next in importance to repeal of the sales tax is cooperation on the part of the State administration with the Federal administration. This is important to every citizen I represent.

The present Governor of Ohio has failed to cooperate with the Federal administration in many important particulars. As you know, the Federal Government has gone from direct relief to work relief, and it appears that by reason of the present situation existing between the State administration and the Federal administration, the State of Ohio is not receiving work relief on many worth-while projects. The Governor's veto of some items in the appropriation bill will lose considerable Federal money in grants for construction work in our welfare and other institutions. As a specific example, the Governor vetoed \$5,000 in personal service in the erosion board, which makes it impossible for the engineer in charge to continue his work and obtain Federal grants for construction work. The Federal Government has already approved grants for this particular work of \$63,000, and all that it would cost the State of Ohio would be a little engineering and supervision. In other words, we in Ohio would be getting about \$15 of Federal money for every dollar we expend.

Inasmuch as the State of Ohio must now furnish money for direct relief, anyone can easily figure out how the State treasury will suffer when we fail to get Federal money for work relief. It is stated to me that there are other instances where the State of Ohio is now losing Federal money because of the attitude of its present Governor.

THE PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

RALPH B. SESSOMS

The Clerk called the first bill, H. R. 8775, for the relief of Ralph B. Sessoms.

Mr. COSTELLO and Mr. DRISCOLL objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

GEORGE D. JOHNSON

The Clerk called the next bill, H. R. 5336, for the relief of George D. Johnson.

Mr. COSTELLO, Mr. DRISCOLL, and Mr. HOPE objected, and, under the rule, the bill was recommitted to the Committee on Naval Affairs

CHIEF CARPENTER WILLIAM F. TWITCHELL, UNITED STATES NAVY

The Clerk called the next bill, S. 2682, for the relief of Chief Carpenter William F. Twitchell, United States Navy.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the President of the United States is hereby authorized to appoint, by and with the advice and consent of the Senate, Chief Carpenter William F. Twitchell, United States Navy, a naval constructor with the rank of lieutenant on the retired list of the Navy, with pay at the rate of 2½ percent of the active-duty pay of a lieutenant of his length of service multiplied by the number of years of service for which he is entitled to credit in computation of his longevity pay on the active list, not to exceed 75 percent of said active-duty pay.

Mr. ZIONCHECK. Mr. Speaker, I move to strike out the last word.

Mr. HANCOCK of New York. Mr. Speaker, I make the point of order that under the rule amendments of this kind cannot be offered.

Mr. ZIONCHECK. I do not think there is any rule to that effect.

The SPEAKER. This is the first time the question has risen under this rule. The Chair, after examination of the rule, thinks that the restriction with reference to the offering of amendments applies only to omnibus bills.

Mr. O'CONNOR. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. O'CONNOR. Would a motion to move the previous

question on the bill preclude the offer of such amendment?
The SPEAKER. The ordering of the previous question would preclude the offering of amendments and serve to close debate.

Mr. O'CONNOR. Mr. Speaker, I may say it was the intention that such debate be not entered into. My remarks are not directed against the gentleman from Washington, but such debate would afford a means of filibustering and extending the debate indefinitely and those interested in the bills would have to move the previous question, which would shut off amendments, pro forma or otherwise.

The SPEAKER. The gentleman from Washington is recognized for 5 minutes.

Mr. ZIONCHECK. Mr. Speaker, yesterday I rose and addressed the House for 5 minutes and directed the attention of the gentleman from Texas [Mr. Blanton] to some remarks of mine, of the Friday previous, accusing him, without having formal proof, of having altered and revised my remarks without my permission or without the permission of the House or without anybody's permission but his own.

The SPEAKER. Under the rule, the gentleman will confine himself to the bill under consideration.

Mr. ZIONCHECK. What is the last word, then, Mr. Speaker?

The SPEAKER. The gentleman has the bill before him. Mr. ZIONCHECK. I have not the bill.

The SPEAKER. The intent of this rule, as the gentleman from New York [Mr. O'CONNOR] has plainly stated, is not to have any discussion in the consideration of this calendar. The Chair must insist that gentlemen who insist upon debate must confine themselves strictly to the provisions of the bill and not discuss outside matters, because the House can well understand that if such a course were followed-

Mr. ZIONCHECK. Mr. Speaker, I can raise a question of personal privilege. I can go out and get a resolution prepared right away or I can rise now to a question of personal

The SPEAKER. The gentleman can ask unanimous consent to proceed out of order, if he wishes and if the House will permit.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Washington may proceed out of

Mr. MILLARD. Mr. Speaker, I object.

Mr. ZIONCHECK. Then, Mr. Speaker, I ask unanimous consent to proceed out of order for 5 minutes.

The SPEAKER. The gentleman from Washington asks unanimous consent that he may be permitted to proceed out of order for 5 minutes. Is there objection?

There was no objection.

Mr. ZIONCHECK. Mr. Speaker, today I have received from the Government Printer the authentic reporter's copy of the 5-minute talk I made upon Friday last.

The gentleman from Texas made the statement on the floor yesterday that he did not change one word in these remarks

Mr. BLANTON. I did not change one word of the gentleman's remarks-not one.

The SPEAKER. The gentleman will address the Chair before interrupting the speaker.

Mr. ZIONCHECK. Mr. Speaker, I now ask the gentleman from Texas if in his remarks, which are a part of my remarks, he said:

Mr. Schriftgiesser, a Russian Communist, with just about the same kind of sympathetic ideas that the gentleman entertains.

This is what he said and then he put in: "The Post and its writer", and then after "Communist" he put in "sympathizers", and after "sympathetic ideas" he put in "communism", and then he goes down a little further and Mr. BLANTON again states this:

I would rather have night riders here in Washington than "red riders.

Then in between the words "in" and "Washington" he puts in "the State of", and after "riders" he put in "if the 'red riders' were 'reds'."

Then after my remarks, "Why does not the gentleman answer the question", Mr. BLANTON puts in this statement which was never stated by Mr. Blanton on the floor:

Mr. Blanton. The Post and its editor, Karl Schriftglesser, know that I have never belonged to the Ku Klux Klan, and that in the zenith of its power one of its high kleagles ran against me for Congress, and I carried every county in my district against him by a big majority.

Do you admit that you changed your own remarks in my remarks?

Mr. BLANTON. I made that carry out exactly what I told the gentleman here on the floor.

Mr. ZIONCHECK. What did you tell the gentleman here on the floor?

Mr. BLANTON. I told the gentleman on the floor that this Karl Schriftgiesser, who is one of Eugene Meyer's editors of the Post, entertained communistic ideas exactly like the gentleman entertains. Is not that right? Do you deny that?

Mr. ZIONCHECK. Oh, no; that is right in here.

Mr. BLANTON. Exactly like you entertain?

Mr. ZIONCHECK. That is right in here.

Mr. BLANTON. And I made that conform to the facts. Will the gentleman deny he entertains communistic ideas?

Mr. ZIONCHECK. Did you write this in or did you not? Did you or did you not?

Mr. BANKHEAD. Mr. Speaker, I do not want to interrupt the discussion, but it is contrary to the rules to address any Member in the first or second person.

Mr. ZIONCHECK. Then did the gentleman from Texas do this or did he not?

Mr. BLANTON. Sure I did. I made it conform exactly to the facts, and I made it show exactly what the gentleman stands for.

Mr. ZIONCHECK. And did the gentleman get my permission to do it?

Mr. BLANTON. The gentleman does not deny that he entertains communistic ideas, does he?

Mr. ZIONCHECK. Did the gentleman from Texas obtain my permission to do it?

Mr. BLANTON. I do not have to obtain the gentleman's permission to make the RECORD speak the facts.

Mr. O'CONNOR. Mr. Speaker, I make a point of order for the purpose of getting a ruling.

As I understand, a Member from his seat can address the speaker who has been recognized by the Chair and propound a question to him of he so desires, but under the rules has the person who has the floor and who is addressing the House any right to address a Member in his seat?

I think this is an important question, because we have had these two-men conversations a great deal recently.

The SPEAKER. The Chair does not think the Member has such right.

Mr. ZIONCHECK. Then, Mr. Speaker, does the gentleman from Texas

Mr. O'CONNOR. Mr. Speaker, I do not know whether I heard the Chair correctly or not.

The SPEAKER. The Chair holds the Member who is speaking does not have the right to address his remarks to any individual Member in his seat.

Mr. ZIONCHECK. Then, Mr. Speaker, I may state to the gentleman from Texas that if my ideas are different from his, as they are, then, of necessity, in his opinion I must be a Communist. I am proud to have different ideas from those of the gentleman from Texas. It would be a reflection on the intelligence of the constituents I represent were my ideas and thoughts not different than his.

The SPEAKER. The time of the gentleman from Washington has expired.

Mr. ZIONCHECK. Mr. Speaker, under permission to revise and extend my own remarks, I include my remarks of Friday last. The italics designate the words inserted by the gentleman from Texas without my knowledge, permission, or consent, and contrary to the most elemental rules of this House, as the gentleman knows and knew when he did it. If he does it again I shall introduce a resolution and demand a vote.

Mr. Zioncheck. Mr. Chairman, I move to strike out the last two

Mr. Chairman, I rise at this time to ask my good friend from Texas whether he has read on the editorial page of this morning's Post an article entitled "BLANTON! Why?" and then "Heil to the Dictator!

Mr. Blanton. The Post and its writer, Karl Schriftglesser, are Russian Communist sympathizers with just about the same kind of sympathetic ideas for communism that the gentleman entertains.

Mr. ZIONCHECK. Will the gentleman from Texas answer the ques-

tion whether he would prefer a red rider to a night rider in Washington?

Mr. Blanton. I would rather have night riders here and in the State of Washington than red riders, if the red riders were reds.

Mr. ZIONCHECK. Why does not the gentleman answer the ques-

tion?

Mr. Blanton. The Post and its editor, Karl Schriftgiesser, know that I have never belonged to the Ku Klux Klan, and that in the zenith of its power one of its high kleagles ran against me for Congress, and I carried every county in my district against him by a big majority.

A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. ZIONCHECK. Will the Speaker rule whether I am within my rights, whether these are my remarks or the remarks of the gentleman from Texas?

The SPEAKER. The Chair cannot answer that question without a further examination.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HOFFMAN. Reserving the right to object, and I wish to make a parliamentary inquiry.

Mr. BLANTON. I think the gentleman from Michigan believes in fairness.

Mr. HOFFMAN. My parliamentary inquiry, Mr. Speaker, is whether the gentleman should not first address the Chair. The SPEAKER. The gentleman is correct, but the gentle-

man from Texas did address the Chair. Mr. HOFFMAN. And my second inquiry is whether he would have the right and privilege, if I do not object, to

stand in "No Man's Land" when he makes the request? Mr. O'CONNOR. Mr. Speaker, I call for the regular order.

The SPEAKER. The regular order is called for. Is there objection to the request of the gentleman from Texas?

Mr. CLARK of Idaho. I object.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. F. AMORY

The Clerk called the bill (H. R. 399) for the relief of A. F. Amory.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the claim of A. F. Amory against the United States for damages alleged to have been caused on the early morning of August 6, 1929, by a collision in the harbor of Cape May, morning of August 6, 1929, by a collision in the harbor of Cape May, N. J., between a submerged wreck then in custody of the United States Coast Guard, at Cape May, N. J., and the power boat Mocking Bird, owned and operated by the said A. F. Amory, as a result whereof the said power boat Mocking Bird sustained substantial damage, may be sued for by the said A. F. Amory in the District Court of the United States for the Eastern District of Virginia, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the said A. F. Amory upon the same principles and measures of liability as in like cases between private parties and with the same rights of appeal: Provided, That such notice of the suit shall be given to the Attorney General of the United States as may be provided for by order of the said court, and it shall be the duty of the Attorney General to cause the United States: Provided further, That said suit shall be brought and commenced within 4 months from the date of the passage of this act. from the date of the passage of this act.

With the following committee amendments:

Page 1, line 6, after the word "wreck", insert "alleged to have

been."
Page 1, line 10, after the word "whereof", insert "it is alleged that."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTHONY MARSZELEWSKI

The Clerk called the bill (H. R. 7546) to correct the military record of Anthony Marszelewski.

The SPEAKER. Is there objection?

Mr. HOPE and Mr. HANCOCK of New York objected, and the bill was recommitted to the Committee on Naval Affairs.

FRANK A. BOYLE

The Clerk called the bill (H. R. 993) to extend the provisions of the act of Congress, approved September 7, 1916, entitled "An act to provide compensation for employees of the United States receiving injuries in the performance of their duties", and for other purposes, to Frank A. Boyle.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the provisions of the act of Congress approved September 7, 1916, entitled "An act to provide compensation for employees of the United States receiving injuries in the performance of their duties, and for other purposes", are hereby extended to Frank A. Boyle for injuries received while in the service of the United States Government as United States Commissional Property Alexke, on Tally 26, 1929, and that he he residence in the control of the United States of Tally 26, 1929, and that he he residence is the control of the United States of Tally 26, 1929, and that he he residence is the control of the United States of Tally 26, 1929, and that he he residence is the control of the United States of Tally 26, 1929, and the property of the United States of Tally 26, 1929, and the property of the United States of Tally 26, 1929, and the property of the United States of Tally 26, 1929, and the property of the United States of Tally 26, 1929, and the property of the United States of Tally 26, 1929, and the property of Tally 26, 1929, and the property of the United States of Tally 26, 1929, and the property of T such as Juneau, Alaska, on July 26, 1929, and that he be paid such sums to date from the passage of this act, as would properly be due him within the provisions of section 4 of said act of September 7, 1916.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank A. Boyle, of Juneau, Alaska, the sum of \$2,500, in full settlement of his claim against the United States for injuries sustained on July 26, 1929, in the Federal Building at Juneau while in the performance of his duties as United States Commissioner at Juneau, Alaska: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents. shall be paid or delivered to or received by any agent or agents, shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Frank A. Boyle."

E. B. GRAY

The Clerk called the bill (H. R. 1103) for the relief of E. B. Grav.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$1,000 to E. B. Gray, of Cincinnati, Ohio, which sum was paid by him in May 1931, to the United States by reason of the forfeiture of the bail bond of Chester Koher, the case since having been fully satisfied.

With the following committee amendments:

Page 1, line 6, strike out "which sum was" and insert "in full settlement of his claim against the United States for an equal amount."

Page 1, line 8, strike out "in May 1931" and insert "on Septem-

ber 8, 1931."

Page 1, line 10, strike out "the case since having been fully satisfied" and insert "the latter having failed to appear for trial, but thereafter having been apprehended by said E. B. Gray, without cost to the Government, and imprisoned: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JULIA M. RYDER

The Clerk called the bill (H. R. 2189) for the relief of Julia M. Ryder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Julia M. Ryder, of South Wareham, Mass., the sum of \$252 in full compensation for services rendered to the United States Post Office Department as acting temporary messenger for the conveyance of the mails on mail messenger routes numbered 204 and 196 from August 1931 to August 1932.

With the following committee amendment:

Page 1, line 10, strike out "204 and 196 from August 1931 to Page 1, line 10, strike out "204 and 196 from August 1931 to August 1932" and insert: "204,196 and 101,728 from August 5, 1930, to August 31, 1931: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 per-cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

COMMUNITY INVESTMENT CO., INC.

The Clerk called the bill (H. R. 3283) for the relief of the Community Investment Co., Inc.

tion of its claim against the United States for a refund of income taxes for the year 1926, found by the Treasury Department to have been erroneously assessed, which claim was disallowed on the ground of failure to file within the statutory period of limitation; and (2) the sum of \$125,000 in full satisfaction of such corpora-tion's claim against the United States for damages on account of the filing by the United States of a general lien against all the property of such corporation as security for the payment of such

With the following committee amendments:

Page 1, line 6, strike out "(1)", and on page 2, strike out all after the word "limitation", in line 1, and insert: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, hold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EVANGELOS KARACOSTAS

The Clerk called the bill (H. R. 3598) for the relief of Evangelos Karacostas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Evangelos Karacostas, of Boston, Mass., the sum of \$500. Such sum represents the amount of a cash bond declared breached by the Department of Labor on April 13, 1929, upon the fallure of said Evangelos Karacostas to depart from the United States as a temporary visitor, and subsequently covered into the Treasury of the United States, while there was pending a suit instituted by Mr. Karacostas and before a decision was rendered by the District Court of the United States for the District of Massachusetts that said Evangelos Karacostas was entitled to remain in this country permanently. costas was entitled to remain in this country permanently.

With the following committee amendments:

Page 1, line 7, strike out the word "represents" and insert "shall be in full settlement of all his claims against the United States for", and on page 2, line 2, strike out "Mr. Karacostas" and insert the word "him", and at the end of the bill, strike out the period, insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY L. MUNRO

The Clerk called the bill (H. R. 4411) for the relief of Mary L. Munro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary L. Munro, Los Angeles, Calif., the sum of \$500. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said Mary L. Munro as the result of her automobile being struck by a United States Civilian Conservation Corps truck on the highway near Big Bear Lake, Calif., on October 20, 1934.

With the following committee amendments:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Community Investment Co., Inc., a corporation organized under the laws of the State of California, (1) the sum of \$1,896.69 in full satisfac-

or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM W. BARTLETT

The Clerk called the bill (H. R. 4571) for the relief of William W. Bartlett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William W. Bartlett, the sum of \$284.50 for the loss of personal effects, by misplacement or otherwise, while claimant was hospitalized during service in the United States Navy.

With the following committee amendments:

Page 1, line 6, strike out "\$284.50" and insert "\$169.60, in full settlement of his claim against the United States."

Page 1, line 9, strike out the word "Navy" and insert "Marine Corps, at the Naval Hospital, San Diego, Calif., between January 24 and September 15, 1927: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1.000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GUIDEO BISCARO AND OTHERS

The Clerk called the bill (H. R. 4915) for the relief of Guideo Biscaro, Giovanni Polin, Spironello Antonio, Arturo Bettio, Carlo Biscaro, and Antonio Vannin.

Mr. COSTELLO and Mr. DRISCOLL objected, and the bill was recommitted to the Committee on Claims.

MRS. MURRAY A. HINTZ

The Clerk called the next bill, H. R. 6163, for the relief of Mrs. Murray A. Hintz.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to Mrs. Murray A. Hintz, of Raton, N. Mex., the sum of \$10,000. Such sum shall be in full settlement of all claims against the United States on account of damages to the Hintz automobile and damages sustained by the said Mrs. Murray A. Hintz when she was injured in an automobile collision with a United States owned truck near Santa Fe, N. Mex., on September 1, 1934.

With the following committee amendments:

Page 1, line 6, strike out "\$10,000" and insert "\$5,000."

Page 1, line 8, after the word "damages", strike out "to the

Hintz automobile and damages."

Hintz automobile and damages."

Page 2, line 1, strike out "September 1, 1934" and insert the following: "September 23, 1934: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. E. WOODWARD

The Clerk called the next bill, H. R. 6258 for the relief of D. E. Woodward.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to D. E. Woodward the sum of \$5,000. Such sum shall be in full settlement of all claims against the United States on account of damages sustained by the said D. E. Woodward when he was injured in an automobile collision with a United States owned truck near Santa Fe, N. Mex., on September 1, 1024 1934

With the following committee amendments:

Page 1, line 6, strike out "\$5,000" and insert in lieu thereof "\$3,500."

"\$3,500."

Page 1, line 10, strike out "September 1, 1934," and insert the following: "September 23, 1934: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The Clerk called the next bill, H. R. 6441, to extend the benefits of the Employees' Compensation Act of September 7. 1916, to J. C. Wilkinson.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to J. C. Wilkinson, former deputy United States marshal at McAlester, Okla., the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916.

With the following committee amendment:

Page 1, strike out all after the enacting clause, down to and including line 10, on page 1, and insert on page 2 the following: "That notwithstanding the limitations of time in sections 15 to 20, both inclusive, of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, the Employees' Compensation Commission is hereby authorized and directed to receive and consider the claim of James C. Wilkinson, of McAlester, Okla., for disability alleged to have been incurred in the performance of his duties as deputy United States marshal on March 20, 1931, under the remaining provisions of said act: Provided, That claim hereunder shall be filed within 6 months from the approval of this act: Provided further, That no benefits shall accrue prior to the approval of this act."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of James C. Wilkinson."

JOHN CHARLES KLEIN

The Clerk called the next bill, H. R. 6599, for the relief of John Charles Klein.

There being no objection, the Clerk read the bill, as follows:

he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Charles Klein the sum of \$3,000, for injury of his daughter, Florence Helen Klein, who was struck by a United States mail truck out of control. Be it enacted, etc., That the Secretary of the Treasury be, and

With the following committee amendment:

Page 1, line 5, strike out the words "to John Charles Klein the sum of \$3,000, for injury to his daughter, Florence Helen Klein, who was struck by a United States mail truck out of control" and insert the following: "to the legal guardian of Florence Helen Klein, a minor, of Pittsburgh, Pa., the sum of \$3,000, in full settlement of all claims against the United States for per-

sonal injuries sustained by her on October 10, 1933, when she was struck by a United States mail truck, out of control, in a vacant lot on South Side Avenue, Pittsburgh, Pa.: Provided, That of any amounts expended by said legal guardian in behalf of such minor child there shall be paid all medical and necessary expenses arising out of the injuries sustained by her: Provided further, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000." sonal injuries sustained by her on October 10, 1933, when she was

The committee amendment was agreed to.

The bill as amended was ordered to be engressed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of Florence Helen Klein, a minor."

GEORGE H. SMITH

The Clerk called the next bill, H. R. 6828, granting 6 months' pay to George H. Smith.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to pay out of the appropriation "Pay of the Navy, 1935, to George H. Smith, father of the late Theodore Ray Smith, fireman, second class, United States Navy, the sum of \$324, such sum being equal to 6 months' pay at the rate said Theodore Ray Smith was receiving at the date of his death death.

With the following committee amendments:

Page 1, line 5, strike out "1935" and insert in lieu thereof "1936." Page 1, line 5, after the word "Smith", insert "of Rabun County,

Page 1, line 8, strike out "such sum being equal to" and insert in lieu thereof "in full settlement of his claim against the United States for."

Page 1, line 11, after the word "death", insert the following: "Provided, That said George H. Smith shows to the satisfaction of the Secretary of the Navy that he was actually dependent on his son, Theodore R y Smith, at the time of the latter's death, and that the determination of such dependency by the Secretary of the Navy shall be final and conclusive upon the accounting officers of the

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of George H. Smith."

W. N. HOLBROOK

The Clerk called the next bill, H. R. 7555, for the relief of W. N. Holbrook.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. N. Holbrook, Cumberareasury not otherwise appropriated, to W. N. Holbrook, Cumberland Gap, Tenn., the sum of \$6,430. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said W. N. Holbrook as the result of a Government truck in the service of the Civilian Conservation Corps striking a building owned by the said W. N. Holbrook at Cumberland Gap, Tenn., damaging the building and destroying the equipment of a gasoline filling station.

With the following committee amendments:

Page 1, line 6, strike out "\$6,430" and insert in lieu thereof "\$2,000."

"\$2,000."

Page 2, line 2, insert the following: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000." sum not exceeding \$1,000.

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY L. SMIGELL

The Clerk called the next bill, H. R. 7645, for the relief of Harry L. Smigell.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the United States Employees' Compensation Commission is hereby authorized to consider and determine the claim of Harry L. Smigell, in the same manner and to the same extent as if the said Harry L. Smigell had made application for benefits under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes". in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, within the period required by sections 17 and 20 thereof. No benefit shall accrue by reason of the enactment of this act prior to the date of such enactment.

With the following committee amendments:

Page 1, line 5, after "Smigell", insert "of Denver, Colo., for disability alleged to have been incurred by him while employed at Frankford Arsenal, Philadelphia, Pa., between June 5, 1918, and November 20, 1918."

Page 2, line 6, at the end of the bill, insert the following: "Provided, That claim hereunder shall be made within 90 days from the enactment of this act."

The committee amendments were agreed to. The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The Clerk called the next bill, H. R. 7867, for the relief of John Micek.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Micek, of Trempealeau County, Wis., the sum of \$5,000 as compensation for personal injuries received, caused by the negligence of officers and agents of the United States in failing to remove from certain school property in Trempealeau County, Wis., certain explosives which caused personal injury to Adolph Micek, 13-year-old son of John Micek, on or about January 18, 1934.

With the following committee amendments:

Page 1, line 5, strike out the words "to John Micek, of" and

rage 1, line 5, strike out the words "to John Micek, of" and insert in lieu thereof "to the legal guardian of Adolph Micek, a minor of Independence."

Page 1, line 8, strike out "\$5,000 as compensation," and insert in lieu thereof "\$2,500, in full settlement of his claim against the United States."

Page 1, line 10, strike out the words "United States" and insert in lieu thereof "Federal Civil Works Administration."

Page 2, line 3, after the word "Micek" strike out "13-year-old son of John Micek."

Page 2, line 4, insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdeameanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of Adolph Micek, a minor."

GRANT HOSPITAL OF CHICAGO, ILL.

The Clerk called the next bill, H. R. 7904, for the relief of the Grant Hospital of Chicago, Ill.

There being no objection the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Grant Hospital of Chicago, Ill., the sum of \$37.50. The payment of such sum shall be in full settlement of all claims against the United States on account of hospital service rendered to Theresa Paulas, who was admitted to said hospital as a patient after she was injured by agents of the United States Department of Justice during the John Dillinger shooting in the city of Chicago, in July 1934:

With the following committee amendments:

Page 1, line 6, after the figures "\$37.50" insert "and to Dr. M. H. Streicher, of Chicago, Ill., the sum of \$75."

Page 1, line 10, strike out "admitted to said hospital as a patient

after she was.

after she was."

Page 2, line 3, insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim. Any contract to the contract provided in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of Grant Hospital and Dr. M. H. Streicher."

POLYGRAPHIC CO. OF AMERICA

The Clerk called the next bill, H. R. 7987, for the relief of the Polygraphic Co. of America.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$1,869.85 to the Polygraphic Co. of America, such payment to be in full settlement of any claim against the Government of the United States for the printing of 2,000,000 N. R. A. stickers pursuant to contract no. Cc-2069, executed in August 1934.

With the following committee amendment:

At the end of the bill add: ": Provided, That no part of the amout appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS GEORGE

The Clerk called the next bill, H. R. 8113, for the relief of Louis George

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Louis George, of Chicago, Ill., the sum of \$1,000. Such sum represents reimbursement for loss sustained by the said Louis George on account of forfeiture to the United States of a delivery bond executed by him to secure the appearance of Andreas Janon in proceedings for deportation of the said Andreas Janon

With the following committee amendments:

In lines 6 and 7, strike out the words "represents reimbursement" and insert in lieu thereof the clause "shall be in full settlement of all claims against the United States."

In line 8, after the word "States", insert a comma and the words

In line 8, after the word "States", insert a comma and the words "on or about August 31, 1926."

In lines 10 and 11, strike out the words "in proceedings for deportation of the said Andreas Janon" and insert in lieu thereof the following: "an alien, who, having failed to appear as required by such bond, was thereafter apprehended and deported through the efforts of said Louis George and without cost to the Government: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received

by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

SEAMEN OF STEAMSHIP "SANTA ANA"

The Clerk called the next bill, H. R. 8200, for the relief of the seamen of the steamship Santa Ana.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund the sum of \$398 belonging to the seamen of the steamship Santa Ana turned into the Treasury by mistake at Jacksonville as miscellaneous funds while their suit at Tampa was pending appeal in New Orleans.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert

Strike out all of the bill after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$398, to the clerk of the United States District Court for the Southern District of Florida, who shall distribute such sum, in proportion to their respectively adjudicated claims, to the seamen of the steamship Santa Ana, in accordance with the final decree and order of said United States District Court, dated June 8, 1932, at Tampa, Fla. Such sum shall be deemed with the final decree and order of said United States District Court, dated June 8, 1932, at Tampa, Fla. Such sum shall be deemed to be in full settlement of the claim of the seamen of the steamship Santa Ana against the United States for the moneys errone-ously paid into the Treasury of the United States, when same should have been retained in the court registry for payment to said seamen as wages as a result of the decision in the case of S. G. Clifford et al. v. Merritt-Chapman & Scott Corporation (57 Fed. (2d) 1021): Provided, That no part of said amount of \$398 in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000." fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. J. POWERS

The Clerk called the next bill, H. R. 8434, authorizing the redemption by the United States Treasury of certain documentary revenue stamps now held by L. J. Powers.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to redeem certain documentary revenue stamps, to wit: One for \$500, serial no. 928; one for \$500, serial no. 3577; total \$1,000, said stamps having been purchased to be used upon a deed of conveyance, which was never executed, and now owned by and in possession of L. J. Powers, of Waterloop Lower. loo, Iowa.

SEC. 2. That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, to L. J. Powers, of Waterloo, Iowa, the sum of \$1,000 for the redemption of said documentary revenue stamps.

With the following committee amendment:

Strike out all the wording of the bill after the word "authorized" in line 4, and insert in lieu thereof, the following: "and directed to pay out of any money in the Treasury not otherwise appropriated, the sum of \$1,000 to L. J. Powers, of Waterloo, Iowa, in full settlement of all claims against the United States for redemption of certain documentary revenue stamps now in the possession of said L. J. Powers; one known as serial no. 928, for \$500, and one known as serial no. 3577, for \$500: Protided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or re-

ceived by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. conviction thereof shall be fined in any sum not exceeding \$1,000.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended to read: "A bill for the relief of L. J. Powers."

JOHN A. BAKER

The Clerk called the next bill, H. R. 8486, for the relief of John A. Baker.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John A. Baker, of the city of Erwin, Tenn., the sum of \$300, rental due for the use of a rock crusher by the Civil Works Administration on a road project in the Unake National Forest, Unicol County, Tenn., for the period February 24 to June 1, 1934.

With the following committee amendments:

In line 6, strike out the figures "\$300" and insert in lieu thereof the following: "\$150 in full settlement of all claims against the United States for."

In line 8, strike out the name "Unake" and insert in lieu thereof

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. At the end of the bill add: ": Provided, That no part of the sum not exceeding \$1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The Clerk called the next bill, H. R. 8506, for the relief of Oliver Faulkner.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury, on certification by the Secretary of the Interior, be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Oliver Faulkner, a sum determined the Secretary of the Interior to be the fair and reasonable value of all improvements and the labor involved therein, not in excess of \$5,000 placed by him on the NE¼NE¼ sec. 36, T. 17 S., R. 24 E., Tallahassee meridian, in the State of Florida, prior to November 4, 1926, the date of the cancelation of his homestead entry, erroneously allowed March 29, 1926.

With the following committee amendment:

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN HURSTON

The Clerk called the next bill, H. R. 8510, for the relief of John Hurston.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Hurston the sum of \$2,500 in full settlement of all claims against the Government for damages sustained by him on account of injuries received when stricken by a truck of the Civilian Conservation Corps being negligently operated near Dayton, Tenn., on May 8, 1935.

With the following committee amendments:

In line 5, strike out the words "John Hurston" and insert in eu thereof the words "the legal guardian of John Hurston, lieu thereof

La Fayette, Ga."

In line 6, strike out the figures "\$2,500" and insert in lieu thereof the figures "\$1,500."

In line 8, strike out the word "him" and insert "said John Hurston."

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. C. DONNELLY

The Clerk called the next bill, H. R. 8551, for the relief of J. C. Donnelly.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to J. C. Donnelly, former special disbursing agent of the Veterans' Administration at Johnson City, Tenn., the sum of \$216. Such sum was paid to the United States by the said J. C. Donnelly on account of a shortage in the amount of \$216 in his account, caused by the payment of such sum in June 1931 by the said J. C. Donnelly to the executor of the estate of Benjamin F. Henderson, who died July 7, 1930, while an immate of the National Home for Disabled Volunteer Soldiers, Johnson City, Tenn. Such sum of \$216 represents the amount of pension funds standing to the credit of the said Benjamin F. Henderson at the time of his death, and the said J. C. Donnelly was directed to pay such sum to the executor of the estate of the deceased in partial reimbursement for burial expenses. The Comptroller General has disallowed such payment. The Comptroller General has disallowed such payment. The Comptroller General is authorized and directed to credit the account of the said J. C. Donnelly and the surety on the bond of the said J. C. Donnelly, as special disbursing agent of the Veterans' Administration, are hereby relieved of any liability on account of the unpaid balance of such shortage.

With the following committee amendment: Be it enacted, etc., That the Secretary of the Treasury be, and

ith the following committee amendment:

Strike out all of the bill after the enacting clause and insert in

lieu thereof the following:
"That the Comptroller General of the United States is hereby "That the Comptroller General of the United States is hereby authorized and directed to credit the account of J. C. Donnelly, former special disbursing agent of the Veterans' Administration at Johnson City, Tenn., with the sum of \$216, heretofore disallowed, such sum representing a payment by him out of pension funds standing to the credit of Benjamin F. Henderson, deceased, C-2525167.

"Sec. 2. The Comptroller General of the United States is further authorized and directed to pay to the said J. C. Donnelly such sum, not to exceed \$216, as may have been paid by him or withheld from any moneys due him to satisfy any shortage arising by the disallowance of claim for payment by him of pension moneys to the credit of Benjamin F. Henderson, deceased, C-2525167.

"SEC. 3. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, such sum as the Comptroller General may find to be due and payable to J. C. Donnelly under section 2 of this act, and payment by the Comptroller General shall be deemed to be in full and final settlement of any claim arising out of the disallowance."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA MUETZEL

The Clerk called the next bill, H. R. 9023, for the relief of Anna Muetzel.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. COSTELLO and Mr. CLARK of Idaho objected, and, under the rule, the bill was recommitted to the Committee on Claims.

W. H. DEAN

The Clerk called the next bill, H. R. 9076, for the relief of W. H. Dean.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. H. Dean the sum of \$303 in full settlement of all claims against the United States for salary withheld from him for services rendered as foreman of construction work at the Rosebud Indian Agency, Rosebud, S. Dak., during July and August 1930.

ith the following committee amendments:

In line 6, strike out the figures "\$303" and insert in lieu thereof the figures "\$200."

the figures "\$200."

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1.000." sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK CORDOVA

The Clerk called the next bill, H. R. 9370, for the relief of Frank Cordova.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$770.16 to the superintendent of the Shoshone Indian Agency, Fort Washakle, Wyo., to be expended under regulations approved by the Secretary of the Interior, for the relief of Frank Cordova (also known as Frank Enos, Frank O'Neal, and Frank O'Neal Cordova), in full settlement of his claim against the United States on account of the erroneous distribution of funds, inherited from the estate of Dora Enos, deceased, to the heirs of Frank Enos, deceased: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. L. AND J. B. M'QUEEN, INC.

The Clerk called the next bill, H. R. 9373, for the relief of H. L. & J. B. McQueen, Inc., and John L. Summers, former disbursing clerk, Treasury Department.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That notwithstanding the provisions of the act of March 1, 1919 (40 Stat. 1270), and the act of February 28, 1929 (45 Stat. 1400), the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of H. L. & J. B. McQueen, Inc., not exceeding \$86, for printing services performed during September 1934 for the Soil Erosion Service, for the dissemination of information at A Century of Progress Exposition, Chicago, Ill. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$86, or so much thereof as may be necessary for the payment of said claim.

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of John L. Summers, former disbursing clerk, Treasury Depart-

and he is hereby, authorized and directed to credit the accounts of John L. Summers, former disbursing clerk, Treasury Department, with the sum of \$18.50, representing the amount paid by him to H. L. & J. B. McQueen, Inc., for printing services performed for the Soil Erosion Service, which payment has heretofore been disallowed by the Comptroller General: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not-withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSEMENT OF ENLISTED MEN OF THE NAVY

The Clerk called the next bill, H. R. 9374, to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects destroyed in a fire at the radio direction-finder station, North Truro, Mass., on December 27, 1934.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$527.89, or so much thereof as may be necessary, to certain enlisted men and former enlisted men of the Navy for the value of personal effects destroyed as a result of fire at the radio direction-finder station, North Truro, Mass., on December 27, 1934: Provided, That the Secretary of the Navy shall determine the amount to be paid hereunder to each claimant and certify the same to the Secretary of the Treasury: Provided jurther, That no part of the amount appro-priated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceed-

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH M. PURRINGTON

The Clerk called the next bill, H. R. 11052, for the relief of Joseph M. Purrington.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to consider, adjust, and determine the claim of Joseph M. Purrington on account of personal injuries and property damage resulting from an accident occurring February 25, 1931, at the Hawkins Bar Bridge, Trinity County, Calif., while performing work for the United States Forest Service, Calif., While performing work for the United States Forest Service, and to reimburse him in the amount found due, payment to be made from unexpended funds in the appropriation for salaries and expenses, Forest Service, fiscal year, 1931: Provided, That if said appropriation is exhausted or insufficient for the purposes of this act upon its approval, this claim shall be paid out of any money in the Treasury not otherwise appropriated, and the Secretary of Agriculture is directed to certify it for payment to the Secretary of the Treasury.

With the following committee amendment:

On page 2, line 6, after the word "Treasury", insert a colon and the following: "Provided further, That payment hereunder shall

be deemed to be in full settlement of such claim against the United States: And provided further, That no part of the amount paid by virtue of this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding, and the same shall be unlawful. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to , reconsider was laid on the table.

ADA MARY TORNAU

The Clerk called the next bill, S. 536, for the relief of Ada Mary Tornau.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ada Mary Tornau, the sum of \$225 in full settlement of all claims against the Government for injuries sustained on February 14, 1933, when she was struck by an icicle which fell from the roof of the Federal Building in Dubuque, Iowa: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOLYOKE ICE CO.

The Clerk called the next bill, S. 903, for the relief of the Holyoke Ice Co.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$146.85 to the Holyoke Ice Co., of Holyoke, Mass., in full settlement of all claims against the Government for ice furnished the post-office building at Holyoke, Mass., during the period of 1918 to 1922, inclusive: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The Clerk called the next bill, S. 2042, for the relief of Grace Park.

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be tt enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. John McShane, parents and guardians of Grace Park, of Stonington, Conn., the sum of \$500; to the Westerly Hospital, Westerly, R. I., the sum of \$68.70; and to Dr. H. M. Scanlon, of Westerly, R. I., the sum of \$100; said sums to be in full settlement of all claims against the United States for injuries received by said Grace Park October 17, 1934, near Stonington, Conn., when she was struck by a truck operated in the service of the United States Coast and Geodetic Survey, Department of Commerce: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person

violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "An act for the relief of Grace Park, a minor, the Westerly Hospital, and Dr. H. M. Scanlon."

MARY WELLER

The Clerk called the next bill, S. 2336, granting compensation to Mary Weller.

There being no objection, the Clerk read the bill, as

Be it enacted, etc. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$4,848.45 to Mary Weller, of New Haven, Conn., in full settlement of all claims against the Government of the United States for injuries, resulting in the loss of her left eye, which she sustained in autoresulting in the loss of her left eye, which she sustained in automobile accident caused by negligence of driver of Governmentowned truck, on October 5, 1934: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connections. of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOHN HOFFMAN

The Clerk called the next bill, S. 2942, for the relief of John Hoffman.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$1,500 to John Hoffman, of Mercer, Iron County, Wis., in full and final settlement of all claims against the Government of the United States for injuries sustained because of mistaken identity by Government agents on April 22, 1934, in their endeavor to apprehend one John Dillinger and his associates: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The Clerk called the next bill, S. 2943, for the relief of John Morris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$3,000 to John Morris, of Mercer, Iron County, Wis., in full and final settlement of all claims against the United States for injuries sustained because of mistaken identity by Government agents on April 22, 1934, in their endeavor to apprehend one John Dillinger and his associates: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim any contract to the contrary notwithstanding. Any person violating the provisions the contrary notwithstanding. Any person violating the provisions

of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. A. HAMMOND

The Clerk called the next bill, S. 3125, for the relief of J. A. Hammond.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. A. Hammond, of Laurel, Miss., the sum of \$120.10 in full settlement of all claims against the Government for injuries sustained by him on February 12, 1934, when an automobile in which he was riding collided with a truck of the Forest Service driven by G. A. Smith, Civilian Conservation Corps enrollee, on a Mississippi highway: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES GAYNOR

The Clerk called the next bill, S. 3367, for the relief of James Gaynor.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Comptroller General be, and he is hereby, authorized and directed to cancel the charge, in the amount of \$652.55, entered on the accounts of James Gaynor, postmaster at Springfield, S. Dak., by reason of his deposit of postal funds of the United States in the First National Bank of Springfield, S. Dak., and the subsequent failure of such bank.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to said James Gaynor the sum of \$74.55, such sum representing the amount paid by him to the United States in settlement of charge entered on his account by reason of the deposit of Treasury Savings funds in such bank and its subsequent failure.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLEMENT OF INDIVIDUAL CLAIMS FOR PERSONAL PROPERTY

The Clerk called the next bill, S. 3684, to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lucy E. Ahrens, Tacoma, Wash., \$21.90; to Fred S. Baxter, Tulare, Calif., \$353,61; to J. R. Duncan, Georgetown, Ky., \$30.04; to Harry France, Iowa City, Iowa, \$17.50; to Delmar Hammond, Ithaca, N. Y., \$10.50; to H. C. Ledford, Randle, Wash., \$20; to Patrick H. McBreen, Concord, Mass., \$49.50; to Capt. John L. Lewis, Seventeenth Field Artillery, Fort Bragg, N. C., \$11.75; to A. J. Marks, Maurine, S. Dak., \$7.90; to Monongahela West Penn Public Service Co., Marlinton, W. Va., \$82.11; to University of Tennessee Alumni Association, University of Tennessee, Knoxville, Tenn., \$105.80; to Water, Light, Power, and Building Commission, Grand Rapids, Minn., \$53.26; and to Clara B. Chapman, Jefferson City, Mo., \$15.10, in full settlement for damages sustained by reason of the operation of the Civilian Conservation Corps, which claims have been approved by the Secretary of War: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to

the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIRST GRANITE NATIONAL BANK, AUGUSTA, MAINE

The Clerk called the next bill, S. 3777, to authorize the Secretary of the Treasury to execute an agreement of indemnity to the First Granite National Bank, Augusta, Maine. There being no objection, the Clerk read the bill, as follows:

Bt it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to execute, in the name of the United States, and deliver to the First Granite National Bank, Augusta, Maine, upon receipt from such bank of \$8,547.83, an agreement of indemnity binding the United States to make reimbursement to such bank upon condition that such bank is required to make payment to bona-fide holders upon presentation of check no. 21874, and dated July 1, 1926, in the amount of \$8,547.83, drawn by the First Granite National Bank, Augusta, Maine, on the New York Trust Co. of New York, payable to George Maine, on the New York Trust Co. of New York, payable to George W. Wood, president of the board of managers (post fund), at the request of the Eastern Branch, National Home for Disabled Volunteer Soldiers, Augusta, Maine: Provided, That the Secretary of the Treasury shall, upon receipt of \$8,547.83, as hereinbefore provided, credit the general post fund of the Veterans' Administration in that amount. that amount.

With the following committee amendment:

On page 2, line 10, after the word "amount", insert a colon and the following: Provided further, That if the First Granite National Bank, Augusta, Maine, is required to make payment to a bona-fide holder upon presentation of said check no. 21874, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$8,547.83 to said bank, pursuant to the terms of the indemnity agreement authorized by this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM MITCHELL

The Clerk called House Joint Resolution 501, authorizing the President of the United States to award a posthumous Congressional Medal of Honor to William Mitchell.

Mr. HOPE and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Military Affairs.

THE ARMY BAND

The Clerk called the next bill, H. R. 10761, for the relief of the present leader of the Army Band.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. HILL of Alabama. Mr. Speaker, I ask unanimous consent that an identical Senate bill (S. 3872) be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That from and after the date of approval of this act the present leader of the Army Band shall have the rank, pay, and allowances of a captain in the Army; and in the computation of his pay and allowances all service in the Army of whatever nature rendered by the said leader shall be counted as if it were commissioned service; and the said leader of the Army Band shall, at such time as the President in his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct, be entitled to retirement as econtain his discretion may direct the entitled to retirement as econtain his discretion may direct the entitled to retirement as econtain his discretion may direct the entitled to retirement as econtain the experiment as econtain the ec titled to retirement as a captain in the Army, in the same manner as other officers of the Army of such rank and length of service, computed as stated above, would be entitled to retirement.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The House bill (H. R. 10761) was laid on the table.

OUACHITA NATIONAL FOREST, ARK.

The Clerk called the next bill, H. R. 9217, to authorize the Secretary of Agriculture to release the claim of the United States to certain land within the Ouachita National Forest,

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. DOXEY. Mr. Speaker, there is an identical Senate bill now on the Speaker's desk (S. 3445), and I ask unanimous consent that it may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized to execute a quitclaim deed to Andrew Jackson Talley and Becca Adeline Talley, releasing all right, title, and interest of the United States in and to the following-described lands:

Lots 5 and 6 in the northeast quarter section 2, township 4 north, range 24 west, fifth principal meridian, and that part of lots 7 and 8 in the northeast quarter of said section 2, described

as follows:

Beginning at a point on the north line of lot 8, which is 8.70 chains west from the northeast corner of said lot and is a point in the center of the creek; thence upstream with the meanders of the creek, and following the thread thereof, south 59° west 1.40 chains; south 69° west exactly 1 chain; south 82°30′ west exactly 3 chains; south 66° west exactly 1 chain; south 55° west exactly 1 chain; south 66° west exactly 2 chains; south 68° west exactly 2 chains; south 68° west exactly 3 chains; south 68° west exactly 2 chains; south 68° west exactly 3 ch chains; north 61° west exactly 2 chains; north 55° west exactly 2 chains; south 77°30′ west 1.25 chains; north 85° west 1.75 chains; north 13° west exactly 2 chains; north 13° west exactly 2 chains, which is a point on the north line of said lot 7; thence east with the north line of said lots 7 and 8 to the point of beginning, containing an area of 33.19 acres more

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The House bill (H. R. 9217) was laid on the table.

WELTON B. HUTTON

The clerk called the next bill, H. R. 10717, to provide for the holding of an examination by the Board of Optometry of the District of Columbia for a limited license to practice optometry in the District of Columbia for Welton B. Hutton.

Mr. HANCOCK of New York and Mr. HOPE objected, and, under the rule, the bill was recommitted to the Committee on the District of Columbia.

PIERRE PALLAMARY

The Clerk called the next bill, H. R. 7206, for the relief of Pierre Pallamary.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed (1) to make such alterations in the military record of Pierre Pallamary as may be necessary to eliminate from such record any statement to the effect that the said Pierre Pallamary was honorably discharged from the United States Army by reason of alienage, so that such record merely will show that the said Pierre Pallamary was honorably discharged on December 21, 1918, and (2) to amend the honorable discharge certificate of the said Pierre Pallamary so that it shall contain no statement to the effect that he was discharged by reason of alienage.

With the following committee amendment:

At the end of the bill add: "Provided, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALEX LINDSAY

The Clerk called the next bill, H. R. 588, for the relief of Alex Lindsay.

Mr. HANCOCK of New York and Mr. HOPE objected, and under the rule the bill was recommitted to the Committee on Military Affairs.

FORT PECK INDIAN LAND

The Clerk called the next bill, H. R. 10642, conditionally validating a homestead entry for Fort Peck Indian land.

There being no objection, the Clerk read the bill as fol-

Be it enacted, etc., That homestead entry no. 058836, Great Falls series, of John R. Cavanaugh, erroneously allowed January 24, 1925, for lots 3 and 4 and the south half of the northwest quarter of section 3, township 32 north, range 51 east, Montana principal meridian, which lands had been classified as "coal" in character

and were withdrawn from entry April 28, 1922, be, and the same is hereby, validated, on the payment of all amounts due under existing law, the coal deposits to be reserved under the act of February 27, 1917 (39 Stat. 944).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIG. GEN. EDWARD R. CHRISMAN

The Clerk called the next bill, S. 2021, to recognize the service of Brig. Gen. Edward R. Chrisman.

There being no objection, the Clerk read the bill as fol-

Be it enacted, etc., That the President of the United States is hereby authorized an' directed to designate Brig. Gen. Edward R. Chrisman, retired, as professor of military science and tactics emeritus at the University of Idaho, at Moscow, Idaho, during the remainder of his natural life.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELLEN KLINE

The Clerk called the next bill, H. R. 1361, for the relief of Ellen Kline.

Mr. HANCOCK of New York and Mr. HOPE objected and, under the rule, the bill was recommitted to the Committee on Claims.

JAMES M. WINTER

The Clerk called the bill (H. R. 1754) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James M. Winter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compen-Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to extend to James M. Wanter, on account of injuries sustained while working in his capacity as an employee of the Army Transport Service, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the limitations of time in sections 15 to 20, both inclusive, of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, are hereby waived in favor of James M. Winter, a former employee of the Army Transport Service, for disability alleged to have been incurred between September 16, 1918, and June 30, 1920, and the United States Employees' Compensation Commission is hereby authorized to receive and consider his claim under the remaining provisions of said act: Provided, That claim hereunder shall be made within 6 months after the approval of this act: Provided further, That no benefits shall accrue prior to the approval of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NELL MULLEN

The Clerk called the bill (H. R. 3706) for the relief of Nell Mullen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the United States Treasury not otherwise appropriated, the sum of \$1,950 to Nell Mullen, in full settlement of all claims she may have against the Government for injuries received by her in the United States post-office building at Scranton, Pa.

With the following committee amendments:

Page 1, line 6, strike out "\$1,950" and insert "\$950"; and in page

Page 1, line 9, after the word "Mullen", insert "of Scranton, Pa."
Page 1, line 9, after the word "Pennsylvania", insert "on December 22, 1924, when she slipped and fell because of the wet condition of the floor of said building: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM RANDOLPH CASON

The Clerk called the bill (H. R. 3763) for the relief of William Randolph Cason.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to William Randolph Cason, of Greenville, S. C., out of any money in the Treasury not otherwise appropriated, the sum of \$5,000, in full payment of all claims of the said William Randolph Cason for personal injuries received when a shell, which was left on the premises of the said William Randolph Cason by the armed forces of the United States at Camp Sevier, S. C., exploded while the land was being cleared for cultivation.

With the following committee amendments:

Page 1, line 6, strike out "\$5,000 in full payment of all claims of the said William Randolph Cason" and insert "\$2,000 in full settlement of his claim against the United States."

Page 2, line 5, after the word "cultivation", insert "on March 24, 1919: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violations of the contrary notwithstanding. any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KATE CARTER LYONS

The Clerk called the bill (H. R. 4276) for the relief of Kate Carter Lyons.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Kate Carter Lyons, of Travelers Rest, S. C., out of any money in the Treasury not otherwise appropriated, the sum of \$3,000 in full payment of all claims of the said Kate Carter Lyons for personal injuries received by her when she fell into an excavation on her property at the above address alleged to have been made by employees of the United States Coast and Geodetic Survey in January 1934.

With the following committee amendments:

With the following committee amendments:

Page 1, line 6, strike out "\$3,000 in full payment of all claims of the said Kate Carter Lyons" and insert in lieu thereof "\$1,000 in full satisfaction of her claim against the United States."

Page 1, line 10, after the word "address", strike out "alleged to have been made by the employees of the United States Coast and Geodetic Survey in January 1934" and insert "on June 4, 1934, said excavation having been made in January 1934 by employees of the Civil Works Administration in preparation for the placement of a United States Coast and Geodetic Survey monument therein: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BETHLEHEM FABRICATORS, INC.

The Clerk called the bill (H. R. 5491) for the relief of the Bethlehem Fabricators, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Bethlehem Fabricators, Inc., a corporation organized and existing under the laws of the State of poration organized and existing under the laws of the State of Pennsylvania, and having its principal place of business at Beth-lehem, Pa., is hereby authorized to bring suit against the United States of America in the Court of Claims to recover damages or compensation for any loss or losses which it may have suffered by reason of any work done, or moneys expended, in performing or attempting to perform any contract, formal or informal, or otherwise, with the United States Shipping Board or Emergency Fleet Corporation; or moneys expended or expenses incurred at the request of the officers of said United States Shipping Board or said Emergency Fleet Corporation, including unabsorbed overhead said Emergency Fleet Corporation, including unabsorbed overhead

and cost of plant extension, and damages suffered by reason of the

cancelation of any contract.

Jurisdiction is hereby conferred upon the Court of Claims of the Jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, consider, and determine such action upon its merits and according to the equities of the case with the view of reimbursing the claimant for any losses or damages sustained in the matters aforesaid, and, notwithstanding section 156 of the Judicial Code or the lapse of time, to enter a decree or judgment against the United States for the amount of such damages as may be found due to said Bethlehem Fabricators, Inc.

SEC. 2. That upon final determination of such cause, if a decree or judgment is rendered against the United States, there is hereby appropriated, out of any money in the Treasury not other.

hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sum sufficient to pay final judgment, which shall be paid to said Bethlehem Fabricators, Inc., or its duly authorized attorneys of record, by the Secretary of the Treasury upon the presentation of a duly authenticated copy of such final decree

or judgment.

With the following committee amendment:

Page 2, strike out section 2.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPERRY GYROSCOPE CO.

The Clerk called the bill (H. R. 5625) for the relief of Sperry Gyroscope Co., Inc., of New York.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,833.70 in full settlement of all claims against the Government of the United States, to the Sperry Gyroscope Co., Inc., on remission of liquidated damages under contracts, covering self-synchronous gyrocompass course recorders and for alidades furnished the Brooklyn Navy Yard: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000. sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, strike out "\$2,833.70" and insert "\$2,833.77." Line 9, page 1, after the word "contracts", insert "nos. NOs-11163 and NOs-12737."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EMMA M. PEARSON

The Clerk called the bill (H. R. 5754) for the relief of Emma M. Pearson.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That in the administration of any laws con-Engloyees' Compensation Act the statute of limitation be, and is hereby, waived in order to consider the claim for compensation on account of disability alleged to have been the result of services rendered as nurse and laboratory technician when said claimant was in the performance of duty in influenza epidemic of 1918

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the limitations of time in sections 15 to 20, both inclusive, of the act limitations of time in sections 15 to 20, both inclusive, of the act entitled 'An act to provide compensation for the employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, are hereby waived in favor of Emma M. Pearson, of Santa Monica, Calif., and the Employees' Compensation Commission is hereby authorized to receive and consider her claim, if filed within 6 months after the approval of this act, under the remaining provisions of the said act of September 7, 1916, as amended, for disability alleged to have been incurred by her while employed in the nurses' home, Fort Oglethorpe, Ga., between September 1918 and May 1919, or as laboratory technician at the General Hospital, Fort Sheridan, Ill., between May 1919 and October 1920: Provided, That no benefits shall accrue prior to the approval of this act." no benefits shall accrue prior to the approval of this act.'

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

COMMITTEE ON PENSIONS—LEAVE TO SIT DURING SESSIONS OF HOUSE

Mr. GASQUE. Mr. Speaker, I ask unanimous consent that the Committee on Pensions may have permission to sit during the session of the House this afternoon.

The SPEAKER. Is there objection?

There was no objection.

THE PRIVATE CALENDAR PRESTON BROOKS MASSEY

The Clerk called the bill (H. R. 6520) for the relief of Preston Brooks Massey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legally appointed guardian of Preston Brooks Massey, the sum of \$10,000 in full satisfaction of all claims of the said Preston Brooks Massey against the United States for damages for personal injuries received by him on September 25, 1919, as the result of the explosion of a detonator, or other explosive, which had been left by troops of the United States Army near the home of said Preston Brooks Massey, located in Muscogee County, Ga.

With the following committee amendments:

Page 1, line 5, strike out "the legally appointed guardian of."
Page 1, line 6, strike out "\$10,000" and insert "\$2,000."
Page 1, line 7, strike out "all claims of the said Preston Brooks
Massey" and insert "his claim."

Page 1, line 10, strike out "or other explosive."

Page 2, at the end of the bill, strike out the period, insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. neys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ASA C. KETCHAM

The Clerk called the bill (H. R. 6522) for the relief of Asa C. Ketcham.

Mr. HANCOCK of New York and Mr. HOPE objected, and the bill was recommitted to the Committee on Claims.

MARTIN J. BLAZEVICH

The Clerk called the bill (H. R. 6611) for the relief of Martin J. Blazevich.

Mr. HOPE and Mr. HANCOCK of New York objected, and the bill was recommitted to the Committee on Claims.

JENNIE WILLIAMS

The Clerk called the bill (H. R. 6813) for the relief of Jennie Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000 to Jennie Williams, widow of the late James F. Williams, of Newark, Ohio, who incurred physical disability while employed as a letter carrier at Newark, Ohio, and subsequently died. Such sum represents the approximate total amount of payments which would have been made to the said late James F. Williams under the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September —, 1916, as amended, the had complied with the provisions of such act, as amended.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to receive and determine upon its merits any claim for death benefits filed by Jennie Williams as

widow of James F. Williams, who is alleged to have died July 3, 1928, as a result of disease contracted in the course of his employment as a letter carrier in the post office at Newark, Ohio, between December 17, 1917, and March 29, 1918, under the provisions of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, in the same manner and to the same extent as if notice of injury and claim for the benefits of said act had been filed within the 1-year period required by sections 17 and 20 thereof, and notwithstanding the limitation in the first paragraph of section 10 with respect to the occurrence of death within 6 years after injury: Provided, That claim hereunder shall be filed within 6 months after passage of this act: Provided further, That no benefits shall accrue prior to the passage of this act."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ALFRED J. WHITE AND M. J. BANKER

The Clerk called the bill (H. R. 6821) for the relief of Alfred J. White and M. J. Banker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alfred J. White the sum of \$212.65 and to M. J. Banker the sum of \$276.05, for injuries received and losses sustained at a result of being run into by a motor truck of the United States Engineer Office, Second New Orleans District, New Orleans, La., on May 13, 1934.

With the following committee amendment:

Page 1, line 5, strike out "White the sum of \$212.65 and to M. J. Banker the sum of \$276.05" and insert: "White, of Addis, La., the sum of \$204.65; to M. J. Banker, of Mark, La., the sum of \$240; and to Charlyn DeBlanc, of Addis, La., the sum of \$8; in all, \$452.65, in full settlement of their claims against the United States."

States."

Page 2, at the end of the bill strike out the period, insert a colon, and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill for the relief of Alfred J. White, M. J. Banker, and Charlyn DeBlanc."

EMANUEL HRIBAL AND MARIE HRIBAL

The Clerk called the bill (H. R. 7382) for the relief of Emanuel Hribal and Marie Hribal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emanuel Hribal and Marie Hribal the sum of \$9,000, being the amount of damage done by Civil Works Administration workers (C. W.A. local project X-145; C. W. A. State project 9812) through the unauthorized cutting and destruction of valuable trees used as firewood and taken from the property beyond project limits.

With the following committee amendments:

Page 1, line 6, strike out "Hribal the sum of \$9,000, being the amount of" and insert "Hribal, of Solon, Ohio, jointly, the sum of \$1,750 in full settlement of their claim against the United States

for."

Page 1, line 10, strike out "X 145" and insert "X-45, and on page 1, line 11, strike out "9812" and insert "9053."

Page 2, at the end of the bill, strike out the period, insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of

this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ACME WIRE & IRON WORKS

The Clerk called the next bill, H. R. 7471, for the relief of the Acme Wire & Iron Works.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, the sum of \$3,547 to the Acme Wire & Iron Works, of Detroit, Mich., in payment of its claim arising under a contract with the Veterans' Administration.

With the following committee amendments:

Page 1, line 6, strike out "\$3,547" and insert "\$990."
Page 1, line 8, strike out the word "arising" and insert "for liquidated damages assessed."
Page 1, line 9, after the word "contract" insert "No. VBc-785."
Page 1, line 10, after the word "Administration" insert the following: "executed November 1, 1930, for the construction and finishing complete of certain window and radiator critical states. ing complete of certain window and radiator grilles at the Edward Hines, Jr., Hospital, Hines, Ill.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. SAMUEL A. RIDDICK

The Clerk called the next bill, H. R. 7640, for the relief of Dr. Samuel A. Riddick.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Samuel A. Riddick, the sum of \$186.11, in full settlement of all claims against the Government by the said Dr. Samuel A. Riddick for the loss of his instruments and personal effects destroyed in a fire at port of embarkation, Newport News, Va., in January 1919.

With the following committee amendments:

Page 1, line 6, after the word "Riddick" insert "of Norfolk, Va."; page 1, line 10, after the figures, insert a colon and the following: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person vio-lating the provisions of this act shall be deemed guilty of a mis-demeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. J. A. JOULLIAN

The Clerk called the next bill, H. R. 7861, for the relief of Mrs. J. A. Joullian.

The SPEAKER. Is there objection? Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the United States Treasury not otherwise appropriated, the sum of \$1.315.72 to Mrs. J. A. Joullian for services performed by her now-deceased husband, J. A. Joullian. Such sum represents the amount which would have been payable to her husband under a contract which he had with the United States should he have been able to comply with certain specifications contained in the

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. J. A. Joullian, Ocean Springs, Miss., the left the secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money

sum of \$1,315.72 in full satisfaction of her claim against the United States for the value of services rendered and work performed by her now-deceased husband, J. A. Joullian, under a contract entered into during January 1926 with the Army engineers for the drilling of a well on the United States Reservation, neers for the drilling of a well on the United States Reservation, Pascagoula, Miss.: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD P. OLDHAM, JR.

The Clerk called the next bill, H. R. 7864, for the relief of Edward P. Oldham, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$19,208.85 to Edward P. Oldham, Jr., for injuries sustained as a result of being struck by a Government-owned truck of the Civilian Conservation Corps driven by a member of Civilian Conservation Corps Camp F9A, Flagstaff, Ariz., on July 22, 1933: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys to exact, collect, withrendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 5, strike out "\$19,208.86" and insert "\$5,000"; page 1, line 6, after the word "Junior", insert "of Flagstaff, Ariz., in full satisfaction of his claim against the United States."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MERRITT REA

The Clerk called the next bill, H. R. 7886, for the relief of Merritt Rea.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$217.50 to Merritt Rea for medical and hospital expenses resulting from injury sustained by the said Merritt Rea while employed in the Norfolk Navy Yary, at Portsmouth, Va., on February 9, 1934.

With the following committee amendments:

With the following committee amendments:

Page 1, strike out lines 3, 4, and 5 and insert "That the Employees' Compensation Commission is hereby authorized and directed to pay, from the Employees' Compensation Fund"; page 1, line 8, after the word "Rea", insert "of Portsmouth, Va., in full satisfaction of his claim against the United States"; page 1, line 11, strike out "the said Merrit Rea" and insert the word "him"; page 2, line 1, after the figures, insert a colon and the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAUDE CURTEMAN

The Clerk called the next bill, H. R. 8705, for the relief of Claude Curteman.

There being no objection, the Clerk read the bill, as

in the Treasury not otherwise appropriated, to Claude Curteman, of the city of Ontario, Calif., the sum of \$2,376 in full settlement of all claims against the Government of the United States for all injuries sustained by him on April 1, 1934, when an automobile in which he was riding was in collision with a United States Government truck being carelessly and negligently operated by a member of the Civilian Conservation Corps.

With the following committee amendments:

Page 1, line 6, strike out "\$2,376" and insert "\$1,876"; page 2, line 1, after the word "Corps", insert the following: "Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful any contest. with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the pro-visions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK POLANSKY

The Clerk called the next bill, H. R. 8706, for the relief of Frank Polansky.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank Polansky, of the city of Ontario, Calif., the sum of \$1,525.10 in full settlement of all claims against the Government of the United States for all injuries sustained by him on April 1, 1934, when an automobile in which he was riding was in collision with a United States Government truck being carelessly and negligently operated by a member of the Civilian Conservation Corps.

With the following committee amendments:

Page 1, line 8, after the word "injuries", insert "and property damage."

Page 2, line 1, after the word "Corps", insert the following: Page 2. line 1. after the word "Corps", insert the following: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. F. U. PAINTER ET AL.

The Clerk called the next bill, H. R. 9125, for the relief of Dr. F. U. Painter, Dr. H. A. White, Dr. C. P. Yeager, Dr. W. C. Barnard, Mrs. G. C. Oliphant, Amelia A. Daimwood, the Sun Pharmacy, Bruno's Pharmacy, Viola Doyle Maguire, Louise Harmon, Mrs. J. B. Wilkinson, Sisters of Charity of the Incarnate Word, Grace Hinnant, and Jennie Chapman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to (1) Dr. F. U. Painter the sum of \$250; (2) Dr. H. A. White the sum of \$10; (3) Dr. C. P. Yeager the sum of \$60; (4) Dr. W. C. Barnard the sum of \$50; (5) Mrs. G. C. Oliphant the sum of \$6.50; (6) Amelia A. Daimwood the sum of \$162; (7) the Sun Pharmacy, Corpus Christi, Tex., the sum of \$2.65; (8) Bruno's Pharmacy, Corpus Christi, Tex., the sum of \$86.80; (9) Viola Doyle Maguire the sum of \$39; (10) Louise Harmon the sum of \$6; (11) Mrs. J. B. Wilkinson the sum of \$133.50; (12) Sisters of Charity of the Incarnate Word, Spohn Sanitarium, Corpus Christi, Tex., the sum of \$239; (13) Grace Hinnant the sum of \$35; and (14) Jennie Chapman the sum of \$126. The payment of such sums to such payees shall be in full settlement of their respective claims against the United States for reimbursement for medical and hospital treatment, nursing care, and medical supplies furnished to Frank John Ordener, late seaman, first class, supplies furnished to Frank John Ordener, late seaman, first class, United States Navy, during his acute and fatal illness in Corpus Christi, Tex., where he was stricken on July 19, 1928, while on leave of absence from his vessel.

With the following committee amendments:

Page 2, line 10, strike out the word "and."
Page 2, line 11, after "\$126", insert "and (15) Dr. E. O. Arnold the sum of \$10."

Page 2, line 19, after the word "vessel", insert ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill for the relief of Dr. F. U. Painter, Dr. H. A. White, Dr. C. P. Yeager, Dr. W. C. Barnard, Mrs. G. C. Oliphant, Amelia A. Daimwood, the Sun Pharmacy, Bruno's Pharmacy, Viola Doyle Maguire, Louise Harmon, Mrs. J. B. Wilkinson, Sisters of Charity of the Incarnate Word, Grace Hinnant, and Dr. E. O. Arnold."

A motion to reconsider was laid on the table.

EVELYN HARRIETT B. JOHNSTONE

The Clerk called the next bill, H. R. 9153, for the relief of Evelyn Harriett B. Johnstone.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Evelyn Harriett B. Johnstone, of San Francisco, Calif., the sum of \$5,000 for damages sustained on March 5, 1935, when she was injured by a bullet fired by a Federal narcotic officer who was in pursuit of a suspect freeting. fugitive.

With the following committee amendments:

In line 7, strike out the figures "\$5,000" and insert in lieu thereof the figures and clause "\$1,000, in full settlement of her claim against the United States."

against the United States.

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and on account of services rendered in connection with this chain, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The Clerk called the next bill, H. R. 9190, for the relief of J. P. Moore.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. P. Moore, Amarillo, Tex., the sum of \$558.60. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said J. P. Moore on account of personal injuries received by his minor son, George Thomas Moore, who was hit on November 25, 1933, by a Government-owned bus in the service of the Bureau of Mines, Department of Commerce.

With the following committee amendments:

In line 6, strike out the figures "\$558.60" and insert in lieu thereof "\$200."

In line 12, strike out the word "Commerce" and insert in lieu thereof "the Interior."

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof entered to receive rendered in connection with sum of the amount appropriated in this act in excess of to percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Foot's Transfer & Storage Co., Ltd.

the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Foot's Transfer & Storage Co., Ltd., the sum of \$450. The payment of such sum shall be in full satisfaction of the claim of such company for compensation for the handling of additional mails through the San Pedro (Calif.) post office by reason of the longshoremen's and seamen's strike during 1934.

With the following committee amendments:

In line 7 strike out the words "the claim" and insert in lieu thereof "all claims."

In line 8, after the word "company", add "against the United States.

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, atterney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. D. LOVELL

The Clerk called the next bill, H. R. 10225, for the relief of W. D. Lovell.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. D. Lovell, the sum of \$2,144.12, in full settlement for furnishing additional terra cotta in the United States post office and courthouse at Billings, Mont., for which the Government received the benefit but for which no payment whatever has been made to the said claimant under contract no. Tisa 3630, with the United State Supervising Architect's Office, Treasury Department.

With the following committee amendments:

In line 5, after the name "Lovell", insert the words "of Minneapolis, Minn,

In line 6, strike out the figures "\$2,144.12" and insert "\$1,949.20." In line 6, also, after the word "settlement", insert the words "of his claim against the United States."

In line 10, after the figures "3630", insert a comma and the words "dated October 25, 1932,".

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. WILLIAM O'BRIEN

The Clerk called the next bill, H. R. 10565, for the relief of Mr. and Mrs. William O'Brien.

The SPEAKER. Is there objection to the consideration

The bill was ordered to be engrossed and read a third me, was read the third time, and passed, and a motion to econsider was laid on the table.

FOOT'S TRANSFER & STORAGE CO., LTD.

The Clerk called the next bill, H. R. 9208, for the relief of coot's Transfer & Storage Co., Ltd.

The SPEAKER. Is there objection to the consideration of said claim. It shall be unlawful for any agent or agents, attorney or attorneys, on account of services rendered in connection with or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

Page 1, line 7, after the name "William O'Brien", insert the words "of Neillsville, Wis."

Page 1, line 8, after the word "coll'sion" insert the words "on

April 1, 1935."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATHARINE L. KLEIN

The Clerk called the next bill, H. R. 10575, for the relief of Catharine L. Klein, widow of Nelson B. Klein, special agent of the Federal Bureau of Investigation of the Department of Justice, who was killed in line of duty.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to Catharine L. Klein, widow of Nelson B. Klein, special agent of the Federal Bureau of Investigation of the Department of Justice, killed in line of his official duty: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendments:

With the following committee amendments:

Page 1, line 6, strike out the initial "L." and insert in lieu thereof the initial "I."

Page 1, line 8, after the word "duty", insert the words "at College Corner, Ohio, on August 16, 1935:".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended to read: "A bill for the relief of Catharine I. Klein."

HARRY WALLACE

The Clerk called the next bill, H. R. 10991, for the relief of Harry Wallace.

The SPEAKER. Is there objection to the consideration of

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows. Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$20,000 to Harry Wallace, of Polkadotte, Ohio, in full satisfaction of all claims against the Government of the United States for permanent injuries sustained and for medical and hospital expenses incurred by him and for the destruction of his automobile on September 29, 1934, when the automobile in which he was riding and which belonged to him was struck and completely demolished by a Government automobile truck operated by one of the employees of and The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in

to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 5, strike out "\$20,000" and insert "\$7,500."

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Mr. Costello offers the following amendment to the committee amendment: Strike out "\$7,500" and insert "\$5,000."

amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. R. HEINICKE, INC.

The Clerk called the next bill, H. R. 11346, for the relief of H. R. Heinicke, Inc.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of H. R. Heinicke, Inc., for reimbursement of expenses incurred in March 1934 in connection with the cleaning and pointing of the east and west wings of the Administration Building, Department of Agriculture, and to allow in full and final settlement of said claim an amount not exceeding the sum of \$503.98. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$503.98, or so much thereof as may be necessary, for the payment of such

With the following committee amendment:

At the end of the bill add: ": Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY HEMKE

The Clerk called the next bill, H. R. 11486, for the relief of Mary Hemke.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bin, as follows:

Be it enacted, etc., That the Postmaster General be, and he is hereby, authorized and directed to credit the account of Edward Hemke, deceased, former postmaster at Weisburg, Ind., in the sum of \$101.89, and to certify such credit to the Comptroller General. Mary Hemke, widow of the said Edward Hemke, performed the duties of postmaster at the post office at Weisburg from January 8, 1933, the day after the date of the death of the said Edward Hemke, to May 11, 1933 (both dates inclusive), on which latter date the successor postmaster assumed charge of such post office pursuant to his appointment by the Postmaster General, and such sum represents the amount of compensation which Mary Hemke would receive if she had been designated acting postmaster. would receive if she had been designated acting postmaster.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert in lieu thereof the following: "That the Comptroller General of the United States is authorized and directed to credit the account of Edward Hemke, deceased, former postmaster at Weisburg, Ind., in the sum of \$101.01, withheld from the receipts of the office by Mary Hemke, widow of the said Edward Hemke, who, without prior designation by the Postmaster General, performed the duties of

postmaster at the post office at Weisburg from January 8, 1933, the day after the death of said Edward Hemke, to May 10, 1933, both dates inclusive, such sum representing the amount of compensation which Mary Hemke would have been entitled to receive had she been regularly designated as acting postmaster for such period."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PURCHASERS OF LANDS IN THE BOROUGH OF BROOKLAWN, N. J.

The Clerk called the next bill, H. R. 11573, to amend the act entitled "An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey", approved August 19, 1935.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act for the relief of certain purchasers of lands in the borough of Brook-lawn, State of New Jersey", approved August 19, 1935, is amended (1) by striking out the words "by them", (2) by striking out the words "and interest", and (3) by inserting immediately after the words "Treasury of the United States" a comma and the following:

"prior to January 1, 1931."

SEC. 2. The appropriation made in section 2 of such act approved August 19, 1935, shall be available for making refunds under such act of August 19, 1935, as amended by this act.

With the following committee amendment:

Page 1, line 6, after the word "amended", strike out the remainder of the line 6 and all of lines 7, 8, and 9 and insert "to read as follows: "That the United States Shipping Board Bureau is authorfollows: "That the United States Shipping Board Bureau is authorized and directed to make refunds to present owners of lands in the borough of Brooklawn, in the State of New Jersey, which have been purchased from the United States, of 14 percent of the purchase price of such purchased lands where the full purchase price of said lands or where the full amount of principal due on purchase-money bonds and mortgages given to the United States of America, represented by the United States Shipping Board, covering such lands, has been paid by such owners into the Treasury of the United States, prior to November 1, 1931."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

COHEN, GOLDEN & CO., INC.

The Clerk called the next bill, S. 1041, for the relief of Cohen, Goldman & Co., Inc.

Mr. COSTELLO, Mr. HOPE, and Mr. MOTT objected, and under the rule, the bill was recommitted to the Committee on Claims.

ABRAHAM GREEN

The Clerk called the next bill, S. 1824, for the relief of Abraham Green.

There being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Abraham Green, of Manchester, N. H., out of any money in the Treasury not otherwise appropriated, the sum of \$2,000, which sum represents the loss sustained by the said Abraham Green on the bail bond of William Treinish, who was afterward captured, convicted, and sentenced for violation of the National Prohibition Act: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, with-hold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwith-standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Strike out all after the enacting clause down to the word "act", on line 10, page 1, and insert the following: "That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,000 to Abraham Green, of Manchester, N. H., in full satisfaction \$2,000 to Abraham Green, of Manchester, N. H., in full satisfaction of his claim against the United States for the amount of bail bond placed by him to secure the appearance of one William Treinish on a charge of violation of the National Prohibition Act. The said Treinish failed to appear on September 19, 1929, but he was afterward captured through the joint efforts of the Government and Abraham Green, convicted, and sentenced to imprisonment, without additional cost to the United States: Provided."

The committee amendment was agreed to.

third time, and passed, and a motion to reconsider was laid on the table.

UNITED POCAHONTAS COAL CO., CRUMPLER, W. VA.

The Clerk called the next bill, S. 2697, for the relief of the United Pocahontas Coal Co., Crumpler, W. Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of the revenue laws relating to refunds of overpayments of taxes, the Secretary of the Treasury and/or the Commissioner of Internal Revenue is authorized and directed to receive and consider the claim for refund of overpayment of income and excess-profits taxes assessed for the year 1919 against the United Pocahontas Coal Co., of Crumpler, W. Va., which claim was disallowed for failure to file within the statutory period of limitations. Provided That in considering the claim for refund of overallowed for failure to file within the statutory period of imitations: Provided, That in considering the claim for refund of overpayment of income and excess-profits taxes assessed for the year 1919 the Secretary of the Treasury and/or the Commissioner of Internal Revenue shall take into consideration any offset or collection of any tax found to be due from the said United Pocahontas Coal Co. Such claim may be instituted within 6 months after the date of enactment of this act.

With the following committee amendment:

On page 2, line 7, after the word "act", insert a colon and the following: "Provided further, That in the settlement of said claim there shall be no allowance of interest."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIM OF THE CANAL DREDGING CO.

The Clerk called the next bill, S. 2747, conferring jurisdiction upon the United States Court of Claims to hear the claim of the Canal Dredging Co.

Mr. HOPE and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

The Clerk called the next bill, S. 2922, for the relief of Rose

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Cierk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rose Stratton, of New Haven, Conn., the sum of \$1,097.77, in full satisfaction of all claims of the said Rose Stratton against the United States for damages for personal injuries sustained by her as the result of a collision at the intersection of Wall and College Streets, New Haven, Conn., on November 4, 1930, between a United States mail truck operated by John H. Farrell, Jr., an employee of the Post Office Department, and the automobile in which she was a passenger, operated by Margaret Lawrence of such city: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of service rendered in connection with said claim. neys, on account of service rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

SEC. 2. Payment shall not be made under this act until the said Rose Stratton has released all her claims against the said John H.

Farrell, Jr., in a manner satisfactory to the Secretary of the Treasury.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

VERMONT TRANSIT CO., INC.

The Clerk called the next bill, S. 3655, for the relief of the Vermont Transit Co., Inc.

The being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Vermont Transit Co., Inc., of Burlington, Vt., out of any money in the Treasury not otherwise appropriated, the sum of \$1,648.33 in full satisfaction of its claim against the Government of the United States for damage to motor passenger coach (or bus) no. 151, as a result of an accident involving a Government vehicle operated in connection with the Civilian Conservation Corps, at Montpelier, Vt., on August 31, 1935: Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with

The bill was ordered to be read a third time, was read the said claim. It shall be unlawful for any agent or agents, attorney and passed, and a motion to reconsider was laid of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

> The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

JOHN B. H. WARING

The Clerk called the next bill, H. R. 10785, for the relief of John B. H. Waring.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon officers retired from active service in the United States Army for physical disabilities incurred in the line of duty John B. H. Waring, formerly captain, Medical Corps, United States Army, shall be held and considered to have been retired with the rank of captain from active service on May 5, 1917, for physical disability incurred in line of duty, and he shall be entitled to receive retired pay from such date.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GUIDEO BISCARO ET AL.

Mr. BEITER. Mr. Speaker, I ask unanimous consent to return to the bill (H. R. 4915) for the relief of Guideo Biscaro and others, No. 982 on the Private Calendar.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, this bill involves the refund of a bond?

Mr. BEITER. The gentleman is correct. Mr. COCHRAN. Mr. Speaker, I object.

C. C. C. CAMPS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, day before yesterday marked the third anniversary of the Civilian Conservation Corps, the relief and reforestation organization initiated by President Roosevelt within a few weeks after he took office in

Inaugurated to promote the conservation of the country's resources and to relieve the desperate unemployment situation among young men which held the country in its grip 3 years ago, this forest-camp organization has, during the 3 years in which it has been in operation, entrenched itself as an important factor in the country's social and governmental structure. Its popularity is strongly demonstrated by the overwhelming demand for camps which is constantly expressed in letters to the Director, to the technical services, and to Congress from residents of the States where men are working.

In this connection, Mr. Speaker, I should like to read from an Associated Press dispatch dated Lincoln, Nebr., March 18, 1936, which is taken from the Hastings Tribune:

C. C. C. camps were credited today with almost a 25-percent reduction in the population of the Nebraska Reformatory in 3 years.

years.

The decrease was the only substantial reduction in the number of State wards in any of its 17 penal or charitable institutions in recent years, a survey showed.

Prior to 1933, when the C. C. C. was created, the population of the reformatory showed an almost uninterrupted increase. At the beginning of 1933 the institution housed 402 young men. The next year the number dropped to 345, and 1936 saw a further reduction to 306.

H. W. Jespensen, reformatory superintendent, said he could

H. W. Jespensen, reformatory superintendent, said he could "see no other reason for the decrease."

"The C. C. C. camps keep young men out of trouble", he said.

In formulating his plan for the organization of the Civilian Conservation Corps, the President had in mind the conservation of two of the country's greatest assets-her youth and her forests. In 1933 unemployment represented a serious and in some instances a critical problem in every civilized nation. Young men graduating or dropping out of high schools and colleges had little chance of finding employment. The President recognized that the existence of the situation formed by these young men without jobs—many of them without enough to eat—constituted a social problem of great importance.

He was also keenly aware of the depleted state of our great natural resources. Both Federal and State foresters have for years called attention to the fact that our forest lands were being destroyed at a rate which exceeded that at which the timber was being grown. Destructive fires swept over an average of 41,000,000 acres of timber each year. Tree insects and diseases caused damages estimated at millions of dollars. Due to neglect, millions of acres of valuable agricultural land were being depleted through the loss of rich top soil.

It was to correct these conditions—to take young unemployed men from depression-hit homes and place them at work in healthful surroundings and to conserve valuable natural resources—that the Civilian Conservation Corps was formed.

The authority for emergency conservation work—the C. C. C.—was provided by act of Congress approved March 31, 1933, and extended by the Emergency Relief Appropriation Act of 1935. On April 5, 1933, Robert Fechner was appointed director of emergency conservation work, and four existing Government Departments—War, Interior, Agriculture, and Labor—were directed by the President to cooperate in the launching of a huge conservation, reforestation, and relief program.

Soon after the Emergency Conservation Work program was authorized, steps were taken to put into operation a great chain of forest camps where unmarried men between the ages of 18 and 25-since changed to 17 and 28-could be given healthful, outdoor employment on projects which would not only enhance the present value of our national resources but which would increase their usefulness to future generations. On April 7, 1933, the first young man was enrolled for camp duty and 10 days later the first camp was established. By July 1 a total of 1,300 two-hundred-man camps had been established and more than 250,000 young men enrolled. At the President's direction arrangements were made to allow 25,000 veterans to enroll, and these men were in camps before the end of July. At the request of the Department of the Interior, Director Fechner allocated funds to the Office of Indian Affairs for the purpose of carrying on C. C. C.-type work on Indian reservations. Later the work was expanded to provide for the extension of conservation activities to Hawaii, Alaska, the Virgin Islands, and Puerto Rico. Approximately 4,000 men are now enrolled from these Territories.

During the summer of 1935 the C. C. C. was expanded to a peak of 519,000 enrolled men. As of March 15, 1936, there were approximately 380,000 enrollees in barrack camps in the continental United States, 8,400 Indians on Indian reservations, and 3,900 men in the Territories of Alaska, Hawaii, Puerto Rico, and the Virgin Islands. In addition to enrolled personnel, employment has also been afforded foresters and technical experts employed to supervise the work program, Reserve officers assigned to command the camps, and skilled and unskilled workers employed in the construction of the camps.

The basic cash allowance of enrolled men in the C. C. C. has been \$30 a month. With few exceptions men have allotted approximately \$25 each month to their dependents.

During the 3 years that it has been in operation the Civilian Conservation Corps has been of great benefit not only to the men but also to the forests, parks, and agricultural areas threatened with erosion. Up to date approximately a million and a half persons—most of them youngsters 17 and 18 years of age—have been given jobs on healthful, outdoor work, which has enabled them to improve themselves physically and at the same time contribute substantially to the support of their dependents.

The Civilian Conservation Corps work program has included the protection of forests against fire, disease, insects,

and other pests, the development of national and State parks and other recreational areas through the construction of recreation facilities, roads, trails, landscaping, and so forth; the protection of valuable farm lands against soil erosion, flood control, irrigation and drainage, wildlife conservation, and so forth. It is estimated by officials of the Department of the Interior and the Department of Agriculture, which supervise the work programs, that the present value of the conservation work completed by Civilian Conservation Corps men, as of September 30, 1935, is approximately \$579,000,000. This figure does not include estimates of the increase in values which will occur on many projects and the large savings which were possible because of such operations as fighting forest fires, controlling insect pests and diseases, and so forth.

Fire protection has been stressed as a major C. C. C. activity. To combat fire effectively, trails through the forests are necessary and telephone communications, lookout towers, houses, and firebreaks are needed. During the past 3 years, great strides have been made in providing such facilities. Next to forest-fire protection, the control of tree-attacking diseases and pests, such as the white pine blister rust, the gypsy moth, the Dutch elm disease, and the pine-bark beetle, has been an important forest protective activity of the C. C. C.

An outstanding example of the C. C. C.'s contribution to the national welfare—and of the popular attitude toward that contribution—may be found in the work of the more than 20 veteran companies of the C. C. C. in the Winooski Valley, Vt. During the last 3 years, these men have been working on a flood-control system designed to prevent the recurrence of the disastrous floods which occurred in that area in 1927, when millions of dollars' worth of property and many lives were lost in a severe flood. The success of the flood-control dams completed by the C. C. C. at East Barre and Wrightsville is indicated by the following excerpt from a report from the commanding officer of the camp there, forwarded to the Director of Emergency Conservation Work by The Adjutant General of the War Department:

The chief topic of conversation with any citizen in this part of the country, during the past week, has been the effect of the dams in East Barre and Wrightsville, in protecting the cities of Barre and Montpelier from a repetition of the devastating flood of November 3-4, 1927. The effect of these dams in protecting this heavily populated area and the Winooski Valley has received universal acclaim. Everyone is in accord as to their usefulness. All acknowledge their protection. Many speak of the protection of these dams with considerable emotion, especially those whose property would otherwise have been endangered.

The WBEV Radio Station at Waterbury kept in operation throughout the flood period. The announcer voiced repeatedly expressions of their appreciation of the effect of the flood-control dams. One has heard the announcer state, "We Vermonters are eternally grateful to the Civilian Conservation Corps for the dams which were constructed by them."

Some have estimated that had not the Jail Branch of the Winooski which passes through the town of Barre, been controlled by the East Barre Dam, Barre would have been completely flooded and half of the business section would have been bankrupt. I mention this as a statement from one of its leading citizens. The very definite contribution of the dams to the protection of the Winooski Valley has been universally acknowledged. The people are very grateful in consequence. The dams have demonstrated that they have paid for themselves in the destruction they have prevented.

The recent flood has been a means of raising the morale of the veterans of the Civilian Conservation Corps in this district who contributed their efforts to the construction of these dams. They have felt that their efforts have been rewarded and that their enormous amount of labor was not in vain. They have received assurances from all quarters that they have made an enduring contribution to the protection of the Winooski Valley.

Then there is that example of another type of outstanding service which the corps has been constantly performing since its inception. That is the relief activity of the enrollees of the corps during the recent floods and the floods in New York State last year, when, by their prompt action in the rescuing of people caught in the flood area, helping them to evacuate their homes, and in the clean-up work that followed, to avoid a pestilence, they have rendered such outstanding service.

Another Civilian Conservation Corps project which will have a broadly beneficial effect on the public is the

reclamation of the Skokie Marshes outside of Chicago. Here 10 companies of the C. C. C., grouped together in one large camp, are redeeming several hundred acres of lowland, the breeding ground of millions of mosquitoes, and are making it into an attractive recreational center for the citizens of Chicago and the surrounding countryside.

The conservation of wildlife is one of the objectives of the C. C. C. program, expressed indirectly in the protection of wildlife and of natural food conditions on the forest and park projects and more directly in the development of fish hatcheries, bird sanctuaries, and so forth. In West Virginia the C. C. C. has been a boon to fishermen, for it has restored fishing streams which were being polluted by seepage from nearby mines.

Arno B. Cammerer, Director of the National Park Service. recently advised Director Fechner that Civilian Conservation Corps enrollees had been of great assistance to the National Park Service in holding down forest-fire losses in the national parks and monuments during 1935. Mr. Cammerer said that with the aid of the C. C. C. the National Park Service had been able to register a marked improvement in fire suppression within the national parks and monuments during the fire season just closed.

Civilian Conservation Corps enrollees have been trained by National Park Service rangers into effective and efficient fire-fighting groups at each camp-

Said Mr. Cammerer:

A certain group of enrollees at the various camps have been A certain group of enrollees at the various camps have been selected and trained in fire protection and suppression technique and are always ready for action when a forest blaze develops. This last year was a hazardous one for confiagrations, but the prompt work of both the enrollees and the regular force of park officials resulted in the control of more fires at less cost and less loss of acreage than has been the case in previous years.

Before the advent of the C. C. C. into the national parks and monuments in 1933, the areas administered under the direction of the National Park Service lacked sufficient fire-fighting personnel. There was consequently the ever-present dread of some blaze sweeping out of control and destroying many areas of valuable forest land. This cooperation in fire protection and suppres-

able forest land. This cooperation in fire protection and suppression work is without doubt one of the most valuable contributions of the Civilian Conservation Corps.

Extracts from a memorandum sent by the Forest Service to Director Fechner tell how the C. C. C. aided in forest-fire prevention and suppression work on forest lands, follow:

The presence of the Civilian Conservation Corps camps themselves upon national, State, and other forest areas, has done much to prevent and reduce fire losses in the Nation's timberlands. Under the direction of and trained by Forest Service officers, the youthful enrollees have been on the spot to stop blazes caused by careless smokers, brush and grass fires, campfires, lightning, and numerous other causes before they have gained sufficient headway to become dangerous.

In addition to quick action in preventing forest fires, the United States Forest Service and State forestry departments are beginning to reap returns from the work the boys have performed during the 30 months the corps has been in existence. Serious obstacles to efficient fire control have been removed by these young forest workers

The C. C. C. has aided in the establishment of more fire-detection stations; it has greatly expanded the means of communication, pushed roads and trails, and built airplane landing fields in previously inaccessible areas, and has acted as a reservoir of manpower to act upon a moment's notice.

The Forest Service's 1935 record shows that although a larger number of fires was reported on the national forests than in 1934, only about 38 percent of 1934's losses were suffered. Notable 1935 fires upon which the C. C. C. served with distinction were the Malibu fires in California and the Sims fire at McKenzie Bridge in Malibu fires in California and the Sims fire at Mckenzie Bridge in Oregon. The Forest Service named as the year's outstanding fire-control accomplishment the prompt suppression of two fires on the Angeles National Forest, which occurred at the same time and adjacent to the Malibu fire. Here, by means of quick detection, speedy attack by Forest Service officers and C. C. C. units trained in fire fighting, plus the facilities of C. C. C. built trails, roads, and firebreaks, both outbreaks were controlled within 24 hours, holding the loss to 1,900 acres despite unfavorable weather conditions.

In addition to giving employment to a vast army of young men and pushing forward an unprecedented forest and park protection and improvement program, the C. C. C. has aided industry by affording a cash market for the sale of hundreds of millions of dollars' worth of materials and equipment needed in the operation of the Nation-wide chain of forest camps. Industries which have been greatly aided by the C. C. C. program include the automotive, food, heavy ma-

chinery, building, and textile industries. Railroads also have received millions of dollars' worth of business.

In discussing the accomplishments of the Civilian Conservation Corps, however, I wish to stress the benefits which have accrued to the enrolled men of the corps, both in the improvement of their health and in the improvement of their mental outlook.

Care of the health of the C. C. C. enrollees starts at the time of enrollment, as only those men are selected who can stand work in the forests and who are free from contagious disease. When the enrollees are accepted, they are sent at once to camps and are kept under careful medical supervision. Smallpox and typhoid vaccinations are given immediately. A medical officer is assigned to each camp to look after the health of the men. Not only does he take care of the sick and the injured but he is responsible for the sanitation of the camp, the protection of the water supply, seeing that the men get proper food and bathing facilities, providing first-aid instruction, and giving lectures on personal hygiene and disease prevention.

A recent survey of 14,000 enrollees, selected at random from all sections of the country, showed an average weight gain per man of between 8 and 12 pounds during a 6-month enrollment period.

The social effects of enrollment in the C. C. C., though just as important, are less tangible. Robert Fechner, Director of Emergency Conservation Work, in a recent address on What the C. C. C. Means to the Youth of the County, said:

Frequently the question is asked concerning the C.C.C., "Is this enterprise conserving the human resources of the country as well as the natural resources?" This question was put to our State directors of selection some months ago. A Nation-wide response was received. These reports reveal the favorable reaction of the boys, their families, and local citizenry everywhere to the increased

human values which have resulted from this work.

Thousands of actual case records reflect the fact that C. C. c. men have returned to their homes, definitely benefited physically and mentally, with a brighter outlook toward the future, with a stronger sense of self-reliance and an increased ability to adjust themselves to economic conditions.

Among the letters which have come to the office of the director from members of the corps, parents, social workers, and others is the following vivid first-hand account of a boy's enrollment in the

corps:

"I was unemployed and roaming the streets. The idea of entering the Civilian Conservation Corps was brought rather forcibly to my attention by an article in the newspaper. I joined and found the ideal set-up. In so vast an organization I was amazed to find it even greater and better than my friends had told me.

"Not the kind of life the average person is accustomed to, but a life where the work is not killing, the food is good, there is no dust and smoke to choke the lungs, and where at night, instead of the constant banging of the traffic, one is lulled to sleep by the elements. Eating was far the greatest benefit I have received. At one time only certain foods were agreeable to me. Not that I wild the them but they were unhealthy to me. But bring on the didn't like them, but they were unhealthy to me. But bring on the foodstuffs now.

foodstuffs now.

"Underweight to almost an emaciated degree I have gained 24 pounds since entering the Conservation Corps, and it was all put on while working on the pick and shovel. Try getting fat doing that. It can't be done. Insomnia was another of my faults. The slightest sound was sufficient to awaken me and prevent me falling back to sleep for maybe 2 hours. Now try and wake me in the middle of the night. That can't be done either.

"Although I found very few subjects that I didn't know something about, I found there was more to life than just book knowledge. Athletics was never a part of my make-up. By nature I am a bookworm. When I joined the pick and shovel brigade I found something else that was delightful to do besides working some mathematical equation, and that was to work with these boys and swing the shovels and picks to the tune of Tve Been Working on the Railroad.' If you have never had the actual experience you can never get it out of books.

"Although I have better than the average education, I knew

"Although I have better than the average education, I knew that there were an awful lot of things that I could know yet, and to brush over what I already knew. Since the camp I am in at present is a new camp, I have been in it ever since it was started. The company came here and lived in tents till the barracks were finished. After work was an awfully dull period, being without finished. After work was an awfully dull period, being without any more light than a candle. With nothing to do I thought of starting a class in public speaking. It wasn't long until I had about four or five classes going. Then, the happiest day of my life, on the 17th of September my commanding officer told me that he was appointing me as assistant-educational adviser. I find that due to this position I am able to benefit by all the classes we have along with the usual benefits that are sure to arise in every camp.

"Last but not least, it has made me feel responsible. I used to fear the day when I would have to take over the burden of

supporting the family. Work was about as plentiful as snow-balls in Hades, and so I didn't know what to do. And now at the end of every month, a feeling, one that is awfully hard to describe, comes over me when I realize that due to my efforts here, 370 miles from home, I am supporting the ones who sacrificed for me."

Mr. Speaker, I have observed personally the working of the C. C. C. in my own district and State, and I am pleased to pay tribute today to the success of this program, which builds not only better land for our Nation but builds better men as well. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, I desire to call to the attention of the House the fact—and I think it is worthy of comment—that this is the third time during the present session of the Congress that the Private Calendar has been called and the third time that the Private Calendar has been absolutely cleared of all bills.

I think this is a rather unique achievement in the annals of the Congress, and in view of the fine work that has been done under the new rule in the consideration of private bills, I think the chairman and members of the Committee on Claims and also the gentlemen on both sides of the aisle who are entrusted with the duty of going over these bills, the so-called official objectors, have performed a very fine public service. I think it is due them to make acknowledgment of the splendid service they have rendered at this session of the Congress in disposing of the bills on the Private Calendar so promptly and so effectively. I think it is really a contribution to our service to the country and especially to those having claims against the Government.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield? Mr. BANKHEAD. I yield to the gentleman from Minne-

sota.

Mr. PITTENGER. Will not the gentleman state in this connection that a fine tribute is due the gentleman from New York [Mr. O'CONNOR], chairman of the Rules Committee, for giving us this rule?

Mr. BANKHEAD. I am certainly pleased to add that. I had already stated that this fine achievement was accomplished under the beneficent provisions of the new rule that the gentleman from New York [Mr. O'CONNOR] had brought in for the consideration of the House.

CALENDAR WEDNESDAY

Mr. BANKHEAD. Mr. Speaker, I now ask unanimous consent that business in order on Calendar Wednesday next be dispensed with.

Mr. DICKSTEIN. Mr. Speaker, reserving the right to cbject, are we ever going to have a Calendar Wednesday? We have not had one in about 14 years.

Mr. BANKHEAD. Well, if it has been going on that many years, I think it has almost passed into a tradition.

Mr. DICKSTEIN. I object, Mr. Speaker.

RELIEF TO WATER USERS ON RECLAMATION AND INDIAN IRRIGATION PROJECTS

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4232) to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects.

Mr. SNELL. Mr. Speaker, I reserve the right to object to ask the gentleman from New Mexico a question or two and to get some explanation of the bill.

I would like to ask the gentleman, in the first place, what need there is to establish a commission to look into the financial situation pertaining to these various projects.

Mr. DEMPSEY. I may say to the gentleman from New York that the committee has been advised that many of the districts need no moratorium of any kind while other districts do. The Secretary of the Interior, in cooperation with the Department of Agriculture, is in possession of practically

all the facts and all we need to have in order to determine the matter is the investigation provided for in the measure.

The gentleman will find that in the Senate bill, which is slightly different from the bill which passed the House, there is an authorization of \$5,000 which, of course, would not provide a very exhaustive investigation.

We have been going along year after year granting a 100-percent moratorium. I think this year the moratorium should perhaps be more liberal than the one provided, but the Director of the Budget felt differently and this bill is in accord with the recommendation of the Director of the Budget.

Mr. SNELL. I may say to the gentleman from New Mexico that we have been continually extending the time of payment on these various projects. If this bill is not quite as liberal as the bills have been in the past, I think that is to the credit of the committee. I appreciate the fact that probably they cannot all pay, but I dislike very much to get into the habit of remitting everything every year that is coming to the Federal Government from these various projects. If the gentleman's bill only remits 50 percent this year, to that extent I am in favor of the bill, because that is better than we have done at various times in the past.

Mr. DEMPSEY. That is one of the provisions of the bill. Mr. SNELL. That is a little better than you have done at times in the past, but I really can see no reason whatever for establishing a commission to make an investigation. The Department of the Interior knows exactly the conditions that exist on every single one of these projects. They have men who are in touch with the project, and they know just as much or more than any new commission could possibly know; and unless the gentleman can give some definite reason for establishing this commission, I will not say that I shall object, but I shall certainly be inclined to object unless the gentleman can give some reason for the creation of such a commission. I want to be fair with the House and with the gentleman.

Mr. DEMPSEY. The bill really creates no new commission. They are to take two employees from the Interior Department connected with the reclamation and irrigation services and then they are to select one man from the water users in the various districts, and this is the extent to which a commission is created. It is not really a new commission.

Mr. SNELL. The bill appropriates an additional \$5,000. Mr. DEMPSEY. Yes; that would pay for the man who is selected from one of the districts by the water users. The others are employees of the Interior Department.

Mr. SNELL. As a matter of fact, do not the employees of the Interior Department have direct connection with every one of these various projects? They look them over constantly and know all about them. They must do this in order to carry out the orders of the Department in connection with them.

Mr. DEMPSEY. That is largely true, but the water users have asked to have this investigation made in order that those who are in a financial position to pay 100 percent may do so, whereas those who can only pay 20 or 25 percent might be accorded an extension of time.

Mr. SNELL. Why cannot the men they have at the present time make this investigation? If the gentleman will tell me some good reason, I shall not object; but I want to have some reason for the consideration of the bill from somebody.

Mr. DEMPSEY. The Interior Department would not be authorized to pay a man from one of the districts who is not connected with the Department of the Interior unless this request was granted, and the water users make the claim that they are not properly represented by the men who are sent out to make such investigations. They want an opportunity to be heard in the matter.

Mr. SNELL. You are going to send men from the Department?

Mr. DEMPSEY. Two from the Department and one from the water users.

Mr. ROBINSON of Utah. Mr. Speaker, I think I can explain this matter. The water users feel that they are not getting sufficient moratorium.

Mr. SNELL. They have claimed that for 20 years.

Mr. ROBINSON of Utah. The Interior Department thinks the moratorium is altogether too liberal, but the water users think they have not had a fair deal. The only purpose of this is to get the two Departments together so that they can agree on what is fair.

Mr. SNELL. As a matter of fact, you will never get them together. We know that from the past experience of the House. We have been through it time and time again. I am willing to extend the moratorium, but I do not think we should expend \$5,000 to make any further investigation.

Mr. DEMPSEY. The yearly payments run into millions of dollars, and \$5,000 is a small sum.

Mr. SNELL. In a way it is a small sum, but the gentleman knows as well as I do that there is not a particle of information to be gained by this investigation that is not now in the hands of the Interior Department.

Mr. DEMPSEY. I am inclined to that belief.

Mr. SNELL. Then why should we appropriate \$5,000 for a further investigation?

Mr. DEMPSEY. That is the committee amendment, and I think \$5,000 will be well expended to satisfy the water

Mr. SNELL. Well, Mr. Speaker, I am not going to object, but I know it is wrong, and there is no excuse for creating this commission.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby created a commission to be composed of three members, all of whom shall be appointed by the Secretary of the Interior, two from the personnel of the Department of the Interior and one who shall be a landowner and water user under a United States reclamation project. The com-mission is authorized and directed to investigate the financial and economic condition of the various United States reclamation projects, with particular reference to the ability of each such project to make payments of water-right charges without undue burden on the water users, district, association, or other reclama-tion corporation lighle for such charges. Such investigation shall tion organization liable for such charges. Such investigation shall include an examination and consideration of any statement filed include an examination and consideration of any statement filed with the commission or the Department of the Interior by any such district, association, or other reclamation organization, or the water users thereof, and, where requested by any such district, association, or other reclamation organization, said commission shall proceed to such project and hold hearings, the proceedings of which shall be reduced to writing and filed with its report. Said commission, after having made careful investigation and study of the financial and economic condition of the various United States reclamation projects and their probable present and future ability to meet such water-right charges, shall report to the Congress, at the beginning of the Seventy-fifth Congress, with its recommendations as to the best, most feasible, and practicable comprehensive permanent plan for such water-right payments, with due consideration for the development and carrying on of the reclamation program of the United States, and having particularly in mind the probable ability of such water users, districts, associations, and other reclamation organizations to meet such watertions, and other reclamation organizations to meet such waterright charges regularly and faithfully from year to year, during
periods of prosperity and good prices for agricultural products as
well as during periods of decline in agricultural income and unsatisfactory conditions of agriculture.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000, which shall be available for expenditure, as the Secretary of the Interior may direct, for expenses and all necessary disbursements, including salaries, in carrying out the provisions of this act. The commission is authorized to appoint and fix the compensation of such employees as may be necessary for carrying out its functions under this act without regard to civil-service laws or the Classification Act of 1923, as amended.

SEC. 3. That all the provisions of the act entitled "An act to further extend relief to water users on the United States reclamation projects and on Indian irrigation projects", approved June 13, 1935, are hereby further extended for the period of 1 year, so far as concerns 50 percent of the construction charges, for the calendar year 1936: Provided, however, That where the construction charge for the calendar year 1936 is payable in two installments, the sum hereby extended shall be the amount due as the first of such installments. If payable in one installment, the due date for the 50 percent to be paid shall not be changed.

SEC. 4. The Secretary of the Interior is authorized and directed to extend to water users on Indian irrigation projects during the calendar year 1936 like relief to that provided in the acts of January 26, 1933 (47 Stat. 776), and March 3, 1933 (47 Stat. 1427), applicable to the calendar years 1931, 1932, and 1933: Provided, That water users accepting the benefits of the relief extended by

this act shall pay interest on deferred payments at the rate of 2 percent from the date when said payment became due to and including the date of the expiration of the period of relief granted hereunder, said interest to be paid at the time of payment of the said water-right charges for 1936.

With the following committee amendment:

Page 4, strike out section 4.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE NEW DEAL.

Mr. MILLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered by my colleague [Mr. Terry] yesterday at Mount Holyoke College, Mass.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by Hon. David D. Terry, of Arkansas, before the student body of Mount Holyoke College, South Hadley, Mass., on Monday, April 6, 1936:

What is the New Deal? Some of its criticis call it a "raw deal." Others, more friendly, say that it is the only real deal that the people have had in more than a generation. What I am going to what is the New Deal? Some of its criticis call it a "raw deal." Others, more friendly, say that it is the only real deal that the people have had in more than a generation. What I am going to do, or try to do, in the time at my disposal, is to give you in simple terms a picture of something that is not simple at all. You know, of course, that the New Deal is a term used to cover the unusual measures for the country which were proposed by President Franklin D. Roosevelt and his advisers. His advisers were not limited to Members of Congress or heads of the various departments of government. He assembled about him a group of men and women who were selected because of their special or particular knowledge of the things which they were called upon to handle.

Here we had the first thing that was new in the New Deal. Hands went up in holy horror at the President's creating what was soon to be dubbed the "brain trust." Now, as a matter of fact, way back in the time of the Roman Empire the great senator, Cato, is heard suggesting a collegia, or school for senators. The affairs of the Empire, which covered the then known world, were entirely beyond any individual's ability to grasp, hence the suggestion for assembling a group of men as specialists in the government of Rome's provinces, and to propose measures and advise with the Roman lawmakers.

Let us get a little bit acquainted with the characteristics or the

Let us get a little bit acquainted with the characteristics or the cast of countenance, so to speak, of the New Deal. You know there are plenty of people who say that the titles of its measures make an alphabetical juggle; that if many more measures had to be given titles we would have to pass out of the English alphabet be given titles we would have to pass out of the English alphabet altogether. I do not know of any instance in which the English alphabet has been put to better use than in giving titles for these measures. Just to mention a few of the major measures passed by the present administration to aid agriculture, finance, industry, and for providing relief. There, for instance, is the National Recovery Act, passed by Congress and put into operation for a couple of years, and then largely wiped out by a decision of the Supreme Court; also, there is the Agricultural Adjustment Act, commonly known as the Triple A. This had a term of life and then was buried under a Supreme Court decision. Then there is the Emergency Banking Act of 1933, followed by the so-called Glass-Steagall Act and the Banking Act of 1935. The Social Security Act was one of the most important bills passed by either the Seventy-third or Seventy-fourth Congress in its promise of wide service to the American people individually. wide service to the American people individually.

You will bear in mind, of course, that these are just a few of the

ery many New Deal measures.

why were these measures necessary? Money, it has been said, is the very lifeblood of a nation. When money becomes stagnant and ceases freely to circulate through the arteries of a nation, it is going to be just too bad for business, and the people are going to suffer. Another unfortunate condition with regard to money is for a situation to arise in which an exaggerated value is given to the securities upon which a bank bases its loans to individuals and to business associations. That was the situation that called for the proclamation of President Roosevelt on Monday, March 6, 1933. Place yourselves on Pennsylvania Avenue on March 4, 1933. You are watching the inaugural procession. The new President has just been sworn into office. Franklin D. Roosevelt has centered in him the hopes of the people. Banks have been failing all over the country because their credit wasn't free enough for business needs. Too much of the funds of the banks, which means the funds of the people, the depositors, had been diverted into speculations of all sorts. The banks found it more profitable to make loans for speculative purposes than for the homespun, ordinary needs of speculative purposes than for the homespun, ordinary needs of

ordinary business.

In making these loans the banks received securities as collateral which were valued at a figure beyond what they would bring in the open market, and more than their real value. Here was bad banking, and the result was the collapse of banks, until in 20 or

more States the banks had been temporarily closed. People were making runs on them for their money, for their deposits, and the banks had to be closed to conserve the resources of the institutions.

Now, let us remember that we are still on Pennsylvania Avenue Now, let us remember that we are still on Pennsylvania Avenue on Inauguration Day. Mr. Roosevelt has been President for scarcely 2 hours; he has left the reviewing stand and, behind the stand, is in conference with the Secretary of Treasury and the Secretary of State and some others. The subject of the conference was the advisability of closing all the banks by Presidential proclamation. The rought outlines of the proclamation were approved. Secretary of the Treasury Woodin got busy immediately by telegraph and telephone, with the leading bankers of the country, calling upon them to have local conferences all over the country immediately, and to wire back immediately to Washington. The result was the proclamation to which we have referred. The

was the proclamation to which we have referred. President stated as his warrant for that extraordinary proclamation the Trading With the Enemy Act of 1917. Thus the President invoked a wartime measure for a crisis that was almost of wartime seriousness.

What was the heart of that proclamation? What was it intended what was the near of that proclamation? What was it intended to do? Its purpose was to close the banks for a few days so as to give time for Congress to pass a measure to cover the situation. You can easily see that if this had not been done the rush of depositors for their deposits, together with the drain of money from this country abroad, would have left the banks flat upon their backs, deed a constant of the part like the parks of make the part of the pa dead as door nails. I do not like to speak of such a thing, but do you know, my friends, that riots and revolution were right around the corner at the time Mr. Roosevelt issued that proclamation?

It was under wise handling that the sound banks soon were doing business again and the weak ones were being helped along the hard way of revival of public confidence.

Will the situation ever occur again? It is not likely to. For since then subsequent bank measures, notably the Glass bank bill of 1933, created a system of insurance for bank deposits. This, with other measures, brought back confidence in the banks and the people redeposited their money in them. This is one of the most desirable measures ever enacted, although bitterly opposed at the time by many of the larger and more conservative banks.

caustic criticism has been made that under the A. A. there was a ruthless slaughter of the innocents—the little pigs that were so cruelly killed and burned, or dumped in the river. Here are the facts: At the time of the World War there was a very great increase in the number of acres under cultivation in this country. The world was demanding the products of the American farms, and as a result 17,000,000 acres were added to those already under cultivation, including a large amount of so-called submarginal land which had never been under cultivation before, and production was increased in all foods. The farm is a food and production was increased in all foods. The farm is a food factory, and in the beginning of the Roosevelt administration meat was at an all-time low. In places, pigs were selling as low as 75 cents per hundred pounds, and the price of cattle was too low to justify the expense of transporting them to market. Can you imagine a factory continuing to manufacture products for which there is absolutely no market? In this case, it was even worse, because the cattle and hogs had to be fed if they were to continue to line. to live.

The Government came to the rescue, bought up a percentage of cattle and hogs, processed them, and gave them away as food to those on the relief. Some of the meat was condemned, but millions of tons of salvaged meat were given to the poor. There were, of course, places where the meat was wasted—no large program is ever carried on without faults.

or carried on without faults.

Suppose, as is a fact, that the Supreme Court did declare the Agricultural Adjustment Act unconstitutional. The great Court merely said that the lawmakers had sought to gain their ends in ways that were outside the technical limitations of certain clauses of the Constitution. There was nothing to imply that the ends were not worthy. They were worthy. They are carried out at the present time by subsequent legislation to much the same purpose, by basing the legislation on soil protection for the lands of the country. It is also true that in the future, when there is time to bring it to pass, the functions of the A. A. A. will be divided among the 48 States, all acting together with Uncle Sam in the center. The Supreme Court having set up its crossroads signs so that there can be no doubt as to the legal direction, the administration has forthwith passed a bill that is intended to conform with the Supreme Court's ruling and at the same time to accomplish very much of the same thing for agriculture that the A. A. A. was

much of the same thing for agriculture that the A. A. A. was intended to do and was doing.

Of course, the very first criticism of the New Deal that is heard, and one that will increasingly be heard during the coming campaign, is the criticism of the matter of expenditures. We are told that hillions of dollars have been great formulations. paign, is the criticism of the matter of expenditures. We are told that billions of dollars have been spent, for an all-time high, and that our children and our children's children have been ruthlessly placed under a burden of debt from which they can never emerge. As a matter of fact, we all know that much of the expenditure went to the buying of food, clothing, and shelter for our own people, who were hungry and cold through no fault of their own. In some astonishing manner the expenditure of this money, which prevented actual starvation and revolution, was, in the opinion of our friendly enemies, nothing short of a crime.

prevented actual starvation and revolution, was, in the opinion of our friendly enemies, nothing short of a crime.

It happens that, according to the latest official Treasury figures, over thirteen and one-half billion dollars are now owing to the United States from the war debts of foreign countries. Over \$1,000,000,000 are already in default, and we will very likely receive nothing of the additional twelve billions except in small payments from Finland. Is anyone losing sleep over this situation? No! Unborn

generations in this country will have to pay for the World War, and yet the fact is rarely discussed. The last Treasury report, with a congressional discussion, occupied only one-half a column on page 28 of the Washington Post. It might seem that saving the lives of our own people was of much less concern than helping kill our neighbors, except for the fact that this is a campaign year, when anything goes

when anything goes

Much of the money expended by our Government through the New Deal agencies is in the nature of loans, and is adequately secured, and may be considered as investments to be repayed with interest—for instance, the money loaned by the Reconstruction interest—for instance, the money loaned by the Reconstruction Finance Corporation to various industries, including banks, rall-roads, drainage districts; the loans made by the Public Works Administration for the construction of public buildings, sewers, and waterworks and other public agencies, a part of the amounts advanced being in the nature of grants, and a larger portion being in the nature of loans adequately secured; and the Home Owners' Loan Corporation, which has prevented foreclosure on the homes of our country, the mortgages being taken over by the H. O. L. C. to be repayed on long terms upon proper security.

our country, the mortgages being taken over by the H. O. L. C. to be repayed on long terms upon proper security.

Vast sums have already been paid back. For instance, in the debate in Congress last week on the R. F. C. it was shown that the profits of that organization at this time amount to over \$115,000,000.

In addition to this justification, pause and consider what it has meant for returning prosperity to have these streams of credit flowing through the country and causing confidence and renewed hope to spring up in the hearts and minds of its citizens.

In addition to the loans to business and the dwellers in urban communities, the New Deal has provided for loans and payments.

In addition to the loans to business and the dwellers in urban communities, the New Deal has provided for loans and payments to farmers, to save their homes and farms from foreclosure, and through the A. A. A. and its successor has attempted to provide for a fair return to the farmers upon the products of their farms. Also, money has been advanced to them through the Farm Credit Administration and its various agencies.

Why should aid be given to the farmers of the land? First, because it is good business, and second, because the industrial worker has his level of living protected by powerful labor unions, and industry and manufacturing have since the beginning of the

and industry and manufacturing have, since the beginning of the Republic, received assistance in the form of tariffs which the farmers have not received. The farmer has had nothing to parallel these vast trade unions; and there came a shutting down virtually of markets abroad, and the surplus for consumption in this

country threw the farmers into poverty and despair.

I will now discuss briefly the Social Security Act. You know what it is designed to do. It is intended to give aid to States for old-age pensions, the United States Government sharing on a 50-50 basis with the States, under the laws of the particular States, which basis with the States, under the laws of the particular States, which must be approved by the Federal Government. Most of the States have already adopted laws to make available the assistance offered by the General Government for this purpose. In addition to oldage pensions, the social security law also provides for Federal oldage benefits and unemployment insurance; grants for States for aid to dependent children; grants to States for maternal and child welfare. Under this grant is included maternal and child health service, and services for crippled children. It also provides for public-health work in the various States, the States joining in and sharing the expense of these activities. In the opinion of many, this very humane and enlightened legislation is one of the outstanding accomplishments of the present administration

In passing, to mention briefly a few more of the New Deal measures, I ask you to consider, now in operation, projects to conserve the topsoil of the country from being wasted. Consider the resettlement measures, by which families have been taken from barren lands and given homes and farms in more fertile regions, to be paid for over a long term. Consider the farm leans regions, to be paid for over a long term. Consider the farm loans and the home loans, by which the farmer and the city dweller and the home loans, by which the farmer and the city dweller alike have had the dread specter of evictions from their home and homesteads lifted from them. Consider the C. C. C. camps, where are enrolled hundreds of thousands of young fellows in splendid, healthful employment. Consider as well the millions who are and have been employed for public works and the great number otherwise aided by the relief funds. Surely a great, wealthy country like this, whose natural resources have scarcely been scratched over, has no reason to permit mouths to go unfed, the hungry to become victims of starvation.

A nobler work was never performed in behalf of deserving and needy humanity than during these trying times.

To whom do we owe, does the country owe, the splendid thinking and splendid performance of this critical era? First of all, let me say we owe it to the genius of the American people. Their genius was never better shown than when they placed in the White House Franklin Delano Roosevelt. I say that without regard to partisan politics, for he went there through the votes of mil-

to partisan politics, for he went there through the votes of millions of voters not of his party.

As we all know, it has fallen to the lot of the present adminis-

tration to be in power during one of the most momentous periods in the life of this country, and I might also add in the history of the world. It is said that peace has its victories no less than war. Peace also has its tragedles and horrors no less than war; but the victories of peace are not as spectacular, and the tragedies and horrors are not so apparent. The results of malnutrition and the slow starvation of the children of the desperately poor are not at first so obvious, but the results will affect generations yet to come.

As I have stated before, we will spend millions and billions to triumph in war and foot the bills as a matter of course; but the spending of a smaller sum to fight and triumph over a world-wide

depression is a thing which causes some of our leading citizens and businessmen to raise the hue and cry that under the leadership of the present administration our country is on the road to utter ruin

and perdition.

It is said that we have been passing through a revolution bloodless so far, but still a revolution. The country has passed through revolutionary changes before. In the early days of the Republic the change from the long reign of the Federalist Party to that of the Republican-Democrats under Thomas Jefferson was considered by some in the nature of a revolution. The Federalists represented intrenched wealth and position, while the advent of the Republican-Democrats under Jefferson marked a new era in the life of the Nation, and the cause of the rights of the average man dominated the policies of the Government.

Hamilton, that brilliant young leader of the Federalists, used the Constitution and its implied powers as a bulwark for the protection of the big interests of that day against the masses that he so much of the big interests of that day against the masses that he so much despised, while in the time of Jefferson's power the limitations and restrictions of the Constitution were employed to protect the rights of the masses against the privileged few.

As the spiritual heirs of the old Federalist Party, the Republicans

have usually been those of the party of special privilege and the protectors of vested interests, while the Democrats, as the successors to the Republican-Democratic Party, have, as a rule, been for the masses. The distinction between the two parties has been slight at times, but the Democratic Party has generally come back to its

In the past the Republicans have generally been against the doctrine of State's rights and have usually stood for a centralized power in government; and it is a strange sight to see them now mourning over what they claim is an abrogation of the rights of States to settle all matters not clearly coming within the powers granted to the Federal Government by the Constitution.

They make much of the decisions of the Supreme Court in the

N. R. A. and the A. A. A. cases and say that the executive and legislative departments are striving to uproot the Constitution and to abolish the powers of that high Court.

But the record of the decisions made by the Supreme Court shows that 70 percent of all acts declared unconstitutional by the Supreme Court were passed by Republican-controlled Congresses and that only 30 percent of such unconstitutional legislation was passed by Democratic Congresses. And yet those Republican Congresses would have been surprised and indignant if they had been accused of trying to subvert the Government and

to destroy the Constitution.

It is much in the news of today that a conflict exists between the executive and legislative branches of the Government and the the executive and legislative branches of the Government and the Supreme Court. On this point let me make it clear that, in my opinion, that high tribunal is a friend, and not a foe, of the executive and legislative divisions of the Government. Members of Congress cannot possibly go into all the legal bearings of measures proposed to be adopted—I mean as to their constitutional warrant—and the Supreme Court has as one of its chief purposes to do that very thing for them. In the nature of the case as things are, it cannot render this service until after the acts have been passed and a challenge has been set up by someone in one of the lower courts. in one of the lower courts.

Much has been said in recent days about the President's desire to circumvent the Constitution. In fact, according to the partisan press, he is an arch conspirator against the rights of States to regulate their own affairs. In this connection it might be well to see what other Presidents have done when decisions of the high Court were unfavorable to measures or policies they had advocated. A recent editorial in a Washington paper has this to say

on the subject:

The doughty Andrew Jackson, under whose leadership the Inter doughty Andrew Jackson, under whose leadership the Jeffersonian party was reborn as the Democratic Party, defied a Supreme Court ruling against the State of Georgia. 'John Marshall (then Chief Justice) has made his decision', Jackson snapped, 'now let him enforce it.'

"Abraham Lincoln carried the new Republican Party to its first "Abraham Lincoln carried the new Republican Party to its first national victory in a campaign in which defiance of the Supreme Court's Dred Scott decision was his chief issue. 'If the policy of the Government on vital questions affecting the whole people is to be irrevocably fixed by the Supreme Court the instant they are made', said Lincoln in his first inaugural address, 'the people will have ceased to be their own rulers.' He ignored the Court while waging the Civil War to settle the issue which the Court's decision had brought to a head.

"Ulysses S. Grant, whose party leadership sealed Republican dominance for many years, packed the Supreme Court with new members to get it to reverse its greenback decision against his

money policy

Theodore Roosevelt, whose 'square deal' revitalized the Republican Party early in the century, undertook to clip the powers of the Federal judges after their decisions had frustrated some of his antitrust reforms. He urged a referendum of the people on laws which the courts held unconstitutional. "The highest right to make their own laws * * *,' he of a free people is the right to make their own laws * * *,' he said. 'I hold that the people should say finally whether these decisions are or are not to stand as the laws of the land.'"

What did Franklin Roosevelt do or say when the Supreme Court declared the N. R. A. unconstitutional? When compared with the statements and actions of his illustrious predecessors, I submit that he was most restrained and mild. Upon being told of the action of the Court, he merely made the now famous remark: "The decision will take the country back to the 'horse and buggy' days."

Many of the old-line conservative Democrats with "big business" Many of the old-line conservative Democrats with "big business" backgrounds are at this time viewing with alarm the program of the administration. Governor Talmadge, of Georgia, a bitter critic of the President, has bestowed upon them the designation of real Democrats. They are wont to call themselves Jeffersonian Democrats. I wonder what Thomas Jefferson would say if he knew that they were so classifying themselves.

What would he, the great advocate of the rights of man, think if he knew that the spiritual heirs of the old Federalists were using his name as a buckler and shield against the advance of progressive legislation that redounds to the interests of those for whom he spent his life and great talent—the common people of

the country?

Woodrow Wilson, in his History of the American People, thus describes Jefferson:

describes Jefferson:

"Mr. Jefferson was an interesting mixture of democrat, philosopher, and patrician. In taste and occupation and habit he touched and was familiar with the life of the cultured and moneyed classes, the aristocracy of the young Nation, which constituted the Federalist strength. In creed and principle he was the comrade and workfellow of the people. By gift of insight and genius for organization he was a leader of parties and of concerted action in affairs. An infinite sensibility taught him moderation, lent him tact, pointed out to him the practicable courses of persuasion and the certain prospects of popular support. His personal charm, his high breeding, without arrogance or pretense, gave him hold upon everyone with whom he came in contact. No other man could have so moderated or so completed a revolution in the spirit and conduct of the Government. the Government.

"For a revolution it was, profound and lasting. Undoubtedly the chief merchants, the chief men of means and of responsible trust, the chief men of parts and learning and social influence in the country were Federalists. They looked upon Mr. Jefferson as 'an atheist in religion and a fanatic in politics', and they dreaded the direct thrusts of democracy at the careful system they had reared as likely to be little less than the throwing down of the very props of society trails." of society itself."

How little did Woodrow Wilson foresee the arising of another President so like the one whom he thus describes.

My friends, in view of the repeated use by the standpatters of the term "Jeffersonian Democrat", it may be of interest to consider very briefly the similarity in the life, character, and background of Jefferson, the earliest leader of Democracy, and the life, character, and background of Franklin D. Roosevelt, the man who many people believe was ordained by a benign Providence to show the way to a better and broader life in these recent days of disaster and discord.

Both Jefferson and Roosevelt came from the best statements.

Both Jefferson and Roosevelt came from the best aristocracy of their respective sections. Jefferson was a man of wealth, as is Roosevelt. Both adopted politics as their professions, but neither as a means of livelihood. In his day, probably as a result of a sojourn in France before and during the Revolution, Jefferson became deeply interested in the rights of man. Roosevelt, although of the patrician class, views Government affairs and problems from the standpoint of the man of the street and farm, rather than from the viewpoint of the privileged and wealthy classes. It would be interesting to me to know when and whence came Roosevelt's deep and abiding interest in ordinary man. Perhaps it came during the long period of slow recovery after the terrible scourge of infantile paralysis had suddenly laid him low.

I will surely be remiss if I do not say something about women in the New Deal. You know that Mme. Secretary Perkins holds the portfolio of labor as the first woman ever to enter the Cabinet Both Jefferson and Roosevelt came from the best aristocracy of

in the New Deal. You know that Mme. Secretary Perkins holds the portfolio of labor as the first woman ever to enter the Cabinet of a President—and with what signal ability she has functioned. The women's bureau, the children's bureau, slum clearance, health, recreation, a multitude of things enter into the services of women in the New Deal, and many of these center in the various bureaus which are under the direction of Miss Perkins. I think we will all agree that Mrs. Roosevelt herself, although having no official relationship to the Government, is one of the most varied and talented women in the records of the country. Her interest and her sympathy and her resourcefulness are little Her interest and her sympathy and her resourcefulness are little

short of amazing.

I do not know how many people have been at pains to discover that during the entire course of English history from the time of William the Conqueror up to 1909, with the triumph of the early battles for suffrage, woman was not mentioned in any of the statutes of England, in her own name and character. She was mentioned only in connection with her husband or other male relative. So you can see how recently the women have come into recognition as persons in the full sense of the term politically, as well as socially. A vast body of New Deal undertakings have been those that could never have been put forward and carried on except by drafting upon the sentiments and sympathies of American womanhood.

Which leads me to say that women of culture with the traditions of education and training should be more generally found enlisted in local, State, and National politics. In a word, American politics, never more than at the present time, calls for the enlistment of the higher capabilities and the fine characters of enlistment of the higher capabilities and the fine characters of the young women who go out from the colleges. I will go fur-ther and venture to say that never before in the history of this or any other country has the distinterested service of the best minds been in greater demand to aid in the solution of those problems that vex our day and generation. I invite you young women to become identified with one or the other of the political parties, and to serve your country by throwing the weight of your trained capacities upon the side of those things which will redound to the lasting benefit of the Republic.

At the present time great numbers of young men and women in At the present time great numbers of young men and women in the schools and colleges are given support from Federal funds. Surely these will return to give thanks by high-minded service to their respective communities; and in so doing they will find that the doors of opportunity are thrown wider to them than to their fathers in the years before the era of the depression set in.

We have exhausted our public domain. With the land frontiers gone forever, there is another frontier set up that is not physical. I refer to the frontier of big undertakings and enterprises that have been filled with the spirit of making America not only big, but better. Better to live in, better to work in, better to love, better to pass on to the coming generations.

better to pass on to the coming generations.

This is not a Rooseveltian undertaking. It is something that passes beyond the compass of any mind and defies anyone to

passes beyond the compass of any mind and denes anyone to arrest its progress.

Our productive efficiency is increasing year by year. We are laying the foundations for prosperity in the real sense, beyond anything that the country has ever known or dreamed of. Rapidly the unemployed are being brought back again into private employ under conditions a great deal better than existed before the National Recovery Act had been allowed its couple of years for the lastice of the probability planting of the principles of greater justice and greater equality and greater opportunity among the industries of America. In closing, I do not know anything better to leave with you, as

young Americans being educated for great things, for a great country, than this sentiment from one whose work in the original is not unknown to many of you. Cicero says, "Be persuaded there is a certain separate place in heaven for those who have preserved, aided, and ameliorated their country, where they may enjoy happi-

ness in all eternity.'

SOCIAL SECURITY ACT AND WORKERS' EDUCATION

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement from the commissioner of health and labor officials of Puerto Rico.

The SPEAKER. Is there objection?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, I have requested leave to extend my remarks in the RECORD for the purpose of asking and recommending that the Social Security Act be extended to and put in operation in behalf of the people of Puerto Rico, and also to say something on workers' education under the reconstruction plan for the island.

Again, I must recall that Puerto Rico, with over 1,600,000 inhabitants, is an organized territory, as defined by the United States Supreme Court. Our organic act of March 2, 1917, known as the Jones Act, contains the following pro-

The statutory laws of the United States not locally inapplicable shall have the same force and effect in Puerto Rico as in the United States.

There is pending in the Committee on Ways and Means a bill, H. R. 11062, proposing to extend to Puerto Rico the provisions of the Social Security Act, approved August 14, 1935. There also is pending H. R. 12119 in the Committee on Insular Affairs, to create a new department of public welfare. I assume that H. R. 11062 can be arranged for and favorably recommended insofar as the provisions are applicable to the island without serious opposition, in view of the fact that the Legislature of Puerto Rico has already enacted measures for the aid and comfort of motherhood, children, and the blind.

The extension of the Social Security Act to Puerto Rico has been favorably recommend by President Roosevelt, Secretary of the Interior Ickes, Mr. William Green, president of the American Federation of Labor, and many other wellinformed persons and interested labor organizations of the

My desire now is to call your attention to a memorandum on this subject, prepared by the Commissioner of Health of Puerto Rico, and a statement on workers' education and general social welfare by the secretary of the Free Federation of Workingmen of Puerto Rico.

MEMORANDUM ON EXTENSION TO PUERTO RICO OF THE BENEFITS OF THE SOCIAL SECURITY ACT

The Social Security Act passed by the Seventy-fourth Congress and approved by the President on August 14, 1935, sets forth the purposes of the act as follows:

"To provide for the general welfare by establishing a system of

old-age benefits and by enabling the several States to make more adequate provision for aged persons, dependent and crippled children, maternal and child welfare, public health, and the admin-

istration of their unemployment compensation laws; to establish a social security board; to raise revenue; and for other purposes."

In general, these purposes are to be carried out by grants from the Federal Government to the States and Territories for cooperathe Federal Government to the States and Territories for cooperative service. Puerto Rico was not included as one of the governmental units to participate in the program for which this act is the foundation. It is the purpose of this memorandum to call attention to the fact that the Department of Health of Puerto Rico has been doing effective work on some of the problems which are to be attacked by the social-security program; that the present appropriations and standards of work of this department would justify participation in those parts of the program; and that no changes in governmental organization are necessary to make possible the extension of the existing program in any of its phases. The activities in the social-security program for which provision has already extension of the existing program in any of its phases. The activities in the social-security program for which provision has already been made in the insular department of health are as follows: Public-health service, maternal and child-health work, child welfare, including aid to dependent children, and aid to the blind. The department of health consists of two sections: the public-health section, directed by a medical officer who is a specialist in public health; and the public-welfare section, directed by a physician, a specialist in institutional administration.

Among the duties of the public-health section is the direction of local health work, including maternal and child health, through public-health units.

public-health units.

Engaged in these activities are: 28 full-time health officers, a specialist in charge of the bureau of maternal and infant hygiene, 14 clinic physicians, 132 public-health nurses paid by the insular government, and 50 additional public-health nurses paid from Federal relief funds. The standards for the employment of personnel are equal to those required by the United States Public Health Service. The methods and the results will compare favilthms. Health Service. The methods and the results will compare favorably with those of any similar organization in the continental United States. The maternal and child-health program includes the supervision of prenatal and postnatal teaching, the supervision of midwives, and the operation of 167 milk stations for teaching the care of infants. These activities are supported by insular funds, local funds, and relief funds. The relief funds devoted to these purposes amount to approximately \$240,000 annually, but will not be available after June 30, 1936. The insular funds available for the general public-health activities and the maternal and child-health activities of the public-health section are as follows:

For public-health units_____ For bureau of infant hygiene___ \$376, 574, 75 11, 996, 75 Fund for milk stations, approximately 12,000.00

These funds do not include local appropriations which are made for public-health units and milk stations.

Among the duties of the public-welfare section of the insular department of health are included the care, education, and voca-tional training of dependent children and of the blind. In this work the section has the assistance of the board of child welfare, which supervises the social investigations of dependent children and aids in finding homes for dependent children who can be cared for outside of institutions. The insular funds assigned to this work in the current budget are as follows:

Division of social service	\$8,780.00
Boys' charity school	72, 175. 70
Girls' charity school	58, 099. 75
Child-welfare board	2, 370.00
Asylum for the blind	28, 603. 25
Institute for the blind	10 849 50

The Social Security Act provides for aid to a comprehensive Nation-wide public-health program through an annual appropriation of not more than \$8,000,000. This appropriation is to be allotted to the several States and Territories by the Surgeon General of the United States Public Health Service. In order to pareral of the United States Funic Health Service. In order to participate in the plan, it is understood that State or Territorial organizations must have a health department which provides as a minimum on a full-time basis the services listed below: (a) A qualified full-time State or Territorial health officer; (b) adequate provision for the administrative guidance of local health service; (c) an acceptable vital statistics service; (d) an acceptable State public-health laboratory service; (e) adequate services for state. public-health laboratory service; (e) adequate services for study, promotion, and supervision of maternal and child health; (f) special service for the study, promotion, and guidance of local activities for the control of preventable diseases and for health promotion; (g) services for study, promotion, and supervision of environmental sanitation.

mental sanitation.

The following are understood to be the conditions required for participation of a local health service through the State or Territorial organization: (1) The public health services of the city, county, or district should be under the direction of a full-time health officer; (2) the personnel of the city, county, or district health department should include, in addition to the full-time health officer, such medical assistants, public health nurses, sanitation officers, and clerks as will insure at least a minimum of effective health service commensurate with the population and effective health service commensurate with the population and health problem of the area concerned.

The public health section of the insular department of health and the public health units under its direction comply with all of these requirements.

The objectives for participation in the general public health program of the Social Security Act would be:

1. To extend the service of public health units to the parts of the island which are not now served.

2. To strengthen the services now rendered by the addition of new trained personnel.

3. To provide additional specialized training for existing personnel.

sonnel.

Under title V of the Social Security Act the Secretary of Labor, through the Children's Bureau, is authorized to administer an annual appropriation for grants to the States of \$8,150,000. This includes \$3,800,000 for maternal and child-birth service and \$1,500,000 for child-welfare service. Miss Katherine F. Lenroot, Chief of the Children's Bureau, states the purposes of the maternal and child-health appropriation in the following paragraph:

"The primary purpose of these portions of the act is to extend and strengthen services for mothers and children in rural areas, in areas suffering from severe economic distress, and among groups.

in areas suffering from severe economic distress, and among groups in special need. These are the people who have been hitherto, for the most part, outside the reach of health and welfare services

that have been more generally available in cities."

Miss Lenroot also states that a uniform allotment of \$20,000 is to be made to each State and that this sum is to be supplemented in accordance with the number of births in the State and in accordance with the financial need of the State. The Insular Department of Health of Puerto Rico, through its bureau of infant hygiene and its public-health units, is able and ready to extend and improve its maternal and child-health services as intended in this portion of the Social Security Act. The previous work of these dependencies of the department of health meets the standards of the children's bureau, and it can comply with anticipated future requirements.

With reference to that portion of the social-security program which is related to child welfare, Miss Lenroot has the following to say: "The appropriation of \$1,500,000 for child welfare, to be to say: "The appropriation of \$1,500,000 for child welfare, to be allotted \$10,000 to each State and the remainder on the basis of rural population, is to be available for cooperation with State public-welfare agencies in establishing, extending, and strengthening, especially in predominantly rural areas, public-welfare services for the protection and care of homeless, dependent, and neglected children, and children in danger of becoming delinquent. They are to be used for payment of part of the cost of district, county, or other local child-welfare services in areas predominantly rural, and for developing State services for the encouragement and assistance of adequate methods of community child-welfare orassistance of adequate methods of community child-welfare or-ganization in areas predominantly rural and other areas of special

Work of this type is already in progress in the public-welfare section of the insular department of health, and without changing section of the insular department of health, and without changing the present organization it can be greatly extended. The principal change which would be required would be the addition of field personnel to aid the specialists now in charge of child-welfare work. The expenditure on child welfare, given in detail above, provides ample justification for a Federal allotment of \$10,000 for this purpose under the terms of the social-security program.

The Social Security Act also provides for aid to the States and Territories for care of the blind. For many years the insular department of health has done carefully planned work in the treatment and education of the blind. The annual expenditures for this purpose, as shown above, total more than \$48,000, but there is much more work which could be done if additional funds could be obtained.

obtained.

It is not the purpose of this brief memorandum to outline all of the work of the insular department of health. Only those activities have been mentioned which have a definite relationship to the ties have been mentioned which have a definite relationship to the social-security program. It has been shown that the two sections of the insular department of health can provide a sufficient amount of skilled supervision to administer such additional resources as might be available under the terms of the Social Security Act, and the fact that work of a high quality is being done now is sufficient guaranty of the continuation of high standards if additional resources were available. No one questions the need of Puerto Rico for the type of work covered by the Social Security Act. Even the amounts available to individual States under that act might not fully meet the need, but valuable services could be extended to many persons who are not now reached. to many persons who are not now reached.

E. Garrido Morales, M. D., Dr. P. H.,

Commissioner of Health.

STATEMENT ON WORKERS' EDUCATION AND SOCIAL WELFARE, BY RAFAEL

The Free Federation of Workingmen of Puerto Rico, representing over 80,000 loyal American citizens, begs to submit to you the following facts: First, our labor organization was founded in the year 1902. This was the first organized group in Puerto Rico who for years sought American citizenship, economic justice, and the rehabilitation of the masses of the island. No social, economic, or political association has worked harder and exercised so much influence in behalf of the establishment and development of American institutions in Puerto Rico than the Free Federation of Workingmen. The history of the hardships endured, sacrifices made, burdens borne, betterment secured, the responsible positions attained despite antagonism of its foes has best been told in the annual proceedings of the conventions of the American Federation of Jahor since 1999 eration of Labor since 1898.

In view of our unchallenged record, of our sincere belief in and efforts for the progress and social and economic welfare of the Puerto Rican workers and the people in general, we felt that we should have been included in the organization of an insular and Federal agency to help prosecute the program the President put into the hands of the Federal administration.

Our labor movement has been prominent in the development of vocational training and workers' education. This part of the program could have been entrusted to those who have directly been concerned with labor advancement and who have a sympathetic understanding of labor problems. But unfortunately this work will be in the hands of other persons who will beget negative

results.

The set-up has been in operation for 1 year, and during this time very little work has been accomplished to bring about actual benefits to the masses of the people. In fact, we have seen the lack of sympathy and unwillingness on the part of those administering the program in social and educational fields to accept any suggestions which the labor people might make in the way of helping the masses of the people. Our experience and struggle in the labor field have not been taken into consideration, which is well demonstrated by the fact that the P. R. R. A. (Puerto Rico Reconstruction Administration) is paying coffee laborers a 60 Reconstruction Administration) is paying coffee laborers cent per day wage.

In our island we have a permanent army of unemployed who need work and education. Education gives the worker freedom of choice and individuality. It enables him to protect himself and also gives him vision to solve his difficulties and to order his own

This work should have been undertaken with the assistance of the Free Federation of Workingmen of Puerto Rico and under the direction and cooperation of the Department of Labor. The labor federation was founded for an unselfish purpose, its efforts have always been bent upon the protection and assistance of human beings. It has been a great force for the uplift of the workers and for obtaining consideration of the human element as much as it possibly could in industry, through legislation, through social-welfare concepts and ideas. In the political field we have taken advantage of our civil rights and of every opportunity which in a fair degree promised tangible results in the interests of the workers—the masses of the people.

ers—the masses of the people.

The recognition of organized labor and the selection of a teachers' training center for men and women who desire to prepare themselves for learning industrial, economic, and social subjects should be the first step in the great program of rehabilitation, requiring a true knowledge of labor's wants which in a large measure may determine the well-being of society. If the rehabilitation machinery is going adequately to discharge its responsibilities in the education of workers, it should take contractors of these sentences. the education of workers, it should take cognizance of these social problems in relation to labor.

LEAVE TO ADDRESS THE HOUSE

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent that 1 week from tomorrow, on the 15th of April, immediately after the reading of the Journal and the disposition of business on the Speaker's desk, I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection? There was no objection.

ST. LAWRENCE WATERWAY

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I wish first to take only a moment in respect to my remarks about the Private Calendar a moment ago. I overlooked the Committee on Claims. I think I should say that the gentleman from Maryland [Mr. Kennedy], chairman of the Committee on Claims, is one of the best chairmen in the House. He is able, and a faithful worker. He has rendered a distinguished service to this House in the way that he has handled claims that come before the Committee on Claims.

I took the floor to talk about the St. Lawrence waterway project. I think one of the most unfortunate things that ever happened to this country was the failure of the ratification of the St. Lawrence Waterway Treaty with Canada in the Senate. Last week the gentleman from New York [Mr. CULKIN] and myself called together a group of Members of the House who were interested in that project. A permanent organization was formed. Today we had another meeting. We met with Mr. A. O. Moreaux, of Minnesota. He is executive director of the Great Lakes-St. Lawrence Tidewater Association. We also met with Mr. R. F. Malia, of Wisconsin. He is secretary of the Great Lakes Harbor Association, and we all of us pledged our support in cooperation with the Senators interested in the proposition.

The following news item from the Duluth News Tribune under date of April 1, 1936, explains the purpose of the new congressional organization:

Members of Congress interested in the St. Lawrence waterway project perfected a permanent organization today when the group

met in the committee room of the Rivers and Harbors Committee

Congressman Francis D. Culkin, of New York, was made chairman of the new organization, and Congressman William A. Pittenger, of Duluth, was selected as secretary. The formation of an executive committee was authorized and a motion adopted to call

executive committee was authorized and a motion adopted to call a meeting early next week and invite every Member of the House and Senate to join the organization. * * * Congressman Bernard J. Gehrmann, of Wisconsin, submitted a resolution pledging the congressional group to take vigorous steps to secure the adoption of a treaty with Canada and the construction of the seaway channel. The organization also adopted a resolution pledging cooperation with outside groups and organizations which have for their purpose the completion of the seaway project. project.

The resolution which was offered by Congressman Gehr-MANN and adopted at the meeting on March 31, 1936, reads as

Whereas there is pending in the United States Senate a treaty with Canada providing for the construction of the St. Lawrence seaway for the economic benefit of both countries; and Whereas the ratification of a treaty is essential to the commencement of this project, which will provide a 27-foot waterway from the sea to all ports on the Great Lakes and will result in developing for the benefit of America more than 1,250,000 horse-power of electrical energy, and

whereas the ratification of such a treaty will result in the cheapening of transportation of export crops, and will have a profoundly favorable effect on the development of agriculture and industry throughout the Great Lakes and Midwestern States:

Now, therefore, be it

Resolved, That we, the Members of Congress from the Lake Resolved, That we, the Members of Congress from the Lake States, do hereby pledge our vigorous and active support to a program which will bring about the adoption of a treaty and the commencement of said project so necessary to sound national development, the benefits of which will be enjoyed by more than 40,000,000 people in the United States who gain their livelihood from agriculture production and manufacturing; and be it further Resolved, That we bind ourselves to use every legitimate effort to bring about the adoption of a treaty and the construction of said seaway; and

of said seaway; and
Resolved, That the President of the United States and the Secretary of State are respectifully requested to take such steps as will insure the presentation of a treaty to the Senate that will be mutually acceptable to the United States and Canada; and

Resolved, That a certified copy of this resolution be sent to the President of the United States and all Members of the United States Senate and House of Representatives.

I ask unanimous consent to extend my remarks in the RECORD by incorporating therein a resolution which our group passed last week, together with a very short newspaper account of the meeting and an editorial.

The SPEAKER. The time of the gentleman from Minnesota has expired. The gentleman from Minnesota asks unanimous consent to extend his remarks in the Record in the manner indicated. Is there objection?

Mr. ANDREWS of New York. What is the editorial to which the gentleman refers?

Mr. PITTENGER. It simply calls attention to our making a step in the right direction, that is, having Members of the House cooperate with Members of the Senate.

Mr. BANKHEAD. Mr. Speaker, I think the editorial ought not to go into the RECORD.

Mr. PITTENGER. I withdraw that part of my request, Mr.

Mr. SNELL. Mr. Speaker, we have been letting in editorials and everything else for the last 2 weeks or a month.

Mr. BANKHEAD. I have not heard of it.

Mr. SNELL. I have heard a lot of it. I think it is a good rule to object to the inclusion of editorials in the Congres-SIONAL RECORD.

Mr. PITTENGER. I withdraw that portion of my request. Mr. SNELL. And I hope that policy will be carried out in the future.

Mr. BANKHEAD. I shall try to carry it out.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to extend his remarks in the RECORD and to include therein the resolution to which he referred and the news item. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein the remarks to

which I referred this morning in the Congressional Record and to have the portions that were inserted that I consider wrongfully printed in italics.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the Record and to include therein certain portions of the RECORD to which he has referred. Is there objection?

There was no objection.

GUIDEO BISCARO AND OTHERS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to return to Calendar No. 982, H. R. 4915, for the relief of Guideo Biscaro, Giovanni Polin, Spironello Antonio, Arturo Bettio, Carlo Biscaro, and Antonio Vannin.

The gentleman who objected to the bill this morning has withdrawn his objection.

The SPEAKER. The gentleman from New York asks unanimous consent to return to Private Calendar No. 982. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object.

Mr. BEITER. There were no objections on the gentleman's side. I have talked to the two members of the committee.

Mr. SNELL. This is a rather unusual request. Private Calendar has been concluded and the House has gone on with other business. I do not want to dispute the gentleman's word, but it is not the proper thing to bring this up after we have concluded the calendar and the people most interested have gone away. I do not know whether they object or not.

Mr. BEITER. There were no objections. I have taken it up with each member of the committee, and the only gentleman who objected was the gentleman from Missouri. I have explained the bill to him and he has withdrawn his objection.

Mr. SNELL. Very well.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TABER. Mr. Speaker, will the gentleman state what that bill is about?

Mr. BEITER. The purpose of the bill is to direct the Secretary of the Treasury to pay to the beneficiaries named in the bill the sum of \$3,500, which represents the amount of the bonds posted by the beneficiaries guaranteeing the presence in court of Virginia Nasato, Melchiore Miotto, Silvio Polin, Augustino Del Bianco, Daniel Biscaro, Augustin Taveron, and Emilio Miotto.

The aliens were taken into custody at Akron, N. Y., in the month of August 1925. The amount of a bond required for each alien was \$500. The beneficiaries in the bill posted liberty bonds valued at \$500 each, which are described in the receipts of the district director of the Immigration and Naturalization Service, dated August 29, 1925, the receipts having been made on form 553A-1 of the Immigration and Naturalization Service. The receipts show that the bonds were received from Frank A. Corti, attorney for the beneficiaries of the bill, but on the reverse side of each. Corti certified that the bonds were received from the individuals named as beneficiaries in the bill.

The bonds were to be returned to those who posted them by the Immigration and Naturalization Service upon the appearance of the aliens at the Immigration Office for deportation. All the aliens with the exception of one was deported—the excepted one having been in the country illegally and having since proceeded toward citizenship. However, the bond posted for the latter is also forthcoming. The attorney engaged by the bondsmen to represent them failed to notify them of the date scheduled by the Immigration Service for the appearance of the aliens, and therefore they failed to call at the Immigration Office on the appointed date. The following day they were taken into custody by authorities of the Immigration and Naturalization Service from Black Rock.

Payment of the bonds has been withheld for approximately 11 years and it has inflicted great hardships on the bondsmen, some of whom were obliged to seek aid from the welfare Proof that the aliens and bondsmen were not notified by their legal counsel to appear at the Immigration Office at the appointed time is on file with the committee in the form of sworn statements from the employers of the aliens to the effect that they were at work at the time they should have appeared at the Immigration Office. These statements were made by members of the Beaver Products Co. and the Universal Gypsum & Lime Co., of Buffalo, in which firms the aliens were employed.

Mr. TABER. Mr. Speaker, I have listened to what the gentleman has had to say and it seems to me this is a matter of such character that it should wait over until the committee is present and then have it taken up. So I suggest that the gentleman for the time being withdraw his request and make it later when the committee members are present.

Mr. BEITER. The committee of objectors on the gentleman's side have no objection, because I have taken it up with each Member, and the committee on the Democratic side have no objection. The gentleman who objected was the gentleman from Missouri.

Mr. TABER. I think they should be here when it is taken up. It is a matter that has stood for 11 years. When anything has stood as long as that, it seems to me it requires the objectors to be present. Unless the gentleman will withhold his request for the time being, I shall be obliged to object.

Mr. BEITER. I will withdraw my request for the time being, Mr. Speaker.

The SPEAKER. Of course, the gentleman has the right to renew his request later.

PERMISSION TO ADDRESS THE HOUSE

Mr. DOBBINS. Mr. Speaker, I ask unanimous consent that on tomorrow morning, following disposition of business on the Speaker's table, I may have permission to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

TOBACCO COMPACTS BETWEEN STATES

Mr. CLARK of North Carolina. Mr. Speaker, by direction of the chairman of the Committee on Rules [Mr. O'CONNOR], I call up House Resolution 476.

The Clerk read as follows:

House Resolution 476

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 12037, a bill relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SNELL. Mr. Speaker, this is a rather important measure. I doubt very much if many Members of the House know it is going to be taken up this afternoon. For that reason I make the point of no quorum.

The SPEAKER. Evidently there is not a quorum present. Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 56]

Adair Allen Buckley, N. Y. Bulwinkle Casey Cavicchia Cummings Darrow Caldwell Cannon, Wis. Carmichael Beam Citron Dear DeRouen Bland Claiborne Connery Corning Dingell Doutrich Brennan Carpenter Brooks Cartwright Creal Crosby Drewry Duffey, Ohio Cary Buckbee

Hoeppel Jacobsen Jenckes, Ind. Jenkins, Ohio Duffy, N. Y. Dunn, Miss. Eagle Eaton Ellenbogen Kelly Farley Fenerty Fernandez Kleberg Kocialkowski Fiesinger Kvale Lea, Calif. Lucas Fuller Gassaway Gildea McAndrews McClellan Greenwood McGehee Gregory Hartley McGroarty McKeough Healey Hennings Higgins, Conn. Hill, Knute McLaughlin McReynolds McSwain Marcantonio Hill, Samuel B. Mitchell, Ill. Hobbs

Monaghan
Montague
Montet
Moran
Moritz
Nichols
O'Brien
O'Day
O'Leary
O'Iver
O'Malley
Palmisano
Parks
Perkins
Pettengill
Pfeifer
Ransley
Rayburn
Reed, Ill.
Risk
Rogers, N. H.
Romjue

Ryan
Sanders, La.
Schuetz
Schuite
Sirovich
Sisson
Steagall
Sullivan
Sumners, Tex.
Thomas
Tinkham
Tonry
Underwood
Utterback
Wallgren
Wearin
White
Wigglesworth
Withrow

The SPEAKER. Three hundred and twelve Members are present, a quorum.

Mr. EDMISTON. Mr. Speaker, my colleague, the gentleman from New Hampshire, Mr. Rogers, is detained on duty with a subcommittee of the Committee on Military Affairs. Otherwise he would be present at this roll call.

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. CLARK of North Carolina. Mr. Speaker, I yield 30 minutes to the gentleman from Massachusetts [Mr. Martin]. I yield 5 minutes to myself.

Mr. Speaker, the adoption of this rule will make in order the consideration of H. R. 12037, which is a bill giving the consent of Congress to the tobacco-producing States to enter into compacts or agreements among themselves with reference to the control of the production of tobacco.

There is no doubt about the fact that the tobacco program under the A. A. A. was an almost unbelievable success. The farmers made money under it. The tobacco manufacturers made money under it. The consumers of tobacco paid not a nickel more while it was in force, and it cost the Government of the United States not a penny. In fact, the Treasury has profited to the extent of more than a million dollars as a result of that program. The decision of the Supreme Court in the A. A. A. case swept away that program and the Court said that the Federal Government does not have power, under the Constitution, to inaugurate any such program. While it does not say specifically that the States do have such power, the decision does say that if that power exists anywhere, it exists in the State governments. This bill does no more than to give the consent of Congress to the tobacco-producing States to enter into some agreements or compacts among themselves for the purpose of seeing, if they can, under the State constitutions and under State control, make effective a continuance of this great program.

The bill does not convey to the States any power they do not now enjoy. I come from a great tobacco-producing State. It cannot test the question of whether it has the power under its constitution to inaugurate a control program, because it dare not cut its production until the other States producing the same type of tobacco agree to cut their production. The States will have no more power after the passage of this bill than they have now under their constitutions. The only thing additional they will have or possibly can have is the naked consent of this Congress to agree among themselves upon a program. We simply invest them with the power to enter into a uniform, cooperative plan throughout the States which produce a particular type of tobacco.

This bill means the difference between poverty and bankruptcy on the part of the tobacco farmers and prosperity
that puts them upon a right footing in the world without
costing anybody else anything. If they can carry forward this
program of the past 3 years, they cannot only pay all their
old debts, redeem their farms, wipe out back taxes, but they
will have money in their pockets with which to buy what
they need. This money would go into the great manufacturing centers of the United States as it has been doing. I want
to see the farmers of my territory not only have a chance to
live but also to be able to buy automobiles from Michigan,

jewelry from Massachusetts, and other manufactured articles from other sections.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield such time as he may desire, not exceeding 30 minutes, to the gentleman from Michigan [Mr. Mapes].

Mr. MAPES. Mr. Speaker, it has been very difficult for me to get any satisfactory information out of the hearings before the Committee on Agriculture on this bill, and I have examined them rather carefully. The only people who appeared before the committee were Members of the House of Representatives from certain tobacco-producing States-not all of them by any means-and two representatives of the Department of Agriculture, who were instrumental in drafting the bill before us and, I understand, the bill passed by the Legislature of the State of Virginia. No producers appeared before the Committee on Agriculture, no handlers of tobacco, no economists, nor anyone else, to discuss the theory of the legislation, what is sought to be accomplished by it, or what the probable effect of it will be. There was very little said about the necessity for it and very few figures given relative to production, surplus, prices, consumption, and related subjects. As a matter of fact, the father of the legislation had no sooner got started to make a statement in explanation of the bill before someone raised the question of the legality or the constitutionality of some of the provisions of it, and practically the entire time of the committee from that moment on was devoted to a discussion of the constitutionality or legality of those provisions and practically nothing was said on the merits of the legislation.

The Committee on Agriculture, I take it from the statements made by the chairman of the committee and others as they appear in the hearings, was busy that morning, had arranged another program it desired to carry out and wanted to devote a few minutes only to the consideration of this legislation. As time went on a discussion was had between members of the committee relating to the other matters. Finally it was decided to meet in the afternoon to give further consideration to this legislation. At the afternoon session the same procedure was gone through as in the morning and the discussion of the constitutionality or legality of some of the provisions of the bill was continued by Members of the House of Representatives and the attorney from the Department of Agriculture. This comprised the entire hearings before the committee on the legislation. So we are called upon to consider this rather novel and important piece of legislation with practically no hearings before the Committee on Agriculture on the merits of the legislation to guide us.

What are we asked to do? We are asked to approve in advance not a compact but compacts between the different tobacco-producing States of the Union. Very little tobacco is produced in Michigan, not enough to be a factor in the industry commercially, and until I got to studying this legislation I did not realize there were so many tobaccoproducing States. It appears there are a great many States producing different types of tobacco. The difference between the types is very distinct. As I understand the provisions of the bill, it is proposed to allow those States producing these different types of tobacco to enter into agreements pertaining to the particular type which they produce to the exclusion of all other States, not only the States which produce no tobacco, but those which produce some other type as well; so there may be, as I understand it, a great many different compacts between different States in regard to these different types of tobacco. Under the definitions on page 3 of the bill, the following types of tobacco are referred to: Flue-cured tobacco, burley tobacco. fire-cured and dark air-cured tobacco, cigar-filler tobacco, cigar-binder tobacco, and cigar-wrapper tobacco. There may, thus, be six different sets of compacts entered into by the States which produce these different types, and we are asked to pass this legislation approving whatever they agree to, with some qualifications, here in advance.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman vield?

Mr. MAPES. I yield.

Mr. FITZPATRICK. Is it to get away from the antitrust laws that they are forming these compacts?

Mr. MAPES. If the legislation is binding, if it is constitutional, they certainly will get away from the antitrust laws.

Mr. FITZPATRICK. Why can they not do it today?

Mr. MAPES. Well, as I understand the situation, the Supreme Court having held that the National Government could not limit production, that that could be done only by the States, if at all, they are attempting to circumvent that decision as much as possible. It is the assumption of this legislation, as I understand it, that each individual State has the right to control production by itself, and it proposes to have Congress say that the States may make a compact to work together for that purpose. Whether that can be done or not I will leave it to others to say.

The gentleman from Wisconsin [Mr. Boileav], a member of the Committee on Agriculture, raised the question in committee as to the legality of legislation which authorized in advance compacts between the States. On page 47 of the hearings, he used this language:

May I make my position clear by saying that it must be very apparent that we must either incorporate in this law the exact compact which the States will accept, or we must wait until the States have entered into a compact before we can ratify it and give it any effect?

Who answered the question of the gentleman from Wisconsin? The attorney from the Department of Agriculture, who appeared before the committee in defense of the legislation, made this statement, not directly in answer to the question but in the course of his remarks:

We have no precedent by way of a court decision where the facts are identical with the proposed bill. We have a legislative precedent in the act which this Congress passed in February, I believe, of 1935, known as the Connally Act, which prohibited the movement of contraband oil in violation of State laws.

It seems to me if there ever was a far-fetched argument made by any lawyer before a court to sustain a proposition of law, it is that statement of the attorney for the Department of Agriculture in support of this legislation. I happen to know something about the Connally Act. The Connally Act had nothing to do with compacts between the States. It was as far removed from compacts between States as anything could be. It made it illegal to ship into interstate commerce oil produced in violation of State law. That was all

Mr. UMSTEAD. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from North Caro-

Mr. UMSTEAD. The gentleman understands, of course, that the hearings referred to were held on H. R. 11928, whereas the bill now under consideration is H. R. 12037?

Mr. MAPES. Well, the copy of hearings I have says, "Hearing before the Committee on Agriculture, House of Representatives, Seventy-fourth Congress, second session, on H. R. 11928 (H. R. 12037 reported)." Are there any other hearings?

Mr. UMSTEAD. Does the gentleman understand that the provisions of the first bill referred to by the gentleman from Wisconsin in the hearings mentioned by the gentleman himself with reference to the unconstitutional features of the first bill have been eliminated?

Mr. MAPES. No; I did not so understand. May I ask the gentleman, Were there separate hearings on the bill to which the gentleman is referring?

Mr. UMSTEAD. There were reported hearings on both bills. I call the gentleman's attention to the fact that in the bill now under consideration there is a specific statute referred to and incorporated in the hearings which the gentleman could have read, which meets the very objection raised by the gentleman from Wisconsin [Mr. Boileau].

Mr. MAPES. I think I should correct the gentleman to this extent: There is a copy of a bill appearing in the hearings, but the statute to which the bill before us refers is not in the hearings and was not in the hearings had before the Committee on Rules. I was able to get a copy of this statute only this morning.

Mr. UMSTEAD. The gentleman understands the statute passed by the State of Virginia is similar to the one inserted from the State of South Carolina?

Mr. MAPES. I so understand.

Mr. UMSTEAD. Does the gentleman understand that the gentleman from Wisconsin [Mr. Boileau] has withdrawn all objections to this bill, as I understand, and is now supporting it?

Mr. MAPES. No; I have no way of knowing that without talking with the gentleman, and I have not been able to do that since reading the hearings. I am relying on the hearings. The only information which I have is in the hearings. I may say to the gentleman, it does not seem to me there is any particular difference with respect to the point I am trying to make. We are asked to give our approval in advance to the compacts of these States without knowing what those compacts are going to contain, and that was the point that the gentleman from Wisconsin was criticizing.

Mr. UMSTEAD. May I call the attention of the gentleman to the fact that the act which is now presented to this House specifically refers to the Virginia statute, and requires that all statutes passed by other compacting States must be uniform therewith. May I ask the gentleman another question? He referred to the fact that the controversial sections were discussed at the original hearings of the Agricultural Committee both in the forenoon and afternoon; but does the gentleman know that those sections have been eliminated from this bill?

Mr. MAPES. To what sections does the gentleman refer? Mr. UMSTEAD. Sections 3, 4, and 11, sections 3 and 4 dealing with the question of interstate commerce and section 11 prescribing a penalty for the violation of those sections. They have been removed, and I take it the gentleman was in error. They are not now in the bill.

Mr. MAPES. May I ask the gentleman whether the Virginia Legislature had passed the act referred to when these hearings were held?

Mr. UMSTEAD. Yes; but there was nothing in sections 3 and 4 of the original bill which referred to that.

Mr. MAPES. Why were those sections which were so controversial put in the bill?

Mr. UMSTEAD. Those sections were put in the bill when it was originally drawn. There are many of us who still believe those sections are valid and would be helpful to this legislation, but they were cut out because some controversy arose. The gentleman from Wisconsin [Mr. Boileau] rereferred to by the gentleman, has withdrawn his objection and is now supporting the bill. Will not the gentleman do likewise in view of the action of the gentleman from Wisconsin?

Mr. MAPES. No; I think the position of the gentleman from Wisconsin, as stated in the hearings, was sound and still applies. I may also say to the gentleman that I do not believe in the doctrine of scarcity upon which the legislation is based.

I believe there are more people in the United States interested in the consumption of tobacco than there are in the production of it, and I do not believe this Congress ought to place it within the power of the producers of tobacco to enter into a combination to determine how much they will produce and what the price shall be to the consuming public all over the United States. [Applause.]

Mr. UMSTEAD. Mr. Speaker, will the gentleman yield on just one point?

Mr. MAPES. I would like to continue, but if the gentleman desires to ask a question, I yield.

Mr. UMSTEAD. I desire to propound a question to the gentleman.

Is it not true that the gentleman was opposed to the A. A. A. and is it not true that the gentleman's opposition to this bill is based solely upon his opposition, as stated a moment ago, to the program of the Agricultural Adjustment Act?

Mr. MAPES. No; not altogether, and if I did oppose it the Supreme Court sustained me.

Mr. UMSTEAD. And does not the gentleman-

Mr. MAPES. Just a moment. We have taken a good many leaps in the dark legislatively in the last few years. We have delegated power to Federal officials a great many times when we had no idea what those officials were going to do, but this is the first time we have been asked to delegate to the producers of a commodity such power as this legislation proposes.

Mr. COOLEY. Mr. Speaker, will the gentleman yield for one question?

Mr. MAPES. In just a moment.

Insofar as I am concerned I think we should wait until we know what the compacts are before we approve them.

We passed a compact for the oil-producing States; I have a copy of it before me, but the oil-producing States entered into the compact before the Congress was asked to approve it. Here we are called upon to give our consent in advance. If the tobacco-producing States will get together, make a compact, and then come to Congress with it, give us an opportunity to look it over and study it, it would then be time to pass judgment upon it, but it is a violent thing for Congress to give the States a blank check, so to speak, or to say to them to go as far as they like. I am not willing to do that.

Furthermore, there are many provisions in the bill before us that have to do with the administration of the act by the Secretary of Agriculture. The scope of this bill goes further than giving approval to the State compacts. It goes so far as to state that if the States raising a certain type of tobacco enter into an agreement or form a compact limiting production in those States, then the Secretary of Agriculture can control the production of tobacco in Puerto Rico. He can tell every farmer, not in the different States, but every farmer in Puerto Rico how much tobacco he can raise.

Mr. UMSTEAD. Will the gentleman yield—he wants to be fair?

Mr. MAPES. I yield.

Mr. UMSTEAD. I am certain that the gentleman does not mean to say that the Secretary of Agriculture would have any authority to make allocations as to how much tobacco any farmer may raise.

Mr. MAPES. I was referring to Puerto Rico. The Secretary of Agriculture has that authority as far as the production of tobacco in Puerto Rico is concerned, provided the States which raise a similar kind of tobacco enter into a compact. The State commissions are to have that authority in the States. I think the gentleman did not understand me

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from Kentucky.

Mr. VINSON of Kentucky. Is the gentleman from Michigan reading from the Virginia statute or the substitute for House bill 348 or is he reading from the bill originally introduced?

Mr. MAPES. I am reading from the statute of Virginia. Mr. VINSON of Kentucky. A substitute for the bill originally introduced in the Virginia Legislature?

Mr. MAPES. I am reading from the act. The gentleman from New York [Mr. Wadsworth] calls my attention to the fact that the same language is in the House bill before us.

There is another peculiar provision in this Virginia act. It seems to me that the tobacco-producing States are trying to eat their cake and have it, too. This act does not necessarily limit the production of tobacco, because it allows the producers of tobacco to request the handlers of tobacco to get certificates from the State commissions, or, if they are handling Puerto Rican tobacco, then from the Secretary of Agriculture, to sell their surplus production to these dealers; and what do these handlers of tobacco in such cases have to pay for these marketing certificates, so called? This is the provision in the Virginia statute:

The rate of such charge shall be determined by the commission and shall be not less than 25 percent or more than 50 percent of the gross value of said surplus tobacco covered by the marketing certificate.

As I say, I have had to examine this legislation hastily. That is one reason why I have been so free in yielding to

those who have studied it. It seems to me that this bill does this: It says to these State commissions, "You can limit the production of tobacco up to a certain extent, but any producer of tobacco, any farmer, who does not want to live within that limit can call upon a dealer to handle his surplus production." Then the dealer in turn goes to the State commission, or, if he is a dealer in Puerto Rican tobacco, to the Secretary of Agriculture, and, upon paying this 25 or 50 percent of the value of this surplus tobacco, he has a right to buy, and the farmer has a right to produce and sell all the surplus he wants to.

I think we ought not to pass upon legislation as important as this in the dark, without knowing what it is going to do, and without a further explanation of it than has been given, and without knowing what the tobacco-producing States are going to agree to.

I yield back the remainder of my time.

Mr. CLARK of North Carolina. Mr. Speaker, I yield 10 minutes to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Speaker, the gentleman from Michigan [Mr. Mapes] is one of the ablest and most valuable men in the House. He is senior in service, I believe, on his side of the House. He stated that he had had no time to study this measure, but had he had the time I am sure that he would not have fallen into some of the grievous errors he has made here today about this bill. In the very outset he stated that this authorizes a compact between all of the tobaccogrowing States. Let us get that perfectly clear in the start. The only thing that this bill does is to authorize a compact between what is known as the flue-cured tobacco-growing States, and they are the States of Virginia, North and South Carolina, and Georgia, and such other types of tobacco grown in the States of Tennessee and Kentucky. So far as all other States are concerned, it merely gives the consent of Congress for those States to negotiate a compact and then come back here later for ratification. The Congress in the past has given its consent to about 150 compacts of different kinds, and we come here in a constitutional way seeking one for tobacco. The tobacco growers are not coming here seeking any special favors. They would certainly have the right to come here seeking a special favor ahead of any commodity that I know of. Do gentlemen know that last year the internal-revenue taxes received from tobacco amounted to over \$478,000,000; that the Federal Government collected two or three times more in taxes for the flue-cured crop of tobacco than the farmers received for that tobacco? I hold in my hand a 15-cent package of cigarettes. Taking the price that the farmer received last year, he gets 11/4 cents for the tobacco that goes into that package of cigarettes. Most of the time due to low prices he got less than 1 cent. The manufacturer gets over 31/2 cents on each package of 20 cigarettes. The Federal Government comes along and imposes a tax of 6 cents on that one package of cigarettes, while the profit of the wholesaler and the retailer combined amounts to 41/4 cents, bringing the total up to 15 cents, which the consumer pays. That is what Congress has done to tobacco, and in many of the States there is sometimes a tax of 1 or 2 or 3 cents added to the 15 cents that the consumer must pay for this.

Mr. HANCOCK of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. WARREN.

Mr. HANCOCK of North Carolina. In other words, the growers of flue-cured tobacco last year received approximately 20 cents a pound for what they made. The United States Government collected over \$1 a pound on all fluecured tobacco used in the manufacture of cigarettes?

Mr. WARREN. That is absolutely correct.
Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?
Mr. WARREN. Yes.

Mr. WOLCOTT. The consumption of cigarettes in the last 2 years has increased tremendously. Can the gentleman explain that, and what effect the tax would have on curtailing the use of cigarettes?

Mr. WARREN. Of course, I think the tax is excessive. I have always thought that the tax ought to be reduced. It | prior to 1932. [Applause.]

is true, as the gentleman has just stated, that the consumption of cigarettes last year reached the very highest point it has ever reached in this country.

Mr. MAIN. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. MAIN. Did the gentleman mean "profit" or "cost of manufacture"?

Mr. WARREN. I meant gross income per package of 20 cigarettes.

Mr. MAIN. But does that 31/2 cents represent manufactured cost or is it his profit?

Mr. WARREN. I said gross income of the manufacturer. think these figures are correct.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. MAY. I am interested more in the construction of the Virginia statute, section 8, beginning on page 13 of that act, which the gentleman from Michigan [Mr. Mapes] discussed at length.

Mr. WARREN. If the gentleman will pardon me, I was coming to that.

Mr. MAY. When he started the discussion of that I was inclined to agree with him, but upon reading the statute two or three times I find it simply provides that during the month of October in any year 10 percent of the producers of a particular kind of tobacco may, by petition, call a referendum, or the Governor may, by proclamation, call a referendum. Then on that referendum, after the election is held, if 66% percent of the producers of that tobacco vote to cancel the provisions of the law or set it aside, that may be done.

Mr. WARREN. That is absolutely true. Now, the gentleman from Michigan asked why is this brought before the House now. I will tell you why. Because time is the absolute essence. If we are to accomplish anything under this compact, then it has to become a law within the course of the next 10 days. The Virginia Legislature has acted and adjourned. One house in the South Carolina Legislature has already acted, and we have been told they will complete their action this week. We also have been reliably informed that if the Congress grants this permission, the Governor of North Carolina will immediately call an extra session of that legislature. So far as Georgia is concerned, for the year of 1936 only, it provides they can do their part by a signing up of tobacco growers, on account of the fact that we know their Governor will not call an extra session of the legislature.

Tobacco in North Carolina will be in the ground by the 1st day of May. The Department advises us that there will be an increase of from 7 to 10 percent over last year. Last year we had an increase of the flue-cured crop of about 345,-000,000 pounds. The price that was paid for 556,000,000 pounds the year before was nearly the same as that paid for the larger crop last year. We know from experience, and we know from the successful operation of this plan in those States for 3 years, that it is desired by 99% percent of all the farmers in our State. The gentleman from North Carolina [Mr. Cooley] attended a mass meeting on Saturday in his home county, where an actual poll was made of 1,500 tobacco farmers, and every single, solitary one of them voted for this legislation and urged the Congress to pass it. There has been going on in our State, in at least 50 counties, for the last 3 weeks mass meetings attended by hundreds, and in some instances by thousands, of farmers. In every case they have gone on record unanimously in favor of this legislation.

Mr. ANDRESEN. Mr. Speaker, will the gentleman yield? Mr. WARREN. I yield.

Mr. ANDRESEN. Is it not a fact that under the operations of the A. A. A. you had a larger production of tobacco than you had for many years?

Mr. WARREN. The A. A. A., unfortunately, over the protest of every single man in this House from a tobacco section, permitted an increase of that crop last year. As a result of that, we have today the second largest carry-over in all history. Unless this legislation is passed the tobacco farmer is going to be returned to that state of serfdom that existed

The SPEAKER. The time of the gentleman from North Carolina [Mr. WARREN] has expired.

Mr. CLARK of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. Doughton].

Mr. DOUGHTON. Mr. Speaker, what brief remarks I have to make will indicate that I am strongly in favor of the adoption of the rule and the passage of the bill which this rule makes in order.

The able gentleman from North Carolina [Mr. CLARK], a member of the Rules Committee, has called to the attention of the House the fact that under the Smith-Kerr tobacco bill, the A. A. A., not only was the well-being of the tobacco grower promoted, not only was the tobacco farmer raised from the level of economic servitude and financial distress, but while that was true the tobacco consumers paid not a cent more for the tobacco which they consumed than they did before the Smith-Kerr Act was enacted.

My good friend the gentleman from North Carolina [Mr. WARREN] has called attention to the large amount of revenue that the Treasury derives from the tax on processed or manufactured tobaccos. It is well known to all the membership of this House that the income tax, both corporate and individual, is the largest source of revenue of the Federal Government. Second to that is the tobacco tax, producing last year, as was mentioned by the gentleman from North Carolina [Mr. WARREN] \$470,000,000 plus, and estimated to produce this year above \$500,000,000.

I never have been a believer in special privilege being granted to any class of people, yet I maintain that those engaged in the production of a commodity that yields to the Federal Government this large amount of revenue are entitled to thoughtful dealing with their problems, if not some special consideration. All the farmers ask is to be given an opportunity to continue receiving in the future the benefits they derived in the past as a result of the tobacco-control legislation. If this is done, it is not going to impose any heavy burden on any class of people or on any section of the country.

Those of you who always have believed, and still believe, in a high protective tariff whereby the manufacturers receive special benefits directly should be the last to oppose this legislation. This being so, why should we here split hairs over constitutional technicalities?

The tobacco growers believe that if this or some similar legislation is not enacted soon, then the same tragic conditions that obtained before the Kerr-Smith Act was enacted will again prevail.

May I express the earnest hope that the Congress will speedily enact the necessary legislation proposed in the bill this rule makes in order. [Applause.]

[Here the gavel fell.]

Mr. CLARK of North Carolina. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I am surprised to note that some rather strong resistance has developed to this bill. I am sure most of the Members know how I think and feel with respect to all proposals to extend Federal power to the point of endeavoring to control or regulate production. Time and time again production has been held to be a domestic question. Congress in its effort to enact legislation along this line has not met with complete success.

There is no delegation of Federal power in this legislation, no attempt to delegate Federal power to any of the States. The purpose of the bill is simply to give congressional consent to a group of States undertaking to do that which States acting separately may do. This is what the bill proposes and all it proposes. If production be a domestic question-and in my judgment it is a domestic question—there is nothing wrong in Congress giving consent to a group of affected States; that is, as in this instance, States where tobacco is produced, undertaking to exercise State influence upon a State's problem.

In all of this is involved the question of unlawful taking. I concede that if a State undertakes to deny the individual farmer the right to employ his land in such manner as he may see fit, the question of unlawful taking may be raised. This question, however, will be fought out within the States.

Be assured, Mr. Speaker, that the Congress, through the pending bill, is not undertaking in anywise to delegate any Federal power to any State. Congress might do for the wheat section what it is undertaking to do for the tobacco section; that is, give consent to wheat States to enter into State compacts to perform purely a State function.

Mr. LEHLBACH. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. LEHLBACH. Is the proposition before the House that of giving consent to a compact the provisions of which have already been drawn and agreed to, or are we being asked to give consent to a compact to be negotiated in the future along broad lines laid down in the Virginia Tobacco

Mr. COX. I may say to the gentleman that there is nothing unusual in granting consent to the formation of State compacts. This is the usual and customary manner in which the grants are made. I do not think Congress should withhold consent until a compact is formed. I do not want to see Federal power brought to play upon the question of a compact. I want that to be a voluntary act on the part of the interested States.

[Here the gavel fell.]

Mr. MOTT. Mr. Speaker, I ask unanimous consent that the gentleman may be granted 5 additional minutes.

The SPEAKER. That cannot be done. The time is under the control of the gentleman from North Carolina and the gentleman from Massachusetts.

Mr. CLARK of North Carolina. Mr. Speaker, I yield the remainder of my time, 4 minutes, to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, when this matter was presented to the Rules Committee we felt there was an emergency, in view of the immediately approaching tobacco planting season. Secondly, we felt that the State primarily interested in this commodity, which is different from other commodities, were entitled to enter into these compacts if they saw fit and that the Federal Government should grant its consent. We felt that each State-and I am a believer in States' rights-was entitled to determine for itself what was for the best interests of the inhabitants of that State: and we felt that when these four great States concerned with flue-cured tobacco agreed to a compact that the Congress was doing its duty in agreeing to the compact.

Questions have been raised as to the constitutionality of this bill, that under the provisions of the Constitution the claim being that the States must first enter into the compact before Congress can act. I have looked into this question only slightly, but I believe the general terms of this proposed compact are sufficiently set forth in the Virginia statute to authorize the Congress to act, because the Congress knows substantially what compacts are going to be entered into. I do not believe that the Congress should insist, under the provisions of the Constitution, on knowing every minute detail with reference to an agreement between the States.

Mr. LEHLBACH. Then the gentleman thinks that in the present situation the Congress has sufficient knowledge of the nature, character, and provisions of the compacts to act?

Mr. O'CONNOR. I do. Mr. LEHLBACH. I merely ask for information.

Mr. BANKHEAD. It seems to me, if the gentleman will allow me to say a word, that under the conditions precedent involved in this bill it is made absolutely certain what the effect and purpose of the compact will be, because it is predicated entirely, as I understand, on the fact that each of the States shall agree to the provisions of the Virginia law; so that makes it a matter of definiteness what the compact will be.

Mr. O'CONNOR. Mr. Speaker, I do not dare contend against these constitutional lawyers. The Rules Committee felt this bill presented an exceptional instance of immediate importance, and for this reason the committee reported the rule. I hope the rule will pass the House, and I hope the bill will likewise pass.

[Here the gavel fell.]

Citron Claiborne Clark, Idaho

Dobbins Dockweiler

Mr. CLARK of North Carolina. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. Martin of Massachusetts), there were—ayes 88, noes 32. Mr. MARTIN of Massachusetts. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll

The question was taken; and there were-yeas 206, nays 88, not voting 135, as follows:

[Roll No. 57]

YEAS-206 Ayers Bankhead Barden Dorsey Doughton Kniffin Robinson, Utah Robsion, Ky. Rogers, Okla. Kopplemann Doxey Kramer Barry Beiter Drewry Driscoll Lambeth Lanham Russell Ryan Larrabee Lee, Okla. Lesinski Sanders, Tex. Biermann Driver Duffy, N. Y. Binderup Sandlin Duncan Bland Schaefer Lewis, Colo. Lewis, Md. Blanton Dunn, Pa. Scott Bloom Eagle Eckert Edmiston Scrugham Luckey Lundeen McClellan Sears Secrest Boland Boylan Brown, Ga. Brown, Mich. Buchanan Shannon Eicher Smith, Conn. Smith, Va. Smith, Wash. Smith, W. Va. Snyder, Pa. Faddis McCormack Ferguson McFarlane Fiesinger Fitzpatrick McGrath McMillan Buck Buckler, Minn. Burch Flannagan McSwain Fletcher Ford, Calif. Ford, Miss. Mahon Mansfield Burdick Somers, N. Y. Caldwell South Cannon, Mo. Cartwright Martin, Colo. Spence Stack Mason Frey Fuller Castellow Massingale Starnes Fulmer Gambrill Chandler Maverick Stubbs May Meeks Chapman Tarver Clark, N. C. Cochran Taylor, Colo. Taylor, S. C. Gasque Gingery Goldsborough Miller Mitchell, Tenn. Coffee Terry Thom Moran Murdock Colder Gray, Ind. Cole, Md. Green Thomason Greenway Greever Griswold Nelson Nichols Thompson Tolan Colmer Cooley Cooper, Tenn. Costello Norton Turner Haines Hancock, N. C. O'Connell O'Connor Cox Vinson, Ga. Cravens Creal Vinson, Ky. Walter Harlan O'Day Higgins, Mass. Hildebrandt Owen Cross, Tex. Crosser, Ohio Warren Weaver Parsons Hill, Ala. Hook Patman Werner Crowe Patterson Houston West Whelchel Cullen Patton Cummings Pearson Peterson, Fla. Peterson, Ga. Polk Jacobsen Curley Whittington Daly Darden Johnson, Okla. Johnson, Tex. Johnson, W. Va. Williams Wilson, La. Rabaut Ramspeck Randolph Deen Delaney Wood Woodrum Jones Young Zimmerman Zioncheck Dempsey Keller Kennedy, Md. Rankin Reilly Dingell Kenney

Richards Robertson NAYS-88

Amlie Dondero Kennedy, N. Y. Reed, N. Y. Andresen Andrew, Mass. Ekwall Engel Kinzer Lambertson Englebright Focht Gavagan Gearhart Gehrmann Andrews, N. Y. Arends Lamneck Lehlbach Ashbrook Seger Short Lord Ludlow McLeod Bacon Blackney Snell Bolton Gilchrist Maas Stefan Brewster Burnham Goodwin Guyer Main Mapes Marshall Stewart Sutphin Gwynne Halleck Hancock, N. Y. Carlson Martin, Mass. Merritt, Conn. Carpenter Carter Christianson Thurston Hess Hoffman Michener Millard Church Cole. N. Y. Hollister Mott Collins Holmes Crawford Culkin Hope Huddleston Pittenger Withrow Plumley Wolcott Wolverton Woodruff Dirksen Hull Powers Reece Ditter Kahn

NOT VOTING-135

Berlin Brooks Adair Allen Bacharach Beam Boehne Boileau Boykin Buckbee Buckley, N. Y. Bulwinkle Cannon, Wis. Bell Brennan

Rich Richardson Rogers, Mass. Sauthoff Taber Taylor, Tenn. Tobey
Turpin
Wadsworth
Wilson, Pa.

Carmichael

Cary Casey Cavicchia

Celler

Connery Cooper, Ohio Hamlin Corning Harter Crosby Crowther Hartley Healey Hennings Higgins, Conn. Darrow DeRouen Hill, Knute Hill, Samuel B. Dickstein Dietrich Hobbs Hoeppel Jenckes, Ind. Jenkins, Ohio Disney Doutrich Duffey, Ohio Dunn, Miss. Kee Kelly Eaton Kleberg Knutson Kocialkowski Ellenbogen Farley Fenerty Fernandez Kvale Lea, Calif. Fish Lemke Gassaway Gifford Lucas McAndrews Gildea Gillette McGehee McGroarty Granfield McKeough

Gray, Pa. Greenwood

Gregory

McLaughlin McLean McReynolds Maloney Marcantonio Mead Merritt, N. Y. Mitchell, Ill. Monaghan Montague Montet Montet Moritz O'Brien O'Leary Oliver O'Malley O'Neal Palmisano Parks Perkins Pettengill Pfeifer Pierce Quinn Ramsay Ransley Rayburn Reed, Ill. Risk

Rogers, N. H. Romjue Sabath Sadowski Sanders, La. Schneider, Wis. Schuetz Schulte Shanley Sirovich Sisson Steagall Sullivan Sumners, Tex. Thomas Tinkham Tonry Treadway Underwood Utterback Wallgren Wearin Welch White Wigglesworth Wilcox Wolfenden

So the resolution was agreed to. The Clerk announced the following pairs: On this vote:

On this vote:

Mr. Cary (for) with Mr. Darrow (against).

Mr. Gregory (for) with Mr. Bacharach (against).

Mr. Sullivan (for) with Mr. Jenkins of Ohio (against).

Mr. Dunn of Mississippi (for) with Mr. Thomas (against).

Mr. Celler (for) with Mr. Higgins of Connecticut (against).

Mr. O'Brien (for) with Mr. Reed of Illinois (against).

Mr. Kelly (for) with Mr. Allen (against).

Mr. McAndrews (for) with Mr. Buckbee (against).

Mr. Kocialkowski (for) with Mr. Cavicchia (against).

Mr. Schuetz (for) with Mr. Cooper of Ohio (against).

Mr. Adair (for) with Mr. Crowder (against).

Mr. Lucas (for) with Mr. Crowder (against).

Mr. Parks (for) with Mr. Gifford (against).

Mr. Bulwinkle (for) with Mr. Ransley (against).

Mr. Sabath (for) with Mr. Risk (against).

Mr. Evans (for) with Mr. Treadway (against).

Mr. Montague (for) with Mr. Tinkham (against).

Mr. Gassaway (for) with Mr. Tinkham (against).

Mr. Romjue (for) with Mr. Tinkham (against).

Mr. Pfeifer (for) with Mr. Hartley (against).

General pairs:

General pairs:

Mr. Beam with Mr. Perkins.
Mr. Granfield with Mr. Welch.
Mr. Boehne with Mr. Taylor of Tennessee.
Mr. Oliver with Mr. Marcantonio.
Mr. Greenwood with Mr. Knutson.
Mr. Steagall with Mr. Fish.
Mr. Schulte with Mr. Lemke.
Mr. Rayburn with Mr. Fenerty.
Mr. Pettengill with Mr. Doutrich.
Mr. Samuel B. Hill with Mr. Schneider of Wisconsin.
Mr. Kleberg with Mr. Bolleau.
Mr. Mead with Mr. Kvale.
Mr. Fernandez with Mr. Bell.
Mr. O'Neal with Mr. Rogers of New Hampshire.
Mr. Carmichael with Mr. Sisson.
Mr. Connery with Mr. Kee.
Mr. Dear with Mr. McGroarty.
Mr. Sweeney with Mr. Utterback.
Mr. Maloney with Mr. Hobbs.
Mr. Corning with Mr. Hobbs.
Mr. Quinn with Mr. Brennan.
Mr. Berlin with Mr. DeRouen.
Mr. Tonry with Mr. DeRouen.
Mr. Tonry with Mr. Duffey of Ohio.
Mr. Montet with Mr. Prooks.
Mr. Sumners of Texas with Mr. Claiborne.
Mr. Healey with Mr. Brooks.
Mr. O'Malley with Mr. Brooks.
Mr. O'Malley with Mr. Brooks.

Sumners of Texas with Mr. Claiborne.

Healey with Mr. Brooks.
O'Malley with Mr. Gildea.
Palmisano with Mr. Casey.

Jenckes of Indiana with Mr. Buckley of New York.
McLaughlin with Mr. Wallgren.
Dickstein with Mr. Wallgren.
Disney with Mr. Moritz.
Merritt of New York with Mr. Wearin.
Sanders of Louisiana with Mr. Ramsay.
Ellenbogen with Mr. Hart.
Wilcox with Mr. Hart.
Wilcox with Mr. Sadowski.
Dietrich with Mr. Gray of Pennsylvania.
McKeough with Mr. Harter.
Lea of California with Mr. Hart.

Mr.

Mr. AMLIE and Mr. WITHROW changed their vote from "yea" to "nay."

The doors were opened.

The result of the vote was announced as above recorded.

Mr. MAPES. Mr. Speaker, I desire to raise a point of order against section 7, paragraph (a), of the bill. This section is virtually an appropriation reported by the Committee on Agriculture, which committee does not have authority to report appropriations.

The rule involved, as the Speaker knows, is rule XXI, section 4, reading as follows:

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropria-tion be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction. A question of order on an appropriation in any such bill, joint resolution or amendment thereto may be raised at any time.

Mr. BANKHEAD. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman from Alabama.

Mr. BANKHEAD. There was some confusion in the Chamber and I could not hear entirely the statement of the gentleman. Is he making the point of order that this is an appropriation which has not been acted upon by an appropriation committee?

Mr. MAPES. Yes; it is my contention, I may say to the gentleman, that paragraph (a), section 7, is subject to a

Mr. BANKHEAD. May I call the gentleman's attention, and also the attention of the Speaker, to the fact that this is a mere reallocation of funds that have already been appropriated by the Congress?

Mr. O'CONNOR. It is not really a reallocation. It is the use of funds heretofore appropriated for this very purpose.

Mr. BANKHEAD. That is what I intended to say.

Mr. MAPES. Both of the gentlemen have admitted themselves out of court, according to the precedents, and if the Speaker has any question in regard to the matter I would like to be heard further for just a moment.

The SPEAKER. The Chair will be glad to hear the gentleman.

Mr. MAPES. Section 7 (a) reads as follows:

For the purpose of administering this act the Secretary of Agriculture is hereby authorized to expend \$300,000 or so much thereof as may be necessary for that purpose out of funds appropriated by section 12 (a) of the Agricultural Adjustment Act, as amended.

Jefferson's Manual, page 397, referring to the precedents on this question, says:

The term "appropriation" in the rule means the payment of funds from the Treasury and the words "warranted and make available for expenditure for payments" are equivalent to "is hereby appropriated" and therefore not in order.

That is from a decision in the Sixty-seventh Congress, first session.

It is further stated:

The words "available until expended", making an appropriation already made for 1 year available for ensuing years, are not in order.

And again:

Language reappropriating, making available, or diverting an appropriation or a portion of that appropriation already made for one purpose to another is not in order.

And further:

A direction to a departmental officer to pay a certain sum out of unexpended balances is equivalent to an appropriation and not in order. Language authorizing the use of funds of the Shipping Board is not in order. A direction to pay out of Indian trust funds is not in order.

Mr. Speaker, I have here a decision rendered in the Seventythird Congress. The debate was participated in by the present Speaker and the gentleman from Alabama [Mr. BANK-HEAD], and the question was decided by the gentleman from Missouri, Mr. Lozier. It is an exact parallel to the case before us.

A point of order was raised by the gentleman from Maine, Mr. Beedy.

If the gentleman from Alabama and the gentleman from New York [Mr. O'CONNOR], who interrupted me, will refresh their recollections, I think they will recall this discussion

and the decision of the Chairman of the Committee of the Whole at that time.

This identical question and practically the identical language were under consideration and the Chairman of the Committee, the gentleman from Missouri, Mr. Lozier, in rendering his decision, page 989 of the RECORD, said:

Is it not the use of money that has been allocated by an appropriation act for another purpose, and is not the effect of this lan-guage to take from the Treasury, without any further appropriation, funds that the Congress has heretofore appropriated for other purposes?

This really, if anything, goes further than an appropriation, because it authorizes the Secretary of the Treasury to take these funds and to use them. Chairman Lozier went on to say:

It seems to the present occupant of the chair that there is a very wide difference between the language "authorized to be expended" and "authorized to be appropriated." Here is a proposition not to authorize an appropriation. If this were a proposal to authorize an appropriation, then some additional act of Congress would be necessary to make the authorization effective, but this language provides that—

"There is hereby authorized to be averaged at a congress."

"There is hereby authorized to be expended out of any unobligated moneys heretofore appropriated"—

While the language in this bill isfor the purposes of administering this act, the Secretary of Agriculture is hereby authorized to expend \$300,000.

Chairman Lozier continued:

Section 4 of the bill under consideration, to which this point

of order is directed, reads as follows:

"For the purpose of carrying out the provisions of this act"—
Which implies, of course, an expenditure of public funds under the provisions of this act out of the Public Treasury—

"there is hereby authorized to be expended"—

Not hereafter appropriated, but to be expended-"under the direction of the President."

Now, what money is to be expended?

This is the language of Chairman Lozier.

Any money out of any unobligated moneys heretofore appropriated for public works.

The SPEAKER. Will the gentleman give the page of the RECORD from which he is reading?

Mr. MAPES. Page 989 of the Record of March 29, 1933, the first session of the Seventy-third Congress.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield? Mr. MAPES. I yield to the gentleman from New York?

Mr. O'CONNOR. When I first asked the gentleman from Michigan the question, I assumed that the money appropriated under section 12 of the Agricultural Adjustment Act was for the very same purpose as the purpose proposed here. Of course, if it were not, it would be, in effect, a reallocation or a reappropriation and the gentleman would be correct. I think there were so many purposes contained in section 12, on looking at it, that the gentleman is correct.

Mr. MAPES. I thought the gentleman would reach that conclusion upon a further consideration of the point of order.

Does the Chair desire to hear me further? The SPEAKER. The Chair is ready to rule.

The gentleman from Michigan [Mr. Mapes] makes a point of order against section 7 (a), which reads as follows:

For the purpose of administering this act the Secretary of Agriculture is hereby authorized to expend \$300,000, or so much thereof as may be necessary for that purpose, out of funds appropriated by section 12 (a) of the Agricultural Adjustment Act, as amended.

The gentleman from Michigan calls attention to clause 4 of rule XXI, which provides:

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction. A question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

The question, of course, arises as to whether or not an appropriation made by a preceding Congress or by this Congress for a particular purpose may be diverted for another purpose not contemplated at the time the appropriation was made, under the rule which the Chair has just read.

were made in the Seventy-third Congress, first session, in which it is said-

Language reappropriating, making available or diverting an appropriation or a portion of an appropriation already made for one purpose to another is not in order.

Of course, we all know that the Committee on Agriculture is not authorized under the rules to report appropriations. In the opinion of the Chair it is very clear, in a reading of the section referred to, that the language constitutes a diversion of funds heretofore made by the Congress for an entirely different purpose and, therefore, sustains the point of order of the gentleman from Michigan [Mr. Mapes] against section 7 (a).

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12037, relating to compacts and agreements among the States in which tobacco is produced, providing the control of production of, or commerce in, tobacco in such States, and for other purposes.

The motion was agreed to; accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. MITCHELL of Tennessee in the chair.

The Clerk read the title of the bill.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. Christianson].

Mr. CHRISTIANSON. Mr. Chairman, I have asked for this time in order that I may be able to direct a few questions to the chairman of the Committee on Agriculture. I am asking these questions for the purpose of getting such information as will enable me to vote intelligently on the bill. It is true, is it not, that under the proposed compact a limitation is to be placed by the States that are parties thereto upon the acreage which farmers within the States may devote to the raising of tobacco?

Mr. JONES. There may or may not be. That depends upon the action of the States. As far as the National Government is concerned, there would be none.

Mr. CHRISTIANSON. What provision, if any, does the bill contain that safeguards it against attack upon the ground that it is an effort by legislation to say that an individual owner may raise only so many acres of tobacco upon his land, and as such deprives him of his constitutional

Mr. JONES. That raises a number of questions. The question of the reasonableness of the law, for instance, is raised, and that is a question that we do not undertake to grant anything on. This does not change that status one way or the other. If North Carolina or Georgia or South Carolina or Kentucky or Pennsylvania undertake to enact an unconstitutional law, if they undertake to enact a law which deprives a citizen of some of his rights under the Bill of Rights under the Constitution, certainly the law will fall, but it will be their funeral. We do not grant or take any power on that subject.

Mr. CHRISTIANSON. The gentleman admits, does he not, that the purpose of the proposed compact is to legalize action by the States concerned in limiting production?

Mr. JONES. We simply give our consent for the States to enact such statutes as they may legally enact, without interference on our part. We grant no powers, we withhold no powers, except as we may give our consent under the Constitution to the formation of legitimate compacts.

Mr. CHRISTIANSON. Is it not true that what the resolution attempts to do is by a mere statute to authorize States to limit the use which individuals may make of their own lands in the pursuit of their lawful occupation, which limitation would constitute the taking of property without due process of law?

Mr. JONES. As I understand the matter, we simply grant our consent to compacts along the line of the Virginia statute. Of course, we do give our consent to compacts that

The gentleman from Michigan has read rulings which | may control production, but I think we confer no power upon the States to take private property without due process of law, as the gentleman well knows we could not do that.

> Mr. CHRISTIANSON. If such power is not granted, then I would say that this legislation will fail to accomplish the purpose for which it is intended.

> Mr. JONES. Then the gentleman should have no objection to it.

> Mr. CHRISTIANSON. I am sympathetic with the purpose of this resolution, which is to enable certain States to improve the condition of their tobacco farmers. If it were proposed to do this in a proper and lawful manner, I should vote for the bill.

> But if I understand the situation correctly, it is this: The State of Virginia has enacted a law which attempts by compulsory provisions to limit the number of acres a farmer may devote to tobacco. Such provisions are clearly in violation of the fourteenth amendment. Certain other States desire to pass identical laws. In order to make these laws mutually binding upon the States concerned, it is proposed that they enter into a compact—a compact to deprive their citizens of a right guaranteed by the Constitution. Congress is asked to ratify that compact.

In my opinion, the argument that if the State laws which are the subject matter of the proposed compact are invalid, the resolution ratifying the compact is pro tanto a nullity, constitutes no justification.

It might with equal force be argued that Congress is justified in passing unconstitutional statutes because, being unconstitutional, they are void, and the result of passing them is ultimately the same as if they had not been passed at all.

By ratifying this compact we are giving assent to a policy which contemplates taking away from citizens, at least until the courts can intervene, a right guaranteed by the Constitution.

I want to do all within my power to help agriculture. It is the predominate interest of my State. My own investments are almost all in farm land. I voted for the Agricultural Adjustment Act, believing at the time that it was constitutional. I voted for the Soil Conservation Act. It is with regret that I confess that I voted for the Cotton Control Act, which embodied the same principle of compulsory regimentation that this resolution seems to contemplate.

Unless it can be shown that the statutes which will be the subject matter of the proposed compact provide for voluntary assent rather than compulsion, I shall be unable to support the pending resolution.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. Andresen].

Mr. ANDRESEN. Mr. Chairman, the purpose of this bill is to ratify an act of the Legislature of the State of Virginia, which provides that if the States of North and South Carolina and Georgia enact similar legislation, a compact is ratified between them according to the terms of the Virginia act. We are not merely giving our consent to a compact between these States, but we are at this time ratifying the act of the Legislature of the State of Virginia, which attempts to regulate and control the production of tobacco within that State and within the other States that are parties to the compact. The act of the Legislature of the State of Virginia provides for future action on the part of Congress to aid in the proper enforcement and the accomplishment of the purposes of the Virginia act. Section 4 of the Virginia act specifically provides-

That upon approval of this act, the Governor is authorized and requested to submit the same to each of the Members of Congress from the Commonwealth of Virginia, and to ask that they take prompt action to obtain the consent of Congress to the establishment of a compact as provided for in this act, and the enactment of legislation by the Congress providing for regulation of inter-state and foreign commerce in tobacco in such manner as to make ossible the enforcement and accomplishment of the purposes of

That is a specific part of the act of the State of Virginia which we are called upon to consent to and ratify today.

Mr. MAY. Mr. Chairman, will the gentleman yield? Mr. ANDRESEN. I yield.

Mr. MAY. In principle, what difference is there between the provisions of the Virginia act with reference to the regulation, production, and control of crops and the old act of this Congress known as the A. A. A.?

Mr. ANDRESEN. There is very little difference. The same purpose is sought to be accomplished in the bill before us and in the arrangements between States, so that State officials may, by legislative act, compact, and agreement, control the production, the amount of tobacco which could be produced and marketed, impose penalties for any attempt to sell over and above the allotted quota which is given to any producer within the compact area.

Mr. MAY. Then it is a regulation bill, outright?

Mr. ANDRESEN. It is no doubt a regulation bill.

Mr. BANKHEAD. Mr. Chairman, will the gentleman

Mr. ANDRESEN. I yield.

Mr. BANKHEAD. Is it not the gentleman's construction of this matter that this act is in conformity to the principle laid down by the Supreme Court of the United States in the A. A. A. case, to wit: That if there is to be any control over this matter of production, it is not a matter of congressional sovereignty, but that it must be remitted back to the States. Is that not true?

Mr. ANDRESEN. Undoubtedly the sponsors of this legislation are proceeding on that theory.

Mr. BANKHEAD. But does not the gentleman agree that that is the spirit and letter of that decision?

Mr. ANDRESEN. That is correct. The Supreme Court said that the Federal Government or Congress had no power to regulate production and that that power was reserved to the States.

Mr. BANKHEAD. Now, is this not merely an effort, by constitutional act for the States interested in this question, to pursue a policy suggested by the decision of the Supreme Court?

Mr. ANDRESEN. I think the gentleman is correct; but in consenting to what has been done in an arrangement to perfect a compact, I believe it is our duty to see that the States proceed in a proper manner so as to have enacted constitutional legislation as the basis of the compact.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN. Not just now. I am sorry. I will yield later

I want particularly to call the attention of the committee to the Constitution of the State of Virginia. Article I of the Constitution of the State of Virginia provides:

That all men are by nature equally free and independent and that all men are by hatthe equally free and independent and have certain inherent rights, of which, when they enter into a state of society, they cannot by any compact deprive or divest their posterity, namely, the enjoyment of life and liberty, with the means of acquiring and possessing property and pursuing and obtaining happiness and safety.

This provision of the constitution has been construed by the Supreme Court of the State of Virginia. I am just going to read a portion of two decisions by the supreme court of that State

The liberty of the citizen which is guaranteed by the Constitution of the United States and of this State embraces not only the right to go where one chooses but to do such acts as he may judge best for his own interest not inconsistent with the equal rights of others, to follow such pursuits as he may deem best adapted to his faculties and will afford him the highest enjoyment, to be free in the enjoyment of all of his faculties, to be free to use them in all lawful ways, to live and work where he will, and to earn his livelihood by any lawful calling, and for that purpose to enter into and enforce all contracts which he may deem proper, necessary, and essential to successfully conduct his private concerns.

Further the court says:

The only valid authority which a State has to prohibit, regulate, or control the private business of a citizen grows out of its "police power" or power to enact laws pertaining to the public health or public safety or the public morals.

Further the supreme court of that State has said:

The legislature may not, under the guise of protecting the public interests, arbitrarily interfere with private business or impose unusual or unnecessary restrictions upon lawful occupations.

The sponsors of this legislation stated to the members of the Committee on Agriculture that the attorney general for the State of Virginia had handed down an opinion to the effect that such act was constitutional under the Constitution of the State of Virginia. I am sorry that I have not been able to secure that opinion. Otherwise I probably would not have made this point here today. However, it seems to me that it is important that we should lend a guiding hand to see that the State of Virginia and other States involved would not make the same mistake that the Congress did when it passed other acts which have been declared unconstitutional by our Supreme Court of the United States.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN. I yield.

Mr. HOOK. Does the gentleman feel that this Congress

made a mistake when it passed the A. A. A.?

Mr. ANDRESEN. Well, I was not in the Congress that passed the A. A. A. We are not dealing with that, because the Supreme Court has already expressed its opinion on that law, and we have to abide by the decision of the Supreme Court.

Mr. HOOK. Mr. Chairman, will the gentleman yield further?

Mr. ANDRESEN. I am sorry; I cannot yield further.

The State of Virginia and other States, if they have the right, which the Supreme Court says is a right inherent in the people of the States, to regulate the production of any agricultural commodity, then they should secure an amendment of their own State constitutions in a constitutional way, and then proceed to negotiate for a compact and secure the consent of Congress.

Mr. HOPE. Mr. Chairman, I yield 5 additional minutes

to the gentleman from Minnesota.

Mr. ANDRESEN. Mr. Chairman, I yield to the gentleman from North Carolina.

Mr. UMSTEAD. I understand the gentleman to take the position that the act passed by the Legislature of the State of Virginia is unconstitutional in that State.

Mr. ANDRESEN. According to the constitution as I have read it and the decisions.

Mr. UMSTEAD. Do I understand by that that the gentleman is taking the position here in this body that he is more familiar with and better qualified to interpret the Constitution of the State of Virginia than the legislature of that State, its attorney general, and its present Governor?

Mr. ANDRESEN. The gentleman, I hope, has not received that impression, because I do not want to be misunderstood.

Mr. UMSTEAD. The gentleman knows the act was passed

by the legislature, does he not?

Mr. ANDRESEN. Yes. I know, furthermore, that the act was prepared down here in the Department of Agriculture by the same men who sponsored and prepared the Agricultural Adjustment Act, and they knew it was unconstitutional at the time they presented it to us.

Mr. UMSTEAD. Does the gentleman know also that the attorney general of Virginia was in Washington and considered the entire matter; that the Governor of the State of Virginia was here and members of the senate and lower branch of the general assembly of that State?

Mr. ANDRESEN. I am not aware of that, because these

gentlemen did not appear before our committee.

Mr. UMSTEAD. Does the gentleman know the Governor of the State of Virginia signed this act?

Mr. ANDRESEN. I assume he did; otherwise it would not be presented here by the gentleman from Virginia as the law of the State of Virginia.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN. I yield.

Mr. COLE of Maryland. If this bill becomes law, as I understand it, the only compact which can be in effect would be one embodying a verbatim copy of the act passed by the Virginia Legislature.

Mr. ANDRESEN. That is our understanding, that it would

be similar and uniform.

Mr. COLE of Maryland. No; a verbatim copy of that act.

Mr. ANDRESEN. The sponsors of the bill have stated that it must be similar and somewhat uniform. The compact itself between the States is based upon the act of the Legislature of Virginia.

Mr. COLE of Maryland. One further question, if the gentleman will permit.

Mr. ANDRESEN. Yes.

Mr. COLE of Maryland. If that be the case and the Virginia law covers interstate commerce, as the distinguished chairman of the Committee on Agriculture has said, they have avoided any reference to interstate commerce in this bill. Are we not, then, ratifying a compact in part and leaving part of it out of the act of Congress when this bill gives the impression that the entire compact is ratified?

Mr. ANDRESEN. I think the gentleman is correct,

Mr. COLE of Maryland. If this be the case, I think it is a clear violation of what is contemplated by article I, section 10, of the Constitution, which states that—

No State shall, without the consent of Congress, • • • enter into an agreement or compact with another State.

I think there should be something far more specific and definite in this bill.

Mr. ANDRESEN. If it is intended that we are ratifying the compact upon the act of the Legislature of the State of Virginia, and we have eliminated the other provisions from the bill which is up for consideration, then we are only ratifying in part, although the general terms of the bill before us would indicate a ratification of the entire compact.

Just one other thing along this line. The act of the Virginia Legislature provides for additional legislation on the part of Congress in order to regulate interstate commerce.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN. I yield.

Mr. VINSON of Kentucky. The gentleman refers to section 4 of the Virginia act.

Mr. ANDRESEN. Yes.

Mr. VINSON of Kentucky. They call upon their representatives in this act to obtain the consent of Congress to the establishment of a compact as provided for by this act. This is one thing they ask.

Mr. ANDRESEN. Yes.

Mr. VINSON of Kentucky. The other part is a distinct matter, the enactment of legislation by the Congress providing for regulation of interstate and foreign commerce in such manner as to make possible the accomplishment of the purposes of this act. The bill under discussion, H. R. 12037, deals with the compact end of their request but has nothing whatever to do with the regulation of interstate commerce. Is the gentleman in accord with me on this statement?

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 5 additional minutes to the gentleman from Minnesota.

Mr. ANDRESEN. I am in accord with it. I would like to state further along this line that apparently the sponsors of this legislation contemplate necessity for further action on the part of Congress in the regulation of interstate commerce so that this compact may be of some value.

Mr. VINSON of Kentucky. That may be true. The gentleman will remember that in the bill immediately preceding this one, sections 3 and 4 referred to interstate commerce, but that was stricken and is not in the pending bill.

Mr. ANDRESEN. I am sorry; I cannot yield further. Let me conclude my statement.

Mr. VINSON of Kentucky. I know the gentleman does not want to use the word "ratification" in connection with his statement when the word "ratification" is not in the Constitution.

Mr. ANDRESEN. Answering the gentleman I will say that we are giving carte-blanche ratification to the act of the Legislature of the State of Virginia which is the basis of the compact.

Nothing will come back to us in the future for consideration as far as this compact is concerned.

Mr. VINSON of Kentucky. The language is that no State shall, without the consent of Congress, enter into an agree-

ment or compact with any other State. We are simply giving the consent of the Congress to enter into such compacts.

Mr. ANDRESEN. All such compacts would have to come back for ratification, but in this particular instance we are making an exception to the general rule by ratifying a compact in advance without any knowledge on our part of what the final compact will be, because of the fact that the tobacco commission is given power to set up rules and regulations to control production according to the general provisions of the act. They are given the power to assess penalties when a farmer produces more or attempts to sell more than his allotment. He may sell this overproduction by paying a tax of from 25 to 50 percent of the value of the commodity; and if he fails to pay this tax and secure his marketing certificate, he may be assessed a penalty of three times the value of the tobacco which he has sold, and in addition to that the tobacco may be confiscated.

Mr. MAY. Will the gentleman yield?

Mr. ANDRESEN. I yield to the gentleman from Kentucky.

Mr. MAY. Is it not a fact that what we are actually doing here is ratifying a statute of the State of Virginia? Does not the word "compact" imply an agreement between two or more States?

Mr. ANDRESEN. There should be no misunderstanding about that.

Mr. MOTT. Will the gentleman yield?

Mr. ANDRESEN. I yield to the gentleman from Oregon. Mr. MOTT. The gentleman from Minnesota stated a moment ago that the Virginia Tobacco Control Act was written down here in the Federal Department of Agriculture and handed to the Virginia Legislature for enactment. This seemed to surprise some gentlemen. Is it not a fact that in doing this the Department of Agriculture has simply followed a custom that has existed for the last 2 or 3 years of the Federal departments dictating the legislative programs of all the States of the Union wherever they could?

Mr. ANDRESEN. I have only been here for the last 12 or 14 months. I do not know what the custom was before that except what I read in the newspapers.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ANDRESEN. I yield to the gentleman from Maryland.

Mr. COLE of Maryland. I suggest the gentleman insert the Virginia statute as a part of his remarks, so that we may know what it is.

Mr. ANDRESEN. I certainly would like to accommodate the gentleman, but I would rather have that done by one of the gentlemen sponsoring the bill.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. ANDRESEN. I yield to the gentleman from Alabama. Mr. HUDDLESTON. We are legislating here with reference to an act that does not appear in the committee's report and is not contained in the hearings.

Mr. ANDRESEN. I think it is in the hearings.

Mr. HUDDLESTON. No; it is not in the hearings. There is a bill purporting to have been introduced in the South Carolina Legislature included in the hearings, but the Virginia act is not in the hearings at all.

Mr. COOLEY. Will the gentleman yield?

Mr. ANDRESEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I understand the South Carolina act, which is in the record of the hearings, is essentially identical to the Virginia act. At the time of the hearings before the committee, copies of both acts were handed to the reporter, but for some reason the Virginia act was misplaced and did not get in the record. It is available to any Member, however.

Mr. ANDRESEN. It would appear that we are being called upon to ratify something that most Members of Congress have not had an opportunity to study. I do not object to States entering into compacts, but when they do so the compact agreements should be in harmony with the respective State constitutions in order to avoid unfavorable decisions of the courts and damage to producers.

[Here the gavel fell.]

Mr. COOLEY. Mr. Chairman, I ask unanimous consent | to have printed in the RECORD at this point copy of the Virginia act, referred to in H. R. 12037, so that all Members of the House may have an opportunity to apprise themselves of the State law.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Virginia act referred to is as follows:

HOUSE BILL No. 546

(Committee substitute for House bill No. 348)

A bill to provide for the supervision and regulation of the sale, marketing, and distribution of tobacco; to create a tobacco com-mission and provide for local tobacco committeemen and other mission and provide for local tobacco committeemen and other agencies and employees, and to define and to provide for their functions, duties, and powers; to provide for the appointment, suspension, removal, compensation, costs, and expenses of said commission, and of committeemen, agencies, and employees thereof; to provide for the raising of funds for the administration of this act and for the disposition of the revenue hereunder; to provide a fund to compensate tobacco growers for crop feilures and losses from fire to impose penalties for violacrop failures and losses from fire; to impose penalties for viola-tion of this act and to provide for the establishment of a com-pact and agreement between the Commonwealth of Virginia and certain other States for the purpose of regulating and controlling commerce in tobacco in and between the Commonwealth of Virginia and each of such States

SECTION 1. Whereas the production and distribution of tobacco

SECTION 1. Whereas the production and distribution of tobacco is an industry upon which, to a large extent, the prosperity and well-being of the people of the Commonwealth of Virginia depends; and the well-being of the producers of tobacco depends upon the maintenance of a purchasing power for tobacco comparable with the purchasing power of other commodities and, unless such purchasing power is maintained, the reduced power of tobacco producers to purchase industrial products seriously impairs the assets supporting the credit structure of the Commonwealth and local political subdivisions thereof; and

Whereas prior to the recent regulation of the marketing and sale of tobacco by the Agricultural Adjustment Administration of the United States, pursuant to an act recently adjudged invalid, there grew up and were carried on unfair, unjust, destructive, and demoralizing trade practices in the production, sale, and distribution of tobacco in the Commonwealth which tended to prevent the maintenance of a continuous and stable supply of tobacco adequate to meet the demand, and constituted a menace to the general welfare and prosperity of the inhabitants of the Commonwealth; and wealth; and

Whereas the invalidation of said act of Congress and the discon-

Whereas the invalidation of said act of Congress and the discontinuation of regulation of the marketing and sale of tobacco presents a serious threat to the well-being of the tobacco growers of Virginia and other tobacco-growing States; and

Whereas weather and diseases affecting the growing of tobacco and losses from fire make it desirable to protect farmers whose tobacco crops are affected adversely thereby; and

Whereas in order to protect the well-being of the people of the Commonwealth of Virginia, and to promote the public welfare and general prosperity of the State, the production, sale, and distribution of tobacco in the Commonwealth of Virginia, is hereby declared to be a business affected with a public interest which should be supervised and regulated in the exercise of the police power of the Commonwealth in the manner hereinafter provided: Now, therefore,

Be it enacted by the General Assembly of Virginia, as follows: SEC 2. As used in this act, unless otherwise stated or unless the context or subject matter clearly indicates otherwise, "Person" means any individual, partnership, joint-stock company,

corporation, or association.
"Commission" means the Virginia Tobacco Commission created by

"Commission" means the Virginia Tobacco Commission created by this act, or if the context so indicates any tobacco commission created by a similar act of another State.

"Director" means the director of the agricultural extension service of the Commonwealth of Virginia, or a member of his staff, or, if the context so indicates, the director or a member of the staff of the agricultural extension service of any other State.

"Secretary" means the Secretary of Agriculture of the United

"Similar act" means an act of another State containing pro-visions substantially the same as this act with respect to the fol-

lowing matters:

(a) The creation of a tobacco commission; provided, however, that the number of members thereof and their qualifications shall

that the number of members thereof and their qualifications shall be discretionary with the legislature of each compacting State.

(b) The authority of the said commission so created (1) to meet and cooperate with the tobacco commissions of other compacting States and make the determinations and issue the regulations as provided in section 9 of this act; (2) to establish marketing quotas for farms as provided in section 11, subsection (a) and section 12 of this act; (3) to issue marketing certificates and resale certificates and to sell marketing certificates for tobacco exceeding farm quotas as provided in sections 14 and 25 of this act; and (5) to investigate and cause prosecutions for violations of this act as provided in subsection (d) of said section 14.

(c) Forbidding violations of this act as provided in section 18 hereof, and prescribing the forfeiture and penalties therefor as provided in sections 19 and 20 of this act, the duties to enforce

and the remedies for enforcement provided in sections 22 and 23 hereof.

(d) Requiring the furnishing of information and the filing of returns as provided in section 21 of this act.

(e) The authorization of the compact as provided in section 26 of this act

"Kind of tobacco" means one or more types of tobacco as classified in Service and Regulatory Announcement No. 118 of the Bureau of Agricultural Economics of the United States Department of Agriculture as listed below according to the name or names by which known.

Types 11, 12, 13, and 14, known as flue-cured tobacco.

Type 31, known as burley tobacco.
Types 21, 22, 23, 24, 35, 36, and 37, known as fire-cured and dark

air-cured tobacco.

"Crop year" means the period May 1 to April 30, inclusive.

"Marketing certificate" means a certificate issued to a buyer, at

"Marketing certificate" means a certificate issued to a buyer, at the request of a producer, in conformity with the rules and regulations of the commission, certifying that such buyer is entitled to buy and receive delivery of the quantity and kind of tobacco therein specified, produced from the farm therein designated.

"Marketing quota" when referring to a State means the number of pounds of a kind of tobacco for which marketing certificates; may be issued in the State without charge for such certificates; when referring to a farm means the number of pounds of a kind of tobacco produced on a farm for which marketing certificates may be issued without charge for such certificates.

may be issued without charge for such certificates.

"Tobacco base" means that number of pounds of tobacco assigned to any farm and used as the basis for calculating the marketing

to any farm and used as the basis for calculating the marketing quota for the farm.

"Base tobacco production" means that number of pounds of tobacco heretofore determined for a farm in connection with the tobacco-adjustment program under the Agricultural Adjustment Act of the United States, and referred to as such in such program.

"Surplus tobacco" means the quantity of tobacco produced by a farm in any year in excess of the marketing quota for said farm

for such year.

"Buyer" or "handler" means the person who buys tobacco from the producer thereof, or who sells tobacco for the producer thereof, and pays the producer for such tobacco, or who redries or otherwise processes tobacco for the producer thereof prior to the sale of such tobacco.

tobacco.

"Dealer" means any person who buys and resells tobacco prior to the redrying or other processing thereof.

"Producer" means any person who has the right during any year to sell or to receive a share of the proceeds derived from the sales of tobacco produced by him or on land owned or leased by him.

"Operator" means person engaged as owner-operator or as cash-

"Operator" means person engaged as owner-operator or as cashrent, standing-rent, or share-rent tenant in the operation of a farm; that is, any tract or tracts of land operated as a unit with the same machinery and other equipment (on which tobacco is produced), and may include a sharecropper who operates a farm if the owner-operator or tenant does not provide for the obtaining of marketing certificates with respect to the tobacco crop of the farm.

Section 3. (a) There is hereby created as an agency and instrumentality of the State Government a commission to be known as the "Virginia Tobacco Commission." The commission shall consist of not less than three nor more than seven members to be appointed

of not less than three nor more than seven members to be appointed by the Governor for a term of 1 year. A majority of the members of the commission shall be "producers" and one member shall be the "director", as defined in section 2 of this act. The Governor shall designate the chairman of the commission. A majority of the members shall constitute a quorum. The Governor shall appoint the members of the commission at the time this act becomes effective as hereinafter provided, or as soon thereafter as practicable. Vacancies on the commission shall be filled by appointment by the Governor. Members of the commission may be removed by the Governor at his pleasure and the vacancy thus created filled as above provided. Each member of the commission not already in the employment of the State shall be paid the sum of \$10 for each day actually spent in the performance of his official duties, and all members shall be reimbursed for necessary travel expenses and subsistence not exceeding \$5 per day. of not less than three nor more than seven members to be appointed

day actually spent in the performance of his official duties, and all members shall be reimbursed for necessary travel expenses and subsistence not exceeding \$5 per day.

(b) This act shall not become effective unless and until the Congress of the United States shall pass an act consenting to the establishment of compacts such as are authorized by this act; and thereafter this act shall become effective with respect to flue-cured tobacco upon the enactment of a similar act by the Legislatures of the States of North Carolina, South Carolina, and Georgia, and shall become effective with respect to burley tobacco upon the enactment of a similar act by the Legislatures of the States of North Carolina, Kentucky, and Tennessee, and shall become effective with respect to fire-cured and dark air-cured tobacco upon the enactment of a similar act by the Legislatures of the States of Kentucky and Tennessee: Provided, however, That with respect to flue-cured tobacco this act shall become effective, for the 1936 crop year only, upon the enactment of a similar act by North Carolina and South Carolina if and when the Governor shall find as a fact and proclaim that, in his opinion, effective means have been adopted to regulate, by agreement or otherwise, the marketing and sale of such kind of tobacco in Georgia substantially in accord with the general quota and marketing provisions of this act: And provided further, With respect to burley tobacco this act shall be in effect for the crop year 1936 if similar acts are enacted for said crop year on or before July 1, 1936, by the States of Kentucky and Tennessee: And provided further, That this act shall not become effective for the 1936 crop year with respect to any kind of tobacco unless this act and a similar act of each of the other States with respect to such kind, or in lieu of a similar act, an effective agree-

ment or other regulatory means with respect to Georgia, as provided above, shall be enacted or entered into prior to July 1, 1936.

(c) The enactment of this act and of similar acts by any of the aforesaid States, or by other States, shall constitute the basis for a compact between the Commonwealth of Virginia and such States, if the consent of the Congress be given to such a compact.

SEC. 4. Upon the approval of this act, the Governor is authorized.

ized and requested to submit the same immediately to each of the Members of Congress from the Commonwealth of Virginia and to ask that they take prompt action to obtain the consent of the Congress to the establishment of a compact as provided for by this act, and the enactment of legislation by the Congress provid-ing for regulation of interstate and foreign commerce in tobacco in such manner as to make possible the enforcement and accomplishment of the purposes of this act.

Sec. 5. When this act becomes effective with respect to any one

or more of the kinds of tobacco as hereinbefore provided, the ernor is authorized and directed to enter into a compact with the Governors of all of the States required for the compact for said kind or kinds of tobacco as herein provided, which enacts a similar act, such compact to be in accordance with the provisions of section 26 of this act.

SEC. 6. In the event that this act does not become effective for the crop year 1936 as to any kind of tobacco, it shall be effective for the crop year 1937 as to such kind of tobacco, if similar acts are enacted by the necessary States prior to May 1, 1937, and there-upon the State quotas pertaining to such kind of tobacco shall be determined within 30 days from such effective date.

SEC. 7. The Governor is authorized and directed: (a) To suspend the enforcement and effectiveness of this act in any crop year (1) with respect to flue-cured tobacco whenever he shall find as a fact and proclaim that acts similar to this act are not in effect in either North Carolina, South Carolina, or Georgia by reason of legislative repeal or by reason of an injunction issued by any court of competent jurisdiction, and (2) with respect to burley tobacco whenever he shall find as a fact and proclaim that acts similar to this act are not in effect in North Carolina, Kentucky, and Tennessee by reason of legislative repeal or by reason of an injunction issued by any court of competent jurisdiction, and (3) with respect to fire-cured and dark air-cured tobacco whenever he shall find as a fact and proclaim that acts similar to this act are not in effect in Kentucky and Tennessee by reason of legislative repeal or by reason of an injunction issued by any court of competent jurisdiction.

(b) To reinstate the enforcement of this act with respect to any kind of tobacco for any crop year following any period of suspension with respect to such kind of tobacco pursuant to paragraph (a) of this section, whenever the Governor shall determine and proclaim not later than January 1 next preceding the beginning of the crop year that the reason for suspension of enforcement of this act with respect to such kind of tobacco no longer exists, and upon the issuance of such proclamation by the Governor this act shall again become effective.

ernor this act shall again become effective.

SEC. 8. Notwithstanding any of the provisions of sections 3, 6, and 7, this act shall temporarily cease to be in effect with respect to any kind of tobacco whenever a proclamation is issued as hereinafter provided: Whenever, during the month of October of any year, a petition or petitions, requesting that this act become ineffective with respect to any kind of tobacco in the next succeeding crop year, shall be filed with the commission by 10 percent or more of the producers of such kind of tobacco in the State, or whenever, during the month of October of any year, the Governor requests the commission to conduct a referendum among the producers of any kind of tobacco, the commission shall thereupon conduct a referendum in which each producer of such kind of tobacco in the Commonwealth shall be entitled to cast one vote, and if, in such referendum, one-third entitled to cast one vote, and if, in such referendum, one-third or more of such producers in the State vote against having this act continued, the commission, prior to December 15, next following the filing of the said petition or said request of the Governor, shall so certify to the Governor, who, within 15 days after the receipt of such certification, shall proclaim such fact to the people, receipt of such certification, shall proclaim such fact to the people, and this act shall, at the beginning of the next crop year after the date of such proclamation, become ineffective with respect to such kind of tobacco for such crop year; but shall be effective with respect to succeeding crop years, unless again made ineffective in accordance with or by reason of other provisions of this act, or by a new, like referendum.

SEC. 9. The commission for the State shall meet and cooperate with the commission for other states and cooperate.

with the commissions for other States, and any persons designated by the secretary for the purpose of making certain determinations as enumerated in paragraphs (a), (b), (c), and (d) of this section 9, and when such determinations are agreed upon by the majority of the members of the commission for this State, and a majority of the members of the commissions for other States, such determinations shall be accepted and followed in the administration of this act:

(a) To determine from calculations from available statistics of the United States Department of Agriculture the quantity of any kind of tobacco produced in the United States which will be required for world consumption during any crop year, and same shall be that quantity of such kind of tobacco produced in the United States which according to such calculations will be consumed in all countries of the world during such crop year, increased or decreased, as the case may be, by the amount which the world stocks of such kind of tobacco at the beginning of such crop

year are less than or greater than the normal stocks of such kind of

tobacco.

(b) To determine a marketing quota for the State for each kind

which this act is in effect with (b) To determine a marketing quota for the State for each kind of tobacco for each crop year in which this act is in effect with respect to such kind of tobacco. Such quota shall be determined during the month of January next preceding the crop year for which it is established, except that each such marketing quota for 1936 or for any first year in which this act becomes effective as to each kind of tobacco shall be determined within 30 days after this act becomes so effective as to such kind of tobacco. Such quota for flue-curred tobacco shall be that quantity of such kind of tobacco which bears the same proportion (subject to adjustment as herewhich bears the same proportion (subject to adjustment as here-inafter provided) to the total quantity of such kind of tobacco required for world consumption (as determined pursuant to para-graph (a) of this section 9) as the production of such kind of tobacco in the State in 1935 bore to the total production of such kind of tobacco in the United States in 1935. Such quota for burley tobacco and for fire-cured and dark air-cured tobacco shall be that quantity of each such kind of tobacco which bears the same proportion (subject to adjustment as hereinafter provided) to the total quantity of each such kind of tobacco required for world consumption (as determined pursuant to paragraph (a) of this section 9) as the average production of each such kind of tobacco in the State in the years 1933, 1934, and 1935 bore to the average of the total pro-duction of each such kind of tobacco in the United States in such year. Such proportion for the State shall be subject to such adjustment as the Commission determines is necessary to correct for any abnormal conditions of production during such years and trends in production during or since such years: Provided, however, That no such adjustment shall be made for any year which would decrease such proportion for the Commonwealth of Virginia by more than one-fiftieth of the said proportion, or increase the proportion for the Commonwealth of the said proportion. portion for the Commonwealth, or the proportion for any other State, by more than one-twentieth of the said proportion. (c) To determine and make adjustments in the marketing quota

(c) To determine and make adjustments in the marketing quota determined pursuant to paragraph (b) of this section 9 for any kind of tobacco for any year, not exceeding 10 percent of the said quota, from time to time during the period from August 1 to December 15 of such year, if, upon study of supply and demand conditions for such kind of tobacco, the commission finds that such adjustments are required to effectuate the purpose of this act.

(d) To determine regulations with respect to the sale and marketing of tobacco, and limitations of the quantities thereof the

keting of tobacco and limitations of the quantities thereof, the issuance of marketing certificates and the rate of charge for marketing certificates for surplus tobacco, and in all other matters with respect to which regulations are required to be prescribed pursuant to any provision of this act and the similar acts of other States.

SEC. 10. The determinations referred to in section 9 of this act shall be recorded in writing and copies thereof shall be available to each of the members of the several commissions, and to the secretary and persons designated by him; and such determinations shall be followed in the administration of this act: Provided, That in the administration of this act, or in connection with regulations issued pursuant thereto, the commission shall not be required to adopt any specific wording or form in issuing regulations or other material in accordance with such determinations, but shall express the intent and purpose of such determinations.

SEC. 11. The commission is authorized and directed: (a) To establish, in accordance with section 12 of this act, tobacco-marketing quotas for each kind of tobacco for individual farms within the State for each year, the total of such quotas not to exceed in amount the marketing quota for such kind of tobacco established for the State pursuant to section 9; and to provide for the establishment of such committees of tobacco producers as the commission may find necessary to assist in the establishment of such farm quotas.

To notify the operator of each farm for which a tobaccomarketing quota is established, as promptly as possible, the amount of the marketing quota for the farm; and, if any adjustment is made in the tobacco-marketing quota for any kind of tobacco for the State pursuant to paragraph (c) of section 9 of this act, to notify and inform such operator of the corresponding adjustment

in the marketing quota for such farm.

(c) To supply, upon application therefor, to the operator on each farm for which a tobacco marketing quota is established, such evidence supporting the establishment of the amount of such as may be required under any system established by the com-mission with respect to sales made under marketing quotas.

(d) To provide for the conduct of such investigations and the holding of such hearings as the commission, or the chairman thereof, deems necessary in connection with the establishment of marketing quotas for farms, and to designate persons to conduct such investigations and hold such hearings in accordance with

regulations prescribed by the commission.

Sec. 12. The marketing quotas to be established for farms, as provided in paragraph (a) of section 11, shall be determined as

(a) For each farm for which a base tobacco production has been heretofore determined by the United States Department of Agricul-ture, as shown by available records and statistics of said Depart-ment, the said base production so last determined shall, after the making of such adjustments therein as shall be determined upon the recommendation of the tobacco committeemen and approval by the commission to be in conformity with the provisions of para-graph (c) below of this section 12, constitute a tobacco base for such farm. (b) For each farm for which a tobacco base is not established under paragraph (a) of this section 12, and for which the operator thereon files an application, such tobacco base shall be established as shall be determined upon the recommendation of tobacco committeemen and approval of the commission to be in conformity with paragraph (c) of this section 12, provided that the total of the tobacco bases for all such farms in any year shall not exceed 2 percent of the total of the tobacco bases established for farms under paragraph (a) of this section 12, plus the tobacco bases established under this paragraph (b) in preceding

(c) The tobacco base established for each farm, under paragraphs (a) and (b) of this section 12, shall be fair and reasonable for such farms as compared with the tobacco bases for other farms which are similar with respect to the following: The past production of tobacco on the farm and by the operator thereof; land, labor, and equipment available for the production of tobacco; the crop-rotation practices; and the soil and other physical factors tending to affect the production of tobacco.

(d) To the tobacco base established for each farm, pursuant to paragraphs (a), (b), and (c) of this section 12, there shall be applied the percentage which the marketing quota for the State is of the total of the tobacco bases for all farms in the State and the resulting figure shall be the marketing quota for the farm.

is of the total of the tobacco bases for all farms in the State and the resulting figure shall be the marketing quota for the farm.

Sec. 13. The committees of tobacco growers provided for by paragraph (a) of section 11 shall carry out the duties assigned to them under such regulations as shall be prescribed and issued by the commission, and shall be appointed by and paid from funds of the commission and shall receive compensation when actually employed not to exceed \$4 per day in the case of local committeemen, \$5 per day in the case of county committeemen, and \$3 per day, plus necessary travel expenses and subsistence not exceeding \$5 per day, in the case of State committeemen.

Sec. 14. The commission is authorized and directed: (a) Upon application therefor by any producer, as defined in section 2 hereof, to issue to the buyer or handler who purchases or handles the tobacco, marketing certificates for an amount of tobacco not exceeding the marketing quota for the farm on which said tobacco is produced, or the quantity of tobacco marketed from the crop produced on such farm, whichever is smaller: Provided, however, That the commission, in its discretion, may prescribe regulations permitting the transfer of such certificates from one grower to another: And provided further, That such regulations shall be uniform as to the same kind of tobacco in all States entering into compacts with respect to such kind.

(b) Upon application therefor by any buyer or handler, to issue

(b) Upon application therefor by any buyer or handler, to issue marketing certificates for surplus tobacco produced on any farm. The buyer shall be charged for said certificate such sum as may The buyer shall be charged for said certificate such sum as may be provided for under regulations of the commission. Such regulations shall prescribe a definite percentage of the gross value of the tobacco covered by said certificate as the amount to be charged for said certificate. The rate of such charge shall be uniform for each crop year as to the same kind of tobacco in all States in which such kind of tobacco is within the effective provisions of this act for such crop year. The rate of such charge shall be determined by the commission and shall be not less than 25 percent or more than 50 percent of the gross value of said surshall be determined by the commission and shall be not less than 25 percent or more than 50 percent of the gross value of said surplus tobacco covered by the marketing certificate. The buyer or handler shall deduct from the price or proceeds of sale of said surplus tobacco the amount of such charge in settling with the producer, and said charge shall be deemed an assessment upon the producer for the purpose of paying the costs, charges, and expenditures provided for by this act.

(c) Upon application therefor by any tobacco dealer, to issue, in conformity with the terms and conditions prescribed by the commission, resale certificates for such purchases of tobacco by commission, resale certificates for such purchases of tobacco by any dealer during any day as such dealer specifies will be resold prior to the redrying or processing thereof, and for which marketing certificates have been issued as provided in paragraphs (a) and (b) of this section 14, or for which resale certificates have been previously issued pursuant to this paragraph (c).

(d) To provide for the examination and checking of records the section such many paragraphs.

and of returns filed pursuant to this act, in such manner as may be necessary to determine whether there has been compliance with or violation of this act, and in the event of noncompliance with violation, to take and request such action as may be necessary to obtain compliance with this act, or to have prosecutions instituted to impose proper penalties or fines as provided in this act in case of its violation.

(e) To appoint and to define and prescribe the duties of such officers, agents, and employees as the commission shall deem necessary for the purpose of administering this act and to fix the compensation of any officers, agents, and employees so appointed; provided that such compensation shall not be inconsistent or in

provided that such compensation shall not be inconsistent or in conflict with any conditions with respect to the expenditure of funds granted by act of Congress to the Commonwealth of Virginia for the purpose of administering this act.

SEC. 15. The commission is further authorized: (a) To accept, deposit with the State treasurer, and authorize the expenditure of such funds as the Congress of the United States may advance or grant to the Commonwealth of Virginia for the purposes of administering this act. Such expenditures shall be in accordance with the act of Congress authorizing such advance or grant, even though not provided for by this act.

though not provided for by this act.

(b) To prescribe such regulations as the commission deems necessary to carry out the powers vested in the commission by the provisions of this act.

(c) To receive, through such agents as it may designate, all payments covering the sale of marketing certificates pursuant to paragraph (b) of section 14 of this act; to provide for the fixing of an adequate bond for any officer(s) responsible for receiving and disbursing any funds of the commission; and to authorize the expenditure of said funds in the manner prescribed in section 17 of this act. this act.

of this act.

SEC. 16. All receipts from the sale of marketing certificates pursuant to paragraph (b) of section 14, and all funds granted to the Commonwealth of Virginia by the Congress of the United States for the purpose of administering this act, shall be paid by the commission to the State treasurer, and shall be placed by the State treasurer in a special fund to the credit of an account to be known as the "Tobacco commission account", and the entire amount of such receipts and funds hereby is appropriated out of such tobacco commission account and shall be available to the commission until expended.

commission until expended.

SEC. 17. Funds of the commission shall be expended in accordance with regulations prescribed by the commission for the following purposes

to repay to the Treasurer of the United States any funds advanced or granted to the Commonwealth of Virginia by the Congress of the United States for the purpose of administering this act, provided the United States requires such repayment.

Second, to pay any expenses incurred in the administration of this act except salaries and expenses of court officials and other

law-enforcement officers.

Third, to make payment, in accordance with regulations of the commission, to tobacco producers whose sales of tobacco, because of loss by fire or weather, or diseases affecting their tobacco crops adversely during any year, are less than the marketing quotas for their farms for such crop year. Such payments shall be at a rate per pound of such deficit, which rate shall be determined by dividing the funds available for such payments by the total number of pounds by which the sales of tobacco by all producers fell below the marketing quotas for their farms; provided such deficit is due to loss by fire or weather, or diseases affecting their crop adversely; and provided further, that such rate of payment shall in no event exceed 5 cents per pound, and that no such payments shall be made until there is established as a reserve an amount

necessary to pay the expenses which the commission estimates will be incurred in the administration of this act for a period of 1 year

SEC. 18. Upon the establishment with respect to any kind of tobacco of a State quota, and of quotas for individual farms, for any crop year, as provided in sections 9 and 12 of this act, it

(a) For any person knowingly to sell, to buy, or to redry or to condition, or otherwise process any tobacco of such kind harvested in such crop year unless marketing certificates therefor have been issued as provided in section 14 of this act.

have been issued as provided in section 14 of this act.

(b) For any dealer to resell any such tobacco, prior to the redrying, conditioning, or processing thereof, except in his own name, or to resell any such tobacco except that purchased and owned by him and covered by a marketing certificate or resale certificate previously issued showing such dealer to be the purchaser of such tobacco; or to redry, condition, or process or to have redried, conditioned, or processed, prior to the resale thereof, any such tobacco covered by a resale certificate, unless such resale any such tobacco covered by a resale certificate, unless such resale certificate is surrendered to the commission.

(c) For any person to offer for sale or sell any such tobacco except in the name of the owner thereof.

except in the name of the owner thereof.

SEC. 19. Any person willfully selling or buying or reselling, redrying, or conditioning, or otherwise processing, tobacco of any kind harvested in any crop year for which a State quota and individual farm quotas have been established for such kind of tobacco, not covered by marketing certificates or resale certificates issued in accordance with the provisions of this act, and anyone willfully participating or aiding in the selling or buying or reselling, redrying, conditioning, or processing of any such tobacco, or any person offering for sale or selling any tobacco except in the name of the owner thereof, shall forfeit to the State a sum equal to three times the current market value of such tobacco, which forfeiture shall be recoverable in a civil suit brought by the attorney for the Commonwealth in the name of the Commonwealth of Virginia.

wealth of Virginia.

SEC. 20. Any person violating any provision of this act, or any regulation of the commission, shall be guilty of a misdemeanor, and upon conviction shall be fined a sum of not less than \$10 for

stand the first offense, and not less than \$25 for each subsequent offense.

SEC. 21. All tobacco producers, warehousemen, buyers, dealers, and other persons having information with respect to the marketing or redrying or other processing of tobacco in this State shall, from time to time, upon the written request of the commission or its duly authorized representative, furnish such information and file such return as the commission may find necessary or appropriate to the enforcement of this act. Any person willfully failing or refusing to furnish such information or to file such return, or willfully furnishing any false information or willfully filing any false return, shall be guilty of a misdeameanor, and upon conviction shall be fined not less than \$10.

SEC. 22. The several trial justice courts and all criminal courts

SEC. 22. The several trial justice courts and all criminal courts of record of the State are hereby vested with jurisdiction specifically to punish violations of this act, and the courts of record are vested with jurisdiction, upon application of the chairman of the commission, to enjoin and restrain any person from violating the provisions of this act or of any regulations issued pursuant hereto.

SEC. 23. Upon the request of the chairman of the commission, it shall be the duty of the several attorneys for the Commonwealth

of Virginia, in their respective counties and cities, to institute proceedings to punish for the offenses, enforce the remedies, and to collect the forfeitures provided for in this act.

SEC. 24. If any provisions of this act, or the application thereof to any person or circumstance, shall be held invalid, the validity of the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 25. In order to assure the proper coordination of the administration of this act with the administration of similar acts enacted by other States and with the acts of Congress, marketing certification.

by other States and with the acts of Congress, marketing certificates and resale certificates shall be issued by the officers administering this act in accordance with the commission's regulations with respect to tobacco marketed, redried, or otherwise processed in this State prior to the first sale thereof, or resold, even though such tobacco is produced in another State, and the receipt from sales of marketing certificates for surplus tobacco, pursuant to section 14 of this act, shall be paid to the commission of the State in which such tobacco is produced, and the officers administering this act shall cooperate with and assist the officers of any other State in obtaining such records as may be necessary to the administration of any similar act of such State. The commission shall promptly report to the commission of the State in which the co was grown the issuance of any such marketing certificate therefor as is provided for in this section.

SEC. 26. The compact, as referred to in section 5 of this act, shall

contain the provisions shown below, subject to such alterations or amendments as shall not be in conflict with the provisions of this act, and as shall be agreed upon from time to time by the Governors of the States which enter into such compact:

COMPACT

between the State of , its Governor; and the State of -

Witnesseth:

Whereas the parties hereto have each enacted State statutes prowhereas the parties hereto have each enacted state statutes providing for the regulation and control of tobacco in commerce in such States and providing a method of protecting farmers whose tobacco crops are affected adversely by weather and diseases; and Whereas it is the desire of the parties uniformly to enforce each State statute so as to accomplish the purpose for which each was

Now, therefore, the parties do hereby jointly and severally agree as follows:

(1) To cooperate with each other in establishing a State quota for each crop year for each kind of tobacco referred to in the respective State statutes with respect to which such State statutes are effective for such crop year.

(2) To cooperate with each other in formulating such regulations

as will assure the uniform and effective enforcement of each of the aforesaid State statutes.

(3) Not to depart from or fail to enforce, to the best of its ability, any regulations concerning the enforcement of the State statutes, without the consent of a majority of the members of the tobacco commissions of each of the several States which is a party to this agreement.

In witness whereof the parties have hereunto set their hands the day of the year first above written.

Ву	Its Governor
STATE OF	
Ву	
STATE OF	Its Governor
By	
	Its Governor
_ STATE OF	,
Ву	Its Governor

SEC. 27. In the event that any other State not named herein, in which any kind of tobacco is grown, shall enact a similar act, the Governor is authorized to enter into a like compact with the

the Governor is authorized to enter into a like compact with the Governor of such other State if the consent of the Congress of the United States is given thereto by appropriate legislation.

SEC. 28. An emergency existing in that the tobacco farmer is threatened with serious injury, this act shall be in force from its passage, subject to the provisions contained in this act as to the effective date of compacts entered into pursuant to this act.

Mr. COOLEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MITCHELL of Tennessee, Chairman of the Committee of the Whole House on the state of the Union. reported that that Committee, having had under consideration the bill (H. R. 12037) relating to compacts and agreements among States in which tobacco is produced, providing for the control of production of or commerce in tobacco in such States, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. WARREN. Mr. Speaker, I ask unanimous consent that all Members who spoke upon the rule this afternoon may have 5 legislative days in which to revise and extend their remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

THE RECORD OF THE ROOSEVELT ADMINISTRATION

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech which I made over the radio station located at Calumet, Mich.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Speaker, under leave to extend my remarks in the RECORD I include the following address which I delivered over the radio on September 14, 1935:

The third year of the Democratic administration of President Franklin D. Roosevelt is drawing to a close and the time is rapidly approaching when the Democratic Party will submit to the people of the United States for their approval or rejection its program, its policies, its ideals, and its record. Time has moved rapidly since the date when President Roosevelt and the Democratic Party took charge of the administration of our Government in March of 1933. Many things have happened since that date, but I am sure that the American people have not forgotten

date, but I am sure that the American people have not forgotten the condition of our country immediately preceding March 1933. No administration was ever faced with problems of greater magnitude. At no time in the history of our Nation was an administration faced with more serious responsibilities than that of President Roosevelt in March 1933. For 4 long years the people of America had suffered under the crushing weight of economic depression. Misery and destitution were widespread. Millions of Americans were unemployed. Hysteria and fear were gripping the hearts of many. The voices of multitudes were Millions of Americans were unemployed. Hysteria and fear were gripping the hearts of many. The voices of multitudes were crying for an end to the do-nothing policies of the Hoover Republican administration. The people of America wanted leadership—they wanted a leader who would put an end to the aimless policy of drift. The American people wanted someone who would take hold of the problems of America in characteristic American fashion. They wanted a leader with resoluteness, a leader with courage and with vision—someone who realized the extent of misery and suffering and insecurity that existed among the American people; they wanted someone who was not afraid to inaugurate the program of reform necessary to recovery and necessary to the foundation of a system that would function in the interest of the common man. The American people found such a man in Franklin D. Roosevelt.

The policy of drift was ended in March of 1933. Decisive action

The policy of drift was ended in March of 1933. Decisive action has replaced the inaction of the Hoover administration, an inaction due to the subservience of the Republican Party to the lords of industry and the barons of finance, an inaction that asked the American people to hold still while the depression took its toll in misery and suffering. After March of 1933 we left that period in which the only attempts to combat the depression were similar to the actions of the Indian medicine man who beats his tom toms

in which the only attempts to compat the depression were similar to the actions of the Indian medicine man who beats his tom toms to scare away the evil spirits.

The program of the Democratic Party under the leadership of Franklin D. Roosevelt has been twofold: First, an emergency program to take care of those millions who, through no fault of their own, were out of jobs—to take care of those families whose children were denied proper food. This was the emergency program; in other words, to prevent starvation and to relieve misery—an emergency program, if you will, to save those millions of Americans who had been brought to the brink of disaster by a dozen years of Republican inaction and vaccilation.

A second part of the Democratic program has been more fundamental. It is a program of reform—a program of readjustment in our economic life—a program of reform that is designed to make America a more secure place in which to live. I cannot in one afternoon discuss with you all of the various measures—emergency and reform—undertaken by the Democratic Party in the past 3 years. I may state, however, that the ideals and the philosophy underlying both parts of the program are similar and can be summed up in one statement: That the Democratic Party realizes that America can never be prosperous and that prosperity and good times can never the prosperous and that prosperity and good times. that America can never be prosperous and that prosperity and good times can never return until the laboring man and the farmer are given security, until these two groups are given an income sufficient to maintain themselves decently—that good times can never return until the millions of Americans are given purchasing power to buy the products of industry and to keep the wheels of industry moving.

industry moving.

We Democrats have been criticized by our conservative Republican friends. They have ridiculed our program. I challenge them to state which of the major legislative acts of the Democratic administration they would wipe from the statute books. Do they deny today as they once did the necessity of active relief assistance on the part of the Federal Government for those who were unfortunate? They do not take this line of attack today. No; today they are criticizing us because our emergency program has cost money. Surely it has cost money. I know of no greater Christian mission in the world than the spending of money to prevent hunger and starvation. The social ideals and the human quality of kindness must indeed be dulled in a man who counts in terms of dollars the value of giving food and clothing—giving a bare living to a family unfortunate enough to be out of a job. My friends, this has been an emergency job. If your baby were sick, if your wife or your husband or your son or daughter became critically ill and faced death without medical aid, would you count the cost in terms of money? Would you haggle as to the cost of an operation or the cost of the doctor's fees? Would you fail to secure the best of attention possible because the cost was too high? You would not. You would obtain the best that was possible for your loved ones without counting the cost in dollars and cents. When men and women are starving and children are denied the rights of childhood, the important thing to do is to act to save them. Americans will pay the bills without regret. Surely it has cost money to prevent starvation. God knows, little enough has been spent, and I, for one, cannot regret that the money has been spent in this manner.

we will be criticized by our Republican friends because of the emergency appropriation of \$4,000,000,000 of this session of Congress—an appropriation that will put the unemployed of this Nation to work. That \$4,000,000,000 is to become a part of the income of the workers of America. With it American laborers will buy goods. Their purchases will stimulate industry, and I predict that this is the last long pull up the rocky road to recovery.

Much criticism has been leveled against the Democratic Party for its measures for permanent reform. I want to warn you

Much criticism has been leveled against the Democratic Party for its measures for permanent reform. I want to warn you against the propaganda that will be used in increasing amounts for the next 18 months. You are going to be told repeatedly through the press, by the radio, from the platform, that reform was not and is not necessary. In fact you are going to be told that if it had not been for the election of President Roosevelt and the Democratic Party and the proposals of reform which they have sponsored that there would never have been a depression. That campaign of propaganda on the part of the big financiers, the banks, and the big industrialists has begun and will continue. The memory of some is indeed short. You recall March of 1933. America faced the greatest financial crisis of our history. Banks were closing on every hand. We should remember this in Michigan for our State led the way in Republican financial unsoundness. In this March of 1933 these bankers went to the newly elected President Franklin Roosevelt and begged him on their knees to do something to save the country from chaos. You know too of the decisive action of President Roosevelt in providing for the banking moratorium. His action restored confidence in the stability of the banking structure. And now since the plutocrats, the financiers, and their satellites, the industrialists of this Nation, feeling that the ground is a little more secure under their feet, are telling us that it was the election of President Roosevelt and the Democratic Party that caused all the trouble in the first place. I warn you against this propaganda. When you are told that there was and is no need for reform, ask the Republican gentlemen just which of the reform measures they would eve provide for the economic security of the American people.

Would these gentlemen repeal the Home Owners' Loan Act, an act that has refinanced mortgages on 889,000 homes; an act that has saved a million families from being thrown out in the street? Would they repeal the Farm Credit Act, that has saved the farms of a million farmers from mortgage foreclosure?

Do our Republican friends want us to abandon the C. C. C. camps and the program of conservation of our natural resources? Do they want to tear down the work the Democratic Party has done in building up our forests, and do they want to kill the program of soil conservation? Do they want to throw back into the streets of our cities the thousands of young men now taken care of in C. C. C. camps? Evidently they do, for they complain of the cost of these programs and they vote against their establishment.

Would the Republicans repeal the Social Security Act—this the greatest act ever passed by any legislature in American history? The Democrats have insisted that society has a definite obligation to take care of the old people, the crippled and orphaned children, the blind, and others who through no fault of their own are deprived of a means of livelihood. The Republicans may quarrel with the Democratic idea and proposal that there shall be insurance against unemployment. The Democratic Party will continue to maintain that the workingman shall be taken care of; that he shall not be forced to suffer because of the rugged individualism of profit-seeking employers. The workingman has a right to earn a living. Society has an obligation to provide him with an opportunity to have a job, and the employers of labor in this Nation have the highest obligation under God to furnish that employment. It has been the aim and the purpose of the Democratic administration to make the employers of labor in this Nation recognize that obligation.

The Roosevelt Democratic administration has enacted the Wagner labor bill giving, for the first time in American history, protection to the laborer in his right to organize. The Federal Government for the first time in history has gone on record as standing behind organized labor and the right of labor to organize. This bill is the magna carta of labor. It is a typically Democratic measure.

We have passed the Guffey coal bill to protect the laborer in the coal mines and to stabilize this industry. We have passed the Railroad Retirement Act for the benefit of the railroad workers. I ask the Republicans, Would you repeal these acts? The Republicans may be willing to do so, but I am sure that the people of America are not willing to abandon these milestones on the road to security.

We have enacted a new program of taxation that places the burden of taxation on those able to pay—a tax program designed to correct the evils of the great concentration of wealth and to make America again a land of equal opportunity for all. The Republicans may well oppose this bill and this principle. Their party has been always the representative of property and privilege. I stand by the principles of the Democratic Party, which places human rights above those of property.

There are other acts and other achievements of the Democratic Party of equal importance with those which I have mentioned. I repeat my challenge to the Republicans—which ones of these would you repeal? These acts are not perfect; we do not claim that they are. But I submit that we have made a beginning; we have established principles; and when time and experience show

places human rights above those of property.

There are other acts and other achievements of the Democratic Party of equal importance with those which I have mentioned. I repeat my challenge to the Republicans—which ones of these would you repeal? These acts are not perfect; we do not claim that they are. But I submit that we have made a beginning; we have established principles; and when time and experience show us where the weak spots are, show us where there is need for change and amendment, those changes and amendments will be made. Let me caution you, however, that it is your duty as citizens interested in the welfare of this Nation to elect men to your Congress and to the Presidency who are in sympathy with this program. I have faith in the American people. I know that you men and women realize the importance in the President's program and that in November of next year you will go to the polls and reelect Roosevelt and the Democratic Congress by majorities greater than those in 1932.

President Roosevelt's program has geen gigantic. Necessarily it

President Roosevelt's program has geen gigantic. Necessarily it had to be, for the problems faced were gigantic. Numerous new agencies of Government have been established and old ones expanded. Many of these come close to your daily life. All of them affect the welfare of the people directly. All too often, I am sorry to say, the direction of these agencies has fallen into the hands of men and women who are unsympathetic with the spirit and the ideals of the program. It is my contention that no program can succeed when the men who have charge of it are out of sympathy with its ideals. If the relief organization has not served its purpose in your community, if the E. R. A. has double-crossed you, and failed to give justice to the people of our Nation, it is not because the E. R. A. was wrong in principle or in purpose—it has been simply because individuals not in sympathy with the program have had charge of its administration. There is only one remedy for this evil, and I am insisting, I have insisted in the past, and I shall insist in the future, that all programs sponsored by the Democratic Party and the Roosevelt administration shall be administered by men and women who are in sympathy with the ideals of our great leader, and not by someone whose only purpose and desire is to discredit President Roosevelt and the Democratic Party.

Party.

It stands to reason that the Home Owners' Loan Corporation cannot succeed if the directors of the Corporation want to wreck it. The Forest Service cannot function in the interest of the people if its supervisors and administrators do not agree with the principles of President Roosevelt. The Farm Credit Administration will fail, the Federal Housing will fail, the Resettlement Administration will fail, rural rehabilitation will fail, the National Reemployment Service, the Public Works Administration will fail, the Works Progress Administration will fail, they will all fail if administered by men and women who want them to fail. I am not talking politics. I am simply talking common sense. You wouldn't trust any enterprise of yours to a man who disagreed with your purposes, or to a man who distrusted your ideas, or to a man who wanted you to fail. Neither can the Democratic program succeed so long as rockribbed Republicans are supervising and directing its agencies. I as Congressman of this district have made it a part of my duty to insist that this evil be taken care of. I want you as my constituents interested in the success of the Democratic program to keep me informed on instances of sabotage. Let me know who the wreckers of the program are and I shall do my best to see that changes are made.

THE ROOSEVELT ADMINISTRATION—ITS HERITAGE, ITS ACTS, AND ITS FUTURE

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Record and to include therein two short statistical tables.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHANLEY. Mr. Speaker, the Nation was out of focus in 1932–33, panting on a political sick-bed. The daily, yes, hourly, imperceptible loss of employment by millions of men in 1922–1933 with the resultant shut down of factories, the damming up of purchasing power, the overwhelming fear that seemed to throttle every avenue of commercial progress, and the growing hysteria in banking circles, all pointed to a well-recognized diagnosis of maladjustment.

Not only in the financial centers but in the rural areas panic seized the millions. Incipient revolution got a toe-

hold and foreclosure sales were halted; a judge was dragged from his bench; milk was dumped; a holiday for farmers was declared; an embargo on wheat was instituted; highways were picketed-all betokening an irately-awakened rural and urban electorate apprehensive with a vague instinct of fear lest the widening disparity between agriculture and industry and attendant evils should ruin them all. Maddened mobs crowded the city streets, milling about banks in huge metropolitan centers, beseeching the return of their hard-earned savings while others less in numbers stayed at home with their fortunes lost and irretrievable in the stock

The plodding, earnest, daily consumer went his toiling way unable to understand why he should have so little and others should have so much. He could not fathom the cause in the equally widening gulf between the investing classes, who had so much, and the consuming groups, who had so little.

The same average man stood still in his factory yard as he pondered in the sorrow of his lost job as to what had happened to the work that a few short months before seemed endless. Some day he was to learn as the story unfolded itself of inroads on man-hours by machinery and the gigantic waste that haphazard business practices had caused in their unfortunate duplication of productive facilities; the ever-present urge for new machinery and the scrapping of still workable equipment. The equally causal efforts in the wide expansion and speculative efforts to increase and then increase beyond all reasonable bases other than the urge for profits and more profits were blamable factors also.

With such a state of threatening chaos there could be no planning. Instead individualism ran wild, the laws of supply and demand and the laissez-faire policy of the day precipitated its unthinking victims into the yawning chasm of business paralysis. There they sat in the Adullam's cave of 1932 awaiting the efforts of the incoming administration.

That awaited day saw the preceding evening close with the threat of the closing of every bank in the United States, a fear which was an accomplished fact on March 4, 1933. Was the cause post-World War inflation, our hoarding practices, or was it in the basic defects of the system itself? Some critics saw it due to the almost 100 percent increase in outstanding credit floated upon a gossamer structure in a Florida land boom, a stock-market saturnalia, others stressed the introduction of installment payments, an unwise system of loans to foreign nations who used the money to construct factories in competition with our own, a vicious tariff system, or inherent defect in the credit structure

Inherently within the banking system itself there were those who sensed the structural weakness in management and policy. The rush of nondescripts in many sections of the Nation, who aspired to bank control flooded the seats of the financial mighty with incompetents who knew no more about banking than a speculator in Argentine wheat knows about marginal production in that country. Under such control banking policies drifted into most unwise hands. Further defects in capital resources left its toll, though this was entirely due to unwise State laws of incorporation and management. Perhaps in the controllable policy line few causes were so productive of harm as the flight into investment speculations.

This caused an about face or even a no face at all to previous rules of safety and caution. With sanity to the winds, enraptured only by the high profits available, this type of speculative banker embarked upon long-term investments on a quicksand structure, the very first weakness of which was that every depositor had a right to demand the return of cash at any moment. Obviously, with the funds themselves locked up with the time lock of long-term investment, trouble was possible.

Dumping credit repercussions in Europe not only stagnated the foreign goods markets but upset the refunding plan of the World War Debt Commission and killed the efforts of the Young and Dawes plans overnight. Was the banking situation serious?

In other fields, terror seized all and the evils cried out for correction. Duplication of transportation facilities and terminals, all colored the future of the railroad and even in public-utility fields there were recognizable cancers that needed eradication.

In the home, the mortgage fears took on a dramatic dress that outdid all of the old melodramas. With over 2,000,000 applications for relief and an extension of aid that totals over 5,000,000,000, these figures tell a story that needs no emphasis. Farm relief was equally pitiful, with perhaps greater misery and suffering because of isolation and the failure of States to help as was possible in the urban centers, where greater administrative perfectibility made access to relief comparatively easier.

Cities, despite their greater organization, witnessed labor troubles in sweatshops and child-labor rackets; frightful losses of man-hours in the seemingly hopeless struggle with machines; brutal and unfair competition; price discrimination; and the absence of planned policy.

Under such terrifying conditions there were two fundamental courses; one was to allow the depression to run itself out, if that was possible, or to rush the instrumentalities of Federal aid to the solution of the problem. Certainly, in the assistance rendered to home industries under the tariff programs of prior Republican administrations there had been witnessed the previous necessity of recourse to Federal resuscitation. As a matter of fact there were those who even intimated that it was this very artificial tariff stimulus that had opened the lid on the casket containing the evils of Pandora. But, like the sailors who heeded Admiral Dewey's injunction not to shoot while the poor lads were dying, these equally magnanimous critics withhold their causticity and reserved their fire on the tariff and its evils.

Two decades ago Walter Lippmann, now the featured commentator in the New York Tribune, penned this paragraph in his Preface to Politics:

Social life has nothing whatever to fear from group interests so long as it doesn't try to play the ostrich in regard to them. the burden of national crises is squarely upon the dominant class who fight so foolishly against the emergent ones. That is what precipitates violence, that is what renders social cooperation impos-

precipitates violence, that is what renders social cooperation impossible, that is what makes catastrophes the method of change.

The wisest rulers see this. They know that the responsibility for insurrections rests in the last analysis upon the unimaginative greed and endless stupidity of the dominant classes. There is something pathetic in the blindness of powerful people when they face a social crisis. Fighting viciously every readjustment which a nation demands, they make their own overthrow inevitable. It is they who turn opposing interests into a class war. Confronted with the deep insurgency of labor, what do capitalists and their spokesmen do? They resist every demand, submit only after a struggle, and prepare a condition of war to the death. When farsighted men appear in the ruling classes—men who recognize the need of a civilized answer to this increasing restlessness—the rich and powerful treat them to a scorn and a hatred that are incredibly bitter.

That comment of Mr. Lippmann was delivered in a political vacuum. Today we find this statement in the United States News, a powerful and conservative medium of expression, pointing out weaknesses in the old system in a kindred but illuminating phase. It begins the study with an opinion of Sir Arthur Willert, who "used to be the Washington correspondent of the London Times and who has lately been making a tour of America." He told David Lawrence, owner and editorial writer of the United States News, that he believed the main reason why England had come through the depression during the last 30 years was that it had met successfully the demand for social-justice programs, whereas America has delayed giving them attention, and is now confronted with reform in the midst of recovery.

Mr. Lawrence comments under his byline "There is much merit in what this distinguished visitor says. For in truth social reform in America has been delayed." Here is the brilliant high priest of the conservative opposition admitting this; he, the most trenchant and caustic of the opposition to our President. He gives two reasons for this failure; one is the debility of party leadership, which is the same as saying that we have no real party government, and the other is

the failure of leaders to speak the truth and not utter political | platitudes. Correctives are possible here.

Another learned critic, Mr. Russell Owen, has this to say about England's handling of social legislation:

It is true that what President Roosevelt calls social-security measures have long been in effect in Britain. The Conservatives have accepted them, and the social services, together, absorb nearly one-third of the British national budget. In social legislation the New Deal involves merely an attempt to catch up with Britain by improvising in an emergency some of the social services which she has taken a generation to build up

On the other hand, the American conservatives who cite Britain as a model seem to have overlooked her vast program of housing as a model seem to have overlooked her vast program of housing and slum clearance, financed partly by the Government; her Coal Reorganization Act; the scheme to control textile production; the state supervision of farm marketing and international trade; the publicly supported social services; the general acceptance of trade unions, and Britain's unorthodox monetary policy. They seem to forget that, as the Midland Bank's review put it, "The Government has accepted a large measure of direct responsibility for the trend of business", through numerous measures of control and subsidies to agriculture and trade; and that the recovery is largely due to actions taken by the Government, all acts which are due to actions taken by the Government, all acts which are anathema to New Deal critics.

Britain has no New Deal, because, as regards social legislation, she has already done what it seeks to do.

From 1906 until 1933 there was but one Democratic administration sandwiched in literally between the brackets of Republican control and what control on both sides of the almost three decades. That single Democratic administration for 8 years found itself as a neutral in the most gigantic of world wars, only to later see itself caught in the tide of the engulfing eddies; yet in its short history prior to the war this lone Democratic administration set out with higher ideals and actually carried through to conclusion more social legislation of the English type than the whole remaining or prior periods of Republican stand-pattism up to the Roosevelt regime in 1933.

Briefly, the Republican Party had the fullest opportunity to develop this needed social program, but it did not heed the age's needs. During all those brimming years of superfluity and seemingly vaulting prosperity they acted as described by Walter Lippmann. Prophets are notoriously without honor in any country; and if the distinguished political writer was at all amusingly cynical, he must have enjoyed the aftermath of Republican dilemma.

When the depression did hit us with the full force of a whirlwind that unexpectedly swept "around the corner" that the friends of President Hoover had set out as the right-angled entrance for prosperity, that President's administration was so flabbergasted and stunned by its enormity that for the first 2 years it pursued an aggravating waiting policy in budgetary matters especially. It was felt that the depression would end within a few months; but by the middle of the fiscal year of 1932 the administration requested Congress to enact a program of drastic reductions in expenditures on the one hand, and of comprehensive additional taxation, including the imposition of a manufacturer's sales tax, on the other. Back of these suggestions was the feeling that the restoration of the budgetary balance would restore and instill confidence among businessmen and would spur commercial activity. If that was not done, they felt that the failure to restore the balance would kill governmental credit. Paradoxically and in a most left-handed manner with all this Budget-balancing talk the administration offered a plan for the extension of loans to private financial institutions.

We know that Congress acquiesced in the Reconstruction Finance Corporation activities but bolted on the Budget balancing, for in its surer sense of popular want it felt that relief was vitally necessary. Backed by this progressive bloc they won the day and even inserted the progressive type of taxation in direct contravention of the President's wishes for a manufacturer's tax. It was a sorry and humiliating spectacle for the administration. When action was the real need of the hour they still held on to the cherished fetishes of decades ago, literally awaiting a "break", which came, but as a compound fracture in the body politic.

It must never be forgotten that in the summer of 1932

and some increase in business. The settlement of reparations at Lausanne had done much to help, and there was renewed hope that the debt settlement would in addition reduce the economic barriers to trade, encourage a disarmament agreement, effect a restoration of international confidence and investment resumption. But the Hoover regime was unable to see its way clear to capitalize on these spurting aids. Coma drugged the efforts of the White House and a paralysis seized the sinews of Government. Money left the country and Federal credit hit a new low. Nothing but herculean measures could stay further paralysis, if even that was possible.

The great concentration of power and control in such groups as the sugar, steal oil, and other basic industries was holding the whip hand over legislative puppets. These trained seals looked back and only veered from the perpendicular line of dictation to see if they were still on the perpendicular. What was, was right and would be so seemingly forever. As a matter of fact they never even thought of the future so content were they with that roseate present.

In a period in which the conquest of the wilderness of America was a realization and the even greater problem the absorption of alien races seemed possible no one had time to speculate or prepare for the greatest of all problems, the protection of the masses against the colossal octopuses in the form of trusts who were sweeping everything out of their way in their pursuit of manifest destiny. They were heading for the fall, and it came in 1932-33.

Who would save us and how?

Who was to blame for this debacle in the midst of plenty? Well, for over 30 years we have heard nothing but the slogan of the party that was only fit to rule and whose permanence in our political system seemed a divine necessity. Then came the realization that the blind forces of nature. and the very resources of the country, coupled with a virginal extension of frontiers, made rapid progress a certainty in spite of political parties. What was needed and what was wanting was direction. In the realm of practical politics which according to one writer was the systematic organization of hatred, there could be no outlook that was not essentially tied to vote-getting schemes. Politicians had not learned to think in a vacuum. Worse still, the men with self-possession who could stand alone never entered politics. The dominant Republican Party was, therefore, deficient in men and foresight, to its shame.

The Republican Party, big, powerful, and well-organized, could stifle every outburst of independence. District after district was content with a condition of things that they did not understand. Fictitious activity waltzed around in political dress masquerading as genuine achievement. George Bernard Shaw's oft-quoted statement that "the famous Constitution survives only because whenever any corner of it gets into the way of the accumulating dollar it is pettishly knocked off and thrown away" was all too true. The Roman legions of solidly entrenched corporations were holding the citadels of political prominence in direct violation of the most fundamental rule of political theory as expressed by Lord Acton:

People who pay wages ought not to be the political masters of those who earn them for whom misgovernment means not mortified want or stinted luxury, but want and pain and degrada-

Laws should be adapted to those who have the heaviest stake in the country.

Those were the halcyon days when the dominant political party exhorted everyone to "stay in Jericho", which meant to remain with the Republican Party. What days they were as the American electorate sat on a tinder box of political dynamite. No one thought of the morrow, analyzed the causes, or attempted to foresee the future. Cause and effect were inextricably interwoven in the presence of the Republican Party in power. Were they to be removed by an absolutely unthinkable revolution, the cause of our then prosperity would be removed and we would be in chaos.

The Republican analysis of cause and effect is as famously there had been a revival in the shape of a rise in gold prices | fatuous as that of the story of the belief of generations of people on the Isle of St. Kilda. For years the arrival of a ship in the harbor was accompanied by an epidemic of colds in the head. All the ingenuity of the harbor people failed to fathom the connection between the ship's arrival and the presence of the cold at the same time. Finally someone thought that it might not be the ship's fault at all. When that day dawned the people looked for another reason. They found it when they remembered that the ships could only enter the harbor when a strong northeast wind was blowing. Then they laughed at their own incredulity. have laughed at the myth of the only party fit to rule.

Nothing like that happened to us, for the overwhelming cataclysm was upon us before we stirred. In a brilliant piece of satire, yet only too true, it was said of Lord Liverpool what might well have been said of the Republican administrations that forgot the lessons they should have learned from Theodore Roosevelt. If we substitute the Republican Party for the name of Lord Liverpool we can catch the subtle irony. Substitute American names for the English ones also.

Lord Liverpool (the Republican Party) governed England (America) in the greatest crisis of the war, and for 12 troubled (America) in the greatest crisis of the war, and for 12 troubled years of peace, chosen not by the nation but by the owners of the land. The English (American) gentry were well content with an order of things by which for a century and a quarter (almost three decades) they had enjoyed so much prosperity and power. Desiring no change they wished for no ideas. They sympathized with the complacent respectability of Lord Liverpool's character and knew how to value the safe sterility of his mind. He distanced statesment like Grantilla Wellegley and Camping not in with of the infection. like Grenville, Wellesley, and Canning, not in spite of his inferiority but by reason of it. His mediocrity was his merit. The secret of his policy was that he had none. For 6 years his administration outdid the Holy Alliance. For 5 years it led the liberal movement throughout the world. The Prime Minister hardly knew the

Obviously other changes in the ideas expressed must be made, but the picture above of a complacent administration, or series of administrations, enjoying the windfalls of a virgin nation emerging from a war that had prostrated two dozen other sovereignties is too much like the parallel case of the English Prime Minister to miss. In neither case did either one attempt to study the causes and provide for the future. In both instances disaster only uncovered the hypocrites.

In another quotation we have the remarks of Senator Smoot defending the World War Debt Commission's recommendation by the contrasts in the position of American workmen and that of the foreign nations. He points out that-

The American workman, well nourished, well fed, well clothed, his children in college, with all the wonderful opportunities staring him in the face, with present and future advancements and educa-tional opportunities; the presence of movies, automobiles, country week ends.

all expect the two chickens in the pot and a car in every garage as well as the elimination of the poorhouse.

But the distinguished Senator and leader did more than this. He introduced tables to startle us now as we look back and saw what America was. I have unanimous consent to put these tables in at this point for your inspection and study. I am quoting from page 601 of the World War debt report. Senator Smoot talking:

I ask Senators to follow me now while I give the comparative pre-war wealth of Italy, France, the United Kingdom, and the United States, with the wealth of those countries in 1925. The several currencies are converted into dollars at par value of the pre-war period. The figures for 1925 are converted into dollars according to the average quotation of the several currencies on New York during the first half of 1925:

[All figures in billions]

	Middle 1914		Middle 1925	
	Wealth	Income	Wealth	Income
Italy France United Kingdom United States	21. 4 57. 9 68. 1 200. 0	3. 76 7. 24 10. 95 33. 00	22. 3 51. 6 117. 8 380. 0	4. 06 7. 74 19. 00 70. 00

Before the war the economic resources of the United Kingdom were, roughly, one-third of those of the United States; those of France, one-fourth; those of Italy, one-tenth. In 1925 the economic resources of the United Kingdom were less than one-third

of the United States; those of France were reduced to one-eighth and those of Italy to about one-seventeenth.

If you reduce the 1925 dollars to the pre-war dollars and divide them by an index number representing the increase in wholesale prices which has occurred in the United States, we find that while the wealth and income have increased in the United States by 20 and 34 percent representingly and in the United States by 20 and 34 percent, respectively, and in the United Kingdom by 9 and 10 percent, they have, on the other hand, very considerably decreased in Italy and France. The wealth of Italy in the middle of 1925, calculated on this basis, was about 34 percent less than in 1914, and the income of Italy showed a decrease of about 32 percent cent

It is perhaps more striking to take the average per-capita wealth and income of the several countries for the two periods. I ask unanimous consent to insert in the Record a table making these comparisons, calculated in dollars

Average per-capita wealth and income (in dollars)

šio remono, nekajoni-ka Isoloma se kajonija nekaj	Middle 1914		Middle 1925	
	Wealth	Income	Wealth	Income
Italy	0. 596 1. 455	105 182	0. 553 1. 306	101
United Kingdom	1. 471 2. 040	237 337	2, 600 3, 333	614

Was this the El Dorado? Well, look at the following quotation from the same source on page 604 depicting the income taxes and showing how a little foresight might have developed a sinking fund for the future:

Income	Income taxes						
	Italy	Belgium	France	England	United States		
\$1,000 \$2,000 \$3,000 \$4,000 \$5,000	\$189, 21 392, 18 599, 30 812, 18 1, 025, 06	\$29. 15 107. 70 238. 45 413. 35 619. 90	\$48. 99 174. 55 348. 00 569. 40 838. 75	0 \$67.50 202.50 382.50 787.50	0 0 \$7.50 22.50 37.50		

That contract shows the Nation in the days of the "golden Wealth stifled thought and planning.

With these reasons, therefore, social reform has been delayed, and the inevitable consequences of such delay have poured in like a swollen mountain stream to uproot the gains of ages. No more pitiful and disillusionary panorama existed in the world than the scenes of desolation and heart-rending grief in the very homes of American citizens, pitiful far more relatively than in any other country because the descent into trouble had been more hasty and quicker and so seemingly far away.

Our system, reaching the point of deification almost overnight, because the triumph of the mock heroic and the allcertain tendency of our American institutions to elevate the masses of people to increase their part in the work and the fruit of civilization in comfort, and education in selfrespect and independence was abruptly halted and seemingly there was nothing to do but await a political manna.

In that general decay the fundamental principles that property should escape insecurity and labor should be independent, with protection of the rich against envy and the poor against oppression, were jettisoned in the mad scramble of individualism for personal gains. Individualism in the raw presented a sorry spectacle.

The year of 1933, in March, presented the new President with an avalanche of problems. What he did and how he did it is history.

President Franklin D. Roosevelt, who in emergency proved himself resolute, excusably peremptory, and prompt to be obeyed, made ample use of the credit and other available resources of this country to stem the tide. He expanded the efforts of the Reconstruction Finance Corporation-a President Hoover device. Up to the end of the last fiscal period the debt was pushed upward to \$10,000,000. A parade of the means and instrumentalities in that gigantic peace-time organization which outdid any prior effort is needless with the enlightenment of American people today except to touch on the expenditures in round numbers.

Seven billion dollars have been spent for relief and public works and four billion through the Reconstruction Finance Corporation itself to private corporations, groups, and public units, as well as those that occupy a place intermediate between a private corporation and a public institution.

There was a resultant increase in purchasing power of the consuming public and a greater market demand for commodities. It may be well said that the consequent increases were greater than the amount spent to set them in motion. Did not industry move forward with orders, and did not labor profit in shortened hours and higher wages?

It would be difficult to say that the one billion loaned to the banking structure, and to the systems of transportation, the same round numbers to such sustaining units as building and loan, mortgage, and kindred institutions, another one thousand million or more to the administrative units of cities, towns, States, and to the Home Owners' Loan Corporation, and to similar enterprises, and finally the one billion in purchased bank stocks—were not helpful in averting the impending confusion and business anarchy.

All of these emergency measures included the shoring of the weakening framework of our banking houses. Today these loans are recoverable so that in the strictest sense the heroic measures of the Roosevelt administration were not only palliatives but they continued within themselves restoratives, which when intermingled with the focal points of the disease itself not only neutralized the microbes but gave new and invigorating values.

These restoratives gave confidence too and engendered enthusiasm and in that alone the prescriptions were worthwhile. America turned from fears and incubuses to tackle with enthusiasm the new era. It is easy now to laugh at the hippodrome-appearing efforts but you cannot keep down enthusiasm. Emerson said, "Nothing great was ever achieved without enthusiasm."

With all the beneficent results attendant from those huge leans and investments, private business took on a new lease, but like a convalescent patient irritated by the sick-room routine and the necessary convalescent aids it has begun to fight back and show an ugly return for the helping hand that pulled it out of the difficulty.

We know that local units never could have undertaken the necessary steps for this recuperation. Because of Federal aid there has been little or no relative increase in the State debts. Despite the added load the Federal credit has remained unimpaired and the colossal success that attended the last offering of the Treasury indicates that the Federal credit is better now than at any time in our history.

THE FUTURE

With recovery in motion it would be the height of folly for us to hope to continue this unnatural and extraordinary spending and lending by the Federal Government. Most of all would this tend to throw out the progress of industry itself, which is apparently on the way up, and all other things being equal ought to be near the point of full restoration. If we grant that our tremendous loans and expenditures did stimulate private business in an artificial way, we must face the possibility that it might overplay its part and result in an unnatural inflation or room bonanza that would be utterly inconsistent with the forces of economy and present growth.

For that we must be on our guard and curtail the efforts that will lead to unwarranted expansive propensities. Seemingly we must reduce our expenditures and by that very fact take up the slack in added immediate taxation, as the former must be a gradual procedure.

Obviously any tax that will hit at the root of speculative funds or even idle uneconomic veins will act as a deterrent. In a large sense the Presidential message is an attempt to tap a hidden vein. It may prove helpful in this sense in bringing to the surface the funds that have hitherto allegedly been used to evade taxation.

Certainly the added need for taxation involved in the bonus mandate from Congress and the Triple A, change may temporarily halt the application of the brakes, but this retardation can only be momentary. Those brakes must be applied.

In this difficult field of taxation our problems will arise more trenchant with difficulties than any prior ones. Anyone can spend; the few alone can save. From time immemorial the spenders have been better organized than the taxpayers. The biggest problems of the Nation today center around judicious taxation and equally judicious but restrained withdrawal of public Federal aid.

The gains in social reform which have been made with imperishable renown by our President and the administration must be consolidated. Further advances must await the clearing up of the back areas. In the consolidation the temporary replenishment of confidence and rest to a bewildered people who must look with grateful, even though startled, eyes at the success of the most daring innovator in American history.

The President has done in the executive field what John Marshall did in the judicial. Has he, too, carved out a new empire?

No matter what one may think about the New Deal, it must be admitted that the administration met the challenge that industry through the dominant party should have met. The best proof of this is in the recent utterance of Alfred P. Sloan, Jr., president of the General Motors Corporation:

Added responsibilities must be assumed by industry. Industry must assume the role of enlightened industrial statesmanship. It can no longer confine its responsibilities to the mere physical production and distribution of goods and services. It must aggressively move forward and attune its thinking and its policies toward advancing the interests of the community at large, from which it receives a most valuable franchise.

Most assuredly the gains in social reform which have been made with imperishable renown by our President and the administration must be consolidated. Further advances must await the clearing up of the back areas. In the consolidation the temporary replenishment of confidence and rest to a bewildered people, who must look with grateful even though startled eyes at the success of the most daring innovator in English history, must be maintained.

INCOME TAXES

If the returns in this avenue of revenue are unexpectedly large, it might be well for us to consider changes in the percentages of income that we are deriving from pure income, customs, and excises, the three major sources, and all the other minor modes. The generalizations that will be drawn from our tax reports are well worth the time and attention of this body. Our whole taxing policy may well be changed on the outcome of this study.

THE CONSTITUTION

Social legislation must go on, however, and we must cover the ground that 30 years of purblind inactivity of the Republican standpatters left behind as a solitary waste in the field of political action and theory. With the emergency happily past, the return to the absolute theory of the separation of powers becomes not a simple duty but a paramount one. I am not one of those who believes that the Constitution of these United States is a sacrosanct instrument of divinely inspired wisdom, around which we should plant the taboos of conservatism. Our Constitution is as good as its response to the times and needs of the day we live in at all times. Through over a century and a half of growth and the most vexatious of questions it has proved admirably sufficient with the exception of the Civil War. It has survived the most severe of all tests, practicability and adaptability, but that adaptability was not inherently found in the document itself, but through the expanding interpretations of the immortal John Marshall. We cannot blind ourselves to the fact that the judicial veto was not in the minds of the Constitutional Convention as we see it, but that it was a development that circumstances and John Marshall dictated.

However much I try personally to ask myself about article VI, section 2, where we note: "This Constitution and the laws of the United States made in pursuance thereto shall be the supreme law of the land", I cannot avoid the conclusion that someone was to have the decision as to what laws were within the Constitution and what were not, unless we assume that there was an oversight. If the latter was true, then we have

all the more reason to say that since our founders overlooked this need for a reviewing body, we ought to accept the principle which over a century of practice and precept has proved to be right. Only the Supreme Court is the arbiter, call it judicial veto or not.

I believe that many of our great social reforms may well come through the amendatory features of article V, thus affording time and discussion once the emergency is over for thorough analysis. I believe that emergencies will always find enough power reposing in the Congress or Chief Executive for two reasons. One is that in the Great War emergency the courts read into the Constitution the wide type of constructive expansion in the Congress and will do so again in civil cataclysms.

Under the war powers of the Congress there were espionage acts restricting freedom of speech and press; regulations on the price of fuel and of rents within the District of Columbia; governmental operation of railroad, telegraph, and telephone systems; commandeering ships and factory products; prohibition; national highways; cemeteries, all in the broadest sense of interpretation.

It is fair to assume that if the Supreme Court were asked to pass upon the emergency acts of the President in relief, the answer would be in favor of the broad extension. There is another element that works to the advantage of the Executive and even of the Congress, and that is time. From the promulgation of the order against the elements of depression time must intervene until the Supreme Court can pass upon it. In addition, the need for such prompt and heroic action is so universally felt that it is inconceivable that an action could be started to dethrone the policy. Time and popular need of an overwhelming nature ride with the Legislature and the Chief Executive in these cases.

There are tremendously significant words in the great case of *Missouri* v. *Holland* (252 U. S. 435), where an equally great Supreme Court Justice, Oliver Wendell Holmes, says about the right of the Federal Government to legislate in implementation of a treaty, "Here a national interest of very nearly the first magnitude is involved. * * * We see nothing in the Constitution that compels the Government to sit by while a good supply is cut off and the protectors of our forests and our crops are destroyed. It is not sufficient to rely upon the States; the reliance is vain." These are strong words for wildlife conservation. What indeed would they be for the preservation of the very lives of our citizens? Do they not sound in prophecy?

It must be remembered when those epochal cases of the New Deal were considered by the Supreme Court the pressing burdens of the immediate emergent action had happily passed and the Supreme Court was considering these energetic responses to a modern Iliad of woes in the opening rays of a new sunlight. It is a fair inference to draw that had those questions been raised in the height of the enthusiasm of the N. R. A. whirlwind acceptance by industry, labor, and the consumer with those all too vivid demonstrations of enthusiasm the decision might have been different. No one believes that the Supreme Court sits in a legal vacuum with nothing but precedents in attendance. They can no more escape the trend and thoughts, as well as the needs of the times, than they could give up the elements of life itself. It is fair to say also that the gigantic nature of the impending doom that was overcasting the entire Nation in its paralyzing clutches, as well as the tremendous and almost unanimous nature in which these Achillean efforts of the New Deal would have been most influential in forming the background for early judicial imprimaturs.

Secondly, and in a nature fittingly corollary to the first premise, the very delays that the opposite of the above conclusions would work to the advantage of the emergency itself, for if it was impossible to obtain judicial judgment at once then obviously it would take time, and certainly if time was allowed the program might well go on to a fair trial and end in success or failure. In other words, the very passage of time that must follow before a case may come before the Supreme Court works to the advantage of emergency legislation. Then, too, in this very respect there is so great a

need and welcoming a response throughout the Nation that the objectors think well before inserting their instruments of emergency sabotage.

In his admirable book on The Growth of the Law, Justice Benjamin N. Cardozo says in the matter of modern development of thought on the Supreme Bench:

In the complexities of modern life there is a constantly increasing need for resort by the judges to some fact-finding agency which will substitute exact knowledge of factual conditions for conjecture and impression. A study of the opinions of Mr. Justice Brandeis will prove an impressive lesson in the capacity of the law to refresh itself from extrinsic sources, and thus revitalize its growth. His opinions are replete with references to the contemporary conditions, social, industrial, and political, of the community affected.

Further on he adds:

Jurisprudence has never been able in the long run to resist successfully a social or economic need that was strong and just.

He quotes Graham Wall as-

One of the most important functions of any vocational body is the continuous revision and increase of the heritage of knowledge and thought which comes within its sphere.

CALENDAR WEDNESDAY

Mr. BANKHEAD. Mr. Speaker, I renew my request that business in order on tomorrow, Calendar Wednesday, be dispensed with. I may say this is agreeable to the gentleman from New York [Mr. DICKSTEIN], who objected this morning.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Dies, for 10 days, on account of business.

To Mr. Fernandez, for 12 days, on account of illness in family.

To Mr. Ellenbogen, for 1 day, on account of illness in family.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2288. An act to provide for the measurement of vessels using the Panama Canal, and for other purposes;

S. 2496. An act to amend the Railway Labor Act;

S. 3761. An act authorizing the Secretary of the Interior to patent certain land to the town of Wamsutter, Wyo.;

S. 3860. An act to amend section 2 of the act entitled "An act to amend the National Defense Act", approved May 28, 1928; and

S. 3971. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 8, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows: 766. A letter from the Chairman of the Interstate Commerce Commission, transmitting a report entitled "Unemployment Compensation for Transportation Employees Prepared by the Section of Labor Relations, Federal Coordinator of Transportation" containing the text of a proposed unemployment compensation act which the Coordinator recommends be enacted; to the Committee on Interstate and Foreign Commerce.

767. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the legislative establishment pertaining to the Architect of the Capitol, for the fiscal year 1936, in the sum of \$55,900 (H. Doc. No. 440); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Special Committee to Investigate the American Retail Federation. A report by the special committee on that part of House Resolution 203 providing for the appointment of a special committee of the House to investigate the American Retail Federation (Rept. No. 2373). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. S. 2137. An act to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma; without amendment (Rept. No. 2375). Referred to the Committee of the Whole House on the state of the

Mr. WEAVER: Committee on the Judiciary. S. 3258. An act to amend section 304 of the Revised Statutes, as amended; without amendment (Rept. No. 2376). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. S. 3781. act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases; with amendment (Rept. No. 2377). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 10762. A bill to authorize the procurement, without advertising, of certain War Department property, and for other purposes; without amendment (Rept. No. 2378). Referred to the Committee of the Whole House on the state of the Union.

Mr. MERRITT of New York: Committee on Military Affairs. H. R. 10847. A bill to authorize the acquisition of land for cemeterial purposes in the vicinity of New York, N. Y.; without amendment (Rept. No. 2379). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 10849. A bill to authorize an appropriation for improvement of ammunition storage facilities at Aliamanu, Territory of Hawaii, and Edgewood Arsenal, Md.; without amendment (Rept. No. 2380). Referred to the Committee of the Whole House on the state of the Union.

Mr. FADDIS: Committee on Military Affairs. House Joint Resolution 532. Joint resolution for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938; with amendment (Rept. No. 2381). Referred to the Committee of the Whole House on the state of the Union.

Mr. CARTWRIGHT: Committee on Insular Affairs. H. R. 12061. A bill to authorize the President to designate an Acting High Commissioner to the Philippine Islands; without amendment (Rept. No. 2384). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. ROGERS of Massachusetts: Committee on Foreign Affairs. H. R. 12183. A bill for the relief of Gladys Hinckley Werlich; with amendment (Rept. No. 2374). Referred to the Committee of the Whole House.

Mr. BEITER: Committee on War Claims. H. R. 6518. A bill for the relief of Mike Chetkovich; without amendment (Rept. No. 2382). Referred to the Committee of the Whole

Mr. FADDIS: Committee on Military Affairs. H. R. 11493. A bill for the relief of Perry Randolph; without amendment (Rept. No. 2383). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 12190) providing for the

held by location in the United States: to the Committee on Mines and Mining.

By Mr. BOYKIN: A bill (H. R. 12191) to provide for the general welfare, by establishing a method for permanently sustaining the primary purchasing power of the Nation, in order to sustain an effective demand for the largest production of the products of industry and agriculture; to induce employment in private enterprise; to provide employment for those unemployed in private enterprise; to provide revenue; and for other purposes; to the Committee on Ways and Means.

By Mr. SISSON: A bill (H. R. 12192) to extend the exemption from income taxes allowed to farmers' cooperative associations; to the Committee on Ways and Means.

By Mr. AYERS: A bill (H. R. 12193) to further the development of a national program of land conservation and utilization, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. BROWN of Michigan: A bill (H. R. 12194) to provide for the construction of a Coast Guard vessel designed for ice-breaking and assistance work on Lake Huron and Lake Superior; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAWFORD: A bill (H. R. 12195) to encourage domestic producers of sugar beets and sugar cane and to protect the domestic production thereof by the regulation of foreign and interstate commerce in sugar; to provide for the fixing and revision of yearly quotas of sugar that may be imported into, transported to, or received in continental United States; to maintain a continuous and stable supply of sugar in continental United States for the benefit of both producers and consumers, and for other purposes; to the Committee on Agriculture.

By Mr. DUFFY of New York: A bill (H. R. 12196) to make certain crimes committed on interstate carriers offenses against the United States; to the Committee on the Judiciary.

By Mr. HARLAN: A bill (H. R. 12197) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. SABATH: A bill (H. R. 12198) to exempt certain organizations from the tax imposed on retail dealers in malt liquors; to the Committee on Ways and Means.

By Mr. VINSON of Georgia: A bill (H. R. 12199) to provide for an additional number of midshipmen at the United States Naval Academy, and for other purposes; to the Committee on Naval Affairs.

By Mr. FERGUSON: A bill (H. R. 12200) to provide for a 10-year program of purchasing pasture land under authority of the Soil Conservation and Domestic Allotment Act; to the Committee on Agriculture.

By Mr. RAYBURN: A bill (H. R. 12201) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi; to the Committee on Indian Affairs.

By Mr. CRAVENS: A bill (H. R. 12202) to provide for a preliminary examination of Six Mile Creek in Logan County, Ark., with a view to flood control and to determine the cost of such improvement; to the Committee on Flood Control.

By Mr. McCORMACK: A bill (H. R. 12203) to provide for a 5-day week for Federal employees; to the Committee on the Civil Service.

By Mr. McMILLAN: Resolution (H. Res. 480) to create a Committee on Air Commerce and Civil Aviation; to the Committee on Rules.

By Mrs. NORTON: Joint resolution (H. J. Res. 563) to declare December 26, 1936, a legal holiday in the District of Columbia; to the Committee on the District of Columbia.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the suspension of annual assessment work on mining claims | State of Colorado, opposing the consolidation of railway terminals and railways; to the Committee on Interstate and

Also, memorial of the Legislature of the State of Colorado, advocating the "Beatty prosperity plan"; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Colorado, supporting House bill 11172; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H. R. 12204) granting a pension to Emma Hilliker: to the Committee on Invalid Pensions.

By Mr. CANNON of Wisconsin: A bill (H. R. 12205) for the relief of Louis Frankenberg; to the Committee on Military Affairs.

By Mr. DORSEY: A bill (H. R. 12206) for the relief of James Garfield Haney; to the Committee on Naval Affairs.

By Mr. HOBBS: A bill (H. R. 12207) for the relief of E. P. Lewis: to the Committee on Claims.

Also, a bill (H. R. 12208) for the relief of the estate of S. J. Dean; to the Committee on Claims.

By Mr. LAMNECK: A bill (H. R. 12209) granting an increase of pension to Mary E. Warthen; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 12210) granting a pension to Addie Higginbotham; to the Committee on Pensions.

By Mr. THOM: A bill (H. R. 12211) granting an increase of pension to Abbie Stevens; to the Committee on Invalid

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10686. By Mr. BACON: Petition of sundry citizens of Suffolk County, N. Y., urging the restoration of prohibition in the District of Columbia; to the Committee on the District of Columbia.

10687. Also, petition of the West Nassau Unemployed and Relief Workers Alliance, Franklin Square, New York, requesting the removal of Harold P. C. Howe as district director of the Nassau-Suffolk district of the Works Progress Administration, and urging that veterans' receipt of the adjusted compensation shall not of itself bar them from the relief rolls; to the Committee on World War Veterans' Legislation.

10688. By Mr. GOODWIN: Petition of the New York Commandery, the Naval and Military Order of the Spanish-American War, urging Congress to pass immigration and registration bills, Senate bill no. 4611 and House bill no. 11172; to the Committee on Immigration and Naturalization.

10689. By Mr. LAMBERTSON: Petition of Edith Coleman and 118 other citizens, all of Jackson County, Kans., favoring passage of House bill 8739; to the Committee on the District

10690. By Mr. MARTIN of Colorado: House Joint Memorial No. 1, passed by the Thirtieth General Assembly of the State of Colorado at Denver, Colo., protesting against the Eastman railway consolidation plan; to the Committee on Interstate and Foreign Commerce.

10691. Also, House Joint Memorial No. 2, passed by the Thirtieth General Assembly of the State of Colorado at Denver, Colo., urging consideration of the Beatty prosperity plan involving amendment to the Federal income-tax laws; to the Committee on Ways and Means.

10692. Also, House Joint Memorial No. 3, passed by the Thirtieth General Assembly of the State of Colorado at Denver, Colo., endorsing House bill 11172, the Starnes-Reynolds bill; to the Committee on Immigration and Naturalization.

10693. By Mr. TREADWAY: Petition of citizens of Pittsfield, Mass., urging the enactment of the workers' social and insurance bill (S. 3475); to the Committee on Ways and Means.

10694. By the SPEAKER: Petition of Helen Schrain and

SENATE

WEDNESDAY, APRIL 8, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting as a court for the trial of articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian, in accordance with the order adopted on the 6th instant prescribing the hours of the daily sessions.

The managers on the part of the House, Hon. HATTON W. SUMNERS, of Texas; Hon. RANDOLPH PERKINS, of New Jersey; and Hon. Sam Hobbs, of Alabama, appeared in the seats provided for them.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., and R. O. Cullen, Esq., of Miami, Fla., associated with Mr. Hoffman, appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms will open by proclamation the proceedings of the Senate sitting as a Court of Impeachment.

The Sergeant at Arms made the usual proclamation.

On motion of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the Senate, sitting as a Court of Impeachment, for Tuesday, April 7, was dispensed with, and the Journal was approved.

Mr. LEWIS. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams Coolidge Keyes Pittman Ashurst Copeland King Pope Austin Couzens La Follette Radcliff Bachman Davis Lewis Reynold Balley Dieterich Logan Robinso Barbour Donahey Lonergan Russell Barkley Duffy Long Schwell	All the second second
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Bulkley Gibson Metcalf Thomas	Okla.
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Burke Guffey Moore Townser	
Byrd Hale Murphy Truman	
Byrnes Harrison Murray Vandent	berg
Capper Hastings Neely Van Nuy	
Caraway Hatch Norris Wagner	
Carey Hayden Nye Walsh	
Clark Holt O'Mahoney White	
Connally Johnson Overton	

Mr. LEWIS. I announce for the day that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. Costigan], the Senator from California [Mr. McApoo]. the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL] are absent because of illness; that the Senator from New Mexico [Mr. Chavez] is absent because of illness in his family, and that the Senator from Mississippi [Mr. Bilbo], the Senator from Oklahoma [Mr. GORE], and the Senator from Montana [Mr. WHEELER] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson] is necessarily absent from the Senate.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

The managers on the part of the House will call their next witness.

Mr. Manager HOBBS. Call Albert C. Fordham.

DIRECT EXAMINATION OF ALBERT C. FORDHAM

Albert C. Fordham, having been duly sworn, was examined and testified as follows:

By Mr. Manager HOBBS:

Q. Your name, please, sir.-A. Albert C. Fordham.

Q. Are you an attorney at law of West Palm Beach, Fla.?-A. Yes, sir.

Q. Were you present in the courtroom of Judge Halsted L. Ritter at Miami, Fla., on October 28, 1929?—A. Yes, sir.

Q. I would appreciate it, sir, if you would state, to the best of your recollection, what took place in the courtroom on that others; to the Committee on Immigration and Naturalization. I morning.—A. The counterclaim filed by Harold Moore was

filed; and after a few preliminary remarks, Judge Holland arose and said that he had instructed—

- Q. Pardon me. Do you mean Mr. Bert E. Holland, of Boston?—A. Yes, sir. He arose and said that he had discharged Rankin and Metcalf as his lawyers and had instructed Mr. Rankin to dismiss the bill, and he now wanted to dismiss or withdraw the bill—I do not remember which it was; either dismiss or withdraw. Then Judge Ritter asked him how much he had been paid, and he said, "Nothing." Then Judge Ritter said that he would not allow people to come in from the outside and induce local attorneys to start lawsuits and then allow them to dismiss them. There was a lot of other things went on there, but I do not suppose you are interested in those.
 - Q. Was Mr. Clarence Grill there?—A. Yes, sir.
 - Q. Do you know why he was there?-A. Yes, sir.
- Q. Please state it.—A. He had made an affidavit at my request regarding some insurance or insurance policies; and, fearing that the affidavit was not sufficient, I asked him to come down there at the hearing. I was there in Miami for 2 or 3 days, and he came down on the early morning train on that day.
- Q. Mr. Fordham, I will ask you, please, to look at these two letters which I now show you.

(The letters were shown to the witness and also to counsel for the respondent.)

Are you familiar with the signature of Mr. Walter S. Richardson?—A. I am.

Q. Do you or not recognize the signatures of Walter to each of these letters as his signature?—A. I do. They are his signature.

Mr. Manager HOBBS. You may take the witness.

CROSS-EXAMINATION

By Mr. WALSH (of counsel):

- Q. Were you representing anyone there that morning?— A. Yes. sir.
- Q. Who were you representing?-A. Harold A. Moore.
- Q. He was trustee under the first deed of trust?—A. Yes, sir.
- Q. How long had you represented him?—A. In that suit?
 Q. Yes.—A. Mr. Walsh, I do not know; but I should say about 10 days.
- Q. Did you omit to state all that Judge Ritter said upon that occasion? Did not Judge Ritter say that the interveners had come in who had certain rights, and there was quite a good deal of discussion about that, was there not?—A. I do not recall.
- Q. You do not recall him mentioning the interveners at all?—A. I do not.
- Q. You represented the American Bond & Mortgage Co.?— Is that correct?—A. In what suit?
 - Q. In this suit you were there on that day?—A. No, sir.
- Q. I thought you asked me if it was not this matter, and I said "yes", and I thought you answered "yes."—A. No, sir.
- Q. Did you have any professional occasion to be there?—A. I represented Harold A. Moore, the trustee, in connection with Shutts & Bowen.
 - Q. Then you were representing Mr. Moore?-A. Yes.
- Q. Had you formerly represented the American Bond & Mortgage Co.?—A. Yes, sir.
- Q. For a long time? How many years?—A. I cannot say, Mr. Walsh. I have known the Moores for over 50 years.
- Q. How long have you represented them in the matters that were connected with these hotels in Florida?—A. Since the 26th of January, I think.
- Q. You introduced a couple of letters here. These are the letters, are they not? Before I come to that, however, was there a request made of the judge then not to appoint a receiver?—A. Yes, sir.
- Q. By whom was that request made?-A. Mr. Holland.
- Q. Did anybody else make a request not to appoint the receiver?—A. I think Mr. Bowen and maybe Mr. McPherson.
 - Q. Mr. Lautmann was there also?-A. Yes, sir.
- Q. Were you aware of the fact that at that time there had been a bondholders' committee formed in the city of Chi-

- cago, formed on the 24th day of October preceding this—4 days before this—at which time the bonds represented by Mr. Bert E. Holland were turned into the bondholders' committee or a pledge made to turn them in?—A. I was not aware of that. I was aware of this insofar as the bondholders' committee was formed, because Mr. Lautmann said he represented the bondholders' committee, which had a certain large percentage of bonds. He stated the percentage, but I do not remember it.
- Q. Was Mr. Sugden made a member of that committee?—
 A. I believe I found out later he was a member of the committee.
- Q. At the time of this discussion in court were the bonds put in the hands of the Chicago bondholders' committee?—A. I know nothing about that.
- Q. You know they got in there some time, though?—A. I do not even know that, except what I heard.
- Q. Very good. Mr. McPherson, for Shutts & Bowen, objected to the appointment of a receiver. Is that correct?—A. Yes, sir.
- Q. And the judge stated it was a case that called for the appointment of a receiver and he was going to appoint one?—A. Yes, sir.
- Q. Did he not indicate he was going to appoint Mr. Richardson, who had had charge of the property before, as trustee?—A. He did.
- Q. Did Mr. McPherson ask that the matter be deferred until the afternoon?—A. He did.
- Q. You were present then when these two letters were brought in, in the afternoon?—A. I was not there in the afternoon.
- Q. You were not there in the afternoon at all?—A. No, sir. Mr. WALSH (of counsel). Gentlemen, have you identified the letters by this witness?

Mr. Manager SUMNERS. Yes.

By Mr. WALSH (of counsel):

- Q. These letters were not introduced until afternoon, were they? You just identified Mr. Richardson's signature?—A. These letters were taken out of the Whitehall files in my presence by Mr. Mulherin and were given to me to keep them in the safe, to be held until I was subpensed to bring them to Miami.
- Q. Who had the Whitehall files at that time?—A. Whitehall.
 - Q. Where were they?—A. In Whitehall.
 - Q. Was Mr. Sweeny there?-A. No, sir.
- Q. Did they contain a great amount of correspondence?— A. Yes, sir.
- Q. A great number of letters?—A. A very large number.
- Q. Did you read those letters?—A. No, sir; I did not.
- Q. Did you read any of them?-A. No, sir.
- Q. Who asked you to preserve those?—A. Mr. Mulherin.
- Q. This was after the entire matter came up?—A. I do not know what you mean by that.
- Q. I mean after the investigation was started in the Whitehall case by the House committee.—A. It was at the time when Mr. Mulherin came the first time to West Palm Beach.
- Q. Was there a hearing going on at that time, or a House investigation?—A. I imagine there was, from the fact that Mr. Mulherin was there looking into it.
- Q. Is that the only reason you have for coming to that opinion?—A. I do not know.
- Q. Who picked out the two letters out of this great bunch of letters?—A. Mulherin.
- Q. He did not show you any others at all?—A. He gave me about a dozen.
 - Q. Have you got the dozen?-A. No, sir.
- Q. What did you do with the rest of them?—A. I took them into my office and put them in my file after I had testified in Miami, and some of them have disappeared. I do not know where they are. They were copies. I was only able to find four of them.
 - Q. Have you those letters with you now?-A. Yes, sir.
 - Q. May I look at them, please?
- Mr. WALSH (of counsel). Will you gentlemen give me the other letters?

Mr. Manager SUMNERS. He can identify the other two if you like.

Mr. WALSH (of counsel). Have you gentlemen all of the Sweeny correspondence, this entire range of letters?

Mr. Manager SUMNERS. I am advised by Mr. Mulherin that we have copies of them all.

Mr. WALSH (of counsel). Of all the letters that were taken out of the Whitehall files?

Mr. Manager SUMNERS. Yes. Mr. Mulherin advises me that you have in your hands now copies of all communications that were taken from the files of the Whitehall Co.

Mr. WALSH (of counsel). I will ask for information, were or were not those files still in Mulherin's possession until very shortly before this hearing?

Mr. Manager SUMNERS. Mr. Mulherin advises me that he has never had any since they were turned over to the subcommittee at Miami.

Mr. WALSH (of counsel). Will you ask Mr. Mulherin if he did get all the files at one time and give Mr. Sweeny a receipt for the same?

Mr. Manager SUMNERS. If you have no objection, Mr. Mulherin may answer the question directly.

Mr. WALSH (of counsel). He indicated that he did not. [Addressing Mr. Mulherin:] Did any person get the whole file from Mr. Sweeny and take a receipt for it?

Mr. MULHERIN. Not to my knowledge.

Mr. WALSH (of counsel). You gentlemen have not had time, as I understand?

Mr. Manager SUMNERS. No. We will offer these letters for identification, everything we have.

Mr. WALSH (of counsel). Very good; offer the whole file. Mr. Sweeny has it here under subpena duces tecum, has he not?

Mr. MULHERIN. We sent a subpena to produce them. Whether or not he has them or not, I do not know.

Mr. WALSH (of counsel). Is he in attendance here?

Mr. MULHERIN. He is.

Mr. WALSH (of counsel). Will you ask him to give you the entire file?

Mr. MULHERIN. Yes. Mr. CONNALLY. Mr. President, I desire to propound a question.

The VICE PRESIDENT. The Senator from Texas desires to propound a query, which will be read.

The Chief Clerk read the question propounded by Mr. CONNALLY, as follows:

When Judge Ritter was requested not to appoint a receiver, did he say anything to the effect that a receiver ought to be appointed, or that the property's proper care necessitated the appointment of a receiver?

A. I think he said the first, but not the last. I do not remember the last at all.

Mr. McGILL. Mr. President, I submit a question.

The VICE PRESIDENT. The Senator from Kansas submits a question, which will be read.

The Chief Clerk read the question propounded by Mr. McGill, as follows:

Did Mr. Holland say he wished to dismiss or withdraw the bill, or did he say, in substance, he did not want the court to appoint a receiver?

A. He said all of those. He said first he wanted to dismiss or withdraw, and after that was refused he said he did not want a receiver appointed.

Mr. WALSH (of counsel). I am going ahead, and you can offer this after I get through examining him.

Mr. Manager SUMNERS. May I suggest to counsel that, if convenient, we limit the examination to the transactions in the neighborhood of the court, and then we can get the rest of the papers later on.

Mr. WALSH (of counsel). Very well; I will comply with that suggestion.

By Mr. WALSH (of counsel):

Q. You were the attorney in the proceedings for the foreclosing of the third deed of trust, were you not?-A. Yes, sir-one of them; Shutts & Bowen.

Q. You were present at the sale?-A. I think so.

Q. It was bid in by Kenneth Moore?-A. Yes, sir.

Q. And Kenneth Moore was the son of W. J. Moore?-A. Yes, sir.

Q. And he was the brother of the trustee in the first deed of trust?-A. Harold Moore: yes, sir.

Q. After this discussion that took place in the morning, you say you did not go back in the afternoon?-A. No, sir.

Q. As a matter of fact, the Holland-Sugden interests, after the appointment of the receiver, allowed the case to progress along until it was finally disposed of, did they not?-A. I did not get your first few words, sir.

Q. The first few words? I will ask the question over again. After the proceedings there that morning, there were no appeals taken, no further motions filed in Judge Ritter's court, that you know of; were there?-A. I think your statement is correct.

Q. No challenge to anything that the judge did, no appeal from any order that he made?-A. There was no appeal from any order.

Q. And, so far as you know, no motion filed of any kind or character?-A. I do not know.

Q. And it ran along until the final settlement of the case; did it not?-A. Yes, sir.

Q. And Mr. Sugden, or the same interests that Mr. Holland had represented, with their bonds in charge of this Chicago committee, went through to the end; did they not?-A. I did not know that they had the bonds in the Chicago committee.

Q. Did they have a stipulation for the bonds?—A. I do not know any-

Q. Was Mr. Sugden a member of the bondholders' committee?-A. I know nothing about any stipulation. I know that Mr. Sugden appeared in published reports as a member of the committee.

Q. You do not know whether he was or not?-A. I do not even know Mr. Sugden.

Q. Did you yourself ever attend a meeting of the committee?-A. I did not.

Q. Are you still representing the American Bond & Mortgage Co.?-A. The American Bond & Mortgage Co. is not in existence any more.

Q. Do you represent what is known as the Moore interests down there?-A. I do not know what the Moore interests

Q. Did you represent the American Bond & Mortgage Co. up to the time that it went out of business entirely?—A. In

Q. In the things in Florida, did you represent it?—A. Not all of them.

Mr. WALSH (of counsel). That is all.

The VICE PRESIDENT. Are there any further questions?

Mr. Manager SUMNERS. No further questions. The VICE PRESIDENT. The witness may stand aside.

Mr. Manager SUMNERS. Call Mr. Lautmann, please.

DIRECT EXAMINATION OF HERBERT M. LAUTMANN Herbert M. Lautmann, having been duly sworn, was examined, and testified as follows:

By Mr. Manager SUMNERS:

Q. State your name to the Court, if you please.—A. Herbert M. Lautmann.

Q. Your residence is in Chicago, and what is the style of your firm now?-A. Sonnenschein, Berkson, Lautmann, Levinson & Morse.

Q. Mr. Lautmann, were you in Judge Ritter's court on October 28, 1929?-A. Yes, sir.

Q. State to the Court, if you please, what transpired during your presence in the court .-- A. When the case of Holland versus Whitehall was called, Mr. A. L. Rankin addressed the court on a presentation of his motion for the appointment of a receiver. He had not proceeded very far when Mr. Bowen, of Shutts & Bowen, asked the court for permission to have Bert E. Holland, the plaintiff, address the court. The court granted the permission.

Mr. Holland stated to the court that he was one of the complainants; that the other complainants were co-trustees, and that he spoke for them as well as himself; that he had requested that Mr. Rankin not represent him in the matter; that he appeared in his own person and on his own behalf He stated that since the employment of Mr. Rankin he desired to have the suit withdrawn; furthermore, that he wished to have the court know that he did not believe a receiver should be appointed for the Whitehall property.

The court, as I recall it, interrupted him and asked him, in substance if not in exact words, who had paid him or what he had been paid for taking the attitude of dismissing a suit which he had authorized in the first instance; that he did not like the idea of persons coming into the State of Florida from outside, bringing proceedings, and then asking that they be dismissed; that he was familiar with the Whitehall property, it had been in his court under his jurisdiction in bankruptcy, that he was familiar with the property, and believed that a receiver should take charge of the property for the benefit of the bondholders.

I think that was all that transpired between the court and Judge Holland.

Mr. Manager SUMNERS. Take the witness.

CROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Mr. Lautmann, whom did you represent that morning, that day?—A. I represented the committee that had been organized as the committee for the protection of the first-mortgage bondholders holding bonds sold by the American Bond & Mortgage Co.

Q. And upon what date was that committee formed?—A. Of my own knowledge I do not know, except that I was told at the time I was directed to go to Florida that such a committee had been organized. I took no part in the organization of it.

Q. You were not present at the organization of the committee?—A. No, sir.

Q. Are you quite sure of that?-A. Yes, sir.

Q. I will ask you to look at the paper which I now hand you, entitled:

First meeting. Minutes of a meeting of the committee for the protection of the holders of the first-mortgage bonds sold through American Bond & Mortgage Co., held at the First National Bank of Chicago, October 24, 1929.

Was your firm represented there?-A. Yes, sir.

Q. By whom was it represented? You may look at that. There are a number of pages, and I do not want to use it all.—A. To my knowledge, Mr. Hugo Sonnenschein and Mr. Edward P. Morse.

Q. Is Mr. Sonnenschein here?-A. No, sir.

Q. Mr. Morse, I believe, is here?-A. Yes, sir.

Mr. Manager SUMNERS. May I see that, Judge, when you are through with it?

Mr. WALSH (of counsel). I will give you a copy of it. Mr. Manager SUMNERS. I should like to see a copy soon.

Mr. WALSH (of counsel). I am going to give it to you

in 2 minutes [handing document to Mr. Manager Sumners].
Mr. KING. Mr. President, while counsel are making inquiries among themselves, I send to the desk a question

which I desire to have submitted.

The PRESIDENT pro tempore. The Senator from Utah

propounds a question, which will be read by the clerk.

The legislative clerk read the question propounded by Mr.

King, as follows:

Did Holland state that he had notified Rankin not to file the complaint or commence an action?

A. He did not so state to the court.

By Mr. WALSH (of counsel):

Q. Your firm remained as attorneys for the bondholders' committee?—A. Yes, sir.

Q. The interests that Mr. Holland represented were what were known as the Sugden interests, were they not?—A. I believe so.

Q. And Mr. Sugden, some time between the 3d of October and the time this hearing took place in Judge Ritter's court, had become a member of that committee, had he not?—A. I had been so informed: yes.

Q. And the bonds that were formerly held by Mr. Holland as trustee, the Sugden bonds, went into that committee after it was formed?—A. They did not go into the commit-

tee. I understand they were subsequently deposited with the depositary selected by the committee.

Q. That is what I mean. I do not mean they went into it personally. Do you know the date that they went in?—A. I do not.

Q. But was it not a part of the plan when the committee was formed, and an agreement, that they should go in when he was made a member of the committee?—A. My information was that the Sugden interests were the largest single holder of bonds sold by the American Bond & Mortgage Co., approximately \$300,000, and that all of the bonds which they owned were subsequently deposited, and for that reason he was selected as a member of the bondholders' committee.

Q. But I was asking for a date, Mr. Lautmann.—A. I do not know the date.

Q. When did those bonds go in?-A. I do not know.

Q. Did they go in at the first meeting or the inception of the bondholders' committee?—A. I cannot state of my own knowledge.

Q. You were there, were you not, representing the bond-holders' committee on that day?—A. In court?

Q. Yes.-A. Yes, sir.

Q. If those bonds had been put in, you were representing those as you were all the other bondholders?—A. Yes, sir; if they had been, I was.

Q. Assuming, for the purpose of this question, that they had been, that they went in when the committee was formed, then you were representing those bonds, were you not?—A. Yes, sir.

Q. And there were no motions filed subsequent to this challenging anything that was done by Judge Ritter that you know of?—A. By whom?

Q. By anybody. I guess I will ask you about your own knowledge. There was none filed by you, was there?—A. No, sir; I had no appearance in the courtroom. I was merely indulged in to speak.

Q. But you had an interest in the case?—A. I represented nobody of record.

Q. But you did have a very substantial interest, did you not, as attorney for the bondholders' committee which took in all these bonds?—A. I thought so and tried to make that clear to the court.

Q. Shutts & Bowen made no such motion, did they?—A. What do you mean by "such motion"?

Q. A motion challenging anything that Judge Ritter did there that morning?—A. They did challenge the selection of the court's appointment of a receiver.

Q. In what way? Did they file a motion?—A. They orally objected to the selection of Mr. Richardson as receiver and asked to be heard upon it.

Q. That was a motion to remove him, was it, or not to appoint him?—A. It was an objection to his qualifications to serve as a receiver.

Q. That occurred upon that day of which you have been speaking?—A. That morning.

Q. And the matter was taken up later in the afternoon, was it not?—A. The court said he would hear it at 2 o'clock.

Q. Did you go back at 2 o'clock?—A. I did.

Q. And he overruled the motion, did he not?—A. He overruled the objections.

Q. And appointed Mr. Richardson?-A. Yes, sir.

Q. You carried on as attorneys for that committee all through the proceedings that took place after the initial hearing?—A. My associate did.

Q. Your firm did?-A. Yes.

Q. And down to the time the final decree was made?— A. Yes, sir.

Q. And subsequently?-A. Yes, sir.

Mr. POPE. Mr. President, I send to the desk a question to be propounded.

The PRESIDENT pro tempore. The clerk will read the question.

The legislative clerk read the question propounded by Mr. Pope, as follows:

Did you address the court? If so, what was said by you and by the court?

A. I was introduced to the court by Mr. Bowen, of Shutts & Bowen, with the request that I be permitted to speak. The court granted that indulgence. I told the court that I was there on behalf of a committee of bondholders in behalf of bondholders; that it was the opinion of the committee that an appointment of a receiver was unnecessary and that the committee wished the court to consider their views; that a receivership of this property would be an expensive and unnecessary action; that the property was in the technical possession of the trustee under the first mortgage-bond issue and had been surrendered to him by the owner of the equity; that the committee was quite satisfied to employ competent managers to operate the hotel under the direction of the court. I gave him the names of the committee and the interests or affiliations that those members of the committee had, some being from Boston, some from New York, and some from Chicago; that if the court desired, the committee would submit itself immediately to the jurisdiction of the court; that if the court desired, the committee would augment itself by any representative citizen of Miami, of Florida, that the court might select, who would be under the supervision and direction of the court in the activities and management and operation of the property under the trustee in possession under the bond issue. The court indicated to me that he did not believe that the action of the plaintiff in asking to withdraw or dismiss the suit was in good faith. He said to me that he did not care to hear from a bondholders' committee any further, that he did not care to have any interference with the operation of this property by the court; that he felt that by the appointment of a receiver the court could look after the property without any other persons interfering.

Mr. ADAMS. Mr. President, I submit a question to be asked.

The PRESIDENT pro tempore. The clerk will read the question:

The legislative clerk read the question propounded by Mr. Adams, as follows:

Did you, or your firm, ever enter an appearance in this proceeding?

A. We did not.

By Mr. WALSH (of counsel):

Q. You had Messrs. Shutts & Bowen representing you in the filing of a cross-bill there, did you not?—A. No, sir; they represented the trustee under the first mortgage.

Q. Did you have anything to do with their filing of the cross-bill?—A. Yes; we conferred with them, consulted with them—in respect to the filing of the cross-bill.

Q. And you advised with respect to the form of it—the prayer in it?—A. I do not think so.

Q. You read it, did you not?—A. After it was filed.

Q. After it was filed. And that contained no such prayer as you have stated in the answer to the question handed up by a member of the Court?—A. The receiver had already been appointed, and was in possession.

Q. You could file a motion, could you not, to set that aside? You could have filed a motion? First, you could have taken an appeal, could you not, from anything that was done there, and, second, you could have filed a motion if there was anything wrong about the appointment of a receiver, his character, and had a hearing upon it, could you not?—A. We could have done many things, but we did not.

Q. There was no appeal taken?—A. The prayer of the bill was to foreclose the trust deed on behalf of the trustees.

Q. That cross-bill was filed the same day, was it not, on which you had that discussion at the hearing?—A. I am not sure when it was filed.

Q. Is it not a fact that the answer and counter-claim of Harold A. Moore, trustee, was filed on October 28, 1929?—A. If that is what the record shows, it must be. I had no knowledge of my own as to the date.

Q. I know you are testifying from your recollection, and I am asking you whether or not you recollect that that is so.—A. No.

Mr. WALSH (of counsel). That is all.

Mr. LEWIS. Mr. President, I tender an inquiry to be propounded to the witness.

The PRESIDENT pro tempore. The clerk will read the question.

The legislative clerk read the question propounded by Mr. Lewis, as follows:

Do you now hold or have you lately held any official position at the Chicago bar, chosen by the bar at Chicago. If so, at what time and for what length of time was your service?

A. I have been secretary of the Chicago Bar Association 3 years; I served on its board of managers 5 years; I have been first vice president 1 year, and am now president of the Chicago Bar Association.

Mr. KING. Mr. President, I send the following interrogatory to the desk.

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read the question propounded by Mr. King, as follows:

Was any motion made to have the committee representing the bondholders named as plaintiffs or to have them substituted for Bert E. Holland?

A. No

Mr. MINTON. Mr. President, I send a question to the desk to be propounded.

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read the question propounded by Mr. MINTON, as follows:

How did the Whitehall property ever come into the control of the trustee under the mortgage?

A. I assume that that question means prior to the filing of these proceedings.

Mr. MINTON. Yes.

A. There had been a foreclosure of a junior mortgage, and at the foreclosure sale it had been bid in by the trustee or his nominee under a junior mortgage. To him the property was turned over by the trustee in bankruptcy, and he surrendered possession to the trustee under the first mortgage. The actual control of the physical property was in the managers of the hotel who were employed at that time.

Does that answer the question?

Mr. MINTON. Yes.

I send forward another question.

The PRESIDENT pro tempore. The clerk will read the question.

The legislative clerk read the question propounded by Mr. Minton, as follows:

For whom was the trustee acting in the foreclosure of the third mortgage?

A. He was acting for the owners of the bonds under the third mortgage; and those were owned, as I understand it, by the American Bond & Mortgage Co., which subsequently passed into the hands of liquidating trustees.

Mr. KING. Mr. President, I send forward a question which I ask to have read.

The PRESIDENT pro tempore. The clerk will read the question.

The legislative clerk read the question propounded by Mr. King, as follows:

Did the action in the name of Holland continue till the end of all proceedings?

A. It did.

The PRESIDENT pro tempore. Are there any further questions from members of the Court?

Does the counsel for the respondent have any other questions on cross-examination?

Mr. WALSH (of counsel). I have no other questions, Mr. President.

REDIRECT EXAMINATION

By Mr. Manager SUMNERS:

Q. I forgot to ask you this question: What percentage of the first-mortgage bonds came into the control of the organization which you represented?—A. Ninety-three percent.

Q. At the time this matter was being discussed in the court of Judge Ritter, was anything said there about the bonds that Mr. Holland claimed to represent having been transferred to any other party or interest? What I mean is,

did anyone claim that he did not have the authority to represent the bonds?-A. Did anyone claim that he did not? Q. Yes .- A. No.

Mr. Manager SUMNERS. That is all.

The PRESIDENT pro tempore. Are there any other questions to be asked of this witness?

RECROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Was the third mortgage given for claims of the American Bond & Mortgage Co.?-A. I cannot answer.

Q. Do you know?-A. I cannot answer that.

Q. Do you know what the indebtedness covered by the bonds was for?-A. Not of my own knowledge: no. sir.

Q. The trustee under the second mortgage was a man named Thomas, was he not?-A. I believe so.

Q. Do you know who Mr. Thomas is?-A. I do not know him; no.

Q. Was he an officer or employee of the American Bond & Mortgage Co.?-A. I think he was.

Q. So that the American Bond & Mortgage Co., as a matter of fact, controlled all the mortgage indebtedness there was upon that property? You know that, do you not?-A. No; that is not true.

Q. That is not true? They did not control it?-A. They may have controlled the second and third mortgages, but the first mortgage was in the hands of the public.

Q. Yes; but they had their trustee in that first mortgage, did they not? He could have foreclosed it a year before he did, could he not?-A. Yes.

Mr. WALSH (of counsel). That is all.

Mr. MINTON. Mr. President, I send forward another question.

The PRESIDENT pro tempore. The Senator from Indiana propounds a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. MINTON, as follows:

The trustee in the first mortgage in the foreclosure of the third mortgage was not acting for and on behalf of the bondholders under the first mortgage, was he?

A. Well, I am not sure that I understand exactly that question. He was trustee under the first mortgage at all times, and would be acting for the benefit of the bondholders under the first mortgage at all times. Now, if you mean whether he took any part in the third-mortgage foreclosure as trustee in the first mortgage, I cannot answer what his activities were in that foreclosure. I am not familiar with that.

FURTHER REDIRECT EXAMINATION

By Mr. Manager SUMNERS:

Q. One additional question: What part of the \$300,000 mortgage that was put on the Whitehall property after it was foreclosed and came into the possession of the representatives of the first-mortgage bondholders was expended by the committee which organized and represented that bondholders' committee?

Mr. WALSH (of counsel). I should like to make an objection to that question. We are not responsible, or Judge Ritter is not responsible, for anything this committee did afterward. It is entirely immaterial. It is raising a collateral issue.

Mr. Manager SUMNERS. I withdraw the question.

The PRESIDENT pro tempore. The honorable manager on the part of the House withdraws the question.

Mr. Manager SUMNERS. I should like to ask counsel a question, however. My recollection has been confused. thought it was in the record in this case that a \$300,000 mortgage had been put on the property, and that a certain part of that money had gone to the expenses of the committee which organized the bondholders.

Mr. WALSH (of counsel). My answer to that would be that it is immaterial, if I had the knowledge; but I have not the knowledge. Furthermore, that would be as immaterial coming from you, with all due respect, as it would from the witness.

Mr. Manager SUMNERS. All right, Judge.

The PRESIDENT pro tempore. The witness is excused. Mr. Manager PERKINS. Call J. M. McPherson.

DIRECT EXAMINATION OF JOSEPH M. M'PHERSON

Joseph M. McPherson, having been duly sworn, was examined, and testified as follows:

By Mr. Manager PERKINS:

Q. Mr. McPherson, you are a member of the firm of Shutts & Bowen?-A. Yes, sir.

Q. Were you present in the courtroom on the day of October 28, 1929, the scene of which has been described in this

courtroom here?-A. Yes, sir. Q. Please state to this Court what transpired .- A. The matter came on on that day upon an application for the appointment of a receiver, notice of the hearing having been theretofore served upon counsel of record. The appearances. as I remember them, were: For the plaintiff, Mr. Rankin and Mr. Metcalf; for the defendant Harold A. Moore, as trustee, the firm of Shutts & Bowen, represented by Crate D. Bowen and myself, and Mr. Albert C. Fordham, of West Palm Beach. There was also present in his own proper person Mr. Bert E. Holland, the plaintiff. Mr. Herbert Lautmann, of Chicago, was present in the courtroom on behalf of the bondholders' committee. When the hearing opened Mr. Bowen or someone announced to the court that Mr. Holland was present in his proper person and would the court hear him. Mr. Holland announced to the court that he had, as I recall it, requested Mr. Rankin not to file the bill of complaint, advising the court, however, that he had theretofore authorized Mr. Rankin to do so. He asked Judge Ritter to take no further action on the bill. It is my recollection that he asked leave to withdraw it. He, in any event, was clear in his request that nothing further be done on the application for the appointment of the receiver. Judge Ritter, after hearing Mr. Holland's statement in its entirety, whatever it was, announced that he did not fancy outside counsel-that is, counsel from out of the State of Florida-commencing litigation in his court and, after it was brought on for attention or action, attempting to withdraw it or to stop those proceedings. He stated that he was somewhat familiar with the property and that, in view of the fact that there had been or were then before him petitions for leave to intervene, he felt that he was required to go ahead and that he would do Thereupon Mr. Rankin presented the application for the appointment of a receiver.

Q. Just there did or did not Mr. Holland tell the court that he had dismissed Mr. Rankin from the case?—A. As I remember the statement, Mr. PERKINS, it was this: Before the hearing commenced I saw Mr. Holland and Mr. Rankin in a conversation in the court. Of course, I did not hear what they said. As I remember Mr. Holland's statement to the court on that point, it was that he had-though he originally had authorized Mr. Rankin to file the suit, he had subsequently instructed him not to do so, and that he had asked him to dismiss the suit or withdraw as his counsel. I will not be positive as to which he said, but the impression was clear, I think, that Mr. Rankin was at that stage not authorized to proceed for Mr. Holland. After Mr. Rankin had completed his presentation of the application Mr. Bowen, of my firm, presented an argument dealing generally with the law of the case, of course, in opposition to the application. Mr. Bowen, at the conclusion of his address, presented Mr. Lautmann to Judge Ritter, with the statement that Mr. Lautmann represented the bondholders' committee, and he would like for Judge Ritter to hear him. Judge Ritter asked if the bondholders as such were parties to the record. Upon being advised that they were not, he declined to hear Mr. Lautmann. I thereupon commenced the presentation of the opposition to the application. I had there and then or shortly before that lodged with the court as attorney for the defendant, the trustee, an answer and counterclaim. I had also filed at that time a number of affidavits touching the allegations of fact in the bill of complaint. I set out and outlined the position of the trustee as reflected by those pleadings and those affidavits. At the conclusion of that presentation, Judge Ritter stated, as I remember it, that there were "altogether too many Moores in this lawsuit", and, though he was not particularly interested in the fraud charge made against my client, that he was going to appoint Walter Richardson receiver of the hotel. Being on my feet at the

time, I asked Judge Ritter if he would hear me in opposition to the person of his selection. He said that he would and fixed the time at 2 o'clock that same day. I went back to my office and procured from Mr. Holland or Mr. Lautmann, or perhaps both, some correspondence and telegrams. I do not have them now; they are not in the record.

Q. Do you know what became of them?—A. No, sir; I do not.

Q. Did you file them of record in the court?—A. It is my recollection that I did, sir; but I do not find them there now.

Mr. WALSH. Mr. President, I desire to propound two questions to the witness.

The PRESIDENT pro tempore. The Senator from Massa-

chusetts submits a question, which will be read.

The legislative clerk read the question propounded by Mr. WALSH, as follows:

Was the manner in which Judge Ritter spoke to Mr. Holland brusque or indicative of temper?

A. I should rather say that it was positive.

The PRESIDENT pro tempore. The clerk will read the next question submitted by the Senator from Massachusetts.

The legislative clerk read the second question propounded by Mr. Walsh, as follows:

What was the tone or manner of Judge Ritter toward Mr. Holland and other counsel?

A. I should say that Judge Ritter's attitude toward Judge Holland as expressed by his remarks was very firm and positive; and probably less respectful, if that is the word, to Mr. Lautmann.

MESSAGE FROM THE HOUSE

Mr. ROBINSON. Mr. President, may I interrupt the proceedings for a moment? In order that a message may be received from the House of Representatives, I ask that the proceedings of the Senate sitting as a Court of Impeachment be suspended temporarily, and that the Senate proceed with the consideration of legislative business.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate resumed the consideration of legislative business.

(The message from the House of Representatives appears elsewhere in the legislative proceedings of today's Record.)

IMPEACHMENT OF HALSTED L. RITTER

Mr. ROBINSON. I move that the Senate, in legislative session, take a recess in order that the Court may resume its

The motion was agreed to; and the Senate, sitting as a Court of Impeachment, resumed the trial of the articles of impeachment against Halsted L. Ritter, United States district judge for the southern district of Florida.

MODIFICATION OF ORDER PRESCRIBING HOURS OF DAILY SESSIONS

Mr. ROBINSON. Mr. President, the order heretofore entered with respect to the daily sessions of the Senate sitting as a Court provided that a recess should be taken from 1:30 o'clock until 2 o'clock. It has been found that 30 minutes are insufficient to enable the participants in these proceedings to obtain lunch. At the request of the Senator from Arizona [Mr. ASHURST] and others, I ask unanimous consent for a modification of the order, so that it will read from 1:30 o'clock p. m. until 2:15 p. m.

The PRESIDENT pro tempore. Without objection, the order heretofore entered will be modified as suggested by the Senator from Arkansas.

DIRECT EXAMINATION OF JOSEPH M. M'PHERSON (CONTINUED)

Mr. KING. Mr. President, I send several questions to the desk and ask that they may be read.

The PRESIDENT pro tempore. The questions submitted by the Senator from Utah will be read.

The legislative clerk read the first question propounded by Mr. King, as follows:

Was not the question raised as to the legality or propriety of the court proceeding when the plaintiff, Holland, asked that the suit be dismissed?

A. I recall an observation made by the bench that, in view of the petitions for leave to intervene or the intervention theretofore granted-I do not remember which-that he felt required to go ahead with the proceedings; and so the point must have been raised. I have no recollection of it beyond that statement.

The PRESIDENT pro tempore. The clerk will read the next question submitted by the Senator from Utah.

The legislative clerk read the next question propounded by Mr. King, as follows:

Who sent the notices for the hearing on the appointment of a

A. They were served upon us by counsel for the plaintiff. The hearing on the 28th, that is, the day upon which the receiver was actually appointed, was an adjourned hearing, it having been theretofore set, I believe, for about the 16th of October, and an adjournment was granted at my request.

The PRESIDENT pro tempore. The clerk will read the next question propounded by the Senator from Utah.

The legislative clerk read the next question propounded by Mr. King, as follows:

Did Rankin's name appear as attorney for the plaintiff Holland?

A. I have no independent recollection of it. If the notice is in the files here before the Senate, I could say if I saw it. By Mr. Manager PERKINS:

Q. Proceed and tell the Court what happened in the afternoon when you appeared before Judge Ritter.-A. At 2 o'clock I returned, and the appearances were precisely the same, except that I do not believe Mr. Bowen was present. I read to Judge Ritter the letters which had been furnished me by Mr. Holland and Mr. Lautmann, and also, as I remember, perhaps, a telegram or two. The telegrams had principally to do with Richardson's solicitation of the applicants for intervention. The correspondence, which I do not now have, was an exchange between Richardson and Sweeny-Mr. Martin Sweeny, I believe-and Mr. Holland. I do not remember who the authors of the particular letters were, but they were an exchange of correspondence between those three individuals.

Q. Just there, can you identify any of these letters?-Perhaps I could if I saw them. [The witness was handed the papers and examined them. I think perhaps the letter which I have just returned to you was one of those read. I do not believe the letter of September 10 was. I am not certain. My recollection of the letter that I read to the Court is that one.

Mr. Manager PERKINS. Mr. President, I desire to offer in evidence the letter identified by the witness on the letterhead of Walter S. Richardson, dated August 30, 1929, and I shall read it.

Mr. WALSH (of counsel). May I see it first, please? [After examining letter.] All right.

Mr. Manager PERKINS. The letter offered in evidence is on the letterhead of Walter S. Richardson, counsellor at law, Palm Beach, Fla., and reads as follows:

PALM BEACH, FLA., August 30, 1929.

Mr. MARTIN SWEENY.

21 East Fifty-second Street, New York, N. Y.

DEAR MARTIN: I am just in receipt of your letter of the 26th instant, and would appreciate it if you would try to see McBride as soon as possible and get the combination, as I am getting sick and tired of fooling with old man Fordham forever wanting to check

We had a hearing in Miami this week, being a continued meeting to pass upon my final report. It has been dragging along, as you know, since June 1. This time Fordham centered his attack upon know, since June 1. This time Fordham centered his attack upon three things—the insurance, the Ed. C. Sweeny Co. account, and my hotel bill while in New York of \$71. It developed that there was about \$700 in commissions on all the insurance placed by the trustee; they had an idea that it was about five or six thousand dollars. I stated most emphatically that I did not receive one penny commission on the placement of this insurance. Fordham went into the Ed. C. Sweeny account at length, and I stated that I knew nothing of the Ed. C. Sweeny Co., that I did not own one penny interest in it, that I had received nothing from the Ed. C. Sweeny Co. I also testified that Mr. Bemis asked me if I wanted to cater to the Bath and Tennis Club and that I told Mr. Bemis I did not, that I did not think the trustee had authority to under-I did not, that I did not think the trustee had authority to undertake this kind of work, but that I had no objection to Mr. Bemis or to you or Ed. doing this catering. Fordham asked me if I had

loaned you or Ed. or the Ed. C. Sweeny Co. \$8,000; I stated that I had not and I had never heard of any such transaction. He also wanted to know how much you had made out of the Bath and Tennis Club and if Whitehall financed this catering. I told him that I knew nothing of what was made and that I knew nothing of the work of the Whitehall having financed this catering. Whereupon he asked that the hearing be continued so that his auditor could go into this mat-ter and the bank accounts. I am satisfied my accounts are absoter and the bank accounts. I am satisfied my accounts are absolutely correct to the penny, and I am not losing any sleep over Fordham's attempt to show up any wrongdoing, but I am spending much time in working out a plan whereby the bondholders can take it away from them just as quickly as they get through with the bankruptcy proceedings; but, for the Lord's sake, don't breathe this, as I am again attempting to match wits with old man Moore, and I believe I have about solved his line of procedure.

Just as soon as my final report is approved and cut of the way.

Just as soon as my final report is approved and out of the way, I expect to go to New York, and go into the matter in detail, and formulate a definite plan of procedure. I have already gone into this matter very thoroughly with Mr. Bemis, and immediately upon his return I expect to take action and shoot as fast as a machine

gun in order to have things in shape for another season's operation.

I wish you would get in touch with as many first-mortgage bond-holders as possible in order that we may take up with them our plan and have their cooperation. Now, don't argue the question with me, for I have gone into the matter thoroughly and have been watching and planning for some 6 months, and the plan of procedure is the correct one, and you leave this part of it to me, as I am more anxious than ever to thoroughly demonstrate to Mr. Moore that he is not so wise, after all, and that this "fathead" that he has down here is a "pluperfect boob."

wonder if you have any connection in Boston that could reach Mr. Bert E. Holland, an attorney, whose address is Tremont Building, Boston? Mr. Holland is a cotrustee and, as such, is the holder of \$50,000 of the first-mortgage bonds. Mr. Holland's full cooperation with us would solve our problem, along with Franklin P. Smith, and others whom Mr. Bemis has been in touch with. Let me know if you can reach Mr. Holland in the right way to insure his cooperative with the second of the second o tion with us.

Again, I wish to caution you not to mention or indicate in any ay what we plan to do, and if Moore wants to dicker with you way what we plan to do, and it moore wants to dicker with you for the operation, go ahead and carry on the negotiations as though we had no other plan in view.

Please get me the combination as quickly as possible and let me hear from you about any of these matters. Kind regards.

Sincerely yours,

By Mr. Manager PERKINS:

Q. Now proceed. Continue, please, and state what happened before Judge Ritter in the afternoon session .-A. After I had finished reading the letters and telegrams, and had pointed out to Judge Ritter that Mr. Richardson was even as yet trustee in bankruptcy, and was a party defendant to the proceedings and a party defendant to the cross-bill, he stated that Mr. Richardson had been an unusually successful trustee in bankruptcy; that his operation of the property had been excellent and profitable; that he felt the nature of the property was such as required the attention of someone familiar with it; that he did not consider the letters, telegrams, and points raised by me in opposition to Mr. Richardson sufficient to disqualify him; and that it was his purpose to appoint him. I then asked Judge Ritter if he would name Mr. Bemis as receiver. We, of course, did not at that time know that Mr. Bemis had been collaborating with Mr. Richardson in fomenting the litigation. I pointed out to Judge Ritter that Mr. Bemis had been the person in charge of this hotel since it was first erected; that the clientele and patronage of the hotel was very exclusive, and largely controlled and dominated by Mr. Bemis; that so far as my clients were aware, his operation had been successful, and if the court were going to appoint anyone receiver we hoped that it would be Mr. Bemis. Judge Ritter then stated to me that Mr. Bemis would not serve as receiver, but that he would, and I believe his order did, direct Mr. Richardson to appoint or employ Mr. Bemis as the manager of the hotel.

Q. Mr. McPherson, how many letters and telegrams of like import to the one read did you read to Judge Ritter that afternoon in opposition to the appointment of Richardson

Mr. WALSH (of counsel). I think that is calling for a conclusion of the witness, and an improper conclusion of the witness. If they have any such letters, let them produce them. They are the best evidence. Otherwise it would start us out on an investigation to contradict them.

Mr. Manager PERKINS. The witness has testified that he filed some of these letters in the records of the court, and,

Mr. Manager PERKINS. Well, strike that part out of the question.

By Mr. Manager PERKINS:

Q. How many letters and telegrams did you read to Judge Ritter; and state to the Court your recollection of the contents of them .- A. My recollection is that I read three or four letters, and more than one telegram; I would not say how many. Shall I state the contents of the letters?

Q. State the contents, please.—A. The letters, in the main, were urging that the procedure which was subsequently adopted be adopted; and one of the letters—the one upon which we particularly grounded our objection to Mr. Richardson-stated, in effect, that if a bill of the nature of the one subsequently filed was filed, that a receiver would be appointed, and that Mr. Bemis' management of the hotel would be continued.

Q. Did any of those letters state that if a receiver were appointed, Mr. Richardson would be the receiver?—A. I should not like to say that, sir. I do not remember.

Q. But one did say that Bemis and Sweeny would be appointed to operate the hotel?-A. That is my best recol-

Q. Were they later appointed to operate the hotel?-A. Yes, sir. However, that was probably done at my insistence.

Q. Under whose order were Bemis and Sweeny later appointed to operate the hotel?-A. It is my recollection, sir, that the order appointing the receiver required him to employ Mr. Bemis and Mr. Sweeny.

Q. So that it was all in one order—the appointment of the receiver, and the appointment of Bemis and Sweeny to operate the hotel?-A. The record would show that; but that is my recollection of it, sir.

Q. Do you recollect whether Mr. Grill, who appeared here as a witness, was present in the courtroom that morning?-A. I should not like to say that. There were quite a number of people there, and it is altogether possible that he was. I do not remember him.

Q. Who signed the letters and the telegrams which you read to Judge Ritter?—A. The telegrams were signed by Mr. Richardson. Some of the letters were signed by Mr. Richardson, and I think one, or perhaps more, by Mr. Sweeny.

Mr. Manager PERKINS. Take the witness.

CROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Where did you get those letters?—A. The letters came to me from Mr. Bert E. Holland. The telegrams were given to me by Mr. Herbert Lautmann.

Q. Did Mr. Holland tell you where he got them?-A. I would not want to say that now; I do not remember.

Q. To refresh your memory, did he not say he got them from Mr. Sweeny?-A. I have no independent recollection of it, Mr. Walsh.

Q. There was no letter that you recall now, was there, Mr. McPherson, leaving out Richardson's, that was signed by anybody but Mr. Sweeny?—A. It is my best recollection that all of the letters I read were signed either by Mr. Richardson or by Mr. Sweeny.

Q. It was evidently a part of a system of correspondence that had been carried on for some time, was it not?—A. Yes. As I remember it, the correspondence went over a period of about a month and was ended about a month, as I remember it, before the suit was filed.

Q. Did Mr. Holland tell you that he had any other letters?-A. I think not, because Mr. Holland, as I remember it, made available to me his file, and these letters were in it.

Q. Was he there with you when you got the letters?-A. Yes.

Q. Did he take them out of the file, and did you also go over the letters in the file?-A. I do not believe I understand your question.

Q. I say, did you look through the letters personally in the file which Mr. Holland gave you?-A. It is my recollection that he gave me the file and I selected the letters that I considered applicable to my point.

Mr. WALSH (of counsel). Will the managers please let me see the letters, those which they have?

(Several letters were handed to Mr. Walsh.)

By Mr. WALSH (of counsel):

- Q. Do you know the date of the earliest letter you saw there?—A. The date of the earliest letter, as I remember it, was about 2 months before the proceeding was filed, and the last about a month.
- Q. That would take it back into August and September?—A. Yes; the suit was filed in October.
- Q. Did you see any other letters there, or copies of letters, showing a passage of correspondence between Mr. Sweeny and Mr. Richardson antedating the letters you took out for presentation to the court?—A. I do not now recall them; there may have been.
- Q. Were there any there prior to August 30—August or September?—A. No, sir; I do not remember the dates of those, but I do remember, since you make the point as to dates, that I referred to the fact that the prophecy made in advance of the filing of the suit, standing alone, ought to be sufficient to disqualify Mr. Richardson; but I do not remember the dates.
- Q. Will you kindly answer my question? Were there any there, according to your recollection, that predated August?—A. I should not like to say that; I do not remember.
- Q. You do not remember. Were there any there that antedated the letters which you brought to present to the judge?— A. I have no independent recollection of that.
- Q. How many letters would you say there were, according to your recollection——A. Three or four.
- Q. One minute—in the entire file that was shown to you by Mr. Holland?—A. There was a matter of 8, 10, or 12 letters in his file, and of that amount I took, I think, 3 or 4.
- Q. Did you see any letters in the file, this particular file, except those that passed between Mr. Sweeny and Mr. Richardson?—A. Please repeat the question.

The Official Reporter (John D. Rhodes) read the question, as follows:

- Q. Did you see any letters in the file, this particular file, except those that passed between Mr. Sweeny and Mr. Richardson?
- A. Yes; it is my recollection that the file contained other correspondence than those four letters, from other people.
- Q. Any letters from Mr. Bemis?—A. I do not recall any; no. sir.
- Q. Any letters from Mr. Richardson to Mr. Bemis?—A. No. It is my recollection the letters were between Mr. Richardson and Mr. Sweenv.
- Q. Do you remember that there were some letters, which antedated the letters which you produced, between Mr. Sweeny and Mr. Richardson?—A. I do not remember the dates at all.
- Q. This suit that was brought was what is called a class suit, was it not? That is, a suit was filed on behalf of certain bondholders with a provision that it would apply to all similarly situated?—A. That is my recollection of it; yes.
- Q. And you understand, of course, Mr. McPherson, the law with reference to that class of suits?—A. I think so.
- Q. That is that if an intervener comes in and makes the proper showing, he can be added to the original suit?—A. Quite right.
- Q. And any number that come in can be so added?— A. Yes, sir.
- Q. And it is perfectly ethical, is it not, no matter who the first bondholder is, that those who come in may be intervened for, and the suit proceeded with on behalf of all of them?—A. On the question, as put by you, I should say perhaps that was proper.
- Q. Well, I tried to put it directly. If you brought a suit, for instance, for John Jones and he had a certain number of bonds, you would bring the suit and the law would require you, would it not—at that time, the common law—to allow any other bondholder to come in that desired to

do so that intervened? You could not keep him out; could you?—A. I do not think so; no.

- Q. So that if they came in, one, two, three, four, or any number, after the first one came in there would be nothing urethical, would there, in carrying it along for all of them?—A. No, sir; not on the question as you put it.
- Q. Well, I put it as clearly as I could to get your answer. You say on that morning that Mr. Holland asked that the suit be withdrawn or dismissed. Is your recollection clear upon that, Mr. McPherson?—A. Mr. Walsh, my recollection of that, of course, is rather hazy. It has been a long time ago. As I remember it, Mr. Holland's statement to Judge Ritter was that he had in the beginning authorized the suit, that he had subsequently instructed Mr. Rankin not to file it, and that he had in this conversation that I referred to asked Mr. Rankin to dismiss it or withdraw it, using, as I remember it, both. I do not recall that he asked Judge Ritter to dismiss the bill or that he moved Judge Ritter to dismiss the bill. I did not mean my testimony to carry that inference.
- Q. I see. You did say the thing was clear in your mind that what he asked for was not to appoint a receiver?—A. Quite true.
 - Q. Yes; and that is clear in your mind, is it not?—A. Yes.
- Q. And you would not say, after this lapse of years—it is 6 or 7 years now, almost 6½ years—you would not say at this time that this was not what occurred: That Mr. Holland said that he did not want a receiver appointed, and that he wished the matter to stay just as it was? [Addressing Mr. Hoffman:] Let me have that paper.

Mr. McKELLAR. Mr. President, I send forward a question.

won.

The PRESIDENT pro tempore. Does the witness desire to respond to the last question?

Mr. WALSH (of counsel). Mr. President, I can withdraw that question.

Mr. McKELLAR. Go ahead and ask the question.

The PRESIDENT pro tempore. The last question asked by counsel for respondent is withdrawn.

Mr. WALSH (of counsel). I yield. I can ask the question just as easily later.

The PRESIDENT pro tempore. The question sent forward by the Senator from Tennessee will be read.

The legislative clerk read the question propounded by Mr. McKellar, as follows:

Was this particular suit properly retained in court under all the circumstances, in your opinion?

- A. Not as to the plaintiff Holland.
- By Mr. WALSH (of counsel):
- Q. But was it retained properly as to all the other plaintiffs?—A. Yes.
- Q. And if there was anything improper or wrong or illegal about it, Mr. Holland could set that up, could he not?—A. Yes.
- Q. If he had any claim of champerty or anything of that sort, he could set that up, could he not?—A. There was no suggestion made, Mr. Walsh, of any impropriety in Mr. Rankin's conduct. On the contrary, he stated that he had authorized the commencement of the suit, but that he had subsequently instructed not to go forward with it or to file it.
- Q. Yes; but I am directing your attention now to the proposition of the retirement of Mr. Holland himself. If there was any information or any charge that there was anything wrong about the institution of that suit, that it was tainted with champerty, he could file an appropriate motion, could be not?

RECESS

The PRESIDENT pro tempore. That question must be answered later on. The hour of 1:30 having arrived, in accordance with the order heretofore entered, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon (at 1 o'clock and 30 minutes p. m.) the Senate, sitting as a Court of Impeachment, took a recess until 2 o'clock and 15 minutes p. m., at which time it reassembled.

Mr. GEORGE. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Coolidge	Keyes	Pittman
Ashurst	Copeland	King	Pope
Austin	Couzens	La Follette	Radcliffe
Bachman	Davis	Lewis	Reynolds
Bailey	Dieterich	Logan	Robinson
Barbour	Donahey	Lonergan	Russell
Barkley	Duffy	Long	Schwellenbach
Benson	Fletcher	McGill	Sheppard
Black	Frazier	McKellar	Shipstead
Bone	George	McNary	Smith
Brown	Gerry	Maloney	Steiwer
Bulkley	Gibson	Metcalf	Thomas, Okla.
Bulow	Glass	Minton	Thomas, Utah
Burke	Guffey	Moore	Townsend
Byrd	Hale	Murphy	Truman
Byrnes	Harrison	Murray	Vandenberg
Capper	Hastings	Neely	Van Nuvs
Caraway	Hatch	Norris	Wagner
Carey	Hayden	Nye	Walsh
Clark	Holt	O'Mahoney	White
Connelly	Johnson	Overton	TYALLOO

Mr. LEWIS. I reannounce the absences of certain Senators for the causes given upon a previous roll call.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

ASSISTANTS TO MANAGERS AND COUNSEL

Mr. Manager SUMNERS. Mr. President, I find that the managers on the part of the House have not followed the precedents heretofore with regard to the assistance the young gentlemen with us are rendering. In order to put our procedure in line with the precedents I ask unanimous consent that Elmore Whitehurst and Thomas M. Mulherin be permitted to sit with the managers on the part of the House during the progress of the trial.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. WALSH (of counsel). Mr. President, I did not know about the precedents, but I have had an agreement with these courteous gentlemen that we might have an assistant to sit with us. Accordingly I make the same request with reference to Mr. Ralph O. Cullen.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CROSS-EXAMINATION OF JOSEPH M. M'PHERSON (CONTINUED)

Mr. MINTON. Mr. President, I submit the questions which I send to the desk.

The VICE PRESIDENT. The Senator from Georgia [Mr. Russell] has already sent to the desk a question which he desires to propound.

Mr. RUSSELL. Mr. President, the answer I wished to elicit was made in response to a question asked by the Senator from Tennessee [Mr. McKellar], and I therefore withdraw my question.

The VICE PRESIDENT. The Senator from Georgia withdraws his question. The clerk will read the interrogatories propounded by the Senator from Indiana.

The Chief Clerk read the first question propounded by Mr. Minton, as follows:

If interveners come in they do so under the jurisdiction and cause of action established by the bill, do they not?

A. That is correct. As I understand the rule an intervener comes in, as they say, in subordination of the cause of action set up in the bill of complaint.

The Chief Clerk read the second question propounded by Mr. Minton, as follows:

And under equity rule 37 interveners cannot challenge the proceeding?

A. That is my understanding of the rule.

The Chief Clerk read the third question propounded by Mr. Minton, as follows:

If the suit of Holland and others, the principal plaintiffs, had been dismissed would not that have taken out the interveners?

A. Yes; unless an application for substitution had been made on behalf of the interveners. I do not understand, in other words, that the plaintiff can of his own volition dismiss a suit after intervention and cut off the right of the interveners. An application to preserve their rights could and probably would have been entertained.

By Mr. WALSH (of counsel):

Q. But nothing further was done about the matter by the defendants?—A. No. On the contrary, the conduct of the counsel present indicated that they did not consider the main bill dismissed nor a motion to that effect made.

Q. I believe you stated that when the notice was first given as to the appointment of a receiver—that is, that it was coming on—you asked for some time, for an adjournment?—A. That is correct; I think about 10 days.

Q. About 10 days. When it came up subsequently, it came up on the morning about which you have been testifying. Is that correct?—A. That is correct,

Q. You proceeded, after the argument in the morning, to look up the matter, did you? I understood that you had an adjournment until afternoon.—A. That is correct.

Q. It was made at your request?-A. Yes, sir.

- Q. Did or did not Judge Ritter say that inasmuch as there was some discussion about the receiver, if each side would have one of its counsel withdraw, he would appoint them both as attorneys for the receiver?—A. Not exactly. The matter came up in this way: After the objections to Mr. Richardson had been made known to the court, and after he had overruled them, so to speak, he announced that in view of the opposition both to the appointment of a receiver and to the receiver whom he had selected, if one of the counsel for the plaintiff would withdraw, he would name that counsel, together with my law firm, Shutts & Bowen, as cocounsel for the receiver, so that each side might be advised in advance of the character of operation the receiver proposed and also have control of his conduct.
- Q. And Mr. Metcalf withdrew as one of the attorneys for the plaintiff?—A. That is correct.
- Q. And who was designated by your firm?—A. There was no one. The order, as I remember it, reads "Ernest Metcalf and Shutts & Bowen."
- Q. And Shutts & Bowen. Did you yourself carry on any of the work that was done?—A. Yes, sir; some of it.
- Q. You continued to act as counsel for the same parties down to the closing of the case, did you not?—A. Yes, sir.
- Q. You did agree, did you not, with Mr. Rankin upon the final decree?—A. Yes; Mr. Bowen and I together did that.
- Q. Was it subject to some negotiation?—A. Yes; quite a lot.
- Q. Extending over a period of time?—A. From the latter part of June or the 1st of July until December 19.
- Q. And you carried on the negotiations on behalf of whom?—A. On behalf of Harold A. Moore, the trustee in the mortgage, one of the defendants.
- Q. And Mr. Lautmann's firm remained as the attorneys for the bondholders' committee that had been organized in Chicago?—A. They were attorneys for the bondholders' committee. I am not familiar with its organization.

Q. Very good. So that there was no change in counsel between the time of the original filing of the bill and the making of the final decree?—A. None that I now recall.

Q. Did you mention all that were present that morning? I call your attention to the fact, if it be a fact, that Mr. John P. Stokes was there, representing Messrs. Bemis and Sweeny.—A. My recollection is, since you have refreshed it, that Mr. Stokes was there, and that he filed an answer on behalf of the Whitehall Building & Operating Co., consented to the prayer of the bill, and joined in the application for the appointment of a receiver.

Q. And the prayer of the plaintiff asked for the fore-closure of the property?—A. That is correct.

Q. And your prayer likewise asked for the foreclosure of the property. Is that correct?—A. Yes, sir.

Q. When you took up the matter of negotiations for settlement, did you go to Chicago? I believe it might be to the advantage of the Court to have you just detail yourself, if you will, what was done toward negotiations, how they were taken up, what steps were taken, and bring it down to the filing of the decree.—A. After the depositions had been taken in Chicago upon the notices which we had issued on behalf of the defendant trustee, Harold A. Moore, and, as we had thought, successfully disproved the allegations of the bill

of complaint and sustained the averments of the answer | and counterclaim or cross-bill, we had a conference with Messrs. Lautmann and Morse, of the Sonnenschein firm, Mr. Harold A. Moore, and his father, W. J. Moore. I am not certain that the other trustees were present. There were other people there whose names I do not now recall. was suggested by Mr. Bowen that the only point remaining, in the event the plaintiff should be unable to overcome the effect of our proof, was whether our firm would get the foreclosure fee, or whether Mr. Rankin, representing the plaintiff, would get it; because if the proof we had offered had not been overcome, the decree of necessity would have been for the defendant trustee. With that in mind, and after calling their attention to the fact that if an order were taken on the merits an appeal would probably result, Mr. Lautmann or Mr. Morse or someone there suggested that Mr. Bowen undertake to negotiate a compromise with Mr. Rankin. He came back to Miami and opened those negotiations in the early part of July.

Q. Make it as brief as you can .- A. Yes. Mr. Rankin submitted a written proposal of the terms upon which he would settle. He made a slight modification of that in a second letter, written shortly thereafter. Both of them were communicated to or furnished our client trustee and Mr. Lautmann's firm, representing the bondholders' committee. There were several drafts made of the final decree, attempting to carry out the terms of Mr. Rankin's proposal. The committee considered the matter and interjected certain ideas of its own, as did our client. We finally were able to draft a decree which embodied the requirements of Mr. Rankin and met the approval of the committee representing the bondholders, as well as my client, the defendant trustee. I went to Chicago with that decree in December, I think about the 13th. I was there several days. We went over the decree in detail. The committee's counsel wished several changes made in it, having, as I recall it, particularly to do with the qualifications of the bidders at the sale, if I remember correctly; perhaps some other procedural matters. I do not remember exactly what they were; and I communicated those changes to Mr. Bowen by phone. He incorporated them in a rough draft of the decree and submitted it to Mr. Rankin. I returned here on the 19th of December-I mean to Miami-we called on Judge Ritter and advised him of the settlement which had been agreed upon.

Q. May I ask you whether you went back to Chicago again before the final decree was filed?—A. No; I was in Chicago from December—I think the 13th—until December 17

Q. During that time did the question of fee come up?—A. Oh, the question of fee—that is, the division of the fee—had been understood and agreed upon as between my firm, Mr. Rankin, the bondholders' committee, and the other defendant trustees since along about the latter part of August.

Q. As I understood the matter—perhaps I am wrong about it; and if so, you will correct me—while you were there, a discussion of the fee came up with the attorney for the bondholders, those with whom you were negotiating, and you had some communication with your office in Miami. When was that?—A. That was before any negotiations were opened at all, at the time we took the depositions.

Q. You might go ahead with your narrative, then, and I will come back to that.—A. All right, sir. We advised Judge Ritter, after my return from Chicago, that a settlement had been agreed upon. I am not certain, and I would not want to say, that we told the judge what the terms of that settlement actually were. We did tell him, however, that they involved a division of the fees. We asked Judge Ritter how he wished to make the allowances, suggesting that we would like to have them made separately. Judge Ritter said, and I think with propriety, that he preferred to make only one allowance.

Q. And, out of that allowance, do what?—A. He asked that we put some document of record in the case indicating that a division of the fee was being made; and we did that, of course. When the matter had been determined, and we miles.

had procured on that day a date for the final hearing, we gave notice, set the case down for entry of final decree. On that morning all of the counsel involved appeared before the judge. One of them was absent for a time; and during the delay pending his arrival there we announced to the court that we had agreed upon a computation of interest, deferred income tax, and things of that sort; and, at Judge Ritter's request, I inserted in the final decree certain interest computations, the addition of interest and principal, and purely mechanical operations. Judge Ritter read the decree. and I think made some changes himself in its verbiage. He requested all counsel representing parties in interest to endorse their consent on the decree, which was done. He asked them if there was anyone there representing the bondholders' committee as such. On being advised that there was not, Mr. Bowen, of our office, called either Mr. Lautmann or Mr. Morse-I do not remember which-by longdistance phone, advised them that the court was about to make the decree, and could he advise him of the committee's consent; and Mr. Bowen did, as a result of that conversation at that time, advise Judge Ritter that the bondholders' committee had consented.

Q. That took in all the parties?—A. That is all of them. Judge Ritter thereupon signed the decree.

Q. To your knowledge, did Judge Ritter have any advices from any source up until the time you notified him that the decree had been agreed upon?—A. Not so far as I know, or so far as any of the members of my firm with whom I have talked know, Judge Ritter did not have any knowledge of either the terms of the settlement or that one had been made until after I returned from Chicago on the 19th of December 1930.

Q. When the entry was made, the order was made by him, and final decree signed, every person connected with the matter, every attorney connected with the matter, except the attorney for the bondholders, was present in person, or a representative of the firm, and as to the bondholders, you got the direct confirmation of the willingness of the bondholders to have the decree entered by a telephone communication from Mr. Bowen?—A. That is correct; yes, sir.

Q. That is Mr. Crate Bowen?-A. That is correct.

Q. Of your firm, Shutts & Bowen?-A. That is correct.

Q. Is that correct?—A. That is correct.

Q. I will ask you to go back to the time when the question of the amount of the fee came up.—A. After we had completed the depositions, and the conversation was had about approaching Mr. Rankin for a compromise, Mr. Lautmann or Mr. Morse, one of the gentlemen representing their firm, at least, asked Mr. Bowen what he thought the fee would be. Mr. Bowen said he thought the fee we would be satisfied with, if we prevailed, would be \$50,000 or \$60,000. Mr. Lautmann, I think, made a computation of the Chicago bar rate, and advised me that it would be, according to their computation, forty-two or forty-three thousand up to \$50,000, dependent upon the character of contest.

Q. Did that just refer to your fee alone?—A. Just to us; yes. We then, at Mr. Bowen's suggestion, communicated with our office in Miami and obtained a statement of the figure showing the fees allowed in what we considered comparable cases, and Mr. Bowen advised these gentlemen of those figures, and I do not remember exactly what was said about it, but it was more or less understood that as to us, if we prevailed the fee would be \$50,000 or more.

Q. At the time of the signing of this decree was there any memorandum made or anything further than what you have testified to with regard to the fees?—A. There were affidavits presented by Judge Rankin of a number of the members of the Palm Beach Bar testifying to the reasonableness of the fee which he had asked.

Q. Were they or were they not reputable members of the bar in good, high standing?—A. With the exception of Judge Donnell, who had formerly been a judge of that circuit, none of the affiants were known to me personally. I have since learned that they were men of standing in that community.

Q. How far is Palm Beach from Miami?—A. Sixty-six miles.

- Q. West Palm Beach and Palm Beach are adjacent to each other?-A. Yes, sir.
 - Q. Divided by a stream?—A. By Biscayne Bay.
- Q. The total population of the two Palm Beaches is about what?-A. I have not any idea. I should say around 50,000; maybe not as much.
- Q. And the population of Miami is something over 100.000?-A. Yes.
 - Q. Was at that time?-A. Yes, sir.
 - Mr. WALSH (of counsel). I thank you. That is all.
- Mr. McKELLAR. Mr. President, I have two questions I desire to have answered.

The PRESIDING OFFICER (Mr. King in the chair). The clerk will read the questions.

The Chief Clerk read the questions propounded by Mr. McKellar, as follows:

What time did you get your part of the fee? Was it on the same day the decree was entered?

- A. It is my recollection that we got a portion of it on that day, and that we received the balance some months later.
 - Q. Was it in the morning or afternoon?
- A. I should say it was around noontime; at least, before the bank closed, because the check was handed to Mr. Bowen and myself in the lobby of the First National Bank, which was still open and doing business.

REDIRECT EXAMINATION

By Mr. Manager PERKINS:

- Q. Mr. McPherson, I show you what purports to be a copy of a letter dated October 3, 1929, addressed to Bert E. Holland, and ask if you recognize that as one of the letters read to Judge Ritter in opposing the appointment of Richardson as receiver .- A. (Examining letter.) I am unable to say whether this particular copy was the one read, but I read that letter to Judge Ritter.
 - Mr. Manager PERKINS. I offer that in evidence.
 - Mr. WALSH (of counsel). I would like to see it first.
 - Mr. Manager PERKINS. I will read it to you.
- Mr. WALSH (of counsel). No; I should like to see it first, because I may have to question him about it.

(The letter was handed to Mr. Walsh.)

Mr. WALSH (of counsel). May I ask a question?

Mr. Manager PERKINS. No; this is during my examination, and I think I ought to proceed.

Mr. WALSH (of counsel). Then I will make the request without doing it. I want to make this suggestion to the President and the Court, that it is unfair-

The PRESIDING OFFICER. This is an objection to the reception of the letter?

Mr. WALSH (of counsel). Yes; an objection.

The PRESIDING OFFICER. State the objection.

Mr. WALSH (of counsel). I say it is unfair to tear from the context of a long correspondence one or two letters. I say this for the reason that these letters, the entire Sweeny correspondence, have been in the possession of the managers on the part of the House, as I understand it. The witness is subpensed here as a witness, he has his correspondence with him, we have subpensed him also, and I ask that this letter be not allowed to be introduced, although one has already gone in, unless we are given the opportunity of putting in the entire correspondence, which we say will throw great light on this matter.

The PRESIDING OFFICER. Let the Chair see the letter,

(The letter was handed to the Presiding Officer.)

The PRESIDING OFFICER. The objection is overruled. Proceed.

By Mr. Manager PERKINS:

- Q. Who signed this letter, Mr. McPherson?-A. As I remember it, the letter I read was the original, and it was signed by Mr. Sweeny.
- Q. Signed by Martin Sweeny?-A. Yes; the letter I read, of course, was the original, of which that purports to be a copy.

Mr. Manager PERKINS. The letter is as follows:

WHITEHALL, PALM BEACH, FLA., October 3, 1929.

Mr. BERT E. HOLLAND.

Mr. Bert E. Holland,
73 Tremont Street, Boston, Mass.

Dear Mr. Holland: Confirming our conversation this morning, we are planning to apply to the Federal court for a receivership under the first-mortgage bonds and ask the court to appoint the following committee as a self-constituted bondholders' committee representing the 7,000 bondholders of the first mortgage on White-

representing the 7,000 bondholders of the first mortgage on Whitehall, Palm Beach, Fla.

The court will in return appoint Mr. Bemis and me as managers of the property, and as we have always made more than the interest on the first mortgage, you can rest assured that your interest payments will be met. Furthermore, the committee after securing this property will work out a plan for the future, and as president of this company since it has been incorporated, I can assure you that your bonds will become of real value.

Very truly yours,

(Signed) Marriy Swerry

(Signed) MARTIN SWEENY.

Mr. HOFFMAN. Read the rest of it.

Mr. Manager PERKINS. Annexed to it is a list:

Mr. G. B. Romph, First National Bank of Miami, Fla.
Mr. Charles H. Gilman, president, Bank of Bay of Biscayne.
Mr. Frank A. Shaughnessy, president, First National Bank of
Palm Beach.

Mr. Franklin P. Smith, Lake Forrest, Ill.
Mr. E. F. Hutton, chairman of the Board of General Foods Co.,
New York City.
Mr. Bert E. Holland, 73 Tremont Street, Boston, Mass.

By Mr. Manager PERKINS:

- Q. Mr. McPherson, are you familiar with rules of Judge Ritter's court with reference to interventions?—A. I think so; yes, sir.
- Q. I show you rule 22, and ask if you are familiar with it?-A. (After examination.) Yes, sir; that is one of the rules of the United States District Court for the Southern District of Florida.
 - Q. Rule 22 reads as follows:

Procedure: Not less than 5 days' notice of the application for leave of court to file petitions of intervention in equity causes pending in this court shall be given to all parties in interest, stating the time and place such application will be made, and a copy of said petition shall be served with such notice, and if such petition be filed by leave of court, parties in interest shall file answer or motion to dismiss said petition, unless otherwise ordered, within 20 days.

That is the rule, is it?—A. That is correct.

- Q. Do you know whether or not any notice of motion was given for the intervention of the interveners in this case?-A. I have no independent recollection of the notice given; but I do have in my office file the petitions for leave to intervene and the orders made thereon, but I do not recall what form or character of notice was given.
- Mr. Manager PERKINS. I desire to offer in evidence petition for intervention by A. H. Hill in the above case, Holland against Whitehall Building Co., signed by Mr. Rankin, and sworn to by Mr. Rankin as attorney on the 16th of October 1929; motion to grant order permitting intervention filed on the 16th of October 1929, signed by A. L. Rankin and Ernest Metcalf, attorneys for petitioners; and order allowing intervention, signed by Judge Ritter on October 16, 1929, and filed on the same day with the clerk of the court.

The WITNESS. Mr. Perkins, on the matter of notice, in fairness to Judge Rankin and to myself, we were before Judge Ritter on the 16th of October, as I remember it, that being the day of his first application for the appointment of a receiver, and that was the date upon which the hearing was adjourned until the 28th; so I do not want to say that we did or did not have notice of the application. I do not remember.

By Mr. Manager PERKINS:

- Q. There were a great many parties to that suit; were there not?-A. Yes; quite a number.
- Q. And do you know of any notice being served by Rankin or Metcalf on any other parties of a motion to intervene?-A. No. On the contrary, I do not remember that he served any on us. I do not want any inference to be drawn from that. I do not remember that he served any on us.
- Q. Is it a fact that the files show that he served no notice on anybody?

Mr. WALSH (of counsel). I think the files of the court will be the best possible evidence. They are all here.

Mr. Manager PERKINS. The files of the court cannot show the negative.

By Mr. Manager PERKINS:

Q. Do you know whether there appears in the files of the court any notice served on the parties interested of this motion to intervene?—A. When I examined the files in the courthouse I did not find it.

Q. After the filing of the bill, and the application for intervention, and the application for receiver, what did Mr. Rankin actually do in the case down to the time that he began to negotiate on the final fee and the final decree?—A. Well, he filed some pleadings, of course, further put the case at issue upon our cross-bill, or counterclaim, and I suppose he necessarily responded to such hearings as were had upon the sufficiency of those pleas. He drew an amendment to the bill of complaint after the settlement had been agreed upon.

Q. No; but I am saying from the time he made the application and got the receiver appointed until the final decree was agreed upon, what did he do?—A. Until the final decree was agreed upon?

Q. Yes.—A. I could not say, sir, without seeing the docket.

Q. Do you know that he did anything of any substance? Mr. WALSH (of counsel). Here is the docket.

The PRESIDING OFFICER. That question is proper.

The WITNESS. I do not recall, sir.

By Mr. Manager PERKINS:

Q. The fact is that he took no depositions on his allegations of fraud, or allegations of any kind; did he?—A. No. sir.

Q. Until you served upon him a 120-day notice to proceed and take depositions, that you were going to do so; is that true?—A. It was not a 120-day notice. The notice was of the taking of depositions for the defendant. The taking commenced after the lapse of 120 days.

Q. So you gave him notice that after 120 days you were to take depositions; is that right?—A. No. I do not think you understand it. After the case goes to issue, the plaintiff, in our jurisdiction, and other Federal jurisdictions, has 120 days in which to take depositions as a matter of right. At the expiration of that 120-day period, I immediately served notice of the taking of the depositions on the part of the defendant to sustain the counterclaim and disprove the bill.

Q. Did he take any depositions within 120 days?—A. He did not.

Q. Then you served him with notice that you were going to take depositions?—A. That is correct.

Q. And your depositions were taken in Chicago?—A. Yes.

Q. And fully disproved every allegation set up in the bill?—A. We put on the stand every person charged in the bill and examined him, so he might have been cross-examined.

Q. Did Mr. Rankin or Mr. Metcalf or anybody appear on behalf of Mr. Rankin's client there?—A. They did not.

Q. So it was entirely an ex-parte procedure in Chicago?—A. Yes.

Q. Fully disproving any allegations of fraud?—A. Yes.

Q. Would you have been, on that proof, entitled to your decree and to file a motion for dismissal of his bill?—A. Yes; because the depositions included other things than denial of fraud. We proved everything alleged in the cross-bill, which included an accounting of the trustee.

Q. So at the time you were entitled to a dismissal of his bill of complaint and the entry of a final decree on the cross-

bill?—A. That is right.

Q. So that practically the only thing with respect to the appointment of the receiver that you had to negotiate with Mr. Rankin was a question of how much the fee was to be?

Mr. WALSH (of counsel). One minute! I object to that.

A. No; that is hardly fairly put. We were negotiating with him upon a settlement of the case which involved how much we would have to pay him to get him out.

By Mr. Manager PERKINS:

Q. That is entirely what you were negotiating about, is it—how much you would have to pay Mr. Rankin to get him out?—A. The principal negotiations had to do—that is, the thing that was so troublesome was this upset price and things that tended to keep the case in court. There never was any dispute—we met immediately about that question—Mr. Rankin's demand for the fee. The difficulty was in determining upon a decree which was to enable us to sell that property before the next season's operation.

Q. The idea was to sell the property before it went into another season's operation by the receiver?—A. Yes.

Q. And Mr. Rankin delayed it so it got into another season's operation, did it not?

Mr. WALSH (of counsel). I object to that as calling for an improper conclusion of the witness.

The PRESIDING OFFICER. The objection is sustained. By Mr. Manager PERKINS:

Q. Did Mr. Rankin make objection to the form of your decree and other things, so that the matter was delayed until the next season?

Mr. WALSH (of counsel). I make the same objection, if Your Honor please.

The PRESIDING OFFICER. State what occurred.

By Mr. Manager PERKINS:

Q. State what occurred.—A. After we received his letter outlining his proposals, there being two of those, we communicated them to our clients, and advised our clients and the committee that since the only remaining question was principally one of fees, that my firm was not willing to keep the case in court for that alone, and that we were willing to get to other issues, and that if they wanted to meet Mr. Rankin's demand we were quite willing to do so. They said, "Go ahead."

We then undertook to draft the decree. The first question that came up was whether or not the trustee, Moore, should resign. We finally prevailed on him.

The next was whether or not he ought to be reimbursed for the advances made in the preservation of the property. The next one was whether or not the American Bond & Mortgage Co., which had advanced money to the trustee for that purpose, should be reimbursed. That we never could settle, and it was deferred until after the final decree. The next was the matter of the upset price, and things of that kind. I do not remember them all, but they were brought up more or less one at a time.

Q. At what time of the year was it when you finally agreed to pay him his fee to get him out of the case?

Mr. WALSH (of counsel). One minute. I object to that as a highly improper question.

The PRESIDING OFFICER. The first part of the question is proper. The Court, however, will determine the effect of the payment of the fee.

Mr. Manager PERKINS. I will reframe the question.

Q. Did you not state that the only point was how much money you would have to pay Rankin to get him out of the case?

Mr. WALSH (of counsel). I object to that.

The PRESIDING OFFICER. He may answer.

A. That was the principal question, of course, so far as we were concerned. There was no real dispute between the parties on the matter of foreclosure.

By Mr. Manager PERKINS:

Q. One other question: At the time Judge Akerman allowed the \$15,000 preliminary fee to Mr. Rankin, did you know anything about it?—A. Not until quite a long time after it had been done, sir.

Q. And no notice was given to you of that application, was there?—A. No, sir.

Q. And the proceedings in court were without the knowledge of your firm, were they not?—A. That is correct.

Q. How many months elapsed before you learned that he had received this preliminary \$15,000 fee?—A. I would not want to say. It was quite a long time. As a matter of fact, I think we first learned it from Mr. Lautmann.

Q. From whom?—A. I think we first learned it from Mr. Lautmann.

Mr. Manager PERKINS. That is all.

Mr. WALSH (of counsel). May I see rule XXII, please? Mr. MINTON. Mr. President, I send forward a question, which I ask to have read.

The PRESIDENT pro tempore. The Senator from Indiana submits a question, which will be read.

The legislative clerk read the question propounded by Mr. MINTON, as follows:

If the motion to dismiss the Holland bill had been sustained, the interveners would have had to establish an independent cause of action and jurisdiction of their own, would they not?

A. Yes, sir.

RECROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Did I understand you to say that you were not present in Judge Ritter's court when the application for the \$15,000 fee came up?-A. No; I did not so state. The application made to Judge Ritter, as I remember it, was not for any sum certain. He appeared before Judge Ritter and asked that he be allowed a conservation fee, and he gave notice of that, and we appeared and opposed it.

Q. So that you were in court at that time?—A. Yes; but Judge Ritter, as I remember it, made an order of \$2,500 on the petition, upon Mr. Bowen's consent.

Q. Were you there then?—A. I was.

Q. And did he say that he was going to refer the balance of the fee to Judge Akerman?-A. Not in my presence.

Q. Not in your presence.

I want to ask you about your interpretation of rule XXII. A suit is brought by the plaintiff against a number of defendants; and prior to the return day of the writs against these defendants, interveners come in and file their interventions. Is there anyone that is required to have notice of that before the return day of the various writs?-A. Yes; I think under our practice the petitioner would be required to serve notice upon all of the parties named in the suit, both plaintiff and defendant, in order to obtain an order upon his petition.

Q. They are not brought in yet; they are not properly parties to the case until they come in and file some sort of a pleading; are they?-A. No, sir; but the principal defendant in this case appeared, and most of the defendants, if I remember correctly, upon the 16th day of October.

Q. Yes; but up to the time that there is service had, there is no one upon which to serve the notice; is there?-A. Oh,

yes!

Q. No; the plaintiff standing alone, and the other parties not having been brought into court?-A. Upon the question put hypothetically by you, I should say under our practice that if I were for the petitioner I would undertake to serve the parties named, both plaintiff and defendant.

Q. The interpretation I place upon it your answer indicates is incorrect?-A. Yes; because you say the return of

process had not been completed.

Q. You did not file your pleadings in this case until October 28, 1929?—A. That is correct. We appeared on the 16th and advised Judge Ritter that all the defendants, except the Whitehall Building & Operating Co., who had appeared and consented were residents of Chicago, Ill., and asked him to give us sufficient time that we might get their affidavits down there and resist their application, which he did.

Q. There were no pleadings filed, however, by any of the

parties?-A. I do not recall.

Q. None by you, we will say, until October 28, 1929?—A. That is correct, I think.

Q. Did you make any objection to the interventions on the 16th when you say they were in court?—A. I do not recall ever having opposed the petition for intervention in this or any other.

Q. That is all. Thank you.

Mr. FLETCHER. Mr. President, I send to the desk two questions which I should like to have asked.

The PRESIDENT pro tempore. The interrogatories submitted by the Senator from Florida will be read.

The legislative clerk read the first question propounded by Mr. Fletcher, as follows:

How much did the bondholders realize out of the foreclosure?

A. The bondholders, if I understand the question correctly. Senator Fletcher, bid for the property at the sale. They bid \$1,500,000. They formed a corporation and took over the title in the name of the corporation, and issued participating shares, though I am not positive as to that, because I did not represent the purchasing company. The bondholders, however, got the property, together with whatever funds the receiver had on hand.

The PRESIDING OFFICER. The clerk will read the next question submitted by the Senator from Florida.

The legislative clerk read the second question propounded by Mr. Fletcher, as follows:

How much did the complainant and interveners receive or realize from the trustee, referee, or receiver?

A. If I understand your question correctly, I answered it before, save and except that there was, as I recall it, about \$200,000, or something in that neighborhood, in the hands of the trustee in bankruptcy, who subsequently became the receiver in this case. At the time he was appointed the referee in bankruptcy never at any time had in his hands, so far as I know, any funds that belonged to the plaintiff bondholders or any other bondholders in this case. The receiver, after the entry of the final decree in this case, submitted to the court an audit of his acts and doings, his receipts and disbursements. Notice was had of his application for approval of his accounts and his acts. The report was inspected and found to be correct; so that whatever moneys he had went into the hands of the persons entitled to receive them. Whatever it was, I do not recall.

FURTHER REDIRECT EXAMINATION

By Mr. Manager PERKINS:

Q. I desire to ask another question. Mr. McPherson, does not the receiver's report show that the 2 years' operation of the hotel netted \$658,298.34 and that his disbursements out of that amount were \$638,876.18, so that all the money left in the hands of the receiver after the 2 years' operations and the payment of these fees out of the \$600,000 was \$19,422?—A. I do not remember, sir. There was an audit there. It is a part of the record, and the record will show it.

Mr. Manager PERKINS. Mr. President, I desire now to offer in evidence a letter written by Walter S. Richardson to Martin Sweeny, under date of September 10, 1929, and identified by Mr. Fordham, one of the previous witnesses. Counsel for the respondent have seen the letter.

Mr. WALSH (of counsel). I do not recall it now. What is the date of it?

Mr. Manager PERKINS. It is dated September 10, 1929. (The letter was handed to Mr. Walsh (of counsel) and

examined by him.)

Mr. BONE. Mr. President, one question directed to the witness was of such a character that he was unable to answer it. I am wondering if counsel between themselves cannot inform us concerning it, so that they might save themselves the necessity of producing a lot of documents in Court. I refer to the question with respect to the matter of service of notice on the parties to the action by the inter-

It seems to me counsel could tell us that in just a moment, They might agree on that, and we would have that out of the way. It is obscure at this time.

Mr. Manager PERKINS. I think that counsel can agree that there was no notice served upon anybody.

Mr. WALSH (of counsel). We will say that no written notice was served. The application of the receiver was in court on the 16th, when the orders were made by the court for the intervention, and that no pleadings at that time had been filed by any party to the suit.

Mr. Manager PERKINS. Mr. President, the letter offered in evidence is on the letterhead of Walter S. Richardson, counselor at law, Palm Beach, Fla., and is dated September 10, 1929, and addressed to Mr. Martin Sweeny, 21 East Fifty-second Street, New York City.

PALM BEACH, FLA., September 10, 1929.

Mr. MARTIN SWEENY,

21 East Fifty-second Street, New York City.

DEAR MARTIN: Your letter of September 5, in which you enclosed

DEAR MARTIN: Your letter of September 5, in which you enclosed copies of Moore's letter to you and your reply received. Atta boy! That's the way to get him told!

Miss Lloyd tells me that Mr. Bemis will arrive in New York on the 24th. It is my plan at present to leave here either the 22d or 23d, that we may immediately have a conference and decide definitely upon plans of procedure. Mr. Bemis told me before he left that whatever we decided on we would have to begin immediately, writes to the close time remeining for booking for the coming owing to the short time remaining for booking for the coming season. If our plans carry, it will be very close to the 1st of November before a new receiver could be appointed, due to the absence of the district judge, as he will not return here until about the 15th of October.

Judge Rankin, a former partner of Judge Ritter, will come up with me also, to advise with us and at the same time take up some matters he has with Judge Ritter, who is now holding court in

Brooklyn.

Brooklyn.

My fee has been held up owing to the absence of Judge Ritter and the referee will not approve an advance, so it is barely possible that I will have to borrow a little money from you or Mr. Bemis to take care of my expenses in getting our plan in motion. I cannot go into detail regarding the plan for fear a letter may go astray, but I am confident that we are all set to go under the plan outlined to Mr. Bemis and which he probably discussed with you.

Sincerely yours,

Mr. WALSH (of counsel). Have you the letter that is referred to in that letter?

Mr. Manager PERKINS. I have not it at hand at this moment, but I have it here somewhere.

Mr. WALSH (of counsel). I should like to see the letter if it is here.

Mr. Manager PERKINS. I understood that Mr. Rankin would resume the stand at this time.

Mr. MINTON. Mr. President, far be it from me to suggest to eminent counsel engaged in this case how they should conduct a lawsuit, but I respectfully suggest that they identify their exhibits in some way, and also the papers that are introduced in the record, so that we may keep track of them.

The PRESIDING OFFICER. The Chair takes the liberty of suggesting that the statement made by the Senator from Indiana is a wise one, and is followed in court. The Chair sees no reason why identification should not be made of the exhibits which are received in evidence. Counsel will proceed.

CROSS-EXAMINATION OF A. L. RANKIN (RESUMED)

By Mr. WALSH (of counsel):

Q. When you left the witness stand upon yesterday, Mr. Rankin, you were handed prior to leaving it a list, chronologically and by number detailing the entire record, motions, pleadings, and other matters filed in the Whitehall case, were you not?-A. I was.

Q. And you were asked to indicate upon that list the papers that you filed yourself and, by some designation, the papers that were filed in the case of which you had to take cognizance, attend hearings, or perform other duties, were you not?-A. I was.

Q. I will have you look at the paper which I now hand you and say whether or not that is the paper, and what marks you put upon it to show the facts that I have just detailed to you.

The PRESIDING OFFICER. Does counsel desire to have it offered in evidence?

Mr. WALSH (of counsel). I am going to do this, I think, in an orderly way, Mr. President, and offer it as an exhibit. I have not offered anything as yet.

The PRESIDING OFFICER. The Chair had in mind the suggestion made by the Senator from Indiana and thought it might be a good idea to indicate the proposed exhibit. Counsel will proceed.

Mr. WALSH (of counsel). I think it could be improved upon. However, I could have it marked as an exhibit, but I will continue with this until the witness gets through and then have it properly marked.

A. I have indicated on this list by a check mark the different papers which I prepared and filed. That is indicated on the left side opposite the number. Each paper on this list is apparently numbered. I have indicated by cross mark in front of the number the papers which I did not draw. However, I was cognizant of them, and of practically all of

them I had copies handed me or served on me. Some of them I had to answer.

- Q. You mean answer in court or answer by mail?-A. How is that?
- Q. You mean answer in court or answer by mail?-A. Answer in court.
- Q. Go ahead .- A. A great many of them that are marked with a cross mark pertained to or required hearings in court. Some of them required motions to dismiss; some required answers; and practically the entire number here had to be considered, outside of the papers which I drew myself, and some of them, with Mr. Metcalf's assistance, had to be examined, and in some instances we had to have conferences over them with the receiver; and I had conferences with Mr. Bemis with reference to some of them. There were some claims filed in the court, some insurance claims for four or five different people filed in the court, that we had to contest because of the fact that, as I recall, Harold A. Moore, the trustee, had taken out insurance on the hotel property and that insurance had later on been canceled, as I remember. He had paid part cash and he had given notes for the balance of the premiums, and the holders of these notes had assigned them.
- Q. Mr. Rankin, I am doing everything I can to shorten this. I want to ask you whether or not these check marks which you have described indicate the papers you drew yourself, and the other marks indicate other matters-motions for hearings, appraisals, and matters of that kind—that you did not draw yourself, but to which you had to give more or less attention during the entire time down to the filing of the final decree?—A. Yes.
- Q. After the final decree, I see a great many numbers and a great many documents which are also numbered. I did not ask you to make any such indications as to those, did I?-A. No; you did not.
- Q. I will ask you this general question: In addition to what you did, as outlined, were you required to give attention to these other matters that ran on after that time?-A. I was required to give attention to those matters.

Mr. WALSH. Mr. President, I send forward several questions.

The PRESIDING OFFICER. The questions submitted by the Senator from Massachusetts will be read.

The legislative clerk read the first question propounded by Mr. Walsh, as follows:

When was the paper you hold prepared?

A. That paper was handed to me on yesterday.

The legislative clerk read the next question propounded by Mr. Walsh, as follows:

Was it prepared for the information of the Court?

A. I so understood it.

The legislative clerk read the next question propounded by Mr. Walsh, as follows:

Were these items entered in your private account books for the purpose of noting the time spent on this case?

A. They were not.

The legislative clerk read the next question propounded by Mr. Walsh, as follows:

Did you make any entries; and if so, what entries of charges for legal work on this case?

A. I do not recall that I made any entries whatsoever.

Mr. WALSH (of counsel). May I make a statement to the Court as to the source of this paper?

Mr. WALSH. I should like to have a statement made showing when the paper was prepared and for what pur-

Mr. WALSH (of counsel). When the records were subpenaed, they were very great in volume and some 249 in number. We asked the clerk when he brought them, in order to facilitate the trial, to bring with him a record of those papers with a number for each, so that as they are introduced we may take out each paper and offer it in

Mr. WALSH. So the paper is a copy of the court records and was presented to the witness for the purpose of his Item Date identifying the items in the record?

Mr. WALSH (of counsel). Exactly.

The PRESIDING OFFICER. Counsel for the respondent may proceed.

By Mr. WALSH (of counsel):

Q. This document you have just examined is headed "Sheet 1, Holland v. Whitehall, 678-M-Eq.", is it not?—A.

Mr. WALSH (of counsel). I now offer this document in evidence and ask that it be marked "Exhibit 1" of the respondent.

The PRESIDING OFFICER. It will be received and so marked.

(The document was marked "Respondent's Exhibit No. 1.") Mr. WALSH (of counsel). I will now read respondent's

exhil	oit no. 1, as	s follows:
	Н	olland v. Whitehall, No. 678-M-Eq.
tem	Date	
1	Oct. 11, 29	Bill of complaint.
2	Oct. 16, 29	Petition for intervention by Eugenie J. Schopps.
3	Oct. 16, 29	Petition for intervention by A. H. Hill.
4	Oct. 16, 29	Amendment to bill of complaint.
5	Oct. 16, 29	Petition for intervention by A. W. Kirkland.
6	Oct. 16, 29	Motion to grant order permitting intervention.
7		Order allowing intervention.
8		Order allowing amendment to bill.
9	Oct. 19, 29	Waiver of notice of hearing on application for
		appointment of receiver (missing).
10	Oct. 19, 29	Motion for appointment of receiver.
11	Oct. 19, 29	Bill of intervention, A. E. Kirkland.
12	Oct. 19, 29	Appraisal of property. Answer of defendant, Whitehall Building &
13	Oct. 19, 29	
14	Oct. 28, 29	Operating Co. Answer and counterclaim of Harold A. Moore,
1.4	OCC. 20, 29	trustee (bulk file).
15	Oct. 28, 29	Affidavit of Harold Moore re: Copies of corre-
10	000. 20, 20	spondence.
16	Oct. 28, 29	Affidavit of Clarence P. Grill.
17	Oct. 28, 29	Affidavit of Kenneth W. Moore.
18	Oct. 28, 29	Affidavit Geo. H. Thomas in opposition to appli-
Crayo		cation for appointment of receiver.
19	Oct. 28, 29	Affidavit of Hayden W. Ward.
20	Oct. 28, 29	Affidavit of W. J. Moore in opposition to applica-
		tion for appointment of receiver.
21	Oct. 28, 29	Order allowing Harold A. Moore to file answer
		and counterclaim.
22	Oct. 28, 29	Motion to withdraw of counsel.
23	Oct. 28, 29	Order allowing withdrawal of counsel.
24	Oct. 29, 29	Order appointing receiver.
25	Oct. 31, 29	Receiver's bond \$50,000.00.
26	Nov. 1, 29	Receiver's petition.
27	Nov. 1, 29	Order that E. Metcalf & Shutts & Bowen be
	-	attorneys for receiver.
28	Nov. 2, 29	Acceptance of appointment of receiver.
29	Nov. 2, 29	Receiver's oath.
30	Nov. 5, 29	Amended order appointing receiver.
31	Nov. 15, 29	Order allowing extension of time to plead an-
-	37 10 00	swer.
32	Nov. 18, 29	First report of receiver.
33	Nov. 18, 29	Receiver's inventory.
35	Nov. 25, 29	Receiver's petition. Answer to counterclaim of Harold A. Moore.
36	Nov. 25, 29	
37	Nov. 27, 29 Dec. 6, 29	Order allowing receiver's fee.
38	Dec. 6, 29	Application for warning order. Warning order.
39	Dec. 9, 29	Petition for approval of depositories for receiv-
00		ership's funds, etc.
40	Dec. 9, 29	Petition for approval of certain expenditures.
41	Dec. 9, 29	Order approving depositories for receiver's funds.
42	Dec. 9, 29	Order for approval of certain expenditures, etc.
43	Dec. 16, 29	Letter from auditor.
44	Dec. 19, 29	Auditor's report.
45	Dec. 26, 29	General replication of Harold A. Moore.
46	Jan. 7,30	Acknowledgment of service of copy of answer
		& counterclaim of Harold A. Moore.
47	Jan. 20, 30	Praecipe for appearance of Geo. H. Thomas, as
	Ton 00 00	trustee.
48	Jan. 23, 30	Report of receiver—Walter S. Richardson.
49	Jan. 28, 30	Acknowledgment of service of copy of answer &
50	Jan 22 20	counterclaim of Harold Moore.
51	Jan. 28, 30 Jan. 28, 30	Petition of receiver.
52	Jan. 28, 30	Order to pay bill. Petition for restoration of property claimed by
04	van. 20, 00	receiver filed 1/24/30.
53	Jan. 30, 30	Answer of receiver to petition of claimant.
54	Feb. 3, 30	Answer of Geo. H. Thomas, as trustee.
55	Tob 7 90	Receiver's petition.
56	Feb. 7,30	Receiver's petition. Notice of hearing.
57	Feb. 14, 30	Depositions of Harold A. Moore & Kenneth W.
		Moore (bulk file).

58 59	Feb. 17, 30	Depositions of W. J. Moore (bulk file).
60	Feb. 21, 30 Feb. 21, 30	Petition for leave to pay certain claims. Order granting petition to pay certain claims.
61	Feb. 21, 30	Report of receiver.
02	Feb. 24, 30	Answer of Hayden W. Ward, individually & trustee.
	Feb. 24, 30	Answer of Kenneth W. Moore & counterclaim of H. A. Moore.
64	Feb. 24, 30 Feb. 24, 30	Answer of American Trust & Safe Deposit Co. Answer of American Trust & Safe Deposit Co. to counterclaim (Moore).
66	Feb. 24, 30	Answer of Hayden W. Ward to counterclaim of H. A. Moore.
67 68	Feb. 24, 30 Mar. 3, 30	Answer of Kenneth W. Moore. Answer of Geo. H. Thomas, as trustees to coun-
69 70	Mar. 3,30 Mar. 3,30	terclaim of Harold A. Moore—as trustee. Motion to strike portion of answer of receiver. Order denying motion to strike portions of
71	Mar. 11, 30	answer of receiver. Bond, West Palm Beach National Bank, to se-
72	Mar. 11, 30	cure receiver's deposit, \$50,000. Bond, West Palm Beach Nat. Bank, to secure receiver's deposit, \$50,000.
73	Mar. 20, 30	Auditor's report.
74 75	Mar. 21, 30 Mar. 21, 30	Petition for attorneys' fees. Order to pay attorneys' fees.
76	Mar. 28, 30	Petition for order directing receiver to pay appraisal fee.
77 78	Mar. 28, 30 Mar. 28, 30	Order directing receiver to pay appraisal fee. Petitioner's exhibit A.
79	Mar. 28, 30	Answer of American Bond & Mtg. Co. to counterclaim H. W. Moore (missing).
80 81	Mar. 28, 30 Apr. 4, 30	Answer of American Bond & Mtg. Co., Inc. Petition to pay insurance premiums to Public
82	Apr. 4,30	Fire Ins. Co. Petition to pay A. H. Turner.
83	Apr. 4,30	Petition to pay Jno. S. Noll.
84 85	Apr. 4,30 Apr. 4,30	Petition to pay Finlay Tucker & Bro., Inc. Exhibits 1 to 37, inc., of Petitioners Turner, Noel,
86	Apr. 4,30	Pub. Fire Ins. Co., & Finlay Tucker & Bro., Inc. Exhibits "A" of Petitioners Turner, Noel, Pub. Fire Ins. Co., & Finlay Tucker & Bro., Inc.
87	Apr 11 20	(missing).
88	Apr. 11, 30 Apr. 11, 30	Petition for order providing a maintenance fund. Order for maintenance fund.
89	Apr. 22, 30	Receiver's report.
90	May 2, 30	Order granting prayer of petition of W. J. Moore for restoration of furniture & cancellation of lease.
91	May 9,30	Answer of plaintiffs & interveners to petition of Public Fire Insurance Co.
92	May 9,30	Answer of plaintiffs & interveners to petition of John S. Noel.
93	May 9, 30	Answer of plaintiffs & interveners to petition of Finlay Tucker & Brother.
94	May 9,30	Answer of plaintiffs & interveners to petition of A. H. Turner.
95	May 9,30	Motion of plaintiffs & interveners to dismiss petition of Tucker & Bro.
96	May 9,30	Motion of plaintiffs & interveners to dismiss petition of John S. Noel.
97	May 9,30	Motion of plaintiffs & interveners to dismiss petition of Public Fire Insurance Co.
98	May 9,30	Motion of plaintiffs & interveners to dismiss petition of A. H. Turner.
99	May 19, 30	Petition of plaintiffs & interveners for order allowing compensation for their attorney.
100	May 19, 30 May 19, 30	Affidavit as to reasonable compensation, etc. Affidavit as to reasonable compensation, etc.
102	May 21, 30	Receivers' & Auditors' reports.
103	May 21, 30	Order authorizing receiver pay fees to atty. for plaintiff & interveners.
104	May 23, 30	Receiver's report of cash receipts & disbursements. Corrected report filed 3/16/30.
105	May 27, 30 May 27, 30	Petition of rec. to make repairs. Order giving rec. leave to make repairs.
107	May 29, 30	Report of Louis L. Beaudry & Co., auditors.
108	June 18, 30	Stipulation.
110	June 18, 30 June 18, 30	Motion for continuance. Order granting continuance.
111	June 24, 30	Receiver's report dated June 15, 1930, by W. S. Richardson, receiver.
112	June 27, 30	Praecipe for witness subpena.
113	June 27, 30 July 1, 30	Witness subpena issued (missing). Order to dismiss petition of Finlay Tucker &
115	July 1,30	Bro. as preferred creditor. Order to dismiss petition of A. H. Turner.
116	July 1,30	Order to dismiss petition of Public Fire Ins. Co.
117 118	July 1,30 July 3,30	Order to dismiss petition of Jno. S. Noel. Witness subpena retexecuted.
119	July 3,30	Order denying petition of rec. to pay out certain funds, etc.
120 121	July 12, 30	Statement of auditor.
122	July 14, 30 July 19, 30	Monthly report of receiver. Depositions of Harold A. Moore et al. (missing).
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Holland v. Whitehall, No. 678-M-Eq.—Continued

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Péan	- I The state of the state of	v. Whitehall, No. 678-M-Eq.—Continued	7+am		v. Whitehall, No. 678-M-Eq.—Continued
Item 123	July 21, 30	Petition of plaintiffs & interveners for order allowing amendment to bill.	Item 186	Date Nov. 6, 31	Petition for order directing master to make partial disbursement, etc.
124	July 21,30	Order allowing compensation for attys for plaintiff and interveners.	187 188		Notice on petition. Order directing master to make partial disburse-
125	Aug. 21,30	Amended order giving receiver leave to make repair.	189	Jan. 4,32	ments, etc. Motion to intervene.
126 127	Aug. 25, 30 Aug. 25, 30	Petition for leave to pay bill.	190 191	Jan. 4,32	Order allowing filing petition to intervene. Petition for intervention.
128		Monthly report of Receiver Walter S. Richard-	192 193	Jan. 6, 32	Notice on intervention filed.
129	Sept. 22, 30	son dated Aug. 15, 1930. Answer of complainant & interveners to ans. of American Bond and Mortgage Co., Inc.	194	Jan. 20, 32	Order requesting Judge Akerman to assume jurisdiction.
130	Sept. 25, 30	Petition for order for partial compensation for receiver.	195 196	Jan. 29, 32 Jan. 29, 32	Petition of intervenors for distribution of funds. Notice of hearing.
131	Sept. 25, 30	Order authorizing payment of advance of com- pensation for rec.		Feb. 8,32	Affidavit as to mailing copies of notice of hearing.
132		Receiver's petition for order authorizing opera- tion of hotel for season 1930-31.	198	Feb. 8, 32 Feb. 29, 32	Order directing master to distribute funds. Petition of Arthur W. Draper & Chicago Title & Trust Co.
133		Order authorizing receiver to operate hotel, employ managers.	200	Feb. 29, 32 Feb. 29, 32	Notice of hearing. •
135	Oct. 23, 30 Oct. 23, 30		202	May 10, 32	Order substituting party defendant. Stipulation in re claim of receivers, etc.
136	Nov. 18, 30	for year ending Oct. 28, 1930.		May 10, 32	rec. for American Bond & Mgte. Co.
137 138 139	Dec. 3, 30 Dec. 10, 30 Dec. 10, 30	Report of receiver dated Nov. 15, 1930. Answer of W. S. Richardson, trustee in bk. cause. Stipulation of parties as to filing amended bill	204	Sept. 8, 32	Petition for order directing special master to make partial disbursements to non-depositing bondholders.
	Dec. 10, 30	and answers.	205 206	Sept. 10, 32 Sept. 29, 32	
141 142		Consent to entry of final decree. Affidavit as to reasonable compensation, Harry	207	Oct. 5,32	additional atty. for claimant.
143	Dec. 24, 30	A. Johnson. Affidavit as to reasonable compensation, H. C.	208	Feb. 7,33	cial master. Application for rule to show cause.
144	Dec. 24, 30	Fisher. Affidavit as to reasonable compensation, Bert		Feb. 7,33 Feb. 9,33	Rule to show cause to Jas. R. Roads.
145	Dec. 24, 30	Winters. Affidavit as to reasonable compensation, E. B.	211	Feb. 11, 33	claims of the American Bond & Mtg. Co. et al. Order allowing additional compensation special
146	Dec. 24, 30		212	Feb. 11, 33	master. Petition for subpena duces tecum before special
147	Dec. 24, 30	etc. Order authorizing Walter S. Richardson, receiver,	213	Feb. 11, 33	master filed 9-19-32 at Tampa. Subpena issued by special master & affidavit of
148	Dec. 24, 30	to pay compensation to attys., etc. Final decree.		Feb. 11, 33	
149	Dec. 24, 30	Praecipe for dismissal of counterclaim of Harold A. Moore, as trustee. Petition for designation of depository, etc.	- POUL		Petition for order approving sale of provisions, supplies, etc., filed 9-19-32 at Tampa.
151 152	Jan. 12, 31 Jan. 12, 31	Order designating depository, etc.		Feb. 11, 33 Feb. 11, 33	
153		Petition of receiver for an advance of compensa- tion for receiver.	218	Feb. 11, 33	Bond & Mtg. Co. et al. filed 9-19-32 at Tampa. Exhibits "A"-"B"-"C" & D-E-F & G filed 9-19-33 at Tampa (missing).
154	Jan. 23, 31	Order authorizing payment of advance of com- pensation for receiver.	219	Feb. 11, 33	Petition of special master for additional com- pensation filed 9-19-32 at Tampa.
155 156	Jan. 23, 31 Feb. 27, 31	Report of receiver Jan. 15, 1931. Report of Walter S. Richardson, res., Feb. 15,	220	Feb. 11, 33	Brief of Arthur W. Draper et al., receiver's statement of fact filed 9-19-32 at Tampa.
157	Mar. 4,31	1931. Petition of receiver for order authorizing agreement with Wm. J. Moore.	221	Feb. 11, 33	Objections to finding of master allowing claim, Amer. Bond & Mtg. Co. filed 10-10-32 at
158 159	Mar. 4,31 Apr. 3,31		222	Feb. 11, 33	
	Apr. 3,31		223	Apr. 13, 33	
161	Apr. 3,31	Intervention of Jno. J. Dutel et al., committee for minority bondholders.	224	Apr. 13, 33	
162	Apr. 7,31	Special master's report of sale & proof of publication.	225	May 13, 33	of Am. Bond & Mtg. Co. Petition for authority to sell receiver's certificate.
163 164		Notice of motion for confirmation. Order for confirmation.	226 227	May 13, 33 May 13, 33	Order authorizing sale of certificates. Petition for examination of books & records of
165 166	Apr. 7,31 Apr. 7,31	Receiver's petition for compensation.	228	May 13, 33	Whitehall Bldg. & Operating Co. Order granting leave to special master to exam-
167 168			000		ine books & records of Whitehall Bldg. & Operating Co.
	Apr. 7, 31	Bowen.	229		Petition for order with reference to deposit of certain moneys.
	Apr. 10, 31 Apr. 16, 31	Notice of special master's sale.	230	May 13, 33	tain moneys in a reliable bank or trust co. in
172	Apr. 16, 31	1930. Report of receiver—March 15, 1931, and operat-	231	Feb. 13, 34	West Palm Beach. Order dismissing petition for intervention of Jno. J. Dutel et al. as a committee.
		ing account for Feb. 1931. Amended report.	232 233	Jan. 7, 35 Jan. 26, 35	Petition of Bert E. Winters special master. Notice filed.
175	Apr. 16, 31 Apr. 28, 31	Receiver's report, season 1930-1931. Final report of Receiver Walter S. Richardson.		Feb. 1,35	Answer of J. B. Powell, Jr. Order on petition of special master.
176 177	Apr. 28, 31 Apr. 30, 31	Report and accounts for season 1930-1931. Receiver's final report & petition for discharge	100	or and and	SH (of counsel):
178	May 29, 31	and notice of hearing. Order approving final accounting & discharging receiver.	Q.	From that	time forward, on this list I understand you otations as to what you drew and what were
179 180	May 29, 31	Notice of hearing on receiver's final accounting.	draw	n by other	s that required your consideration. Is that
181	June 12, 31	Receipt from special master to receiver. Report of special master. Receipt from special master.		ect?—A. The	at is correct. Would you like to have me
182 183	Oct. 30, 31	Receivers cancelled checks filed. Notice of hearing.	0.0000		nead and explain it, if you wish to.—A. The
184	22 0 22 21	Motion for order instructing special master to pay out funds.	files	were in th	e court room up until the Court adjourned
185	Oct. 30, 31	Order authorizing special master to pay out funds.		lock last ni	noon, and I did not get to them until about ght.

Q. And when you told me, I told you to let them go, and we would turn the list in without them. That is correct, is it not?-A. Yes.

Mr. WALSH (of counsel, to the managers on the part of the House). You have a copy of that list, have you not?

Mr. Manager HOBBS. If we have, it is all right. If we have not, it is all right.

By Mr. WALSH (of counsel):

Q. You are still acting as attorney in anything that comes up in those matters?-A. Until the final settlement.

Q. And there are, in addition to what we have read here. some 100 or more matters that you attended to after the final decree. Is that correct?—A. Repeat your question.

Q. I say, in addition to those you have marked, there are some one-hundred-odd matters that you have attended to between the time of the final decree and down to the last notation, which was in 1935?-A. Where it was necessary.

Q. I will ask you to look at the file which I now hand you, which is the bill of complaint for foreclosure of trust deed or mortgage, appointment of receiver, and other relief, and say if that is the bill of complaint which you filed?-A. [after examining document:] It is.

Mr. WALSH (of counsel). I now offer this document in evidence and ask that it be marked "Respondent's Exhibit No. 2."

The PRESIDING OFFICER. It will be received.

(The document was marked "Respondent's Exhibit No. 2.") The PRESIDING OFFICER. The Chair inquires of counsel whether or not it is important that the document be printed in the RECORD.

Mr. WALSH (of counsel). Is the Chair's inquiry addressed to me?

The PRESIDING OFFICER. The Chair addresses that interrogatory to counsel on both sides.

Mr. Manager HOBBS. Your pleasure shall be mine, sir. I have no desire to have it printed. It will be exhibited to the Senate.

Mr. WALSH (of counsel). The memorandum will be sufficient. If any member of the Court then wants to read it, it is in the record as a whole.

The PRESIDING OFFICER. It will be filed with the clerk and will be available here for any member of the Court who desires to examine it.

Mr. McKELLAR. Mr. President, I send to the desk an interrogatory which I desire to propound.

The PRESIDING OFFICER. The interrogatory submitted by the Senator from Tennessee will be read.

The legislative clerk read the question propounded by Mr. McKellar, as follows:

What is the date of the filing of the bill, and what is the date of the final decree?

A. The bill of complaint is marked "Filed October 11, 1929", and I have not the final decree.

Mr. WALSH (of counsel). The date of the final decree, if I may read it off, is December 24, 1930, as shown on the original record. That is now in evidence, on the list that was identified by the witness and marked as "Exhibit 1."

By Mr. WALSH (of counsel):

Q. Did you or did you not attach, as an exhibit to that bill, the trust deed covering the bonds mentioned?-A. I attached a copy of the trust deed.

Mr. WALSH (of counsel). I should like to read from the trust deed the paragraphs referring to the right to bring foreclosure proceedings.

By Mr. WALSH (of counsel):

Q. I will get you to look at the paper which I now hand you and ask if that is a copy of the first trust deed [exhibiting document to witness].

The PRESIDING OFFICER. May the Chair inquire of the managers on the part of the House whether there is any controversy as to whether this is a copy of the trust deed which is a part of the record?

Mr. Manager HOBBS. I have not any idea, sir. We have never seen it before. If Mr. Walsh says it is, it is O. K. with us.

Mr. WALSH (of counsel). It is. There is a typewritten copy attached to the bill; but here is a printed copy, and it is easier to read.

By Mr. WALSH (of counsel):

Q. Is that a copy of the trust deed?-A. It appears to be. Mr. Manager HOBBS. Do you know it to be, Mr. Walsh? Mr. WALSH (of counsel). Yes; I know it to be. It is printed. I would not say that I checked it off.
Mr. Manager HOBBS. That is all right.

Mr. WALSH (of counsel). This is marked at the top "Original", and also has the letters on it "American Trust & Safe Deposit Co., C-51, first trust deed." That is the document you just looked at.

I now offer the entire trust deed in evidence and ask that it be marked "Respondent's Exhibit No. 3."

The PRESIDING OFFICER. If there is no objection, it will be received and so marked.

(The document was marked "Respondent's Exhibit No. 3.") The PRESIDING OFFICER. Proceed.

Mr. WALSH (of counsel). I think, if Your Honor please, that trust deed ought to be printed in full.

The PRESIDING OFFICER. Is that the desire of the honorable managers on the part of the House?

Mr. Manager HOBBS. We have no objection, may it please the Court, if the Court so desires.

The PRESIDING OFFICER. It is so ordered. Proceed. (The document, Respondent's Exhibit No. 3, is as follows:)

HAROLD A. MOORE, EXHIBIT No. 1

[Original. Apr. 8, 1936. Offered in Exhibit No. 3.] Offered in evidence by respondent

exhibit No. 3.]

irst trust deed. Whitehall Building & Operating Co., a corporation, Palm Beach, Fla., to Harold A. Moore (and successors), trustee. Securing an issue of £2,500,000 6½-percent first-mortgage bonds. American Trust & Safe Deposit Co., corporate trustee, for certifying bonds, etc., secured hereby. Dated May 15, 1925. American Bond & Mortgage Co., Inc., broker, Chicago, New York, Boston. Return by registered mail to Harold A. Moore, trustee, 127 North Dearborn Street, Chicago, Ill. First trust deed.

This indenture, deed of trust and mortgage, dated the fifteenth day of May in the year of our Lord one thousand nine hundred and twenty-five (A. D. 1925), made by Whitehall Building & Operating Co., a corporation organized and existing under the laws of the Co., a corporation organized and existing under the laws of the State of Florida, with principal office in Palm Beach County in said State, party of the first part and hereinafter called "grantor" or "company" or "grantor company", and the American Trust & Safe Deposit Co., a corporation existing under and by virtue of the laws of the State of Illinois and having power, authority and qualification under the laws of said State to execute trusts therein, with its principal office in the city of Chicago, State of Illinois, as with its principal office in the city of Unicago, State of Hillinois, as corporate trustee, for certain limited purposes herein specified, party of the second part, hereinafter referred to as "corporate trustee", and Harold A. Moore, a citizen of the United States of America and residing in the city of Chicago, county of Cook and State of Illinois, and his successors hereinafter named, as trustee, so the of the third part and hereinafter referred to as "trustee". party of the third part and hereinafter referred to as "trustee and "individual trustee", witnesseth: That,

Whereas the said grantor is a lawfully organized corporation under the laws of the State of Florida and has power and authority under and by virtue of its charter and the laws of the State of Florida to engage in the hotel business and to own the lands, riparian rights, easements, rights of way, and buildings and improvements now thereon and hereafter to be erected thereon and the furniture and furnishings and equipment to be placed in said hotels in Palm Beach County, State of Florida, and as such corporation has lawful power and authority to convey its said property and to mortgage the same for the payment of debt, and has power and authority to create an indebtedness hereinafter specified and to secure the same by a mortgage or deed of trust upon its said property to secure the payment of such indebtedness, interest, advances, attorneys' and counselors' fees, and other moneys as

hereinafter set out; and

Whereas said grantor, by and under the unanimous-consent and affirmative vote of each, every, and all of its stockholders at a stockholders' meeting lawfully convened and held at its office in Palm Beach County, Florida, and by like authority, direction, and vote of its board of directors, and for the company's needs and to certain purchase money obligations on its lands and property, and to aid it in paying other obligations and the costs of making certain new and valuable improvements on its said lands and property in said county and State, has become indebted in the principal sum of two million five hundred thousand dollars (\$2,principal sum of two million five hundred thousand dollars (\$2,500,000), and by like authority, has pledged its credit for the payment of the same; and to further evidence and secure the payment of said indebtedness in the aggregate, and under the unanimous authority of its stockholders and directors, voted, given, and made as aforesaid, said grantor has duly authorized the issue of its corporate interest-bearing coupon gold bonds to be known as its permanent or definitive bonds, having an aggregate principal amount of two million five hundred thousand dollars (\$2,500,000), and that until the said permanent or definitive bonds, with interest coupons attached, may be engraved, signed, sealed, certified, and delivered, said aggregate principal sum of said bonds and said money of two million five hundred thousand dollars (\$2,500,000) shall be evidenced by a certain temporary bond; and said principal indebtedness as evidenced by said permanent and definitive coupon bonds, amounting to the aggregate principal as aforesaid, shall not mature all at once but shall mature in serial annual installments, designated for identification by consecutive numbers from one (1) to five thousand one hundred five (5,105), both first and last numbers inclusive, and be of the respective denominations of \$100, \$500, and \$1,000, according to a schedule of said permanent or definitive bonds as unanimously authorized by the stockholders and directors of said grantor as aforesaid, and shall be of the bond numbers, denominations, aggregate amounts of principal having like maturity and dates of maturity of each as follows:

i	Bond nos.	Denomi- nation	Total amount with like maturity and de- nomination	When due
41 to 70, both inclu 71 to 140, both inclu 141 to 180, both ine 181 to 280, both ine 181 to 280, both ine 181 to 280, both ine 281 to 490, both ine 321 to 490, both ine 321 to 490, both ine 461 to 960, both ine 461 to 960, both ine 1961 to 1140, both in 1961 to 1140, both in 1291 to 1280, both in 1291 to 1280, both in 1291 to 1280, both in 1291 to 1340, both in 1341 to 1450, both in 1451 to 1520, both in 1631 to 1700, both in 1631 to 1700, both in 1811 to 1880, both in 1811 to 1830, both in 1811 to 330, both in	ive	1,000 500 1,000 1,000 1,000 1,000 500 1,000 500 1,000 500 1,000 500 1,000 1,000 500 1,000 500 1,000 500 1,000 500 500 500 500 500 500 500 500 500	\$20,000 30,000 35,000 40,000 60,000 60,000 50,000 40,000 60,000 55,000 70,000 55,000 70,000 55,000 70,000 70,000 70,000 70,000 70,000 70,000 70,000	May 15, 1927 Do. May 15, 1928 Do. May 15, 1929 Do. May 15, 1930 May 15, 1930 May 15, 1931 May 15, 1931 May 15, 1933 May 15, 1933 May 15, 1933 May 15, 1933 May 15, 1934 May 15, 1934 May 15, 1935 Do. May 15, 1936 Do. May 15, 1937 Do. Do.
Total issue			2, 500,	000

and that each and all of said permanent or definitive bonds shall be of even date herewith, May 15, 1925, and bear interest from their said date until their respective maturities at the rate of six and one-half per centum (6½%) per annum, and be payable in semi-annual installments on the fifteenth days of November and May in each year; that each of said permanent bonds, when so engraved and lithographed, shall be executed in the corporate name of the grapher by the president of the president attested by its and lithographed, shall be executed in the corporate name of the grantor by its president, or by its vice president, attested by its secretary, and sealed with its corporate seal, and that each and all of said semi-yearly installments of interest that shall accrue upon each of said permanent or definitive bonds, until their respective maturities aforesaid, shall be further evidenced by interest coupons to be attached to each of said permanent or definitive bonds, signed by the facsimile signature of its treasurer; and also, under and by like and further authority, the grantor has agreed to pay in addition to said interest at the rate aforesaid, the normal income tax of the United States of America levied upon the interest accruing on said bonds against the respective holders thereof, not exceeding two per centum (2%) thereof in any one year, and likewise, shall pay said interest and said principal of said bonds without deduction for certain taxes leviable upon principal and interest of said bonds and coupons against the holders thereof and interest of said bonds and coupons against the holders thereof in the States of Pennsylvania, Connecticut, Massachusetts, and New Hampshire, and upon proper claim, to pay the said taxes in addition to the regular rate of interest as aforesaid and the said normal income taxes of the United States not exceeding two per normal income taxes of the United States not exceeding two per centum (2%) upon the annual interest as aforesaid; and that if any of the principal of said bonds shall not be paid when due, that said principal shall bear interest after maturity at the rate of seven per centum per annum, and be payable semi-yearly until paid, and that each amount of each of said interest coupons, if not paid when due, shall bear interest after maturity at the rate of seven per centum per annum; and that the form and language of each of said permanent or definitive bonds and the interest coupons to be thereunto attached, and the certificate for identification by said corporate trustee to be endorsed and signed upon each of said bonds, and also the certificate by a title insurance company likewise to be endorsed on each of said bonds, except the necessary variations thereof as to the designating numbers, denominations, and date of maturity, shall be and are hereby fixed and declared to be as follows: and declared to be as follows:

United States of America, State of Florida, Whitehall Building & Operating Company, Whitehall Hotel, Palm Beach, six and one-half per cent first-mortgage bond

The undersigned Whitehall Building & Operating Company, a corporation lawfully organized and existing under the laws of the State of Florida, acknowledges itself and its successors to owe, and for value received promises to pay, on presentation hereof, to bearer (or to the registered holder hereof, if registered) _____

dollars (\$_____) in gold coin of the United States of America of not less than the present standard of weight and fineness as now fixed by law, or its equivalent in lawful money of the United States of America, on the 15th day of _____, A. D. 19__, at the office of the American Bond and Mortgage Company, Inc., the office of the American Bond and Mortgage Company, Inc., Chicago, Illinois, or elsewhere as provided in a trust deed or first mortgage hereinafter mentioned, with interest thereon from and after the date hereof until maturity at the rate of six and one-half per centum per annum, payable semi-yearly in like gold coin in equal installments on the 15th day of November and May in each year on presentation and surrender as they severally mature of the respective interest coupons hereto attached to evidence each such interest installment, without deduction of the normal Federal income tax, assessment, or charge not exceeding two (2%) per income tax, assessment, or charge not exceeding two (2%) per cent on the interest or income derived from said bonds and accrucent on the interest or income derived from said bonds and accruing thereon as aforesaid, and without deduction therefor or therefrom of any and all direct and income taxes, assessments, and charges (except those in the nature of inheritance or estate taxes or excises) levied on the principal or interest and income hereof and hereon annually, and/or against the holder hereof under any present or future laws of the States of Massachusetts, Connecticut, New Hampshire, and/or Pennsylvania, and on claim by a bondholder, will pay said taxes in manner and form as is provided in the trust deed hereinafter mentioned, made to secure the payment of this bond and interest and said taxes, if any. The undersigned further promises to pay interest on the principal hereof after of this bond and interest and said taxes, if any. The undersigned further promises to pay interest on the principal hereof after maturity, if not then paid, at the rate of seven per centum (7%)

maturity, if not then paid, at the rate of seven per centum (7%) per annum, payable semi-yearly on the dates aforesaid, and also to pay interest after maturity on the amount of any interest coupon, if not paid when due, at the rate of seven per centum (7%) per annum until paid.

This bond is one of a series of five thousand one hundred five (5,105) bonds of like tenor and effect, except as to denominations, numbers, and dates of maturity thereof, and numbered consecutively from one (1) to five thousand one hundred five (5,105), both first and last numbers inclusive, of the aggregate principal amount of two million five hundred thousand dollars (\$2,500,000), the payment of all of which, with the interest thereon, is equally and ratably secured without preference or priority, regardless of maturity, time of delivery or negotiation of any bond or coupon, above or before another of the entire issue, by a trust deed or first mortgage of even date herewith, made by the undersigned with the American Trust and Safe Deposit Company, as corporate with the American Trust and Safe Deposit Company, as corporate trustee, for certain limited purposes, and Harold A. Moore, of Chicago, Illinois, as trustee, conveying to him and his successors in trust certain real estate therein described and being the lands and buildings of the undersigned commonly known as the Whiteand buildings of the undersigned commonly known as the White-hall Hotel building, annex, and grounds, and other property in Palm Beach, Florida, together with certain rights of way and easements appurtenant thereto, and together with all of the hotel furniture and furnishings and equipment now or hereafter located or to be located within said hotel and annex and other buildings, to which trust deed and the record thereof reference is hereby had for further particulars and certainty; to all of the provisions of which said trust deed, all of said bonds, including this one, and the coupons thereunto affixed, are hereby made subject with the same effect as if said trust deed were here set forth.

Said trust deed and chattel mortgages made under provisions of said trust deed and all of said bonds and coupons secured thereby shall be considered and construed together as parts of one and the same contract.

Redemption hereof and of any of the other bonds at the date of redemption outstanding and unpaid prior to regular maturity thereof, may be made by the undersigned upon any semi-annual

thereof, may be made by the undersigned upon any semi-annual interest payment date upon prior notice and performance of the conditions as provided in said trust deed, by the payment of the principal, accrued interest, taxes, and a premium of one and one-half per centum $(1\frac{1}{2}\%)$ of the principal hereof.

Title to this bond shall pass by delivery without endorsement unless registered. This bond may be registered as to principal on the transfer and registry books of the undersigned at the office of the American Bond & Mortgage Co., Inc., Chicago, Ill., or otherwise, in manner and form and with the effect as provided in said trust deed. The coupons hereto attached shall always be transferable by delivery.

transferable by delivery.

This bond shall not become valid or obligatory or entitled to any security under said trust deed until it is identified and authenticated by the signature of the American Trust & Safe Deposit Co., corporate trustee, to the corporate trustee's certificate hereon endorsed, or by its successor, and also by the execution of the title insurance company of its certificate hereon endorsed and

This bond and any or either or all of the other bonds afore-said may be declared due and payable prior to regular maturity hereof by said trustee or by the holders of the bonds and coupons above mentioned, holding the requisite amount of said bonds or coupons, upon the terms and conditions as specified in said trust coupons, upon the terms and conditions as specified in said trust deed, upon a default in the payment of the semiannual interest accrued hereon or upon the other bonds of the issue aforesaid, or default in the payment of the principal hereof or the principal of any of the other bonds of the issue aforesaid, when and as the same shall regularly fall due and become payable according to the tenor thereof and any such default shall continue and exist for 30 days thereafter, or upon default by the undersigned in the performance of any of the other covenants, agreements, and conditions specified and set forth in said trust deed to be kept and performed by the undersigned and within the time and in the manner in said trust deed specified and upon the notice and the performance of the provisions and conditions therein speci-fied; and all with the limitations, remedies, rights, options, elections, powers, and authorities specified in said trust deed, to which

reference is hereby had.

The special agreement herein to pay interest hereon and the said income tax and other taxes at the respective rates aforesaid, shall be and always be construed as a contract made under and by virtue of the laws of the State of Florida in force at the time of the date hereof, and is expressly made with reference thereto and shall be governed thereby regardless of the place of payment of the principal hereof, the interest hereon, or the place of actual de-livery hereof; and it is certified by the undersigned that said interest at the rates aforesaid, inclusive of said taxes in addition thereto as herein and in said trust deed are agreed to be paid, are in the aggregate not in excess of the aggregate amount of interest or money as such that the undersigned can now lawfully agree to pay for the use of money under the laws of the State of Florida; and the undersigned hereby certifies and warrants to the holder hereof that said special agreement above made to pay such interest and taxes when claimed as aforesaid, is incontestable by the underhereof that said special agreement above made to pay such interest and taxes when claimed as aforesaid, is incontestable by the undersigned or by its successors; and to secure the payment of the principal amount hereof and the interest hereon, the undersigned hereby irrevocably authorizes any attorney of any court of record in the State of Florida to appear for it in any court therein in term time or vacation, at any time after maturity hereof, and the lapse of 30 days thereafter, by declaration on default as aforesaid, or maturity by lapse of time according to the tenor hereof, and confess a judgment without process in favor of the holder of this bond for such amount of principal and interest as may appear to be unpaid thereon, together with costs and 10 percent of the amount of principal and interest hereof and hereon, as and for attorneys' fees of the holder hereof, and to waive and release all errors which may intervene in any such proceedings, and consent to immediate execution upon such judgment, hereby ratifying and confirming all that said attorney of the undersigned appointed as aforesaid may do by virtue hereof.

In witness whereof, Whitehall Building & Operating Company, the undersigned, by the unanimous authority of its stockholders and of its board of directors, has executed this bond in its corporate name by its duly authorized president or vice president, caused

and of its board of directors, has executed this bond in its corporate name by its duly authorized president or vice president, caused the same to be attested by its secretary, and its corporate seal to be hereunto affixed, and on like authority, has caused each of said interest coupons hereto attached, to be executed for and on its behalf and as its obligations, by the facsimile signature of its treasurer, and this bond to be dated the fifteenth day of May, A. D. 1925.

WHITEHALL BUILDING & OPERATING COMPANY,

Attest:

Secretary.

(Note 1 .- Said bond shall bear and have across the face and text thereof a legend in red letters not less than one-half inch in

height, stating that said bond is a construction bond.)
(Nore 2.—Said bond shall bear a statement or stamp in lieu of U. S. revenue stamps, stating in substance that the required U. S. documentary revenue stamps for this bond are placed upon the trust deed securing the same and canceled.)

(Form of interest coupon) Whitehall Hotel, Palm Beach, Florida

Bond No. Coupon No. ___

months' interest on the bond dated May 15, 1925, of said White-hall Building & Operating Company, bearing the serial number in the margin hereof, and if not paid when due, will pay interest on the amount of this coupon after its maturity at the rate of seven per centum per annum.

Dated Palm Beach, Florida, May 15, 1925.

Treasurer.

(Form of certificate by corporate trustee)

This is to certify that this bond is one of a series of five thousand one hundred five (5,105) bonds of the Whitehall Building & Operating Company, a corporation, for the aggregate principal amount of two million five hundred thousand dollars (\$2,500,000), numbered consecutively from one (1) to five thousand one hundred five (5,105), both first and last numbers inclusive, which bonds are mentioned and described in the trust deed within referred to, made by said corporation with the undersigned and conveyance to Harold A. Moore, as individual trustee, and his succes-

sors therein mentioned, and which said trust deed was filed for record in the office of the clerk of the circuit court as recorder of deeds, of Palm Beach County, Florida, on the _____ day of _____, A. D. 1925.

AMERICAN TRUST AND SAFE DEPOSIT COMPANY Corporate Trustee, of Chicago, Illinois. . Trust Officer.

Each of said bonds shall also bear a certificate substantially as follows:

New York Title and Mortgage Company, a New York corporation, certifies that it has insured the title to the real estate, land, and improvements covered by the mortgage or trust deed recited in this bond, and that said mortgage or deed of trust is a valid first lien on said property in manner set forth in its policy of title insurance no. 485,127.

NEW YORK TITLE AND MORTGAGE COMPANY, By

And whereas the board of directors of said grantor in like manner as aforesaid did unanimously authorize and provide that the permanent or definitive bonds, according to the schedule and form thereof and of the numbers, denominations, and respective maturities, together with the interest coupons to be attached thereto as above specified, shall be engraved or lithographed in permanent form before their execution, certification, and delivery, and to properly and lawfully evidence the said principal indebtedness in its entirety and the interest to accrue thereon during the necessary interim required for such engraving or lithographing and the execution and certification of all of said permanent bonds, the said board of directors did unanimously and in like manner as aforesaid, authorize, require, and provide that there shall be made, executed, sealed, and delivered by the president or vice president and secretary of the grantor in its corporate name and concurrently with the execution, acknowledgment, delivery, and record of this instrument, a temporary bond of even date herewith and having the aggregate principal sum of two million five hundred thousand dollars (\$2,500,000), substantially of the tenor and form as the above permanent bonds, excepting the necessary variations in language providing for the descriptions of the respective maturities of the respective installments of said principal indebtedness, and for the exchange of said temporary bond for said permanent bonds and the cancelation of said temporary bond thereupon, and which temporary bond, it was ordered and authorized shall stand in lieu of and represent each and all of said permanent bonds for the time aforesaid, and that said temporary bond shall be a payable to bearer, fully negotiable, and shall bear interest at the same rate and payable in the same manner as said permanent or definitive bonds, and shall be identified by the execution of the corporate trustee's certificate thereon endorsed, and thereupon duly delivered to the president, vice pre And whereas the board of directors of said grantor in like manner as aforesaid did unanimously authorize and provide that the permanent or definitive bonds, according to the schedule and

And whereas the said board of directors did in like manner unanimously authorize and approve this instrument of trust deed in identical language, and did direct and order that it shall be signed in the corporate name of the grantor by its president, attested by its secretary and its corporate seal be hereunto affixed and duly acknowledged and proven and delivered to the said trustee, Harold A. Moore, or his duly authorized attorney and agent, and thereupon recorded in the office of the clerk of the circuit court as recorder of deeds of Palm Beach County, State of Florida, and be the binding trust deed and mortgage of the grantor of the property herein described:

and be the binding trust deed and mortgage of the grantor of the property herein described;
And whereas all things have been done that should have been done in the premises by the stockholders and by the directors and officers of the said grantor as provided in the charter and amendments thereto, the by-laws of said grantor, and the statutes of the State of Florida to lawfully authorize the making and execution of this instrument and of said temporary bond and each of the said permanent or definitive bonds and the respective interest coupons to be thereunto affixed as the lawful, valid, and binding obligations and conveyance and mortgage of said grantor for the obligations and conveyance and mortgage of said grantor for the

purposes herein specified:

Now, therefore, in consideration of the premises and of the purchase and acceptance of said bonds, temporary and definitive, either or both, by the holders thereof, and of the sum of \$1 to either or both, by the holders thereof, and of the sum of \$1 to the grantor in hand paid by said Harold A. Moore, trustee, the receipt of which is hereby acknowledged, said grantor, Whitehall Building & Operating Co., a corporation, by these presents does hereby grant, bargain, sell, alien, remise, release, convey, mortgage, and confirm unto said Harold A. Moore, as trustee, and his successors in trust and assigns, in fee simple, all the certain lots, pieces, parcels, and tracts of land of which said grantor is now seized and possessed and in actual possession, situate in Palm

Beach County, State of Florida, and more particularly bounded and described as follows, to wit:

All that tract or parcel of land lying and being in section 22, township 43 south, range 43 east, Palm Beach County, Florida, situated on the east bank of Lake Worth, and being bounded on the party by lead of the Florida Feet Court Hard. the north by land of the Florida East Coast Hotel Co., occupied by the buildings and grounds of the Royal Poinciana Hotel as the same is now located, together with all and singular the riparian rights, tenements, hereditaments, appurtenances, and easements thereunto belonging, known as Whitehall, and more par-

ticularly described as follows:

Beginning at the southeast corner of a tract of land known a Beginning at the southeast corner of a tract of land known as the Lotus Cottage and Chapel tract, conveyed to the Florida East Coast Hotel Company by Lawrence Lewis and Louise Wise Lewis on February 24, 1920, said deed recorded in book 126, at page 382, records of said county; said corner being marked by a marble block, whose top surface is 7½" x 7½", marked "W" and whose depth is 12", and whose east and south surfaces coincide with the east tract, and whose east and south surfaces coincide with the east and north lines of land known as the Breisford tract, thence run west 436 feet to a screw in the wall, which marks the southeast corner of the land herein conveyed, known as Whitehall; thence run west 555 feet to the southwest corner of land herein conveyed, which southwest corner is identical with the southwest angle of a concrete sea wall constructed in Lake Worth; thence northerly following the face of the sea wall and at an angle of 90 degrees, 10 minutes, with the south boundary line 434 feet to the northwest corner of said Whitehall property; thence easterly along the north boundary of said Whitehall property; thence easterly along the grounds of the Royal Poinciana Hotel aforesaid at an angle of 90 degrees, 28 minutes, with the west boundary line just described 552.45 feet to the northeast corner of Whitehall, marked by an iron bar; thence south 440.13 feet to the screw in the wall as scribed 552.45 feet to the northeast corner of Whitehall, marked by an iron bar; thence south 440.13 feet to the screw in the wall as aforesaid, together with a perpetual easement or right-of-way for ingress and egress for horses, men, pedestrians, motor or horse drawn vehicles, over, across, and along the following described route, to-wit: Beginning at the southeast corner of said Whitehall property at the screw in the wall aforesaid, thence running east to the southeast corner of the Cottage and Chapel tract and the northeast corner of the Breisford tract aforesaid, marked with a marble block as aforesaid, thence south along the east side of the northeast corner of the Breisford tract aforesaid, marked with a marble block as aforesaid, thence south along the east side of said Breisford tract and continuing south along the east line of land of Livermore and Florida East Coast Hotel Company to the north line of land of E. G. Pendleton; thence east along the north line of Pendleton to the Atlantic Ocean; thence north along the ocean beach 20 feet; thence west parallel with and of equal distance from the said Pendleton line to a point 20 feet east of the north and south line heretofore established; thence north along and of equal distance from said north and south line to a point 20 and of equal distance from said north and south line to a point 20 feet east and 16.89 feet north of the southeast corner of said Cotfeet east and 16.89 feet north of the southeast corner of said Cottage and Chapel tract as heretofore established; thence west parallel with and of equal distance from the east and west line heretofore established to a point 16.89 feet north of the southeast corner of said Whitehall tract, thence south 16.89 feet to screw in the wall, place of beginning.

Also all of the rights, benefits, uses, and privileges granted to Louise Wise Lewis, her heirs and assigns, in a deed dated February

20, 1920, by Florida East Coast Hotel Co. recorded in book 131, page

91, Palm Beach County records.

Also all of the rights, benefits, uses and privileges granted to Whitehall Building and Operating Co. in a certain easement dated May 15, 1925, made by Florida East Coast Hotel Co., granting unto the said Whitehall Building and Operating Co. easements for right-of-way for ingress and egress, over and upon and across the property of said hotel company as are described in said easement agreement and shown by a map or plat of the said hotel company's grounds, dated May 2, 1924, attached to and made a part of said easement agreement.

easement agreement.

(Excepting from the above grant or grants, however, and reserving for the use and benefit of the said Florida East Coast Hotel Co., its guests, tenants, employees, successors, and assigns, an easement for the free and uninterrupted passage of wheel chairs, bicycles, and pedestrians and for horse drawn vehicles used chairs, bicycles, and pedestrians and for horse drawn vehicles used only in keeping the grounds clean, over, upon, and across the open spaces around Whitehall, beginning at the gate near the south-east corner thereof and extending along the south, east, and north sides of Whitehall grounds to the west side of the wheel-chair trail, known as Lake Trail, where same emerges near the entrance gate to Whitehall near the northeast corner thereof.

And excepting also from the above grant the right to use the open space lying between the east line of Whitehall and the fence around Whitehall grounds, and the open space on the north of Whitehall, west to the entrance gate thereof for other purposes than for wheel chairs, bicycles, pedestrians, and trash wagons as aforesaid.)

aforesaid.)

And also any and all parcels or lots of land in Palm Beach County, State of Florida, hereafter acquired by grantor, with the buildings and improvements thereon for employees' and servants' quarters and other hotel purposes

quarters and other noter purposes, together with any and all buildings, tenements, improvements, and appurtenances now standing or at any time hereafter constructed, standing, or placed upon said lands, or any part thereof, including all partitions, screens, awnings, window shades, dynamos, motors, engines, boilers, furnaces, elevators, passenger and freight, vacuum cleaning systems, call systems, fire prevention and extinguishing systems and apparatus, refrigerating, heating, plumbing,

ventilating, gas and electric lighting fixtures and other lighting fixtures, curtains, and fixtures, ice boxes, and ranges, if owned by the grantor, and all machinery, appliances, plants, apparatus, fittings, and fixtures of every kind in any building now or hereafter erected and standing on said premises or any part thereof, and the reversion or reversions, remainder or remainders, in and to said premises and each and every part thereof, and together with all of the rents, issues, incomes, and profits thereof which are specifically assigned with the same force and effect as if each and of the persons who are now or may hereafter become tenants of said building were now known and herein expressly named, and, together with all and singular the tenements, hereditaments, rights together with all and singular the tenements, hereditaments, rights of way, easements, riparian rights, appendages, and appurtenances to said estate and property belonging or in anywise thereunto appertaining; and all right, title, and interest of the grantor in and to the streets in front of and/or adjoining said premises or any part thereof, now or at any time hereafter, and any and all accretions from the waters of Lake Worth and the rights in the soil under the waters of Lake Worth as a riparian owner under the laws of the State of Florida, and in and to any gores or strips adjoining said lands or any part thereof, and all of the estate, right, title, interest, claim, or demand whatsoever of the grantor company, either in law or in equity, in possession or expectancy, of, in, and to the above described lands, estate, and property (all of which estate, property, interest, and rights of way hereby conveyed, transferred, assigned, mortgaged, or pledged, or intended so to be, are hereinafter in this indenture sometimes referred to as the "mortgaged property" or "premises"):

To have and to hold the above granted premises unto the said

To have and to hold the above granted premises unto the said

To have and to hold the above granted premises unto the said trustee, his successors and assigns, forever:

And also, upon the same consideration aforesaid, the said grantor, Whitehall Building & Operating Company, does hereby grant, bargain, sell, convey, pledge, mortgage, and confirm unto the said Harold A. Moore, as trustee, and his successors in trust hereinafter named, all of the goods and chattels now located and contained in the building or buildings now located upon said mortgaged premises known as Whitehall or Whitehall Hotel, and also any and all hereafter acquired goods and chattels that shall be placed within any of the buildings now located or hereafter to be located upon said mortgaged premises or any part thereof, and located upon said mortgaged premises or any part thereof, and which goods and chattels, so mortgaged and conveyed, contain and include and shall contain and include all of the paintings and frames thereon and appurtenances thereunto belonging, pictures and frames, lamps, desks, chairs, settees, divans, and all similar and frames, lamps, desks, chairs, settees, divans, and all similar furnishings, beds and bedding, carpets and rugs in each and all of the hotel rooms, the lobby, dining room, and other rooms in any hotel or annex or other buildings located upon said mortgaged premises or any part thereof, all of the chinaware, glassware, silverware, and every utensil and article used in the kitchen or dining room or elsewhere in and about said hotels or buildings now or at any time hereafter, meaning and intending hereby to cover every, each, and all of the goods and chattels used in said buildings upon said mortgaged premises at any time hereafter in their operation as a hotel and plant, as if each such article were here specifically mentioned, together with all of the replacements thereof that shall be made at any time hereafter:

To have and to hold the said goods and chattels, together with

To have and to hold the said goods and chattels, together with the appurtenances thereunto belonging unto the said trustee, Harold A. Moore, and his successors and assigns, forever:

In trust, nevertheless, for the equal and proportionate benefit and security from the date hereof of all present and future holders of the said temporary and of each and all of the said permanent bonds and coupons which shall or may be certified and delivered under the provisions hereof at any time hereafter, without preference, priority, or distinction as to lien or title or otherwise of one bond over any other bond by reason of priority in time of issuance, negotiation, date of maturity thereof, or otherwise.

And it is the further intent hereof that the mortgage lien and

security of this indenture shall take effect upon the day of the date hereof, without regard to the date of the actual execution and delivery hereof and of the time or times of the execution and delivery of said bonds, or any of them, to be secured hereby, or of the time or times of any advance or advances of moneys

secured to be paid hereby and hereunder.

secured to be paid hereby and hereunder.

It is hereby expressly covenanted and agreed by the grantor with the said trustee and with each of the successive holders of said bonds, temporary and definitive, that all of said bonds are to be issued, certified, delivered, negotiated, held, and payment thereof made or enforced, and that said premises, buildings and improvements, goods and chattels, and rents, issues, incomes, and profits are conveyed, mortgaged, pledged, and assigned to and are to be held and disposed of by said individual trustee and his successors in trust hereunder as provided by and subject to the further covenants, provisions, uses, and trusts herein set forth; that is to say:

ARTICLE I

ISSUANCE, AUTHENTICATION, NEGOTIATION, AND REGISTRATION OF BONDS

SECTION 1. The company covenants that it will proceed to, and have engraved or lithographed within 90 days from the date of delivery of this instrument all of said above described permanent or definitive bonds and interest coupons thereto to be affixed and that, as soon as the said permanent bonds to be secured hereby shall be ready, and of the numbers, from 1 to 5105, both first and last numbers, inclusive, and having an aggregate principal amount of \$2,500,000, said bonds shall be executed and sealed by it, and be delivered to the said American Trust and Safe Deposit Company, corporate trustee herein designated and appointed as such, at its office in Chicago, Illinois, for certification, and upon certification of each of said definitive bonds by it, and the execution of the certificate of the New York Title and Mortgage Company endorsed thereon, thereupon all of said definitive bonds shall be by the said corporate trustee delivered in exchange for, and upon cancellation, of the temporary bond as in section 3 of this article is provided. Said corporate trustee shall deliver to the holder or holders of said temporary bond the said permanent or definitive bonds of the numbers and not exceeding the aggregate amount aforesaid and above specified, and the receipt for said permanent bonds of the holder or holders of said temporary bond and the delivery to said corporate trustee for cancellation of the aforesaid temporary bond shall be full and complete acquittance of said corporate trustee for such delivery and exchange. All of said permanent bonds as specified in said schedule thereof as shown in the preambles of this instrument shall be of even date herewith and shall bear interest from May 15, 1925, at the rate of six and one-half per cent (6½%) per annum, until their respective maturities, and payable semi-annually, plus normal tax of the United States when claimed as aforesaid, not exceeding two (2%) per centum of such tax, until maturity, and without deduction for other taxes, against any of the holders thereof, levied or assessed against principal or interest in either of the States of Pennsylvania, Connecticut, Massachusetts, and New Hampshire, and after maturity said bonds shall bear interest at the rate of seven per cent (7%) per annum, payable semi-annually, until paid, and shall each be signed in the corporate name of said company by its president in office at the time, sealed with its corporate seal, and attested by its secretary. No bond shall be secured or entitled to any benefit or lien hereunder unless it bears the signed certificate of said New York Title and Mor

The coupons attached to all definitive bonds issued and to be issued hereunder shall bear the facsimile of the signature of the treasurer of the company, and if not paid when due, shall bear interest thereafter until paid at the rate of seven per cent (7%) per annum.

Said bonds, coupons, and certificates thereon shall be substantially of the respective forms, numbers, dates of maturity, and denominations above set forth.

Section 2. Any of said bonds signed by the president, or the vice president of grantor, at the time of such signing and any such interest coupons bearing the facsimile signature of the treasurer of the company, shall, notwithstanding any change of officers prior to certification or issue, bind the company and be its valid and lawful obligations, and be secured hereby as if no such change had occurred.

Section 3. Pending the preparation of said permanent bonds the company has executed and delivered to the corporate trustee one temporary bond for the aggregate principal sum of two million five hundred thousand dollars (\$2,500,000) substantially of the tenor of said permanent bonds (except for the necessary variations in language respecting said definitive bonds it represents and its exchange and cancellation in manner as aforesaid), with the words of legend printed in red letters one-half inch in height across the face and text thereof, viz: "Construction bond", and also bears a statement that the required U. S. revenue stamps for the amount of said temporary bond have been placed on the trust deed securing it, and canceled. When the corporate trustee shall have certified said temporary bond the same shall be redelivered to the president or treasurer of the company and may be sold and negotiated. Said temporary bond shall be subject to all the terms and provisions hereof and shall be exchangeable without expense to the holder or holders thereof, for the permanent bonds represented thereby above described and designated in the aggregate as permanent bonds numbered from bond numbered 1 to and including bond numbered 5105, when the same are ready and properly certified as aforesaid; and upon such exchange said temporary bond shall be corporate trustee and retained by it until this instrument is discharged and released, whereupon it shall be delivered to the grantor. Until so exchanged and canceled said temporary bond shall be entitled to the same security as said permanent bonds to the same effect as though the same were recited at length herein, and all the terms and conditions therein set forth are fully enforceable hereunder to the same extent as if the same were here recited. The grantor expressly covenants and agrees with the holder or holders of the said temporary bond hereinbefore described, and each successive holder thereof, that it, the said grantor, shall and will execute, seal, and have certified as a

have the same signed, sealed, and delivered to the said corporate trustee, within twenty (20) days after the said definitive bonds are ready for execution and certification, for purposes of exchange for said temporary bond as aforesaid within ninety days from the date of the delivery of this instrument as aforesaid, that the holder or holders of said temporary bond and/or the said individual trustee in his discretion or upon request of a holder of said temporary bond may declare the whole amount of the indebtedness secured hereby due and payable with the interest, and the same shall be due and payable with the same effect as if said principal indebtedness or the interest thereon had fallen due on regular maturity according to the tenor hereof and of said temporary bond and of the said definitive bonds as herein provided and a foreclosure hereof had as in other cases of default as herein otherwise provided. The grantor or its agents shall not be responsible for delays caused by the American Bond and Mortgage Company, Inc., or by any engraver or lithographer in the engraving or lithographing of said permanent bonds and coupons, by reason of labor troubles or other unforeseen casualty which is beyond the control of the grantor and which it could not by any reasonable diligence foresee or avoid, and the ninety days' time aforesaid shall be extended automatically for the length of time of any such delay.

Sectron 4. There shall be kept by the American Bond and Mortgage Company. Inc. at its office in the city of Chicago in the

SECTION 4. There shall be kept by the American Bond and Mortgage Company, Inc., at its office in the city of Chicago in the State of Illinois, as transfer agent of the company, a register for the registration and transfer of said bonds, in which the transfer agent, on payment of its reasonable charges, will register any such bonds: such registry shall be noted on the bond by the transfer agent and thereafter no transfer thereof shall be valid unless made on said register by the owner in person or by attorney thereunto in writing duly authorized and also noted on the bond, but the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored, but any such bond may again from time to time be registered or transferred to bearer as before. No such registration shall affect the negotiability of the coupons, which shall always be transferable by delivery merely. The holder of any of said bonds which shall not at the time be registered, and the holder of any coupon, shall be deemed the owners respectively of such bond or coupon, and none of the parties hereto shall be affected by any notice to the contrary. In the event that at any time the American Bond and Mortgage Company, Inc., shall be incapacitated to act as such transfer agent, and registrar, the said American Trust and Safe Deposit Company, the corporate trustee hereunder or its successor then in office, shall be such transfer agent and registrar, with all the rights, powers, and duties as such, as above provided.

Section 5. In case any bond issued hereunder, with the coupons thereto pertaining, shall, prior to the payment thereof, be mutilated, lost, or destroyed a new bond, including coupons, of like tenor and date and bearing the same distinctive number may, at the discretion of the company and the corporate trustee, be executed, certified, and delivered in exchange for and upon cancellation of the mutilated bond and its coupons or in substitution for the bond and coupons

Section 5. In case any bond issued hereunder, with the coupons thereto pertaining, shall, prior to the payment thereof, be mutilated, lost, or destroyed a new bond, including coupons, of like tenor and date and bearing the same distinctive number may, at the discretion of the company and the corporate trustee, be executed, certified, and delivered in exchange for and upon cancellation of the mutilated bond and its coupons, or in substitution for the bond and coupons so lost or destroyed, upon receipt of (1) presentment of the mutilated bond and coupons or satisfactory evidence of the loss or destruction of such bond and its coupons; (2) proof of ownership thereof; (3) indemnity satisfactory to American Bond and Mortgage Company, Inc., the company and the corporate trustee; and (4) payment of cost of preparing said bonds and coupons, or American Bond and Mortgage Company, Inc., or said corporate trustee, as the case may be, may in its discretion, but without obligation so to do, and at the time when the bond or bonds or coupon or coupons so lost, mutilated, or destroyed would by its or their terms be due and payable, pay any bond or coupon which may have been so lost, mutilated, or destroyed upon presentation to it and to the company of like (1) evidence, (2) proof, and (3) indemnity. The corporate trustee and American Bond and Mortgage Company, Inc., shall incur no liability for anything done by either of them under this section. In the event that American Bond and Mortgage Company, Inc., or said corporate trustee or individual trustee, shall pay any bond or coupon pursuant to the foregoing provisions of this section 5, the company shall promptly reimburse said American Bond and Mortgage Company, Inc., or the said trustees, or the one so paying the amount aforesaid for the amount so paid, with interest.

trustees, or the one so paying the amount aloresald for the amount so paid, with interest.

Section 6. Each of the bonds and each of the coupons secured by this indenture are or may be issued and delivered, and are intended, to circulate, as negotiable instruments with title thereto to pass by delivery thereof, without any endorsement. No purchaser before maturity of any of said bonds or of said couponshall, as to the title or lien which this indenture creates, be affected by any equities that may at any time exist between the company and the American Bond and Mortgage Company, Inc., or the trustee, or any previous holder or owner of such bond, and until grantor, its successors or assigns, shall so pay the same, the amount of any such payment shall bear interest at the rate of 7 percent per annum from its maturity until paid and be secured hereby in the same manner as other unpaid bonds outstanding secured hereby

Section 7. If the time of payment of the principal of any of said bonds or of said coupons shall be extended, by an agreement between the holder thereof and the company or its assigns, to a date later than the stated maturity thereof, then, unless the legal holders of all other of the bonds secured hereby then outstanding shall have consented to such extension by a writing delivered to the individual trustee, the lien and security hereof shall, as to

every such bond or coupon, whose time of payment is so extended, be postponed and made subordinate to the lien and security of all the other bonds and coupons then outstanding and unpaid.

ARTICLE II

PAYMENT AND REDEMPTION

SECTION 1. The company hereby covenants and agrees that it will duly and punctually pay or cause to be paid in gold coin of the standard of weight and fineness as now fixed by law of the United States of America, or its equivalent in lawful money of the United States of America, the principal indebtedness of \$2,500,000 aforesaid, evidenced and to be evidenced by the bonds issued, certified, and delivered under the provisions hereof, and interest thereon at the rate of six and one-half per centum per annum as it accrues semi-annually, to the respective holders of the bonds and coupons issued hereunder, when due as above specified in the schedule of said bonds and maturities thereof, and that it will pay the interest as it bonds and maturities thereof, and that it will pay the interest as it accrues and becomes due thereon semi-yearly on the fifteenth day of November and of May in each year as aforesaid, together with the normal United States income tax or taxes, not exceeding two per cent in any event, levied or assessed upon said interest against any bondholder as an income taxpayer, when claimed, and all without deduction from principal or interest of certain other taxes and excises as hereinafter specified; and further as an additional security grantor company specifically covenants and agrees to pay, commencing on and continuing after December 1, 1925, certain sums of money monthly to meet and pay said maturing interest in the following manner: in the following manner:

in the following manner:

Beginning on the 1st day of December 1925 and on the first day of each month next immediately succeeding thereafter, until and including May 1, 1937, regardless of the time of presentation or surrender of any bonds or coupons, and as further and additional security, the company agrees to pay to the American Bond and Mortgage Company, Inc., at its office in Chicago, Illinois (or the corporate trustee as hereinafter specified), for the account of the bondholders, a sum of money in gold coin or its equivalent in lawful money, as aforesaid, which shall be equal to one-sixth of the entire aggregate of the semiannual interest accruing during the then current semi-annual period, as evidenced by the coupons maturing at the end of each such semi-annual period respectively. For example, the monthly payments from December 1, 1925, to

then current semi-annual period, as evidenced by the coupons maturing at the end of each such semi-annual period respectively. For example, the monthly payments from December 1, 1925, to and including May 1, 1926, shall each be one-sixth of the amount of coupons maturing on May 15, 1926, the monthly payments from and including June 1, 1926, to and including November 1, 1926, shall each be one-sixth of the amount of coupons maturing on November 15, 1926, the payment on account of interest on December 1, 1926, and monthly subsequent thereto, shall be on the basis of the method here outlined.

Beginning on the 1st day of January 1927 and on the first days of February, March, and of April, in the year 1927, and on the first days of each of the first four months, January, February, March, and April, in each year successive thereafter, until and including April 1, 1937, regardless of the time of presentation or surrender of any of said bonds or coupons, the grantor will pay to the American Bond and Mortgage Company, Inc., at its office in Chicago, Illinois, for the account of the bondholders, and as additional security for payment of maturing principal a sum of money in gold coin as aforesaid, which shall be equal to one-fourth of the principal of bonds then next maturing, on May 15th of each of said years from 1927 to 1937, both years inclusive, provided that during the last annual period prior to date of the last maturity, and being the period from May 15, 1936, to May 15, 1937, the said installments to apply on principal shall be the same in amount per month as in the last annual period prior to and ending May 15, 1936.

The intent of the foregoing provisions is as follows:

With respect to interest (as evidenced by coupons), the aggre-

15, 1936.

The intent of the foregoing provisions is as follows:
With respect to interest (as evidenced by coupons), the aggregate amount of such monthly payments shall, before the date of each semi-annual interest payment, be sufficient to meet all of such interest payments or coupons when due and as they mature. With respect to principal (as evidenced by bonds maturing), the aggregate amount of such monthly payments shall, before the first principal payment and also before each next succeeding annual principal payment date (except the principal payment due May 15, 1937), be sufficient to meet each such principal payments (or bonds maturing) when and as they mature on and prior to May 15, 1937, except the principal sum of \$1,375,000 due May 15, 1937, as aforesaid. 1937, as aforesaid.

Five days prior to the date of each semi-annual interest payment date the grantor covenants and agrees to pay the said American Bond and Mortgage Company, Inc., at its office in Chicago, Illinois (or the corporate trustee in the events hereinafter named), as and

(or the corporate trustee in the events hereinafter named), as and for income tax payments, a sum in gold coin or the equivalent thereof as aforesaid, computed as follows:

On November 10, 1925, and on May 10, 1926, respectively, said semi-annual payment shall be an amount equal to two per centum (2%) of the semi-annual interest on all bonds outstanding as represented by coupons due, respectively, November 15, 1925, and May 15, 1926, as and for income taxes on said interest levied by the United States against the holders of the bonds and coupons as aforesaid. Thereafter each such semi-annual payments to meet such income taxes shall be an amount in gold coin or its equivalent as aforesaid equal to the aggregate of the amounts deducted and also paid by the American Bond and Mortgage Company, Inc., or the corporate trustee as aforesaid to said bondholders claiming such normal income tax or the amounts paid directly by the holders of said bonds and claimed by them in manner hereinafter provided

as normal Federal income taxes (not exceeding two per cent of the amount of the interest matured as aforesaid) on income represented by interest on said bonds, or the income on such bonds whose holders pay and claim such income tax or taxes since the last preceding 15th day of May or of November in each year, as the case may be. One year after the payment of all said bonds and coupons and the discharge of this mortgage, any balance of such payments theretofore made to American Bond and Mortgage Company, Inc., or said corporate trustee, with respect to such normal Federal income taxes remaining undistributed or paid to bondholders, pursuant to the provisions hereof, shall be paid to the grantor or to the then owner of the premises, whichever shall have made said payment.

made said payment.

grantor or to the then owner of the premises, whichever shall have made said payment.

The grantor company further covenants and agrees that it will make the payment of the principal and interest upon said bonds without deduction for the so-called four mills Pennsylvania tax or any other tax or taxes which may be levied or assessed by the Commonwealth of Pennsylvania and/or any subdivision thereof, upon or in respect to either the principal of or interest upon the said bonds and/or mortgage or deed of trust, or any or either of them, or against the owners or holders thereof, or any or either of them, within said State, and also without deduction for the so-called four mills Connecticut tax or any other tax or taxes which may be levied or assessed by the State of Connecticut and/or any subdivision thereof, upon or in respect to either the principal of or interest upon said bond and/or mortgage or deed of trust, or any or either of them, or the owners or holders thereof, or any or either of them, within said State, and also without deduction for the Massachusetts income tax or any other tax or taxes which may be levied or assessed by the Commonwealth of Massachusetts and/or any subdivision thereof, upon or in respect to either the principal of or interest upon said bonds and/or mortgage or deed of trust or any or either of them, or the owners or holders thereof, or any or either of them, within said State, and without deduction for any personal and/or income tax or any other tax which may be levied or assessed by the State of New Hampshire and/or any subdivision thereof, upon or in respect to either the principal of or interest upon the said bonds and/or mortgage or deed of trust, or any or either of them, or the owners or holders thereof, or any or either of them, or the owners or holders thereof, or any or either of them, or the owners or holders thereof, or any or either of them, or the owners or holders thereof, or any or either of them, or the owners or holders thereof. mortgage or deed of trust, or any or either of them, or the owners or holders thereof, or any or either of them, within said State; and said grantor further covenants and agrees that it will pay, and said grantor further covenants and agrees that it will pay, or cause to be paid, at its own expense, any such tax or taxes of all, any, or either of the said Commonwealths and/or States, or any subdivision of all, or any or either of them, levied as aforesaid against any holder or owner as aforesaid, within either of said States, and will reimburse and hold harmless any or either or all of said owners and holders of said bonds and/or mortgage or deed of trust, the individual trustee, the corporate trustee, and/or the American Bond and Mortgage Company, Inc., any or either of them, by reason of any such tax or taxes and/or assessment or levy thereof and/or on account of payment thereof, under any of said laws by any such holder, and will pay to the American Bond and Mortgage Company, Inc., or the corporate trustee, periodically, as the case may be, as may be required by said American Bond and Mortgage Company, Inc., or said corporate trustee, such amount necessary to meet and make such payments or reimbursements for such tax or taxes so levied against any holder as aforesaid. such tax or taxes so levied against any holder as aforesaid.

All payments provided in this section 1 of article II hereof shall be made by the company and/or by the said trustee out of any rents, earnings, incomes, and profits from its property which it shall collect or otherwise receive and have, as hereinafter provided, to American Bond and Mortgage Company, Inc., in gold coin of the United States of America, of the standard of weight and fineness as now fixed by acts of Congress, or its equivalent in lawful money of the United States of America, and shall be made by money of the United States of America, and shall be made by delivery to the latter at Chicago, Illinois, by the company by draft, check, or exchange drawn by the grantor, its successors or assigns, or by a bank or trust company, out of funds in a bank or trust company in Chicago, Illinois, or New York City, New York, to the order of First National Bank of Chicago (Illinois) or any other bank or trust company in said city of Chicago, Illinois, having a paid up capital of at least one million dollars, and which shall be designated and named by the American Bond and Mortgage Company, Inc., or the corporate trustee, and such checks, drafts or exchange when collected shall constitute such monthly gage Company, Inc., or the corporate trustee, and such checks, drafts, or exchange, when collected, shall constitute such monthly payments, if the amount thereof shall be equal in value to each such sum in gold coin of the weight and fineness as aforesaid. The said American Bond and Mortgage Company, Inc., shall promptly deposit the same in First National Bank of Chicago, Illinois, or in some trust company selected and designated, as aforesaid, in a separate account designated as "Whitehall Hotel principal and interest account", and such sums shall be drawn from said depositary only by said American Bond and Mortgage Company, Inc., and only for payment of maturing bonds and coupons and income taxes to the holders thereof. Any interest on such deposit allowed by such bank, depositary, shall belong and be paid to said American Bond and Mortgage Company, Inc., as its compensation for service in disbursing of said moneys to bond and coupon holders, and the cancellation of paid bonds and couand coupon holders, and the cancellation of paid bonds and coupons. In the event the said American Bond and Mortgage Company, Inc., shall be incapacitated from acting and performing the office of receiving and disbursing the moneys to pay the said principal and interest and income taxes, then in such case the said payment of principal and interest, inclusive of said monthly payments, shall be made to the said corporate trustee, or unto its successor then in office, hereunder, and be disbursed by it to

holders of said bonds and coupons as aforesaid and upon like

The grantor further expressly covenants that the payment to, and receipt and acceptance by, American Bond and Mortgage Company, Inc., or by said corporate trustee, or by any of the bondholders or coupon holders secured hereby, of a check, draft, or currency from the grantor, its successors and assigns, at any time, and from time to time, for the amount or amounts of principal and/or interest and income taxes payable as herein and as in said bonds secured hereby is provided, shall not be, or be construed to be, a waiver by bondholders and/or coupon holders of their right hereunder to be paid in gold coin of the standard of weight and fineness or the value thereof in current funds as

Section 2. No bond or coupons which may be paid, bought, or redeemed by the grantor or by any subsequent guarantor thereof or surety or endorser thereof, if any, or by anyone in the grantor's behalf, shall be reissued, but the same shall be forthwith canceled, behalf, shall be reissued, but the same shall be forthwith canceled, and shall not thereafter be reissued or in any manner participate in the security of this mortgage or deed of trust, and no offer or tender of payment made conditional on the delivery of any bond or coupon uncanceled, shall be valid hereunder; provided, however, said corporate trustee, the individual trustee, or said American Bond and Mortgage Company, Inc., may, at the option of either of them and in their absolute discretion, but without any obligation so to do, purchase any bonds or coupons that have matured for their respective individual accounts or that of anyone else for their respective individual accounts or that of anyone else other than the grantor, and such bonds and coupons shall be and remain the obligations of grantor, and be secured hereby until paid or redeemed by grantor, its successors or assigns.

In every case of a partial payment of any bond or coupon, such partial payment shall be noted on the bond or coupon.

Section 3. If at any time the grantor or its assigns shall fall to pay any bond or coupon secured hereby as and when the same falls due, then the American Bond and Mortgage Company, Inc., or any person, firm, or corporation (when not using money of the said grantor) may purchase and hold the same, and such bond or coupon shall not be subordinated to other outstanding bonds and coupons but shall be past due obligations of the grantor for all

coupons shall not be subordinated to other outstanding bonds and coupons but shall be past due obligations of the grantor for all purposes.

Notwithstanding that the interest and principal is payable at the office of the American Bond and Mortgage Company, Inc., or the office of the corporate trustee hereunder, it is the intention hereof and the express agreement of the grantor for it and its successors and assigns, that it or they shall and will pay to the said American Bond and Mortgage Company, Inc., or the said corporate trustee, as the case may be, the amount of the said principal and interest at all events at or before the time when the same become due and payable under the terms and provisions hereof and the tenor and provisions of said bonds and coupons; and if, at any time the said grantor, its successors or assigns, shall fail, neglect, or refuse, or be unable to make said payments and deposits to meet and pay the said interest and the said principal as the same matures, in said manner, and the said American Bond and Mortgage Company, Inc., or the said corporate trustee shall have advanced to holders thereof moneys thereon, or shall have taken up, purchased, or paid the holders of said coupons or bonds the amount or amounts of the same, or any part thereof, in money or value, not belonging to grantor, its successors or assigns, then in any such event or events said grantor hereby expressly covenants and agrees that either of said parties or companies may so do, but shall not be obligated in any way so to do; and if in any such manner or otherwise the said American Bond and Mortgage Company, Inc., or the said corporate trustee hereby whether past due or not, with money or value other than that of the grantor, its successors or assigns, said American Bond and Mortgage Company, Inc., or said corporate trustee, as the case may be, shall have good, valid, and lawful title thereto as effectually as if purchased before maturity, without notice and without any defense, of, in, and to the same by reason of suc

or said individual trustee.

Section 4. Any outstanding bonds may be redeemed and prepaid on any interest-payment date in the reverse of their numerical order, that is by commencing, for such purpose, with the highest numbered bond then outstanding first, by payment of the full amount of principal thereof with accrued interest, and the Federal income tax or taxes upon such interest accrued or to accrue to the date of redemption, provided to be paid in said bonds and interest coupons, and the other taxes as herein otherwise provided, and a premium of one and one-half percent (1½%) of the principal of the bonds so to be redeemed. Such redemption shall be made as follows: At least sixty days prior to the date fixed for redemption, the grantor shall deliver to the corporate trustee and American Bond and Mortgage Company, Inc., written notice of its intention so to redeem and specify therein the designating numbers of the bonds called for redemption, and shall pay at that time to the American Bond and Mortgage Comshall pay at that time to the American Bond and Mortgage Company, Inc., or to said corporate trustee, for the holders of all outstanding bonds and coupons, all interest to accrue thereon to the

next ensuing interest payment date, said United States income tax or taxes upon such interest payment and other taxes, if any, as aforesaid to the date of redemption, together with a premium of one and one-half percent (1½%) of the principal of all outstanding bonds, so noticed for redemption and shall pay to American Bond and Mortgage Company, Inc., or unto said corporate trustee on or before the date fixed for such redemption, the full amount of the principal of all of said bonds so noticed for redemption, and unpaid advances and outlays if any, made by any bondholder. unpaid advances and outlays, if any, made by any bondholder, coupon holder, and/or by either of the trustees aforesaid and the reasonable fees for services of the said trustees if the entire bond reasonable fees for services of the said trustees if the entire bond issue is to be redeemed. The company shall, at the time of the delivery of such notice, pay to the corporate trustee an amount of money sufficient to pay the cost of publishing and mailing the notices hereinafter provided for. Upon receipt of such notice the corporate trustee may (but shall not be obligated so to do) publish a notice that all outstanding bonds so specified in such notice and request to be so redeemed, are called for redemption, describing request to be so redeemed, are called for redemption, describing such bonds by the designating numbers thereof, at least once prior to the date fixed for redemption, in a daily newspaper of general circulation published in the city of Chicago, State of Illinois, and the American Bond and Mortgage Company, Inc., or the then registrar acting hereunder, shall, after receipt of notice from said grantor of the numbers of the bonds so requested to be so redeemed, mail a similar notice to each of the registered holders thereof, if any, at their respective last known post office addresses left with said American Bond and Mortgage Company, Inc., or the then registrar.

But such notice by mail shall not be a condition precedent to

But such notice by mail shall not be a condition precedent to such redemption and the failure to mail any such notice or to publish a notice as aforesaid shall not affect the validity of the proceedings for such redemption. Upon the payments being made as aforesaid or deposited with said corporate trustee, all of such bonds then outstanding, and so specified in such call or notice, from and after the semi-annual date so fixed and specified in the notice or call of said bonds for redemption, shall cease to be the notice or call of said bonds for redemption, shall cease to be entitled to any benefit of the lien of this indenture, and the grantor shall be freed from all liability thereon, and the lien under this trust deed, and claim of the bondholders and coupon holders shall be transferred to the said moneys so deposited for redemption, and the money so deposited shall be applied by American Bond and Mortgage Company, Inc., or by the corporate trustee to the redemption of all said bonds and interest so noticed and called, upon presentation and surrender of said bonds with the coupons maturing on the redemption date, and all coupons not due at the date of redemption, belonging to and originally affixed to each said bond so noticed for redemption shall be canceled. If at the time of the discharge of this mortgage or deed of trust or prior thereto any part of said fund shall remain in celed. If at the time of the discharge of this mortgage or deed of trust or prior thereto any part of said fund shall remain in the possession of said American Bond and Mortgage Company, Inc., for the payment of bonds so called for redemption but not presented and surrendered, it shall deposit such balance with said corporate trustee for said purpose of redemption and thereupon shall be relieved of all liability therefor. All bonds so called for redemption, and as to which payments shall have been made by the grantor, as aforesaid, shall cease to bear interest from the date thus fixed for their payment and all unmatured coupons (except those maturing on the date fixed in said notice for redemption) shall become null and void immediately. The corporate trustee those maturing on the date fixed in said notice for redemption) shall become null and void immediately. The corporate trustee may in its discretion require all redeemed bonds to be deposited with it until maturity by their respective terms. In case the American Bond and Mortgage Company, Inc., shall fall, neglect, or refuse to act or be incapable of acting under the terms of this section then the corporate trustee or its successor in office shall act alone and shall receive and disburse all of the redemption money subject to all conditions and provisions above specified.

Secretor 5. If the amount necessary to redeem all bonds called

Section 5. If the amount necessary to redeem all bonds called for redemption as aforesaid and to pay all proper charges, compensation, and expenses of the trustees, hereunder in connection therewith, shall not be deposited as herein provided on or before the date specified in such call and notice for the redemption of such bonds, such call shall be and become null and void, and the bonds so called or noticed for redemption shall continue to bear

interest at the rate expressed therein and be secured hereby in the same manner as if such call had never been made.

same manner as if such call had never been made.

Section 6. If any bond be presented for payment when due under any of the provisions thereof or of this indenture, not accompanied by all interest coupons thereto belonging, and unpaid and subsequently maturing, the holder thereof shall, before receiving payment thereof, satisfactorily indemnify the grantor, the American Bond and Mortgage Company, Inc., and the individual trustee against all loss, cost, damage, or expense to which they or either of them may be subjected by reason of any claim or demand that may be made at any time upon such unpresented interest coupons coupons.

ARTICLE III

TITLE, TAXES, LIENS, ETC.

SECTION 1. The company covenants that it has good and indefeasible title in fee simple to the mortgaged premises hereby conreasone the in fee simple to the intragaged pleimses hereby conveyed and that the same are free and clear of all liens and encumbrances, except as herein expressly stated, and that it has good right and lawful authority to convey the said premises in the manner and form hereby conveyed and does hereby warrant, covenant, and agree to forever defend the same to the said individual trustee, his successors and assigns, and the holders of the bonds and coupons secured hereby, against the claims of all persons whomsoever; that this indenture is and will be kept a first

and prior mortgage lien of, in and to and upon said premises and property subject only as aforesaid, and the company will not at any time create or allow to accrue or exist any debt, lien, or charge any time create or allow to accrue or exist any debt, hen, or charge which shall be prior to the lien of this indenture, and said bonds and interest coupons upon any part of the mortgaged premises and property and that neither the value of the mortgaged premises and property nor the lien of this indenture, bonds, and coupons will be diminished or impaired in any way by any act of commission or of omission of the grantor. That the grantor will forthwith cause this indenture to be recorded and re-recorded and filed and refiled as shall be required by law in order to preserve the title and lien of the same as a mortgage upon the property hereby covered, in the office of the clerk of the circuit court, as recorder of deeds of Palm Beach County, State of Florida, until all the indebtedness secured hereby is fully paid, and will at any future time and as often as it may be precessed, execute upon demand. time and as often as it may be necessary, execute upon demand of the individual trustee, his successors and assigns, all such other

of the individual trustee, his successors and assigns, all such other and further assurances, deeds, chattel mortgages, or other instruments in writing in due form and effect as may be necessary to preserve the title and lien of this indenture, the bonds and interest coupons and to carry out the intent and meaning hereof.

The said grantor hereby expressly covenants and agrees to make a supplemental and confirmatory chattel mortgage concurrently herewith as a further assurance and additional security for the payment of the principal indebtedness and interest to accrue thereon, and any advances or other moneys that shall be secured hereby, to the said individual trustee, and therein and thereby particularly convey, mortgage, and describe by good and sufficient legal description all of the goods and chattels of the said grantor now owned by it and located in and upon the mortgaged premises or any part thereof, and cause such chattel mortgage to be duly or any part thereof, and cause such chattel mortgaget premises or any part thereof, and cause such chattel mortgage to be duly executed and proven according to the laws of the State of Florida and recorded in the office of the clerk of the circuit court as recorder of deeds of Palm Beach County, Florida, as near concurrently with the filing of this instrument as conveniently may be; and also the said grantor company further covenants and agrees, as a further and additional security for the payment of each and all of the said bonds and interest coupons thereto attached, which shall be issued, certified, and outstanding at any time, and the other moneys and indebtedness to be secured hereby, that it will, other moneys and indeptedness to be secured hereby, that it will, without request, notice, or demand, make, execute, and deliver to the individual trustee, his successors and assigns, a good and lawful and sufficient chattel mortgage and pledge, and lawful as a prior mortgage lien as against the grantor and its successors, judgment creditors, or subsequent purchasers or mortgagees or other encumbrancers, in such form as shall be satisfactory to the said individual trustee, thereby conveying and mortgaging and particularly specifying therein all of the goods and chattels and personal property hereafter to be procured and owned by said grantor upon its procuring the furniture and furnishings for its remodeled and altered hotel and new annex thereto and its buildings above proaltered hotel and new annex thereto and its buildings above provided to be erected for its employees and servants, or otherwise, located upon said mortgaged premises or any part thereof, or at any other time hereafter, to be placed in any of said buildings; and will make a chattel mortgage, one or more, at the time of the placing of any such furniture and furnishings, goods, and chattels in said buildings, or the replacements thereof, to the said individual trustee, in like form satisfactory to the said trustee, each at all events within 10 days after the said goods and chattels have been installed and placed in any of said buildings; that it, said grantor, will cause each such chattel mortgage to be duly proven and acknowledged and recorded in the office of the clerk of the circuit court as recorder of deeds of Palm Beach County, Florida, or in such other public office and with such public officer as shall be required by the laws of Florida at the time for the filing or recording of the same to make the same valid and effective as against said grantor, its creditors, assignees, subsequent grantees, recording of the same to make the same valid and effective as against said grantor, its creditors, assignees, subsequent grantees, encumbrancers, successors, and assigns, and at all times keep and maintain the same and each of them good and valid and preserve the furniture and furnishings in good, usable condition, and make repairs thereon, and not commit waste; and any such article or chattel that has become worn out and of no value and cannot be repaired shall be replaced with other similar furniture and furnishings of equal value to such chattel at this time or at any time. repaired shall be replaced with other similar furniture and furnishings of equal value to such chattel at this time or at any time when the same is purchased and placed and installed as aforesaid. In case the grantor shall fail, neglect, or refuse to so make, execute, file, or record said chattel mortgage or mortgages to effect the lien security and purposes hereof, within the time and manner aforesaid, the individual trustee or the holder or holders of the bonds of the requisite amount above provided in other cases of default hereunder, and upon the same terms and conditions hereinafter recited, may declare the entire indebtedness hereby secured to be due and have foreelosure hereof and such other remedies in the due and have foreclosure hereof and such other remedies in the premises as for default in the payment of interest or principal as is herein otherwise provided, and as shall or may be provided by the laws of Florida. Grantor also covenants and agrees that it will, after the time of making the above mentioned supplemental with, after the time of making the above mentioned supplemental chattel mortgage or mortgages and each of them, and upon its installing in place any of said goods and chattels or making of replacements for worn out goods and chattels, as an additional security as aforesaid, execute such additional chattel mortgages and have the same duly recorded and filed as aforesaid covering all substituted or additional personal property that may be owned by grantor and placed in said buildings or any part thereof, or any

The said individual trustee is expressly authorized to and shall make proper release upon request of the grantor of any worn-out or obsolete goods and cattels covered by this instrument or by

any supplemental chattel mortgage made as herein specified, provided that said grantor shall at the time give satisfactory assurance in each instance of the replacement thereof by other goods and chattels of equal use and value as aforesaid, and cover the same with a lawful supplemental chattel mortgage in manner as aforesaid. At the time of filing each of said supplemental chattel mortgages in confirmation hereof for record as aforesaid, the grantor covenants that a search and certificate thereof of all public records of the said county of Palm Beach, or any city or town grantor covenants that a search and certificate thereof of an public records of the said county of Palm Beach, or any city or town therein, where, under the laws of said State of Florida, public records of chattel mortgages or other liens are required to be kept and recorded relating in any way to liens and mortgages upon goods and chattels or conditional sales thereof, judgments, attachments, attachment suits, or writs or decrees of court, which in any way may be or constitute a lien upon the said goods and chattels or any of them shall be made and survived and delivered to any way may be or constitute a lieu upon the said goods and chattels or any of them shall be made and furnished and delivered to the individual trustee at grantor's expense. Such examination and search and certificate shall be made by a reputable examiner of titles, lawyer, or title insurance company or public officer having in his custody and control all county, city, or town records where any such liens, conveyances, decrees, judgments, attachments, or other suits are required to be entered under the laws of Florida, at the sole cost and expense of said grantor, and which cost indicates the said specification. at the sole cost and expense of said grantor, and which certificate of search shall state and show that said goods and chattels, mortgaged or to be mortgaged, and covered by said above-mentioned supplemental chattel mortgage or mortgages, as the case may be, are free and clear of any and all such liens and claims of record or other that the statement of the said control of the said c chattel mortgages, conditional sales and conveyances, judgments, attachments, and decrees.

Said grantor covenants and agrees to pay all of the expense of making such chattel mortgages, acknowledging and proving of the same, and the fees for recording or filing the same. Such confirmatory chattel mortgages shall be in confirmation of the lien of this instrument and be construed as a part hereof, and on foreclosure the said individual trustee or bondholders, as aforesaid, may foreclose said supplemental and confirmatory chattel mortgages, either, any, or all of them, with this instrument, and the mortgaged premises herein conveyed in one suit, and the sale of the goods and chattels may be under decree with the real estate, buildings, and improvements as an entirety or separately, as the court may order or as the exigencies of the case may require.

The said grantor, for itself, its successors and assigns, hereby expressly covenants with said individual trustee, his successors and assigns, and with each of the holders of the said bonds and interest coupons secured hereby, that the mortgaged premises hereby conveyed shall never be used at any time for gaming or gambling purposes of any kind or nature whatsoever, and if said grantor, its successors or assigns, shall violate this covenant or in any way break the same, the said individual trustee may thereupon declare all of the indebtedness secured hereby then due and pay-able and have foreclosure hereof at once, anything in this deed or instrument otherwise to the contrary notwithstanding.

Section 2. The company further covenants that it will not at any time suffer any statutory or mechanics' liens for work, labor, or materials done, performed, or furnished in or about the erection of any buildings or improvements or repairs or alteration thereof now or hereafter on the said mortgaged lands, to be established against said premises buildings and improvements. established against said premises, buildings, and improvements, or goods and chattels therein, or any part thereof; that it will pay all taxes and assessments, extraordinary as well as ordinary, pay all taxes and assessments, extraordinary as well as ordinary, water rents, municipal, governmental, and other rates, charges, and impositions which shall at any time be or have been assessed, levied, or imposed upon the above-described lands, buildings, and improvements thereon, and all goods and chattels therein or upon the grantor, arising from any interest it has or may have in said mortgaged premises, buildings, improvements, and personal property, or any interest, estate, or title in said mortgaged property of the said individual trustee and his successors, and will make such payments, respectively, from time to time in each year after the same shall become, respectively, due and payable or become a lien on the mortgaged premises and property, in due time to prevent any delinquency thereof or any forfeiture or sale thereof and at all events covenants and agrees to pay any and all general taxes levied on all of said property forfeiture or sale thereof and at all events covenants and agrees to pay any and all general taxes levied on all of said property on or before April 1st in each year, and any and all special assessments or installments thereof levied on said mortgaged property, due in each year hereafter on or before April 1st in each year, and will produce and deliver to the individual trustee at his office in Chicago, Illinois, receipts therefor or other satisfactory evdence of each such payment within ten days thereafter and on or before the dates aforesaid.

The grantor further covenants and agrees that it will not suffer either the mortgaged premises, or any part thereof, or any interest or estate therein created hereby or hereunder to be sold for any taxes or assessments whatsoever, nor do, nor permit to be done to, in, upon, or about said premises, or any part thereof, anything that may in anywise impair the value thereof or weaken, diminish, or impair the security intended to be given under and by virtue of

or impair the security intended to be given under and by virtue of this indenture.

The grantor further covenants and agrees that it will pay all income taxes, assessments, or charges levied or payable upon its income under any law of the United States of America which it or said individual trustee may be required to pay on the income yielded from its said property and preserve said estate and property from all liens thereof.

The grantor further covenants and agrees that it will pay all normal United States income taxes, assessments, or charges which

the grantor, or either of the trustees herein named, or the said American Bond and Mortgage Company, Inc., may be required to pay on the interest and income yielded by said bonds, or to deduct or retain therefrom under or by reason of any present or future law or laws of the United States, but not exceeding two per centum of such interest, and the grantor agrees to pay to the corporate trustee or the individual trustee or American Bond and Mortgage Company, Inc., a sum equivalent to the amount of said taxes, assessments, and charges so required to be deducted and any part of such taxes, and charges so required to be deducted and any part of such taxes, assessments, and charges which the bondholders may have to pay directly on account of the income represented by the interest on the bonds secured hereby, to be reimbursed and paid to the holder as provided in this indenture; but the liability of the grantor to or for account of any bondholder for such normal United States income taxes, assessments, and charges for any one year shall not exceed two per cent of any such annual interest and income on the bonds held by him and accruing thereon.

In case the corporate trustee or the American Bond and Mort In case the corporate trustee or the American Bond and Mortgage Company, Inc., or a bondholder pays or is required to pay directly any such normal Federal income tax, assessment, or charge which the grantor has herein covenanted and agreed to pay, said trustee and/or the bondholder shall be entitled to reimbursement therefor under the foregoing covenants only upon written application made to the corporate trustee or American Bond and Mortgage Company, Inc., which application shall set forth the numbers or principal amounts of bonds on which the interest or income has been so taxed, the date when such taxes were imposed and that the taxes were assessed upon or are assessable against the applicant-bondholder. The corporate trustee or American Bond and Mortgage Company, Inc., shall thereupon make reimbursement to the bondholder or pay said taxes to the United States of America for each such bondholder who is such income taxpayer, from and out of the funds deposited with it by income taxpayer, from and out of the funds deposited with it by income taxpayer, from and out of the funds deposited with it by the grantor for such purpose (if grantor has any such moneys on deposit) and shall be fully protected in so doing; and if the corporate trustee or American Bond and Mortgage Company, Inc., have not funds sufficient for such purpose when the application for reimbursement is so made, the grantor covenants to pay the funds forthwith required for such reimbursement. And it is expressly agreed that nothing herein contained shall be construed to be a requirement that said American Bond and Mortgage. to be a requirement that said American Bond and Mortgage Company, Inc., shall give or disclose or be required to give or dis-Company, Inc., shall give or disclose or be required to give or disclose to the grantor or to the corporate trustee the names or addresses of any such bondholders. Unless such request for such income tax shall be made within sixty days after all of such income tax shall become finally due and payable by such bondholder, there shall be no liability to reimburse the bondholder for such past accrued income tax, and in no event shall there be any liability to make reimbursement for any interest or penalty assessed to or paid by the bondholder in addition to the amount of such taxes originally assessed.

Nothing in this indenture contained shall require the grantor to pay any tax, assessment, impost, charge, claim, demand, or lien whatsoever assessed or imposed against the land or buildings and whatsoever assessed of imposed against the land of buildings and personal property covered by this deed of trust or any interest or estate therein created by this trust deed by any governmental agency or agencies so long as it shall in good faith and by appropriate legal proceedings contest the validity thereof if the grantor shall deposit with said individual trustee or county collector (treasurer) of said Palm Beach County, State of Florida, or other proper public official whose duty it is to collect any such tax, assessment, excise, or charge, an amount of money sufficient to discharge such excise, or charge, an amount of money sufficient to discharge such tax, assessment, impost, charge, claim, or lien in full, including costs and interest, to be used by the individual trustee, or collector, or other public official, as the case may be, for the purpose of discharging the same in the event that the grantor shall be unsuccessful in said contest. In lieu of depositing such cash the grantor shall also have the right to give to the individual trustee a bond, with a surety or other security satisfactory to him, in such reasonable sum as will in the judgment of the individual trustee be sufficient for the purpose, conditioned to pay such contested charge or lien in full, including costs and interest, in case the grantor, if it shall be unsuccessful in said contest, shall not forthwith discharge such tax charge or lien in full. such tax charge or lien in full.

such tax charge or lien in full.

The said grantor hereby expressly covenants and agrees with the said trustee, for the use, benefit, and security of each and all of the bondholders and coupon holders secured hereby, that upon the filing of any notice by any person, firm, or corporation claiming a statutory lien upon said premises or any part thereof, or any improvements thereon, or any goods and chattels located or to be located therein, for any materials furnished or delivered thereat or thereupon or therein, or for any work or labor done and performed in and about the making of any repairs, alterations, or the erection and construction of any buildings and improvements upon said mortraged premises or any part thereof, or any mathe erection and construction of any buildings and improvements upon said mortgaged premises or any part thereof, or any materials furnished for or any work and labor done and performed in and about the fabrication or installation of any of the said goods and chattels to be located and placed within said buildings upon said mortgaged premises, or any part thereof, or if suit shall be commenced for the enforcement of any such claim or lien upon said premises or buildings, improvements, goods and chattels, it shall and will at once bond off any such lien by filing a bond in the office of the clerk of the circuit court of Palm Beach County, Fforida, or elsewhere and otherwise as shall or may be required by the laws of the State of Florida now or at the time hereafter by giving and filing a bond or bonds with such good and sufficient securities or sureties to be approved and payable to the

person claiming a lien in such sum and upon such conditions as is now or which shall hereafter be enacted and provided by the laws of the State of Florida, and thereby effectually have said lien of such mechanic, upholsterer, manufacturer, laborer, workman, architect, contractor, sub-contractor, or materialman removed man, architect, contractor, sub-contractor, or materialman removed and released, and the said mortgaged premises, buildings, and improvements or the said goods and chattels, as the case may be, released and discharged from any, every, and all of such lien or liens, claim or claims; and that if the said grantor shall neglect or shall refuse to so bond off and release said premises, buildings and improvements, goods and chattels from any such statutory lien and claim and the same shall continue for sixty days after the filing of any such notice or the commencement of any such

and improvements, goods and chattels from any such statutory lien and claim and the same shall continue for sixty days after the filing of any such notice or the commencement of any such suit to enforce such lien, such neglect and refusal shall constitute default hereunder, and then and thereupon, anything in this deed to the contrary notwithstanding hereinbefore or hereinafter written, said individual trustee may declare the whole of the indebtedness and bonds outstanding and secured hereby due and payable and have foreclosure hereof, or in lieu thereof, said individual trustee may order and direct the American Bond & Mortgage Co., Inc., to pay and discharge any such lien and claim and have the same released from and out of any mortgage funds secured hereby and not then expended or paid out hereunder, and in such case the said individual trustee shall be under no duty or obligation to inquire into the validity of any such claim or notice, and if such payment shall be made by him or through his direction and order as aforesaid, the same shall be good and valid and binding upon the grantor, its successors, and assigns.

Section 3. The grantor covenants and agrees with the said individual trustee and the owners and holders of the said temporary and/or said permanent or definitive bonds that it is making this mortgage and deed of trust and borrowing the money herein specified for the purpose, in part, of paying off and discharging a prior purchase money mortgage upon the Whitehall property first above described in said county and State, and that said mortgage indebtedness amounts to \$350,000 and interest, and the said grantor hereby directs the said individual trustee, American Bond and Mortgage Company, Inc., or the holder or holders of said temporary bond or the said definitive bonds, to pay off and discharge said purchase money mortgage and obtain a release and discharge said purchase money mortgage and encumbrance; and upon and in the event of the making of such payment and advance from the mortgage funds secu gage and encumbrance; and upon and in the event of the making of such payment and advance from the mortgage funds secured hereby, said individual trustee and the holder or holders of said temporary bond, and thereafter each and every of the said permanent or definitive bonds shall be subrogated to the mortgage lien temporary bond, and thereatter each and every of the said permanent or definitive bonds shall be subrogated to the mortgage lien and title of the mortgagee, Louise Wise Lewis, or her assigns, to the lien and title of said purchase money mortgage and the amount thereof and interest and costs and expenses of releasing and discharging the same, and which mortgage is dated September 30, 1924, and recorded on or about February 12, 1925, in Book 91 of Mortgages, page 395, in the office of the clerk of the circuit court as recorder of deeds of Palm Beach County, State of Florida, and which said prior purchase money mortgage shall be released and discharged at the time of the payment of said money from said mortgage funds secured hereby.

Section 4. The company for itself, its successors, and assigns covenants and agrees that without the consent of the trustee it and they will not hereafter apply for any deduction by reason of any mortgage from the taxable value of the lands embraced in this indenture and will not claim any credit on principal or interest on said bonds on account of the payment of any taxes upon said land, and in case of any such deduction or claim said trustee or the company shall have the option either to pay or contest the payment of said taxes, in which event the amount so voluntarily paid by the trustee or which he may be ultimately obliged to pay after contest, shall forthwith become a first lien hereaved in favor of the trustee upon said mortgaged premises

obliged to pay after contest, shall forthwith become a first lien hereunder in favor of the trustee upon said mortgaged premises paramount to all liens thereon, and the company covenants and agrees to reimburse and repay to the trustee upon demand the amount so paid by him.

amount so paid by him.

Section 5. At all times until the payment of all the bonds issued hereunder, principal and interest, the grantor and any subsequent grantee of the premises shall maintain an office in Palm Beach County, State of Florida, where notices or demands in respect to such bonds or coupons or this indenture may be served, and from time to time the grantor and such subsequent grantee will give written notice to either of the trustees hereunder and the American Bond and Mortgage Company, Inc., of the location of such office. All notices and demands by either of the trustees or the American Bond and Mortgage Company, Inc., hereunder shall be deemed to Bond and Mortgage Company, Inc., hereunder shall be deemed to be duly given, if either delivered personally to an officer or director of the grantor or any subsequent grantee of the premises, or deposited in any general or branch post office, letter-box, or mail chute, enclosed in a registered post-paid envelope, addressed to the grantor, or to a subsequent grantee of the above-described premises, at the last address furnished to said trustees or the American Bond and Mortgage Company, Inc., and if no such address has been furnished, by mailing such notice or demand to anyone in possession of the mortgaged premises at the premises.

Section 6. The grantor covenants that it will not execute or deliver any absolute conveyance of the above premises divesting itself of all title thereto, prior to the time when said grantor shall have completed all building operations covenanted to be performed

hereunder, and shall have procured the furniture and furnishings for said hotel buildings free and clear of all statutory or mechanic's liens, and its goods and chattels in said hotel buildings hereafter acquired subjected to a chattel mortgage duly executed, proven, acknowledged, and recorded as herein otherwise provided; any such absolute conveyance, if made at any time, shall always be made subject to this mortgage lien and for the full amount of the indebtedness at such time, unpaid and secured hereby; and the grantor further expressly covenants not to place upon the premises, buildings and property herein described at any time, any other lien or encumbrance, whether the same be a second or other junior mortgage, a deed of trust, lease, or other lien, unless there shall be inserted in the instrument of mortgage or lease creating such lien and in each of the notes, bonds, or other evidences of the indebtedness or other consideration to be secured by any such mortgage a covenant and condition that any such mortgage conveyance or lease and the lien, title, and security created by any such instrument is and shall at all times be subject, junior, sub-ordinate, and subservient to the lien, title, and security created by this first mortgage or deed of trust for the full amount of said principal indebtedness and interest above specified and secured hereby, and without regard to the maturity, time of delivery, negotiation of the bonds secured hereby, or the time when the grantor shall or may receive the proceeds or other consideration of each and all of scid first mortgage bonds secured hereby and above described or the proceeds of any and each such junior mortgage or of the bonds, notes, or other evidences of the debt secured thereby or the consideration of any mortgage conveyance or lease. No junior mortgage shall at any time be made by grantor of the goods and chattels of grantor covered or to be covered hereby and by supplemental chattel mortgages as herein provided. Any breach of any of the foregoing covenants

ARTICLE IV

ERECTION AND MAINTENANCE OF BUILDINGS

Section 1. The grantor covenants and hereby contracts and agrees with said trustee and bondholders that it will forthwith proceed with reasonable dispatch and by continuous operation to erect and complete, free of all statutory or mechanic's liens, ready for occupancy on said premises on or before December 15, 1925, the remodeling and alterations of the present Whitehall building and basement or basements and the erection of a new ten-story fireproof hotel and basement adjacent thereto, and employees' building, with all equipment, furniture and furnishings, for use as a hotel, upon the parcels of land respectively above described and conveyed hereby; said buildings and improvements shall be constructed and erected substantially in accordance with the plans and specifications prepared by Martin L. Hampton, architect, and E. A. Ehmann, associate architect, or such other architect or architects as shall be employed by and with the consent of the said American Bond and Mortgage Company, Inc., or of said individual trustee, and in accordance with such additional or amended plans, details, and specifications as may be from time to time approved by the individual trustee and American Bond and Mortgage Company, Inc., and grantor, and also submitted to and deposited with and approved by the 'awful department, bureau, or governmental office, bureau, or board having jurisdiction of such matters under any law or statute of Florida, and any ordinance, law, or regulation of the said municipality of Palm Beach, State of Florida.

Any delays in time of completion of said building caused by insurrection, riots, strikes, storms, fire, act of God, or any unavoidable shortage of materials or labor, or unusual causes beyond the control of the grantor company, and which by the exercise of reasonable prudence, diligence, and foresight it could not have avoided, shall be added to the time specified above for completion of said building and the date of completion extended or postponed for the length of each such delay, if any; said trustee shall have power to extend such time for any reasonable further period fixed by him, but shall not be obligated so to do except as aforesaid.

Section 2. The grantor expressly covenants to fully pay for said building and all bills or claims contracted or incurred in connection with the erection and construction and equipment thereof, free of all liens under the statutes of Florida for work, labor, and materials done or performed or used in making said improvements on said land conveyed hereby; and expressly covenants that all such liens are hereby waived and expressly hereby released, and binding upon it, its architect, contractors, sub-contractors, materialmen, workmen, and laborers.

binding upon it, its architect, contractors, sub-contractors, materialmen, workmen, and laborers.

If the grantor shall for any reason abandon or unreasonably delay the construction of said building or the equipment thereof, and shall not continuously proceed with such construction with all of the diligence that the same is reasonably susceptible of until the said building is completed and ready for occupancy and use, or shall fail to complete the same, or shall be prevented from completing the same by any cause whatsoever, the individual trustee, at his election (but without prejudice to any other right of the trustee or the bondholders arising in consequence of such default), may declare default hereunder, after giving grantor 30 days' previous notice, and may foreclose as in case of other defaults as herein specified, and may in such case have a receiver appointed; and for the purpose of completing said building and the equipment thereof, the receiver may, in such event, under proper

orders of the court, go into and have possession of said premises and make any and all necessary contracts for architects, contractors, construction work, and for work, labor or materials, supplies, and equipment in connection therewith in the name of the grantor, and may sign the name of the grantor as its receiver or otherwise, as the court may direct, to any and all papers and documents necessary for such purpose. The receiver may in such event pay, at any time, any outstanding just bills or liability or indebtedness so contracted or incurred by the grantor or by the receiver in the grantor's behalf, and may make up any defict in connection with the construction and erection of said building and the equipment thereof, and may pay any bills or indebtedness contracted by the receiver in connection with any such contracts, or in connection with any liability incurred by the said receiver, as aforesaid, regardless of whether or not any mechanic's lien claims have been filed or established in any of the foregoing instances. The grantor hereby expressly agrees to repay to the individual trustee or said receiver on demand any sums advanced in accordance with the foregoing provisions, and to reimburse them and each of them for and on account of any payment or payments made by reason of or pursuant to the foregoing provisions, and any and all sums advanced by the trustee or by any bondholder hereunder shall be deemed a charge and lien on said premises, as provided in article VI hereof, and the same may be paid to said individual trustee from the proceeds of the sale of said bonds, and, if not so paid, shall be secured hereby as a prior lien and claim hereunder.

Section 3. The grantor expressly covenants that it will forthwith bond off and dissolve or otherwise pay, discharge, and clear off and remove any mechanics' liens which may be filed or noticed as a lien or charge against said premises under the laws of Florida, and in default thereof the trustee may forthwith in its sole discretion clear off and discharge such liens or claims, and shall have a prior lien or liens against the property above described hereunder and the claims against the grantor therefor as is herein otherwise specified.

Section 4. The grantor covenants to maintain, at all times, each of said premises, and the buildings erected and to be erected thereon, including the furniture, furnishings, and contents thereof, in good first-class repair, working order, and condition, and to make all necessary replacements and substitutions, to the satisfaction and approval of the individual trustee, all building, fire, and other similar departments of Palm Beach, village or city, the county of Palm Beach and of the State of Florida and Federal Government, all insurance companies, the Board of Underwriters of the State of Florida, and all other similar organizations having any interest in or jurisdiction over the same; and the said grantor further expressly covenants to make and fully pay for all repairs and in nowise to commit waste upon, in, or about said mortgaged premises, so long as any indebtedness secured hereby remains unpaid.

eral Government, all insurance companies, the Board of Underwriters of the State of Florida, and all other similar organizations having any interest in or jurisdiction over the same; and the said grantor further expressly covenants to make and fully pay for all repairs and in nowise to commit waste upon, in, or about said mortgaged premises, so long as any indebtedness secured hereby remains unpaid.

Section 5. The grantor covenants that it will comply with all laws, ordinances, acts, rules, regulations, and orders of any National, State, county, and city legislative, executive, administrative, or judicial body, commission, or officer exercising any power of regulation or supervision over the grantor, the said buildings, and structures erected and to be erected as herein provided, or any part of said mortgaged premises, whether the same be directed to the conduct of the business of the grantor, the erection of said buildings herein specified, the repairs thereof, manner of use, structural alterations, or otherwise; provided, however, that the grantor may contest any such law, ordinance, act, rule, regulation, or order in any reasonable manner which will not affect the title of the individual trustee to any part of the mortgaged estate, the conduct of the company's business, or the maintenance of that high standard of physical condition which is hereinbefore set forth. The grantor further agrees that until all of the indebtedness and interest secured hereby shall be paid and discharged, it will, at all times, maintain its corporate organization, and that it will not permit or suffer any use or nonuse of its corporate authority and franchises whereby said corporate authority and franchises may become in anywise forfeitable or forfeited, and that it will not (without the consent of either the American Bond and Mortgage Company, Inc., or of said individual trustee) convey said premises and the buildings and improvements now and hereafter to be placed thereon as herein provided, until said buildings and the furnitur

to title of and under this indenture or the lien hereof, and in any event shall be made and be subject and junior to this trust deed. Section 6. The said grantor hereby covenants and agrees with the individual trustee and each of the holders of the bonds and coupons secured hereby, that the American Bond and Mortgage Company, Inc., whose post office address is 127 North Dearborn Street, in the city of Chicago, Illinois, a broker engaged in the sale of first mortgage securities, has been heretofore and is hereby irrevocably appointed as the exclusive agent and broker of the said grantor, and with its irrevocable consent, authority and power to act for and on behalf of the holders of said bonds and interest coupons to whom the said broker shall or may sell and dispose of the same, and that it has and does hereby also irrevocably appoint and authorize the said broker to do and perform any acts and things herein specified respecting the erection and construction of said building and improvements and the procuring and installation of the furniture and furnishings

therein, and to decide the various questions and pass upon the various matters in relation and behalf of the erection and construction of said buildings, and the removal of any and all liens or notices thereof by workmen, architects, contractors, sub-contractors, and/or materialmen, lodged or claimed against the mortgaged property herein described or any part thereof.

ARTICLE V INSURANCE

Section 1. As a further and additional security for the payment of all of the principal indebtedness, interest to accrue thereon as evidenced by the interest coupons, and provisions of the bonds and coupons aforesaid, and any advances made as herein authorized and provided, or as may be authorized by law, the grantor, company, hereby covenants and agrees with said trustee and its respective successors in trust and the holders of the bonds and interest coupons secured hereby, to keep said premises and parts thereof, all the furniture and fixtures, and its rents or income therefrom well, lawfully, and adequately insured by lawfully authorized and responsible insurance companies authorized by and under the laws of the State of Florida, or by or under the laws of any other State or county, to write insurance upon the insurable mortgaged property herein described, or by companies which may be approved by a responsible board of underwriters of the State of Florida, with loss, if any accruing, payable to the said individual trustee and his successors in trust as his or their interest may appear, and further covenants and agrees to pay all of the cost thereof of each and all of the several classes of such insurance to be procured, kept, and maintained until all of said indebtedness and interest is paid, in the following manner, that is to say:

(a) Said grantor covenants and agrees to keep all of the buildings and structures and equipment on the premises conveyed hereby, inclusive of the foundations and one foot below each basement or sub-basement floor, insured against loss or damage by fire and/or lightning for not less than 30 percent of the full insurable value thereof, subject to the provision that the aggregate amount of any such fire insurance shall at any and all times be equal to the aggregate amount of \$2.250,000, or to said 80 percent of the full insurable value, whichever may at the time be the highest aggregate amount; and also will keep all of the furniture, furnishings, and fixtures in the hotel building, annex, and servants' quarters insured against loss or damage by fire for one hundred percent of the insurable value thereof, with loss payable to the trustee as aforesaid.

(b) Also further covenants and agrees to procure rent and occupancy insurance or/and cover and insure at least eighty (80%) per centum of the rental value of said hotel buildings and premises and which shall be for an amount of accruing rents or income value of said entire hotel buildings and premises of not less, at any time, than a sum equal to the annual interest on all of the outstanding unpaid and unredeemed principal indebtedness for twelve months and \$125,000 in addition thereto, and that such rent or occupancy insurance shall be for a loss period of not less than twelve months.

(c) Also covenants and agrees to procure tornado, hurricane, or wind insurance of such an amount not exceeding \$100,000 from time to time as shall be requested, ordered, or directed by the said individual trustee; if the said trustee shall not require or direct such tornado, hurricane, or wind insurance, he shall not suffer any liability whatever for not so requesting, ordering, or directing the carrying or procuring of such insurance.

(d) Grantor also will carry and procure plate glass insurance of such amount and at such times as the individual trustee may require it, and also the grantor will carry and procure what is commonly called boiler or explosion insurance and shall insure against loss or damage by riot or civil commotion, and insurance against failure of any sprinkler system to operate, of such an amount and at such time or times as shall be requested, ordered, and directed by the individual trustee; the said trustee shall incur no liability whatever if he shall not so request the carrying and procuring of any such insurance mentioned in this sub-clause;

any such insurance mentioned in this sub-clause;

(e) All of said policies of insurance agreed to be procured by the grantor above specified in sub-clauses "a", "b", "c", and "d" shall be deposited with, kept, and held by the said individual trustee or his successor in trust for the equal security and benefit of the holders of the bonds and coupons as aforesaid; all fire and rent or occupancy insurance hereunder shall be for periods of five years, inclusive of renewals thereof;

sive of renewals thereof;

(f) The said grantor further covenants and agrees to at all times procure and keep in force and effect with the premiums paid liability insurance covering all loss or damage that may accrue generally to its employees in the operation of the elevators therein, the machinery, equipment, and appliances therein, or otherwise, and/or as may accrue under the Workmen's Compensation Act of the State of Florida, so-called, or any other act or amendments thereto; and also liability insurance against any damages resulting to the public in and about the operation of the said hotel and buildings and any of the elevators or equipment and machinery installed and used therein; said liability insurance shall not be payable to the said individual trustee, but the grantor covenants and agrees to exhibit the policies to the said individual trustee at any and all reasonable times on request that he may determine the performance by the grantor of its covenants in this sub-clause contained;

(g) The company expressly covenants and agrees that all of the insurance of each class required hereunder (excepting the insurance covering public liability, employers' liability, and liability

under workmen's compensation acts of Florida, which the grantor itself shall procure) shall be placed, procured, and renewed, for five-year periods, by the American Bond and Mortgage Company, Inc., in Chicago, Illinois, or New York City, New York, as the agent of the company; said American Bond and Mortgage Company, Inc., for said purpose, is hereby expressly made and constituted and appointed, irrevocably, the agent of the company, its successors and assigns, to procure and renew all of said insurance above provided to be procured, kept, and maintained by the said grantor, until the payment and discharge of all of the indebtedness secured hereby; said American Bond and Mortgage Company, Inc., as compensation for its services for placing such insurance, shall be entitled to any discount from and/or any commission upon regular board rates obtained by it, and the company covenants and agrees to pay on demand the cost of such insurance, with interest at the rate of 7 per cent per annum, shall be so much additional indebtedness secured by this mortgage or deed of trust. All insurance policies and renewals thereof shall be delivered to the individual trustee and kept by him until a discharge of said indebtedness and interest and reconveyance made. The company covenants to pay all premiums on said insurance policies procured or renewed by said American Bond and Mortgage Company, Inc., upon presentation to it of the statements of the amounts thereof at regular board rates as aforesaid by said American Bond and Mortgage Company, Inc., upon presentation to it of the statements of the amounts thereof at regular board rates as aforesaid by said American Bond and Mortgage Company, Inc., upon presentation to it of the statements of the amounts thereof at regular board rates as aforesaid by said American Bond and Mortgage Company, Inc., upon presentation to it of the statements of the amounts thereof at regular board rates as aforesaid by said American Bond and Mortgage Company.

In case of the company's failure to pay any premiums or cost of said insurance the individual trustee or the holder of any bonds or the holder of any interest coupons, outstanding, unpaid, and secured hereby may do so (but are, and shall not be, obligated so to do) and all moneys so paid by the said trustee or any bondholder or interest coupon holder with interest thereon at the rate of seven per cent (7%) per annum from the time of each advance shall become so much additional indebtedness secured hereby, and be at once due and payable, which advance payments, when and as they may be made, shall be secured hereby and by a lien hereunder upon said premises prior to the indebtedness evidenced by the bonds and coupons.

Section 2. If any of the mortgaged property shall be destroyed or damaged at any time by fire, or other cause whatsoever, the grantor company covenants forthwith to repair, rebuild, restore, renew, and replace the same and to pay the cost thereof. The individual trustee shall collect and receipt for all moneys adjudged due or payable under said policy or policies of insurance and any moneys due thereunder shall be paid to the said trustee. When the probable cost or expenses of such repairing, rebuilding, restoring, renewing, or replacing has been estimated by the sworn statement of an architect or general contractor, to be selected by the said individual trustee, the company hereby expressly agrees to deposit with the said trustee the difference, if any, between such estimate and the net amount of the insurance available for the same. In the event that the company, in case of damage to said building or the destruction thereof, shall with reasonable dispatch repair, rebuild, restore, renew, and replace the same or construct, equip, and furnish a new building on said mortgaged premises in place thereof, of the size, capacity, and actual value of the building and all improvements to be erected and constructed hereunder, and according to plans and specifications approved by the American Bond and Mortgage Company, Inc., and said trustee, and the company having first deposited with the trustee the aforesaid difference, then in such case, but not otherwise, all insurance moneys which shall be received by the trustee under said policies covering said building, equipment, and furnishings and such additional deposit, if any, shall (after the deduction therefrom of the reasonable charges of the trustee in connection with the collection and disbursement of said bonds and coupons or any of them) be paid out from time to time as the work progresses upon architect's certificates for the expense of such repairing, rebuilding, restoring, renewing, or replacing of said building and equipment, but an amount of money shall at all

In the event that any such loss shall exceed ten thousand dollars (\$10,000) the company shall submit to the said individual trustee plans and specifications to be subject to the approval of the said trustee, and shall exhibit to him any contract or contracts for such work or for the supplying of any such materials. The trustee may obtain from any disinterested architect or contractor an estimate of the cost of such repairing, rebuilding, restoring, renewing, or replacing, and the cost of obtaining such estimate may be deducted from the amount of such insurance.

deducted from the amount of such insurance.

In the event of the total destruction of the building, or in the event of a loss requiring substantially the reconstruction of the entire building, or part or parts thereof erected at time of such destruction, loss, or damage, the company shall forthwith and by continuous operation proceed to erect or complete and equip and furnish a new building on said premises of equal or greater cost and value and of equal or greater income value and to be substantially similar to the building so damaged or destroyed and the said new building and equipment shall be erected and constructed substantially, according to the present plans and specifications, or according to such other plans and specifications as the said indi-

vidual trustee and the American Bond and Mortgage Company, Inc., in their absolute discretion may approve. If it shall appear at any time that said insurance moneys are not sufficient to pay at any time that said insurance moneys are not suincient to pay for the completion and erection, equipment and furnishings, of said building, in accordance with the plans and specifications approved by the trustee and the American Bond and Mortgage Company, inc., the company shall on demand deposit such shortage or deficit with the trustee, or the company may deliver to the trustee a good and sufficient bond with surety company or com-panies as surety or sureties satisfactory to the trustee and in a trustee a good and sufficient bond with surety company or companies as surety or sureties satisfactory to the trustee and in a form and amount satisfactory to the trustee, conditioned that the company shall and will within twelve (12) months after the happening of such last-mentioned damage or destruction of such building erect and complete and equip such new building in accordance with said plans and specifications, free from all claims for mechanics' liens. Upon receipt of such shortage or deficit or upon being furnished with the said bond, the trustee shall disburse said insurance moneys and such additional deposit, if any, as aforesaid, but not otherwise. In computing the twelve months' period aforesaid for the erection and equipment of such new building on said premises, or any subsequent new building, any delay caused by insurrection, riots, strikes, storms, fire, the act of God, or an unavoidable shortage of materials or labor, or unusual or unavoidable delays in transportation of materials, or other causes beyond the control of the company, and which by the exercise of reasonable prudence, diligence, and foresight it could not have avoided, shall be added to the time allowed, and the date of completion extended or postponed for the length of such delays; or said trustee shall have power to extend such time for any reasonable period, but shall not be obligated so to do except as aforesaid. After the completion of said building, as aforesaid, free from liens, as aforesaid, the proceeds from any and all fire-insurance

After the completion of said building, as aforesaid, free from liens, as aforesaid, the proceeds from any and all fire-insurance policies covering or representing the mortgaged property, damaged as aforesaid, and any such additional deposit, if any, shall be disbursed by the trustee upon the order of the company and upon its filing with said trustee written waivers of lien signed and proven satisfactory to said trustee, from contractors, subcontractors, materialmen, laborers, and architects, toward the payment of the cost of the construction of said building and the equipment of said building with suitable apparatus, and equipment of at least equal quality to the same to be originally placed in said building, as well as other costs of construction in manner in said building, as well as other costs of construction in manner aforesaid.

SECTION 3. In the event that the company fails to commence forthwith to repair, renew, restore, rebuild, or replace the building, and mortgaged property as provided in the last section, then the trustee, in his absolute discretion, is hereby authorized (but not required) and without prejudice to any other right or remedy hereunder, in the name of the company, or otherwise, to do such hereunder, in the name of the company, or otherwise, to do such repairing, rebuilding, restoring, renewing, or replacing, and to have all insurance moneys, together with the moneys representing the difference, if any, heretofore provided in said last section, applied toward the cost thereof, and to do all other needful things so as to preserve the security hereof and in such event and for such purpose the interest of the company in all insurance moneys herein referred to shall be, by virtue hereof, assigned and transferred to said trustee.

The trustee, upon default of grantor as provided in the above and first paragraph of this section, may elect to proceed with such work before said difference is deposited with him, and in such event the company agrees to pay to the trustee on demand the difference between the aggregate of all insurance moneys collected by the trustee, less deductions therefrom herein authorized, and the total cost of such repairing, rebuilding, restoring, repearing or replacting. renewing, or replacing.

Any and all balances remaining undisbursed by the trustee after

Any and an balances remaining undisbursed by the trustee after the complete repairing, rebuilding, restoring, renewing, and re-placing of said building as aforesaid, provided the company is not in default in any of the terms, conditions, and provisions of this trust deed, and if in default, any amount in excess of the sum necessary to make good any and all defaults, shall be paid over to

the company.

the company.

In the event that the company shall fail to rebuild or repair or equip and furnish the said building so damaged or destroyed by fire or other casualty as aforesaid after the happening of such damage or destruction in accordance with the terms and conditions in this trust deed contained, and shall be in default for such failure, then in such event said trustee shall have, and he hereby is given the right to apply any and all proceeds of insurance policies or additional deposit which may at such time be in his hands, or under his control to the repayment (1) of any and all sums of money which may theretofore have been advanced by said trustee or any bondholder, and shall not prior thereto have been repaid to such trustee or bondholder, together with interest thereon at the rate of seven per cent (7%) per annum from the time of the advancement until the repayment thereof in full; and shall (2) next apply the same as far as the same shall reach, to time of the advancement until the repayment thereof in full; and shall (2) next apply the same as far as the same shall reach, to the payment of pro rata principal and accrued interest of all bonds secured by this instrument; (3) and the balance, if any, after the payment of all indebtedness and interest and the moneys due the trustee for his fees, expenses, or otherwise hereunder and secured hereby shall be paid to the company. In the event that the said funds shall not be sufficient to pay in full all matured principal and interest and other moneys as hereinabove and hereafter provided to be paid, then and in such event said company shall forthwith pay over the deficiency in connection therewith to the trustee to be applied as last hereinbefore provided.

Section 4. The company further covenants and agrees to procure and pay the cost thereof, rent, or occupancy insurance as above provided in section 1 of this article. Said policies for said rent or occupancy insurance shall be made payable to the said individual trustee as his interest shall appear, and be deposited with him as other insurance hereinbefore provided. In case of a loss occurring under any of said rent-insurance policies, all of the insurance money thereon accrued shall be paid to and deposited with the said trustee. If the company shall not then be in default, it shall have the right to direct the said individual trustee to pay and disburse the said moneys for the payment and discharge of (a) taxes; (b) insurance, premiums, and costs; (c) necessary monthly and semi-annual payments herein otherwise provided to the American Bond and Mortgage Company, Inc., or said corporate trustee, to meet accruing or accrued interest upon the outstanding and unpaid principal indebtedness secured hereby and the payment of the principal of any of the bonds secured hereby as they respectively mature on any annual payment date as herein otherwise provided. Any balance after making the foregoing named payments shall be held and reserved to pay building and reconstruction costs if the same have not been paid and made by the grantor; and whenever all of the foregoing named payments have been made from out of said rent insurance so received and held by the individual trustee and the said grantor company is not in been made from out of said rent insurance so received and held by the individual trustee and the said grantor company is not in anywise in default and the said building has been reconstructed, renewed, repaired, and placed in the condition it was in before any such fire, damage, or loss, the said balance of said rent insurance such fire, damage, or loss, the said balance of said rent insurance shall be paid unto the grantor. Any moneys collected or received by the said trustee under any plate glass insurance, explosion, or operation of the machinery covered by policies as aforesaid, shall be paid out by said trustee upon receipts and vouchers presented to him for the payment of the costs of repairing any such damage, or if the said grantor shall pay the cost of any and all such repairs or reconstruction or damage to plate glass or property by reason of explosion or other casualty as provided in any of such policies, so that said building is at least in as good condition as it was before said damage occurred, and shall exhibit the receipts for the payment of all such costs and waivers of lien to the said trustee he shall pay such moneys to the said grantor, and if the said the payment of all such costs and waivers of lien to the said trustee, he shall pay such moneys to the said grantor; and if the said grantor shall not make such repairs and pay the costs thereof, said trustee may do so and for such purpose shall distribute and pay out such insurance moneys to pay the costs thereof. In case of a default by the company under any of the terms hereof and as herein otherwise specified and defined, the said individual trustee, until and unless the principal of all the outstanding bonds hereunder shall have been declared due and payable, shall pay and disburse the said moneys in the manner and in the order as aforesaid. In the event that all the bonds and interest thereon outstanding shall have been declared due and payable for default said. In the event that all the bonds and interest thereon outstanding shall have been declared due and payable for default, then said trustee shall apply and pay said rent insurance pro rata to bondholders to proportionately discharge principal and interest then due by such declaration. If the company shall not be in anywise in default and shall not direct the payment of the moneys in the manner as aforesaid at and upon the restoration of the building and the payment of the cost thereof as herein otherwise specified in case of a loss or destruction or damage by fire, or otherwise, of the mortgaged building and improvements, the company shall have the right to demand, and the said trustee shall pay to the company said insurance not otherwise disbursed by him to the company said insurance not otherwise disbursed by him under the foregoing provisions in this article; otherwise the same shall be paid and disbursed as hereinbefore specified.

shall be paid and disbursed as hereinbefore specified.

SECTION 5. The said individual trustee, or his successor in trust then in office, upon the receipt of any insurance moneys, checks, or drafts, or of other funds provided to be paid to him or his successors, above in this article provided, shall at once deposit each and all of said funds or payments in the First National Bank of Chicago, Illinois, or with and in a trust company doing a general banking business in said city of Chicago, Illinois, having a paid up capital of at least one million dollars, in an account to be designated "Whitehall Hotel Insurance Account", separate from any other funds or moneys, and said funds in said separate account shall be only withdrawn by checks or drafts signed by said indishall be only withdrawn by checks or drafts signed by said individual trustee, or his successor in trust then in office, for the uses and purposes above specified in this article. Any interest allowed and paid by such bank of deposit on such funds in said account shall belong to grantor and be withdrawn and paid by said individual trustee in the manner and for the purposes aforesaid.

ARTICLE VI

TRUSTEE MAY ACT FOR COMPANY

The individual trustee is hereby authorized, for and on behalf of The individual trustee is hereby authorized, for and on behalf of all bond and coupon holders secured hereby, or, in case of his refusal to act on reasonable request in writing within the time specified in article VII hereof, the legal holder or holders of any of the bonds and/or the holder or holders of overdue interest coupons, hereby secured and outstanding at such time, is and are hereby authorized, but not required, whenever there shall be a delinquency by the grantor company in the performance of the covenants of this indenture, to perform such covenant or covenants for and on behalf of the company: to procure or renew insurance: to place behalf of the company; to procure or renew insurance; to place said mortgaged property in proper condition and repair; to discharge and pay delinquent taxes or assessements or other charges levied, imposed, or assessed upon the real estate and personality or any part thereof, or to redeem the same from any tax sale or forfeiture or to purchase any tax title thereon; to remove, pay, and discharge any mechanic's lien or other prior lien or encumbrance thereon or which may be equal to or in prejudice of the

lien hereof; to carry on the prosecution or make defense of any suit affecting the security for the bonds issued hereunder, and to advance or expend the necessary money for any or all of said purposes, including the payment of reasonable attorney's or solicitor's fees and court costs, stenographers' charges, and expenses for procuring evidence, if any, and any and all costs for the preparation for trial or trials.

The company expressly covenants to pay on demand, to the trustee and/or to the holder or holders of any of the bonds or holders of interest coupons, hereby secured, all moneys advanced or expended pursuant to all and any of the provisions of this instrument with interest on each item at seven per cent (7%) per annum, all of which sums shall be a first lien on said premises prior and paramount to the bonds and interest coupons hereby prior and paramount to the bonds and interest coupons hereby secured, and are hereby declared to be so much additional in-debtedness secured by this indenture and to be payable on de-mand in the same gold coin or its equivalent as aforesaid and in the same manner as the bonded indebtedness and interest secured the same manner as the bonded indebtedness and interest section hereby; it shall not be obligatory to inquire into the validity of any such tax title, or of such delinquent taxes, assessments, or charges or of sales therefor, or of liens, or other items in advancing moneys in that behalf as above authorized, but such payments shall be subject to the right of contest by grantor upon the conditions and as provided in article III hereof. Any action taken by the trustee or any successor in trust or by the bondholders or conditions and as provided in article III hereof. Any action taken by the trustee or any successor in trust or by the bondholders or holders of interest coupons, under the provisions of this article shall be without prejudice to and not exclusive of any other of their rights hereunder by reason of the default, if any, of the company, which shall give rise to such action, and the provisions hereof shall not be construed as in any sense obligatory or as requiring any affirmative action on the part of the trustee or of any successor in trust unless requested in writing by bond or coupon holder or holders and by them is furnished the necessary lawful money to make any such advance and payment or cure a delinquency of the company as aforesaid.

ARTICLE VII

POWER TO DECLARE ALL BONDS DUE FOR DEFAULT

The principal sum of any or all bonds issued under the provisions of this trust deed, outstanding and unredeemed at any time, may be declared due and payable at once prior to the regular maturity of any, each or all of said bonds according to the tenor thereof, by (1) the said trustee, or (2) any successor in trust hereunder then in office, or (3) by bondholders in case of the refusal of the said trustee, or successor in trust then in office, so to declare, on request, and having the requisite amount of bonds or coupons, or both, as hereinafter specified, upon the existence of any or either one of the following named defaults:

(1) The nonpayment of any semi-annual installment or installments of interest evidenced by coupons upon any or all of said ments of interest evidenced by coupons upon any or all of said bonds, when the same shall be due and payable according to the tenor thereof as aforesaid and such default shall continue for thirty (30) days; or failure, neglect, or refusal to pay the Federal income taxes to bondholders when claimed by them through the American Bond and Mortgage Company, Inc., or the trustee, up to but not exceeding two per cent of the interest accruing on their respective bonds, or when the same shall have been paid and advanced by the American Bond and Mortgage Company, Inc., or the said corporate trustee for grantor when it has no funds on deposit with either of said companies to meet and pay the same and such default shall continue for thirty (30) days;

(2) The nonpayment of any of the principal of said bonds or

(2) The nonpayment of any of the principal of said bonds or any installment thereof when due and payable according to the tenor thereof as aforesaid and such default shall continue for

thirty (30) days;
(3) The failure, neglect, and default of the grantor, its successors or assigns, to pay and deposit said monthly payments, and to meet and pay the principal and interest as the same becomes due and payable as aforesaid, and when and if such default, or any one of them in this clause specified, shall continue for a period of fifteen (15) days from and after the time when each such payment and deposit is due and payable under the provisions

(4) The failure, neglect, and default of the grantor to execute, seal, and deliver to the corporate trustee. (4) The failure, neglect, and default of the grantor to execute, seal, and deliver to the corporate trustee the said definitive or permanent bonds for the purpose of having the same exchanged for said temporary bond after said permanent or definitive bonds have been duly engraved or lithographed, with the coupons attached in manner and form and within the time aforesaid, and such default shall continue for twenty days after request and notice by United States mail to grantor that said permanent and definitive bonds are ready for such execution and sealing;

(5) A failure, neglect, or refusal to do and perform any of the other covenants and provisions and agreements in this trust deed made and specified by said grantor by it or its successors and

made and specified by said grantor by it or its successors and assigns to be kept and performed, of any and every character and description whatever other than the foregoing named defaulted covenants, and such failure, neglect, or default shall continue for thirty (30) days after the notice to grantor in writing by U. S.

thirty (30) days after the notice to grantor in writing by U. S. mail of the existence of any such default to grantor, its successors or assigns, specifying each or any such default.

Said declaration of maturity of said bonds, or of any of them, and the interest accruing thereon up to the time of each or any of said declarations on the existence of any one of the defaults as aforesaid and for the time in each specific case where mentioned as aforesaid, shall be made:

(1) By the said individual trustee or any of his successors in trust then in office hereunder, in his discretion and if he shall

see fit so to do, without any request from anyone, bondholders or coupon holders, or otherwise, but said trustee, or his successor in trust, shall not be obligated so to do and shall not incur any liability for not making any such declaration, whether he has knowledge of such defaults or any default, or not;

(2) By a holder or holders of bonds of the aggregate amount of not less than \$50,000, or the holder of bonds and past due interest coupons of an aggregate face amount of not less than \$50,000, or coupons of an aggregate face amount of not less than \$50,000, or the holder or holders of past due interest coupons for an aggregate face amount of at least \$50,000 may request the said individual trustee or his successor in trust in writing, specifying the default or defaults, to declare their bonds or any part thereof, or the said entire principal indebtedness with interest secured hereby to be then due and payable for such default or defaults, and shall deliver or produce and tender to the trustee the said bonds and/or said bonds and matured coupons, or coupons, for the amount of not less than \$50,000 as aforesaid, and pay to the said trustee, or tender him in payment, a reasonable sum of money to cover all advances and costs for a foreclosure or the bringing of an action or suit to enforce payment, and a reasonable indemnity to said trustee to cover his future costs and attorneys' fees and expenses trustee to cover his future costs and attorneys' fees and expenses in the premises to his satisfaction, and thereupon and thereafter within sixty (60) days the said trustee or his successor in trust shall declare the said bonds due and payable, as requested, whether matured or not, and for such default or defaults, or in lieu thereof, the said trustee may refuse so to do, and if such refusal or neglect shall continue for a space of thirty days after his refusal in writing, or for sixty (60) days of neglect so to act as requested as aforesaid, then and thereafter the said bondholder or bondholders and coupon holder, or coupon holders, holding at least bondholders and coupon holder, or coupon holders, holding at least the amount in face amount of bonds, or face amount of bonds and coupons past due, or face amount of past due coupons, as aforesaid, may declare all of the then outstanding bonds due and payable at once, and they shall then and thereafter be due and payable with all of the rights in the holders of said bonds and coupons to enforce the payment thereof by foreclosure or otherwise, in their own names, as if the entire debt had matured regularly according to the tenor thereof.

according to the tenor thereof.

Nothing in this article contained shall be construed as a waiver of or a limitation of, or prohibition against the right of any holder of or a limitation of, or prohibition against the right of any holder of bonds past due, either by lapse of time or by declaration for default by the trustee as aforesaid, or of coupons past due, or of both bonds and coupons past due, without any request to foreclose of the trustee whatever, to sue or commence foreclosure proceedings of this trust deed to enforce the payment of such past due obligations which have matured regularly according to the tenor thereof, and the lapse of thirty (30) days' time thereafter as aforesaid, or of bonds declared due, by the trustee or holder thereof upon conditions as above provided, for default as aforesaid, and have not been paid, subject to the continuing lien of this trust deed (and junior and subordinate thereto) as seaforesaid, and have not been paid, subject to the continuing lien of this trust deed (and junior and subordinate thereto) as security for the payment of all of the remaining outstanding bonds and coupons and any indebtedness that may be secured by this instrument not represented by the holders of such past due bonds or coupons, or both, in manner and form as provided by the laws of the State of Florida or as hereinafter provided.

The above provisions, for declaring all or any part of the indebtedness secured hereby due and payable prior to regular maturity for default, are also subject to the condition that if, at any time after the principal of said bonds not then regularly matured shall have been so declared to be due and payable, all bonds past due by regular maturity, all arrears of interest upon

bonds past due by regular maturity, all arrears of interest upon all bonds outstanding with interest at the rate of seven per centum per annum on all overdue installments of principal and centum per annum on all overdue installments of principal and interest, together with all expenses and the reasonable charges of the said trustee, and all advances made by him, or by the bondholders or holders of any of the interest notes or coupons hereunder in accordance with the terms and provisions of this indenture, shall either be paid by the grantor (all of which grantor promises and agrees to pay) or be collected out of the mortgaged and pledged property, before any sale of the said mortgaged property shall have been made, then, and in every such case, notwithstanding anything hereinbefore contained to the contrary, the trustee, in his discretion, may waive and in such event the holders of the bonds, not having matured by lapse of time, hereby secured then outstanding, shall waive such default and its consequences; but this instrument or mortgage and lien shall its consequences; but this instrument or mortgage and lien shall remain then and thereafter in full force and effect as a first and prior mortgage and be subject to the same conditions thereafter as herein provided as if such default or defaults had not existed or been waived, and no such waiver shall extend to or affect any subsequent default or impair any right consequent thereon.

ARTICLE VIII

POSSESSION, POWER OF ENTRY, AND TRUSTEE'S RIGHT TO TAKE POSSESSION

Until default hereunder, or until default as provided in the said temporary bond, the company may remain in possession of the mortgaged property, which possession, at all times until discharge hereof shall be subject, junior, subordinate and subservient hereto. The rents which shall fall due after any such default, under all leases heretofore or hereafter made of the mortgaged premises, and of all parts thereof, are hereby assigned to the trustee as further security for the indebtedness hereby secured. In any case in which under the provisions of article VII hereof.

In any case in which under the provisions of article VII hereof, the trustee or the holders of a required amount of bonds, as the case may be, has or have the right to declare and have declared the principal of all bonds hereby secured and then outstanding

to be due and payable immediately, and in the event of default in the prompt payment of the principal and interest or any part thereof due May 15, 1937, the company covenants, at any time or times, upon the demand of the trustee, forthwith to surrender to him, and the trustee shall be entitled to take actual possession of the mortgaged premises as for condition broken, and with express right in such case to have a receiver or receivers appointed to take and have possession of all the mortgaged property herein described, and may, as the attorney in fact or agent of the company, or in his own name as trustee, or by such receiver, and under the powers herein granted, hold, manage and operate said mortgaged property and collect the rents thereof and lease the same in such parcels and for such times and on such fair and reasonable terms as he may see fit, and shall, after paying out of the revenue from cels and for such times and on such fair and reasonable terms as he may see fit, and shall, after paying out of the revenue from said mortgaged premises all expenses of management and operation of said mortgaged premises, including insurance premiums and the costs of such repairs, replacements, and alterations as may, in his opinion, be necessary and judicious, and all taxes, assessments or charges, or liens upon said mortgaged premises or any part thereof, together with reasonable attorneys' fees, and after retaining reasonable compensation as trustee's or receivers' fees for his or their services in that behalf, and such further sums as may be sufficient to indemnify the trustee against any liability, loss or damage on account of any matter or thing done in good faith in pursuance of the duties of the trustee hereunder, apply the residue, if any, to the payment pro rata of principal and infaith in pursuance of the duties of the trustee hereunder, apply the residue, if any, to the payment pro rata of principal and interest of all bonds secured by this indenture; in every instance such payment to be made ratably to the persons entitled thereto according to the amount of their respective holdings of said bonds or coupons, without discrimination or preference. Upon the payment in full of whatever may be due for principal or interest on said bonds, or be payable for any other purpose, as herein provided, before any sale of the premises as herein specified and the statutes in such case made and provided, or the entry of an order, judgment or decree for the sale thereof in a judicial proceeding for the foreclosure of the lien hereof, the trustee, or receiver and judgment or decree for the sale thereof in a judicial proceeding for the foreclosure of the lien hereof, the trustee, or receiver appointed hereunder, after making such provisions as to him may seem advisable for the payment of the next installments of principal and interest, may restore to the company the possession of said property, which shall thenceforth be subject to this indenture as if such entry had not been made.

The power of entry and the powers incidental thereto as herein provided for may be exercised as often as occasion therefor shall arise, and their exercise shall not suspend or modify any other right or remedy hereunder and as is provided by the laws of the State of Florida at this time or at the time of such entry on default as aforesaid.

default as aforesaid.

ARTICLE IX

FORECLOSURE, SALE, AND DISTRIBUTION

SECTION 1. (a) If the said individual trustee, or any successor in Section 1. (a) If the said individual trustee, or any successor in trust hereunder, shall declare the whole amount or any part of the outstanding and unmatured indebtedness of the company, and secured hereby, then to be due and payable for default or defaults, as provided above in article VII, he shall have the power and right exclusively (except as hereinafter provided) thereupon to commence foreclosure proceedings of this trust deed for the benefit of and to secure the payment of all or any number less than the whole of said bonds and interest, advances, and other moneys and indebtedness secured hereby ratably and without preference or priority of one bond or the interest thereon before another, and for the payment of any advances which have a priority hereand and for the payment of any advances which have a priority here-under as specified herein; and if the said trustee shall so com-mence such foreclosure proceedings for all or any of the holders mence such foreclosure proceedings for all or any of the holders of the bonds, such foreclosure proceedings by said trustee for their use and benefit shall be exclusive and preclude the said bondholders from taking any proceedings in foreclosure in their own names, or otherwise, than by and through the proceedings commenced by such trustee; if the said trustee shall neglect or refuse, so to sue, commence proceedings, or foreclose, and such neglect and refusal shall continue for a period of sixty days after the tender of the bonds of the requisite amount and indemnity to the said trustee as herein otherwise provided, then and thereupon. the said trustee as herein otherwise provided, then and thereupon, after a lapse of thirty days, the holders of any bonds secured hereby, unpaid, of not less than \$50,000 in principal sum, or the holders of bonds and past due interest coupons, unpaid, of an aggregate principal sum of not less than \$50,000, or the holders aggregate principal sum of not less than \$50,000, or the noters of past due interest coupons unpaid, of an aggregate sum of not less than \$50,000, shall have the right, power, and authority to commence foreclosure proceedings or take any action or proceedings in their own names to foreclose this trust deed and mortgage and enforce the payment of all of said bonds and for the benefit of all of them in manner and form as provided by the laws of the State of Florida for foreclosure of mortgages, but such foreof the State of Florida for foreclosure of mortgages, but such foreclosure in such an event shall not be partial, but shall be entire and for the satisfaction and payment of all of the bonds, coupons, interest, advances, and expenses of foreclosure, without preference or priority of one bond or coupon holder before another, except for advances made as herein otherwise provided to protect the security, and for the costs and expenses of foreclosure as herein otherwise provided, where a priority and superior lien is given and granted hereunder, therefor. The above right to foreclose this trust deed shall not be, and shall not be construed to be in exclusion of the right of the holders of any bond and/or any coupons that shall be past due and which shall have matured by lapse of time according to the tenor of said bonds and coupons and each of them, and such default has continued for thirty (30) days, or

of a bond or bonds which has or have matured by declaration of the said trustee for default as aforesaid, to institute and have a foreclosure hereof, subject junior and subordinate to the continuing lien of this trust deed as security for the outstanding and unpaid or unmatured bonds and coupons and any indebtedness secured hereby not represented and owned by such owners and holders of past due bonds and coupons matured and in default for thirty (30) days as aforesaid according to the laws of the State of Florida and as hereinafter provided. Said trustee or his successor in trust then in office hereunder or the said bondholders cessor in trust then in office hereunder or the said bondholders and holders of interest coupons of the requisite amount aforesaid, in the event of the refusal of the said trustee to act upon request and production and delivery of bonds to it and the furnishing of indemnity to it as aforesaid, may commence any suit or suits in any court of competent jurisdiction having general chancery and equity powers, or may commence any suit at law or in any court of competent jurisdiction for specific performance of any of the covenants and agreements herein contained, or in aid of the execution of any nower herein granted for a foreclosure or sale here. covenants and agreements herein contained, or in aid of the execution of any power herein granted for a foreclosure or sale here-under or for the enforcement of such proper, legal, or equitable remedy as the trustee then in office, or the said bondholders or coupon holders of the requisite amount in the event aforesaid, may deem most effectual to protect and enforce the rights, securi-ties, and property given, granted, and conveyed by this instrument, or as shall or may accrue to them or either of them according to law, or as the holders of said bonds then outstanding and unpaid may direct the trustee so to do.

or as shall or may accrue to them or either of them according to law, or as the holders of said bonds then outstanding and unpaid may direct the trustee so to do.

(b) Upon the filing of any bill in a court of equity or chancery, in foreclosure hereof under the conditions of default and continuance thereof for the time as herein provided, notwithstanding any other power herein granted, the party of the first part, its successors and assigns, hereby expressly covenants and agrees—as an express right hereby given and granted to said individual trustee, bond and coupon holders—that the court shall appoint a receiver, notice to the grantor, or its assigns, for such application or such appointment being hereby expressly waived, and that such receiver shall, at once, go into possession and have possession of the said mortgaged property in its entirety and to lease the same and to remove any tenant or tenants therein and to receive and collect any and all rents, issues, earnings, returns, and profits arising from said premises, and shall have power to operate said property as a going business, or otherwise as the exigencies of the case may require, and that said receiver shall have full power and authority to make repairs, and to pay taxes and insurance, to all of which the said grantor and its assigns expressly consent. The appointment of said receiver upon such application and in the event of default as aforesaid is hereby expressly authorized as a means of assuring to the said trustee and the said holders of said bonds and said coupons of their security of the rents, issues, earnings, and profits derivable and arising from said premises, as hereinbefore covenanted and agreed are assigned and transferred and set over as a special and additional security hereunder; and such appointment of such receiver in any of the events of default as before covenanted and agreed are assigned and transferred and set over as a special and additional security hereunder; and such appointment of such receiver in any of the events of default as aforesaid shall be made by the court without regard to the present value of said property, and without regard to its then value, and regardless of whether or not the said grantor or its assigns, shall or may be at this time, or at the time of the appointment of said receiver, or the application therefor, solvent or insolvent. The guestion existence of the feet or discussions of whether or question, existence of the fact, or circumstances, of whether or not said grantor or its assigns is not or shall be at the time aforesaid, solvent or insolvent, and of whether or not the said property and all improvements thereon is scant or insufficient security for the payment of said indebtedness and interest as conditions precedent. the payment of said indebtedness and interest as conditions precedent to the appointment of a receiver on existence of default hereunder are hereby expressly waived, it being covenanted and agreed by said grantor with the said trustee for the use, security, benefit, and advantage of the said holders of said bonds and interest coupons that said rents, issues, incomes, yields, returns, and profits are a special security transferred and assigned as aforesaid for the payment of said bonds and interest, and advances, taxes, insurance, and repairs, and that in case of default or defaults as aforesaid the said trustee and/or the said bondholders and coupon holders shall be and are in law and in equity entitled to collect, have, and apply the same under the provisions hereof for the discharge and payment of said indebtedness and interest, and as an additional and further security, at any and all events.

The covenants above named for the appointment of a receiver

and further security, at any and all events.

The covenants above named for the appointment of a receiver and respecting said rents, issues, incomes, earnings, yields, and profits for the purposes aforesaid, it is hereby expressly covenanted and agreed by the grantor with the said trustee, said bondholders and coupon holders, shall be covenants running with the land of which each and all subsequent grantees, lessees, or tenants in possession or occupants in possession of said premises at any time hereafter shall have and take notice.

(c) It is hereby further expressly agreed by the grantor that

(c) It is hereby further expressly agreed by the grantor that a expenses and disbursements paid or incurred by or on behalf of any complainant or complainants in connection with the fore-closure hereof as authorized in and by any covenant in this trust deed or otherwise as may be authorized by law, including a rea-sonable attorney's or solicitor's fee for such complainant or comsonable attorneys or solicitors fee for such complainant of complainants and their outlays and moneys expended for documentary evidence, stenographers' and typists' charges in transcribing evidence, cost of procuring or completing abstract or pencil foreclosure minutes or opinions, or continuations of guarantee policies, or guarantee policies showing the whole title to said premises and embracing such said foreclosure proceedings and the decree or judgment which said complainant or complainants or co-complainants

shall procure or obligate themselves to pay therefor on procur ing the same, any and all insurance premiums paid, any and all liens of mechanics, laborers, contractors, workmen, or materialmen paid or discharged by the payment of money, any taxes paid, any special taxes or special assessments or installments thereof paid, any tax sales redeemed, with penalties and costs, and inpaid, any tax sales redeemed, with penalties and costs, and interest upon each of such items, if any so paid, and any moneys advanced for repairs or for any other purpose as herein authorized, shall be paid by the party of the first part, and each of such items it is hereby expressly covenanted and agreed shall be secured by this instrument, but by a prior and superior lien hereunder to the indebtedness secured and evidenced by said bonds and interest coupons, and where any of such payments are made in money the same shall bear interest after the date of any such payment at the rate of seven per centum per annum and shall payment at the rate of seven per centum per annum, and shall upon foreclosure be added to the amount found to be due from the party of the first part, its successors and assigns, as a prior and senior indebtedness secured by prior lien hereunder, and the grantor, its successors and assigns, covenant and agree to pay the

(d) And the said party of the first part, grantor herein, in like manner agrees to pay any and all expenses, reasonable solicitor's and attorney's fees and outlays and disbursements of said indiand attorney's fees and outlays and disbursements of said indi-vidual trustee, his successor, and/or holders of the bonds and coupons secured hereby, incurred and occasioned by any other suit or proceedings which may be instituted by said trustee and/or by said bond or coupon holders, or any of them, or by or in any other suit or action in any court which may be brought by any person, firm, or corporation in law or in equity, wherein the said trustee or his successor in trust, or the holders of any or all of trustee or his successor in trust, or the holders of any or all or said bonds secured hereby as such shall or may be made a party thereto, and such moneys, expenses, outlays, and advances in any such suit shall also be paid by said grantor, and shall be secured hereby in the same manner as the said like charges above specified are to be secured and paid by grantor or in foreclosure by said trustee, or by said holder or holders of any of said bonds or coupons secured hereby; and all of such expenses, attorney's and salicitarie fore and dishurcements shall be as additional pairs. coupons secured hereby; and all of such expenses, attorney's and solicitor's fees and disbursements shall be an additional prior lien upon said premises and shall be taxed as costs or otherwise as may be directed by the court and included in any decree that may be recovered in foreclosure or otherwise; and any such proceeding or proceedings, whether a decree of sale shall have been entered or not, shall not be dismissed, and in no event shall a release and discharge of this mortgage be made, or any instrument release and discharge of this mortgage be made, or any instrument of release and discharge hereof be executed and delivered until all of such expenses, disbursements, attorney's and solicitor's fees and costs of such suit incurred and paid by said trustee or the said holders of said bonds and coupons as above specified have been paid and discharged; and the said grantor hereby covenants and agrees to pay the same with interest thereon at the rate of seven per centum per annum from the date of the payment of any such items by said trustee, and/or the holder or holders of said bonds and coupons.

(e) The said grantor for itself and its successors and assigns hereby covenants and agrees to and does hereby waive any and all right of possession or right to collect or receive the rents, issues, incomes, yields, returns, and profits from said premises after default hereunder and/or pending any such foreclosure proceeding and until a deed under the decree of sale is issued and this shall be a covenant running with the land of which all parties interested shall have and take notice.

shall have and take notice.

(f) The said grantor hereby expressly covenants and agrees with the said trustee and each and every and all of the holders of said bonds and interest coupons secured hereby as a consideration and inducement that they shall purchase and own the same as herein provided, that if it shall default in the payment of the principal of any of said bonds when the same regularly matures or becomes due and payable according to the tenor thereof, and/or if it shall default in the payment of any of the said interest coupons attached to any, either, or all of said bonds to evidence the semi-annual installments of interest to become due and payable thereon, at the time and in the manner the same become due and is or are payable, or any of it is payable according to the tenor thereof. are payable, or any of it is payable according to the tenor thereof, and such default or defaults shall continue for the time aforesaid, that in any such event the holders of said past due bonds or the holders of said past due bonds and past due interest coupons, or the holders of said past due interest coupons alone, may institute and have foreclosure of this trust deed to enforce and secure the and have foreclosure of this trust deed to enforce and secure the payment of the same in their name or names without any request upon the trustee or anybody to so foreclose, and secure and have payment of the same by a sale of said mortgaged estate and premises, provided, however, that any such foreclosure by holders of past due bonds or coupons, or of both, as aforesaid, shall be subordinate, junior, and subject to the continuing lien of this trust deed for the security and payment of all of the other outstanding bonds and interest coupons and any indebtedness secured by this trust deed which is not owned or represented by the holders of such past due bonds or coupons, either or both, and may have sale on foreclosure agreeable to the laws of the State of Florida in such cases made and provided, subject only to said continuing lien. In case such foreclosure is had subject to the continuing lien hereof by holders of said past due bonds, or by holders of past due coupons alone, as aforesaid, the said complainant or complainants in any such cause, suit, or action shall be entitled to recover their reasonable attorney's and solicitor's fees and all other costs and expenses of such foreclosure, and also for insurance, taxes, assessments, me-

chanic's liens, repairs, and other advances made under the provisions of this trust deed by any holder of a past due bond or coupon, all of which the grantor covenants and agrees to pay with coupon, all of which the grantor covenants and agrees to pay with interest at the rate of seven per centum per annum thereon from the date of any such advancement and that the amount or amounts thereof shall be added to the amount of the decree in such case in the same manner and with a prior lien hereunder for the payment of the same as above provided, but subject always, and only to the continuing lien of this trust deed for the security of the other indebtedness as aforesaid; and that in any such case the said complainant or complainants may have a receiver on the same terms and conditions as hereinabove provided, and said receiver shall hold the rents, issues, incomes yields. a receiver on the same terms and conditions as hereinabove provided, and said receiver shall hold the rents, issues, incomes, yields, returns, and profits derivable from or arising from said premises for the benefit, payment, and security of all of the unpaid or outstanding bonds and coupons and the holder or holders of any indebtedness secured by this trust deed not represented in such foreclosure suit brought by said holder or holders of past due bonds and coupons, or both, as aforesaid, and provided that all such rents and incomes shall be applied in the first place toward the payment and discharge of the said indebtedness and interest unpaid, unmatured, and as it accrues and not represented or owned by such parties in the said suit to foreclose subject to

terest unpaid, unmatured, and as it accrues and not represented or owned by such parties in the said suit to foreclose subject to the continuing lien, before the application of any of the same toward the payment of any of the principal or interest or other items of indebtedness represented, owned, or held by said complainant or complainants (or other parties to any such suit), who are holders of past due bonds or coupons, or both, as aforesaid, and according to the principles of equity and the laws of the State of Florida in such cases made and provided.

SECTION 2. In case of a sale under this instrument of said mortgaged property or any part thereof, the proceeds of such sale, unless otherwise provided by law, shall be applied as follows:

(a) To the payment of all court costs and expenses of the action or proceedings, including reasonable fees and compensation, if any, of the trustee, reasonable fees and compensation for his (or the complainant's) attorney, attorneys, or solicitors, and/or of said bondholders or holders of coupons as the case may be, and/or their attorneys, solicitors, and counselors; to the payment of all costs and expenses of such proceedings as provided in section 1 of this article, and of all costs of advertisements, sale, and conveyance and compensation of master, sheriff, or sale, and conveyance and compensation of master, sheriff, or other officer making such sale in foreclosure or of any receiver, his or its agents, attorneys, and counsel and expenses of receivership.

(b) To the payment of all other expenses of the trust hereby (b) To the payment of all other expenses of the trust hereby created, including all moneys advanced by the trustee or any of the holders of said bonds, or interest coupons, pursuant to the provisions of this indenture, or for any other purpose authorized or permitted by the terms of this indenture, or by the laws of the State of Florida, with interest thereon at the rate of seven per cent (7%) per annum from the time of the respective advances of such sums until the repayment thereof; all of which items referred to in this and the above subparagraph (a) shall be so much additional indebtedness secured by this indenture, and shall be allowed and paid from rents or incomes, and from proceeds of sale hereunder by any officer or person or agency making such sale on foreclosure, and/or shall be included and allowed in any judgment or decree entered in any foreclosure suit, or in any judgment or decree entered in any foreclosure suit, or other adjudication.

other adjudication.

(c) To the payment pro rata of the principal amount of said bonds matured and unmatured and interest coupons matured and interest on overdue bonds not represented by interest coupons and interest on overdue interest coupons, without preference of principal over interest or interest over principal, subject, however, to the provisions of article II hereof, and to the above and other provisions herein, regarding a foreclosure and sale to enforce payment of past due bonds, coupons, or both, subject to the continuing lien hereof. Only coupons which have matured and the earned portion of these next maturing shall be entitled to participate in such proceeds. participate in such proceeds.

(d) To the pro rata payment of any of said normal income

(d) To the pro rata payment of any of said normal income taxes and other taxes herein specified and agreed to be paid by grantor to holders of the bonds secured hereby, due the holder or holders of any bond or bonds or interest coupons on the accrued interest paid or unpaid at the date of maturity, but not in excess in case of the Federal income taxes of two per cent of such interest.

The payment of the surplus, if any, to the grantor company

or as shall be directed by the court.

SECTION 3. At any such sale any bondholders or coupon holders or any committee or trustee appointed by them or a part of them, or the individual trustee or any successor in trust herein named may bid for and purchase said mortgaged premises or any part thereof. The purchaser, as an express right hereby irrevocably given and granted, at any such sale shall be entitled in making given and granted, at any such sale shall be entitled in making settlement or payment for the property purchased, at any sale thereof to use and apply any bonds and any matured and unpaid coupons hereby secured, in payment of the bid, or purchase price, by presenting such bonds and/or coupons in order that there may be credited thereon the sum apportionable and applicable to the payment thereof, out of the net proceeds of such sale; and thereupon such purchaser shall be credited on account of such purchase price payable by him, with the sum apportionable and applicable out of such net proceeds to the payment of the bonds and coupons so presented: Provided, however, That in all cases the purchaser or purchasers shall pay in money a sufficient sum to cover the items referred to in subparagraphs (a) and (b) of section

2 of this article. No purchaser at any such sale shall be bound to see to the application of the purchase money or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Any such sale shall operate to divest all right, title, interest, claim, and demand whatsoever, either in law or in equity, such sale. Any such sale shall operate to divest all right, tittle, interest, claim, and demand whatsoever, either in law or in equity, of the company, its successors, and assigns, and of any person claiming through or under them, in and to the property so sold, and every part thereof, except as provided by law. Should the individual trustee become the purchaser at such sale, the following rights, privileges, and obligations shall thereupon be credited, result and obtain: (a) All the bondholders shall contribute and pay the trustee their respective and proportionate share (in proportion to the amount of unpaid bonds and matured coupons owned by them respectively) of the total of the items referred to in subparagraphs (a) and (b) of section 2 of this article, for which contribution and payment they shall be respectively liable as for money paid by the trustee at their request and in default of such contribution and payment, and as a cumulative and, not an alternative right, the trustee shall have a lien therefor upon the interest of such defaulting bondholders in said premises or in the proceeds received by the trustee upon any subsequent sale thereof; (b) the trustee may forthwith or at any time thereafter sell and convey said premises as a whole or in such parts and parcels and for such price and upon such terms as to him in his sole discretion may seem proper, but shall in no event sell for less than an aggregate amount which will be sufficient to pay each bondholder his, her, or its amount found due for principal, interest, and any advances made or assessed to him, her, or it hereunder, and any advances made or assessed to him, her, or it hereunder, and any advances having and owning one-half of the entire morticage indebtedness found to be due upon such foreclosure shall be first procured by or be given to said trustee, otherwise authorizing the trustee to sell and convey said premises; and (c) until be first procured by or be given to said trustee, otherwise authorizing the trustee to sell and convey said premises; and (c) until the trustee shall thus sell and dispose of said premises he shall the trustee shall thus sell and dispose of said premises he shall be entitled to enter upon and take possession of the same, complete the construction and equipment of any building, lease or operate, maintain and manage the same by such agents, servants, and attorneys as he may select, and receive and collect the rents, earnings, incomes, and profits thereof, and pay therefrom and from the proceeds of any sale thereof all proper costs, charges, and expenses of such construction and equipment, taxes, insurance premiums, and cost of maintenance, including reasonable compensation for such trustee, his servants, agents, and attorneys, and distribute the remainder of moneys thus received by him ratably among those entitled thereto. by him ratably among those entitled thereto.

Section 4. If any one or more of the events of default, as set forth in this indenture, shall happen, and if by reason thereof the entire principal hereby secured shall be declared to be due, the company, on demand of the individual trustee, covenants and agrees to pay to the trustee at his office in the covenants and agrees to pay to the trustee at his office in the city of Chicago, Illinois, for the benefit of the holders of the bonds and coupons and claims for advances and interest then outstanding, in United States gold coin of not less than the standard of weight and fineness existing on the date hereof, as now fixed by law, or its equivalent as aforesaid, a sum equivalent to the amount due on all the outstanding bonds for principal and interest, with interest upon the overdue principal and installments of interest at the rate of seven per cent (7%) per annum, plus all advances by said trustee or the bondholders and coupon holders, authorized by this indenture, with interest thereon at the rate of seven per cent (7%) per annum, and in case the company shall fail to pay the same forthwith upon such demand the trustee in his own name and as trustee of an express trust shall be entitled fail to pay the same forthwith upon such demand the trustee in his own name and as trustee of an express trust shall be entitled to recover judgment against the said company for the whole amount so due and unpaid. The trustee shall be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceeding for the enforcement of the lien of this indenture and a foreclosure sale hereunder, and his right to recover any such judgment shall not be affected by any sale hereunder or by the exercise of any other right, power, or remedy for the enforcement of the provisions of this indenture or by the foreclosure of the lien by sale or otherwise; and in case of a sale of the mortgaged property or any part thereof and of the application of the proceeds of sale to the payment of the indebtedness, represented by the bonds, coupons, and claims for interest, the trustee in his own name and as trustee of an express trust shall be entitled to receive and to enforce payment of any and all deficiency or amounts then remaining due and unpaid upon any or all of the bonds then outstanding for the benefit of the holders thereof, including interest thereon, and upon any advances with interest as above set forth, and shall for the benefit of the holders thereof, including interest thereon, and upon any advances with interest as above set forth, and shall be entitled to recover judgment against said company for any portion of such indebtedness remaining unpaid, with interest. No recovery of any judgment by the trustee and no levy of any execution under any such judgment upon property subject to the lien of this indenture or upon any other property shall in any manner or to any extent affect or impair the lien of the trustee upon the mortgaged property or any part thereof or any rights, powers, or remedies of the holders of said bonds and coupons, but such lien, rights, powers, and remedies shall continue unaffected and unimpaired as before. Any moneys thus collected by the trustee under this section shall be applied by him as and in the manner provided for in section 2 of this article.

Section 5. Whenever under the provisions hereinabove con-

SECTION 5. Whenever under the provisions hereinabove contained it shall have become the duty of the trustee to declare

the whole of the outstanding bonds secured hereby due and payable for default and to foreclose this instrument of mortgage, or to institute legal proceedings upon the written request of the requisite number of bondholders or of holders of overdue coupons, or of both holders of bonds and of overdue coupons of the aggregate amount as aforesald and upon deposit or tender of deposit of the requisite number of bonds or overdue coupons or deposit of the requisite number of bonds or overdue coupons or both, with the trustee, and upon tender of proper and satisfactory indemnity, and the trustee shall have refused or failed to act within sixty (60) days after such request and tender of indemnity, and deposit of bonds and coupons with him by bondholders as aforesaid, then and in any such case, but under no other condition (except as herein otherwise is provided respecting foreclosure hereof, by holders of past due bonds, or coupons, or both, matured by lapse of time, subject to the continuing lien hereof), the same number of bondholders and/or coupon holders who under the provisions hereof have the right to demand action by the trustee, may jointly institute such proceedings in law or by the trustee, may jointly institute such proceedings in law or equity as it was the duty of the trustee to institute, but for the legal benefit of all holders of the bonds and coupons then outstanding. Every holder of any of the bonds hereby secured, including pledges, accepts the same subject to the express undertanding. standing and agreement that every right of action, whether at law or in equity upon or under this indenture, is vested exclusively in the individual trustee as trustee of an express trust, and under no circumstances shall the holder of any bond or coupon, or any number or combination of such holders, have any right to or any number or combination of such holders, have any right to institute any action at law upon any bond or bonds or any coupon or coupons, or otherwise, or any suit or proceeding in equity or otherwise, except in case of refusal on the part of the trustee to perform any duty imposed upon him by this indenture after request in writing by the holder or holders of bonds in aggregate face principal amount of at least \$50,000 of said bonds, whether due or not by regular maturity, or a like aggregate amount of overdue interest coupons or a like aggregate amount of principal of outstanding bonds, regularly matured or unmatured, and of overdue interest coupons as aforesaid, and except upon deposit of said bonds with said trustee and furnishing him with satisfactory indemnity as herein otherwise provided. No action at law or in equity shall be brought by, or on behalf of, the holder or holders of any bonds or coupons, whether or not the same be past due, except by the trustee or by a bondholder or bondholders having bonds outstanding and secured hereby of the aggregate face amount as aforesaid, acting under the provisions of this section for the benefit of such bondholders: Provided, sions of this section for the benefit of such bondholders: Provided, however, That nothing herein written shall preclude or be construed as a prohibition against or to prevent a holder or holders of bonds overdue by regular maturity, on lapse of time according to the tenor thereof and continuance of such default for thirty (30) days, secured hereby, and/or the holder or holders of past due interest coupons, without payment for thirty (30) days after maturity, withcoupons, without payment for thirty (30) days after maturity, without making any request of said trustee, or his successor, to take any and all lawful action or to commence and prosecute any suit, legal or equitable, or both, to foreclose or otherwise secure satisfaction and payment of such matured and overdue bonds and/or coupons, and have a sale of said mortgaged premises, but always in such case, subject, junior, and subordinate to the continuing lien or title under this deed of trust, for the use, benefit, and security of the remaining outstanding, matured, or unmatured and unpaid principal bonds and interest coupons, and other indebtedness or obligations secured hereby, not represented in any such suit or action; and any sale of said premises so made in, under, or by virtue of any such proceedings shall be subject, junior, and subordinate to the continuing lien hereof and of the remaining matured or unmatured bonds and coupons and any other indebtedness secured hereunder; bonds and coupons and any other indebtedness secured hereunder; and any such proceeding and sale shall be made in no other way.

Section 6. The company will not at any time insist upon or plead or in any manner whatsoever take the benefit or advantage of any extension law now or at any time hereafter in force, nor will it claim, take, or insist upon any benefit or advantage from any law now or hereafter in force providing for the valuation or appraisement of the mentaged property or any part thereof values to any ment of the mortgaged property or any part thereof prior to any sale or sales thereof to be made pursuant to any provisions herein contained, nor will it apply for or obtain any order or decree of any court of competent jurisdiction for the accomplishing of any of the aforesaid purposes, and it hereby expressly waives all benefit and advantage of any such law or laws, orders, or decrees.

ARTICLE X

LIABILITIES, DUTIES, POWERS, AND RIGHTS OF THE TRUSTEE

SECTION 1. The recitals contained herein and in the bonds issued hereunder shall be understood as made solely by the company and not as made or vouched for by the individual trustee. The said trustee shall have no responsibility for the validity of The said trustee shall have no responsibility for the validity of the lien of this indenture or the execution or acknowledgement thereof, nor as to the title, value, or extent of the security afforded hereby, and shall be under no obligation to see to the recording, filing, or refiling of this instrument, or any instrument of further assurance, or to the giving of any notice thereof, or to see that any of the property intended now or hereafter to be conveyed in trust hereunder is subjected to the lien hereof or to see to the use or application of the bonds or their proceeds.

Section 2. The said trustees and each of them shall not be

section 2. The said trustees and each of them shall not be under any obligation to recognize any person, firm, or corporation as the holder or owner of any of the bonds or coupons secured hereby, or to do or refrain from doing any act pursuant to the request of any person, firm, or corporation, professing to be or claiming to be such holder or owner, until such supposed holder or owner shall produce the said bonds and coupons and deposit

the same with the respective trustee in the respective cases and instances herein required and specified. But all powers and rights of action hereunder may be exercised and enforced at all times by the individual trustee, at his election, and in his discretion, without the possession or production of any of said bonds or coupons to him, or proof of ownership thereof at any time whatsoever when default exists as herein provided. The trustees and each of them shall not be answerable for the default or misconduct of any agent or attorney employed by them in and about the execution of this trust if such agent or attorney shall have been selected with reasonable care. The individual trustee shall not be personally liable for any debts contracted by him nor for damages to persons or property incurred by him nor for damages to persons or property of any kind whatsoever, or for salaries or nonfulfillment of contracts during any period wherein he or any receiver appointed at his instance shall manage the trust estate or premises upon entry, but all of the same shall be a charge upon the trust estate.

Section 3. Neither of the trustees shall be in any way liable for the consequence of any breach of the covenants herein contained,

Section 3. Neither of the trustees shall be in any way liable for the consequence of any breach of the covenants herein contained, or for any act done or anything omitted hereunder by the company, and in no event shall either of the trustees be liable to any bondholder, except for gross negligence or willful misconduct or neglect. It shall be no part of the duty of the individual trustee to effect, procure, or collect insurance against fire or other damage on any portion of said premises (but the same shall be payable to him as aforesaid), or to renew any policies of insurance or to inquire or keep informed as to the performance or observance of any covenant or agreement on the part of the company, under this indenture, or to pay any taxes, assessments, or other charges upon the premises, or to do any other thing not affirmatively and expressly agreed to be done by him hereunder. The trustees and each of them may conclusively assume that the company is not in default hereunder, unless notified in writing of such default by the American Bond and Mortgage Company, Inc., or by the holder or holders of at least \$50,000 in amount of bonds issued and outstanding, or a like amount of overdue coupons or of both bonds and of overdue coupons. bonds and of overdue coupons.

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Section 4. The individual trustee shall not be under obligation to defend any suit or proceedings brought against him by reason of any matter or thing connected with the trusts hereby created or by reason of being the trustee hereunder, or to take any action towards the execution or enforcement of any trust hereby created, unless reasonably indemnified by the company, or by said bond-holders or coupon holders, or some of them, to the satisfaction of him, the said trustee, against all loss, costs, damages, and expenses and his reasonable attorney's fees, which may result therefrom or be occasioned thereby, and the payment to him in the first instance and from time to time of such reasonable sums as he shall determine and request to cover all outlays and expenses necessary by him to be made in the premises: Provided, however, That nothing in this section contained shall affect any discretion herein given to the individual trustee to determine whether any action shall be taken by him without request or indemnity and when default exists. default exists.

When the individual trustee has demanded or received in-demnity under the provisions of this trust deed, and it shall afterwards appear in the judgment of the said trustee that the indemnity so demanded or received is or may become insufficient, he shall not be required to take any further action hereunder until additional indemnity shall have been furnished to him.

Each of the trustees shall be entitled to be reimbursed for all proper outlays of every sort and nature, by either of them in-curred in the discharge of said trust, or in defense of any suit or proceeding brought against them or either of them as trustees or proceeding brought against them or either of them as trustees hereunder, and to receive a reasonable compensation for any act or duty that they or either of them may at any time perform in the discharge of said trust or in defense of any proceeding, and all such fees, commissions, compensations, and disbursements, including reasonable attorney's fees, for attorney or attorneys employed by them or by either of them in executing, enforcing, or defending the trusts herein created or the estates, title, and interests conveyed to said individual trustee hereby, and services in making redemption of bonds, coupons, and other indebtedness secured hereby, and the release and discharge of this mortgage shall constitute a first lien on said premises, and said company hereby covenants and agrees to pay the same on demand. demand.

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Section 5. Each and either of the trustees shall be entitled to act upon any notice, request, consent, certificate, bond, letter, telegram, or other instrument or paper believed by them or either of them to be genuine and to have been properly executed, and shall be entitled, but not required hereunder, to receive as conclusive proof of any fact or matter required to be ascertained by them hereunder, a certificate signed by the president receivers of the common variety in the indexture. dent or secretary of the company, unless in this indenture it is otherwise specifically provided, and any such certificate or evidence prescribed by this indenture which either of the trustees may accept shall be full protection and justification for anything suffered or done by either of the trustees in good faith in religence thereupon. reliance thereupon.

Section 6. In case of any suit or proceeding in any way relating to or affecting said mortgaged property, including any suit or proceedings in connection with the Torrens Act, or land registration act or acts, so called, wherein provision is or may be made for registration of land titles wherein said individual trustee, or said bondholders, or any of them, shall be a party or parties, reasonable

compensation for services of the said trustee and all court costs and reasonable necessary expenses incurred by the said trustee, including attorney's fees, stenographers' charges, and costs of procuring abstracts of title and continuations thereof, or of a title curing abstracts of title and continuations thereof, or of a title policy or a continuation thereof, and costs of procuring testimony and evidence and statements of witnesses and documentary evidence, if any, incurred by said trustee in or about such suit or proceeding or in the preparation therefor, shall be allowed to and paid to the said trustee by the company on demand, and shall be a charge on the mortgaged premises prior and paramount to the bonds hereby secured, and shall become so much additional indebtedness secured by this indenture, and, wherever possible, shall be provided for in any indement or degree in such proceeding debtedness secured by this indenture, and, wherever possible, shall be provided for in any judgment or decree in such proceeding. And it is further agreed that any and all original certificates of title, owner's and mortgagee's certificates, issued under any such proceeding shall be delivered only to and received and held by said individual trustee until all of said indebtedness is paid; and it is expressly agreed by the grantor, its successors and assigns, that the decree or judgment in any such proceeding shall so provide.

SECTION 7. It is hereby further covenanted and agreed, and this trust is accepted upon the express condition that the said individual trustee shall not incur any liability or responsibility whatever in consequence of permitting or suffering the company or its tenants to remain or be in possession of the mortgaged property, and to use and enjoy the same, nor shall he become liable or responsible for any destruction, loss, injury, or damage which may be done or happen to the mortgaged property either by said may be done or happen to the mortgaged property either by said company or its tenants, agents, servants, lessees, or by any person or persons whatever, or by or from any accident or any cause whatever.

The individual trustee may advise with legal counsel, and any action, under this instrument, taken or suffered in good faith by him, in accordance with the opinion of such counsel, shall be conclusive on the company and on all holders of the bonds and interest coupons secured by this indenture; and the said trustee shall be fully protected in respect thereof.

The trustees shall not be liable for any error of judgment nor for any act done or step taken or omitted nor for any mistakes of fact or law, nor for anything which they or either of them may do or refrain from doing in good faith, nor, generally, shall they or either of them have any accountability hereunder except for their own willful default.

Neither of the trustees shall be required to pay interest on any money received by them or either of them under any provision of this instrument except as herein otherwise is specifically pro-

of this instrument except as herein otherwise is specifically provided.

Section 8. Nothing herein contained shall prevent the trustees or either of them or any successor in trust of either of them individually or in any other capacity than as trustee hereunder, and/or the American Bond and Mortgage Company, Inc., individually, from purchasing, selling, holding, owning, or otherwise dealing in the bonds or interest coupons secured hereby, with money other than that of grantor.

Section 9. It is hereby expressly covenanted and agreed by the parties hereto, anything herein or in said bonds otherwise to the contrary notwithstanding, that said individual trustee shall have power and authority, in his absolute and uncontrolled discretion, to make a partial release or releases, of the mortgaged premises aforesaid, but only of two certain pieces or parcels of land herein-after described, of the ground known as the Whitehall property, and upon the payment of the certain sums of money respectively hereinafter named by the grantor to the corporate trustee herein named, to be applied toward the redemption of bonds secured hereby, and upon the following terms and conditions, viz:

The said individual trustee, upon the payment of \$250,000 to the corporate trustee herein named for the redemption of bonds, and also in his absolute and uncontrolled discretion, and not otherwise, may release and discharge this mortgage and instrument on and to the south one hundred seven (107) feet event the each

wise, may release and discharge this mortgage and instrument on and to the south one hundred seven (107) feet, except the east two hundred (200) feet of the said tract of land above described, known as Whitehall, and in like manner and in his uncontrolled known as Whitehall, and in like manner and in his uncontrolled discretion, he may also release the north seventy-five (75) feet, except the east two hundred (200) feet of the said Whitehall tract, of and from this mortgage, on the payment to the corporate trustee for the redemption of bonds of the sum of \$150,000, but said individual trustee shall not be obligated in any event to consent to or make any such release unless he sees fit so to do, and in no event shall he be permitted and allowed to make such release and discherge event upon the respective

charge except upon the payment or payments of the respective sums for the release of the respective tracts above described.

Said Whitehall tract, in which the above described parcels are located and as above described is described as follows: "Beginning at the southeast corner of a tract of land known as the Lotus at the southeast corner of a tract of land known as the Lotus Cottage and Chapel tract, conveyed to the Florida East Coast Hotel Company by Lawrence Lewis and Louise Wise Lewis on February 24, 1920, said deed recorded in book 126, at page 332, records of said county; said corner being marked by a marble block whose top surface is $7\frac{1}{2}$ " x $7\frac{1}{2}$ ", marked 'W' and whose depth is 12", and whose east and south surfaces coincide with the east and south lines of said Cottage and Chapel tract, and whose east and south surfaces coincide with the east and north lines of land known as the Brelsford tract, thence run west 436 feet to a screw in the wall, which marks the southeast corner of the land herein conveyed, known as Whitehall; thence run west 555 feet to the southwest corner of land herein conveyed, which southwest corner is identical with the southwest angle of a concrete sea wall conis identical with the southwest angle of a concrete sea wall constructed in Lake Worth; thence northerly following the face of the sea wall and at an angle of 90 degrees, 10 minutes, with the south boundary line 434 feet to the northwest corner of said Whitehall property; thence easterly along the north boundary of said Whitehall tract and the south boundary of the grounds of the Royal Polniciana Hotel aforesaid at an angle of 90 degrees, 28 minutes, with the west boundary line these described 532.45 feet minutes, with the west boundary line just described 552.45 feet to the northeast corner of Whitehall, marked by an iron bar; thence south 440.13 feet to the screw in the wall as aforesaid", located, lying, and being in section 22, township 43 south, range

43 east, Palm Beach County, Florida.

If the said individual trustee shall permit and allow the pay If the said individual trustee shall permit and allow the payment of the said respective sums aforesaid, or either of them, and release a tract on payment of the respective sum as above provided, by the exercise of his discretion hereunder, said money shall be paid to and deposited with the corporate trustee, and thereupon the individual trustee shall call for redemption bonds in the reverse of their numerical order secured hereby, as far as said moneys will reach for the payment and discharge of the same, principal and interest, on the next succeeding semi-annual interest payment date that occurs more than fifty-nine (59) days from principal and interest, on the next succeeding semi-annual interest payment date that occurs more than fifty-nine (59) days from the date of the making of such payment and release, and said bonds shall be redeemed in manner and form and upon the notice and subject to the performance of the other conditions and provisions mentioned and set forth in article II of this instrument for the redemption of bonds secured hereby. Such release and discharge may be made and shall be good and valid prior to the actual redemption and cancellation of said bonds if the said individual trustee shall exercise his discretion in manner aforesaid in the premises and permit the making of the payment or said in the premises and permit the making of the payment or payments, and said payment or payments shall have been made and deposited with the said corporate trustee as aforesaid. Said individual trustee shall incur no liability whatever in the premises for any act done by him or refusal to act in the premises. His acts to permit the release shall be valid and binding if he shall so act. His refusal to act and permit the release and discovered t His acts to permit the release shall be valid and binding if he shall so act. His refusal to act and permit the release and discharge of either of said parcels, if he shall so refuse, shall be good, valid, and binding upon all of the parties hereto and the holders of the bonds secured hereby. If any such partial release shall be so made, all of the remaining security of this instrument and mortgage and trust deed shall be and remain good and valid upon all of the remainder of the mortgaged property, estate, and premises conveyed and mortgaged hereby as if any such partial release had not been made. release had not been made.

ARTICLE XI

PROOF OF OWNERSHIP OF BONDS, ETC.

Any notice, request, or other instrument required by this in-denture to be signed or executed by bondholders may be in any number of concurrent instruments of similar tenor and may be signed or executed by such bondholders in person or by agent appointed in writing.

As a condition for acting hereunder the trustees or either of

them may demand, but are not hereby obligated to, proof of the execution of any such instrument, and of the fact that any person claiming to be the owner of any of said bonds is such owner, and may further require the actual deposit of such bond or bonds with him, the individual trustee, or with such trust company or bank as it shall designate.

The facts and date of the execution of any such instrument may be proved by the certificate of any officer in any jurisdiction, who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction, that the person signing such instrument acknowledged to him the execution thereof, or by any affidavit of a witness to such execution sworn to before

any such officer.

The amount of bonds transferable by delivery held by any person executing any such instrument as a bondholder and the face amounts and issue numbers of the bonds held by such person face amounts and issue numbers of the bonds held by such person and the date of his holding the same, may be proved by a certificate executed by any responsible trust company, bank, bankers, or other depositary in a form approved by the individual trustee, showing that at the date therein mentioned such person had on deposit with such depositary the bonds described in such certificate. Provided, however, that at all times the said trustee may require the actual deposit of such bond or bonds, coupon or coupons with him or with such trust company or bank as he shall designate. shall designate.

ARTICLE XII

SUCCESSORS IN TRUST

SECTION 1. In the event of the illness, death, resignation, refusal, or other inability or incapacity of the said Harold A. Moore, individual trustee, to act as trustee hereunder, or a vacancy in said office of trustee shall exist when and while the services of said trustee shall be required under any provisions hereof, then, in any such event Kenneth W. Moore, of Chicago, Illinois, shall be and he is hereby appointed first successor in the trust herein created, and is hereby appointed first successor in the trust herein created, and in the event of the illness, death, resignation, refusal, or inability to act of the said Kenneth W. Moore, then Charles B. Moore, of the city of Chicago, Illinois, is hereby appointed to be the second successor in trust, and in case of his death, resignation, refusal, inability, or failure to act, then L. E. Mitten, of Chicago, Illinois, is hereby appointed to be the third successor in trust, with all the powers given and granted herein under the said trust deed.

Each successor in trust when in office hereunder shall have identically the same title to said premises, and the same rights,

powers, and duties as hereby are vested in or imposed upon said Harold A. Moore, trustee. The recital by any successor in trust in any instrument executed by him, of the death, resignation, refusal, disqualification, or other inability to act of the original individual trustee or of any successor in the order named shall be sufficient evidence thereof when recorded in the public office of the official where this instrument has been recorded.

the official where this instrument has been recorded.

Section 2. The individual trustee, or his successor in trust, or any other trustee hereafter appointed, may resign and be discharged of the trust hereby created, by written notice of such resignation sent by registered mail to the company and unto the first and the second and third successors in trust respectively herein named; such resignation shall take effect after the mailing of such notice and filing with the clerk of the circuit court as recorder of deeds of Palm Beach County, Florida, his written resignation and transfer of all his title hereunder to the next successor as aforesaid who is living and capable of acting. Any such trustee may also be removed by an instrument in writing signed by the holders of not less than seventy-five per centum in principal amount of the bonds hereby secured, and then outstanding, and recorded in the public office of the official where this instrument has been recorded, and in the case of such resignation or removal as aforesaid, the title to said mortgaged premises and trust estate as aforesaid, the title to said mortgaged premises and trust estate shall *ipso facto* devolve and rest in the said first or other living successor in trust and his successors in the order as above recited in section 1 of this article.

SECTION 3. In case at any time the individual trustee or successor in trust hereunder shall refuse to act, resign, or be removed, or otherwise become incapable of acting and there is no trustee or successor hereunder, acting or capable of acting, and a vacancy exists in the office of such trustee, then except as hereinbefore otherwise provided, a successor or successors may be appointed by the holders of a majority in face principal amount of the bonds then outstanding, by an instrument signed by such bondholders and recorded in the office where this instrument shall have been But in case no such appointment shall be made by the bondholders within thirty (30) days after such vacancy exists and the occasion for such appointment has arisen, a new trustee and the occasion for such appointment has arisen, a new trustee in succession to said individual trustee may at any time thereafter be selected and appointed by any court of competent jurisdiction in the premises, upon the application of the company or of the holder of any of said bonds, and upon such notice as such court shall direct or as shall be in accordance with the rules and practice of such court. Such new trustee, if appointed by order of court, shall be some responsible trust company, having a paid-up capital and surplus aggregating at least one million dollars (\$1,000,000) if there be such a trust company qualified under the laws of the State of Florida, willing and able to accept the trust upon reasonable or customary terms. Any new trustee in successions upon reasonable or customary terms. Any new trustee in succession to said individual trustee appointed hereunder shall execute and acknowledge acceptance of such appointment hereunder, which said acceptance shall be duly recorded in the office where this instrument shall have been recorded, and thereupon such new trustee shall become vested with identically the same lien and title to all of the said property hereby conveyed and with the same rights and powers, subject to the same duties, as the said trustee

rights and powers, subject to the same duties, as the said trustee which it is to succeed.

SECTION 4. The grantor hereby makes, constitutes, and appoints the American Trust and Safe Deposit Company, the second party hereto above named, as corporate trustee for limited purposes only, to identify each and all of said temporary and permanent bonds and to perform certain duties in the making of payment thereof, and the performance of certain other duties as herein specified at its office in Chicago, Illinois, and does not under any circumstances hereby or herein convey it any title lien or mostcircumstances hereby or herein convey it any title, lien, or mort-gage upon the premises as a trustee for the use and benefit of the bondholders, or otherwise hereunder, and the grantor hereby further covenants and agrees that said trustee, by acceptance of this appointment as corporate trustee, as a consideration and condition upon which said corporate trustee, American Trust and Safe Deposit Company, shall accept and agree to perform the duties and trusts herein specified by it to be done, kept, and performed, that the same is for the convenience of the grantor and of the holders of said bonds to be secured hereby, and that none of the holders of said bonds to be secured hereby, and that none of said trusts, duties, or services of the said corporate trustee or any successor of it shall be required at any time to do or perform any act or execute any trust or render any service as such corporate trustee to the parties hereto or the holders of said bonds within said State of Florida or elsewhere outside of the State of Illinois, and that all of said duties and services shall be performed by said corporate trustee and its trusts executed at its office in the city of Chicago, and State of Illinois, where it is authorized by the laws of said State to do, perform, and execute the same, and that said corporate trustee has no title, interest, claim, or demand of, in, and to the said above described mortgaged premises, buildings, improvements, goods, and chattels and none premises, buildings, improvements, goods, and chattels and none is vested in it or intended to be vested in it as such corporate trustee, or in its said successors, and that all mortgage title to such property is vested in said individual trustee exclusively and

such property is vested in said individual trustee exclusively and his successors herein named.

The grantor hereby further covenants and agrees that said corporate trustee may resign its office as such hereunder, in the same manner as above provided for the resignation of the individual trustee, or his successors, and that if said corporate trustee shall so resign or refuse or fail to act, or if it shall be incapacitated from acting by dissolution or any other reason, then the Central Trust Company of Illinois, a corporation organized and existing

under the laws of the State of Illinois, and having power to execute trusts, is hereby appointed first successor in trust to said corporate trustee, and if the said Central Trust Company of Illinois, shall fail, neglect, or refuse to act as such corporate trustee to perform the limited acts and duties herein defined and specified, then the Chicago Title and Trust Company, a like trust company then the Chicago Title and Trust Company, a like trust company of Chicago, Illinois, is hereby appointed second successor in trust, and if it shall fail, neglect, or refuse to act, then the bondholders owning at least 50 per cent of the face principal amount of then outstanding bonds may appoint a corporate trustee by an instrument in writing filed for record in the office of the clerk of the circuit court as recorder of deeds of Palm Beach County, Florida, and by notice in writing to the said individual trustee then in office. If the bondholders shall fall within thirty days to make any appointment of such successor to the said corporate trustee when a vacancy exists and there is necessity for the performance of some act hereunder by said corporate trustee, then the company or any of the bondholders may apply to any court having chancery powers and jurisdiction in the county of Cook and State of Illinois, and upon such notice as the court shall prescribe, and have a corporate trustee appointed in succession to the American Trust and Safe Deposit Company, corporate trustee herein named, or of any of its successors as aforesaid. Upon the acceptance of the appointment aforesaid in writing and the filling of the same with the individual trustee and due notice thereof to the company, and record thereof as aforesaid, said successor corporate trustee shall the individual trustee and due notice thereof to the company, and record thereof as aforesaid, said successor corporate trustee shall and may act and have all of the powers and perform the duties subject to the limitations and exceptions and reservations herein made, to the same extent as the said original corporate trustee herein named, could or might do in the premises, provided always that after all of said bonds and coupons have been certified, negotiated, and delivered or sold and are outstanding, and there shall be a vacancy existing in the office of corporate trustee and no other corporate trustee shall have been appointed in succession to it as aforesaid, and there is necessity for some act to be done or performed by said corporate trustee, when none is in office and capable of acting hereunder, then and in such event or events the individual trustee or his successor in trust may act and do and perform ual trustee or his successor in trust may act and do and perform any and all of the duties or acts herein specified to be done and performed by said corporate trustee, and when and if so done and performed by said individual trustee, the same shall be binding and valid and of the same force and effect as if performed by the corporate trustee were it then in office.

ARTICLE XIII

MISCELLANEOUS PROVISIONS—RECONVEYANCE

Section 1. Wherever in this indenture there is any provision for any security or securities, indemnity or indemnity bond or surety bond to be furnished by the company to either of the trustees or American Bond and Mortgage Company, Inc., said American Bond and Mortgage Company, Inc., or said trustee, unless expressly to the contrary provided, are hereby respectively expressly authorized to determine the requisite amount, sufficiency, propriety, and validity of the same, and the decision of said American Bond and Mortgage Company. Inc., or of the individual can Bond and Mortgage Company, Inc., or of the individual trustee in the respective cases shall be conclusive and binding on said parties and the bondholders; provided, however, that said American Bond and Mortgage Company, Inc., and/or the said trustees or either of them shall not be liable for any action under this section in the absence of bad faith.

SECTION 2. Except as herein expressly provided to the contrary, no remedy or right herein conferred upon or reserved to the said trustee or to the holders of the bonds and coupons hereby secured is intended to be to the exclusion of any other remedy or right is intended to be to the exclusion of any other remedy or right existing under or by virtue of any constitutional provision, statute, decision, or common law in favor of the trustee and/or of the holders of said bonds and coupons outstanding and unpaid; but each and every such remedy or right shall be cumulative, and shall be in addition to every other remedy or right given hereunder and as may now or hereafter exist at law or in equity. No delay or omission to exercise any remedy or right accruing on any default shall impair any such remedy or right, or shall be construed to be a waiver of any such default, or acquiescence therein, nor shall it affect any subsequent default of the same or a different nature. Every such remedy or right may be exercised from time to time and

it affect any subsequent default of the same or a different nature. Every such remedy or right may be exercised from time to time and as often as may be deemed expedient by the said individual trustee as the case may be or by the holders of the bonds or by the holders of coupons overdue hereby secured subject to the provisions of this deed of trust.

SECTION 3. In case the individual trustee or bondholders or interest coupon holders shall have proceeded to enforce any right under this indenture, by foreclosure, entry, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the trustee, and/or the bondholders or coupon holders, then and in every such case the company and the trustee and bondholders and interest coupon holders shall be restored to their former positions and rights hereunder. rights hereunder.

rights hereunder.

SECTION 4. If the grantor shall promptly pay or cause to be paid the full principal amount of said bonds and coupons and interest thereon as the same shall respectively mature, or if the grantor shall call all of said bonds for redemption and shall make the deposits in payment thereof in manner provided above in article II hereof, and shall also pay all other sums hereunder by it covenanted to be paid, which shall be due to the bondholders and/or the said individual trustee and said corporate trustee, and shall have kept and performed all of its covenants, agreements, and conditions herein required of it to be kept and performed, all of

said mortgaged premises and property shall revert to the grantor and the lien, right, title, and interest of the said individual trustee and the holders of said bonds and coupons thereupon shall cease, and the holders of said bonds and coupons thereupon shall cease, determine, and become void and the said individual trustee, upon presentment to him of all of the bonds and interest coupons secured hereby, duly canceled, or by presentment of a certificate of the corporate trustee that it has all of the bonds and coupons secured hereby, duly canceled, or that it has the money on deposit with it necessary to pay the principal and interest of all of said outstanding bonds to the date of redemption, and all other moneys are paid and discharged due the trustee, then said trustee shall and will prepare and execute and duly acknowledge a formal and proper release and discharge of this mortgage and trust deed and deliver the same to the grantor, which shall be recorded by the grantor at its expense, and said trustee shall be under no duty or obligation to so record the same. The trustee in thus discharging said lien may assume the validity of all proceedings previously taken by grantor and by the American Bond and Mortgage Company, Inc., and/or by said corporate trustee for the redemption of said bonds and coupons. Said Trustee shall not have power or authority to make and deliver such instrument or instruments and thereby release the said mortgaged premises or reconvey the and thereby release the said mortgaged premises or reconvey the same unless all bonds and coupons, and interest thereon, and taxes and other expenses and trustee's and attorneys' fees, if any, due hereunder, have been paid or redeemed, surrendered and canceled, or if any bonds and coupons are outstanding and not surrendered and canceled, that the amount of the principal and interest, and premium and taxes due bondholders hereunder has been deposited premium and taxes due bondholders hereunder has been deposited and is on deposit with said corporate trustee for the payment and redemption of such unsurrendered and uncanceled bonds and coupons. Such instrument, if executed in conformity with all of the foregoing provisions, shall be valid and effectual in law whether executed and delivered before or after the maturity of any or all of said bonds and/or coupons. All of the expense of the trustees in making this release, including their reasonable fees and of their respective attorneys' fees, shall be paid by the grantor as a condition precedent to having said release and discharge executed, made, acknowledged, and delivered.

SECTION 5. It is further covenanted and agreed that in case the

made, acknowledged, and delivered.

SECTION 5. It is further covenanted and agreed that in case the power of eminent domain is exercised and all or a part of said mortgaged premises is taken thereunder, then whatever moneys shall thereby become due to grantor (not, however, exceeding the amount necessary to meet the items referred to in subparagraphs (a) and (b) hereof and to retire all bonds issued hereunder and then outstanding, including a premium on bonds not due as provided in section 4 of article II hereof, and all other sums sufficient to entitle the grantor to a release hereof) shall be paid to the trustee, and shall be disbursed by said individual trustee in payment—

(a) of fees, costs, charges, and expenses as provided in this indenture;

indenture;
(b) of advances with interest as provided in this indenture;
(c) If the amount so received by the trustee as aforesaid shall be less than twenty-five per cent (25%) of the amount of all indebtedness secured by this mortgage or deed of trust then remaining unpaid, the balance of said amount after making the payments above referred to in this section may, in the discretion of the trustee be used by it in whole or in part toward the cost of repairing, restoring, or rebuilding any building on said premises which shall have been damaged as the result of the exercise of the power of eminent domain.

repairing, restoring, or rebuilding any building on said premises which shall have been damaged as the result of the exercise of the power of eminent domain.

(d) If the amount so received by the trustee as aforesaid shall exceed twenty-five per cent (25%) of the amount of all indebtedness secured by this mortgage or deed of trust then remaining unpaid, the balance of said amount after making the payments above referred to in subparagraphs (a) and (b) of this section, shall in the discretion of the trustee, be used by the said trustee in whole or in part toward the cost of repairing, restoring, or rebuilding any such building; Provided, however, That said American Bond and Mortgage Company, Inc., or the holders of fifty per cent (50%) of principal face amount of the said bonds then outstanding and unpaid shall consent thereto. Any such work of repairing, restoring, or rebuilding done under subparagraphs (c) and (d) of this section shall be done according to such plans and specifications as grantor, the trustee, and said American Bond and Mortgage Company, Inc., may approve.

(e) If the whole or any part of the balance of the amount so received by the said trustee, after making the payments provided in subparagraphs (a) and (b) hereof shall not be used toward the cost of repairing, restoring, or rebuilding any such building, then such amount, or so much thereof as remains in the hands of said trustee, in any event, shall be used by it for the payment,

said trustee, in any event, shall be used by it for the payment, pro rata, of the principal and accrued interest of all the bonds secured by this mortgage or deed of trust then outstanding and

Section 6. Each and all of the covenants, agreements, conditions, promises, and undertakings (including covenants for procuring insurance), in this indenture, shall inure and extend to and be binding upon the successors and assigns of the said trustees and each of them, the grantor company and any other corporation or corporations with which it shall merge or consolidate, and the bond-

corporations with which it shall merge or consolidate, and the bond-holders when applicable to them, the same as if they were in every case named and expressed.

All of the covenants, conditions, and provisions hereof shall be held to be for the sole and exclusive benefit of the parties hereto and the American Bond and Mortgage Company, Inc., and their successors or assigns, and of the holders of said bonds and coupons, and each successive holder thereof.

No transfer of said premises herein described, by the company shall operate to release or discharge the company, it being agreed that the liability of the company shall continue as principal until all of said bonds and coupons are paid in full, notwithstanding any

all of said bonds and coupons are paid in full, notwithstanding any transfer of said premises.

Sectron 7. Any notice or communication which the trustee or the bondholders or coupon holders shall desire to give or serve upon the company, may be given or served by delivering a true copy thereof to any officer of the company, or by sending a true copy by U. S. registered mail addressed to it at the above described premises in Palm Beach, Florida.

Any notices or communications which the company may desire Any notices or communications which the company may desire to give or serve upon the trustees or upon the American Bond and Mortgage Company, Inc., shall be served by U. S. mall or personally by delivering a true copy thereof to the trustees and each of them, or to said American Bond and Mortgage Company, Inc., with some one apparently in authority at 127 North Dearborn Street, Chicago, Illinois, or at such other addresses in Chicago, as the trustees or either of them or said American Bond and Mortgage Company, Inc., may from time to time furnish the company in writing.

SECTION 8. Whenever in this indenture reference is made to the company, trustee or trustees, or to said American Bond and Mortgage Company, Inc., it shall be held to apply also to the successor, gage Company, Inc., it shall be held to apply also to the successor, successors, or assigns of the party referred to, and each and every covenant entered into by the company shall be a covenant running with the land above mentioned. Wherever in this indenture the word "bond", or "bonds", or "bondholder", or "bondholders", "coupon", or "coupons", or "coupon holder", or "coupon holders", is used, it shall, unless otherwise specifically provided, be held to include the singular as well as the plural number. Whenever in this indenture or in the bonds the word "holder", or "owner", or "bearer" is used, it shall be construed, in the case of a registered bond to mean the party in whose pame the bond is registered. bond, to mean the party in whose name the bond is registered. The word "trustee" shall be held and construed to mean Harold A. Moore, above sometimes referred to as individual trustee, and the respective trustee for the time being and then in office as his successor in trust.

successor in trust.

SECTION 9. The invalidity of any one or more phrases, sentences, clauses, or paragraphs shall not affect the remaining portion of this indenture or any part thereof, and in the event that one or more of the phrases, sentences, clauses, or paragraphs contained herein should be invalid, this instrument shall be construed as if such invalid phrase or phrases, sentence or sentences, clause or clauses, and paragraph or paragraphs had not been inserted.

SECTION 10. The company hereby expressly authorizes said American Bond and Mortgage Company, Inc., or in lieu thereof the corporate trustee hereunder to make in its behalf any and all deductions required by any United States income tax law or under any ruling thereon or regulation thereof, requiring such deductions at

tions required by any United States income tax law or under any ruling thereon or regulation thereof, requiring such deductions at the source of payment of interest or income on the bonds secured hereby, not exceeding two per cent (2%) thereof, and authorizes it to make any and all reports, statements, and returns in its behalf with reference thereto, which may be required by said laws, rulings, or regulations. It is expressly agreed and understood, however, by the said company that it shall not be entitled at any time to have or know the names and addresses of any of the legal holder or holders of the bonds at any time outstanding, secured by this trust deed, and it is expressly agreed that the company, its successors and assigns shall not have or be entitled to procure or know them or their names or addresses.

Section 11. The company covenants and agrees for the use and

SECTION 11. The company covenants and agrees for the use and benefit of the trustee hereunder and of all owners and holders of the bonds issued hereunder to have an audit of all its books and transactions once in each year on or before the 1st day of July by a firm of public accountants of good standing in the United States of America, to be approved by the American Bond and Mortgage Company, Inc., showing the trial balance and balance sheets of its properties, earnings, expenditures, indebtedness, and net earnings, and the result of its operations and business for the preceding year, and will deliver to the said American Bond and Mortgage Company, Inc., and to the trustee once in each year, such audit in detail, made by said accountants; the first audit shall be furnished for the year ending July 1, 1926.

Section 12. It is hereby expressly agreed and understood by, between, and among all parties to or interested in or who shall become party to or interested in or under this trust deed, that the several headings in capital letters of each article hereof are not and are not to be taken or construed as any part of this instrument, and shall not be read, considered, or construed as enlarging, diminishing, defining, or limiting any provisions or text hereof, but are only placed herein as a convenience and for more ready reference. the bonds issued hereunder to have an audit of all its books and

SECTION 13. It is hereby certified and recited by the grantor corporation that this instrument and each of the said temporary and definitive bonds and coupons thereunto attached secured hereby have been lawfully and properly authorized by the unanimous affirmative vote of all the stockholders of said corporamous affirmative vote of all the stockholders of said corpora-tion and by a like affirmative vote of each and all of the mem-bers of its board of directors at meetings of the stockholders and of the board of directors, respectively, lawfully convened and held under the laws of the State of Florida and the by-laws of said company, and all of which acts and votes of the said stockholders and of the board of directors are now in force and effect; and that all acts, consents, vote or votes, records of corporate meetings and authorities, and all other matters and things precedent to and in the making, authorizing, signing, sealing, and delivery of this instrument and of the said tem-

porary bond and authorizing and requiring the signing, sealing, certification, and delivery of the said permanent and definitive bonds and the signing of the said interest coupons for and on behalf of the corporation have each and all been done, authorized, and performed within the time and manner as prescribed by law, the charter of the grantor, and its by-laws; and that the aggregate amount of said indebtedness secured and to be secured by this instrument does not exceed any charter, constitutional or statutory limit of the amount of indebtedness which the said grantor corporation can, at this time or in the future, incur and lawfully blad and obligate itself to now and source the neurons. grantor corporation can, at this time or in the future, incur and lawfully bind and obligate itself to pay and secure the payment of the entire amount thereof and interest thereon by this indenture and trust deed conveying all of the property, real and personal, of the corporation now owned and hereafter to be acquired by it as above recited and conveyed hereby; it is hereby further certified and warranted by the grantor to the holder or holders and each successive holder of the bonds and interest coupons secured hereby, that this instrument is and shall be and become and be maintained until all of said indebtedness is paid and discharged, a first mortgage conveyance and lien upon the real estate, buildings, and goods and chattels, and equipment herein described and hereby conveyed and mortgaged under any present or future law of the State of Florida; and also that the aggregate principal face value or amount of said above mentioned bonds (but not including interest notes or coupons) secured by this first mortgage or deed of trust upon the real estate herein described and the building forthwith to be erected thereon according to the terms of this instrument does not and will not

herein described and the building forthwith to be erected thereon according to the terms of this instrument does not and will not exceed sixty-five per centum of the fair market cash value of the said land, buildings, equipment, furniture, and furnishings.

Section 14. Any action taken by either of the trustees, pursuant to this trust deed upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent, is the owner of any bonds or other indebtedness secured hereby, shall be conclusive and binding upon all future owners of the same bond (and of bonds issued in exchange therefor or in place thereof) or of such other indebtedness as the case may be.

Section 15. It is hereby further covenanted and agreed by the grantor with each of the said trustees that if either of the said trustees shall be required under the terms hereof to disburse the monthly and other deposits to be made hereunder, to pay matur-

monthly and other deposits to be made hereunder, to pay matur-ing principal and interest directly to the holders of the said bonds and coupons (instead of, by the American Bond and Mortgage Company, Inc., in the event of its failure or refusal so to do), and if he or it shall disburse any or all of the redemption money which may be deposited with him or it under the provisions hereof for redemption of bonds before maturity as herein provided, he or it shall be paid by the grantor a fee of one-fourth of one per centum of the amount of any such sum or sums so deposited from time to time as compensation and for such services.

to time as compensation and for such services.

In witness whereof the grantor company has caused this instrument to be signed in its corporate name by its president, and to be sealed with its corporate seal, attested by its secretary pursuant to unanimous authority given by its stockholders and board of directors and the said corporate trustee has signed this instrument in its corporate name by its _____ president, attested by its _____ secretary and caused its corporate seal to be hereunto affixed for the limited purposes herein specified only, and upon the conditions and limitations herein specified, and the said individual trustee has hereunto set his hand and seal to evidence his acceptance of the trust herein and hereby created and defined upon the conditions, considerations, respective limitations and exceptions herein specified, and this instrument dated the day and year first above written. above written.

WHITEHALL BUILDING & OPERATING COMPANY. By P. E. SINGER, President.

Attest: [SEAL]

EDWARD C. SUMRY, Secretary. Signed, sealed, and delivered by the Whitehall Bui'ding & Operating Company in the presence of us as witnesses:

HENRY J. O'NEILL,
M. W. CARMICHAEL.

AMERICAN TRUST AND SAFE DEPOSIT COMPANY,
As Corporate Trustee,

By Louis A. Bowman, Vice President.

Attest: KENNETH W. MOORE, Secretary. [SEAL] Signed, sealed, and delivered by said corporate trustee in the presence of us as witnesses:

M. E. RIECK, M. P. RYAN. HAROLD A. MOORE, [SEAL] Individual Trustee.

Signed, sealed, and delivered by Harold A. Moore as individual trustee in the presence of us as witnesses:

W. A. MURPHY, M. E. RIECK.

STATE OF FLORIDA.

STATE OF FLORIDA,

County of Palm Beach, ss:

I, A. B. Tunnicliff, a notary public at large, resident in the county of Palm Beach in the State aforesaid, and authorized to take acknowledgments of deeds, hereby certify that Paris E. Singer, president, known to me, and known to me to be the president of Whitehall Building & Operating Company, a corporation organized and now existing under the laws of the State of Florida, and who as such officer executed the foregoing instrument, this day

personally appeared before me and acknowledged before me that he executed said instrument as such officer in the name of, and for, and on behalf of said corporation, freely and voluntarily for the uses and purposes therein expressed and with full authority so to do, and that Edward C. Sweeny, as secretary of said corporation, Whitehall Building & Operating Company, and who as such officer executed the attest to the execution by said corporation by said President of the foregoing instrument, also this day personally appeared before me and acknowledged before me that he executed the attest to the execution of said instrument as such secretary and officer for and on behalf of said corporation and in its name, and that he, as the custodian of the corporate seal of said corporation. and that he, as the custodian of the corporate seal of said corpora-tion, affixed the same thereunto, all freely and voluntarily, for the and purposes therein expressed and with full authority so to do.

In witness whereof I have hereunto set my hand and affixed my official seal this 10th day of June A. D. 1925.

A. B. TUNNICLIFF Notary Public.

My commission expires October 17th, 1927. STATE OF ILLINOIS,

County of Cook, ss:

I, Henry W. Wilken, a notary public of said county in the State aforesaid, and an officer authorized to take acknowledgments of deeds, hereby certify that Harold A. Moore, as individual trustee, personally known to me to be the individual trustee described in and who executed the foregoing instrument, this day personally appeared before me and acknowledged before me that he freely and voluntarily executed said instrument for the purposes therein expressed.

In witness whereof I have hereunto set my hand and affixed my official seal this 6th day of June, A. D. 1925.

[SEAL] HENRY W. WILKEN, Notary Public. My commission expires April 2nd, 1926.

STATE OF ILLINOIS,

County of Cook, ss:

I, Henry W. Wilken, a notary public of the County of Cook in the State aforesaid, an officer authorized under the laws of said State to take acknowledgments of deeds, do hereby certify that State to take acknowledgments of deeds, do hereby certify that Louis A. Bowman, personally known to me and known to me to be the vice president of the American Trust and Safe Deposit Company, a corporate trustee, a corporation organized and existing under the laws of the State of Illinois, and who as such officer executed the foregoing, this day personally appeared before me and acknowledged before me that he executed said instrument as such officer in the name of and for and on behalf of said corsuch officer in the name of and for and on behalf of said corporation freely and voluntarily for the uses and limited purposes only therein expressed, and with full authority so to do, and that Kenneth W. Moore, as secretary of said corporation, American Trust and Safe Deposit Company, corporate trustee, and who as such officer executed the attest to the execution by said corporation by said vice president of the foregoing instrument, also this day personally appeared before me and acknowledged before me that he executed the attest to the execution of said instrument as such secretary and officer for and on behalf of said corporation and in its name, and that he, as the custodian of the corporate seal of said corporation, affixed the same thereunto, all freely and voluntarily, for the uses and purposes therein expressed, and with full authority so to do.

In witness whereof I have hereunto set my hand and affixed

In witness whereof I have hereunto set my hand and affixed my official seal this 6th day of June A. D. 1925.

HENRY W. WILKEN [SEAL]

Notary Public. My commission expires April 2nd, 1926.

STATE OF FLORIDA

County of Palm Beach, ss:

We, the undersigned, being each and all of the owners and holders of all of the authorized and all of the issued, paid in and outstanding capital stock of Whitehall Building & Operating Company, a corporation organized and existing under the laws of the State of Florida, and being the corporation above named and which has signed the above trust deed and mortgage, by hereby the bear of the parameters and expenses to the bear of the parameters. which has signed the above trust deed and mortgage, no HEREBY JOINTLY AND SEVERALLY CONSENT to the borrowing by said corporation of said \$2,500,000 and the making of a corporate bond issue and said above described trust deed and mortgage upon all of the property of said corporation in manner and form as described and defined therein, and as such stockholders do hereby authorize and approve the above trust deed and mortgage and the bonds therein described as the valid and lawful mortgage conveyance and obligations and approve the above trust deed and mortgage conveyance and obligations. tions of said corporation.

Dated 10th day of June, 1925.

P. E. SINGER.	[SEAL]
P. E. SINGER, Trustee.	[SEAL]
H. E. BEMIS,	[SEAL]
EDWARD C. SWEENY,	[SEAL]
MARTIN SWEENY,	[SEAL]
	olders

[SEAL]

STATE OF FLORIDA

County of Palm Beach, ss:

I, A. B. Tunnicliff, a notary public at large residing in Palm Beach County in the State aforesaid, an officer authorized to take acknowledgments to deeds, hereby certify that Paris E. Singer, individually, Paris E. Singer, a trustee, H. E. Bemis, Edward C. Sweeny and Martin Sweeny, personally known to me to be the individuals and stockholders described in and who executed the foregoing instrument of consent and approval, this day each personally ap-

peared before me and acknowledged before me that they and each of them freely and voluntarily executed said instrument for the purposes therein expressed.

In witness whereof I have hereunto set my hand and official seal this 10th day of June A. D. 1925.

A. B. TUNNICLIFF, Notary Public.

My commission expires October 17, 1927.

[Endorsement:] State of Florida, County of Palm Beach, ss: This instrument was filed for record at 10:05 a.m., this 11th day of June 1925 and duly recorded on the 24th day of June 1925 in Book 121 of Mortgages, on page 1. Record verified. Fred E. Fenno, clerk, circuit court. By Merle P. Johnston, D. C.

Mr. WALSH (of counsel). I now desire to read from this, not the whole document, but certain parts of it which appear on pages 71 and 72.

The PRESIDING OFFICER. Counsel refers to the trust

Mr. WALSH (of counsel). Yes.

The PRESIDING OFFICER. May I inquire of counsel again, is there any necessity of having the entire trust deed incorporated in the record? As counsel know, if any parts of it are not at all pertinent, they need not be placed before the court.

Mr. WALSH (of counsel). Inasmuch as this is the basis of the entire matter, I think it would be very difficult if it were not put in the record.

The PRESIDING OFFICER. Proceed.

Mr. WALSH (of counsel). I read from page 71:

(2) By a holder or holders of bonds of the aggregate amount of not less than \$50,000, or the holder of bonds and past-due interest coupons of an aggregate face amount of not less than \$50,000, or the holder or holders of past-due interest coupons for an aggregate face amount of at least \$50,000, may request the said individual trustee or his successor in trust, in writing, specifying the default or defaults, to declare their bonds or any part thereof, or the said entire principal indebtedness with interest secured hereby, to be then due and payable for such default or defaults, and shall deliver or produce and tander to the trustee the said house and deliver or produce and tender to the trustee the said bonds and/or said bonds and matured coupons, or coupons, for the amount of not less than \$50,000, as aforesaid, and pay to the said trustee, or tender him in payment, a reasonable sum of money to cover all advances and costs for a foreclosure or the bringing of an action or suit to enforce payment, and a reasonable indemnity to said trustee to cover his future costs and attorneys' fees and expenses trustee to cover his future costs and attorneys' fees and expenses in the premises to his satisfaction; and thereupon and thereafter within sixty (60) days the said trustee or his successor in trust shall declare the said bonds due and payable, as requested, whether matured or not, and for such default or defaults, or in lieu thereof, the said trustee may refuse so to do; and if such refusal or neglect shall continue for a space of thirty days after his refusal in writing, or for sixty (60) days of neglect so to act as requested as aforesaid, then and thereafter the said bondholder or bondholders and courson holders or expense holding at as requested as aforesaid, then and thereafter the said bondholder or bondholders and coupon holder or coupon holders, holding at least the amount in face amount of bonds, or face amount of bonds and coupons past due, or face amount of past-due coupons, as aforesaid, may declare all of the then outstanding bonds due and payable at once; and they shall then and thereafter be due and payable, with all of the rights in the holders of said bonds and coupons to enforce the payment thereof by foreclosure or otherwise, in their own names, as if the entire debt had matured regularly according to the tenor thereof.

Nothing in this article contained shall be construed as a waiver

Nothing in this article contained shall be construed as a waiver of or a limitation of, or prohibition against the right of any holder of bonds past due, either by lapse of time or by declaration for default by the trustee as aforesaid, or of coupons past due, or of both bonds and coupons past due, without any request to foreclose of the trustee whatever, to sue or commence foreclosure proceedings of this trust deed to enforce the payment of such past due obligations which have matured regularly accordclosure proceedings of this trust deed to enforce the payment of such past due obligations which have matured regularly according to the tenor thereof, and the lapse of thirty (30) days' time thereafter as aforesaid, or of bonds declared due, by the trustee or holder thereof upon conditions as above provided, for default as aforesaid, and have not been paid, subject to the continuing lien of this trust deed (and junior and subordinate thereto) as security for the payment of all of the remaining outstanding bonds and coupons and any indebtedness that may be secured by this instrument not represented by the holders of such past due this instrument not represented by the holders of such past due bonds or coupons, or both, in manner and form as provided by the laws of the State of Florida or as hereinafter provided.

The PRESIDING OFFICER. Will counsel suffer an interruption? I understand there is no contention that there was not a default in the payment of the coupons.

Mr. WALSH (of counsel). There is no contention, as I understand, but that these bonds covered by this mortgage were past due since the summer of 1928.

The PRESIDING OFFICER. In view of that fact, the Chair would inquire the pertinency of reading all these things into the record.

Mr. WALSH (of counsel). To show they had a right to foreclosure.

The PRESIDING OFFICER. I did not know that that was denied.

Mr. WALSH (of counsel). It was denied. The question was asked in a form here, without the trust deed being before the Court, and an answer was made, that left it very much confused, so I think the Court should have those provisions referring especially to them.

The PRESIDING OFFICER. Proceed.

Mr. WALSH (of counsel). I will now read the paragraph marked "(b)", beginning on page 78, down to a point upon page 79, ending at the fifth line of the last numbered page:

page 79, ending at the fifth line of the last numbered page:

(b) Upon the filing of any bill in a court of equity or chancery, in foreclosure hereof under the conditions of default and continuance thereof for the time as herein provided, notwithstanding any other power herein granted, the party of the first part, its successors and assigns, hereby expressly covenants and agrees—as an express right hereby given and granted to said individual trustee, bond and coupon holders—that the court shall appoint a receiver, notice to the grantor, or its assigns, for such application or such appointment being hereby expressly waived, and that such receiver shall at once go into possession and have possession of the said mortgaged property in its entirety and to lease the same and to remove any tenant or tenants therein and to receive and collect any and all rents, issues, earnings, returns, and profits arising from said premises, and shall have power to operate said property as a going business, or otherwise as the exigencies of the case may require, and that said receiver shall have full power and authority to make repairs, and to pay taxes and insurance, to all of which the said grantor and its assigns expressly consent. The appointment of said receiver upon such application and in the event of default as aforesaid is hereby exexpressly consent. The appointment of said receiver upon such application and in the event of default as aforesaid is hereby expressly authorized as a means of assuring to the said trustee and the said holders of said bonds and said coupons of their security of the rents, issues, earnings, and profits derivable and arising from said premises, as hereinbefore covenanted and agreed are assigned and transferred and set over as a special and additional security hereunder; and such appointment of such receiver in any of the events of default as aforesaid shall be made by the court without regard to the present value of said property, and without regard to its then value, and regardless of whether or not the said grantor or its assigns, shall or may be at this time, or at the time of the appointment of said receiver, or the application therefor, solvent or insolvent. therefor, solvent or insolvent.

That is all I care to read out of the trust deed at this time.

By Mr. WALSH (of counsel):

Q. Please look at the paper which I now hand you entitled "Answer-counterclaim of Harold A. Moore as trustee", and say what that paper is .- A. (After examination.) This is the answer and counterclaim of Harold A. Moore as trustee.

Mr. WALSH (of counsel). I offer this in evidence, and ask that it be given the appropriate number as respondent's exhibit.

(The document was marked "Respondent's Exhibit No. 4.") The PRESIDING OFFICER. Have the managers on the part of the House any objection?

Mr. Manager HOBBS. No; but we do not care to have it printed unless the Court wishes it.

The PRESIDING OFFICER. The Court will make no order-at least for the present.

Mr. WALSH (of counsel). I think that need not be printed in full.

By Mr. WALSH (of counsel):

Q. What is the paper I now hand you, with the first number on the top "678-M"?

The PRESIDING OFFICER. Cannot counsel for the respondent and the managers on the part of the House agree on these papers which will be offered, without taking up so much time in having them identified?

Mr. WALSH (of counsel). If the managers on the part of the House will agree I shall offer them all together.

Mr. Manager HOBBS. I shall be glad to stipulate that everything which appears in the official court files, as designated on the back, may be offered in evidence without further identification, either in piecemeal or in bulk.

The PRESIDING OFFICER. With that statement it may be so done. Counsel for the respondent will refer to the exhibits which they desire to offer.

Mr. Manager HOBBS. May it please the Court, I should like to make this further suggestion, if it meets with the

approval of the President and the members of the Court, that we will be glad to agree that the entire files may be considered to have been entered, and that counsel for either side may refer to them at any time.

Mr. WALSH (of counsel). I am glad to agree to that.

The PRESIDING OFFICER. Do counsel for the respondent accept that tender?

Mr. WALSH (of counsel). We accept that tender, and we now offer the entire file of the Whitehall case, in addition to those separate exhibits which were put in alone; that is, the bill and the other exhibits which were offered sepa-

The PRESIDING OFFICER. Is there any objection?

Mr. ASHURST. Mr. President, a point of order. It is understood that this voluminous file is not to be printed in the RECORD?

The PRESIDING OFFICER. The Chair has not ordered that it be printed in the RECORD.

Mr. WALSH (of counsel). We do not ask that it be printed, but we do ask, if it is proper that it be done, that the memorandum which we read be set out in full in the record.

The PRESIDING OFFICER. The Chair thinks it is proper

that the memorandum should go into the record.

Mr. WALSH (of counsel). I now offer in evidence the document from this file, numbered 99 on the back in blue pencil. I must read this document. It is the petition of the plaintiff for the allowance of the \$15,000 fee, and the order made by the court.

The PRESIDING OFFICER. Does counsel deem it necessary to read that?

Mr. WALSH (of counsel). I do; for the reason that the question was propounded to the witness and he was asked to answer, and therefore I think we ought to have read the application itself and the order made by the court, it being a sharp question raised by counsel on the other side with this witness as to whether or not this was a conserving fee

The PRESIDING OFFICER. Proceed as rapidly as you can. Mr. WALSH (of counsel). I will go just as fast as I can, so far as my strength will permit. [Reading:]

In the United States District Court for the Southern District of Florida in and for Miami Division. No. 678-M Eq. Bert E. Holland, Catherine Sugden, a widow, and Whitefield W. Johnson, as trustees, plaintiffs, v. Whitehall Building & Operating Co., a Florida corporation, et al., defendants; A. H. Hill, Eugenia J. Schopps, and A. W. Kirkland, interveners. Petition of plaintiffs and interveners for order allowing compensation for their attorney.

TO THE HONORABLE JUDGE OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA, MIAMI DIVISION:

Now come plaintiffs and interveners in the above-styled cause, by their attorney, A. L. Rankin, and show unto the court that your petitioners, by and through their attorney, A. L. Rankin, in behalf of themselves and all other bondholders of Whitehall Building & Operating Co., have caused property of the value of more than \$1,750,000 to be brought into court and placed in the hands of a receiver for the purpose of protecting and conserving the said property and the rents, income, and profits therefrom for the benefit of all first-mortgage bondholders, and in addition to the property being conserved and brought into court, there has been created by virtue of the said receivership, for the benefit of all bondholders, the sum of approximately two hundred thirty-seven thousand dollars (\$237,000), which sum is now in the hands of the receiver; that your petitioners had an agreement with their said attorney that they would pay him for his legal services rendered in said cause a reasonable attorney's fee, the reasonableness of which fee was to be determined and fixed by the court; that petitioners' said attorney filed the bill of complaint for said petitioners the first part of October 1929, and a receiver was appointed by this honorable court on the 28th day of October 1929; and that he has rendered legal services for your petitioners in this matter Now come plaintiffs and interveners in the above-styled cause, this honorable court on the 28th day of October 1929; and that he has rendered legal services for your petitioners in this matter continuously since the filing of said bill, in having a receiver appointed, in advising with receiver for the benefit of all bondholders as to the care, protection, conservation, management, and operation of the property in the hands of said receiver, and has represented your petitioners in various and sundry matters, petitions, and legal controversies incident to said suit and said receivership for more than 8 months, for which services he has received no compensation whatever, nor no compensation for the expenses necessarily incident to this work.

The premises considered, your petitioners would pray Your

The premises considered, your petitioners would pray Your Honor to ascertain what is a reasonable attorney's fee for the services rendered by their said attorney, A. L. Rankin, in the said receivership proceedings, and in conserving the said assets of the said Whitehall Building & Operating Co., bringing said assets into

court and causing to be created the funds now in the hands of Walter S. Richardson, as receiver of said property, in the sum of approximately two hundred twenty-three thousand dollars (\$223,-000.00), and to enter an order in this cause authorizing and directing the said Walter S. Richardson, as such receiver of the property of Whitehall Building & Operating Co., to pay to the said A. L. Rankin whatever sum Your Honor should find to be a reasonable compensation for the services rendered by the said A. L. Rankin as such attorney up to the present time.

This the 9th day of May 1930.

(Signed) A. L. RANKIN, Attorney for Petitioners.

The petition is properly sworn to.

I will now read the document marked "103" on the back thereof in blue pencil, being a part of the entire record introduced heretofore [reading]:

Order authorizing Walter S. Richardson, as receiver, to pay fees to A. L. Rankin, as attorney for plaintiffs and interveners

Upon petition of plaintiffs and interveners in the above-styled cause, for an order fixing a reasonable compensation for their attorney, A. L. Rankin, for services rendered plaintiffs, interveners, and all first-mortgage bondholders of Whitehall Building & Operating Co., in conserving, bringing into court, and creating assets for benefit of all said first-mortgage bondholders, and the same being duly considered by the court, and the court being fully advised in the premises and all parties in interest being before the court and consenting thereto; it is therefore

Ordered adjudged and decreed that upon the said petition the

Ordered, adjudged, and decreed that upon the said petition the sum of \$2,500 is hereby allowed as a reasonable advancement for the services rendered in the said receivership matter for conserving the property, bringing the same into court, and creating the fund in the hands of the receiver, the final total allowance to be hereafter determined, and the said Walter S. Richardson, as such receiver be, and he is hereby authorized and directed to pay to the said A. L. Rankin, as such attorney, out of funds in his hands as such receiver, the said sum of \$2,500, which is herein fixed and allowed.

Done and ordered at Miami, Fla., this the 21st day of May, A. D.

1930.

HALSTED L. RITTER, United States District Judge.

I now read into the RECORD document marked "124" on the back thereof, out of the record of the Whitehall case here-tofore introduced [reading]:

Order authorizing Walter S. Richardson, as receiver, to pay fees to A. L. Rankin, as attorney for plaintiffs and interveners

Upon petition of plaintiffs and interveners in the above-styled cause, for an order fixing a reasonable compensation for their attorney, A. L. Rankin, for services rendered plaintiffs, interveners, and all first-mortgage bondholders of Whitehall Building & Operating Co., in conserving, bringing into court, and creating assets for benefit of all said first-mortgage bondholders, and the same being duly considered by the court, and the court being fully advised in the premises: It is therefore

Ordered, adjudged, and decreed, That the said petition be, and the same is hereby granted, and that the sum of \$15,000 is hereby fixed as a reasonable compensation for the services rendered in the said receivership matter for conserving the property, bringing the same into court, and creating the fund in the hands of the receiver, and the said Walter S. Richardson, as such receiver, be and is hereby authorized and directed to pay to the said A. L. Rankin, as such attorney, out of the funds in his hands as such receiver, the said sum of \$15,000, which is herein fixed and allowed.

Done and ordered at Tampa, Fla., this the 5th day of July, A. D. 1930.

ALEXANDER AKERMAN, United States District Judge.

I will not read into the RECORD, but there are here the affidavits of two attorneys certifying to the reasonableness of the fee.

The PRESIDENT pro tempore. They go into the RECORD under the previous stipulation, do they?

Mr. WALSH (of counsel). Yes. I now offer in evidence, without reading it in full "Memorandum brief on petition for order allowing and directing payment of attorney's fees for A. L. Rankin, attorney for plaintiffs and intervenors in the above-styled cause."

By Mr. WALSH (of counsel):

Q. I will ask you whether or not this is a memorandum of law which you used at the time you made the argument for the allowance of this fee [exhibiting paper to witness]?—A. Yes; it is.

Mr. WALSH (of counsel). This memorandum has no particular marking. I should like to have this memorandum marked as one of respondent's exhibits, whatever number is next in order.

The PRESIDENT pro tempore. The memorandum will be marked by the clerk.

(The document was marked "Respondent's Exhibit 6.") By Mr. WALSH (of counsel):

- Q. This document is now marked "Respondent's Exhibit 6", and I will ask you now whether or not in that memorandum of law you gave the court the legal authorities for the charge of a special fee, or a fee for conserving the assets and bringing them into the jurisdiction of the court?—A. Yes.
- Q. I will ask you to look at this paper which I now hand you marked "148" on the back there in blue pencil and ask you if that is the final decree?—A. (After examining paper.) That is the final decree.

Mr. WALSH (of counsel). Mr. President, I offer that document in evidence and ask that it be given the regular exhibit number next in order.

The PRESIDENT pro tempore. The document will be received and marked.

(The document was marked "Respondent's Exhibit No. 7")

Mr. WALSH (of counsel). I now offer in evidence a document, the first number thereon being "Case No. 678–M", with the number "142" in blue pencil. I will ask the witness—no; I will offer it without asking him, if there is no objection, the affidavit of reasonable compensation for attorneys for plaintiff and intervener for foreclosing trust deed of Harry A. Johnston, the similar affidavit of H. C. Fisher, the affidavit of Bert Winters, and the affidavit of E. B. Donnell and ask that they be given the regular number.

The PRESIDENT pro tempore. Without objection, the exhibits will be filed.

(The documents were marked, respectively, "Exhibits for Respondent 8, 9, 10, and 11.")

Mr. WALSH (of counsel). I would now like to read one other document in evidence here. It is numbered in blue pencil 149, being the praecipe for dismissal of counterclaim of Harold A. Moore as trustee.

RESPONDENT'S EXHIBIT No. 12

In the District Court of the United States in and for the Southern District of Florida, Miami Division. In Equity, No. 678. Bert E. Holland et al., as Trustee, plaintiffs, v. Whitehall Building & Operating Co., a Florida Corporation, et al., defendants and interveners

Praecipe for dismissal of counterclaim

Comes now, Harold A. Moore, as trustee, one of the defendants in the above-entitled cause, by Shutts & Bowen, his solicitors of record, and shows unto the court that a compromise of the matters in dispute having been agreed upon, and an agreement as to the division of the fees allowed for the foreclosure of the mortgage having been reached between counsel for the plaintiffs and interveners and for this defendant, and a final decree entered herein on December 24, 1930, representing the nature of said compromise.

Wherefore said Harold A. Moore, as trustee and one of the defendants herein, files this his praecipe to the clerk of the above-styled court, to dismiss the counterclaim incorporated in his answer heretofore filed in said cause.

Shutts & Bowen,
Solicitors for Harold A. Moore as Trustee.

Shutts & Bowen, attorneys at law, Miami, Fla.

I should like to offer that in evidence as an exhibit and have it given the proper number.

The PRESIDENT pro tempore. The document will be re-

ceived as an exhibit and properly numbered.

(The document was marked "Respondent's Exhibit No. 12.")

By Mr. WALSH (of counsel):

- Q. Mr. Rankin, prior to the time that this case came up in open court, did you ever speak to Halsted L. Ritter about this case or have any conversation with him?—A. I never did.
- Q. Did you ever hear anyone else speak to him about the case? Did anyone in your presence ever speak to him about the case?—A. I never heard of anyone speaking to him, and I never saw anyone speak to him in my presence.

Q. So far as your knowledge is concerned, is it a fact that Judge Ritter knew nothing about this case until it came up openly in court?—A. So far as my knowledge goes, he knew nothing of it whatsoever.

- Q. You have heard a certain letter read here and there has been evidence adduced here, to which, of course, we have not reached an answer, alleging certain transactions that took place between Mr. Sweeny and Mr. Richardson in which your name is mentioned and certain letters with your signature attached thereto. I will ask you whether or not you ever called the attention of Judge Ritter or if his attention, so far as you know, was ever called to any of these documents?—A. I never called any of the documents to his attention, and I know of no one else who did, so far as I know.
- Q. So far as your knowledge is concerned, he never had any notice or heard anything about the transactions leading up to the filing of the suit?—A. So far as I know, he had no notice and no knowledge.
- Q. Did you have any conversation of any nature or character with Judge Ritter prior to the filing of your application for the first allowance for an attorney's fee?—A. No; I had no conversation with him in reference to that.
- Q. At the time that application was filed, I will ask you to state whether or not Mr. McPherson, representing the opposing parties, was in court.—A. He was in court.
- Q. At the time it was presented? Is that correct?—A. Yes; to the best of my recollection, he was there.
- Q. Now, going back for the moment to the appearance in court with reference to the appointment of the receiver, was there any suggestion made by any person at that time that there had been anything improper in the securing of the bonds necessary to bring the suit or in the relations between Mr. Richardson and Mr. Bemis and Mr. Sweeny, or anything, so far as you were concerned, called to the attention of Judge Ritter?—A. There was not.
- Q. I will go back to the formation of your partnership. You never knew Judge Ritter until you met him taking a law examination, did you?—A. That was the first time I had ever met him.
- Q. How long had you practiced law in Alabama?—A. From 1899 until 1925.
 - Q. What is your present age?-A. I am 58.
- Q. You entered into a partnership with Judge Ritter?— A. Yes; we entered into a partnership.
 - Q. And you had some books?—A. Yes. Q. And he had some books?—A. Yes.
- Q. And those were put in? Is that correct?—A. They were.
- Q. That partnership was entered into approximately on what date? Was it November 1926?—A. I believe that was the exact date.
- Q. And you proceeded to practice. About what did you make the first year?—A. Well, I really do not know.
- Q. You started with practically no clients, did you not?— A. No clients.
- Q. The judge was some few years older than you were?— A. Yes.
- Q. And you first had an office on the fourth floor of the Comeau Building?—A. On the tenth floor.
- Q. Is that where you had your first office?—A. On the tenth floor of the Comeau Building.
- Q. Did you move at any time?—A. Yes; we moved down to the eighth floor.
- Q. How large was the office on the tenth floor?—A. It had a reception room and two offices.
- Q. At what point in your partnership did you move to the eighth floor?—A. Probably about 8 or 9 months or a year after we had opened our partnership business we moved.
- Q. Did you have to take larger offices on account of the increase in your business?—A. We did.
- Q. How many rooms did you have in the next office which you took?—A. We had five.
- Q. Were they well furnished?—A. They were fairly well furnished.
- Q. Approximately how many books did you have?—A. We had——
- Q. You do not need to detail them, because later I am going to give you the inventory that you had made.—A. When we moved down on the eighth floor we had approximately 700 or 800 volumes.

- Q. Did you have any partnership agreement at any time with Judge Ritter, any written partnership agreement?—A. I did not.
- Q. What was your agreement, your verbal agreement, about the partnership?—A. Our verbal agreement was that we would pool all of our books and all of our desks and furniture and fixtures and that we would share in the partnership business everything on a 50-50 basis.
- Q. That partnership continued until Judge Ritter was appointed Federal judge for the southern district of Florida?—A. It did.
 - Q. Is that correct?—A. It is.
- Q. Could you say about how many cases there were in the office that had been fully attended to and nothing further to be done in them except to collect the fees? Can you tell the number?—A. No; I do not recall the exact number.
- Q. Please state how your agreement came about with the judge, if you had an agreement for the sale of the business.—A. We had an agreement, a verbal agreement. When Judge Ritter was appointed and confirmed we had a discussion about the dissolution of the partnership. We agreed on certain cases that he was to participate in the fees. Those cases were cases which had been finished, or practically so, and he was to participate in those fees when collected.
- Q. Were there other cases in the office in which work had been done, but that were still pending and unfinished?—A. Yes; there were cases in the office, quite a few of them.
- Q. You state "quite a few." About how many would you say?—A. I would say something like 40 to 50 cases.
- Q. Just state what your agreement was with the judge as to the amount you would pay him for his business.—A. I told the judge that I expected to pay him for his half interest in the business.
- Q. What did he say about the amount?—A. He asked me what did I think was a fair price. I told him that whatever I agreed to pay him I would have to pay him as and when I could; I would have to make it out of the business.
- Mr. ADAMS. Mr. President, may I present a question at this point?
- The PRESIDENT pro tempore. Let the witness finish his answer before the question is read. Proceed, Mr. Witness.
- A. (Continuing.) And that I thought or that it was my idea that \$5,000 would be a fair price for his interest.
 - By Mr. WALSH (of counsel):
 - Q. What did he say?—A. He said that was all right.
- Q. That applied only to the unfinished business that was in the office or to the fruits of whatever you might collect from the business of your clients which you had?
- Mr. Manager HOBBS. I beg the gentleman's pardon, but I would like to ask him if he will allow the witness to give the contents of the contract and conversation rather than to testify himself.
- Mr. WALSH (of counsel). I will do so to oblige the gentleman, but this is cross-examination.
- The PRESIDENT pro tempore. Let the question be read. Mr. WALSH (of counsel). I will ask another question. By Mr. WALSH (of counsel):
- Q. Just state your recollection of the terms of that contract, what he was to get, what you were to retain, and all that you were to get for the \$5,000 which you agreed to pay him.—A. He was to step out and turn over the entire business, physical assets, clientele so far as he could control, and the business we had on hand—turn the entire business over to me with the exception of some cases in which he reserved the fees.
- Mr. O'MAHONEY. Mr. President, may I call attention to the question propounded by the Senator from Colorado [Mr. Adams]?
- The PRESIDENT pro tempore. The Chair was simply waiting until these pertinent questions had been asked. The Senator from Colorado has propounded certain questions to the witness, which will be read.
- The Chief Clerk read the first question propounded by Mr. Adams, as follows:
- Did Judge Ritter know that the money you gave him came from your fees in the Whitehall case?
 - A. I am sure he knew it.

The Chief Clerk read the second question propounded by Mr. Adams, as follows:

Were you financially able to pay your debt to Judge Ritter independently of your fee in the Whitehall case?

A. I was not at that time.

Mr. CONNALLY. Mr. President, I have several questions I wish to submit.

The PRESIDENT pro tempore. The Senator from Texas desires to submit several questions. The clerk will read the questions submitted.

The Chief Clerk read the first question propounded by Mr. Connally, as follows:

Did you make up a list of cases completed, and in which fees were due, and amounts thereof?

A. I had had a list compiled by-repeat the question.

The Chief Clerk again read the question propounded by Mr. CONNALLY, as follows:

Did you make up a list of cases completed, and in which fees were due, and amounts thereof?

A. At the time of our dissolution?

Mr. CONNALLY. Yes.

A. No: I did not.

Mr. CONNALLY. Let the second question be read.

The Chief Clerk read the next question propounded by Mr. Connally, as follows:

Did you make up a list of uncompleted cases and an estimate of Judge Ritter's interest?

A. I did not make up the list at the time of the uncompleted cases.

The Chief Clerk read the next question propounded by Mr. CONNALLY, as follows:

Did you buy the library equipment; and if so, how much did

A. I bought the library along as I could. I brought that down from Alabama. Judge Ritter had some books. I do not recall just what they are, but he had quite a few volumes, and we pooled our books. We bought some office equipment.

The Chief Clerk read the next question propounded by Mr. CONNALLY, as follows:

How did you arrive at \$5,000, if you made no estimate or list of cases?

A. Well, I arrived at \$5,000 just as a lump sum, for the reason that our income the previous year had been between \$4,500 and \$5,000 apiece, and I concluded that what he would make out of the business for 1 year had he stayed in the partnership would be a fair value, and I just made that as a lump-sum offer.

Mr. CONNALLY. Mr. President, I desire to ask one more question, and then I shall desist for a while.

The PRESIDENT pro tempore. The question will be read. The Chief Clerk read the next question propounded by Mr. CONNALLY, as follows:

Was there any argument about amount?

A. There was none.

Mr. McKELLAR. Mr. President, I desire to propound a

The PRESIDENT pro tempore. The question propounded by the Senator from Tennessee will be read.

The Chief Clerk read the question propounded by Mr. McKellar, as follows:

How much did you pay Judge Ritter after he became judge out of uncollected fees which you were to divide?

A. I have not the-just one moment.

The Chief Clerk again read the question.

A. My record shows that I paid him \$2,899.90.

The Chief Clerk read the next question propounded by Mr. McKellar, as follows:

Did you pay him by check or in cash?

A. I paid him by check in each instance. Mr. MURPHY. Mr. President, I desire to propound a

The PRESIDENT pro tempore. The Senator from Iowa propounds a question, which will be read.

The Chief Clerk read the question propounded by Mr. MURPHY, as follows:

Was your income-tax return for 1930 on a cash or accrual basis?

A. Well, I do not recall.

Mr. McKELLAR. Mr. President, I submit another question, which I ask to have read.

The PRESIDENT pro tempore. The question propounded by the Senator from Tennessee will be read.

The Chief Clerk read the question propounded by Mr. McKellar, as follows:

You have read your payments from a list. Will you submit the

(The document referred to by the witness was handed to Mr. McKellar.)

The WITNESS. You will find that on the last page.

Mr. CONNALLY. Mr. President, I wish to make a motion to lie on the table for the consideration of the Senate, and that is to abrogate the rule requiring questions by Members of the Senate to be written. When a Senator asks one question, the answer suggests another. Then it is necessary to stop and write out the second question. It seems to me if there is any intelligent response to the questions, we ought to be able to ask them orally. Counsel ask questions orally. I see no reason why a Senator should not ask a question orally, as well as counsel.

Mr. ASHURST. Mr. President, if I am not in order in discussing this matter, I wish to be called to order, and I doubt if I am.

The VICE PRESIDENT. Under the present rule, nothing is debatable in the Court.

Mr. ASHURST. That is true; the Chair is right. Mr. CONNALLY. Mr. President, I ask unanimous consent for a modification of the rule so as to permit Senators to ask questions orally.

The VICE PRESIDENT. The Senator from Texas asks unanimous consent of the Court that Senators be permitted to ask oral questions from their places in the Senate. Is there objection?

Mr. LA FOLLETTE, Mr. NORRIS, and other Senators objected.

The VICE PRESIDENT. Objection is heard in several places. Counsel will proceed.

By Mr. WALSH (of counsel):

Q. Proceed and tell if there was any further conversation with Judge Ritter upon the occasion when you made the agreement which you have just detailed .- A. Was there any

Q. Was there any further conversation; and, if so, state it all .- A. Well, as I recall, that dissolution agreement was had several days before Judge Ritter left West Palm Beach to assume his duties on the bench at Miami; and it is my recollection that I talked to him again with reference to that and asked him if that offer was entirely satisfactory, and he said it was. He said, as I recall, that he would have a salary that would be sufficient for him to live on comfortably, and I could pay for his interest in the business as and when I could out of my business.

Q. Was there anybody else who came into your office when Judge Ritter went out?-A. Yes; Mr. J. W. Salisbury came in.

Q. He was a lawyer, was he, of West Palm Beach?-A. Yes: a young practicing lawyer in West Palm Beach.

Q. By whom was he introduced to you?-A. He was introduced to me by Judge Ritter.

Q. Did you make an arrangement with him in the presence of Judge Ritter about going into your office?

Mr. CONNALLY. Mr. President, I desire to ask a question.

The VICE PRESIDENT. The Senator from Texas propounds a question which the clerk will read.

The Chief Clerk read the question propounded by Mr. CONNALLY, as follows:

Prior to your payment to Judge Ritter, had he ever requested or suggested payment?

A. He never had.

By Mr. WALSH (of counsel):

- Q. You were asked the question as to whether or not Judge Ritter knew that the first payment you made him came from the Whitehall fee. Was or was not anything said about it when you made the payment?—A. There was nothing said about it when I paid him.
- Q. Then your answer to the question was just the inference; was it?—A. Just an inference.
- Q. That having gotten it on the same day, he would naturally know?—A. Yes; that is right.
- Q. Why did you not pay Judge Ritter anything upon your indebtedness until December 24?—A. Why did I not pay him?
- Q. Yes; why did you not pay him something before that time?—A. Well, I had so many other pressing obligations that I had no money with which I could pay him.
- Q. Was anything said by Judge Ritter to you, or by you to Judge Ritter, other than what you have already testified to, in that visit?—A. I do not recall anything else.
- Q. What did you say when you went in?—A. When I paid him the \$2,500?
- Q. Yes, sir.—A. I stated to him that I was paying him \$2,500 on the debt that I owed him, and he said, "I had better give you a receipt for it", and I said, "No; I am in a hurry," and that "I will take a receipt in full when I finish paying."
- Q. Was anything else said about that payment being for anything except for the purpose you have stated, or was there any other obligation or agreement upon your part prior to that time to pay anything to Judge Ritter except the amount you owed him upon the contract of sale of the business?—A. There was no other obligation, there was nothing else I said to him with reference to it, there was nothing else that I owed Judge Ritter or had agreed to pay him except upon the obligation that I owed him for his interest in the business.
- Q. When did you make the next payment to Judge Ritter; what date?—A. It was in April 1931.
- Q. Did you pay that money to him on the same day that you collected the balance of the fee which was allowed in the Whitehall case?—A. No; it was several days afterward.
- Q. Upon which payment was it that you got \$1,000 from one bank and another amount from a different bank?—A. That was the last, that was the \$2,000 payment, in April.
 - Q. That was the April payment?-A. Yes.
- Q. You were asked a question as to why you drew a thousand dollars out of one bank and another amount out of another bank. Have you made any investigation, since you were on the stand, since you were asked that question, or do you know now why you did that?—A. I examined my bank balance at that time in the First National Bank of Miami, as is shown by the statement which I have. That balance shows, when I drew that check, as I recall—I have it here, or outside—that I had \$1,354 in the First National in Miami at the time I drew the check.
 - Q. When you drew the check you had \$1,300?-A. Yes.
- Q. You are giving this testimony from recollection at this time as well as you can, are you?—A. Yes.
- Q. And at the time that question was asked you, you did not have time to look at the balance which you had in the bank, did you?—A. No; I had no time.
- Q. When you got off the stand you did look for it?—A. Yes.
- Q. And you have that here with you?-A. I have it here.
- Q. Did I ask you whether or not you paid the second \$2,000 on the same day that you received it? Did you pay it on the same day you received it?—A. No.
- Q. You received the second time how much in cash on the fee allowed you in the Whitehall case?—A. Forty-five thousand dollars.
- Q. When did you deposit that?—A. I deposited it the same day that I received the check from the receiver.
- Q. How long after that was it that you made the second payment to Judge Ritter?—A. It was several days. It was

- not 2 weeks, as I recall, but it was several days after I received it.
- Q. You continued to live at West Palm Beach, did you?—A. Live at West Palm Beach? Yes.
- Q. Just state the circumstances of your payment to him of the second \$2,000.—A. As I recall, I was going to Miami on some other business or some matter, and I determined to pay Judge Ritter. That was the first time I had been there since I had received the check from the receiver. I roughly figured that I did not have in the First National Bank in Miami \$2,000. I recall that. So I drew a check on the Central Farmers Trust Co. for \$1,000. I went on to Miami and drew a check on the First National Bank in Miami for \$1,000, and then went in and paid the \$2,000 to Judge Ritter.
- Q. When did you make the next payment?—A. The next payment was made—\$200.
 - Q. When was that?—A. That was in September.
 - Q. In what year?—A. September 1931.
- Q. When was the next payment?—A. It was in January or February 1932.
- Q. Did you pay any of these amounts to Judge Ritter on any other agreement, for any other reason, or for any other purpose except to cancel the indebtedness which you owed him?—A. I did not.
- Q. Have you the receipt you got when you made the last payment?—A. No; I have not.
- Mr. WALSH (of counsel). Have the managers that receipt?
 - Mr. Manager HOBBS. We have.
 - Mr. WALSH (of counsel). Will you give it to me?
 - Mr. Manager HOBBS. We will be delighted.
- Mr. BARKLEY. Mr. President, I submit two questions to be asked of the witness.
- The VICE PRESIDENT. The clerk will read the questions. The Chief Clerk read the first question propounded by Mr. Barkley, as follows:
- Where did you deposit the \$45,000 when you received it from the receiver?
- A. I deposited it in the First National Bank of Miami. Wait. I have my bank statements and all here. May I look at them?
 - Mr. BARKLEY. As far as I am concerned.
- A. I do not recall now whether I deposited the entire check, the \$45,000, in the First National in Miami and then transferred some part of it to the Central Farmers or whether it was vice versa. I do not recall.
- The VICE PRESIDENT. The clerk will read the second question of the Senator from Kentucky [Mr. BARKLEY].
- The Chief Clerk read the second question propounded by Mr. Barkley, as follows:
- How much did you have in the West Palm Beach Bank when you drew the thousand-dollar check?
- A. I do not recall, but I had considerably more than a thousand dollars.
 - By Mr. WALSH (of counsel):
- Q. I will ask you to look at a paper which I now hand you, and I ask you whether or not it is a copy of a document or a document which you gave to the managers on the part of the House during the time of the investigation in 1933 showing the receipt of money coming from the Whitehall case and the distribution of it.—A. (After examining paper). Yes; this is the list of the auditor.
- Q. Does that give you the information to answer the question of the member of the Court who asked you the date of the receipt of the second payments?—A. This report shows that that is the \$45,000 check which was deposited in the First National Bank of Miami.
 - Q. The date?—A. On April 6, 1931.
- Q. Does that show the date of the payment of the amount of money which you paid at or about that time to Judge Ritter?—A. It does not show the date it was paid.
- Q. Can you tell what date it was? Is there any data upon that list from which you can tell what date it was?
- Mr. WALSH (of counsel). Have the managers that date? Mr. Manager HOBBS. Yes, sir; April 14, 1930.

By Mr. WALSH (of counsel):

Q. What was the date you received it?—A. April 6.

Q. 1931?

Mr. Manager HOBBS. That is right, sir.

By Mr. WALSH (of counsel):

Q. And you paid the \$2,000 to Judge Ritter on April 14, 1931?—A. This is the list that an auditor made up of how the entire-

Mr. Manager HOBBS. May it please the Court, we object to the voluntary statement of the witness.

A. Well, he asked me-

The VICE PRESIDENT. Confine the answer to the question propounded by counsel.

By Mr. WALSH (of counsel):

Q. I hand you a paper, Mr. Rankin, and ask you to say what it is. It is dated January 28, 1932.—A. This is the receipt from Halsted L. Ritter to A. L. Rankin for \$300.

Mr. WALSH (of counsel). I ask that that be received in evidence, and given a proper serial number as an exhibit of respondent.

(The document was marked "Respondent's Exhibit No. 13.")

Mr. WALSH (of counsel). It is marked "Exhibit 13." I shall read it into the record:

JANUARY 28, 1932.

Received of A. L. Rankin Three Hundred 00/100 Dollars in full for balance on sale of business. \$300.00. (Signed) HALSTED L. RITTER.

Mr. CONNALLY. Mr. President, I send to the desk a question on that point.

The VICE PRESIDENT. The Senator from Texas propounds an inquiry which the clerk will read.

The Chief Clerk read the question propounded by Mr. CONNALLY, as follows:

Why did you take a receipt when there was no written contract or note evidencing the debt?

A. Well, I took that receipt—Judge Ritter wanted to give me a receipt for the full \$2,500 when I paid that, and I told him that when I finished paying him in full I would take the receipt in full.

Mr. MINTON. Mr. President, I submit a couple of questions.

The VICE PRESIDENT. The Senator from Indiana propounds certain questions, which will be read by the clerk.

The Chief Clerk read the first question propounded by Mr. MINTON, as follows:

Did you keep any books showing receipts and disbursements in your law business after Judge Ritter went on the bench?

A. I did not.

The Chief Clerk read the next question propounded by Mr. MINTON, as follows:

Did you show, by any entry on your books at the time, the payments you made to Judge Ritter in satisfaction of your agreement to pay him \$5,000 as the purchase price of the interest of Judge Ritter in the firm?

A. No; I made no memorandum of it. I do not keep books today.

By Mr. WALSH (of counsel):

Q. I will ask you to look at this paper which I hand you, beginning with the heading "List of clients of the firm of Ritter & Rankin at the time of dissolution", and ask you whether that was prepared under your direction.—A. Yes; it was.

Q. By whom was it prepared?-A. It was prepared by Mr. C. C. Calloway, an auditor, and Mr. J. W. Salisbury.

Mr. CONNALLY. Mr. President, I send to the desk a question which I ask to have read.

The VICE PRESIDENT. The Senator from Texas propounds a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. CONNALLY, as follows:

How do you compile your income tax if you keep no books?

A. Well, I have a check with all of my banks-my deposits and all of the checks, and I make my income-tax report from that. I deposit all the money in the bank that I re-

ceive, and then I pay it out by check, and that is about as good a way as I know—by taking the deposits and then your checks against it and making up the income tax.

Mr. WAGNER. Mr. President, I send to the desk two questions.

The VICE PRESIDENT. The Senator from New York submits two queries, which the clerk will read.

The legislative clerk read the first question propounded by Mr. Wagner, as follows:

Did you keep a partnership bank account during the life of the partnership?

A. We did not.

The legislative clerk read the second question propounded by Mr. Wagner, as follows:

How much money was in the bank to the credit of the partnership of Ritter & Rankin at the time of the partnership disso-

Mr. WAGNER. Mr. President, in view of the answer to the first question, I withdraw the second question.

The VICE PRESIDENT. The second question is withdrawn.

By Mr. WALSH (of counsel):

Q. This statement you say was gotten up under your direction by Mr. Callaway, assisted by Mr. Salisbury. How long did Mr. Salisbury remain in your office after he first went in it?-A. He remained in my office from about the 1st of March 1929 until the fall of 1934.

Q. Did he or did he not assist you in the management of the cases that were left there?-A. Yes; he did.

Q. You had an agreement with him to pay him a percentage, did you, of the proceeds of the cases in which he took part or attended to?-A. Yes.

Q. How much was it?-A. Fifteen percent.

Q. Did you also have him make, under your direction, an inventory of the library at the time of the dissolution of the partnership of Ritter & Rankin?-A. I did.

Q. And did you or did you not have him make up, also under your direction, a statement showing the court number of the cases, the date filed or appeared, the style of the case, the representation of the firm, the nature of the action, the amount involved, and the fees collected?-A. I did.

Q. Is this [handing document to the witness] the report that was made, the statement that was made?-A. (After examining document.) This is the report.

Mr. WALSH (of counsel). I offer this document in evi-

Mr. Manager HOBBS. We object, Mr. President, until there is some evidence that the witness knows of the correctness of it. We do not deny that he had it made up.

By Mr. WALSH (of counsel):

Q. Is the report correct? Is the statement correct-A. It is correct.

Q. Did you check over these cases, the names of them, the amounts received and the other data in here with the accountant and with Mr. Salisbury, who was in your office?-A. I checked it up with the accountant and also with Mr. Salisbury.

Mr. WALSH (of counsel). I now offer it in evidence.

Mr. Manager HOBBS. I dislike to be objecting, but will you also ask him if it is true?

By Mr. WALSH (of counsel):

Q. Is it a true and correct statement?—A. Yes; it is a true and correct statement, insofar as my files and records show.

Mr. Manager HOBBS. Mr. President, in view of the testimony that the witness kept no records and no books, we would like to object to the introduction of this document in evidence.

By Mr. WALSH (of counsel):

Q. Did he go over your checks and whatever data you had in your office to make this report?—A. He did.

Q. Did you go over it with him?—A. I checked it over with them after it was prepared.

Q. Did you find it to be correct?-A. I found it to be correct, so far as I could tell.

Q. Well, did you check it back with whatever data you had?—A. No; I did not check it back.

Mrs. CARAWAY. Mr. President, I have a question I should like to ask.

The VICE PRESIDENT. The Chair is informed the Senator from Utah [Mr. King] has sent a question to the desk, which will first be asked the witness. The clerk will read the question.

The legislative clerk read the question propounded by Mr. King, as follows:

Where are the records from which this report was made?

A. They are in my office at West Palm Beach.

The VICE PRESIDENT. The clerk will read the question submitted by the Senator from Arkansas [Mrs. Caraway].

The legislative clerk read the question propounded by Mrs. Caraway, as follows:

If you kept no books for your income tax and compiled your income from your checkbooks, why did you pay Judge Ritter in cash?

A. I have already stated why I paid him in cash. I will answer the question, though, again; that is on account of our former relationship, being partners in the law business, and this money that I was paying him was coming out of funds which had been allowed in his court, it might subject him and me to criticism if people did not understand the transaction and that I owed him a just and honest debt. I wanted to avoid that criticism so far as possible.

The VICE PRESIDENT. Are there further questions?

Mr. WALSH (of counsel). Yes, Mr. President. I will first state to the manager that I will withhold this paper or withdraw it until the accountant and Mr. Salisbury go on the stand and explain it.

I submitted to the managers the account, the exhibit, which was filed with the House committee, showing the expenditure of all the money, or the alleged expenditure of all the money that the witness made after its receipt. May we introduce that in evidence?

Mr. Manager HOBBS. Not until we have an opportunity to confer.

Mr. WALSH (of counsel). You want us to withhold it for some future time?

Mr. Manager HOBBS. Until we have an opportunity to confer. I have not had an opportunity to confer with my associates.

The VICE PRESIDENT. Are there further questions?

Mr. WALSH (of counsel). Just a moment. [A pause.] The managers may take the witness.

Mr. McKELLAR. Mr. President, I should like the witness to answer the question which I send to the desk.

The VICE PRESIDENT. The Senator from Tennessee submits a query, which the clerk will read.

The legislative clerk read the question propounded by Mr. McKellar, as follows:

Did you put your collections as well as your fees in your bank account?

A. Yes; I put everything—deposited everything that I collected—in the bank.

By Mr. WALSH (of counsel):

Q. Have you your check books here with you?—A. How is that?

Q. Are your check books here?—A. No.

Q. Are your returned checks here?—A. Yes; all my returned checks during those years are here.

Q. And the bank statements?—A. And the bank statements.

Mr. WALSH (of counsel). The managers may take the witness.

FURTHER REDIRECT EXAMINATION

Mr. Manager HOBBS. May it please the Court and you, Mr. President, with the consent of the Court, we would like to ask just a few questions now, and then excuse the witness, subject to being recalled for another question at a little later time.

The VICE PRESIDENT. The witness will await the pleasure of the Court and, of course, of the managers and counsel.

By Mr. Manager HOBBS:

Q. Judge, you say you did not have more than about \$1,300 in the First National Bank of Miami?—A. My statement shows that at that time I had, as I recall, \$1,354.

Q. And you are exactly right; but you had more than \$2,000, to wit, \$5,900 in the bank up at West Palm Beach, out of which you drew your first thousand, did you not?—A. Yes.

Q. So it was not necessary to go to two places to get it, was it?—A. No; it was not absolutely necessary.

Q. Judge Ritter and you were intimate friends during the time you were in partnership, were you not?—A. We were intimate friends, yes.

Q. And he knew your financial condition, did he not?—A. He knew my financial condition.

Q. And he knew you did not have a thing on God's earth and were heavily involved financially when you came down there, did he not?—A. He did.

Q. He knew that your firm did not make anything, scarcely, the first year and less than \$5,000 apiece the second, and that you were still heavily involved, didn't he?—A. Yes; he knew that.

Q. And he knew everything about your financial condition, did not he?—A. Yes, he did; yes, he knew.

Q. He knew that the only way you could pay that debt was out of the fee he had just allowed you, did he not?—A. He knew that that was the only way I could pay it at that particular time.

Q. You say, when Senator Vandenberg asked you whether you paid your income tax on the cash or accrual basis, you understood him to spell that "a-c-c-r-u-a-1"?—A. I did not understand his question.

Q. You put down what you took in when you got it, and not an expectancy, did not you?—A. No; I put down as I got it.

Q. In other words, you make out your return on a cash basis?—A. Yes.

Q. You say the reason you fixed \$5,000 for the amount that you offered to pay Judge Ritter for his share in the business was because that is what you expected he would have made had he stayed in the firm for another year, and you were giving him what you thought was a fair price by reason of the fact that that was all you thought he would have gotten if he had stayed in the firm for another year?—A. That is the way I looked at it.

Q. That is the truth?—A. That is what I paid him.

Q. You say Judge Ritter was to step out and turn over to you such clientele as he had as far as he controlled them. Was not that your statement?—A. I probably stated that.

Q. Do you mean that?—A. I mean this, that Judge Ritter stated at the time that he would write to his clients and ask them to continue their business with me.

Q. Do you know whether he did that after he dissolved partnership?—A. I do not know.

Q. You do not know?-A. No: I do not know.

Q. You do not know that he did write or that he did not?—
A. I do not know. He said he would do it.

Q. You know some of them continued and some of them came back after a hiatus, do you not?—A. Some of them continued and some of them came back?

Q. Yes, sir .- A. Practically all of them continued.

Q. Do you mean to say those who had been clients of Judge Ritter and who had no business in the office at the time of the dissolution, came back after a while and brought you additional business or new business?—A. The regular clients continued their business with me.

Q. All right; we will pass that. There is another question I want to ask you. Yesterday you swore, did you not, on page 5043 of the Record, when I asked you why you wrote section 24 into the final decree of the Whitehall case, in which you acquitted Harold A. Moore and all his associates of fraud and had Judge Ritter to write the final decree to that effect—I asked why you did it, and as I understood it you told me you had heard that they had gone into bankruptcy and that no money could be collected out of them anyhow, and that that was the reason that you did that, but the additional reason was that a settlement had been agreed

upon. Is that what you said?-A. That most of those defendants against whom in the bill we sought to have an accounting were insolvent.

Q. That was your reason, was it not?—A. Yes; as I recall that was my reason.

Q. And that was your sole reason?—A. Together with the fact that we were settling a very difficult case and that we were subjecting the property to the payment of the bondholders of the first mortgage bonds, which we had set out to do. We had accomplished that purpose, and for that reason, not being able, as I had been informed, as I considered, reliably, that we could never collect anything or any judgment against the other defendants.

Q. I understood that. You swore that yesterday and you swear it now?-A. Yes.

Q. But when you swore down yonder in the affidavit that you were filing in the Kirkland suit, attacking the Whitehall decree, you swore the reason was that you could not get any evidence to substantiate your charge; didn't you?-A. I do not recall.

Q. Here is your affidavit. Look at this paragraph [handing the witness a paper].—A. I state that I swore to this.

Q. Would you be good enough to read the fifth paragraph of that?-A. [Reading:]

5th. This affiant says that he consented to the entry of said final decree which absolved Harold A. Moore and other defendants from fraud for the reason that he could not get any conclusive admissible evidence to convict them of fraud; affiant further says that the allegations of fraud made and set forth in the alleged bill of complaint and sworn to by affiant were made and set forth by affiant in said bill of complaint upon information which he relied on and believed to be true; that he swore to the alleged bill of complaint containing the charges of fraud in good fatth, believing that he could rely on the information which had come to him in that regard; but when he came to prove the allegations of fraud alleged, he could not get any competent and admissible evidence to prove the same; and further, said Harold A. Moore set forth in said answer fully and completely how the money which had come to him had been disposed of and how the property had been handled, which answer clearly refuted the allegations of fraud contained in the alleged bill, and affiant was not able to obtain any competent admissible evidence to disprove the allegations in said answer, and further than that, the final decree which affiant consented to gave the complainants, the clients of affiant, practically all that was prayed for, and inasmuch as affiant was getting with the final decree practically everything that had been asked for in the alleged bill of complaint, it appeared to him useless and unnecessary to insist on proving any unsubstantiated allegation in the alleged bill of complaint. alleged bill of complaint containing the charges of fraud in good unsubstantiated allegation in the alleged bill of complaint

Q. So you swore in that affidavit that your reason was you could not find any evidence?-A. Yes.

Mr. Manager HOBBS. You may stand aside.

Mr. BARKLEY. Mr. President, I desire to ask a question. The VICE PRESIDENT. The Senator from Kentucky propounds a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. BARKLEY, as follows:

Inasmuch as checks of the kind which would have been given to Judge Ritter if he had been paid by check are confidential in the hands of banks through which they pass, and are returned to the drawer in due course, from what source did you fear the criticism which you say you feared?

A. Well, all of the banks do not keep in strict confidence the affairs of their clients.

The VICE PRESIDENT. Does the Chair understand that the managers on the part of the House are through with the

Mr. Manager HOBBS. Yes, sir.
The VICE PRESIDENT. Are there any further questions?

Mr. WALSH (of counsel). We have none. The VICE PRESIDENT. If not, the witness will stand aside.

Mr. Manager SUMNERS. Call Judge Akerman.

DIRECT EXAMINATION OF ALEXANDER AKERMAN

Alexander Akerman, having been duly sworn, was examined and testified as follows:

By Mr. Manager SUMNERS:

Q. Judge Akerman, will you please state your full name?-A. Alexander Akerman.

Q. You are a Federal judge?—A. Yes, sir.

Q. What district of Florida?—A. The southern district of Florida.

Q. Judge Akerman, I wish you would examine that letter and say whether or not you received it [handing letter to witness].—A. I did.

Q. In what connection did you receive that letter?—A. I think that Mr. Rankin brought me this letter personally.

Q. What were the circumstances under which Mr. Rankin brought the letter to you?—A. I had received by mail either this letter or the carbon copy a very short time before that, probably that day or the preceding day. I have the carbon copy yet, and the original was handed to me by Mr. Rankin, which speaks for itself.

Q. Under what circumstances did he hand you that letter, and what was his mission, if he had a mission, with you or your court?-A. He presented it to me with an application for the allowance of fees in the case referred to, Holland against Whitehall Building, or some corporate name.

Q. Will you please state to the Court the whole circumstances and facts in connection with that presentation? I believe, if you will do it, I should like to have the letter read at this point. I will read the letter to save you the trouble:

> UNITED STATES DISTRICT JUDGE'S CHAMBERS, SOUTHERN DISTRICT OF FLORIDA, Miami, Fla., July 2, 1930.

Hon. ALEXANDER AKERMAN,

United States District Judge, Tampa, Fla.

My Dear Judge: In the case of Holland et al. v. Whitehall Building & Operating Co. (No. 678-M Eq.), pending in my division, my former law partner, Judge A. L. Rankin, of West Palm Beach, has filed a petition for an order allowing compensation for his services on behalf of the plaintiff.

on behalf of the plaintiff.

I do not feel that I should pass, under the circumstances, upon the total allowance to be made Judge Rankin in this matter. I did issue an order which Judge Rankin will exhibit to you, approving an advance of \$2,500 on his claim, which was approved by all attorneys

You will appreciate my position in the matter, and I request you to pass upon the total allowance which should be made Judge Rankin in the premises as an accommodation to me. This will relieve me from any embarrassment hereafter if the question should arise as to my favoring Judge Rankin in this matter by an exorbitant allowance.

Appreciating very much your kindness in this matter, I am,

Yours sincerely,

HALSTED L. RITTER.

Will you state just what Mr. Rankin did and the whole circumstances?-A. Having received either that or the carbon copy previously, I knew the object of Mr. Rankin's visit. He presented a petition to me, and I asked if everyone had had notice. He replied that all the parties had been notified. I cannot use his exact language. Then he said that he wanted to present me a brief showing that he was entitled to an allowance. I said, "It is a class suit, is it?"

Q. Will you be good enough to explain what a class suit is? Possibly some Members of the Senate are not familiar with it.-A. A class suit, as I use the expression, is where a suit is filed, as an illustration, for a small number of bondholders in behalf of all the other bondholders, for one party in behalf of all others similarly situated.

I asked if it was a class suit, and he said it was. Then I replied that he need not present me any authorities to show that he was entitled to a fee and made some inquiry about the amount involved and asked him what his affidavits showed would be a reasonable fee; and he said, "\$15,000." Well, I realized that that could not in any way be considered as an exorbitant fee where perhaps a million dollars was involved, and I said, "All right; I will sign the order"; and that is about all that occurred. I did look to see, in regard to the order, that I was not duplicating; I was not adding it to the \$2,500. The order provided that the \$2,500 was to be taken out of the \$15,000.

Q. Did you understand, Judge Akerman, whether that allowance was a partial allowance, an allowance for conservation, or an allowance for the entire fee for Judge Rankin in connection with this lawsuit?-A. I understood that it was the entire fee as counsel representing the plaintiff or complainant.

Q. You did not examine the order or the petition, either, I assume? Did you examine them?-A. Not critically. The language of the order I did not examine critically. The only thing I did examine it for was to see that the amount was put in-I do not recall whether it was in my handwriting or not—and to be sure that there was no duplication. Judge Ritter had stated that he had already allowed \$2,500, and in fixing the fee I wanted that \$2,500 deducted. Just

what the language was or is, I could not say.

Q. What did you do with the letter which Judge Ritter had written?—A. I gave it back to Mr. Rankin and asked him to file it with the order, to accompany the order, with the clerk. My reason for that was that we have an understanding, we judges, that we will not interfere—we have divided the territory, and we will not interfere with another judge's territory without his request; and I wanted it to appear of record why I passed the order, entered an order in a case which was pending in Judge Ritter's division, and instructed him to file it with the clerk along with the order.

Q. How many judges are there in the southern district

of Florida?—A. Three.

Q. Yourself, Judge Ritter—A. And Judge Strum.

Q. Judge Akerman, were you in Florida on October 28, 1929?—A. I cannot fix definitely any date in my mind. In July 1929 I spent some 3 weeks in the mountains of North Carolina, and returned to Florida some time in August 1929; and I have no recollection of leaving the district at any time until perhaps the following spring. Of course, I cannot say definitely where I was on that particular date.

Mr. Manager SUMNERS. That is all.

CROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. How many judges are there in the southern district, Judge?—A. Three.

Q. Did the three judges, prior to that time, get together and divide their territory, as to who should sit in one place and who should sit in another?—A. Yes; we divided it geographically. There are no statutory divisions, but we judges made up some divisions and divided it geographically.

Q. Were they adhered to from that time forward?—A. For all practical purposes. We relieved each other in case of congestion, or if there was any embarrassment by reason of friendship or previous employment, where one judge would not want to preside, he would call on another.

Mr. AUSTIN. Mr. President, I submit an interrogatory to

be propounded to the witness.

The VICE PRESIDENT. The clerk will read the question. The legislative clerk read the question propounded by Mr. Austin, as follows:

Were you aware of the following language in the application: "A reasonable compensation for the services rendered by the said A. L. Rankin as such attorney up to the present time"?

Also, that said application was presented to you on July 5, 1930?

Mr. AUSTIN. Two separate questions are intended.

A. In answer to the first question, I did not scan the language of the order. In fact, if I did scan the language of every order that was presented to me, I would not have time to do anything else but that, and I rely on the attorneys for the proper language, very largely. Of course, there are exceptions to that rule. As to the second question, I cannot remember the date when the order was presented, but it was sometime after the date of this letter, which is dated July 6.

Mr. STEIWER. Mr. President, I desire to submit a ques-

tion.

The VICE PRESIDENT. The clerk will read the question.

The legislative clerk read the question propounded by Mr.

Steiwer, as follows:

On what representations did you conclude that the amount allowed by you was the entire and not a partial fee?

A. The language in Judge Ritter's letter, when he requested me to make a total allowance.

Mr. WALSH (of counsel). Will the managers let me see Judge Ritter's letter?

Mr. Manager SUMNERS. Certainly.

Mr. SCHWELLENBACH. Mr. President, I desire to present a question.

The VICE PRESIDENT. The clerk will read the question. The legislative clerk read the question propounded by Mr. Schwellenbach, as follows:

Please explain the situation as to the attitude of other parties to the suit as to the allowance. You said that due notice to other

parties had been given. Did anyone appear and object? Did any other party specifically approve the \$15,000 request?

A. I did not state that notice had been given. I said that I was informed by Mr. Rankin that notice had been given to all parties. No other party appeared, no other party or counsel, other than Mr. Rankin.

Mr. KING. Mr. President, I send a question to the desk to

be propounded to the witness.

The VICE PRESIDENT. The clerk will read the question.

The legislative clerk read the question propounded by Mr.

King, as follows:

Did you understand, when you signed the order for attorney fees, that there was further legal work to be performed in connection with the suit?

A. I did understand that the suit was to be concluded. I gathered the impression that the suit was about ready to be concluded, and that Judge Ritter wanted me to fix the amount of the fees to be paid at the conclusion of the suit. That was the impression that I had.

Mr. WHITE. Mr. President, I submit a question.

The VICE PRESIDENT. The clerk will read the question.

The legislative clerk read the question propounded by Mr.

White, as follows:

Did you intend to allow on July 5, 1930, fees for services to be thereafter rendered?

A. I did intend to allow a fee which would cover the entire service rendered and to be rendered by the attorney for the complainant. Whether I was correct or not in my understanding, I do not know.

Mr. O'MAHONEY. Mr. President, I desire to submit a question to be propounded.

The VICE PRESIDENT. The clerk will read the question.
The legislative clerk read the question propounded by Mr.
O'Mahoney, as follows:

Did you understand that there was to be a division of the fee with anyone?

A. I had no such understanding; never heard of a division of the fee until long afterward.

By Mr. WALSH (of counsel):

Q. Did you have any knowledge, Judge, as to the details of the suit in which you were making this allowance?—A. No; I did not.

Q. Is it or is it not a fact that allowances are made—is it the practice to make allowances for conserving the assets and bringing them into these lawsuits?—A. Yes and no. If the bringing of the assets is in connection with a mortgage fore-closure, I have never separated the allowance in any way whatever.

Q. You have not separated it?—A. No. I do not want to be misunderstood. That is a very important service by an attorney and ought to be remunerated—bringing in the assets; but I never separated them.

Q. Did you read this order of yours?—A. Not carefully.

Q. Did you not read it before you signed it?—A. Not critically: no.

Q. When was your attention first called to this order, or to any question about it?—A. I never heard of any trouble about it until the investigation at Miami.

Q. Which started several years afterward?—A. I think the investigation was in 1933——

Q. 1933 and 1934.—A. And the order was signed in 1930.

Q. Did you look at it then?—A. No; I did not look at it then, because Mr. Mulherin, for the committee, had it. I looked at a copy of it Sunday.

Q. Last Sunday?—A. Last Sunday. That was the first time I recall having seen it.

Q. Is that the first time you read it, last Sunday?—A. That is the first time I read it since that time. I glanced over it at the time, but I did not read it critically at all.

Q. Did you not notice, when you glanced over it, that you were saying the fee "is hereby fixed as a reasonable compensation for the services rendered in the said receivership matter for conserving the property, bringing the same into court, and creating the fund in the hand of the receiver"?—A. No; I did not notice that. I did not read it critically, and

I have necessarily to rely on my bar for the language that is in an order.

Q. Did you read the petition applying for it?—A. I glanced through it; yes.

Q. So that you never read the petition closely enough to know what was in it, nor did you read the order which you signed closely enough to know what was in it?—A. I did not scan it critically; no.

Q. Have you ever heard of a \$15,000 fee in Florida for foreclosing property with \$1,500,000?—A. I would think that fee was small, and that is the reason why I did not critically go into it. His proof showed \$15,000, and I thought if that was all they were asking there was no reason for going into it critically.

Q. You just signed it under a misapprehension, then?—A. I may have.

Q. If it turned out that there was a vast amount of work to do, you would expect the fee to be quite large, would you not, in a matter of that kind?—A. Well, that is always a question. Whether a fee is large or small is a matter of opinion. I do endeavor to see that all my attorneys are reasonably compensated and I do endeavor to see that they are not excessively compensated; but I am liable to error.

Mr. ROBINSON. Mr. President, the hour of 5:30 having arrived, under the order the proceedings of the Court would be concluded for the day; but I am advised by Mr. Manager Sumners, on the part of the House, that the witness is under the necessity of leaving the city tonight.

Mr. WALSH (of counsel). Mr. President I have only one or two more questions.

Mr. ROBINSON. I therefore ask unanimous consent that the Court may proceed to the conclusion of this witness's testimony.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

By Mr. WALSH (of counsel):

Q. Judge, if there was an order allowing a fee for conserving the estate, marshaling the assets, and getting them into court, and it was in connection with a building and contents that had a first-mortgage encumbrance for \$2,500,000, and which was worth even in those times \$1,500,000, and the work done in that connection covered a period of probably a year, and at the end of that year all of the parties came into your court with an agreement as to fees, it would not be out of the ordinary, would it, if the order had the affidavits of four reputable lawyers attached to it, to allow a fee of \$75,000 in a final decree?—A. I will answer that in this way: In the first place, the amount of the bonds at that particular time was no criterion at all. Some were not worth 10 cents on the dollar. If the property was worth a million and a half dollars, in my opinion the \$15,000 fee would be too small, and in my opinion a \$90,000 fee would be too large.

Mr. BARKLEY. Mr. President, I submit a question which I send to the desk.

The VICE PRESIDENT. The Senator from Kentucky submits a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. BARKLEY, as follows:

Whether the allowance you made was partial or final, do you know why you were asked to make this allowance and were not asked to make the additional allowance that was finally made?

A. I do not. I know nothing except what is contained in the letter and what I learned long afterward.

By Mr. WALSH (of counsel):

Q. If there was a consent decree, and if all the parties signed it, if the owners of the bonds and every person in interest signed it, would that make a difference?—A. It would depend entirely on who the counsel were who consented to the decree. If 90 percent of the lawyers on my side of the State would come in and agree to a fee, I would accept their statement.

Q. Shutts & Bowen are a firm of very high standing, are they not?—A. Exceedingly high.

Q. Yes. Loftin, Stokes & Calkins stand very high, do they not?—A. Right at the top.

Q. And the affidavits of Bert Winters and E. B. Donnell are attached to the consent decree. You know them, do you not?—A. I do.

Mr. CONNALLY. Mr. President, I make the objection that this is not cross-examination but is an argument with the witness.

The VICE PRESIDENT. The Chair thinks that, with the character of Court trying this case, the jurors ought to be able to differentiate between the real testimony and argument of counsel.

Mr. CONNALLY. That is the reason why the Senator from Texas made the objection; he thought he did differentiate, and therefore that we were consuming a great deal of time here as to something which was not relevant.

Mr. Manager SUMNERS. Mr. President, I wish to make the suggestion and the objection that under the circumstances these questions are not proper questions to ask the witness. He is being interrogated with regard to the standing of counsel who have to appear at his bar. I do not mean to cast any reflection on the judge, as I think he will be able to take care of himself; but I submit that it is not proper at this time, and under these circumstances, to ask the judge to pass upon the standing of lawyers and to say whether or not they are reputable lawyers in an impeachment trial before this Court.

Mr. WALSH (of counsel). I should like to suggest, if Your Honor please, that I am asking this question by reason of an interrogatory which was passed to the desk, and an answer which was made that the witness would consider the lawyers in the case. I think I have the right, in defense of the respondent, to ask the witness about the lawyers who actually signed the consent decree, and the lawyers whose affidavits accompanied the decree. I think it is proper. If the Court thinks otherwise, of course, I shall abide by the Court's ruling; but I think I have the right to ask the question.

Mr. Manager SUMNERS. The point the managers make has already been stated. We make the further point that the inquiry of counsel, the exploration of counsel in that direction, has gone far enough. It ought not to go any further. This jurist ought not to be compelled to appear before any court to testify as to the character of counsel who appear at his bar.

The VICE PRESIDENT. It would be going a little out of the record, perhaps, to ask the judge to testify as to the qualifications of all the lawyers in Florida, or any large number of them.

Mr. WALSH (of counsel). I am limiting the inquiry, if Your Honor please, to the lawyers who signed the affidavits and the lawyers who signed the consent decree, following the statement of the judge that whether or not he would sign the decree would depend upon who the lawyers were who signed it. I am not going to pursue the matter any further, but I think I have the right to do so.

The VICE PRESIDENT. Are there any further questions of the witness? If not, the witness will stand aside.

Mr. WALSH (of counsel). That is all.

Mr. BARKLEY. Mr. President, I send to the desk a question, which I ask to have read.

The VICE PRESIDENT. The question propounded by the Senator from Kentucky will be read by the clerk.

The legislative clerk read the question propounded by Mr. Barkley, as follows:

In passing upon the propriety of a fee, would the fact that it was being divided among those consenting to it have any bearing on your judgment?

A. It would.

The VICE PRESIDENT. Are there any further questions? If not, the witness may stand aside.

Mr. ROBINSON (at 5 o'clock and 38 minutes p. m.). Mr. President, I ask that the Court suspend its proceedings for the day.

The VICE PRESIDENT. Without objection, the Senate, sitting as a Court, will discontinue the impeachment proceedings until the hour fixed tomorrow.

LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate proceed briefly to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the legislative proceedings of the calendar days April 4, April 6, and April 7, 1936, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

During the impeachment proceedings, on motion of Mr. Robinson, the proceedings were suspended so that, as in legislative session, the Senate might receive a message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announcing that the House had passed, without amendment, the following bills of the Senate:

S. 536. An act for the relief of Ada Mary Tornau;

S. 903. An act for the relief of the Holyoke Ice Co.;

S. 2021. An act to recognize the service of Brig. Gen. Edward R. Chrisman;

S. 2336. An act granting compensation to Mary Weller; S. 2682. An act for the relief of Chief Carpenter William F. Twitchell, United States Navy;

S. 2922. An act for the relief of Rose Stratton;

S. 2942. An act for the relief of John Hoffman;

S. 2943. An act for the relief of John Morris;

S. 3125. An act for the relief of J. A. Hammond;

S. 3367. An act for the relief of James Gaynor:

S. 3445. An act to authorize the Secretary of Agriculture to release the claim of the United States to certain land within the Ouachita National Forest, Ark.;

S. 3655. An act for the relief of the Vermont Transit Co., Inc.:

S. 3684. An act to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War; and

S. 3872. An act for the relief of the present leader of the Army Band.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1824. An act for the relief of Abraham Green;

S. 2042. An act for the relief of Grace Park;

S. 2697. An act for the relief of the United Pocahontas Coal Co., Crumpler, W. Va.;

S. 3777. An act to authorize the Secretary of the Treasury to execute an agreement of indemnity to the First Granite National Bank, Augusta, Maine; and

S. 4232. An act to create a commission and to extend further relief to water users on United States reclamation

projects and on Indian irrigation projects.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 6982) to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 399. An act for the relief of A. F. Amory;

H. R. 993. An act for the relief of Frank A. Boyle;

H. R. 1103. An act for the relief of E. B. Gray;

H. R. 1754. An act to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James M. Winter;

H. R. 2189. An act for the relief of Julia M. Ryder;

H. R. 3283. An act for the relief of the Community Investment Co., Inc.;

H. R. 3598. An act for the relief of Evangelos Karacostas;

H. R. 3706. An act for the relief of Nell Mullen;

H.R. 3763. An act for the relief of William Randolph Cason;

H. R. 4276. An act for the relief of Kate Carter Lyons;

H.R. 4411. An act for the relief of Mary L. Munro;

H. R. 4571. An act for the relief of William W. Bartlett; H. R. 5491. An act for the relief of Bethlehem Fabricators,

Inc.;
H. R. 5625. An act for the relief of Sperry Gyroscope Co.,
Inc., of New York;

H. R. 5754. An act for the relief of Emma M. Pearson;

H. R. 6163. An act for the relief of Mrs. Murray A. Hintz;

H. R. 6258. An act for the relief of D. E. Woodward;

H. R. 6441. An act for the relief of J. C. Wilkinson;

H. R. 6520. An act for the relief of Preston Brooks Massey; H. R. 6599. An act for the relief of Florence Helen Klein, a minor:

H. R. 6813. An act for the relief of Jennie Williams;

H. R. 6821. An act for the relief of Alfred J. White, M. J. Banker, and Charlyn De Blanc:

H. R. 6828. An act for the relief of George H. Smith;

H. R. 7206. An act for the relief of Pierre Pallamary;

H. R. 7382. An act for the relief of Emanuel Hribal and Marie Hribal;

H. R. 7471. An act for the relief of the Acme Wire & Iron Works:

H. R. 7555. An act for the relief of W. N. Holbrook;

H. R. 7640. An act for the relief of Dr. Samuel A. Riddick;

H. R. 7645. An act for the relief of Harry L. Smigell;

H. R. 7861. An act for the relief of Mrs. J. A. Joullian;

H. R. 7864. An act for the relief of Edward P. Oldham, Jr.;

H. R. 7867. An act for the relief of Adolph Micek, a minor;

H. R. 7886. An act for the relief of Merritt Rea;

H.R. 7904. An act for the relief of the Grant Hospital and Dr. M. H. Streicher;

H. R. 7987. An act for the relief of the Polygraphic Co. of America:

H. R. 8113. An act for the relief of Louis George:

H. R. 8200. An act for the relief of the seamen of the steamship Santa Ana;

H. R. 8434. An act for the relief of L. J. Powers;

H. R. 8486. An act for the relief of John A. Baker;

H. R. 8506. An act for the relief of Oliver Faulkner;

H. R. 8510. An act for the relief of John Hurston;

H. R. 8551. An act for the relief of J. C. Donnelly;

H. R. 8705. An act for the relief of Claude Curteman;

H. R. 8706. An act for the relief of Frank Polansky;

H. R. 9076. An act for the relief of W. H. Dean;

H. R. 9125. An act for the relief of Dr. F. U. Painter, Dr. H. A. White, Dr. C. P. Yeager, Dr. W. C. Barnard, Mrs. G. C. Oliphant, Amelia A. Daimwood, the Sun Pharmacy, Bruno's Pharmacy, Viola Doyle Maguire, Louise Harmon, Mrs. J. B. Wilkinson, Sisters of Charity of the Incarnate Word, Grace Hinnant, and Dr. E. O. Arnold;

H.R. 9153. An act for the relief of Evelyn Harriett B. Johnstone:

H. R. 9190. An act for the relief of J. P. Moore;

H. R. 9208. An act for the relief of Foot's Transfer & Storage Co., Ltd.;

H. R. 9370. An act for the relief of Frank Cordova;

H.R. 9373. An act for the relief of H.L. & J.B. McQueen, Inc., and John L. Summers, former disbursing clerk, Treasury Department;

H. R. 9374. An act to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects destroyed in a fire at the radio direction-finder station, North Truro, Mass., on December 27, 1934;

H. R. 10225. An act for the relief of W. D. Lovell;

H. R. 10565. An act for the relief of Mr. and Mrs. William O'Brien;

H. R. 10575. An act for the relief of Catharine L. Klein;

H.R. 10642. An act conditionally validating a homestead entry for Fort Peck Indian land;

H. R. 10785. An act for the relief of John B. H. Waring;

H. R. 10991. An act for the relief of Harry Wallace;

H.R. 11052. An act for the relief of Joseph M. Purrington;

H. R. 11346. An act for the relief of H. R. Heinicke, Inc.;

H. R. 11486. An act for the relief of Mary Hemke; and

H. R. 11573. An act to amend the act entitled "An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey", approved August 19, 1935.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 6297. An act for the relief of Leon Frederick Ruggles:

H. R. 6982. An act to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898;

H. R. 11849. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925; and

H. J. Res. 526. Joint resolution to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased.

UNEMPLOYMENT COMPENSATION FOR TRANSPORTATION EMPLOYEES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, a report on unemployment compensation for transportation employees, prepared by the section of labor relations, Federal Coordinator of Transportation, containing the text of a proposed unemployment compensation law recommended to be enacted by the Coordinator, which, with the accompanying papers, was referred to the Committee on Interstate Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Commerce:

A joint resolution memorializing the Congress for the acquisition by the Federal Government of the Delaware & Raritan Canal

Whereas the State of New Jersey has recently acquired the Delaware & Raritan Canal from the United New Jersey Railway & Canal Co. after abandonment by the lessor, the Pennsylvania Railroad, in accordance with the charter of the United New Jersey Railway & Canal Co.; and

Whereas the Federal Government now owns and operates the reater portion of the inland waterways from Maine to Florida: Therefore be it

Resolved, by the Senate and General Assembly of the State of New Jersey:

1. That the Governor and Legislature of the State of New Jersey 1. That the Governor and Legislature of the State of New Jersey do memorialize the Federal Congress to enact legislation providing that the Federal Government shall acquire from the State of New Jersey at a cost of \$1 the property of the Delaware & Raritan Canal, together with such land, buildings, and equipment as are turned over by the United New Jersey Railway & Canal Co. under the provisions of chapters 139 and 238 of the laws of 1934, subject to the right of the State of New Jersey to reserve to itself or

the provisions of chapters 139 and 238 of the laws of 1934, subject to the right of the State of New Jersey to reserve to itself or otherwise dispose of that portion of the aforesaid canal proper extending from the juncture of the canal and feeder to the southerly terminus of the canal at or near Bordentown, N. J.

2. That until by appropriate enactment the Federal Government shall have determined upon the continued use of the canal as a means of transportation or the utilization of its water rights as appurtenant to any other proposed canal, then such acquisition of the canal by the Federal Government shall not entail any obligation to the Federal Government to repair, improve, or otherwise maintain bridges or other structures now existing or which may hereafter be erected over said canal.

hereafter be erected over said canal.

3. That the acquisition of said canal and feeder shall not entail any obligation upon the part of the Federal Government to operate said canal as a means of transportation, but that said acquisition shall be subject to the condition that should the Federal Government at any time abandon as a waterway the maintennce of the feeder and of that portion of the canal dedicated to it, then in that event title thereto shall revert to the State of New Jersey, and that the conveyance by the State of New Jersey shall contain appropriate provisions in detail to that effect; be it further Resolved, That this joint resolution, signed by the Governor and under the great seel of State be transmitted to the President of

under the great seal of State, be transmitted to the President of the United States and to the Vice President of the United States and the Speaker of the House of Representatives, as the Presiding Officers of their respective branches of the Federal Congress.

4. This joint resolution shall take effect immediately.

The VICE PRESIDENT also laid before the Senate a resolution of the Central Trades and Labor Council of Greater New York and vicinity, favoring the enactment of legislation to create a court of appeals for civil-service employees, which was referred to the Committee on Civil Service.

Mr. COOLIDGE presented a resolution of the Taunton (Mass.) Poultry Protective Association, favoring the enact-

ment of the joint resolution (S. J. Res. 235) authorizing the Secretary of Agriculture to expend funds of the Agricultural Adjustment Administration for participation by the United States in the 1936 Sixth World's Poultry Congress, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution of Winchendon (Mass.) Townsend Club, No. 1, favoring the adoption of the so-called Townsend old-age revolving pension plan, which was referred to the Committee on Finance.

He also presented a resolution adopted by District Lodge, No. 64, International Association of Machinists, of Fall River, Mass., favoring the manufacture of all munitions of war in Government-owned plants operated under civilservice laws and rules, which was referred to the Committee on Military Affairs.

He also presented a resolution adopted by the Chicopee (Mass.) Polish Business Men's Association, favoring the enactment of the so-called Robinson-Patman anti-price-discrimination bill, which was ordered to lie on the table.

He also presented copy of a report from the committee on commercial and industrial affairs to the executive committee and board of directors of the Boston (Mass.) Chamber of Commerce, opposing the enactment of the so-called Robinson-Patman anti-price-discrimination bill, or other legislation looking to abolishing price differentials, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. JOHNSON, from the Committee on Naval Affairs, to which was referred the bill (S. 3369) providing for the posthumous appointment of Ernest E. Dailey as a warrant radio electrician, United States Navy, reported it without amendment and submitted a report (No. 1751) thereon.

Mr. BYRD, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3715. A bill for the relief of Roscoe McKinley Meadows (Rept. No. 1752); and

S. 4119. A bill for the relief of Bernard F. Hickey (Rept. No. 1753).

Mr. WALSH (for Mr. Typings), from the Committee on Naval Affairs, to which was referred the bill (S. 4233) for the relief of William H. Brockman, reported it with an amendment and submitted a report (No. 1754) thereon.

Mr. DONAHEY, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 233) providing for the participation of the United States in the Great Lakes Exposition to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purposes, reported it with amendments and submitted a report (No. 1755) thereon.

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the bill (S. 4405) to amend section 11 of the Federal Register Act, approved July 26, 1935 (Public, No. 220, 74th Cong.), reported it with an amendment and submitted a report (No. 1756) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (S. 4400) for the relief of Barbara Jaeckel, reported it without amendment.

INTER-AMERICAN CONFERENCE AT BUENOS AIRES

Mr. PITTMAN. From the Committee on Foreign Relations, I report back favorably, without amendment, Senate Joint Resolution 248, having to do with the Inter-American Conference to be held at Buenos Aires.

The Committee on Appropriations has under consideration the State, Justice, Commerce, and Labor Departments appropriation bill, and, under the rules of the Senate, cannot consider an amendment providing an appropriation for the purpose desired unless a resolution is passed to that effect, or by unanimous consent.

The joint resolution, which was unanimously ordered reported at the meeting of the Foreign Relations Committee, merely authorizes the appropriation of \$75,000 for the purpose of carrying out the convention which the President has called between the United States and the South American countries

I ask for the present consideration of the joint resolution. The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 248) to provide for participation by the United States in an Inter-American Conference to be held at Buenos Aires, Argentina, or at the capital of another American republic in 1936, which was read, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money not otherwise appropriated, the sum of \$75,000 to be used for participation by the United States in an inter-American conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936, including or at the capital of another American republic, in 1936, including personal services in the District of Columbia or elsewhere without reference to the Classification Act of 1923, as amended; stenographic reporting and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses (and by indirect routes and by airplane if specifically authorized by the Secretary of State); hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; equipment, purchase of necessary books, documents, newspapers, periodicals, and maps; stationery; official cards, entertainment; printing and binding; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State, fiscal year 1936, to remain available until June 30, 1937.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENTS REPORTED BY FOREIGN RELATIONS COMMITTEE

Mr. PITTMAN, from the Committee on Foreign Relations, to which were referred amendments intended to be proposed to House bill 12098, the State, Justice, etc., Departments appropriation bill, reported them without amendment, and they were ordered to be referred to the Committee on Appropriations, as follows:

On page 29, line 25, after "Secretary of State," insert "\$90,000, together with."

On page 30, line 2, after "1936," strike out "is continued" and insert in lieu thereof "to remain."

Mr. PITTMAN also, from the Committee on Foreign Relations, to which was referred an amendment providing for the expenses of participation by the United States in an inter-American conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936, etc., intended to be proposed to House bill 12098, the State, Justice, etc., Departments appropriation bill, reported it with an amendment, and it was ordered to be referred to the Committee on Appropriations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by, unanimous consent, the second time, and referred as follows:

By Mr. GLASS: A bill (S. 4448) to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the issuance of the charter to the city of Lynchburg, Va.; to the Committee on Banking and Currency.

By Mr. THOMAS of Oklahoma:

A bill (S. 4449) granting a pension to Mary Harvey Draper; to the Committee on Pensions.

By Mr. LONERGAN:

A bill (S. 4450) to establish a National Safety Standards Commission, to reduce the danger of accidents at highway grade crossings and drawbridges, and for other purposes; and

A bill (S. 4451) to amend section 26 of the Interstate Commerce Act, as amended, relating to the installation, inspection, maintenance, and repair of devices for promoting the safety of railroad operation, and for other purposes; to the Committee on Interstate Commerce.

By Mr. NEELY:

A bill (S. 4452) granting a pension to Alexander T. Taylor: to the Committee on Pensions.

By Mr. TRUMAN:

A bill (S. 4453) for the relief of Thomas A. Heard; to the Committee on Military Affairs.

By Mr. CONNALLY:

A bill (S. 4454) for the relief of Joseph D. Collins; to the Committee on Finance.

(Mr. Walsh introduced Senate bill 4455, which was referred to the Committee on Agriculture and Forestry and appears under a separate heading.)

By Mr. STEIWER:

A bill (S. 4456) for the relief of the estate of Charles White; to the Committee on Claims.

STOCKYARDS AND MEAT PACKING

Mr. WALSH. Mr. President, I introduce for appropriate reference a bill to amend the Packers and Stockyards Act of 1921, as amended, so as to confer the administration and enforcement of title II (packers) on the Federal Trade Commission instead of the Secretary of Agriculture.

The bill has been drafted after consultation with the Federal Trade Commission and with the Department of Agriculture.

I ask that the bill itself be printed in the RECORD at this point, and that a letter from the Chairman of the Federal Trade Commission concerning the bill be inserted in the RECORD.

The VICE PRESIDENT. Without objection, the bill will be received and appropriately referred, and the bill and letter will be printed in the RECORD.

The bill (S. 4455) to amend the Packers and Stockyards Act, 1921, as amended, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry, as follows:

Be it enacted, etc., That section 2, title I, of the Packers and Stockyards Act, 1921, as amended, be, and the same is hereby, amended by adding a new subsection (7), as follows:

"(7) The term 'Commission' means the Federal Trade Commission'

"(7) The term 'Commission' means the Federal Trade Commission."

SEC. 2. That section 203, title II, of said act be, and the same is hereby, amended to read as follows:

"SEC. 203. (a) Whenever the Commission has reason to believe that any packer or any live-poultry dealer or handler has violated or is violating any provision of this title, it shall cause a complaint in writing to be served upon the packer, or live-poultry dealer or handler, stating its charges in that respect, and requiring the packer or live-poultry dealer or handler to attend and testify at a hearing at a time and place designated therein, at least 30 days after the service of such complaint; and at such time and place there shall be afforded the packer or live-poultry dealer or handler a reasonable opportunity to be informed as to the evidence introduced against him (including the right of cross-examination), and to be heard in person or by counsel and through witnesses, under such regulations as the Commission may prescribe. Any person for good cause shown may on application be allowed by the Commission to intervene in such proceeding and appear in person or by counsel. At any time prior to the close of the hearing the Commission may amend the complaint; but in case of any amendment adding new charges the hearing shall, on the request of the packer or live-poultry dealer or handler, be adjourned for a period not exceeding 15 days.

"(b) If, after such hearing, the Commission finds that the packer or live-poultry dealer or handler has violated or is violating any provisions of this title covered by the charges, it shall make a report in writing in which it shall state its findings as to the facts, and shall issue and cause to be served on the packer or live-poultry dealer or handler has violated or is violating any dealer or handler an order requiring him or it to cease and desist from continuing such violation. The testimony taken at the hearing shall be reduced to writing and filed in the office of the Commission.

"(c) Until a transcript

and desist from continuing such violation. The testimony taken at the hearing shall be reduced to writing and filed in the office of the Commission.

"(c) Until a transcript of the record in such hearing has been filed in a circuit court of appeals of the United States, as provided in section 204, the Commission at any time, upon such notice and in such manner as it deems proper, but only after reasonable opportunity to the packer or live-poultry dealer or handler to be heard, may amend or set aside the report or order, in whole or in part: Provided, however, That the jurisdiction of the Commission shall not include live-poultry dealers or handlers at cities and places designated now or hereafter by the Secretary of Agriculture, pursuant to title V of this act.

"(d) Complaints, orders, and other processes of the Commission under this section may be served in the same manner as provided in section 5 of the act entitled 'An act to create a Federal Trade Commission, to define its power and duties, and for other purposes', approved September 26, 1914."

SEC. 3. That section 204, title II, of said act be, and the same is hereby, amended to read as follows:

"SEC. 204. (a) An order made under section 203 shall be final and conclusive unless within 30 days after service the packer or live-poultry dealer or handler appeals to the circuit court of appeals for the circuit in which he has his principal place of business, by filing with the clerk of such court a written petition praying that the Commission's order be set aside or modified in the man-

by filing with the clerk of such court a written petition praying that the Commission's order be set aside or modified in the manner stated in the petition, together with a bond in such sum as the court may determine, conditioned that such packer or live-

coultry dealer or handler will pay the costs of the proceedings if

the court so directs

"(b) The clerk of the court shall immediately cause a copy of the petition to be delivered to the Commission, and the Commission shall forthwith prepare, certify, and file in the court a full and accurate transcript of the record in such proceedings, including the complaint, the evidence, and the report and order. If before such transcript is filed the Commission amends or sets aside its report or order, in whole or in part, the petitioner may amend the petition within such time as the court may determine, on notice to the Commission. on notice to the Commission.

on notice to the Commission.

"(c) At any time after such transcript is filed the court, on application of the Commission, may issue a temporary injunction restraining, to the extent it deems proper, the packer or live-poultry dealer or handler and their officers, directors, agents, and employees from violating any of the provisions of the order pending the final determination of the appeal.

"(d) The evidence so taken or admitted, duly certified and filed as aforesaid as a part of the record, shall be considered by the court as the evidence in the case. The proceedings in such cases in the irruit court of appeals shall be made a preferred cause and shall

circuit court of appeals shall be made a preferred cause and shall

be expedited in every way.

"(e) The court may affirm, modify, or set aside the order of the

Commission.

"(f) If the court determines that the just and proper disposition of the case requires the taking of additional evidence, the court shall order the hearing to be reopened for the taking of such evishall order the hearing to be reopened for the taking of such evidence in such manner and upon such terms and conditions as the court may deem proper. The Commission may modify its findings as to the facts or make new findings by reason of the additional evidence so taken, and it shall file such modified or new findings and its recommendations, if any, for the modification or setting aside of its order, with the return of such additional evidence.

"(g) If the circuit court of appeals affirms or modifies the order of the Commission, its decree shall operate as an injunction to restrain the packer or live-poultry dealer or handler and their officers, directors, agents, and employees from violating the provisions of such order or such order as modified.

"(h) The circuit court of appeals shall have exclusive jurisdic-

sions of such order or such order as modified.

"(h) The circuit court of appeals shall have exclusive jurisdiction to review, and to affirm, set aside, or modify, such orders of the Commission, and the decree of such court shall be final, except that it shall be subject to review by the Supreme Court of the United States upon certiorari, as provided in section 240 of the Judicial Code, if such writ is duly applied for within 60 days after entry of the decree. The issue of such writ shall not operate as a stay of the decree of the circuit court of appeals, insofar as such decree operates as an injunction, unless so ordered by the Supreme Court.

Court.

"(1) For the purposes of this title, the term 'circuit court of appeals', in case the principal place of business of the packer or live-poultry dealer or handler is in the District of Columbia, means the Court of Appeals of the District of Columbia."

SEC. 4. That section 205, title II, of said act be, and the same is hereby, amended to read as follows:

"SEC. 205. Any packer or live-poultry dealer or handler, or any officer, director, agent, or employee of a packer or live-poultry dealer or handler, who fails to obey any order of the Commission issued under the provisions of section 203 or such order as modified—

"(1) After the expiration of the time allowed for filing a petition in the circuit court of appeals to set aside or modify such order, if no such petition has been filed within such time; or "(2) After the expiration of the time allowed for applying for a writ of certiorari, if such order, or such order as modified, has been

writ of certificart, it such order, or such order as modified, has been sustained by the circuit court of appeals and no such writ has been applied for within such time; or

"(3) After such order, or such order as modified, has been sustained by the courts as provided in section 204, shall on conviction be fined not less than \$500 nor more than \$10,000, or imprisoned for not less than 6 months nor more than 5 years, or both. Each day during which such failure continues shall be deemed a separate offense."

SEC. 5. That section 402, title IV, of said act be, and the same is

separate offense."

SEC. 5. That section 402, title IV, of said act be, and the same is hereby, amended to read as follows:

"SEC. 402. For the efficient execution of the provisions of this act, and in order to provide information for the use of Congress, the provisions (including penalties) of sections 6, 8, 9, and 10 of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes', approved September 26, 1914, are made applicable to the jurisdiction, powers, and duties of the Secretary and of the Commission in enforcing the provisions of this act and to any person subject to the provisions of this act, whether or not a corporation. The Secretary, in person or by such agents as he may designate, may prosecute any inquiry necessary to his duties under this act in any part of the United States. The Commission may, by one or more of its members, or by such examiners as it may designate, prosecute any inquiry necessary to its duties in any part of the United States."

SEC. 6. That section 404, title IV, of said act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 404. The Secretary may report any violation of title III, title IV, and title V of this act to the Attorney General of the United States, who shall cause appropriate proceedings to be commenced and prosecuted in the proper courts of the United States without delay."

SEC. 7. That subsection (b) of section 406, title IV, of said act be, and the same is hereby, amended to read as follows:

"(b) On and after the enactment of this act, and so long as it remains in effect, the Secretary shall have no power or jurisdiction so far as relating to any matter which by this act is made subject to the jurisdiction of the Commission, except in cases in which, before the enactment of this act, complaint has been served under section 203 of title II of the Packers and Stockyards Act, 1921. The Commission is hereby authorized and directed to enforce compliance by packers with sections 2, 3, 7, and 8 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914, in a manner provided by section 11 of the said act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes.'"

The letter presented by Mr. Walsh is as follows:

FEDERAL TRADE COMMISSION, Washington, April 7, 1936.

Hon. David I. Walsh, United States Senate, Washington, D. C.

United States Senate, Washington, D. C.

My Dear Senator: Commissioner Garland S. Ferguson referred to me your letter of the 4th instant.

I am enclosing draft of a bill to amend the Packers and Stockyards Act of 1921 so as to confer the administration and enforcement of title II (Packers) on the Federal Trade Commission instead of the Secretary of Agriculture. In the draft of amended bill new language added has for convenience been underscored. Since my last talk with you regarding this matter, I conferred with the Honorable Henry A. Wallace, Secretary of Agriculture, about transferring from him to the Commission the administration and enforcement of title II. Secretary Wallace informed me that he had no objection to the transfer of such jurisdiction and expressed the opinion that he thought it might be in the public interest to do so. Dr. Mohler, Chief of the Bureau of Animal Industry, Department of Agriculture, and his assistant, Dr. Miller, stated that they not only had no objection to the transfer of this jurisdiction to the Commission, but said they thought it would be in the public interest to do so, particularly in view of the Commission's work along this line with respect to industrial companies.

The State of Virginia has filed with the Commission complaints strailer to cheare the commission of the property of the commission of the property of the commission of the property of the commission complaints with the Commission complaints of the property of the commission of the property of the property of the property of the commission complaints with the Commission complaints of the property of the commission of the property of

The State of Virginia has filed with the Commission complaints similar in character to complaints brought to your attention by some of your constituents. The State of Virginia complains about concerns not located in Virginia advertising and selling meat and meat food products under the names Virginia, Old Virginia, etc. It also complains about concerns selling hams and ham products under the name Smithfield when such concerns are not located at under the name Smithfield when such concerns are not located at Smithfield, Va. The Commission in such cases has no jurisdiction. Jurisdiction over "packers" was taken away from it by the Packers and Stockyards Act.

Hon. Harry F. Byrn is interested in this matter owing to the complaints filed with the Commission by the State of Virginia, and I am enclosing herein a copy of my letter to him.

I may also state that the enclosed draft of bill to amend the Packers and Stockyards Act has been approved informally by the Solicitor of the Department of Agriculture.

Very truly yours,

Charles H. March. Chairman.

CHARLES H. MARCH, Chairman.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred or ordered to be placed on the calendar as

H. R. 399. An act for the relief of A. F. Amory;

H. R. 993. An act for the relief of Frank A. Boyle;

H. R. 1103. An act for the relief of E. B. Gray;

H.R. 1754. An act to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James M. Winter;

H. R. 2189. An act for the relief of Julia M. Ryder;

H. R. 3283. An act for the relief of the Community Investment Co., Inc.;

H. R. 3598. An act for the relief of Evangelos Karacostas;

H. R. 3706. An act for the relief of Nell Mullen;

H.R. 3763. An act for the relief of William Randolph

H.R. 4276. An act for the relief of Kate Carter Lyons;

H. R. 4411. An act for the relief of Mary L. Munro;

H. R. 4571. An act for the relief of William W. Bartlett; H. R. 5491. An act for the relief of Bethlehem Fabricators,

H. R. 5625. An act for the relief of Sperry Gyroscope Co., Inc., of New York;

H. R. 5754. An act for the relief of Emma M. Pearson;

H. R. 6163. An act for the relief of Mrs. Murray A. Hintz;

H. R. 6258. An act for the relief of D. E. Woodward; H. R. 6441. An act for the relief of J. C. Wilkinson;

H. R. 6520. An act for the relief of Preston Brooks Massey;

H. R. 6599. An act for the relief of Florence Helen Klein, a minor:

H. R. 6813. An act for the relief of Jennie Williams;

H. R. 6821. An act for the relief of Alfred J. White, M. J. Banker, and Charlyn De Blanc;

H. R. 6828. An act for the relief of George H. Smith;

H.R. 7382. An act for the relief of Emanuel Hribal and Marie Hribal:

H. R. 7471. An act for the relief of the Acme Wire & Iron Works:

H. R. 7555. An act for the relief of W. N. Holbrook;

H. R. 7640. An act for the relief of Dr. Samuel A. Riddick;

H. R. 7645. An act for the relief of Harry L. Smigell;

H. R. 7861. An act for the relief of Mrs. J. A. Joullian;

H. R. 7864. An act for the relief of Edward P. Oldham, Jr.;

H. R. 7867. An act for the relief of Adolph Micek, a minor;

H. R. 7886. An act for the relief of Merritt Rea;

H. R. 7904. An act for the relief of the Grant Hospital and Dr. M. H. Streicher;

H. R. 7987. An act for the relief of the Polygraphic Co. of America:

H.R. 8113. An act for the relief of Louis George;

H. R. 8200. An act for the relief of the seamen of the steamship Santa Ana;

H. R. 8434. An act for the relief of L. J. Powers;

H. R. 8486. An act for the relief of John A. Baker;

H. R. 8506. An act for the relief of Oliver Faulkner;

H. R. 8510. An act for the relief of John Hurston;

H. R. 8551. An act for the relief of J. C. Donnelly;

H. R. 8705. An act for the relief of Claude Curteman;

H. R. 8706. An act for the relief of Frank Polansky;

H. R. 9076. An act for the relief of W. H. Dean;

H. R. 9125. An act for the relief of Dr. F. U. Painter, Dr. H. A. White, Dr. C. P. Yeager, Dr. W. C. Barnard, Mrs. G. C. Oliphant, Amelia A. Daimwood, the Sun Pharmacy, Bruno's Pharmacy, Viola Doyle Maguire, Louise Harmon, Mrs. J. B. Wilkinson, Sisters of Charity of the Incarnate Word, Grace Hinnant, and Dr. E. O. Arnold;

H.R. 9153. An act for the relief of Evelyn Harriett B.

H. R. 9190. An act for the relief of J. P. Moore;

H. R. 9208. An act for the relief of Foot's Transfer & Storage Co., Ltd.;

H. R. 9370. An act for the relief of Frank Cordova;

H. R. 9373. An act for the relief of H. L. & J. B. McQueen, Inc., and John L. Summers, former disbursing clerk, Treasury Department.

H.R. 9374. An act to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects destroyed in a fire at the radio direction-finder station, North Truro, Mass., on December 27, 1934;

H. R. 10225. An act for the relief of W. D. Lovell;

H. R. 10565. An act for the relief of Mr. and Mrs. William O'Brien;

H.R. 10991. An act for the relief of Harry Wallace;

H. R. 11052. An act for the relief of Joseph M. Purrington;

H. R. 11346. An act for the relief of H. R. Heinicke, Inc.; H. R. 11486. An act for the relief of Mary Hemke; and

H. R. 11573. An act to amend the act entitled "An act for the relief of certain purchasers of lands in the borough of

Brooklawn, State of New Jersey", approved August 19, 1935; to the Committee on Claims.

H. R. 7206. An act for the relief of Pierre Pallamary; and H. R. 10785. An act for the relief of John B. H. Waring; to the Committee on Military Affairs.

H. R. 10642. An act conditionally validating a homestead entry for Fort Peck Indian land; to the Committee on Public Lands and Surveys.

H. R. 10575. An act for the relief of Catharine L. Klein; to the calendar.

CONSTRUCTION AT MILITARY POSTS-AMENDMENTS

Mr. MURRAY submitted amendments intended to be proposed by him to the bill (H. R. 11321) to authorize appropriations for construction at military posts, and for other purposes, which were ordered to lie on the table and to be printed.

COMPENSATION OF CERTAIN OFFICERS AND EMPLOYEES OF RESET-TLEMENT ADMINISTRATION

Mr. STEIWER submitted the following resolution (S. Res. 278), which was referred to the Committee on Appropriations:

Resolved, That the Administrator of the Resettlement Administration is requested to transmit to the Senate at the earliest practicable date (1) the names of all officers and employees of the Resettlement Administration—including officers and employees of State and local agencies any part of whose compensation is received from money appropriated by the Emergency Relief Appropriation Act of 1935 and allocated to such Administration—who receive compensation at a rate of \$2,000 or more a year, and (2) the address, position, and salary of each such person, grouping together the names of all such persons employed in each State.

COMPENSATION OF CERTAIN OFFICERS AND EMPLOYEES OF WORKS PROGRESS ADMINISTRATION

Mr. STEIWER submitted the following resolution (S. Res. 279), which was referred to the Committee on Appropriations:

Resolved, That the Works Progress Administrator is requested to transmit to the Senate at the earliest practicable date (1) the names of all officers and employees of the Works Progress Administration—including officers and employees of State and local agencies any part of whose compensation is received from money appropriated by the Emergency Relief Appropriation Act of 1935 and allocated to such Administration—who receive compensation at a rate of \$2,000 or more a year, and (2) the address, position, and salary of each such person, grouping together the names of all such persons employed in each State.

RAMEY BROS., OF EL PASO, TEX.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 1362) for the relief of Ramey Bros., of El Paso, Tex., and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BAILEY. I move that the Senate insist on its amendments disagreed to by the House of Representatives, request a conference with the House on the disagreeing votes of the two Houses thereon, and that conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. Bailey, Mr. Logan, and Mr. Townsend conferees on the part of the Senate.

UNITED POCAHONTAS COAL CO.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2697) for the relief of the United Pocahontas Coal Co., Crumpler, W. Va., which was, on page 2, line 7, after the word "act", to insert ": Provided further, That in the settlement of said claim there shall be no allowance of interest."

Mr. NEELY. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ABRAHAM GREEN

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1824) for the relief of Abraham Green, which was, on page 1, to strike out all after the enacting clause down to and including "act", in line 10, and to insert:

That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$2,000 to Abraham Green, of Manchester, N. H., in full satisfaction of his claim against the United States for the amount of bail bond placed by him to secure the appearance of one William Treinish on a charge of violation of the National Prohibition Act. The said Treinish failed to appear on September 19, 1929, but he was afterward captured through the joint efforts of the Government and Abraham Green, convicted, and sentenced to imprisonment, without additional cost to the United States.

Mr. KEYES. I move that the Senate concur in the House amendment.

The motion was agreed to.

WATER USERS ON RECLAMATION AND INDIAN IRRIGATION PROJECTS

The VICE PRESIDENT laid before the Senate the amendment of the House to the bill (S. 4232) to create a commission and to extend further relief to water users on United

States reclamation projects and on Indian irrigation projects, which was, on page 4, to strike out all of section 4.

Mr. HATCH. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

FIRST GRANITE NATIONAL BANK, AUGUSTA, MAINE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3777) to authorize the Secretary of the Treasury to execute an agreement of indemnity to the First Granite National Bank, Augusta, Maine, which was, on page 2, line 9, after "amount",

Provided further, That if the First Granite National Bank, Augusta, Maine, is required to make payment to a bona-fide holder upon presentation of said check no. 21874, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$8,547.83 to said bank, pursuant to the terms of the indemnity agreement authorized by this act.

Mr. HARRISON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

LEAVE OF ABSENCE FOR HOMESTEAD SETTLERS

The VICE PRESIDENT. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read by title.

The LEGISLATIVE CLERK. A bill (H. R. 9997) granting a leave of absence to settlers of homestead lands during the year 1936.

Mr. MURRAY. Mr. President, this bill is identical with a bill that passed the Senate on February 24 last, with the exception that the Senate bill contains a second section. I now ask that the House bill be considered and that it be amended by inserting section 2 of Senate bill 3870. I ask for the immediate consideration of the House bill.

The VICE PRESIDENT. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 9997) granting a leave of absence to settlers of homestead lands during the year 1936, which was read, as

Be it enacted, etc., That any homestead settler or entryman who, during the calendar year 1936 should find it necessary, because of economic conditions, to leave his homestead to seek employment in order to obtain the necessaries of life for himself or family or to provide for the education of his children, may, upon filing with the register of the district his affidavit, supported by corroborating affidavits of two disinterested persons, showing the necessity of such absence, be excused from compliance with the requirements of the homestead laws as to residence, cultivation, improvements, expenditures, or payment of purchase money, as the case may be, during all or any part of the calendar year 1936, and said entries shall not be open to contest or protest because of failure to comply with such requirements during such absence; except that the time of such absence shall not be deducted from the actual residence required by law, but a period equal to such absence shall be added to the statutory life of the entry: Provided, That any entryman holding an unperfected entry on ceded Indian lands may be excused from the requirements of residence upon the conditions provided from the requirements of residence upon the conditions provided herein, but shall not be entitled to extension of time for the payment of any installment of the purchase price of the land except upon payment of interest, in advance, at the rate of 4 percent per annum on the principal of any unpaid purchase price from the date when such payment or payments became due to and inclusive of the date of the expiration of the period of relief granted hereunder.

Mr. MURRAY. I offer the amendment to which I referred a moment or so ago.

The VICE PRESIDENT. The amendment will be stated. The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 2. Any homestead settler or entryman, including any entryman on ceded Indian lands, who is unable to make the payments due on the purchase price of his land on account of economic conditions, shall be excused from making any such payment during the calendar year 1936 upon payment of interest, in advance, at the rate of 4 percent per annum on the principal of any unpaid purchase price from the date when such payment or payments became due to and inclusive of the date of the expiration of the period of relief granted hereunder.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BENEFIT PAYMENTS UNDER AGRICULTURAL RELIEF ADMINISTRATION

Mr. VANDENBERG. Mr. President, may I ask the Senator from Arkansas if he has any objection to acting this evening upon the resolution calling upon the Department of Agriculture for certain information?

Mr. ROBINSON. The resolution could not be disposed of this afternoon, for the reason that a number of Senators wish to discuss the resolution, and have so informed me. I apprehend that the discussion would require a somewhat prolonged session of the Senate. I will say to the Senator that personally I have no objection to taking up the resolution whenever there is opportunity to dispose of it.

REHABILITATION LOANS TO STORM-STRICKEN AREAS

Mr. FLETCHER. Mr. President-

Mr. ROBINSON. I yield to the Senator from Florida.

Mr. FLETCHER. I ask unanimous consent for immediate consideration of order of business 1828, being House bill 11968, having to do with rehabilitation loans for the repair of damages caused by floods or other catastrophes. The bill has been reported by the Committee on Banking and Currency.

The VICE PRESIDENT. The Senator from Florida asks unanimous consent for the immediate consideration of a bill, which the clerk will report by title.

The legislative clerk read by title the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, which had been reported by the Committee on Banking and Currency with amendments.

The VICE PRESIDENT. Is there objection to the present consideration of the bill? The Chair hears none. Without objection, the amendments will be considered as having been agreed to, and the bill-

Mr. COUZENS. Mr. President, the amendments ought to be acted on before the bill is passed.

Mr. FLETCHER. I move that the bill be taken up and that the committee amendments be considered first.

The VICE PRESIDENT. Unanimous consent has been given to consider the bill, and the Chair assumed that the amendments would be agreed to. The first amendment will be stated.

The first amendment of the Committee on Banking and Currency was, on page 2, line 11, after the word "years", to strike out "1933, 1934, 1935, 1936, and 1937" and insert "1935 or 1936", and on the same page, line 19, after the word "be", to strike out the word "economically", so as to read:

Be it enacted, etc., That the act entitled "An act authorizing the Reconstruction Finance Corporation to make loans to non-profit corporations for the repair of damages caused by floods or other catastrophes, and for other purposes", approved April 13, 1934, as amended, is amended to read as follows:

"That the Reconstruction Finance Corporation is authorized."

other catastrophes, and for other purposes", approved April 13, 1934, as amended, is amended to read as follows:

"That the Reconstruction Finance Corporation is authorized and empowered, through such existing agency or agencies as it may designate, to make loans to corporations, partnerships, or individuals for the purpose of financing the repair, construction, reconstruction, or rehabilitation of structures or buildings, including such equipment, appliances, fixtures, machinery, and appurtenances as shall be deemed necessary or appropriate by the Reconstruction Finance Corporation, and for the purpose of financing the repair, construction, reconstruction, or rehabilitation of water, irrigation, gas, electric, sewer, drainage, flood-control, communication, or transportation systems damaged or destroyed by earthquake, conflagration, tornado, cyclone, hurricane, flood, or other catastrophe in the years 1935 or 1936, and for the purpose of financing the acquisition of structures, buildings, or property, real and personal, in replacement of structures, buildings, groins, jettles, bulkheads, or property, real and personal, destroyed or rendered unfit for use by reason of the catastrophe, when such repair, construction, reconstruction, rehabilitation, or acquisition is deemed by the Reconstruction Finance Corporation to be useful or necessary, said loans to be so secured as reasonably to assure repayment thereof."

The amendment was agreed to.
Mr. McNARY. Mr. President, the Senator from Florida [Mr. Fletcher] spoke to me about the bill this afternoon, and I understood that the full committee had reported it

unanimously. I am appraised now of the fact that some of the members of the committee were not able to attend the meeting, and the request is that they have an opportunity to examine the bill before final action upon it shall be taken.

Mr. FLETCHER. All who were present voted to report the bill. It is a House bill with very few Senate committee amendments. We had the bill before our committee for some time. The subcommittee reported a similar bill, but action on that bill was held up by the full committee until the House bill came to the Senate. Then we took up the House bill, thinking that was the quicker way to handle the matter, and we made very few changes in the House bill. One change relates to the aggregate amount of loans which may be made under the bill. In the House bill the limit is fixed at \$25,000,000, while an amendment proposed by the committee fixes the limit at \$50,000,000. The committee have made another amendment with reference to the National Housing Act. I do not think any member of the committee present has any objection to the bill. Of course, there are always some members absent from committee meetings; but, I repeat, I do not think there is any objection to the passage of the bill. No Senator has objected to it to me

Mr. McNARY. I know the matter is entitled to very thorough consideration. Some members of the committee desire an opportunity to look at the bill and to examine its contents and provisions. There has been no such opportunity because, I understand, the bill was only reported today and has not reached the calendar before this time.

Mr. FLETCHER. The bill was reported yesterday. Mr. McNARY. I think, under the circumstances, that I

shall ask that the bill go over at this time.

Mr. RUSSELL. Mr. President-

The VICE PRESIDENT. The Senator from Arkansas has the floor. Does he yield to the Senator from Georgia? Mr. ROBINSON. I yield.

Mr. RUSSELL. Do I understand, Mr. President, that the

The VICE PRESIDENT. The parliamentary situation as to this bill is that the Senator from Florida [Mr. Fletcher] asked unanimous consent for its present consideration. The Senate gave that consent. Then the clerk was stating the amendments and the Chair assumed there would be no objection to having the bill go through the various parliamentary stages to passage. The Senator from Michigan [Mr. Couzens], however, objected and asked that the amendments be stated. So the bill is in process of consideration by the Senate at the present time.

Mr. McNARY. Mr. President, we were operating very swiftly, but it is customary, as the Chair knows, that a bill be stated before consent is granted for its consideration; and if consent was granted, it was a little out of order. I think, under the circumstances, the Chair should consider the Members who desire to look into the bill.

Mr. FLETCHER. In the meantime thousands of people are suffering and are in distress. Four or five hundred have been killed, and fourteen or fifteen hundred have been afflicted by severe injuries, so that a good many more will die. Thousands are homeless and are in need of some relief and this is one way of affording it.

Mr. RUSSELL. Mr. President, I hope it may be possible to consider this bill this afternoon. The bill was reported to the Senate from the Committee on Banking and Currency, and I took up with the Senator from Arkansas on the floor yesterday the question of the early consideration of the measure. Notice was given at that time that the bill would be called up for consideration today.

This is a very important bill to some sections of the country. In one city of my State some 800 residences have been destroyed and thousands of people are homeless. The entire business section has been wiped out.

The bill does not propose to do anything extraordinary but merely to permit these people to avail themselves of loans from the Reconstruction Finance Corporation on suitable security. It is important that the bill should be considered at the earliest possible moment. It was understood yesterday that the bill would be taken up today, and I can

conceive of no reason why any Senator interested in the bill should not have had an opportunity to read it. I hope the Senate will proceed to the immediate consideration of

Mr. McNARY. Mr. President, it is not sufficient answer to question one's sympathy with those in distress. The matter of a few hours will not work injury to anyone. It is a high courtesy to extend to anyone to take up a bill under unanimous consent and pass it without it first going to the calendar. I am always willing to cooperate with any Senator, but I must consider those who desire to examine the bill before final action.

With that perfectly frank statement, I suggest that the bill go over until tomorrow.

Mr. ROBINSON. Mr. President, a suggestion is made to me by the Senator from Michigan [Mr. Couzens], who, I think from his statement, recognizes the necessity for early consideration of the bill. The suggestion is that the Senate meet at 11:30 o'clock in the morning, in legislative session, and proceed to the consideration of the bill. Would that be satisfactory to the Senator from Oregon?

Mr. McNARY. That would give opportunity for consideration and study of the bill. I should make no objection to that request. It seems to be reasonable.

Mr. ROBINSON. I ask unanimous consent that when the Senate concludes its session today, it take a recess until 11:30 o'clock tomorrow morning, at which time the Senate shall proceed to the consideration of the bill of the Senator from Florida, being the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes,

The VICE PRESIDENT. Is there objection? The Chair

hears none, and it is so ordered.

Mr. WALSH. Mr. President, in order that Members of the Senate may be informed of changes in the present law proposed by the bill which the Senator from Florida has just brought to the attention of the Senate, I ask that there be inserted in the Record at this point certain excerpts from the hearings before the committee.

There being no objection, the excerpts were ordered to be inserted in the RECORD, as follows:

TESTIMONY ON SENATE BILL 4328

STATEMENT OF HON. DAVID I. WALSH, A UNITED STATES SENATOR FROM THE STATE OF MASSACHUSETTS

Senator Walsh. Mr. Chairman and gentlemen, there are two bills in which I am interested. One is S. 4328 and the other is S. 4396. I should first like to discuss S. 4328, which is a bill relating to the authority of the Reconstruction Finance Corporation

to make rehabilitation loans for the repairs of damages caused by floods or other catastrophes, and for other purposes.

As I understand the existing law, loans can be made by the Reconstruction Finance Corporation for damages caused by floods, based upon the ability of the applicant for the loan to furnish

adequate security.

But I understand such an applicant must obtain his loan through a nonprofit corporation. Furthermore, I understand that there is a serious question if such a loan could be made for damages caused to equipment, appliances, fixtures, machinery, and

This bill seeks to place applicants for such loans under those provisions of law which require only sufficient security and which permit the Reconstruction Finance Corporation to take into consideration the fact that employment will be continued or employment conditions improved if such a loan is made.

Senator Barkley. Has there been any legal interpretation as to the difference between adequate and sufficient security? Senator Walsh. The House committee which had this bill under

consideration has already reported it with two amendments. One of the amendments deals with the very subject you are referring to, and which seems to me to liberalize my language. The House provision amends line 18, page 2, by striking out the words "made upon sufficient security" and substitutes in their stead the words "so secured as to reasonably assure repayment thereof."

The Reconstruction Finance Corporation have construed "adequate security" as requiring very much stronger security, a stronger evidence of the soundness of the loan, than they have under the provision of law which permits sufficient security, which is a provision passed by Congress for the purpose of encouraging employ-

ment and for making it easier for an industry to get a loan.

Senator Fletcher. One of the main changes in the present law is that under the existing law the Reconstruction Finance Corpora-

tion loans to nonprofit corporations. Senator Walsh. That is true.

Senator FLETCHER. They have to organize a corporation and go through that process before application for a loan can be made to the Reconstruction Finance Corporation. This enables individuals and corporations to apply directly without the necessity of that intervening corporation?

Senator Walsh. Exactly. The second is that the loans can be made for replacement of equipment, appliances, fixtures, machinery, and appurtenances, which they cannot get under the present law; and the third is that the victims of the flood can get the benefit of the provision of the law now which industries enjoy and which does not require adequate security but requires sufficient security or, as the House bill says, "so secured as to reasonably assure repayment thereof."

Those are the three changes made in the law. The bill by request has been drafted by the Reconstruction Finance Corporation, and its objective is to make it more liberal or to provide for liberal loans for the victims of the recent floods, to obtain loans upon their losses of furniture, appurtenances, machinery, and

appliances.

STATEMENT OF JAMES B. ALLEY, GENERAL COUNSEL, RECONSTRUCTION FINANCE CORPORATION, WASHINGTON, D. C.

Senator Walsh. I think the committee would like to know, Mr.

Senator Walsh. I think the committee would like to know, Mr. Alley, just what change is made in the present law or would be made by the enactment of this bill.

Mr. Alley. The present law is Public, 160, of the Seventy-third Congress, which is a new act which was passed by the Seventy-third Congress which carried out the policies that had been previously established in 1933 during the California earthquake when the Reconstruction Finance Corporation was authorized to make loans to repair damages caused by the earthquake there. In California we loaned approximately eight million or nine million dollars to repair houses, schools, water, and sewer systems. About half of the money was loaned to municipalities and school districts and the other half to private home owners and owners of apartment houses and stores. apartment houses and stores.

Senator Fletcher. Have the loans been repaid?

Mr. Alley, No. I have not got a break-down of the loans in California, but we have authorized a total, under all the existing acts, of \$12,800,000, and there has been repayment of approximately \$1,000,000.

Senator Barkley. This bill broadens the language somewhat under which you made these loans, as I understand it?

Mr. Alley. Yes. All of the acts heretofore passed authorized us to make those loans only through nonprofit corporations.

Senator Couzens. Was not that changed when it came to loaning to industries? I thought when we authorized the Federal Reserve banks to make industrial loans direct, if they could not be obtained direct from other sources, we also liberalized the Reconstruction Finance Corporation Act so that they could loan direct to industries.

direct to industries.
Mr. ALLEY. That is right. We can loan to an industry if the

Mr. Alley. That is right. We can loan to an industry if the purpose is to increase or maintain the employment of labor, but we cannot loan to an individual to repair his home. This act will enable the Corporation to deal directly with the individual. Senator Barkley. Of course, the theory of these industrial loans that were provided for to be made by the Federal Reserve banks and by the Reconstruction Finance Corporation was that such loans were not to be made to nonprofit organizations but to corporations organized for profit. They are a different type from those loans that are provided for to nonprofit organizations, like municipalities, school districts, and so forth.

Senator Couzens. But prior to that, Senator, we had a provision in the act whereby communities had to form organizations before they could get these industrial loans.

Mr. Alley. That was not in the act; that was a regulation of the Reconstruction Finance Corporation.

Senator Barkley. You are not asking any additional funds?
Mr. Alley. No, sir; just authorizing us to use as much as \$25,000,000 of the funds we now have. The present act limits the amount to \$5,000,000, of which we have already used \$1,950,000. So it leaves only \$3,050,000. The effect would be to increase by \$20,000,000 the amount of funds we now have available.

Senator Fletcher. This bill provides for broadening the purposes

Senator Fletcher. This bill provides for broadening the purposes of these loans also?

Mr. Alley. Yes, sir. The present act limits us to the repair, replacement, and rehabilitation of real property. This bill would include personal property and equipment as well as real property. Senator Couzens. Is there any reason why there should not be a requirement that the applicant should have exhausted his efforts to obtain money from private sources? Mr. Jones and others have testified before this committee from time to time that the nave testined before this committee from time to time that the cry was to quit this Government loaning, and with respect to some of the laws we passed I know that there was a requirement that the applicant should make adequate effort to secure the money from private sources before coming to the Government.

Senator RADCLIFFE. Is not that the practice of the Reconstruction Finance Corporation? I have talked with them about a good many matters in the last 2 years. Do they not usually go into that very exercitually?

carefully?

Senator Couzens. They have got some loans down there, and they are still putting money into rat holes to try to save what they have already got in, which is not sound banking from a private banker's point of view.

Senator RADCLIFFE. I understood it was their policy to see whether all efforts to secure private loans had been exhausted first.
Senator Couzens. That may be so, but there is no objection to putting it into the law.

Mr. ALLEY. That is a requirement of law in connection with industrial loans and in railroad loans, but it is not required in these flood-relief loans, or which are largely relief loans. They have all been made heretofore on adequate security with a paramount lien on the property.

Senator Fletcher. Is there any other feature that you would

like to discuss? Mr. ALLEY. No. like to discuss?

Mr. Alley. No. I will say to the committee frankly that the amount of relief which the Reconstruction Finance Corporation will be able to lend in these flood areas under this bill will not be tremendous, because of the security requirements in the act. There are going to be comparatively few flood sufferers who are able to supply any security. The damages will run up into hundreds of millions; but, judging from our past experience, we will not make more than 10 or 15 million dollars of these loans. On the other hand, I would not recommend lightening the security requirements if these loans are to be made by the R. F. C., for Congress has heretofore required security on all loans made by the R. F. C.

TESTIMONY ON SENATE BILL 4396

Senator Walsh. The other bill is a bill introduced by Senator Bulkley and myself, and I will ask Mr. Walsh, of the Federal Housing Administration, to say a word.

STATEMENT OF ARTHUR WALSH, ASSISTANT FEDERAL HOUSING ADMINIS-TRATOR, FEDERAL HOUSING ADMINISTRATION, WASHINGTON, D. C.

Mr. Walsh. Mr. Chairman and gentlemen of the committee, I have a memorandum here which describes the bill concisely, and I shall be glad to elucidate at any point where you would like to have more information.

The purpose of this bill is to stimulate lending institutions to make the loans necessary to repair the damage which has been caused by the recent floods by providing insurance through the Federal Housing Administration of loans so made, if, in the wisdom of you gentlemen, it seems advisable to liberalize our existing act in order to take care of this catastrophe. The provisions of this bill are as follows:

1. The general procedure under title I of the National Housing Act, as now set up by the Federal Housing Administration, is to be used to insure loans for these purposes. No new organization

is to be created.

2. The insurance to be granted is 20 percent of the total aggregate amount of loans made by an insured institution for this purpose. This insurance is the same in amount as that in effect under title I of the National Housing Act up to April 1, 1936. It increases for this purpose the insurance granted under title I of the National Housing Act, as amended effective April 1, 1936, from 10 to 20 percent, which is the amount of insurance under the original act.

original act.

Are there any questions, Mr. Chairman?

Senator Fletcher. I think we understand it.

Mr. Walsh. 3. A provision is included in the bill permitting a lending institution to apply any unusual insurance reserve obtained by it under its contract of insurance in effect up to April 1, 1936, to any losses which may be sustained as a result of loans made for the purposes of this bill. In other words, although any unusual insurance reserve created prior to April 1, 1936, may not be used to pay losses sustained under the general provisions of title I, as amended, effective April 1, 1936, it may be used to pay losses sustained as a result of loans made under the specific provisions of this bill.

tained as a result of loans made under the specific provisions of this bill.

Senator Fletcher. Has not the date of April 1, 1936, been extended now by legislation?

Mr. Walsh. Yes, Mr. Chairman; but the insurance reserve that was built up by lending institutions since the advent of the Federal Housing Administration, until last night, is canceled, and a brand-new reserve is starting today. Let us say that a lending institution has made a million dollars in loans since we began our activities and has had no losses. That lending institution would have an insurance reserve of \$200,000, which is limited to loans made prior to April 1, 1936. This flood bill proposes that for loans made to flood victims the lending institution may tap that old reserve and thus have every incentive to be liberal in granting these loans to flood victims.

4. This bill provides for new construction, replacement, or repair of property destroyed or damaged by floods occurring subsequent to March 1, 1936. Replacement by new construction of industrial or institutional property may also be done with the proceeds of loans not in excess of \$50,000. Under title I of the National Housing Act, as amended, effective April 1, 1936, insured loans for new construction are not eligible, but under this flood bill they are again made eligible.

Senator Barkley. We made it possible for transfers to occur from one lending agency to another. Would that be affected in any way? Would it make it possible for outside concerns to make transfers and thereby increase the liability of the Government?

Mr. Walsh. Oh, no. The liability of the Government is not increased. We cancel the reserve of the selling institution and transfer it to the buying institution. The transfer of insurance reserves can only be effective in connection with the sale of notes.

Senator BARKLEY. There would be no danger there, then?

Mr. Walsh. No, sir.
Senator Walsh. Commencing today under title I, there are additional limitations and restrictions placed upon loans?

Mr. Walsh. Yes, sir.
Senator Walsh. This bill lifts those restrictions that become operative today, insofar as flood victims are concerned and allows the liberality prior to that time to continue?

Mr. Walsh. Yes, sir.
Senator Walsh. Only for flood victims?

Mr. Walsh. Yes, sir.
Senator Walsh. Only for flood victims?

Mr. Walsh. Yes, sir; specifically. Senator Walsh. And one of the best features of it is that the insurance is 20 percent instead of 10? Mr. Walsh. Yes.

Senator Walsh. There is therefore more of an inducement for

Senator Walsh. There is therefore more of an inducement for private interests to make loans?

Mr. Walsh. Yea they do not have to sharpen their pencils so much in considering a border-line credit risk.

This bill is also designed to permit new construction of property destroyed or damaged by flood, whether or not the new construction is to take place upon the property upon which the original structures stood. In other words, it is desired to permit a property owner whose structure has been destroyed by flood to rebuild on new property where the danger of damage from flood is not so imminent.

Senator Barkley. On property acquired by him subsequent to

the flood?

Mr. Walsh. Or if he happened to own it before.

Senator Barkley. It may be that the sites of many of these houses may have been washed away by the flood.

Mr. Walsh. A laundry, for instance, might be located on a river

Senator Barkley. He can buy new property and relocate his place?

Mr. Walsh. Yes; up on a plateau where he is safe. We are not going to permit anybody to move from Massachusetts to Alabama,

or anything like that, you understand.
5. The replacement or repair of equipment and machinery which had been installed in property destroyed or damaged by the floods is also permissible.

6. Operations under this bill may continue until January 1, 1937, but may be terminated by the President at any time upon his determination that the emergency situation no longer exists.

7. The amendment to title I of the National Housing Act, effective April 1, 1936, reduces the maximum liability which the Administrator may assume from \$200,000,000 to \$100,000,000. The possible additional liability necessary to provide the insurance contemplated under this bill was not considered at the time the reduction was made in the amendment to title I of the National reduction was made in the amendment to title I of the National

Senator Walsh. In other words, this flood has brought a new crop of loans that you must deal with?

Mr. Walsh. Yes. We felt that the \$40,000,000 of the original \$100,000,000 that remained on a 10-percent insurance basis was more than adequate to cover operations up until April 1 of next year, let us say, but we did not take into account the flood, which gives a new picture probably.

For this reason a provision is included in this bill authorizing the President to increase the amount of liability which the Administrator is permitted to incur if it should develop that the \$100,000,000 is insufficient.

GREAT LAKES EXPOSITION, OHIO

Mr. BULKLEY. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 233) providing for the participation of the United States in the Great Lakes Exposition to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purposes.

The VICE PRESIDENT. Is there objection to the present

consideration of the joint resolution?

Mr. McNARY. Mr. President, what committee considered the joint resolution?

Mr. BULKLEY. The joint resolution was unanimously reported by the Committee on Commerce. It has been referred to the Department of State, the Secretary of State being the chairman of the exposition commission. It was returned with a favorable report, suggesting certain amendments to the joint resolution, all of which were adopted by the committee. The joint resolution has also been approved by the Bureau of the Budget.

Mr. McNARY. What amount of money does it carry?

Mr. BULKLEY. It authorizes an appropriation of \$275,000. Mr. HALE. Mr. President, will the Senator tell me what the exposition is to commemorate?

Mr. BULKLEY. It provides for participation by the Government of the United States in the Great Lakes Exposition to be held this year at Cleveland from June 27 to October 4. Mr. HALE. What does the exposition commemorate?

Mr. BULKLEY. It is a celebration of the progress of the Great Lakes States. There is no particular historical event that is being commemorated.

Mr. HALE. It is not a centennial celebration?

Mr. BULKLEY. No; it is not a centennial. There is a centennial being celebrated at Cleveland, but the Great Lakes Exposition has a far wider scope than the city of Cleveland.

Mr. LEWIS. Mr. President, may I ask the Senator from Ohio whether these proceedings contemplate providing for or establishing the St. Lawrence waterway?

Mr. BULKLEY. No; it has nothing in the world to do with the St. Lawrence waterway.

Mr. LEWIS. Then I have no objection.

The VICE PRESIDENT. Is there objection to the immediate consideration of the joint resolution as requested by the Senator from Ohio?

Mr. McNARY. Mr. President, the Senator spoke to me a few moments ago about it, but I did not know that it carried an appropriation. I thought it merely permitted the holding of an exposition.

Mr. BULKLEY. I cannot hear the Senator from Oregon. Mr. McNARY. When the Senator spoke to me about it I did not know the joint resolution carried an appropriation.

Mr. BULKLEY. It authorizes an appropriation of \$275,-000, which has been cleared by the Bureau of the Budget.

Mr. McNARY. The inquiry has been made, What use is to be made of the funds, if appropriated?

Mr. BULKLEY. It is to provide for Government participation in the exposition under the control of the commission created by the joint resolution, consisting of the Secretary of State, the Secretary of Commerce, and the Secretary of Agriculture. They are authorized to provide for governmental participation in the exposition and to spend such part of the funds as may be necessary for that purpose.

Mr. LEWIS. Mr. President, what is the theory or object of the participation of Canada in this matter, in which it is proposed to spend that much money for a celebration?

Mr. BULKLEY. Canada, of course, borders on the Great Lakes and is very much interested in the exposition. Though nothing definite can be expected before we extend the formal invitation provided for by this resolution, we already have favorable expressions from officials of the Canadian Government and of the Province of Ontario as to their participation.

Mr. McNARY. Mr. President, in view of the inquiries and the present situation and the uncertainty of the purpose of the use of the money, I ask that the joint resolution go over. The VICE PRESIDENT. The joint resolution will go over.

TAX EXEMPTION OF OLYMPIC GAMES RECEIPTS

Mr. ROBINSON. Mr. President, I ask the attention of the Senator from Oregon [Mr. McNary] and others. The Senator from California [Mr. McADOO], who is ill, asked me to present this subject to the Senate:

On February 20 of this year the Senate passed Senate bill 3410, to exempt from taxation receipts from the operation of the Olympic Games, and so forth. The bill went to the House, and was returned to the Senate on the ground that it was a bill to raise revenue and under the Constitution should originate in the House. The House, however, passed an identical bill, which is on the Vice President's desk, being House bill 11327.

I ask unanimous consent that the Senate proceed to the consideration of the House bill.

The VICE PRESIDENT laid before the Senate the bill (H. R. 11327) to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles, which was read twice by its title.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. McNARY. Mr. President, in view of my former attitude, I ask that the bill may go over for the day.

The VICE PRESIDENT. Objection being made, the bill will go over.

RELIEF AND RED TAPE-ADDRESS BY SENATOR HOLT

Mr. HOLT. Mr. President, I ask unanimous consent to have printed in the RECORD a radio address delivered by me last evening on the subject of Relief and Red Tape.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

printed in the Record, as follows:

On June 17, 1935, President Roosevelt said to the works-progress administrators, "We have to be extremely careful not to make any kind of discrimination. We cannot discriminate in any of the work we are conducting either because of race, of religion, or politics. Politics, so far as we are concerned, is out. If anybody asks you to discriminate because of politics, you can tell them that the President of the United States gave direct orders that there is not to be any such discrimination.

"That applies both ways. It means that we cannot hurt our enemies nor help our friends. We have to and will treat them all alike. In carrying out this work, consider it purely and solely from a human point of view. Do everything you can to prevent the use of political considerations one way or the other."

Has that been done? I have received letters from every part of the United States citing instances where President Roosevelt's orders were not carried out. Political discrimination and favoritism are in evidence.

ism are in evidence.

ism are in evidence.

I doubted that politics was playing such a part in the relief set-up until I called to Harry Hopkin's attention definite and undisputable evidence of a politically controlled administration of the fund in West Virginia. He gave it such a clean bill of health, put on the whitewash so thick, that I immediately doubted the condition of the Works Progress Administration throughout the United States. If West Virginia is pure and has no politics in the administration of the Works Progress Administration, I feel very sorry for the other States that have not been given Handsome Harry's approval.

In your own locality check who has the jobs. Is it the man

In your own locality, check who has the jobs. Is it the man or woman who needs the work, or is it the man or woman who is politically favored?

Harry Hopkins knows there is politics in relief. For him to say to the contrary is admission that he is unfit for the job he has. He knows that many State administrators were appointed who did not possess the qualifications for the job assigned but were named because the high ranking politicians wanted them. Those administrators were given wide powers of appointment.

President Roosevelt further said in a statement that the job

of the officials was:
"To put all the people on the relief rolls to work within the

"To put all the people on the relief rolls to work within the coming year."

Has that been done? If you could see the hundreds and hundreds of letters that pour into my office from relief workers who are begging for an opportunity to work, many of whom were not registered between May and November 1935, you can see that this has not been done. The designation of those working for W. P. A. projects calls for their having been on relief rolls between May and November 1935. We should not be interested whether they were on relief in 1935. We should ascertain, Do they need relief today? Many men and women who did not want to go on relief in 1935 and worked with all their might to keep off the Government rolls, have lost their job with industry through no fault of their own and today, because of their patriotism and self-respect in 1935, they are to be punished and their families are to be deprived. Many men and women scraped every possible penny together to earn their own livelihood. Because they did not go to the Government and ask for help in 1935, they cannot get employment in the W. P. A. in 1936.

May I relate an incident that has been called to my attention?

to the Government and ask for help in 1935, they cannot get employment in the W. P. A. in 1936.

May I relate an incident that has been called to my attention? George Sonnewald, married and the father of eight children, was one of those who in 1917 marched off as an American soldier. Today Sonnewald is asking whether or not it was worth it. His wife is confined in the hospital. He, together with his eight children, are facing starvation at their home, all because of the fact that several weeks ago he made the mistake of obtaining private employment and going off of the relief rolls.

Later, when he applied for direct relief, he was confronted with a bulletin, stating, in effect, that once a man leaves the direct relief rolls for W. P. A. work he becomes henceforth the problem of that alphabetical mix-up, and, if he leaves the W. P. A. for private employment, he becomes a forgotten man, whether that employment lasts or not. In Sonnewald's case it did last for 8 weeks. It has been 2 months since he was employed anywhere. He did not obtain any direct relief, and his plight is merely a repetition of numerous others.

The President further said:

"We want in as far as possible to have every relief administrator make every effort to get the unemployed into private industry, even if it means slowing down or stopping some of the

dustry, even if it means slowing down or stopping some of the jobs we have undertaken."

Jobs we have undertaken."

Has that been done? I can cite my own State for example. Instead of the W. P. A. Administrator in my State carrying out that part of the President's orders, he took men from private industry, not 1, not 10, but many times 10, and put them on the W. P. A. pay roll, increasing their salaries much in advance of their salaries in private industry. In almost every instance these men were not taken from private industry because of any particular qualification they might have had to assist in the program, but in order to pay a personal or political debt that the Administrator may have contracted in the past, or with the anticipation that their influence

could be used to further the ambition of the Administrator and his friends in the future. I placed into the RECORD some of the names and increases of money, and I have many more to put into the RECORD. Salaries were doubled and more than doubled in some instances. While the salaries of the administrative brass hats were being increased, men were being laid off because of lack of funds. The relief workers were the first to lose their jobs, never the ones at the top of the heap, the plumed aristocrats of the political kingdom. political kingdom.

Dirtical kingdom.

Through trick schemes originating in the minds of some of Harry Hopkins "yes" men, we find that he determines what shall be considered administrative expense. I have tried in vain to procure from the W. P. A. the break-down of the cost within my own State. Their excuse is that they do not have enough help to do so, yet the very next moment they say we must create "boondoggling" projects in order to give the white-collared workers an opportunity to have something to do.

when many undernourished children find but little energy in their systems to walk, we find projects set up to teach them tap dancing. What these children need is enough food so that their little legs will allow them to run and play.

Building dog pounds with shower baths, and yet many families

living in abandoned shacks.

Teaching mothers over the radio about cooking, and yet many a mother has no food to cook. Projects for laundering uniforms, and yet people without

clothing.

They can hunt through the books for the history of the ancient They can hunt through the books for the history of the ancient safetypin, but they cannot tell you how many foremen and time-keepers are on the job. The reason why this information is not given is that Harry Hopkins wants to cover it up. Harry Hopkins, in his braggadocio way, says the records are open. Yes; they are open—open to his own staff. He has a division to put out all kinds of charts, pictures, and tables. He has time for all those kind of things, but he does not have the time to tell you how many superintendents, foremen, and timekeepers he has employed on any project. There has been built around this man a may that he can do no wrong that he could make no mistakes. Over 200 project. There has been built around this man a myth that he can do no wrong; that he could make no mistakes. Over 200 persons have been given positions to tell the newspapers and the magazines that all is well. Harry is sitting on the throne. No one knows how many are employed to manufacture Harry's musty gags and wisecracks. Every move is being made to stop an investigation of the W. P. A. We want an investigation that will uncover the W. P. A. in its true light.

gags and wisecracks. Every move is being made to stop an investigation of the W. P. A. in its true light.

A person complains to Harry Hopkins about the W. P. A. in his locality. Harry Hopkins takes the matter up with the State administrator. The State administrator takes it up with the county supervisor; of course, it is a closed deal. The county boss is not going to testify against himself. The famous investigation conducted in West Virginia—and, indeed, it was famous because it was an investigation only in name—was made by investigators who spent practically all their time with the officials who were charged with the wrongdoings. Many of those to whom they were referred to get information were not consulted, and the few that were consulted were informed that in such a task there naturally would be mistakes and no one could be held responsible for them. When one of the witnesses was telling too much about the political set-up it was necessary to take a recess to allow him to discuss secretly the matter with the W. P. A. investigators.

We need a thorough investigation of the entire set-up. Employees are intimidated and threatened with the loss of their jobs and are punished if they give any information to anyone outside of the W. P. A. organization. The W. P. A. officials are spending the people's money, and certainly a citizen and taxpayer has a right to know where it is going; but Harry Hopkins and his staff of Washington nincompoops believe that it is impudence for anyone to ask where the money has gone.

During the Hopkins whitewashing investigation in West Virginia, I have been informed that the overstaffed supervisory force were told to get out of sight either by going to the movies or by staying at home. If Hopkins is not guilty and his staff are not guilty of the charges preferred against them, the quickest way to prove it is to have the records brought into the open. A man who is not guilty does not mind being searched. We have spent much on the eradication of worms, termites, and insects in plant li

Speaking of projects, President Roosevelt said: "We want them to be as useful as we can make them."

Has this been done?

Taxpayers should know the wasteful extravagance of Harry Hoprapayers should know the wasterul extravagance of Harry Hop-kins' management. Much money is not going to those who need relief. It is going for high salaries, the rental of unused ma-chinery, and for many other items that do not help the laborer for whom the act was intended. An engineer reports to me the following:

On one project the cost of 1 cubic yard of rock amounted to \$482 and the sewer line cost approximately \$120 per linear foot. Wire was bought for \$38.75 per foot.

Wire was bought for \$38.75 per foot.

They turned down projects that would strengthen the foundation of school buildings or paint the school that was weatherbeaten and soon afterward approved a project to beautify the school grounds around the building.

One school superintendent writes me the following:

"At one particular school two cooks were employed for \$70 per month cooking for 30 pupils and being allowed \$4.50 for food per month, which gives you the staggering allowance of 3 cents

per day for each pupil, and they say this is a program for undernourished children

Projects are started and not completed. Their only chance of completion can be that the political subdivision would finish the job or funds would have to be allotted from the Federal Treasury.

The argument used by the defenders of Hopkins regime is, "Well, what are we going to do about it? Let these men starve to death because of the mistakes of a dumb politician or because some of the

money is not being spent properly?"

It is our duty to see that the people are fed and the people are clothed when this expenditure of money has been appropriated. It is our duty to see that these dumb politicians that Hopkins refers to are not left in control and that the money misspent would provide an example for protection against future repetition of such spending. Hopkins' whole attitude since he has been Relief Administrator is critical and very resentful against anyone making a comistrator is critical and very resentful against anyone making a com-plaint. He does not welcome criticism that would assist, because in plaint. He does not welcome criticism that would assist, because in his superegoistic mind he feels that he can make no mistake. Every dollar that is given for the advancement of politicians or their friends means a dollar less for the hungry men and women of America. What we want is not less relief but a more equitable distribution of the relief fund. Every time one of these \$150 or \$200 per month political ward heelers is put on the pay roll it means that five or six families are forced to go hungry and be cut off relief. It means that many children are forced to go to the table to find less food than is necessary for their sustenance. It means that many a child will go to school without shoes and without the necessary clothing. clothing.

Let us break down this red tape and this secrecy of the W. P. A. and see what is going on behind scenes. Reeking with politics, waste, and extravagance, it is high time that the people of the United States are finding out how their hard-earned tax money is being spent by a group of men, most of whom no corporation would allow to handle any of their finances and certainly would not allow to determine their policies.

In summing up the charges I have made and have evidence to prove I note:

prove, I note:

(1) That the W. P. A. is loaded with politics.

(2) That the W. P. A. is wasteful and extravagant.
(3) That many worth-while projects were turned down, to be replaced by boondoggling.

(4) That the W. P. A. has not "put all the people on the relief rolls to work."

(5) That the W. P. A. is loaded with red tape, rules and regulations that kept the administration from functioning in behalf of the workers

Our battle must go on. There will be no retreat.

ADDRESS BY SENATOR STEIWER BEFORE MAINE REPUBLICAN CONVENTION

Mr. HALE. Mr. President, I ask unanimous consent to have inserted in the RECORD an address delivered by the junior Senator from Oregon [Mr. STEIWER] at the Republican State convention at Bangor, Maine, on April 2, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

For three-quarters of a century the Republican Party has occupied an important place in the history of the Republic. It is a party of progress and expansion. Under its administration there has been growth in national wealth and extraordinary national achievement; the improved opportunity of the citizens of the Republic is one of the great facts of modern history. Its policies have increased wages and multiplied comforts, resulting in improved standards of living for all classes of our people.

Throughout its history the honored opponent of this party has been the Democratic Party. In these two political groups are the great majority of all the people of the Nation. These two groups reflect the most exalted political purpose. They have maintained the local governments. They have provided courts and schools. In war and in peace they have been and are the Nation's hope and its security.

The paramount political issue at this time may be stated in one

and its security.

The paramount political issue at this time may be stated in one question: "Is the retention of the so-called New Deal, as distinguished from governmental administration by either the Republican or the Democratic Party, a good thing for America?" The President has defined certain other issues. In his address at the Jackson Day dinner in Washington the President said:

"The real issue is the right of the average man and woman to lead a finer, a better, and happier life."

No one else believes that the right to live right should be regarded as a political issue. In the same address he restated the issue in terms of political reality. He said:

"* * * the basic issue will be the retention of popular government * * *."

If by popular government he means the right of the people to

ernment * * *."

If by popular government he means the right of the people to govern themselves in a representative democracy, I agree with him, but it is difficult to ascribe this meaning to a President who has minimized the power of the people's Representatives in Congress by lodging in the executive agencies the full control of government and by building up the greatest national bureaucracy the world has ever known. Centralization of power in the Executive and invasion by the Federal Government of the spheres of the several States result in administration by Presidential appointees, destroying the people's administration of their own affairs.

There is no valid excuse for existence of any government unless it is good government, operating in the public interest. The opposite of good government is government by politicians seeking personal gain with scant regard for the public interest. Illustrations of politician-infected government for personal gain are found in the looting of various American cities. A conspicuous example is the rule of Tammany Hall of New York. The purpose of Tammany is to make politics pay. Its system contemplates that those who render support will receive a reward. It sometimes takes the form of free ice in summer or free coal in winter. The reward is denied to its opponents. In politics of this kind corruption is inevitable.

The incumbent national administration was inaugurated with Tammany's benediction. The President made Mr. Farley Postmaster There is no valid excuse for existence of any government unless

The incumbent national administration was inaugurated with Tammany's benediction. The President made Mr. Farley Postmaster General. He was the manager of the New Deal campaign in 1932. He is the chairman of the Democratic National Committee and of the New York Democratic State Committee. Under his tireless leadership the methods of Tammany were introduced in the National Capital, and then commenced the great campaign to extend these methods to other parts of the United States. Tammany creed has permeated the organization set up for the relief of the destitute. The sinister implications of its system are made evident by the New Deal political arguments; its advocates urge that the President has bestowed benefits and that therefore the recipients are bound in

The sinister implications of its system are made evident by the New Deal political arguments; its advocates urge that the President has bestowed benefits and that therefore the recipients are bound in honor or in self-interest to reciprocate by political support.

In cases where political support is wanting the administration has threatened Congressmen and whole communities with reprisals and the Withholding of benefits. Has your community a project paid for by taxpayers' money or the use of the credit of the United States? If so, you are told that you are under obligation to the New Deal President. Has a local New Deal politician been placed in charge of relief administration? If so, he becomes a claqueur for the New Deal, and even the destitute receiving Government aid with taxpayers' money are reminded of their political obligation. This Tammany method is nationalized only in part. We hear of scandals in West Virginia and in Pennsylvania. There are hints of corruption and wrongdoing even in your State of Maine. But this is only the beginning. The final depths to which political depravity may go will not be realized in the first term of the New Deal administration. The gravest abuses will occur only if the New Deal tenure is extended for another Presidential term.

It ought to be a warning to America that Tammany looted New York City to the point of bankruptcy. Tammany influences, exerted through the power of Governor Roosevelt, without the excuse of depression, increased the debt of the State of New York by a figure in excess of \$248,000,000. In 34 months the Roosevelt-Farley administration has increased the several pay rolls of the Federal Government by over 250,000 patronage jobs and increased the annual Federal pay-roll cost nearly \$500,000,000. Of the new appointees 1 out of every 107 was secured by the merit basis prescribed by civil service. I recall that in 1934 relief funds were withheld from the State of Maine after the fall election and when the time had come when it had nothing further to deliver

withheid from the state of Maine after the fall election and when the time had come when it had nothing further to deliver in return for such aid. This was part of the Tammany system, which trades favors at the taxpayers' expense in consideration for political support which benefits only the politicians. To check the further spread of political barter and sale under the Tammany formula is a challenge to the good citizenship of this country. If the basic issue is the retention of popular government, as claimed by the President, and if nonpular government many good government. President, and if popular government means good government conducted by a free people in behalf of public interest, the President is on the wrong side of the issue.

What are the Nation's economic problems? Among the many,

two are outstanding:

Restoration of a profitable permanent agriculture. The reemployment of 12,000,000 idle American workers.

1. Restoration of a profitable permanent agriculture.

2. The reemployment of 12,000,000 idle American workers.
The two problems are intimately related.
Farm property, land and buildings, are said to represent an investment of \$32,000,000,000. One-fourth of all the people of the entire country are on the farms. This one-fourth of our population in 1934 received about 10 percent of the national income. In 1935 it received 10.6 percent of the national income. A more important fact is that as a whole agriculture income does not pay the cost of production. The problem is complicated by soil depletion and by inability in many cases to secure credit necessary for efficient operation. Unmanageable surpluses make the problem still more difficult. An adequate, permanent, constitutional farm program ought to be the first objective of both great political parties, and, in my opinion, will be the first objective of the Republican Party in 1936. In its effort to meet the agricultural problem, the New Deal has failed. After 3 years of complete control of the Government, the national administration is still groping in the dark. It has yet to devise a permanent policy. Its highest achievement is the soil-erosion idea, imperfectly copied from the Republican platform of 1932. The practical worth of this idea is unproved. Its value to the farmers merely speculative.

I am sure this convention will agree that a national policy cannot be regarded as either just or wise if it permits the American farmer to degenerate into a mere peasant. This will be his condition unless agriculture is made self-sustaining. The following program, as an irreducible minimum, is justified:

1. A Nation-wide land-conservation plan which is both permanent and practicable.

2. A guarantee that the American producer shall enjoy the

nent and practicable.

2. A guarantee that the American producer shall enjoy the American market to the extent of his ability to supply that market.

Government aid in disposing of farm surpluses.
 Lower interest rates on farm mortgages.

Let it be our effort to insure that the Republican Party will meet these problems sincerely. They can be solved and ought to be solved without violation of the Constitution; without any program scarcity and destruction; and without any processing tax to add to the cost of bread and meat.

What of unemployment? When the President was inaugurated the United States Census of Unemployment reported over 13,000,000 unemployed. In January 1935, according to the compilation of the American Federation of Labor, the number of unemployed still stood at 13,000,000. In 1936, according to this same authority, the number was in excess of 12,600,000. This startling situation the number was in excess of 12,600,000. This startling situation is made worse by increasing distress among those who make up this great group. On January 24, 1935, in addressing Congress, the President said there were "approximately 5,000,000 unemployed now on relief rolls." It was then his belief that one and a half million of these were unemployables. On this theory he induced Congress to vote nearly \$5,000,000,000 for the relief of the three and a half million who were able to accept employment. In a recent message to Congress the President said:

"• • there are at best approximately 5,300,000 families and

recent message to Congress the President said:

"• • there are at best approximately 5,300,000 families and unattached persons who are in need of some form of public assistance—3,800,000 families and unattached persons on the works program and 1,500,000 on local and State relief rolls."

These two statements present an ugly truth. They disclose that, in spite of extravagant spending, we have lost ground and at this time the relief load is heavier than it was before the \$5,000,000,000 was granted to the President to be used in his discretion for the relief of the distressed. These figures show that in reemployment and relief we at best stand still. The Republican Party will not turn its back on the destitute in those areas where local resources are exhausted, but it will assure the taxpayers that the New Deal system of providing relief on a basis of \$180 per family in Delaware system of providing relief on a basis of \$180 per family in Delaware and of \$1,300 per family in Nevada will not be followed. Above all, the Republican Party must assure the destitute that the money voted for their relief will actually be employed in their behalf and will not be wasted in the cost of a top-heavy bureaucratic administration.

The issue becomes increasingly clear. Let us present our case to the country, including those who are destitute, upon the bedrock proposition that money voted for relief will be used for relief and that it will not enrich any political straphanger of any

The national debt is between thirty-one and thirty-two billion. The debt of the States and other political subdivisions brings the total to approximately fifty billion. Since 1900 the increase in all forms of public debts is 1,500 percent while the population has increased by only 67 percent. Needless, spendthrift addition to this crushing debt is but little short of criminal.

The end is not yet. Federal expenditures are growing; deficits increase. Here is the Bureau of the Budget's record of Federal costs by fiscal years:

1933	\$5, 143, 000, 000
1934	7, 105, 000, 000
1935	7, 376, 000, 000
1936 (estimated approximately)	8, 162, 000, 000
1937 (estimated approximately)	9,000,000,000

By June 30, 1937, we see a prospect of a Federal debt in excess of \$39,000,000,000, not counting certain material contingent liabilities which must be added but which are not included in the

figure just named because their amount has not been ascertained.

There is only one way to assure the reemployment of American labor and that is by means of reestablishment of American induslabor and that is by means of reestablishment of American industry. Government competition in business, Government persecution of businessmen, and the hazards of uncertain and instable governmental policies will have to be brought to an end. America must be induced to buy American goods. The American manufacturer and the American farmer are in the same boat. They must row ashore together. American industry is entitled to the American market. Regard for a moment the record of imports and exports in February of this year. The imports exceeded the exports by more than \$10,000,000.

If this tendency is permitted to continue, the unemployed will become more and not less numerous. There will be no restoration of confidence until the political obstructions to business recovery have been removed. This means that powers granted to the President which enable him to trifle with monetary standards, to control in a large degree the banking credit of the country, and without Senate artifaction to charge testing notice by the country. without Senate ratification to change tariff policy by trade agree-ments must be restored to the Congress where they belong under the Constitution of the United States. It means also that experimentation by third-rate professors and New Deal theorists must be brought to an end and that the enterprise of our people will be permitted to assert itself in behalf of American supremacy. In this way only will there be a resumption of business and jobs for those who desire honest work instead of make-believe jobs at the taxpayers' expense. at the taxpayers' expense.

In my judgment, the rank and file of both the Republican and Democratic Parties desire most earnestly that America shall con-Democratic Parties desire most earnestly that America shall continue under a free government and a free economic system, but the New Deal spokesmen resist this desire. They would induce the people to continue un-American governmental control for another Presidential term. In behalf of such continuance they urge a number of claims, among others the following:

1. That to repudiate the New Deal is to go back to the depths of the depression and experience again the conditions of March

2. That the depression was caused by Republican mismanagement in permitting excessive speculation which brought on the stock-market panic.

3. That New Deal policies have produced a definite improve-

4. That the New Deal Tariff Trading Act of 1934 will produce a further improvement. 5. That the Republican Party and the Democartic critics of the New Deal offer no alternative plan.

New Deal offer no alternative plan.

Let us take these propositions in order:

The first claim is that New Deal repudiation leads back to the conditions of March 4, 1933. This I deny. In the years 1930, 1931, and 1932 America suffered from the depression, which was worldwide. Had our suffering been caused by the Republican Party in power the conditions here would have been worse than the conditions abroad. The contrary is true. It is generally conceded that world trade was down more than 50 percent, while at the same time our own domestic trade was down approximately 48 percent. If it be true that governmental policy contributed to the depression in the United States, the important question is: Who is to blame? be true that governmental policy contributed to the depression in the United States, the important question is: Who is to blame? In 1930 the Nation elected a Democratic majority in the House of Representatives. The present Vice President, John Nance Garner, of Texas, became the Speaker of the House; the United States Senate was controlled by a coalition made up of Democrats and certain Republicans like Senator Norms, who now openly supports the New Deal. This coalition in the Senate and the Democratic majority in the House rendered the Republican administration utterly impotent. The ability of these embryonic New Dealers to block legislation resulted in most serious consequences to the country. legislation resulted in most serious consequences to the country. It would be unjust to blame the Democrats for the depression, which was world-wide in scope, but it is just to assert that those who controlled Congress after its reorganization which followed the 1930 election are in no position to blame the Republican administration for failure to meet the crisis. The New Deal really started in December 1931, not on March 4, 1933.

The second contention is that the depression was caused by Republican mismanagement with respect to speculation. It is my own judgment that excessive speculation on the stock market was a contributing cause to our national disaster, but in this the President cannot escape responsibility. The flagrant abuses were in New

dent cannot escape responsibility. The flagrant abuses were in New York, and the power of that State and of the Governor of that State was a more definite and effective control than any that could be exercised by the Federal Government. History records that the Republican administration did make an effort to curb the speculation. It stored the September 1975. tion. It started the Senate investigation of stock-exchange practices and sought remedies against speculative trading. Its efforts were not completed, but the fact still remains that the Republican administration tried to do something and that Governor Roosevelt,

of New York, did nothing at all.

Third, as to business improvement: We are all happy to realize there has been a reasonable degree of improvement in retail business and definite improvement in certain selected industries—the one first to mind being the automobile industry. Is the New Deal responsible for this improvement? A significant answer to this question is that, with very limited exceptions, no industrialist and no businessman in America credits the improvement to New Deal policy; and some of the most definite increases in production and in employment are in lines which have been wholly unaffected by any New Deal effort. To make perfectly clear the nature and scope of the claim of improvement, permit me to quote from a recent radio address of Senator Robinson, of Arkansas, Democratic leader in the Senate. He said:

"Records which cannot be questioned disclose the existence of higher business levels during the early part of 1936 when compared to the same period for 1935. The February department-store report of the Federal Reserve showed sales during February of this year were 13 percent above those in February 1935. Steam rallway freight revenues for the year 1935 exceeded those for 1934 by more than \$155,000,000. Passenger revenues increased approximately

\$12,000,000."

To this claim I answer that the most rapid improvement came To this claim I answer that the most rapid improvement came after the Supreme Court invalidated the National Recovery Act and removed the governmental clutch from the throat of American business. A further answer is that in England, Japan, and in other nations, where there is no new deal, the improvement has been more marked than in the United States. The rest of the world, without any semblance of Tugwellism and "third economy", has progressed more rapidly toward recovery than we have. For our failure to keep pace we may blame the New Deal, because we know that America is the most virile nation of the world, and that it nossesses the greatest natural resources and the finest spirit of thow that America is the most virile nation of the world, and that it possesses the greatest natural resources and the finest spirit of enterprise. It should have led the world in recovery. And the final answer is that the progress which we have attained has been attained at the expense of the Public Treasury. Government has attained at the expense of the Public Treasury. Government has stimulated business by spending. The stimulus will continue as long as the spending continues, and when the Federal resources are wasted and gone America will be confronted with the unpleasant realization that the fundamental issue of unemployment has not been met and that the power of the Federal Government to provide for the destitute has been frittered away until the great American Nation is treatly rendered destitute. American Nation is itself rendered destitute.

American Nation is itself rendered destitute.

Fourth, as to the Reciprocal Trade Agreement Act of 1934. Any claim that America is benefited by that act is spurious on its face. Its whole theory is based on confusion. The act recites that its purpose is to expand foreign markets for the products of the United States. To the extent that it has become operative it has resulted only in making an outright gift of the American markets to foreign competitors.

If the treaties were merely bilateral in character, the gift of the American markets would not be so complete. It is everywhere known that previous to 1934 our Government had entered into commercial treaties containing unconditional most-favored-nation commercial treaties containing unconditional most-favored-nation clauses. Under the operation of these treaties the concessions which are now being made in the reciprocal trade agreements must be extended to other nations having a most-favored-nation treaty with us. The net result is that concessions made by the United States are "generalized" so that when made in one trade treaty in behalf of one nation they are enjoyed by the producers of every other nation. The whole procedure is nothing less than a scheme to reduce the tariff protection heretofore enjoyed by the American people, all without special act of Congress, without ratification by the Senate and without warning to our own out ratification by the Senate and without warning to our own citizens. The blow is not softened by the secret processes employed by the State Department in bartering away the tariff protection to which our industries owe their existence.

The execution of these treaties has been delegated by the Presi-

dent to the State Department and has been in actual charge of Dr. Henry F. Grady. In Foreign Affairs, issue of January 1936, in speaking of the trade treaties, Dr. Grady said:

"Our objective is the general amelioration of the world situation." This is a broader and different objective than the "ex-

pansion of foreign markets" for American products, referred to in the act. At Riverside, Calif., December 20, 1935, Dr. Grady

"We are to a greater degree than ever before meshing our domes-

tic economy into world economy."

Thus the trade treaty program becomes a sort of a commercial league of nations and the objectives announced by Congress in the have been disregarded in behalf of a nebulous world benefit.
This altruistic but nebulous theory is as mistaken as any other

league of nations. It implies too many chances for foreign entanglements which operate to the disadvantage of our people. Common sense and the determined resolution of American patriots kept us out of the League of Nations, and should keep us out of these commercial agreements. The League of Nations, with its military sanctions, stands revealed as more likely to cause than to cure war. The commercial agreements are more likely to prolong than to end depression.

long than to end depression.

Prior to the Canadian treaty the potato growers of Maine, and many others, submitted to the President written protests against reduction of duty on potatoes in the proposed trade agreement with Canada. The State Department issued a press release April 16, 1935, in which it denied that the administration had decided no, 1955, in which it denied that the administration had decided to reduce the duty on potatoes. As you know, the reduction was nevertheless made. In this press release the State Department said, with reference to the trade-agreement program:

"Its purpose is to enlarge world trade so that surplus products may find a profitable market and not be thrown back on their producers."

Later in the same release, and in order to make confusion complete, the State Department said:

"The purpose of the trade-agreement program is to help American agriculture and industry."

The New Deal theorists thought they could justify lower American The New Deal theorists thought they could justify lower American tariffs in order to increase foreign sales in our markets so foreigners could buy from us. Experience shows that foreign producers accept the advantages of American markets by selling to us and then buy in cheaper markets elsewhere. The combined figures for January and February of this year show that our exports to Canada exceeded our imports by the negligible figure of \$319,000, and this does not count the imports of gold and sliver. If these items are included, our imports exceeded our exports for the 2 months named by a figure in excess of \$100,000,000. The It these items are included, our imports exceeded our exports for the 2 months named by a figure in excess of \$100,000,000. The obvious ultimate result of the existing program is to destroy American trade everywhere and to debase American markets by floods of Asiatic and European goods. As a foreign policy the trade-bargaining scheme is without defense and without hope. Referring particularly to the Canadian treaty, there was no ne-cessity to make concessions in order to stimulate trade with that

nation. Although it is true that there formerly existed a trade balance in our favor in amount between \$400,000,000 and \$500,000,000, in the years 1933 and subsequent years this trade balance 000,000, in the years 1933 and subsequent years this trade balance became negligible. Including importations of gold and silver in 1933, the trade balance in our favor was approximately \$5,000,000, while in 1934 the trade balance in favor of Canada was \$16,000,000, and in 1935 the balance in favor of Canada was \$70,000,000. This situation cannot be cured by tariff concessions which increase Canadian imports of forest and agricultural products. The theorists in the State Department will some day awaken to the fact that in the Canadian treaty the Canadians made concessions on certain manufactured articles which they desired to import, whereas we made concessions in agricultural and forest products in which we already had a surplus. No spirit of levity and no happy buoyancy of mind can laugh away these devastating facts.

And now for the claim that the opponents of the New Deal offer no plan. This claim implies that the New Deal does have a plan. It would be more correct to say that it did have a plan, the important economic props of which were the N. R. A. and the A. A. A., and that when these two acts were overturned by the Supreme Court but little remained of the original plan, and the President, in his desperation, finally suggested that we might boondogle ourselves out of the depression. He had previously likened himself to the quarterback directing the strategy of a football game. In the simile which he employed, a sustained plan is an impossibility, and the President, like the quarterback, withholds judgment in the selection of his next play until he learns the result of the previous play. If we concede that the New Deal is formulated in accordance with a plan, we know it is not the plan upon which the President was elected. The wildest speculators in the Nation would not gamble upon the next move which is to be undertaken.

accordance with a plan, we know it is not the plan upon which the President was elected. The wildest speculators in the Nation would not gamble upon the next move which is to be undertaken. In all seriousness, how can the New Deal claim that its critics have no plan be asserted in advance of the Cleveland convention and before the Republican platform is made? Individual Republican leaders do, however, offer a plan. It is a plan of stability which will come automatically when the country is relieved of the domination of New Deal theorists and when America again embarks upon a definite and practical monetary policy. Stability will come when we acquire a balanced budget, without the continued threat of higher taxes and when we reach the end of insane and destructive "brain trust" innovations. It will come when there is a courageous and fair system of Federal taxation and when the "go ahead" signal is given to American industries.

The Republican plan is a plan of integrity. Its adoption will reintroduce a complete sincerity in the administration of the Federal Government. It means there will be no politics in administering relief and relief work. It means there will be no ruthless cancelation of air-mail contracts, no repudiation of governmental obligations, no abrogation of the gold clause, no defiance of constitutional limitation. A stability and integrity in government will provide restoration of confidence, not as a benefit for the few but for the good of the many. It will result in reemployment of idle labor in industry as a substitute for made jobs at the tax-payers' expense. It will bring expansion in industry and in business, and a great program of replacement and improvement by the railways, the utilities, and the industries of the Nation. It will revive the industries producing durable goods. In short, it will give full play to the natural forces. This plan is not an experiment; it is the traditional American way; it is the proved plan under which our country has led the world and which has made our Nati it has attained fullest success; in the future we have a right to believe that under it the Nation will go forward to new triumphs and that American citizens will again become prosperous, con-tented, and free.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 11:30 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Thursday, April 9, 1936, at 11:30 o'clock a. m.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 8, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The Lord God omnipotent reigneth; let the earth rejoice, let the multitude of isles be glad; judgment is the habitation of His throne. Almighty One, before whose face the generations rise and pass, prepare us in Thine own way for the duties before us. There is something in life so sacred that Thou wilt never fail us. Give us understanding of the things out of which are the issues of life. Assure us, Heavenly Father, that amid the maddening maze of things Thy goodness and mercy are sure and steadfast. Help us to heed the passion of Thy heart, which is a summons to bring our lives in unison with Thy holy will. In humility of soul we are grateful for Him who is now reaching the end of His sinless life and traveling toward the cross of His crucifixion for the redemption of the wide world. In His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill and joint resolution of the House of the following titles:

H. R. 11849. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925; and

H. J. Res. 526. Joint resolution to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 754. An act to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States; and

S. 1152. An act relating to the carriage of goods by sea. The message also announced that Mr. Neely and Mr. Norris had been appointed conferees on the part of the Senate on the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, vice Mr. Ashurst and Mr. Borah, excused from service, and that Mr. Hatch and Mr. Austin had been appointed as additional conferees.

THE PRICE-DISCRIMINATION BILL

Mr. CELLER. Mr. Speaker, I ask unanimous consent, under direction of the Judiciary Committee, to file minority views on the bill (H. R. 8442) known as the price-discrimination bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. STARNES. Mr. Speaker, I ask unanimous consent that on tomorrow, Thursday, immediately after the reading of the Journal and the disposition of business on the Speaker's desk, I may address the House for 35 minutes.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, 35-minute speeches are uncalled for in this House at any time; that is too long. I have no objection to anyone talking, but on yesterday there was a request for 25 minutes, and the next one was trying to outdo him and asked for 55 minutes, and if this keeps on, we will have requests for an hour and a half.

Mr. STARNES. I will amend my request and ask for 30 minutes, Mr. Speaker.

Mr. SNELL. Mr. Speaker, reserving the right to object, I would like to ask the majority leader, before we grant this request, what the program will be between now and the time the gentleman intends to adjourn tomorrow night.

Mr. BANKHEAD. As the gentleman from New York knows, we still have as the unfinished business today the pending tobacco bill, which will probably take until 2:30 or 3 o'clock this afternoon. After that it is the expectation to call up a bill from the Committee on Interstate and Foreign Commerce, known as the rural electrification bill. It is quite probable that this bill will consume most of tomorrow. It had been my hope we might make arrangements, in view of the program, to adjourn over Good Friday and Saturday. This is what we have in mind at this time.

Mr. SNELL. I think it is entirely proper under the circumstances to adjourn over Friday and Saturday next and I wish we could get a definite statement from the majority leader that he will not call up tomorrow the Black committee bill.

Mr. BANKHEAD. I am not in position to make any hard and fast agreement about that now, because I do not know how long this other legislation will take.

Mr. SNELL. Perhaps it will facilitate the passage of the other legislation if the gentleman will at least intimate that he does not think the other legislation will be brought up.

Mr. BANKHEAD. I have already intimated as much as I am willing to now in stating that these two bills will take up today and tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STARNES] to address the House for 30 minutes?

Mr. RICH. Mr. Speaker, reserving the right to object, so far as the majority leader is concerned I would like to ask him a question. We have passed most of the appropriation bills. They have been very large and they are coming back from the Senate very much increased in amount and I would like to ask the majority leader if he is going to permit these great increases to be added to the appropriation bills that have already been passed by the House?

Mr. BANKHEAD. In answer to that, I will say to the gentleman from Pennsylvania that the gentleman does me entirely too much honor. I am only one humble Member of the House of Representatives. I cannot control the judgment of the 434 other Members of the House. I sometimes wish I could control the judgment of the gentleman from Pennsylvania, but it seems hopeless. [Laughter.]

Mr. RICH. I may say to the gentleman that while he is a humble Member of the House, he ought to be the Member who is going to stand up here against these increases, because he has the authority given him by the House of Representatives to demand that they do not pass bills that cannot be met by the taxpayers of this country, and the gentleman knows that if he had the backbone to stand up here he could hold them down. I think the gentleman ought to say "I am not a humble Member and I have some backbone and I am going to assert myself."

Mr. BANKHEAD. Now that the gentleman has classed me as an invertebrate, I am very pleased that the osseous matter stops at my neck and does not run up into my head. [Laughter and applause.]

The SPEAKER. Is there objection to the request of the gentleman from Alabama to address the House for 30 minutes?

Mr. MAY. Mr. Speaker, reserving the right to object, I want to ask the gentleman from Alabama [Mr. Bankhead]——Mr. BANKHEAD. I may say that the gentleman from

Alabama [Mr. STARNES] has the floor.

Mr. MAY. I am not going to object to the request of the gentleman from Alabama, but for the purpose of getting an expression from the floor leader I would like to ask a question. In view of the fact that many Members of the House are going to be absent tomorrow and the next day, would it not be fair to allow the rural electrification bill particularly, and perhaps the lobby bill, to go over until Monday?

Mr. BANKHEAD. No; I cannot agree to that, I will say to the gentleman. I am sorry I cannot agree with the gentleman, but we expect to pass the rural electrification bill this

Mr. MAY. If we were without a quorum-

Mr. BANKHEAD. We have other matters of an urgent nature coming up, and I may say to the gentleman from Kentucky that, as far as we are able to do it, we want to finish up the program here in the House on the essential matters as soon as possible, and we cannot do it unless we work.

Mr. MAY. We are far ahead of the Senate.

Mr. BANKHEAD. But we are not far ahead of our own program.

Mr. MAY. We are far ahead of the Senate, and I think we ought to let up this week a little bit.

Mr. BANKHEAD. I am sorry I cannot agree with the gentleman's suggestion.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. ZIONCHECK. Mr. Speaker, I shall not object to 20 minutes.

The SPEAKER. Does the gentleman object to the pending request to address the House for 30 minutes?

Mr. ZIONCHECK. Yes, Mr. Speaker; I object to that request.

Mr. STARNES. Mr. Speaker, I will modify my request and ask that I may address the House for 20 minutes.

The SPEAKER. The gentleman from Alabama asks unanimous consent that on tomorrow, immediately after the reading of the Journal and the disposition of matters on the Speaker's table, he may be allowed to address the House for 20 minutes. Is there objection?

There was no objection.

The SPEAKER. Under a special order of the House, the gentleman from Illinois [Mr. Dobbins] is recognized for 25 minutes.

Mr. DOBBINS. Mr. Speaker, there has recently come to my desk, in the course of the widespread propaganda campaign being conducted by the American Liberty League, a copy of a leaflet or circular headed "Our New Spoils System." It is a reprint of an article by Lawrence Sullivan, which appeared in the February 1936 issue of the Atlantic Monthly as condensed and printed in the Reader's Digest of March 1936.

Lawrence Sullivan, the author, describes himself as having been "for 10 years magazine and press-association correspondent in Washington." Because of the gross and evidently willful inaccuracies in this article, it seemed impossible that it could have been written by anyone having a responsible connection with news-gathering agencies. I therefore took occasion to inquire among some of my newspaper acquaintances as to Mr. Sullivan's background. Through that inquiry I found that he is peculiarly qualified to write an article upon the subject of hiring and firing. Few men can boast of having been hired and fired more often. After serving briefly and in turn a rather large number of newspaper employers, he is no longer a member of the press galleries of the Senate and House of Representatives.

Mr. Sullivan refers to a list of appointive places in the Federal establishment, which was compiled and issued as a Senate document in January of 1933. He states that in that document there were listed some 33,600 jobs which were soon to be "house cleaned"; and that these jobs were to be made available to State and precinct chairmen on March 4, 1933. He continued with the statement that almost overnight the Government departments were demoralized, even to the highest scientific and professional grades in the Bureau of Standards, the Weather Bureau, the Food and Drug Administration, and the Bureau of Chemistry and Soils. Then follows this assertion:

Everyone whose place was listed knew beyond peradventure precisely what his fate would be. Within 30 days the Plum Book had reduced Washington to a veritable patronage stampede; and by mid-February the routine departmental services had come to a standstill.

These statements of Mr. Sullivan which I have quoted, in the instances where they are not absolutely false, embrace as basely contrived a set of half truths as were ever published in any responsible magazine or republished by any mercenary propagandist such as the Liberty League. No uninformed reader of his article could reach any other conclusion but that after the advent of the present administration a complete and ruthless change was made here at Washington in the places occupied by scientific experts in the various bureaus named by Sullivan. When he says that State and precinct chairmen knew these jobs would be available as political spoils—that statement, written 3 years afterward, is equivalent to saying that the jobs were, in fact, treated as spoils. When he says that everyone whose place was listed knew what his fate would be, he unquestionably intended his readers to believe that wholesale changes were made in the places listed in that document-and he certainly knows both inferences are utterly false.

It happens that the individual Member of Congress who is now addressing his colleagues on this subject has had considerable experience with and in the classified service of the United States Government. That experience, and the interested observation of the working of the Federal civilservice laws that followed it, have covered a period of more than 35 years. In consequence, I was convinced that Mr. Sullivan's statements were grossly deceptive. Because of that conviction, I went to the trouble of checking the documents referred to by Mr. Sullivan with the records of the four bureaus named by him, covering all of their positions in the District of Columbia, and I want to detail for your information the astonishing refutation of Sullivan's assertions developed by my investigation.

The so-called "plum book"—being Senate Documents 173 and 176, of the Seventy-second Congress—set out a com-

plete list of all Federal positions not under civil-service rules and regulations, as of January 1933. In the Weather Bureau there are just two places listed. The first of these is Chief of the Bureau, with a salary of \$8,000. When the list was prepared it was occupied by Dr. Charles F. Marvin, who was automatically retired on account of age in 1934 after 50 years of faithful and distinguished public service. To his place President Roosevelt promoted Willis R. Gregg, who was principal meteorologist of the Bureau, in charge of its aerological division, and had been in the service of the Weather Bureau continuously for 32 years—entering it under a Republican administration and continuing through the intervening administrations of both parties.

Only one other non-civil-service position in the Weather Bureau at Washington was embraced in this list of alleged partisan plums. That was the place of associate meteorologist and was a specially designated position which had been held for some years by Prof. Sterling P. Ferguson. He left it voluntarily in 1933 to return to his former post with the Blue Hill Observatory at Harvard University. The position terminated with his resignation and no one has been or will be appointed in his place.

In the Food and Drug Administration at Washington just one place was listed. That was the position of principal chemist, a \$6,000 position, which was then held and is still held by Dr. W. S. Frisbie.

In the Bureau of Chemistry and Soils, the book about which Mr. Sullivan pretended to be so excited, listed three places to which he says "spoils" appointments were to be made without reference to civil-service laws. These were the positions of Assistant Chief, at \$7,000; senior chemist, at \$4,800; and associate chemist, at \$3,300. Two of the men who were in these positions then still hold them. The other, Dr. Charles A. Brown, who was Assistant Chief—was transferred in July 1935 at his own request to another position in the Bureau, and his place was filled by the promotion of William W. Skinner, who was Assistant Chief during the Hoover administration and had long been rendering skilled service in that Bureau.

In the Bureau of Standards this "plum book" lists the position of Director of the Bureau, which, according to Sullivan, was slated to be the patronage of some politician. It was formerly held by George K. Burgess. Upon his death the place was filled by the promotion of Dr. Lyman J. Briggs, the ranking assistant director, who had held that position for many years, and he is still the head of the Bureau.

Seven other positions in the Bureau of Standards were mentioned in the list referred to by Sullivan, and not one of the men in those places has been replaced by another during the present administration.

I believe that the publishers of the Reader's Digest, in reprinting a condensation of Sullivan's article from the Atlantic Monthly, had no knowledge of its utter unreliability. I am not so well persuaded of the innocence of the publishers or editor of the Atlantic Monthly. It has shown a sinister readiness to print articles of this kind.

An unusually perverted and unrepentant attitude was displayed by Editor Ellery Sedgwick, of the Atlantic Monthly, when Dr. Lyman J. Briggs, Director of the Bureau of Standards, brought to his attention gross inaccuracies in Sullivan's article.

Dr. Briggs, on January 30 of this year, wrote to the editor stating that, so far as his Bureau was concerned, Mr. Sullivan's article, which he had just read, contained a misstatement that should be corrected. He told the editor that to the best of his knowledge no member of the staff of his Bureau had any fear at the beginning of this administration, nor any occasion to fear, that he would be discharged in order that his place might be filled with a political appointment, and that not a single instance of that kind occurred. He pointed out, further, that when a much-needed increase in funds available to his Bureau was made at the last session of Congress, following reductions in his staff in the economy program, employees dropped for economy reasons were reemployed, and that all other appointments were made through the civil service—the selection in every instance being based

on ability and being wholly free from patronage; that appointments were even made from the civil-service lists for all positions, whether governed by the civil-service rules or not, and that the Secretary of Commerce heartily concurred in his action in this respect.

What did Editor Sedgwick do in response to this explicit refutation of Sullivan's absurd charge that the Bureau of Standards was demoralized at the beginning of this administration and that the positions in the highest scientific and professional grades were made available to State and precinct chairmen? Did he make the apology or retraction that would be expected of a fair-minded journalist with manly principles? He did not. He replied to Dr. Briggs with the admission that he had conferred with Mr. Sullivan and had learned that "spoils" appointments did not fill vacancies in the Bureau of Standards but offered the absurdly evasive defense that any economies realized by reductions in the Standards force were "immediately diverted to 'spoils' appointments in other agencies." That, however, is not what Sullivan or the Atlantic Monthly told its readers. If it had made this ridiculous general claim, first advanced in Sedgwick's letter, that would at once have been recognized as a partisan argument. The article set forth definite and specific charges, which have been found to be untrue in every investigated instance. Sedgwick's new position is that, though not guilty of the offenses specified in their indictment, we should be convicted of the commission of other unnamed offenses.

All through these remarks I have met these unconscionable prevaricators upon their own ground; and I shall do it now upon this last sweeping assertion of Ellery Sedgwick's, namely, that appointments in other agencies were "spoils" appointments.

I have good reasons to know that nothing could be farther from the truth. I live in and represent a district with a population of 300,000, principally agricultural, and in which compliance with the program of the Agricultural Adjustment Act was practically universal. In consequence there were employed in the eight counties of my district in the administration and enforcement of that act a force of several hundred people. Not within my own knowledge, nor so far as I have been able to determine by inquiry among the eight county chairmen of my district, did a single one of these persons receive his employment on a political basis. I have never known the names of one-tenth of their number, and not one is in any degree obligated to me for his position. Although that district gave to President Roosevelt and to me a majority of approximately 20,000 in 1932, I am firmly of the belief that more than half of those employees, probably threefourths of them, were not of my party. I say this in no spirit of criticism of the manner in which the employees were selected. They were selected through the farm organizations on a merit basis, and, in my opinion, have justified the confidence in their ability that their employment implied. You can put in your eye every cent they contributed or were asked to contribute to our campaign funds.

Sullivan clearly implies in his article and in the mathematical calculations that he employs therein that the occupants of every one of the places listed in his so-called "plum book" were removed.

Notwithstanding its fantastic fallacy, the Liberty League's endless prevarication goes 'round and 'round.

After referring to the four scientific bureaus I have mentioned, the Sullivan article, reprinted and distributed by the Liberty League, makes this false statement:

In the case of the District of Columbia government the patronage raid was even more successful * * * the Washington city hall was house cleaned.

Now, the book referred to by Sullivan shows that Mr. Hoover permitted upward of 10,000 places in the government of the District of Columbia to remain outside of the civil service; and, of course, when the Democrats assumed control of the government they were at liberty to put new appointees in every one of these places. What happened? I have some acquaintance among the District employees, and all that I know have held their positions for many years. So I called the office of the secretary of the Board of District Commissioners, read Sullivan's statement to him, and told him my

impression was that it could not be possible that even as many as one-tenth of the District jobs had been relinquished by their former holders. His reply was: "Mr. Dobbins, it is much less than that. You can absolutely say that at least 95 percent of the 10,000 District employees whose places were listed in that book have been retained and still hold their places under the present administration, and that not one employee has been displaced for political reasons. The small number of vacancies that have occurred since March 4, 1933, have resulted from the natural causes of death and superannuation and from a very few voluntary resignations."

For some 10 or 15 years there has been published annually a book known as the Official Register of the United States, containing a list of persons occupying administrative and supervisory positions in each executive and judicial department of the Government. In the four bureaus specifically named by Sullivan, there are listed some four or five hundred scientific positions, with the names of the persons holding those positions, and the annual salaries, which range from \$1,800 to \$9,000. If you will take the last volume of this Official Register that was published during the Hoover administration, and compare it with the last volume published during the present administration, you will find that in approximately 9 cases out of 10 the same persons are holding these scientific positions that were occupying them at the close of the Hoover administration; and if, as I have done, you will inquire of the holdover chief clerks in the various bureaus, you will learn that in each of the infrequent instances where changes occurred, the former occupant of the position has either died, voluntarily resigned, or been retired for age; and that his place, if filled at all, has been filled by deserved promotion, under the merit system, of a subordinate who was employed during a former administration, and has worked up through the ranks to the position he now holds.

At the beginning of the present administration, in keeping with a custom which is time-worn if not time-honored, the former Postmaster General, and each of his assistants, all of whom were politically appointed, resigned their offices. Mr. Farley was appointed Postmaster General, and brought to the office unexcelled qualities of energy and ability for the supervision of this vast business organization.

Of the four Assistant Postmasters General who now help with this stupendous task, three were advanced from other responsible positions in the Department or in the Postal Service—one of the three from the Inspection Service—and each of the deputies who aid those four assistants in managing the four great bureaus of the Department is a trained man selected from its splendid force of inspectors. This inspection force, as I have told you on a previous occasion, is the pride of our governmental service. They are as outstanding in our country as the Royal Northwest Mounted Police are in Canada.

Recently, when a new postmaster at Washington was selected, one of these men was chosen for that high honor. Again, only within the past few days, after a vacancy occurred through the death of the head of the Department's Rural Delivery Service, a rural carrier from the State of Illinois, who had been honored by his fellow carriers as their choice for the head of their organization, was selected to fill that place.

It is the evident purpose of Mr. Sullivan throughout the article in question—and unquestionably the purpose of the Liberty League in giving widespread circulation to Sullivan's false statements—to smear Postmaster General Farley and to make it appear that he was responsible for offenses which, as I have shown you, were never even committed. I want to say to you with all of the earnestness at my command that anyone who is really interested in promoting efficiency in government and recognition of merit in connection with it will do well to study and to emulate the record of our present Postmaster General and of the Post Office Department under his administration.

All of these men thus promoted from the ranks of the postal inspection service have had long and continuous careers in the Postal Service and received their promotions on the basis of merit, efficiency, and faithful service.

You may scan the record of every Postmaster General as far back as records go, and you will not find the equal of the present one in the matter of promotions based on merit, nor will you find any previous administration of that great Department approaching the record of the present one for efficiency. [Applause.]

No one will need to expend much effort to learn how baseless are all these studied assaults upon our great Postmaster General, or to discover what lies back of their reckless promulgation. He will find that our splendid leader in the White House is the real target of the attacks, and that the incentive in every instance is either rank partisanship or blind prejudice. Only that can account for the existence of such a weird and grossly misnamed organization as the American Liberty League. It matters little to men of the type composing that organization that, without exception, they are materially in a far better position than they were when they were whining for help in 1933. They manifest the same type of vicious ingratitude exhibited by the legendary serpent whose frozen body was thawed in the warmth of its benefactor's bosom.

We have helped them get rid of great economic burdens; but no helpful legislation nor any humanitarian administration can either improve their mentality or remove their prejudices.

I remember when a spokesman of the great common people said of Grover Cleveland, "We love him for the enemies he has made." [Applause.] In contrast, these spoiled plutocrats, viewing with despair the sincere affection of the common people for their humanitarian President, have become rabidly reckless in their frustrated purposes. Embittered and dismayed by the vanishing of undeserved special privilege, the autocrats and their satellites unceasingly chant their song of hate. They hate Roosevelt. They hate him for the friends he has made. [Applause.]

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

Mr. BACON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. RABAUT). Evidently there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 58]

Adair	Driver	Lambertson	Perkins
Allen	Duffey, Ohio		
		Lea, Calif.	Pettengill
Berlin	Dunn, Miss.	Lord	Ramspeck
Binderup	Eaton	Lucas	Rayburn
Bolton	Ellenbogen	McAndrews	Reece
Brennan	Fenerty	McGehee	Reed, Ill.
Brown, Mich.	Fernandez	McGroarty	Romjue
Buckbee	Fish	McKeough	Sanders, La.
Buckley, N. Y.	Fitzpatrick	McLaughlin	Schuetz
Bulwinkle	Gassaway	McMillan	Seger
Cannon, Wis.	Gingery	McReynolds	Sirovich
Carter	Gray, Pa.	McSwain	Smith, Va.
Cary	Gregory	Marcantonio	Steagall
Casey	Harlan	Mason	Sumners, Tex.
Citron	Hartley	Michener	Taylor, S. C.
Claiborne	Higgins, Conn.	Mitchell, Ill.	Thomas
Connery	Hill, Knute	Monaghan	Tinkham
Cooper, Ohio	Hobbs	Montague	Underwood
Crosby	Hoeppel	Montet	Utterback
Culkin	Jenckes, Ind.	Moritz	Wearin
Darden	Kee	Nichols	Wigglesworth
Dear	Keller	O'Brien	Wood
Ditter	Kocialkowski	Oliver	
Doutrich	Kvale	Patton	

The SPEAKER. Three hundred and thirty-five Members have answered to their names, a quorum.

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

P. W. A. OPERATIONS

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. GREEN. Mr. Speaker and my colleagues, I have just introduced House Joint Resolution 564, which provides for an appropriation of \$700,000,000 to continue P. W. A. projects throughout the country. This administration now has a large number of approved applications but have not the required funds to allocate for same. It is estimated that about \$700,000,000 can be economically and wisely used by this organization during the next 12 to 15 months. This amount, it is believed, will take care of the projects which have been approved by the State Public Works Administration engineer, the State P. W. A. administrator, and the Washington P. W. A. officials.

These projects have been selected by the local communities, have passed examination as to their economical and financial soundness and engineering feasibility and the general desirability of such projects. They are for schoolhouses, courthouses, street improvements, sewer improvements, and various other local enterprises which are needed and favored by the local communities throughout the country.

The expectation of course is that the usual requirements heretofore existing will apply in this \$700,000,000 appropriation. The Federal Government will contribute 45 percent toward the general cost and the local community the other 55 percent. This 55 percent will be a loan by the Federal Government, but, of course, such loan will be based upon adequate security as has been the practice heretofore. The fact is that the P. W. A. has lost no money in the handling of securities put up by the various local communities on projects heretofore allowed.

One of the most beneficial agencies of the Government during the past 3 years has been the P. W. A. It has relieved unemployment throughout the country and has left the American people permanent improvements of general benefit to practically every community in the country. More than half of the funds heretofore expended by the P. W. A. have been spent for the purchase of material. However, about 70 percent of the cost of these materials has gone directly into the hands of labor. Both skilled and unskilled labor have received their portion of these funds and the country has in turn realized the relief thus given to the unemployed.

Mills, factories-in fact, all manufacturing concerns-have shared in the benefits of the general P. W. A. program. This activity is disseminated in every community throughout the country, and thus has relieved the unemployment burden in all sections of the country. There is no doubt as to the wisdom of appropriations for this purpose, and I am very hopeful that my colleagues will join in an effort to bring about an appropriation before our adjournment which will at least take care of the projects throughout the country which have been approved and are now in the hands of the P. W. A. awaiting the allocation of funds. My own State has a large number of such projects, and I know that every State in the Union has a great number of approved projects which are awaiting further appropriations. In fact, in many instances the local requirement has already been met in every respect, in many instances by direct vote of the people in bonding themselves to raise the local 55-percent contribution.

Time will not permit further discussion of the subject, but I urge your favorable consideration of the matter.

The SPEAKER. The time of the gentleman from Florida has expired.

TOBACCO COMPACTS BETWEEN THE STATES

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 12037) relating to compacts and agreements among States in which tobacco is produced, providing for the control of production of, or commerce in, tobacco in such States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12037, with Mr. MITCHELL of Tennessee in the chair.

The Clerk read the title of the bill.

Mr. COOLEY. Mr. Chairman, I yield 7 minutes to the gentleman from North Carolina [Mr. Kerr].

Mr. KERR. Mr. Chairman, when the United States Supreme Court declared some portions of the A. A. A. Act unconstitutional, the outstanding reason for this adverse decision was that the Federal Government had undertaken through that act to control the production of certain commodities, and in the opinion rendered in the case the Court said that it was not within the province of the Federal Government to regulate crop production, but that that could be done through police regulations within the States themselves. The proponents of this compact bill have given good reason why all tobacco areas are interested in securing the consent of the Federal Government to carry out a compact among the tobacco States through which they can control or regulate the production of different types of tobacco. This House can well understand why the tobacco area is interested in this measure. The price figures for the last 3 years which the farmers have received for their tobacco will convince anyone that a measure of this kind is imperative for the welfare of those 400,000 farmers of the Nation who are engaged in the cultivation of tobacco. The crop of 1932—and I refer to the flue-cured area—brought the farmers \$42,000,000. That is conceded by all who know something about this industry to be a starvation price for this great commodity. Under the rules and regulations of the A. A. A. Act, whereby a parity price was fixed between the producer and the industry, the growers were able to get for the tobacco the next year, 1933, for practically the same amount of tobacco, \$112,000,000, an increase of 300 percent in the value of the product. Then this Congress, through a regulatory and enabling act, known as the Kerr-Smith Act, which had for its purpose protection of the contracting grower under the A. A. A. Act, succeeded in cutting down the crop of tobacco for the year 1934 to 557,000,000 pounds, about 200,000,000 pounds less than the crop of 1933, and this 1934 crop brought the farmers of the flue-cured area \$160,000,000. We produced in 1935 more than 100,000,000 pounds of tobacco above the industry's need, and produced a crop in excess of 800,000,000 pounds of tobacco, for which we received the price of \$162,000,000.

Not only has the tobacco industry been a great revenue producer for this country but our tobacco manufactured in foreign countries has produced an immense revenue for those nations who engage in this industry. The British Empire levies a tax of \$2.39 on every pound of tobacco imported from the United States into the British Empire, and before a hogshead of American tobacco is allowed to be carried to a cigarette factory in England the Government of that country collects \$1,900 out of the manufacturer. This hogshead of tobacco brought the producer in the United States not over \$200. All foreign nations, except those who are engaged in the manufacture of tobacco themselves, collect a large import duty from American tobacco.

I would not be wrong if I say that the farmers of the flue-cured tobacco area, under the regulation and laws provided by the Government through the A. A. A. and Kerr-Smith Acts, which we intend to extend under this compact bill, through State regulations, have received in the last 3 years more than \$300,000,000 profit in the tobacco area referred to as the flue-cured area. Not only has it been illustrated to you here by the proponents of this bill what the tobacco industry is worth to this Government, but it may be interesting for me to tell you that in the last 5 years the export value of tobacco, which has consisted of more than 300,000,000 pounds of tobacco annually, has cast the weight in favor of the business of this Nation. But for the fact that this Nation has sent out of this country more than 300,000,000 pounds of tobacco annually in the last 5 years, the imports into the country would have exceeded in value our exports; the balance in trade has been kept in our favor.

Now for a few moments let me address myself to the legal side of this question, because I know that is the perplexing question which comes into the minds of my colleagues. It is not necessary for me to state that a compact of States can be consented to or authorized by a Federal resolution.

This is essential. It cannot be done otherwise. This resolution can be passed even before the States enter into the compact, or after the States enter into the compact. There has been some controversy about that, but I cite the case of Virginia against Tennessee, which was decided in One Hundred and Forty-eighth United States Reports, page 221, where the Court said—I will just read a paragraph from the opinion.

The Constitution does not state when the Congress shall consent to compacts, whether it shall precede or follow a compact made, or whether it shall be expressed or implied, in many cases the consent will precede the compact or agreement. But where the agreement relates to a matter which could not well be considered until its nature is fully developed, it is not perceived why its consent may not be given subsequently.

Then as to whether or not we are trespassing upon the law in creating a compact to control production in this industry, let me read to you from an opinion by Chief Justice Fuller rendered 36 years ago, when the Court had under consideration the Wilson Act. He said this, and this has never been overruled, so far as I can find, and I have searched diligently. He said:

The power of the State to impose restraints and burdens upon persons and property in conservation and promotion of the public health, good order, and prosperity, is a power originally and always belonging to the States, not surrendered by them to the General Government nor directly restrained by the Constitution of the United States, and essentially exclusive.

I wish to call your attention especially to this opinion, the paragraph which I have just read; it was a statement made in the discussion of the great case In Re Rahrer (140 U. S. 554). It held that the State could "impose restraints and burdens upon any person or property in the conservation and promotion of its prosperity." This is the clear purpose of the compact bill proposed in this resolution under consideration. Without some way of controlling the production of tobacco in this Nation, those who produce this commodity cannot hope to be prosperous. Overproduction is ruinous, and unless we in some way remove the hazard of overproduction which hangs over those farmers who apparently cannot, without Government or State aid, curtail their production, this great industry cannot prosper.

I desire to present to you upon the authority of States to enter into agreements or compacts by consent of the Federal Government excerpts from the following opinions of the United States Supreme Court:

That States may enter into agreements and compacts is "a doctrine universally recognized in the law and practice of nations. It is a right equally belonging to the States of the Union, unless it has been surrendered under the Constitution of the United States. So far from there being any pretense of such a general surrender of the right, that it is expressly recognized by the Constitution and guarded in its exercise by a single limitation, requiring the consent of Congress. The Constitution declares 'no State shall, without the consent of Congress, enter into any agreement or compact with another State', thus plainly admitting that with such consent, it might be done; and in the present instance, that consent has been given. The compact, then, has full validity, and the terms and conditions of it must be equally obligatory upon the citizens of both States" (Poole v. Fleeger, 11 Pet. 209).

"If Congress consented, then the States were in this respect restored to their original inherent sovereignty, such consent, being the sole limitation imposed by the Constitution, when given, left the States as they were before, as held by the Court in Poole v. Fleeger, 11 Pet. 209" (Rhode Island v. Massachusetts, 12 Pet. at p. 724).

p. 724).

"The terms 'agreement' or 'compact' taken by themselves are sufficiently comprehensive to embrace all forms of stipulations, written or verbal, and relating to all kinds of subjects; to those to which the United States can have no possible objection or have any interest in interfering with, as well as to those which may tend to increase and build up the political influence of the contracting States, so as to encroach upon or impair the supremacy of the United States or to interfere with their rightful management of particular subjects placed under their entire control" (State of Virginia v. State of Tennessee, 148 U. S., at p. 518).

This Congress has authorized more than 20 State compacts; many of these compacts were authorized before the State laws were passed and many of them confirmed after the passage of State laws. This resolution is in no sense new legislation. There has been more than 20 cases before the United States Supreme Court arising under these com-

pacts of States, and the Supreme Court of the United States has uniformly held that such agreements and compacts can be made by any two or more States in respect to those powers which have never been delegated to the Federal Government and which involve State sovereignty.

Buckner v. Finley (2 Pet. 591); Mahon v. Justice (127 U. S. 705); Holmes v. Jennison (14 Pet. 571); Florida v. Georgia (17 How. 478); U. S. Bank v. Daniel (12 Pet. 54); U. S. v. Rauscher (119 U. S. 412); Virginia v. Tennessee (148 U. S. 520); Union R. Co. v. East Tennessee R. Co. (14 Ga. 327); Virginia v. West Virginia (11 Wall. 60); Wilson v. Mason (1 Cranch 45); Pennsylvania v. Wheeling, etc., Brdg. Co. (18 How. 421); New Hampshire v. Louisiana (108 U. S. 76); Missouri v. Iowa (7 How. 667); Rhode Island v. Massachusetts (12 Pet. 657); Wharton v. Wise (163 U. S. 167); Barron v. Baltimore (7 Pet. 249); Louisiana v. Texas (176 U. S. 17); Olin v. Kitzmiller (259 U. S. 260); North Carolina v. Tennessee (235 U. S. 1); Poole v. Fleeger (11 Pet. 185); Monongahela Nav. Co. v. U. S. (148 U. S. 312); Marine R. Co. v. U. S. (257 U. S. 47).

Joint resolution granting consent of Congress to the States of New York, New Jersey, and Connecticut to enter into a compact for the creation of an interstate sanitation dis-

trict, approved August 27, 1935.

Joint resolution consenting to an interstate oil compact to conserve oil and gas in the States of Texas, California, New Mexico, and recommended for ratification by Representatives from the States of Arkansas, Colorado, Illinois, Kansas, Michigan, and since ratified by the States of New Mexico, Kansas, Oklahoma, Colorado, Illinois, and Texas, approved August 27, 1935.

Joint resolution authorizing the States of New York and Vermont to enter into an agreement relative to the creation of Lake Champlain Bridge Commission, approved August 23,

1935.

Compact between Pennsylvania and New Jersey authorizing the creation of the Delaware River Joint Toll Bridge Commission.

Joint resolution giving consent of Congress to States of North Dakota, South Dakota, Minnesota, Wisconsin, Iowa, and Nebraska to agree upon the jurisdiction to be exercised by said States for the boundary waters between two or more of said States, approved March 4, 1921.

Consent of Congress given any two or more States to enter into agreements or compacts for the cooperative effort and mutual assistance in the prevention of crime and for other

purposes, approved June 6, 1934.

An act consenting to States of Minnesota, North Dakota, and South Dakota to enter into compacts for the improvement of navigation and for the prevention of floods, approved August 8, 1917.

An act to enable any State to cooperate with any other State for the purpose of watersheds of navigable streams,

approved March 1, 1911.

Compact of the States of New York and New Jersey by which the port facilities of New York Harbor are governed.

Compact between the States of Washington and Oregon for the purpose of establishing the fishing rights with reference to the Columbia River.

Compact relative to water rights of the Colorado River as a result of the erection of Boulder Dam, involving seven States.

Compact authorizing New England, New York, and Pennsylvania to agree upon the establishment of wages, hours, and working conditions of laborers.

It will be of historical interest to know that the first State compact ever proposed on this continent was between the Colonies of Virginia, Maryland, and (Albemarle) which was evidently then a part of North Carolina. This compact passed in 1866 and had for its purpose the regulation of the production of tobacco in the Colonies.

The CHAIRMAN. The time of the gentleman has again

expired.

Mr. ANDRESEN. Mr. Chairman, I ask unanimous consent that the gentleman may have 5 additional minutes, which shall not be taken out of the time provided under the rule. The CHAIRMAN. The Chair will state that the time cannot be changed by the Committee of the Whole. The time is fixed under the rule.

Mr. COOLEY. Mr. Chairman, I yield 7 minutes to the

gentleman from Kentucky [Mr. CHAPMAN].

Mr. CHAPMAN. Mr. Chairman, the tobacco growers of this country are facing another serious crisis. This is nothing new to tobacco growers. I recall that I saw the great burley crop of 1919 sell for a season average of \$32.36 per hundred pounds. The following year the price dropped to \$13.37, with all the consequent disaster, bankruptcy, poverty, suffering, and despair throughout tobacco-growing sections. After a measure of prosperity returned, growers enjoyed for a few years a living price for their principal money crop. Then we saw the entire 1931 crop of burley drop to \$8.63. Again we were face to face with a serious situation that brought back unhappy memories of conditions that had prevailed in other years when the tobacco crop had sold for much less than the cost of production. Then the Agricultural Adjustment Act and the Kerr Tobacco Act brought hope of better conditions and that hope became a reality to growers when they found as a result of these measures that they were able to pay debts and provide some of the comforts of life for themselves and their families. A better price for burley tobacco during those 3 years brought improved living conditions and benefited every business and every person in the tobacco sections. The entire 1935 crop sold for an average of \$19.05. The Supreme Court held the Agricultural Adjustment Act invalid, in consequence of which there are indications of a large increase in the next burley crop. Now we are face to face with another situation similar to those with which we have been confronted so many times in the past.

When that Court decision was rendered, producers of many other important farm commodities also faced a serious crisis. It is hoped and expected that the Soil Conservation Act will in a large measure solve the problem of those commodities. We joined with you in passing the Soil Conservation Act. Our tobacco pays into the Federal Treasury the half billion dollars appropriated to finance the entire program inaugurated by the Soil Conservation Act for the benefit of all your farm products. We hope it will solve your problem. It will not solve our problem. Now we come to you and ask you to give us nothing. We do not ask you to confer, or attempt to confer, any power on any State, but simply to grant the consent of the Congress that our tobacco States, if they wish, may form compacts, under the Constitution, to attempt to solve their own problem in the exercise of their own inherent power as sovereign States. We think our request is fair. The question is, Will you withhold from us that consent?

PRODUCTION CONTROL ONLY PROTECTION

Mr. Chairman, we have tried many methods of handling the tobacco question. We have had cut-outs; we have had pools. Experience has taught us that the only way by which the price of tobacco can be protected is by production control. We have learned that lesson. We know that if we raise too much tobacco we cannot avoid the inevitable results of the immutable law of supply and demand. Our highest Court has decreed that the Federal Government cannot control production but that if it can be controlled the power to control it lies only in the State governments. In action by the States lies our only hope. We believe that the States in the exercise of the police power inherent in the sovereignty of the States can control production. But one State acting alone cannot make control effective. The control must exist throughout the territory producing the vastly major portion of the type of tobacco in question. To make it effective the States producing that type of tobacco must cooperate. The States could act separately, but we are convinced that to make the plan truly effective and beneficial it is necessary to maintain crop control through State compacts. We come, therefore, and ask the consent of Congress that our States may enter into such a compact, with full confidence of its constitutionality in view of a long line of decisions by the Supreme Court.

NO COMPULSION

There is no compulsion in this bill. There is no attempt to force this plan on the States, nor to dictate that they shall adopt this plan. The bill merely authorizes such a compact and offers them the opportunity if they wish to avail themselves of the plan to protect the price of their principal money crop.

PROSPECTS OF BURLEY COMPACT

The flue-cured compact is a foregone conclusion. As to burley I do not know, but I do know that a serious effort is being made by serious-minded, forward-looking, experienced, well-informed tobacco growers in the burley section of Kentucky to have a burley compact adopted in time to handle the 1936 crop. Today at Lexington, Ky., the largest loose-leaf tobacco market in the world, in the district which I have the honor to represent, representatives selected by growers of 26 burley counties are in session making plans for a Statecontrol act similar to the Virginia act and for a burley compact. They have been in session frequently during the past 2 weeks and have communicated with me several times. Some of them have told me that the Governor of Kentucky has already indicated his willingness to include the consideration of a State-control act, essentially the same as the Virginia act, in a call which he proposes soon to make for a special session of the general assembly. If such an act is passed, and our sister State of Tennessee will take similar action, then we will have a burley compact for this year's crop embracing Kentucky, Tennessee, Virginia, and North Carolina.

SHOULD INCLUDE ADDITIONAL STATES

Members of the Burley Growers' Committee, now meeting at Lexington, have advised me also that they contemplate that the Kentucky Act will provide for the inclusion, insofar as crops in subsequent years to 1936 are concerned, of the potential burley-producing States of West Virginia, Ohio, Indiana, and Missouri. I understand that an amendment will be offered to this bill today, and I hope it will be adopted, whereby, if those States join in the compact for 1937 by enacting substantially the Tobacco Control Act, it will be unnecessary for them to come back to Congress for ratification. The situation is this, that if Kentucky and Tennessee enact the control law this year, a compact will exist between Kentucky, Tennessee, Virginia, and North Carolina to control the burley crop for 1936. A compact in 1937, embracing Kentucky, Tennessee, North Carolina, Virginia, West Virginia, Ohio, Indiana, and Missouri, will include practically all of the burley-producing and known potentially burleyproducing territory. Those eight States were included in the original burley compact authorization bill which I introduced in the House February 6, 1936.

Mr. Chairman, contrary to the wishes and judgment of a number of well-informed Members of this House, the Committee on Agriculture eliminated from this bill what were believed to be the only legitimately controversial questions, those involving the question of interstate commerce. Confident of the constitutionality of the compact plan, relying on a number of decisions of our highest Court for that conviction, we were surprised that the gentlemen of the minority undertook apparently to make political capital out of the present plight of American tobacco growers. May we express the hope that our friends across the aisle will withdraw their opposition to this effort which we are making in behalf of 400,000 American tobacco growers, patriotic citizens whose sole purpose is the opportunity, in an orderly, constitutional manner, to protect the price of their major product, the price of which is the measure of their purchasing power and the foundation of their prosperity?

Mr. KINZER. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. Short].

Mr. SHORT. Mr. Chairman, at 9 o'clock on the evening of January 3 last, the President of the United States in an address not so much on the state of the Union as on the state of the New Deal, and delivered not so much to the Members of Congress as to the boys out at the forks of the creeks and the crossroads, very grimly and determinedly informed us that this administration would not retreat but

would advance. Just a month after uttering those words the administration did retreat, and he sent a special message to this House asking the Members of Congress to repeal three acts—the Cotton, Potato, and Tobacco Control Acts—which this administration had previously urged the very same Members to enact into law.

Notwithstanding the fact the N. R. A. was declared unconstitutional, a skeleton N. R. A. was set up and for many months thousands of employees of the old bureau remained on the public pay rolls. After the A. A. A. was declared unconstitutional by the Supreme Court thousands of employees in this alphabetical agency remained and still remain on the pay roll. A short while ago the Members of this House voted for the camouflage Soil Conservation Act, which in reality is a crop-control act, which was nothing more than a stubborn refusal to admit the failure of the old A. A. and an attempt to circumvent the decision of the Supreme Court; and today this spurious, specious legislation is brought in, which is a subtle mixture of subterfuge and sophistry. It is nothing more than another one of the numerous, deliberate, and insidious attempts, if you please, silly and idiotic in my opinion, to repeal the laws of nature and to substitute the edicts of man. I trust the time will arrive eventually when the Members of this House will realize that artificial legislation such as this is just as futile and foolish as would be legislation to repeal the law of gravitation or to prohibit a tornado such as the one which unfortunately but unavoidably recently visited the Southland.

Mr. Chairman, if this bill is enacted into law a dangerous precedent will become established whereby a few States can control any particular commodity they produce, whether it be tobacco, fruit, sugar beets, or some other product of the farm. Any form of compact or agreement which, in my humble but honest opinion, amounts to collusion that would tend to foster and encourage monopoly would be a violation of the antitrust laws and would penalize the many to take care of the few.

Mr. COOLEY. Mr. Chairman, will the gentleman yield? Mr. SHORT. My time is limited, but I yield briefly.

Mr. COOLEY. Does the gentleman appreciate the fact that the congressional consent sought by this act can be withdrawn at any moment there is an attempt made by any State to abuse the power granted?

Mr. SHORT. That may be true; but you are splitting frog hairs when you draw a distinction between consent that is given by Congress and Federal control. Not only that, Mr. Chairman, but I want to point out the fact that this act goes even farther than the old A. A. A., because it makes compliance compulsory.

It is contemplated that each one of the State legislatures of the few interested States besides Virginia will enact a law similar to that drawn in the great Commonwealth of the Old Dominion State. I should like to read section 19 of the Virginia act that imposes a penalty on those individual growers or producers of tobacco who willfully violate the provisions of that law. It says in section 19:

Any person willfully selling or buying or reselling, redrying, or conditioning, or otherwise processing, tobacco of any kind harvested in any crop year for which a State quota and individual farm quotas have been established for such kind of tobacco, not covered by marketing certificates or resale certificates issued in accordance with the provisions of this act, and anyone willfully participating or aiding in the selling or buying or reselling, redrying, conditioning, or processing of any such tobacco, or any person offering for sale or selling any tobacco except in the name of the owner thereof, shall forfeit to the State a sum equal to three times the current market value of such tobacco.

Section 20 makes it a misdemeanor and subjects the violator to a fine of \$10 for the first offense and \$25 for each subsequent offense.

Mr. Chairman, in my opinion, this is nothing more nor less than a clever attempt to regiment the American farmer. A short time ago I pointed out on the floor of the House that when a boy I used to sprinkle corn along the lawn to entice chickens to a pen, only to wring their necks after I got them in it. Often I have gone into a field with an ear of corn in my left hand in front of me and with a halter in my other hand behind me. With that sop and with that ear of corn I enticed the horse until I got the halter on him. After I got him in the harness and the collar rubbed his shoulder sore and the traces wore all the hair and hide off his sides he did not like so well this enticement or sop which I had handed out to him.

I want to say, Mr. Chairman, that the worst provisions of this bill are found in section 9, subsection (g), at the top of page 10, which states as follows:

The action of any officer, employee, or agent in determining the amount of and in making any payment authorized to be made under this section shall not be subject to review by any officer of the Government other than the Secretary of Agriculture.

In other words, the Comptroller General of the United States will have no authority or jurisdiction whatever to check the amounts of these benefit payments. I want to point out to the Members of the House that only last Sunday night the report of the Secretary of Agriculture, which had to be wormed out of him, informed us that one Florida sugar corporation under the old A. A. A. had received a total of \$1,067,665 in three checks. A Hawaiian sugar producer got a single check for \$470,313, and in all will receive \$1,022,047.87. A sugar grower in Puerto Rico was paid \$961,064.

Mr. Chairman, I am just wondering what huge and vast sums have been paid to the cotton, wheat, and corn-hog producers of this country. I am wondering how many benefits will be paid the tobacco growers of this Nation by these men who are attempting to resurrect a skeleton whose bones are rattling this day.

The conclusion of this bill, section 12, states that the Secretary shall prescribe such rules and regulations as he may deem necessary to carry out the provisions of this act.

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. SHORT. Mr. Chairman, I have great sympathy for the tobacco growers. I know the huge sum of taxes paid by the tobacco industry of this country in the State of North Carolina, but, Mr. Chairman, this is bad and vicious legislation which turns over to Czar Wallace complete authority to regulate in his omnipotent, infallible, impeccable, and flawless wisdom the growing not only of tobacco but will establish a precedent that will lead to the control of the production of every crop in every section of this country, setting class against class and section against section. It is unsound, in my opinion, unconstitutional and un-American, and should be defeated. [Applause.]

[Here the gavel fell.]

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Chairman, the gentleman from Missouri seems to be greatly disturbed over an honest effort on the part of the Congress to improve the condition of the tobacco growers of this country. If the gentleman only knew anything about the conditions which prevailed in the tobacco districts of this country prior to the adoption of what is known as the A. A. A. I do not believe he would have made the speech that he just delivered.

Mr. Chairman, in 1932 all the tobacco growers in America only received \$107,000,000 for every stalk of tobacco raised in this country. That is not all. In the same year the four large tobacco companies in America made in net profit over \$110,000,000 and paid out in dividends to their stockholders in cash over \$79,000,000. The tobacco price level had fallen to around 7 cents per pound, and every tobacco grower in America was headed for the poorhouse. Now, the gentleman says that the A. A. A. came along and regimented the tobacco growers of America. Let me tell you what it did. It increased the price level of tobacco, in less than 2 years, from 7 cents to around 20 cents per pound. It increased the cash income of the tobacco growers around \$150,000,000. If increasing the cash income of the tobacco growers of America from \$107,000,000 in 1932 to around \$250,000,000 in 1934 is regimentation, then I want to say to the gentleman from Missouri that what the tobacco growers in America need to- affirmed yesterday by our good friend, the gentleman from

day more than anything else is a little more of the same kind of regimentation. [Applause.]

Mr. BANKHEAD. Mr. Chairman, will the gentleman from Virginia yield for a question?

Mr. FLANNAGAN. I yield.

Mr. BANKHEAD. What type of regimentation did the Hoover Farm Board give the farmers of America, including the tobacco growers?

Mr. FLANNAGAN. The Hoover Farm Board ruined my farmers, not only my tobacco farmers but my cattle raisers, my wheat growers, and my corn growers. We do not want any more "Hooverism" down in the Ninth District of Virginia. [Applause.]

Mr. LAMBETH. Mr. Chairman, will the gentleman yield for a question?

Mr. FLANNAGAN. I yield to the gentleman.

Mr. LAMBETH. The gentleman from Virginia is familiar with the peculiar system of marketing tobacco, and last year the gentleman was the author of a bill, which became law, providing better protection for the growers in the marketing of their tobacco. In addition to other reasons which have been advanced for the passage of this proposed legislation to make it possible for the States, through compacts, to control the production of certain types of tobacco, is it not true that tobacco is a peculiar commodity, in that there are relatively few buyers of tobacco, and therefore, if there is a large surplus of tobacco, the price goes down relatively more than it would in the case of cotton or wheat, where there are a large number of buyers of those commodities?

Mr. FLANNAGAN. The gentleman is correct.

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, no doubt this bill will be passed before we adjourn this afternoon, it will then go over to the Senate, and what I have to say about it is spoken quite as much in consideration for the tobacco growers as in criticism of the bill. I have very serious doubts about it and I want to call these doubts to the attention of the country and of the gentlemen who are in control of the measure so that we may know more about the bill and of the legal principles involved and thereby determine whether it will accomplish what it is desired to accomplish.

I want to help the farmers who raise tobacco. I know that the little package of cigarettes that my friend from North Carolina exhibited to us the other day is taxed as high as 7 cents in many States, and that the tobacco growers are doing their duty in contributing revenues to the country. I know that their burdens are heavy and that their complaint is of long standing. It was many years ago that I read of the night riders down there who went around burning the warehouses and the barns in order to get rid of the surpluses of tobacco. The tobacco-farmer is entitled to economic prosperity. He should have a fair price for his product and one that will enable him and his family to live in comfort and according to the standards of an enlightened twentieth century civilization. You have no moral right to enjoy the solace and comfort which his investment of capital and which his labor and which his product brings to you unless you are willing to pay him the cost of producing that product. But, Mr. Chairman, when he crys for help and for support he should not be compelled to rely upon a broken reed. And that is why I rise to direct the attention of the gentleman in charge of the measure to what I believe are its basic and fundamental defects, and that is why I hope for a legitimate way by which such defects may be remedied.

In the first place, compacts between States do not confer upon or delegate to the States any Federal power. This is agreed to by everybody. When this bill is passed any one State such as the State of Virginia, for example, will not have a single thing by way of Federal power that she does not now have.

The second proposition is equally evident and it was

Georgia [Mr. Cox] in support of the bill. The bill does not give to Virginia any State or local power that she does not now have. It does not amend or add to the powers already possessed by the States. It leaves the States exactly as it finds them so far as constitutional authority is concerned.

The Constitution provides that no State shall, without the consent of Congress, enter into any agreement or compact with another State. That is all it says about it. The Federal Government does not do anything except give its consent that the States can make a compact. This clause does not delegate to the States any congressional power whatsoever. It does not give the States themselves any firmer grip or hold upon the powers that are reserved to the States. In times past Congress has given its consent to the making of compacts between States, and about 60 of them have been entered into. I wish more information could have been given us in the committee hearings or in this debate concerning them, showing just what they related to. I have examined most of them and I do not find a single compact that attempts in the remotest way to regulate the property rights of our citizens-not one. About 25 of these are agreements which fix boundary lines between States. About six of these compacts relate to jurisdiction over lands ceded by one State to another. Nine compacts are concerned with the question of concurrent jurisdiction over common waters. Some agreements have been made whereby the States are to jointly perform some service such as to build a bridge or a tunnel or to create an interstate corporation to do some work of this character. Sixteen authorizations are water apportionment agreements. But there are none, and especially none that have received the sanction of any responsible court, which have to do with property rights of individual American

We may be certain that if there is any such compact then the able gentlemen who are in charge of the bill would have referred us to it. All of the interstate compacts so far made over a century and a half of our Nation's life have related to something else and different than the property rights of citizens. A great many of them relate to rights in public waters and navigable rivers. For example, compacts are found with respect to the allocation of water in a river that runs through and irrigates the land in two or more States. Manifestly there is no property right of an individual citizen involved in any of these. One of the last cases on this question came into the Supreme Court from Oregon, being the case of Olin v. Kitzmiller (259 U. S. 260). It had to do with regulating, protecting, and preserving fish in the waters of the Columbia River, which separates the State of Oregon from the State of Washington, and over which the two States have concurrent jurisdiction. The appellant wanted a fishing license. The State authorities denied him this privilege and the Supreme Court upheld their action. The Columbia River is a navigable stream. The fish in that river are not the property of any citizen. Fish and game belong to the king-in America the whole people are king-and not to any citizen. It is proverbial that "fish in the sea" belong to nobody. Manifestly there was no individual property right of any citizen invaded or denied by the compact between the two States which merely regulated fishing rights in the boundary river and protected and preserved aquatic life in that stream for the benefit of future generations. Nobody's property was taken away.

But the right to plant tobacco and to raise and cultivate it upon privately owned land and thereafter to own it and control it and sell it is a property right. This was freely admitted at page 44 of the hearings by the sponsors of the bill. When I enter upon my land to plant and cultivate and grow tobacco I am not entering upon any activity having to do with public health or public safety or public morals, and the police powers of the State are not involved in any way. And when I plant and grow tobacco there is not involved any question of the conservation and protection of some irreplaceable natural resource which is necessary to public welfare or public defense. So here again no State has the right under the police power to interfere with my business as a tobacco farmer. And no State, and no num-

ber of States, can take away my property by a mere legislative enactment without due process of law. But that is precisely what this bill sanctions and seeks to do.

The oil- and gas-producing States, as custodians of the police power, have more and more of a responsibility for protecting the Nation's limited oil reserves against waste. Under its police power the State may regulate the correlative rights of the common owners of an oil pool and may provide against waste even though the underground resources may be privately owned. This follows because of the peculiar nature of oil and gas. These minerals, differing from solids in place such as coal and iron, are fugacious in character and of uncertain movement within the limits of the pool. Every person may drill wells on his own land and take from pools below all the gas and oil that he may be able to reduce to possession, including that coming from land belonging to others, but the right to take and to acquire ownership is subject to the reasonable exercise of the police power of the State to prevent unnecessary loss, destruction, and waste. But there is nothing of this character involved in the growing of tobacco. There is nothing evanescent or volatile about tobacco plants, and they are not disposed to flee or fly or flow away from my neighbors' land onto my own land. The State has no right under any police power to hinder or abridge or regulate the enjoyment of my property right to produce and sell tobacco.

Now, with these propositions beyond doubt and practically admitted, I do not see how this bill can help the tobacco grower. It seems to me to be a futile and an innocuous bill, a work of supererogation. It grants nothing to the States. It takes away nothing from them. It is inept and without real substance. In its legal application it is the same as no bill at all.

For example, after this law is passed, Virginia cannot punish anyone for refusing to comply with the quota system proposed under the State regulatory features contemplated by the bill, because she cannot deprive a citizen of the things which he owns without due process of law. Especially is she without power to deprive a citizen of any property rights wherein the activities involved have no real and proper and substantial relation to the police power of the State. After this bill has become law and after the compacts have been entered into, any farmer may raise and sell and transport in intrastate commerce and in interstate commerce all of the tobacco that he desires to raise or sell or transport. My right to sell my goods in commerce is a property right which is attached to my ownership and is equally protected by the due-process clause of the Constitution.

After this bill has become a law and after the compacts are made, and after the States' statutes are passed, still no State can punish anyone for violating the compact in another State. Virginia cannot punish one for violating a law or a compact over in North Carolina, and this bill does not attempt to confer any such power upon Virginia. The statute of Virginia, even though passed under sanction of the compact, cannot have any extraterritorial force of the character involved here. You cannot punish a man out in one State for having committed a crime in another State. The bill does not and cannot confer upon any State any extraterritorial jurisdiction out beyond the limits of its own sovereignty.

But it is argued that the A. A. A. decision has to do with the questions involved in this legislation. It is true that that decision struck down as being unconstitutional many of the provisions in the law which established the A. A. A. It is true that the Court there said that that act was unconstitutional, insofar as it tried to regulate and control the production of crops. It is true that the right to regulate and control such production was held not to be a Federal function because control over production of crops had never been granted to the Federal Government. It is true that the Court intimated that control of production was a thing which was reserved to the States. But that case does not intimate, and no case holds, and no theory is valid under which it can be said, that a State has the right to take away property without due process of law.

It is agreed that the right to raise and sell tobacco is my property. If this be true, I wonder where we are going with this bill. I do not understand how it can help any tobacco

Mr. BANKHEAD. Will the gentleman yield? Mr. GILCHRIST. I yield to the gentleman from Alabama. Mr. BANKHEAD. Does the gentleman mean to say that by implication the Supreme Court decision held that neither the Federal Government nor the States had a right to control an agricultural product?

Mr. GILCHRIST. No; the holding was that the Federal Government had no right to control agricultural production. The question of State control of production was not involved in that case. By way of argument they said that the Federal Government could not control production because it is a State function.

Mr. BANKHEAD. Then the gentleman does agree that the control of agricultural production is a State function?

Mr. GILCHRIST. I am willing to admit that it is a State function. But in exercising and administering that function the State will also be compelled to keep and comply with every limitation or regulation which the Constitution requires it to heed and observe whenever it proceeds to control or regulate anything. Certain things are denied by the Constitution to the States. For example, the State must not, in controlling or regulating production, take away property without due process of law. There was not a single intimation in the A. A. A. case that the State could do that. This bill will do that very thing. I do not see how anyone can contend that it will not. The fact that the State may do something does not give the State the right to violate the other express provisions of the Federal Constitution. Under the Federal Constitution the power to do certain things is given to the Congress, and under the Federal Constitution the power to do a vast number of other things is reserved to the States. But in either event the Congress or the States must observe the limitations and prohibitions that are set forth in that same Federal Constitution. While some powers are granted, there are other powers that are expressly denied, and these denials must always be observed by States and by legislatures and by Congress. The bill of rights and the several amendments contain many commandments whereby the States are told "thou shalt not." One of these commandments in positive and flaming language says: "Thou shall not take property without due process of law." So much for the law of the case.

But if the day shall ever come when by a system of State compacts it becomes possible for two or more States to abrogate and annul the express provisions and limitations of the Federal Constitution; and if by a system of compacts between two or more States they could invade and annul the Bill of Rights; and if by a system of interstate agreements two or more States could strike down all of the safeguards which that instrument provides to protect the rights and privileges and immunities of our people and thereby strip them of the protection which that instrument gives to them. then that day will be a sad and calamitous one for American

And if the proposed system of compacts between States is approved by Congress and upheld by the courts, the possibility for harm will be infinite. There are 48 States. As a mathematical proposition I suppose that 10,000 combinations can be made with 48 units. No man can conjecture nor can the wildest imagination fathom the results of such combinations. And for this reason I regard the bill as unsound and ominous, even if it should be constitutional.

I will make another suggestion. Whenever governmental sanction and approval are given for the taking of agricultural lands out of certain kinds of production, then in fairness we have a duty toward other agricultural lands, and we should see to it that the lands which are subsidized or which are given special preference by Federal legislation should not be allowed to go into competition with lands which are not so favored. The present bill does not regulate this in any way and is therefore objectionable.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire, to the gentleman from Virginia [Mr. Drewry].

Mr. DREWRY. Mr. Chairman, this legislation is necessary because it will save from impending disaster the farmers of this country to the number of 400,000, who will produce by their crop of tobacco a revenue for this Government estimated in 1936 to be half a billion dollars. I am in favor of the legislation.

Mr. Chairman, this bill is an attempt to so regulate the production of tobacco that the producers will get a price for their product that will enable them to continue the growing of their market crop. In order to maintain such a price the amount that is offered for sale must not exceed the normal requirement or the price will fall to a point where the tobacco farmer will find that it does not pay him to produce tobacco. As a large proportion of farmers in Virginia, North Carolina, South Carolina, Georgia, Tennessee, and Kentucky, as well as farmers in Pennsylvania, Ohio, Wisconsin, and Connecticut, and a smaller proportion in a few other areas in this country are dependent upon the production of this crop for their living, the importance of legislation to protect them, if such be possible, is readily seen.

Not only is this legislation necessary for the benefit of the tobacco growers and the communities in which they live, but it is most important to the country as a whole, for practically one-eighth of the entire revenue of the United States comes from the tax on tobacco. If disaster comes upon the tobacco industry, then the Government may realize a loss in its revenue that will necessitate an increase of taxation in other directions. With the importance of the production of tobacco in mind, let us look into the situation that now confronts the tobacco farmer.

In 1929 tobacco growers received an average price of 18.4 cents per pound for their crop of tobacco, and the farm income from the crop totaled \$282,000,000. Then the farm tobacco income began to decline until it was only \$211,000,-000 in 1930, \$130,000,000 in 1931, and \$107,000,000 in 1932. Thus in 3 years the farm income from tobacco declined approximately 581/2 percent, which was greater than the decline in the income from all other farm products as a whole. The result is well known to all. Among the tobacco growers the distress was widespread and severe; farm property deteriorated, and the consequent losses to business in the tobacco growing area were heavy; taxes could not be collected, and the entire area suffered.

In the first year of the administration of the Agricultural Adjustment Act and the Kerr-Smith Act, in 1933, the size of the crop was not substantially affected by the productionadjustment program, as the crop of tobacco had generally been planted before the program became effective, and there was a production that exceeded consumption. The markets were temporarily closed, and the growers by a large majority agreed to limit their production. The reduction in production for the next year being assured, the leading domestic tobacco buyers were called in and they agreed to purchase the supplies needed by them at a price at or above specified minimum levels and in quantities sufficient to take care of the supply on hand. Thus there was an increase this year, so that the farm income of the tobacco growers jumped from \$107,000,000 in 1932 to \$178,000,000 in 1933. Under the reduction programs, production was reduced in 1934 and 1935, and the farm income increased to \$223,000,000 in 1934 and \$242,000,000 in 1935.

The effect was immediately seen in the tobacco-producing The farmers paid up their back taxes, settled their indebtedness, repaired their farm property, bought supplies which they had been forced to do without, and helped to bring the country back from the depression which had settled on them as a black cloud from which in the preceding years they had seen no escape. Most of all it gave them courage to carry on in the work with which they were most familiar, for they thought that at last a way had been found for them to receive a fair price for their tobacco—a price that would compensate them for their labor and provide some of the comforts of life for themselves and their families.

As the Supreme Court decided that production is a matter of regulation by the respective States instead of being a matter of Federal control, it is proposed, as in this bill, to have ! the States in which tobacco is largely grown to enter into compacts or agreements with each other to control the production of tobacco by State regulation. Each State agrees to pass legislation that is uniform. This bill then grants the consent of Congress that the respective States shall enter into compacts or agreements with other States similarly interested, which compacts are to provide cooperation between the States signatory thereto by establishing production quotas for each State, and by formulation of such regulations as will assure the uniform and effective enforcement of the

The decision of the Supreme Court that the A. A. A. legislation providing for this reduction program was unconstitutional came as a shock just at the time when they had begun to see daylight after the darkness. Notwithstanding their disappointment, which was great, there was no great criticism of the decision. These farmers understood the form of Government under which they lived and had no desire to overturn it for a temporary advantage to themselves. They were in full accord with the principles of constitutional government and determined that they would find the remedy for their trouble within the Constitution and not without it. A great lesson had been taught them and they had profited by it. It had been clearly shown that the natural economic law of demand and supply regulated their business and that the remedy was in their hands if they would apply it.

Before the carrying out of the production-adjustment program the tobacco acreage planted each year was very closely related to prices for the previous crop of tobacco and prices received for other farm products during the previous year. The tobacco farmers in the eastern and southeastern States, in the years 1934 and 1935, found that it was more profitable for them to grow tobacco than almost any other crop. It therefore follows that, unless there is some program or method by which production can be restricted, the tobacco crop will be so large as to result in low prices to the growers. As said above, the growers have been taught their lesson, and it is almost the unanimous opinion of this class of farmers that production should be decreased, and there is hardly any dissent on the part of the growers to agree to restrict their production if they could be assured of some legislation that would cause all the growers to comply with the agreement not to increase their production of tobacco because of improved prices. The growers in any single locality cannot make such an agreement effective, nor could it be made effective by the growers in a county or State, if growers in other States are free to increase the size of their crops as soon as prices are improved. As the previous reduction program has been invalidated, other means must be used to regulate the acreage planted in tobacco. An effort is being made in the soil-conservation legislation to provide in part for this, but it is generally believed that this legislation alone will not be sufficient to keep the production of tobacco at a level in line with consumption requirements. So it seems that the problem is more or less a local problem applicable to the States in which tobacco is grown, and as one State alone cannot adequately control production to maintain permanent improvement, then the States affected must have an agreement among themselves to control the production within their respective borders, said control to be uniform, however, in its scope.

This bill is necessary to enable the States to enter into compacts because of the provision of the Constitution of the United States which permits States to enter into compacts or agreements with the consent of Congress. This bill, therefore, provides that all State acts authorizing such compacts shall be essentially uniform and in no way conflicting, and further provides that said State legislation of the respective States shall be in conformity with an act of the General Assembly of Virginia approved March 13, 1936, known as the Tobacco Control Act. The said compacts then become effective to the extent and in the manner provided for in said act of the General Assembly of Virginia upon the passage of this measure. A safeguard is thrown about this legislation, however, by a further proviso that at any time that will protect the growers. There is no reason in saying

the Congress of the United States of America may hereafter withdraw its consent to any compact or agreement entered into pursuant to this act.

The proposed State acts, which form the basis of the State compact method of regulating the production of tobacco, provide for the appointment of a State tobacco commission to carry out the provisions of the compact within each State, and give in detail the powers of said commission for establishing quotas and other matters connected with the marketing of said tobacco quotas upon the farms of said States, with other provisions covering the regulation of same.

In conclusion, it may be said that, while this legislation may be to some extent experimental, it is an attempt on the part of Congress to help a great industry in a constitutional way. While the constitutionality of this act may be questioned by some, it is the opinion of probably the majority of those who have studied the question that this legislation is within the constitutional requirements and offers a practicable method of assisting the tobacco farmers of the country.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina IMr. BARDEN!.

Mr. BARDEN. Mr. Chairman, I live in a district where quite a bit of tobacco is grown, approximately sixty to sixtyfive million pounds. I have just returned from a visit to the district and found that the tobacco farmers were very much disturbed over the present situation. They want this legislation. I do not feel that this legislation contains everything that is needed or that they desire or that I would have included in it, but it is apparently the best act that we can prepare at this time. I believe it will do an immense amount of good for the farmers.

Mr. ANDRESEN. Mr. Chairman, will the gentleman yield? Mr. BARDEN. I am sorry; I cannot yield.

Mr. ANDRESEN. Will the Governor of North Carolina call a special session down there?

Mr. BARDEN. I prefer not to comment upon that. I expect he has enough trouble of his own. I know that I have here. I am not in position to make any statement here that would bind him. I do not see why we should at this time begin to presume against the bill if on its face it looks toward the relief of the farmer. I think some in this House apparently have developed what we might call a constitutional complex. Every time a bill is presented on the floor someone jumps up and begins to talk about the Constitution, whether the bill has any bearing on it or not. Yesterday I was very much surprised to hear them begin to discuss the various State constitutions. Apparently they seek now to drag in the 48 State constitutions and dissect them on this floor. I can see no reason why we should assume that the State of North Carolina, the Legislature of North Carolina, the Governor, the attorney general, and the people are not in position to look after the North Carolina constitution. I believe this legislation will open the way for a great deal of relief for the tobacco growers, who produce a commodity that certainly pays more than its share to the Federal Government.

I was interested and amused to hear the gentleman from Missouri [Mr. Short] relate the circumstances this afternoon about tolling the chickens into the coop with corn and then wringing their necks. I have heard the gentleman tell that two or three times. I am of opinion that the chickens, if he chooses to call the farmers that, were tolled into the coop in 1928, and this administration was able to get them out in 1932 before the Republican administration completed wringing their necks. I do not see where his argument has any bearing upon this bill. Nor can I see why he should be so disturbed over this bill's bearing on a commodity that is of very little interest to him from the standpoint of production in his section. It is not putting one State against another or one section against another. Supreme Court has said that the Federal Government could not control production, and implied that the State governments could control it, and this is an effort to do what I believe the Supreme Court hinted we could and should do. There is no doubt in my opinion but that the very nature of the commodity itself makes it necessary for legislation

that the Federal Government should get five times as much from the crop as the man who produces it. There is no reason why the manufacturer should declare many times the amount in dividends that the grower of the commodity gets for producing it. We cannot get along that way. We have experienced some trouble with the potato situation, and the first thing we know we will have a practice growing up in that section which will tend to annihilate the tobacco industry just as we had in the potato industry.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. Hancock].

Mr. HANCOCK of North Carolina. Mr. Chairman, ladies and gentlemen of the Committee, the bill now before us has been so clearly and effectively explained that there is little need of further comment. Coming, as I do, from the State which produces approximately 65 percent of the flue-cured tobacco grown in the United States, and having a personal knowledge of what a fair price for tobacco means to the general welfare of my people, I am heartily supporting the bill H. R. 12037, which gives the consent of Congress to the tobacco-producing States to enter into compacts for the purpose of regulating the production of tobacco. If the law of reason, sound economics, and common sense is applied to its administration, it should work wonders toward maintaining and stabilizing the purchasing power of the tobacco growers.

In North Carolina, prosperity and good times are largely dependent upon tobacco prices. If the different types of tobacco grown in the United States were confined to a single State, authorization of the character contained in the present bill would not be necessary. It would be foolish, however, for one State among several to encourage a reduction in tobacco production without the other States doing likewise. This bill merely authorizes the several States producing similar types of tobacco to do, under the authority granted them by their constitutions, what any one of them can do without such authorization. This bill does not, therefore, convey to any State any power which it does not now enjoy. It merely permits several of them to agree among themselves, by uniform legislation, upon a program of economic betterment and self-protection.

I recognize that no farm program can be permanently sound that does not encourage an increase in consumption. At the same time, we should recognize that agriculture is the basic industry of the world, and unless production is related to consumption there can be no well-balanced economy. But for special privileges and governmental protection afforded other industries, agriculture no doubt could hold its own in the world of business. It is foolish, however, to believe that the farmer can keep his feet upon high ground as long as the cards are stacked against him. His purchasing power cannot be effective for his own good as long as he is forced to sell in an unprotected market and buy in a protected one. The A. A. A. was designed to remove this discriminatory situation. With its invalidation by the Court, on the ground that the Federal Government did not have the authority to regulate agriculture or control its production, the Court by inference clearly indicated that this power rests with the States. This bill, therefore, is designed to meet the suggestion of the Court, as set out in the majority opinion. To my way of thinking, the Court adopted an untenable and absurd position in holding that agriculture was a local rather than a national problem. If the Federal Government is without this authority and power, surely there is no other place to which we can go for the protection of agriculture save to the several States. If this bill is passed and the several States enact uniform cooperative legislation and make its administration effective upon an equitable basis for all the growers, it should go a long way toward solving the serious problem confronting the growers in the tobacco-producing areas. Though there is no doubt but that the Soil Conservation Act will be constructively helpful over the long period, it is generally agreed that its influence on the production of tobacco will

not be immediately effective. Tobacco occupies a rather unique position among the basic commodities, for the reason that an acre of tobacco involves a considerably larger amount of money than an acre of any other commodity.

Unfortunately it is also a fact that tobacco is the only revenue-producing commodity in the United States. My colleagues, Hon. R. L. Doughton and Hon. Lindsay Warren, have already in a telling way referred to the present exorbitant and unconscionable taxes which are levied against tobacco products. There can be no doubt in my mind but that a removal of a substantial portion of these taxes would be immediately reflected in better prices to the grower. It seems, however, that notwithstanding the efforts of many of us for the past several years to impress officials of the Department of Agriculture with this idea, they have shown little concern or interest in removing this unjust burden against the tobacco producers. As indicated by my colleague, Judge Clark, the tobacco program under the A. A. A. was by and large a phenomenal success. Growers, warehousemen, and manufacturers gave it their wholehearted support and cooperation, and each group reaped a reward without placing any additional burden upon the consumers. I am also glad to take this opportunity of stating that the manufacturers in my State met their obligation promptly and cheerfully, and at no time questioned the Government's claim to the processing taxes as long as they were being used to insure parity prices to the growers.

In conclusion, let me express the earnest hope that this bill will be passed today without a dissenting vote from this side of the House. It may mean the difference between good times and bad times for millions of our country's best citizens. If properly and effectively administered, it will not only bring about and sustain the economic well-being of the tobacco growers but will also directly bring untold benefits to all types of business in the States affected and throughout the country at large. Its suggested merits are certainly worth a fair, sincere, and thorough work-out. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. Hancock] has expired.

Mr. KINZER. Mr. Chairman, I yield 6 minutes to the gentleman from Wisconsin [Mr. Boileau].

Mr. BOILEAU. Mr. Chairman, there is a great deal of difference between the bill we now have under consideration and the bill that was first introduced and considered by the Committee on Agriculture. On yesterday, during the debate, some reference was made to the position which I took, as was evidenced from the record of the printed hearings on the bill H. R. 11928 when the bill was being considered in committee. At the time the committee was considering the original bill I took the position that it was clearly unconstitutional, for the reason that the bill intended to give to a State or a group of States the unlimited right to enter into compacts for the control of tobacco. The original bill was broad in its terms. It was intended, however, to apply to the situation with reference to which we are now legislating, but was so broad in its terms that under the provisions of the original act we would have been giving carte blanche authority to all States to enter into any kind of a compact they might see fit to enter into as long as it dealt with tobacco. The bill now under consideration, however (H. R. 12037), has been amended so that it is not objectionable from at least that constitutional standpoint, because the bill now provides that those States which are named in the Virginia statute may enter into a compact in conformity with the Virginia compact. So that we have before us now, by reference to the Virginia act, a definite, concrete proposition, so that we now know what we are legislating upon. We now know what authority we are giving to the States, and we now know definitely and without question the exact type of compact that we are authorizing those States to enter into. It was my position while considering the original bill that Congress could not give its consent until Congress knew exactly what it was consenting to. It seems to me that is obvious. No one could give consent to a contract unless its terms and provisions were known to the contracting parties. Obviously, under the terms of the original bill, we would have been attempting to give our consent to the provisions of a compact about which we knew nothing. That situation is now remedied. The bill now before us is very definite, and resolves itself down to the proposition of whether or not we are willing to give these particular States named in the Virginia act the right to enter into a compact or agreement between themselves to carry out a control program for tobacco.

Unfortunately, the decisions of the Supreme Court on the question of compacts are not very enlightening, because very few cases have been before the Supreme Court. Although the Constitution very clearly indicates that the States have the right, with the consent of Congress, to enter into certain types of compacts or agreements that they would be otherwise unable to enter into, still the cases before the Supreme Court have been so few and have been upon such very limited lines that we do not have much help from the Supreme Court decisions at the present time in interpreting this particular provision of the Constitution which gives the States the right to enter into compacts. I am of the opinion, however, that these compacts may be entered into under the Constitution, and that we may find, from our experience in the operation of these compacts, a workable solution to many of our problems. It may be that if this compact is entered into it will lead the way for agreements among other States producing other commodities which may solve many of the problems that are now confronting us and which now seem almost insurmountable.

I, for one, am willing to give to those States this right by giving congressional consent. I am willing to give them the right to enter into these compacts. Apparently they all want it. No one seems to feel it is detrimental to their interests. I am willing to give them the right to enter into these compacts; yes—and welcome the opportunity for this country to have the experience that will be developed by putting this compact into operation. [Applause.] For that reason, and because I am satisfied that nothing in the act will be detrimental to the interests of other States, I am going to support this bill. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. Boileau] has expired.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from Virginia [Mr. Burch] 5 minutes.

Mr. BURCH. Mr. Chairman, I first want to thank the gentleman from Wisconsin [Mr. Bolleau] for the splendid address he has just made and for supporting us in this legislation. I wish to assure him that the State of Virginia certainly appreciates his support.

Mr. Chairman, as I understand this bill, no attempt is made to confer upon the States any powers not already possessed under their respective constitutions. This bill does no more than give the consent of Congress to the tobacco producing States to enter into agreements or compacts among themselves for the purpose of endeavoring to regulate and control the production of tobacco.

The Virginia act, which is referred to in this bill and known as the Tobacco Control Act, was recently enacted by the Virginia Legislature, composed of 140 members, and there was only 1 dissenting vote. The able attorney general of the Commonwealth of Virginia, who is an outstanding lawyer in our State, assisted in drafting the Virginia measure, and it had his approval, together with the unqualified approval of our distinguished Governor—himself an eminent attorney. Furthermore, many members of the Virginia Legislature are lawyers of proven ability, so we believe the Virginia act will stand the test under our State constitution.

In a referendum recently conducted among the growers in the flue-cured area in the State of Virginia, 98 percent of the tobacco growers voted in favor of control and regulation of tobacco production. Under the Virginia act it is provided that two-thirds of the tobacco producers must express their approval before the law becomes effective, and 10 percent of such growers may, in any year, on petition to the Governor, demand a referendum. The Virginia act not only requires a majority vote but it is necessary that two-thirds vote in favor of the plan.

During the years 1930, 1931, and 1932, when there was an overproduction of tobacco, the average return to the growers for flue-cured tobacco was about 7 cents per pound, whereas in the year 1934, under a production-control plan of the Agricultural Adjustment Administration and the Kerr-Smith Act, the average return to the growers of the same type was approximately 28 cents per pound. With an overproduction last year, 1935, which was permitted over the protest of all Congressmen representing districts in which flue-cured tobacco is grown, the average return to the growers was reduced to approximately 20 cents per pound.

The world consumption of flue-cured tobacco is from 560,-000,000 to 700,000,000 pounds annually and an increase in production of 200,000,000 in 1935 has resulted in a production over consumption of more than 100,000,000 pounds, which will be a carry-over to 1936.

This type of legislation is being strongly urged by the tobacco growers in the flue-cured area in Virginia, the Carolinas, Georgia, and Florida, and they have expressed the hope that it might be possible to apply it to the crop for the current year. It is my information that the burley-growing States will endeavor to effect a similar compact in 1937. In my opinion this is proper and adequate legislation, and I consider this method the proper approach to an extremely important proposition. I very strongly favor the enactment of this bill. [Applause.]

The CHAIRMAN. The time of the gentleman from Virginia [Mr. Burch] has expired.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. UMSTEAD] 5 minutes.

Mr. KINZER. Mr. Chairman, I also yield the gentleman from North Carolina [Mr. UMSTEAD] 5 minutes.

The CHAIRMAN. The gentleman from North Carolina is recognized for 10 minutes.

Mr. UMSTEAD. Mr. Chairman, I shall undertake to point out some significant facts with reference to the desirability of this legislation.

Four hundred and forty thousand farmers in this country produce tobacco. Two million two hundred thousand people are dependent upon its production for their living. The need for this legislation is reflected by the success of the tobacco program under the Agricultural Adjustment Act, which has been referred to many times during the discussion of this bill. Of course, the Agricultural Adjustment Act, which was held unconstitutional, was from the beginning severely criticized by many of the Republicans, including those who now attack this legislation. Many of them, including the gentleman from Missouri [Mr. Short], who spoke today, have criticized all efforts which have been made by this administration to bring relief to the farmers of this country. The gentleman from Missouri [Mr. Short] stated a few moments ago that he used to know how to induce a horse to put its head into a halter and to induce chickens to come into a coop, and he described the methods he used in glowing terms.

If that is the extent of his farming experience, he is not an authority on the question. But even if he knew that much, it has been so long since he undertook to put a halter on a horse that I dare say he would not now know whether the halter was on the horse's head or on the horse's tail. [Laughter.]

Mr. Chairman, I call attention to the fact that in the year 1931, which is a fair year for comparison because of the season and the crop, there were produced in the flue-cured areas of the United States 669,879,000 pounds of tobacco. This tobacco that year brought \$56,406,000. In 1934, after the regimentation to which the inducer and enticer of horses [laughter] referred under the tobacco program of the Agricultural Adjustment Act, there were produced in the same area 556,930,000 pounds of tobacco, and it brought \$151,793,000.

The Hoover administration, supported by the gentleman from Missouri, brought to the producers of tobacco poverty, real suffering, darkness, and disaster. This administration's program, so severely criticized by many Republicans, including the gentleman from Missouri [Mr. Short], brought to

fort, prosperity, and confidence in the future.

The tobacco program under the Agricultural Adjustment Act was administered without any increase in cost to the consumers of tobacco products in the United States.

What else has it meant? It has meant that millions of dollars have flowed into the channels of commerce. My good friend, the gentleman from Michigan [Mr. Mapes]and I have the highest regard for him-spoke vigorously against the enactment of this legislation. He comes from a State which makes automobiles and more of them than any State in the Union. In the district of the gentleman from North Carolina [Mr. WARREN] in September 1934, when the State was under the regimentation imposed by the Agricultural Adjustment Act referred to by the gentleman from Missouri [Mr. Short], the people in and near the town of Greenville, N. C., purchased from the Ford agency in that town about 267 Ford automobiles, and most of the money paid for them went to the State of the gentleman from Michigan [Mr. Mapes]. According to my information, the dealer in Greenville, N. C., a town of about 13,000 inhabitants, sold more Fords in September 1934 than any Ford dealer anywhere in the world, and I am astounded that my good friend should object to the State of North Carolina making money with which to buy the products of the State of Michigan.

In 1931 the tobacco crop in North Carolina brought about \$42,000,000; in 1934 a smaller crop brought \$119,135,000, and so it goes; yet the Republican Party, represented by its spokesmen on this floor, objects to a program which will bring some measure of relief to the people we are seeking to aid by this legislation.

What is the present condition? The average flue-cured stocks of tobacco in the hands of dealers and manufacturers in this country for an average period of 6 years on January 1, prior to 1936, was 834,653,000 pounds. The stocks of fluecured tobacco in the hands of dealers on January 1, 1936, amounted to 964,090,000 pounds, or 129,000,000 pounds above the 6-year average. What does this mean to the grower of tobacco? It means inevitable disaster unless the crop can be controlled. It cannot be controlled by individual effort or individual action. The States cannot obtain control acting individually in this matter. This bill grants no Federal power. This bill sets up no agency to be administered by the Federal Government and does not provide for the expenditure of Federal funds. It merely gives to the sovereign States the consent of Congress, as required by the Constitution, to carry out jointly under uniform laws whatever powers the States possess to control the production and marketing of agricultural commodities.

In 1935 the Treasury Department of the Federal Government, exclusive of processing taxes, collected \$478,367,718 from tobacco taxes. For the 1935 crop the producers of tobacco in the United States received about \$237,479,000. In other words, the Federal tax last year was more than twice the amount received by the growers of tobacco. It is estimated that during the past 10 years the Federal Government has collected in tobacco taxes in excess of three times the amount of money which the farmers received during the same period of time for their tobacco. Such a tax is excessive and oppressive and ought to be reduced.

The tobacco program under the Agricultural Adjustment Act paid its way, and after meeting all obligations there will be several million dollars in excess of expenditures. In other words, the processing taxes on tobacco enabled the program to be administered on the basis of a balanced budget, a thing so much desired by the Republicans, who unbalanced the Federal Budget in the first place. During the life of the tobacco program approximately \$63,000,000 in processing taxes was collected on tobacco, out of which the entire program was financed, and at the same time the cost of tobacco products to the consumer was less in January 1936 than the price to the consumer in 1931.

In its decision holding that the Agricultural Adjustment Act was unconstitutional, the Supreme Court pointed the way to State control. Certainly if the production and marketing readily seen that he does the very opposite from what he is

the producers of flue-cured tobacco some measure of com- | can be controlled at all, it must be done by the States. An overwhelming majority of the farmers in North Carolina and. I am informed, in the other States producing flue-cured tobacco are in favor of compact legislation. Those of us from tobacco-producing areas in the flue-cured States urge you today to pass this bill in order that the States affected can, if they wish, under State laws endeavor to solve the problems of the tobacco producers. Participation by any State is a voluntary matter, and a compact, if formed, for any given type of tobacco, in my judgment, cannot injure any State which does not participate and join the compact. Furthermore, if any State enters a compact and does not desire to remain in the compact, it can withdraw at any time it may desire. The program to which we are asking Congress to consent will be largely in the hands of the growers themselves, and certainly they should have the opportunity to solve their problems.

> It is necessary that this legislation be passed without delay. Planting time will soon begin in some of the flue-cured areas and will be under way in all of the flue-cured States within 30 days. If relief is to be afforded this year, it is urgent that this bill be passed at once. For this reason many of us from flue-cured tobacco-producing districts have endeavored in every way possible to obtain action on this legislation as rapidly as possible. We appreciate the consideration shown us by the chairman and members of the House Committee on Agriculture, and we will be grateful for the support of the Members of this House to the end that this bill may be passed today. Up until this time no man on the Democratic side of the House has taken the floor in opposition to this legislation. The opposition has come from the Republican side. They should not play politics with the producers of tobacco, and I am sure that this House will recognize that the attack on this measure is partisan and political and is being made by those who have regularly opposed the efforts of this administration to aid the farmers of the United States. I urge you to vote for this bill. [Applause.]

> Mr. KINZER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Rich].

> Mr. RICH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks-not only the ones I am going to make now but the remarks I made earlier this morning.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. RICH. Mr. Chairman, section 12 of the pending bill

The Secretary shall prescribe such rules and regulations as he may deem necessary to carry out the provisions of this act.

We all recall very distinctly the regulations of the Secretary of Agriculture so far as the A. A. A. was concerned.

The professed purpose of the A. A. A. was to curtail production. But from May 12, 1033, to December 31, 1935, according to the crop reports of the United States Department of Agriculture, the Government paid over \$255,000,000 to wheat growers in the United States to curtail production, but the wheat acreage increase of 1935 over 1934 was 7,577,000

From 1933 to 1935 the Government paid over \$53,000,000 to tobacco farmers to curtail production, but the tobacco acreage increase of 1935 over 1934 was 187,700 acres.

From 1933 to 1935 the Government paid over \$333,000,000 to cotton farmers to curtail production, but the cotton acreage increase of 1935 over 1934 was 402,000.

From 1933 to 1935 the Government paid over \$397,000,000 to decrease corn acreage and hogs farrowed, but the corn acreage increase of 1935 over 1934 was 4,932,000 and the increase of hogs farrowed in the same period was 687,000.

The New Deal took the taxpayers' money, amounting well over a billion dollars, and gave it away to bribe the farmers to curtail production. But despite this expenditure, production of 1935 over 1934 in wheat, tobacco, cotton, and corn acreage was substantially increased.

If the control of anything is put into the hands of the Secretary of Agriculture for a particular purpose it may be supposed to do. I want to say to the Members of Congress that we are regimenting the farmers of this country and all their business under the laws which have been passed during the last year or so; sooner or later the farmers of America will revolt on this procedure.

Mr. Chairman, I want to call attention to the remarks which the chairman of the Ways and Means Committee made yesterday in speaking for this legislation:

All the farmers ask is to be given an opportunity to continue receiving in the future the benefits they derived in the past as a result of the tobacco-control legislation. If this is done, it is not going to impose any heavy burden on any class of people or on any section of the country.

I should like to say to the chairman of the Ways and Means Committee, who must propose to raise taxes to meet the deficit that the Federal Government has, if we are going to do anything to help the farmers it is time we gave the farmers of this country a pension instead of trying to regulate and harass them by regulation through political control. The farmers will not receive any direct result through political control if we continue to do what has been done in the past 2 or 3 years—increasing the Agriculture Department pay roll and not the farmers' checks.

May I also call attention to this statement which the chairman of the Ways and Means Committee made:

Those of you who always have believed and still believe, in a high protective tariff whereby the manufacturers receive special benefits directly should be the last to oppose this legislation. This being so, why should we here split hairs over constitutional technicalities?

When the chairman of the Ways and Means Committee refers to splitting hairs over constitutional technicalities, may I say I think the chairmen of the great committees of this House have access to good legal talent. We should not split hairs over anything that is liable to be involved in the question of constitutionality. The House of Representatives has the opportunity to secure the best legal talent in the country to advise it, and any laws that are not constitutional should not be presented here on the floor of this House.

Mr. Chairman, I also call attention to the fact, when he speaks about manufacturers and the tariff, I say that we should have a tariff that will protect the American farmer. Let me show you what has happened to the American farmer in the last year in connection with importations. The following table will speak for itself in this regard:

Commodity	Year 1934	Year 1935	
Wheat 60-pound bushel. Corn 55-pound bushel. Oats 32-pound bushel. Butter pound. Beef, fresh do Canned meat do Animal oils and fats, edible do Tallow do Carpet wool. do Carpet wool. do Carpet wool. do Tobacco do	7, 736, 532 2, 959, 256 5, 580, 407 1, 107, 020 140, 447 127, 746 46, 777, 875 1, 723, 261 200, 770, 332 42, 813, 299 85, 181, 282 57, 658, 000	27, 438, 87/ 43, 242, 29/ 10, 106, 90/ 22, 674, 64/ 8, 584, 11/ 3, 922, 60/ 76, 653, 24/ 18, 895, 24/ 303, 475, 63/ 245, 850, 92/ 171, 504, 10/ 63, 296, 00/	

Note the increase of importation of farmers' produce, yet you want our farmers to let their ground lie idle, pay them for so doing, and import the things they raise in ever-increasing amounts. Why do you do it? You tax the people to pay for permitting foreigners to raise our produce instead of our own farmers. You will wreck the country by this process surely.

We might not be fools here, but we are certainly doing the things that fools would do.

We want a tariff that will protect the American farmers from competition with cheap-paid foreign farm labor. I favor preserving the markets of America to the American farmers; it is without a doubt the best market of the world, and the best market is none too good for the American farmer. He deserves the best market.

We appropriated in 1936, \$147,789,692.14 to the Department of Agriculture for the year 1937. The appropriation, after passing the House of Representatives, was \$161,873,147, an

increase of over \$14,000,000. Why the great increase to help the farmers? Well, I question if the farmers get any increase. It is to set up a greater organization for what? Well, look out for the politics this year; the politicians probably will get the money and the farmers will get advice.

Yesterday Mr. Warren analyzed the price of a pack of cigarettes, as follows:

To the farmers for tobacco	Cents 11/4
To manufacturers for gross profit Tax to Federal Government	31/2
Profit to wholesaler and retail merchant	41/4
Price of a pack of cigarettes	15

When he spoke of the $3\frac{1}{2}$ cents as a gross profit to manufacturers did he realize that the $3\frac{1}{2}$ cents per pack was for his interest on investment in business—the land, the buildings, the machinery, the taxes he pays to his local communities and his State, his Government income tax of $13\frac{3}{4}$ percent on his profits, for the cost of his labor, of which there are thousands employed in his factories, and his insurance and all overhead expenses of all kinds, so it is not a profit, but includes all items of expenses as well as his profits?

We talk of the great tax on tobacco and the tobacco industry. Sure, it is high. Well, the tax on gasoline is high, the tax on farm property is high, the tax on most everything you buy is high, and if we continue the exorbitant expenses of this administration, they will be higher, not lower. Remember, this administration in its platform promised a reduction in Government expenses of 25 percent, but instead you have increased them over 100 percent. How can any sensible man say we will, or can expect lower taxes when your expenditures are twice as much as your income? You have spent this year, as per the Government report issued by the Treasury on March 7, \$2,431,448,501.04 more than your receipts. This administration is wrecking our financial structure. You are regimenting our farmers and camouflaging the people. If the people do not awaken to the fact at once and stop it, you will lose your form of government and the American freedom.

Mr. COOLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. VINSON].

Mr. VINSON of Kentucky. I did not get the drift of the remarks of the gentleman from Pennsylvania in regard to money paid to the tobacco growers under the A. A. A. I thought I caught the inference that money for this purpose had been paid from the general taxpaying fund of the Treasury to the farmer or to the tobacco grower. If the gentleman intended to convey that meaning, of course, he is in error. Tobacco is one product that paid its way without the additional expenditure of a dollar from the general funds of the United States.' Processing taxes took care of every dollar that went to the tobacco grower under the Agricultural Adjustment Act. When the sum of \$281,000,000 was appropriated to make good benefit agreements on other commodities, tobacco did not get one single thin dime of that money. As a matter of fact tobacco paid its way plus.

The gentleman from Wisconsin [Mr. Bonleau] referred to this legislation as being pioneer legislation. I am inclined to think he is right. This is legislation that may solve the problems of other farmers in these United States.

Eighteen of the twenty counties which I have the honor to represent grow burley tobacco. The welfare of the tobacco grower is my most serious thought and purpose. Legislation affecting the tobacco grower is to me the most important legislation the Congress of the United States can pass. The A. A. Was most beneficial in tobacco country and in my district. It meant food, clothing, and the necessities of life to the tenant farmers. In addition thereto it meant ability to pay interest on debts to the man who owned the farm under the tobacco program. The sun did shine bright in my "old Kentucky home."

Mr. Chairman, last night the temper of the House was somewhat different from the temper of the House today. Sleep and opportunity to study the bill has brought sweeter tempers. The distinguished gentlemen of the minority last night evidently misunderstood the bill under consideration.

I have no criticism of that because it was a very natural thing. Hearings were held on one bill. The hearings were printed, and when the Members read these hearings naturally they thought the printed hearings were addressed to the bill under consideration. After the hearings, it was apparent that the committee did not favor certain sections. Instead of committee amendments a new bill was drafted, leaving out sections 3 and 4, which dealt with the commerce powers, and section 11, which dealt with the penalty clause, the portions in the old bill which were not satisfactory to the committee.

What do we have here? The consent of the Congress is granted to States to enter into compacts. I say that each State affected hereunder could pass the identical statute without this character of legislation.

Mr. ANDRESEN. Mr. Chairman, will the gentleman vield?

Mr. VINSON of Kentucky. In a moment.

I submit we could have such statutes, but it certainly will be beneficial to the States and beneficial to the tobacco growers of those States to have the consent of the Congress to put this into effect.

The Supreme Court said we could not control production by contract under the A. A. A. They said such is a State function. The States, and the citizens of the States, and the tobacco growers within those States, recognize and bow to this decision of the Supreme Court. They want to control production. They know it requires control of production to secure a fair price. They want to do it under State law. And what does it mean? Does it mean anything to the Treasury of the United States for them to control production? No. Does it mean anything to the consumer of tobacco products for them to control production? No. The prices of manufactured tobacco products experienced no substantial increase under the A. A. A.

What it does mean is that the tobacco grower, who is at the mercy of the manufacturers of tobacco, who fix the price for him, will get the difference between a poverty price and a living price for his tobacco. This is all that is involved in the controlled production of tobacco.

This legislation will permit the States affected to enter into compacts if they desire—in conformity with the Virginia statute—whereby production can be controlled. It means that—nothing more and nothing less. [Applause.]

[Here the gavel fell.]

Mr. COOLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Kentucky [Mr. CREAL].

Mr. CREAL. Mr. Chairman, there are some gentlemen in this House who devote a large portion of their time looking after the boys engaged in labor. There are others who spend a great portion of their time in the interest of the tenant farmer and the sharecropper. Here is a good time for those interested in labor and for those who are interested in the tenant farmer and the sharecropper to have their say.

All of the 19 counties in my district are tobacco counties and, I suspect, grow more tobacco than any one congressional district in the entire country. If I could have had placed in the galleries and in each aisle here a Republican tobacco grower, who could have heard every word that has been said on this floor here today and from the time the debate opened until we took the vote on the rule, you would not get the vote of a Republican tobacco grower from any one of these counties. If they had heard the proceedings of the House and had seen how the Members voted and had heard your arguments, I am sure you would not have got a single one of their votes, and most of these boys on the hillsides in my district belong to the Republican Party; and if this special session of the legislature is called back there in Kentucky in a few days, there will not be a single, solitary Republican Member of the Senate or of the House who will vote against this proposition, and yet, on the floor of this House, through some means, people who have never seen a tobacco plant growing want to make a political issue out of a matter that has no political significance whatever.

Mr. Chairman, if the situation were uncontrolled and if you were to guarantee them 20 cents next year or set 20

cents as the price for all that they raised, they would raise enough tobacco next year to supply the demands for the next 5 years, and you could not give it away or use it. Therefore, they must proceed in the light of past experience. What would happen to the coal business if you just dug out the coal without some word from the boss as to the amount of output? What would be the result with respect to labor and the coal market?

Yes; they have had their troubles. They have used the missionary system, to sign up by gentlemen's agreements, and then another State would say, "Kentucky is cutting down, we will increase", and the program would be spoiled. This is the only way in which it can be done. [Applause.]

I cannot see why anyone would be against this bill except the tobacco companies, who want to buy it cheaper. One speaker said it would cost the tobacco user more money. I would remind him that in all the years of varying prices there is practically no difference in the prices of cigarettes or other finished product, regardless of whether the price paid the grower was high, medium, or low.

Another speaker said he feared that if this was successful that other farm blocs would use the State compact system to elevate their prices. This is equivalent to saying that he is opposed to an elevation in prices of farm products in general.

Another fears that it might not be constitutional. The decision of the Triple A question said Congress had no right to control production, but that such was a question for the States.

This bill permits the States to enter into a compact with each other for crop-control production by each State by passing a similar law and making it conditional that it is not effective in any State until the same law is passed in all the States concerned.

This makes it impossible for one State to pass a control measure and be left standing alone for it only becomes effective when passed by all the tobacco States named in the bill.

It is the same system as the A. A., but as suggested by the Court should be a State matter.

There is none in all the country who would dare say that the A. A. A. did not serve as a lifesaver for the tobacco growers.

Even those who did not join had the increase in price after payment of the tax over the previous years.

It is amusing to hear some of the argument advanced against this bill by some who never saw a tobacco plant growing. They have not the slightest idea of the working conditions of the tobacco people and of the labor required to produce it. The tobacco plant requires more labor from its first and last handling than any other plant in any country grown by man.

It is true that other crops sometime bring a low price but no other crop has ever been known to be given away. It has happened in my time that growers have worked all the year in a crop, shipped it to market, and when the freight and expense of selling is charged the tobacco failed to bring enough to pay the expense and the warehouse wrote back to the grower to pay the difference. No other crop ever reached that low ebb in price.

If some of the opposition to this bill had ever worked in a tobacco crop or ever lived in a community where it was grown they would be more sympathetic with the aims to try to help these people get a decent wage for their labor.

It is not uncommon in tobacco-working time to see the whole family—mother, children, and all—in the tobacco patch day after day.

Then when sold and expectations are buoyed up depending on the tobacco to get the boy's new suit and the girl new clothes, we find the family receiving the disappointing news of the unheard-of low price and the family air resembles more the news of the death of a friend than a happy family circle.

There is but little competition in the buying of tobacco compared with competition in other business. The world can use only so much and the tobacco companies cannot be blamed for not paying a high price for tobacco they do not need and cannot sell for a long time in waiting.

If gold was as plentiful as coal a bushel of coal would be worth more than a bushel of gold. If diamonds were as plentiful as sea shells on the Florida coast no one would wear them.

When tobacco floods the market we may expect the same result. There are some tobacco growers who may be too short-sighted to know that the raise in price was wholly due to the operation of the A. A. A. method now out of use by the court decision. And with the fair price of 1935 their natural tendency would be to increase the crop in 1936. This would result only in the old story of give-away prices and the grower would receive less for 10 acres than he would for five under a regulated system.

Many growers know this full well, but they are powerless to do anything about it without such a system as this proposed.

When we voted on the motion to adopt the rule to bring this bill up on a rising vote, every vote in opposition was on the Republican side of the aisle. Not a vote stood against it on our side.

I am sure the Republican tobacco growers do not appreciate this vote and do not appreciate your trying to make a political issue out of this matter which has no political significance whatever.

It does have this significance, however, that makes the line-up once more in this House this session of the eastern Republican wing opposing every move to help the farming industry just as you have done for a generation. Why not treat this question on its merits without this effort to make a party matter of it?

Some of these days the Republican farmer will get tired of voting for you people that line up here against every bill intended for his benefit and he will cut loose and vote a few times for himself.

The Republican side of the House is making a mistake both politically and as matter of common justice to lots of good people when you vote against this bill. The tobacco growers may be poor, but they are the kind of people who are the foundation of the Government. There is no foreign element among them such as give us trouble elsewhere. They are all the good, old, honest, hard-working American stock of fine people.

I was born and reared among them and one of them. I speak of their problems both from personal experience and long observation.

We have been skirmishing here for 2 days on this bill that should have passed within an hour. I want to thank those from other States who have no interest in the tobacco business but who have aided the boys from the Tobacco Belt from a sympathetic standpoint and friendly interest.

The sole object of this measure is to help the tobacco raiser, and the sole beneficiary if it is defeated is the tobacco buyer.

After all, what does it amount to to be a Member of this body if we cannot be of service to somebody in need, to lighten somebody's burden, to relieve the oppressed, to dry a tear, and restore a smile?

I have not so far, and I doubt if I ever will, take as much pleasure in the support of any measure that may come before this body as I do in this one. It would be the same if my voice was the only one heard and my vote the only one cast, I would do it with pleasure.

It will help right a wrong of long standing. It will put shoes on bare feet. It will bring cheer to the mothers in the homes of the tobacco raiser in the hills of Kentucky and elsewhere. Those mothers, though they may live in humble homes and their heroic sacrifices to hold together and properly rear their children be unknown to the world, yet they are pure gold and the kind of mothers that make America great.

When you vote against this bill it will be the most heartless vote you ever cast. Such were my playmates and boyhood friends. They have been kind to me in bygone days when I sought public service, and by the eternal, I will never desert them when their interest is being voted on.

Mr. COOLEY. Mr. Chairman, I yield myself the remainder of the time.

Mr. Chairman and colleagues, in the very brief time I have I shall not attempt to recount the hardships and vicis-situdes which the tobacco farmers experienced or to recall the misery and misfortune they suffered before the present administration, through the Agricultural Adjustment Act and the Kerr-Smith Tobacco Act, enabled them to organize for the purpose of controlling their business. I desire, however, to impress upon the House the necessity for this legislation.

We in the tobacco country are facing an awful situation this fall unless the tobacco crop is controlled. Last year we produced a crop of approximately 805,000,000 pounds, against a consumption of approximately 640,000,000 pounds.

Mr. ANDRESEN. Mr. Chairman, will the gentleman yield? Mr. COOLEY. In just a moment I will yield.

This year the prospect is that instead of an 800,000,000-pound crop, unless some form of control is exercised, in all probability we will have a much larger crop, and this will result in disastrously low prices to the tobacco farmers of our country.

I now yield to the gentleman from Minnesota.

Mr. ANDRESEN. Will the gentleman explain to the Committee just how they propose to control production under the compact? We have not had any explanation of the bill by its sponsors.

Mr. COOLEY. I am sure the gentleman understands that my time will not permit me to go into detail.

Mr. ANDRESEN. Does not the gentleman feel, though, that the House should know just what the compact is and how they propose to carry it into effect and what kind of control will be followed?

Mr. COOLEY. I am sure the gentleman knows I have tried to give him such light on that subject as it is possible for me to give. I furnished the gentleman with a copy of the bill passed by the General Assembly of Virginia which sets up the formula which will be followed in all the compacting States. The general purpose of the legislation, of course, is to control production and bring it somewhere near consumption.

Mr. ANDRESEN. Does the gentleman feel that can be done under State laws and under State constitutions?

Mr. COOLEY. That is a matter to be passed upon by the great sovereign commonwealths of the country in which tobacco is produced, and I, for one, am willing to leave that to the chief executives, the attorneys general, and the general assemblies of those States.

Mr. ANDRESEN. And the Supreme Court of the United States?

Mr. COOLEY. And, of course, to the Supreme Court of the United States.

Mr. Chairman, I should like to read this language from the Republican platform of 1932, under the heading "Agriculture"

Farm distress in America has its roots in the enormous expansion of agricultural production during the war.

And again, still reading from the Republican platform of 1932:

The fundamental problem of American agriculture is the control of production to such volume as will balance supply with demand.

Again, reading from the Republican platform:

A third element equally as vital is the control of the acreage of land under cultivation as an aid to the efforts of the farmer to balance production.

I take it from the attitude of the Republicans in the House in the past that the control mentioned in their platform of 1932 was not Federal control. I take it also that the decision of the Supreme Court in the Triple A case was to the effect that the act invaded the rights of the States to regulate and control agricultural products. In that decision the Court likewise took the position that by Federal regulation we could not control production; and at least intimated that the States could exercise control over pro-

duction. As stated by the gentleman from North Carolina | [Mr. CLARK], we will never have the opportunity to test this until some such an act as this is passed.

Neither this bill nor the State acts forming the compact will force crop control upon the tobacco farmers without their consent. A referendum is provided. Whether control and reduction of acreage is a good thing or not, I for one am perfectly willing to abide by the judgment of the majority of the growers themselves. I feel certain that the tobacco growers understand and appreciate their position and realize that an unusually large crop was produced in 1935 and that this large crop hanging over the market is well calculated to result in a return to starvation prices. If one-third of the farmers decide that they do not want control no control will be forced upon them by virtue of this act or the State acts passed under the consent herein granted.

In this act we only give consent to the States to do what it is assumed they can do at the present time. In my opinion, control in 1936 means the difference between poverty on the one hand and prosperity on the other in the tobacco country, and I hope this bill will pass. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The Clerk will read.

The Clerk, proceeding with the reading of the bill, read as

Be it enacted, etc., That the Congress of the United States of America hereby consents that any of the States in which tobacco is produced may negotiate a compact or compacts for the purpose is produced may negotiate a compact or compacts for the purpose of regulating and controlling the production of, or commerce in, any one or more kinds of tobacco therein: Provided, That all State acts authorizing such compact or compacts shall be essentially uniform and in no way conflicting: Provided further, That any compact, compacts, agreement, or agreements negotiated and agreed upon by the States referred to in the act of the General Assembly of Virginia, approved March 13, 1936 (known as the Tobacco Control Act), which is in conformity with and relating to the type or types of tobacco specifically referred to in said act, shall become effective to the extent and in the manner provided for in said act without further consent or ratification on the part of the Congress of the United Sates of America: Provided, however, That nothing of the United Sates of America: Provided, however, That nothing herein contained shall be construed as preventing the Congress of the United States of America from hereafter withdrawing its consent to any compact or agreement entered into pursuant to this

The Clerk read the following committee amendment: Page 2, line 5, after the word "with", insert "said act."

The committee amendment was agreed to.

Mr. DUNCAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

other State or States producing any type or types of tobacco referred to in said act."

Mr. COOLEY. Mr. Chairman, we will accept that amendment.

Mr. BOILEAU. Mr. Chairman, I would like to ask the gentleman from North Carolina if that is by action of the committee? I do not know anything about it, if the committee has had a hearing about it.

Mr. COOLEY. No; the committee has had no hearing on that. I was not speaking for the committee.

Mr. DUNCAN. Mr. Chairman, the object of the amendment is to place other States not included in the Virginia act in the same category, so if their respective legislatures confer authority on them to enter into a compact, they may be able to do so without coming back to Congress to obtain authority. That is the only object of this amendment.

Mr. MAPES. Mr. Chairman, will the gentleman yield? Mr. DUNCAN. Yes.

Mr. MAPES. Statements have been made on the floor of the House during the discussion of the bill that only those States specifically referred to could enter into compacts without coming back and getting the approval of Congress. I see nothing in the bill which sustains that position. It seems to me that the bill does not so provide. Is it the purpose of this amendment to perfect that situation?

Mr. DUNCAN. It is the purpose of this amendment to

within the same provisions as these States that are mentioned in the Virginia act.

Mr. JONES. Mr. Chairman will the gentleman yield?

Mr. DUNCAN. Yes.

Mr. JONES. May I suggest there that that does not change the requirements that any of these States that come in must come in on the uniform terms of the Virginia statute. In other words, if there are some other States that produce a certain type of tobacco, then they come in if they come under the terms of the Virginia statute. Otherwise there must be ratification.

Mr. MAPES. Where is the provision in the bill which says that these other States must come back to Congress to have their compacts ratified?

Mr. JONES. If the gentleman will look on the first page, he will see the matter of entering into compacts was stricken out, and we authorized only negotiations. Then we follow the negotiation with a provision that if they follow the Virginia statute specifically, ratification shall not be required. Otherwise they could only negotiate.

Mr. MAPES. Does the gentleman construe that language to require specifically that these other States after they do negotiate a compact must come back to Congress to have it

Mr. JONES. Undoubtedly, unless they follow in substance the Virginia statute, because we simply authorize the negotiation of agreements.

Mr. MAPES. Why would it not be advisable to put in the specific requirement that they shall have their compacts approved by Congress before they become effective?

Mr. JONES. We had that provision in. We provided in the first section for negotiation and entering into compacts. and we struck out the latter part, providing simply for negotiation of agreements and then follow it by an enabling provision to specifically enable these particular types that are set out in the law to be followed without ratification.

Mr. MAPES. But a person reading the statute would not know of that action in the committee.

Mr. JONES. We only give such authority as is affirmatively stated in the statute. We do not affirmatively give any authority for the actual making of compacts, except those specifically named in the bill.

Mr. MAPES. I think it would be desirable to have that more clearly set out in the bill.

Mr. JONES. The enumeration of one would by implication eliminate the other.

Mr. BOILEAU. Mr. Chairman, I rise in opposition to the amendment. My opposition is not because I am not willing that these compacts be extended to any State that might want to come under it, but I call the attention of the gentleman sponsoring the amendment to what appears to be, offhand, a serious objection to the amendment. This entire consent is predicated upon the fact that we are consenting to States entering into a compact in conformity with the Virginia act. If the gentleman will look at section 3, subsection (b), of the Virginia act, he will find that it pro-

(b) This act shall not become effective unless and until the Congress of the United States shall pass an act consenting to the establishment of compacts such as are authorized by this act; and thereafter this act shall become effective with respect to flue-cured tobacco upon the enactment of a similar act by the Legislatures of the States of North Carolina, South Carolina, and Georgia, etc.-

specifying particularly in the Virginia act the States with whom Virginia is willing to enter into a compact. Virginia, by its legislative act, has said that she is willing to enter into a compact with North and South Carolina and Georgia with reference to flue-cured tobacco and with other States with reference to the other types of tobacco. In this amendment we would extend that consent to include compacts with other States that are not specifically mentioned in the Virginia act. Assuming that these three States, North and South Carolina and Georgia enter into a compact, then it becomes effective immediately, but if any other State wants to come in under the provisions of the compact, whether permit any other State that produces tobacco to bring itself | Kentucky, Tennessee, or any other State, it would require

action on the part of the State of Virginia before it could become operative.

In other words, the Congress cannot impose a compact upon the State of Virginia with the State of Kentucky when its legislature says they want to agree only with North Carolina, South Carolina, and Georgia. I therefore submit that if you adopt this amendment you will require the State of Virginia to amend its law to conform to our act, and you would have a hodgepodge that would result in confusion, and I doubt very much if it would be constitutional. This act in its present form permits negotiation of compacts rather than entering into compacts with States that are not mentioned specifically in the Virginia act; so that if this amendment is voted down they could still negotiate agreements, as far as burley tobacco is concerned, and then come back here next year with another act. That will clear the right-of-way. If we pass this act and give our approval generally to the proposition of compacts among States with reference to tobacco, I am sure that any necessary perfecting amendment could readily be enacted during the next session of Congress, and you all know that you do not expect to get a compact for burley tobacco this year anyway.

Mr. JONES. The gentleman makes a very interesting observation that should be considered, and I want to ask him, with reference to the Virginia statute, if he has read the paragraph following the one to which he has made reference? Subparagraph (c) reads:

The enactment of this act or similar acts by any of the aforesaid States or by other States shall constitute the basis for a compact between the Commonwealth of Virginia and such

And so forth.

Mr. BOILEAU. I am glad the gentleman has called my attention to that.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BOILEAU. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes to clarify this matter. The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. BOILEAU. I confess this matter is new to me and I did not know of this particular language.

Mr. JONES. I think the gentleman has raised a very interesting point that should be considered. If the House is willing to pass this amendment temporarily, we might come back to it later.

Mr. BOILEAU. I do not believe the Congress of the United States can give consent to a compact in advance of knowing exactly who the parties to that compact are. If we broaden this to include any and all States, I wonder if the consent given by this act would then be constitutional.

Mr. VINSON of Kentucky. For what is the consent being given? Consent for States to enter into a certain compact. The compact, as I see it, is the thing that freezes the matter. It is the Virginia statute that freezes it. Now, let us assume that under the burley program you have Virginia, North Carolina, Kentucky, and Tennessee. Those are the States mentioned in the Virginia statute.

Mr. BOILEAU. And we are giving consent to those States only.

Mr. VINSON of Kentucky. To enter into a compact. Now, they enter into a compact. They agree to pass identical statutes with the Virginia statute. Wherein is there any new legal problem about Missouri, Ohio, or West Virginia passing identical laws with the Virginia act; and if so, why cannot they come into the compact? As I see it, it is the statute of Virginia that really controls.

Mr. BOILEAU. It freezes it also not only as to provisions but as to the parties to the contract. The State of Virginia might be willing to enter into this kind of a compact with North Carolina, South Carolina, and Georgia and might not, for some reason or other, want to enter into such a compact with Missouri. I agree with the gentleman that in the case that is before us today it is very unlikely that the State of Virginia would be willing to enter into a compact with some States which grow flue-cured tobacco and not others. I am

one of the few lawyers in this House who does not claim to be a constitutional lawyer, but it seems to me very clear that we cannot, in advance, give consent to entering into a compact between States unless the identical States are mentioned, or at least clearly identified.

Mr. VINSON of Kentucky. As I remember it, this amendment reads, "or any other State or States producing any type or types of tobacco referred to in said act." It seems to me the words "referred to in said act" refer to the types of tobacco. It has no reference whatever to the naming of certain States in the act.

Mr. BOILEAU. It limits it to those States specifically mentioned, unless the suggestion made by the gentleman from Texas [Mr. Jones] would clear the matter.

Mr. JONES. Mr. Chairman. I wonder if the gentleman would be willing to let this go over for the time being and come back to it later?

Mr. BOILEAU. I am willing to do that.

Mr. JONES. Mr. Chairman, I ask unanimous consent that this amendment be passed temporarily and be considered as pending, and that we proceed with the balance of the act. with the understanding that we return to this section and dispose of this amendment at a later time, as if it were being done now. I refer to this amendment or any substitutes or modifications thereof that may be in order at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GILLETTE. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. GILLETTE: Page 1, line 7, between the est word "or" and the word "commerce", insert the word "intrafirst word "or' state."

Mr. GILLETTE. Mr. Chairman, the purpose of this act is to consent to certain compacts between States for the control of the production of tobacco, but in addition we are consenting to compacts for controlling commerce in tobacco. I do not believe anybody will seriously contend that we could consent to a compact between States for the control of interstate commerce, but to make it absolutely clear I offer this amendment to insert the word "intrastate", limiting the consent to compacts for intrastate commerce alone in tobacco.

I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The Clerk read as follows:

SEC. 2. As used in this act, unless otherwise stated or unless the context or subject matter clearly indicates otherwise—
"Person" means any individual, partnership, joint-stock company,

corporation, or association.

"State act" means any act of a State legislature authorizing a compact or compacts pursuant to the consent given in this act.

"Commission" means the tobacco commission created by any

State act "Secretary" means the Secretary of Agriculture of the United

'Kind of tobacco" means one or more types of tobacco as classi-

fied in Service and Regulatory Announcement No. 118 of the Bureau of Agricultural Economics of the United States Department of Agriculture as listed below according to the name or names by which known:

Types 11, 12, 13, and 14, known as flue-cured tobacco.
Type 31, known as burley tobacco.
Types 21, 22, 23, 24, 35, 36, and 37, known as fire-cured and dark air-cured tobacco.

Types 41, 42, 43, 44, 45, and 46, known as cigar-filler tobacco.
Types 51, 52, 53, 54, and 65, known as cigar-binder tobacco.
Types 61 and 62, known as cigar-wrapper tobacco.
"Association" means any association of tobacco producers or other

persons engaged in the tobacco industry, or both, formed under the laws of any State for the purpose of stabilizing the marketing of tobacco and providing crop protection to producers of tobacco in any State or States.

Mr. ROBSION of Kentucky. Mr. Chairman, ladies, and gentlemen, I was brought up between the tobacco rows and in my early life on the farm, as the son of a tenant tobacco farmer, I had a part in the sowing of the plant beds, cultivation, and preparation of tobacco for the market, and during those several years I killed hundreds of thousands of tobacco worms. At that time we caught the worm between the thumb and forefinger and flipped its head off. They have changed the process somewhat—they do not kill them by violence, but give them a little sweetened poison, a more

I am, of course, deeply interested in the tobacco growers of my district and of my State. However, I have very great concern about this measure. I am wondering-and may I issue this word of warning to my friends in the House from Kentucky?—if you are not attempting to do the very thing here which in the long run is going to result in positive injury to the tobacco growers of Kentucky and other States in which it is now being cultivated. There are 43 States in the Union and millions of acres in foreign lands whose soil will produce tobacco. Only a few States now produce tobacco in any large quantity; perhaps not more than 21 States in all produce tobacco to amount to anything. Are you not now attempting to do something which will in the next few years result in tobacco being grown in 43 States instead of 21 and increase by millions of acres tobacco cultivation in foreign countries?

Furthermore, the measure before us does not pretend to help any tobacco grower in Kentucky, burley or otherwise. The bill expressly limits its provisions to flue-cured tobacco produced in only four States-Virginia, North Carolina, South Carolina, and Georgia. Kentucky does not produce any flue-cured tobacco.

This measure authorizes the four States-Virginia, North Carolina, South Carolina, and Georgia-to enter into a compact for the production and sale of flue-cured tobaccono other kind of tobacco-provided the Legislatures of North Carolina, South Carolina, and Georgia accept and adopt without the crossing of a "t" or the dotting of an "i" an act already passed on this subject by the State of Virginia. By forcing Congress and these three other States to accept in toto the plan of Virginia, it seems to me that Congress is being governed by the Legislature of Virginia. The way this bill is brought up there can be no amendment to the Virginia plan. We must swallow it-hook, line, and sinker.

Now, there is another provision in the bill whereby other States could form tobacco compacts, but if they do they must come back to Congress and have the compact approved. Under this bill, when Virginia, North Carolina, South Carolina, and Georgia get together and form a compact, Congress will have no opportunity to pass upon it. In other words, we are now undertaking in the House to establish a "flue cured" tobacco bloc made up of four States.

I apprehend that it will not be long until you and I are called upon to establish a wheat bloc, a corn bloc, a cotton bloc, a fruit bloc, a cattle bloc, a hog bloc, and it has been suggested by my friend before me that we will be called upon to authorize a peanut bloc; and in the end our Congress and the country will be made up of blocs. If there is anything that threatens the security of your country and mine, it is blocs in Congress. What we need to think about in these terrible times is a great loyal American bloc, embracing the whole country and all of our people. [Applause.]

What will be the result when we have become a wheat bloc, corn bloc, fruit bloc, cotton bloc, cheese bloc, milk bloc, and hundreds of other blocs that might be formed is something to think about.

Many able lawyers believe this proposed act unconstitutional—just another New Deal unconstitutional proposal.

LOST MARKETS NOT REGAINED

Experience in this country teaches that when we once lose a market, it is difficult, if not impossible, to regain it. The chances are, if these tobacco compacts are put into operation as it is desired, one of these days Kentucky will find her type of tobacco being grown in other States where no tobacco is now grown. We will have the experience we have had with the cotton cut-out under the Bankhead Cotton Control Act. Nineteen hundred and thirty-two is when we had our economic low-water mark, but we exported 4,500,000 more bales of cotton in 1932 than we did in 1935. Our export of cotton in 1935 was not half as much as it was in 1932.

We increased the price of cotton. Brazil and other countries were encouraged to increase their production of cotton, and they began and have been ever since furnishing a lot of the cotton that we used to furnish to England and other foreign countries. We may be bringing about the same result for tobacco, and we may find tobacco being grown in 43 States instead of 21 and Kentucky will be badly hurt. The demand for Kentucky tobacco may be cut down by millions of pounds.

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. LAMBETH. The gentleman refers to lost markets, particularly cotton. Is the gentleman aware of the fact that the export of cotton is already 1,000,000 bales greater this year than in 1935?

Mr. ROBSION of Kentucky. I question the accuracy of the gentleman's information, but if it is true, our export of cotton was 3,500,000 bales short in 1935 of what it was in

Mr. McCORMACK. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. McCORMACK. I am interested to find out whether my friend is going to vote for or against the bill.

Mr. ROBSION of Kentucky. As it stands at the present time I want to say to the gentleman that he will find me on the floor voting the way I talk and talking the way I vote. [Applause.]

Kentucky used to have a hemp field on almost every farm in the farming sections. The Democrats came into power and took the tariff off of hemp. This encouraged the growth of hemp in the Philippine Islands and other foreign countries. Our Kentucky farmers could not compete with the cheap labor and cheap taxes of those foreign countries. We lost our hemp market, and you can scarcely find a field of hemp in Kentucky today. Generally when you once lose a market it is gone forever. I am afraid that our cotton growers will wake up one of these days to find they have lost a big end of their cotton market forever through the ill-advised, unconstitutional Bankhead Cotton Control Act of this administration.

I make this prediction, if this measure is passed, that the demand for Kentucky tobacco will not be increased 1 pound within the next 5 years, but the chances are that the demand for Kentucky tobacco will be diminished, and that we will find, as I have said before, tobacco being produced in 43 States instead of 21 and tobacco being produced in foreign countries and sent to our country in competition with the American tobacco growers.

Honestly believing that this may be the consequences of this legislation, although brought up on a tobacco farm and sincerely interested in the tobacco growers of my district and State, I feel compelled to cast my vote against it. [Applause.]

Mr. KOPPLEMANN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it seems to me that unfortunately the gentleman from Kentucky, who has just preceded me, belongs to one bloc he did not mention; that is the antibloc opposed to everything we are attempting to do for the people of this country. [Laughter.]

I am particularly pleased to express a word of appreciation to the gentleman who originated this measure. When it was first written the tobacco growers of my district were not included. When I explained to Judge Kerr and his associates that my district desired to receive the benefits of this legislation our cigar-tobacco farmers were included.

To the Committee on Agriculture I express not alone my own thanks but the thanks of the farmers of the Connecticut Valley, as well as the other farmers throughout the country who will receive the benefits of this legislation.

Just before I left my district to return for this session of Congress, at the request, insistently made, a meeting of the tobacco growers of my district was held in my office. At that time the A. A. A. was still in force. These farmers came together to express to me their will and their wish that I do everything within my power to continue the provisions of the

A. A. And then a black day came for them when that measure was declared unconstitutional and, necessarily, the bill known as the Kerr-Smith bill was repealed. The Kerr-Smith Act, in a referendum held, had been endorsed overwhelmingly by the farmers in my district. Since its repeal I have received telegrams, delegations, and letters pleading that this Congress do something to protect and continue the benefits they had gained in the early days of this administration.

They are watching anxiously everything that is being done here. They are reading every word uttered on the floor of this House. They are praying that the Congress of the United States continue that fine cooperation which we have been giving them during the last 3 years. They ask that that cooperation be continued. As their Representative, I appeal to the Members of the House to support this measure, because it means prosperity not alone to the farmers of my district but through them to industry and merchants as well.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I assume when we reach that state that was referred to by the distinguished gentleman from Kentucky a moment ago, that is, when we reach the bloc state, then one might very well address himself to this distinguished body in the words of Cassius when he spoke to the Roman multitude, and said:

Ye blocks, ye stones, you worse than senseless things! Oh, you hard hearts, you cruel men of Rome, knew you not Pompey?

But I shall not speak of any bloc. If I was possessed of the magnificent conceit like the six tailors of Tooley Street who addressed a petition to Queen Elizabeth beginning with the words "we the people of England", I might say that the people of the Sixteenth Congressional District of Illinois are opposed to this bill. The fact is, however, that they have had no chance to be informed on this matter, and so I must speak for them and to vote as I believe they would like to have me vote on a measure of this kind.

But I believe I shall ultimately be constrained to vote against this bill. I find inspiration for this conclusion in the remarks of the gentleman from Texas, the chairman of the committee, who yesterday spoke somewhat about the unwisdom perhaps of the pending legislation but that it was probably not within the province of the Congress to determine whether this was a wise and discreet policy or not. I can hardly subscribe to this view.

In view of the fact that section 10, article I of the Constitution reserves to the Federal Government the right to withhold sanction or give its approval to States entering into agreements and compacts, this necessarily must imply that we also have the permissive power to determine upon the wisdom and the discretion of the policy that is embraced within the terms of that kind of compact. I doubt somewhat whether this is going to be a very wise policy. Let us not forget that the end of this legislation is not necessarily reduction in production. That is but the means to the end. The real end, of course, is to raise the price of tobacco. If that be true, then the minute there is a recession in the price of other basic commodities we will have the same identical thing to face from other sections of the country.

Let me point out, for instance, that the records of the Department of Agriculture will show that the flax acreage has increased approximately 13 percent; the corn acreage in 1936 will be up 7 percent; spring wheat acreage will be up 19 percent; winter wheat acreage will be up 10 percent; peanut acreage will be up; and other acreages will be up. I venture to say, in view of the heavy carry-over that exists in connection with some basic commodities, such as 152,000,000 bushels in wheat and millions of bushels of corn in the cribs and on the farms in the Corn Belt, there will be a recession in price. There usually is as we go from one crop into another. Nothing can stop it. I venture the prophecy on the floor of the House today that when December corn goes on the Chicago board it will probably go on at 50 cents or the reabouts. When this banners, it simply means our

farmers will look to the Congress of the United States for some policy or legislation to bolster the price. Once the precedent of compacts is established they will have a right to do so. The result will be that the Congress will be hearing about the possibility of compacts for other commodities. And how easy it would be in connection with some of the basic commodities to develop compacts whereby you set up a species of sectionalism in this country?

Let us not forget, for instance, that cane sugar is grown in only two States of the Union and flaxseed is grown in only five or six States.

Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

Mr. CLARK of North Carolina. Mr. Chairman, reserving the right to object, will the gentleman yield?

Mr. DIRKSEN. Let me finish this one thought I have in mind, and I shall be pleased to yield to the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Beet sugar is controlled in six or seven States. Rice is controlled in four States. How easy it will be, when there is a recession in the price of rice for four States to come in and say, "We ask sanction for a compact", and then what have you? You have one section of the country set against the other for the purpose of controlling prices.

Now, it might be said to me that we do not grow tobacco in Illinois, and therefore we have no interest in the matter. It is true we do not grow tobacco, but we do consume tobacco. We have 8,000,000 people in the State of Illinois, and we probably consume more tobacco than a dozen other small States put together. So we are thinking in terms of the consumer as well as the producer; but what I object to particularly is the setting up of a precedent whereby those who are producing other basic commodities will walk through a door of compacts, and then you will have the Corn Belt against the Cotton Belt, the Tobacco Belt against the Flax Belt, and the Rice Belt against the Sugar Belt, and everything will be done for the purpose of controlling and raising the price without a proper regard for the consumer. Moreover, producers of general crops such as wheat and corn will be at a distinct disadvantage, because it will be infinitely more difficult to bring a larger number of States into such a compact.

Let us not forget that back in Andy Jackson's time we had a sectional difficulty. Let us not forget that the Webster-Hayne debate started from a resolution introduced by a Senator Foote, from Connecticut, who sought to close the settling of western lands so that artisans and craftsmen would not leave the seaboard and go west, thereby creating a labor shortage and raising wage levels in the industrial States of the East. Thus was sectionalism raised, until it became a flaming issue.

I wonder if this is not going to do the same thing, and I would hesitate to vote for this bill on the basis of broad policy. I doubt that anyone will question the right of the Congress to examine into the wisdom of the policy set forth in a proposed compact and to withhold its approval if such compacts are not in the best interest of the country.

The only ground on which this proposal is sought to be justified is that the value of tobacco per acre is so high in comparison with other crops that the new Soil Conservation Act is inadequate to meet the stiuation. That fact can scarcely be cited as justification for this measure, because we are dealing with a matter of broad policy, with vast future implications. In some sections the new Soil Conservation Act already provides for benefits on 30 percent of the base acreage of tobacco as against 15 percent on the base acreage of other crops, and also provides from 3 to 4 cents per pound of the normal production as a benefit payment where erosion-prevention crops or soil-rebuilding crops are planted. Liberalization of the regulations under that act would appear preferable to a measure such as the pending bill, which contains possibilities of great danger as time goes on.

goes on the Chicago board it will probably go on at 50 cents or thereabouts. When this happens, it simply means our pact or agreement between States to control production

and raise prices. To corporations who attempt such a policy. we point an accusing finger and say they are attempting to violate the antitrust laws by a monopolistic practice. Can States do it with Federal sanction? To say the least, it presents an interesting question, that will one day return to plague us if this bill becomes law.

[Here the gavel fell.]

Mr. GASQUE. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, after reading an account of the grass-roots convention sometime ago, held by the Republican Party, I cannot understand the position that they take today on the other side of the House. If there ever was a proposition coming before this House that was for States' rights, this is it.

I represent the tobacco-growing area of South Carolina. Our people want to do with the growing of tobacco and the regulating of its production as they would like, and the grass-roots convention went on record in favor of States'

I cannot understand why my Republican friends should take the position that they have here against this bill. This bill does nothing more than giving the States that grow flue-cured tobacco the right to control the production and

the marketing of that staple.

There is no agricultural product in the United States that pays as much tax into the United States Treasury as fluecured tobacco. The records will show this. Last year about \$450,000,000 of tax was paid on the manufactured flue-cured tobacco that was raised, mostly in four States of the Union. The estimated amount that will be paid this year, 1936, will be over \$500,000,000 from these States paid into the Treasury from this tobacco, which is grown almost exclusively in four States. While we are paying these taxes into the Treasury, and also to the manufacturers, why should we not be allowed, in the States, to pass legislation that will protect the farmers through regulation of the production and sale of tobacco so that they may at least get a living out of it?

This is all we are asking and I cannot understand the position of the gentlemen who are opposing this bill. We are only asking that these States be allowed to control the production of tobacco to this extent, and the Supreme Court has intimated that this was in the province of the States and not

of the United States.

I consider the A. A. A. the most important and only act ever passed in the history of this country that would give protection to the farmers of the country, and the farmers are really the main stay and backbone of the country. The farmers of my section of the country have come out of the depression under this act. They are today on their feet, but the Supreme Court has held that the Federal Government had no right to step in with regards to the control of production, but that the people of the States should be allowed to do as they please with regards to that.

Under the Kerr Act and the Bankhead Act these could not become effective until a large majority of the farmers had signed an agreement and were willing to come in under this. The Supreme Court has held that the people of the United States cannot protect themselves under their own agreement by an act of Congress, but they have intimated that they could be protected by an act of their own legislatures for all of their best interest and in the interest of the United States

Government.

The only other phase of this bill provides for a loan from the United States to enable the cooperating States to set up their machinery, and I can assure the Members of the House that this loan will be speedily paid if you will give us the right asked under this legislation.

Mr. COOLEY. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. SPENCE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman and gentlemen of the Committee, a question

comes here and asks permission to enter into a compact with other States have with this Congress? The purpose of the compact is for the general welfare of their people.

The provision in the Constitution, "No State shall without the consent of Congress enter into any agreement or compact with another State", should be read in connection with the context, which is as follows:

No State without the consent of Congress shall lay any duty of tonnage, keep troops or ships of war in time of peace, enter into any agreement or compact with another State or with a foreign power or engage in war unless actually invaded or in such immi-nent danger as will not admit of delay.

Clearly the compact or agreement herein contemplated that the State may not enter into is one that might be contrary to a sound public policy. It is my opinion that if Congress approves the subject matter and general purpose and gives its consent to States to enter into a compact, the States are then at liberty to effectuate the purpose as they think proper, and it is unnecessary again to submit the compacts to Congress after they are made if they are within the purview of the consent given.

If there was no such provision as that under consideration, States might make such compacts as they pleased even

to the extent of nullifying the Constitution itself.

The contingency stated is a very different matter from that in which the States are given the authority to enter into a compact for a purpose which if successful will be for the general welfare and which cannot result in any derogation of the powers of the National Government. Under our form of Government, which is one of delegated powers to the National Government, it seems eminently just and proper that when the States request the authority to enter into compacts which have for their purpose as contemplated by the States the general welfare and there is nothing objectionable in the purpose for which the compacts are made that the National Congress should grant the consent.

The right to enter into a compact is after all one of the reserved powers of the States, subject to the required con-

sent of Congress.

In the case of Virginia v. Tennessee (148 U. S. 518) it was held that-the terms "compact" and "agreement" do not apply to every possible compact or agreement between one State and another for the validity of which the consent of Congress must be obtained, but the prohibition is directed to the formation of any combination tending to the increase of political power in the States which may encroach upon or interfere with the just supremacy of the United States (Virginia v. Tennessee (1843), 148 U. S. 518, 13 S. Ct. 728, 37 L. Ed. 537).

That is the philosophy of this provision of the Constitution. If the compact does not encroach upon the supremacy of the Federal powers, it seems to me it would be presumptuous in Congress to say to the States, "We cannot trust your judgment about this matter, and we do not intend to give you the power that you say is for the welfare of your people."

There is one thing certain, that the tobacco farmer came to penury and want, and the Triple A put him back where he could make a living for himself and family. I believe it is proper that the States should be allowed to work out their own problems.

How can you who talk about the concentration of power in Washington, when the States come and ask permission to solve their own problems for the welfare of their people, refuse them? I see no reason why anybody should vote against the bill, because I believe it is based upon fundamental principles and in accordance with the sound Democratic doctrine. [Applause.]

The Clerk read as follows:

SEC. 3. The Secretary is authorized to make advances from time to time, from the funds hereinafter provided, to the tobacco commission established by the State act of each State which enters into a compact or compacts under the consent given by this act in such amounts as the Secretary shall determine to be required for the payment of administrative expenses incurred by has come to my mind which has not been discussed. That is, What weight should the request of a sovereign State that

provide for the repayment to the Secretary of such advances from any funds received by the commission from the sale of marketing certificates with respect to tobacco, prior to the use of such funds for any other purpose.

Mr. BUCKLER of Minnesota. Mr. Chairman, I move to strike out the last word. As I have told you many times, I am a farmer, but perhaps it is not necessary to do so as you could perhaps tell by looking at me. Nevertheless, my friends, I am interested in the farmer, and it does not matter whether the farmer is in Kentucky, Virginia, or Minnesota. I believe this legislation is proper and would be of great benefit to many farmers and should be passed. [Applause.] I am a little sorry that my friend from Missouri, with his eloquence and ability to express his opinion, is not on the side of the farmers of this Nation. I am sure that he could be very helpful to the farmers if he would use his talent in the right way. [Applause.] My friend from Missouri spoke about coaxing chickens into the pen where he could wring their necks, but he undoubtedly has forgotten when Hoover enticed us farmers down the road and forced us to sell our produce for nothing. [Applause.] We did not wait for Hoover to wring our necks, but a great many of the farmers and others in this Nation committed suicide by jumping out of the window and others by taking the shotgun route rather than live under Hoover conditions. He speaks about catching a horse and putting him in a collar with one sore on his shoulder. I should like the gentleman to know that the horse was caught and had two sores on his shoulder when we were trying to beat this Hoover game. [Applause.]

I am surprised at some of you Republicans on this side, the way you talk and work against farm legislation. I have heard some of my colleagues say on this floor that they were against the farmers setting the price. Every other business in this Nation sets the price, and why should not the farmer have something to do with setting his price? The farmers cannot organize individually without some help. We have tried that for generations. We have to have some help from the Government or from the States before we can organize and have a decent price for what we produce. My friends on the Republican side are all good fellows individually, but politically they are on the wrong track. [Applause.] I know a great many of these Congressmen from the East. I can appreciate that they want us farmers to raise foodstuff for nothing, so that they can eat it at our expense. We are just about tired of producing for nothing. I have seen the farmer's wife and children go half clothed, and in some cases half fed as well, while these eastern plutocrats were rolling in fat down there when we were feeding them for nothing. [Applause.]

Mr. DUNCAN. Mr. Chairman, will the gentleman yield? Mr. BUCKLER of Minnesota. Yes.

Mr. DUNCAN. The gentleman has referred to the gentleman from Missouri. Will the gentleman please identify the gentleman from Missouri?

Mr. BUCKLER of Minnesota. Oh, I believe the people back home should identify him, the way he is talking here on the floor. I think his name is recorded under the speech that he has made here a few minutes ago, and to which I am attempting to answer.

Mr. DUNCAN. The gentleman refers to my good friend DEWEY SHORT?

Mr. BUCKLER of Minnesota. I think I have a recollection of Dewey Short, who has been talking here. plause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. CONNERY. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. COOLEY. Mr. Chairman, I move that all debate upon this section and all amendments thereto close in 5 minutes. The motion was agreed to.

Mr. CONNERY. Mr. Chairman, I rise at this time to get a little information from the committee in reference to this bill. This refers, as I understand it, to the tobacco growers' compacts to be made between the States for the benefit of the tobacco growers. I ask the chairman of the committee,

How much of this land upon which they raise these tobacco crops is owned by the so-called trust, the big cigarette manufacturers?

Mr. CHAPMAN. Not any of it.

Mr. CONNERY. That is what I wanted to make clear, because I intend to vote for this proposition. I want to make it clear that we are voting for the poor farmer who is raising tobacco, and not for the Cigarette Trust and the exponents of small wages and long hours, whose code, when we had the N. R. A., was written by Clay Williams, for the benefit of the Cigarette Trust. This, as I understand it, is for the benefit of the farmers.

Mr. CHAPMAN. The land is owned entirely by individual farmers.

Mr. CONNERY. I am in favor of that sort of legislation, and now let me say to my good friend from Minnesota [Mr. BUCKLER], who referred to easterners who are living on the fat of the land while the farmer is getting nothing for his product, that up in my congressional district no one eats on the fat of the land. When the shoe workers in the city of Lynn and the textile workers in the city of Lawrence are not working they cannot buy the farmer's product or the product of anyone else, and the United States Government has not stepped in at any time to give them any aid.

Mr. KVALE. Then I will say to the gentleman from

Massachusetts that he is a notable exception.

Mr. BUCKLER of Minnesota. The most I know about the people in the East living on the fat of the land is that last fall, when I went down to a hotel on Fifth Avenue, they were paying \$7 for a bed and \$1.50 for meals, and we farmers cannot do that, so I expect that they were living on the fat of the land.

Mr. CONNERY. I want to say to the gentleman from Minnesota [Mr. Buckler] that I intend to vote for this bill, which is for the benefit of the farmers, and I hope that when we come here some day with a bill asking for a 30-hour week, higher wages, and shorter hours, in order that the workers may be able to buy the products of the farmers, the gentleman will support us in that proposition.

Mr. BUCKLER of Minnesota. I have supported labor all through this Congress and I expect to keep on doing it. [Applause.]

Mr. CONNERY. That is what I wanted to hear the gentleman say. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. Connery] has expired.

The Clerk read as follows:

SEC. 4. The Secretary shall, upon the request of the commission of any compacting State, designate such tobacco producers or other persons engaged in the tobacco industry and such officials of the United States Department of Agriculture as he deems advisable to meet with the tobacco commissions for the different States for the

purpose of advising in connection with the administration of any compact or compacts entered into pursuant to this act.

SEC. 5. The Secretary, from the funds hereinafter provided, is authorized to make loans, upon terms and conditions stipulated by him, to such association of tobacco producers as may operate with respect to the 1936 crop in the Georgia Tobacco Belt, in a manner similar to that embodied in State acts providing for compacts under the consent given in this act.

With the following committee amendment:

Page 4, line 21, after the word "loans", insert "for administrative purposes.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 6. The Secretary is hereby authorized, upon the request of the commission of any compacting State, to make available to the commission of any State such records and information, whether published or unpublished, and such facilities of the United States Department of Agriculture as the Secretary deems appropriate in aiding such commission.

With the following committee amendment:

Page 5, line 4, after the word "State", insert the words "or at the request of any association referred to in section 5."

Page 5, line 6, after the word "State", insert "or to any such association."

Page 5, line 10, after the word "commission", insert the words "or association."

amendments.

The committee amendments were agreed to.

The Clerk read as follows:

Sec. 7. (b) Any advances or loans which are repaid to the Secretary by any commission pursuant to section 3 of this act shall be held in a special fund in the Treasury of the United States and shall be available until expended for the purpose of administering this act or until such time as the Secretary shall determine that all or any part of such funds will not be needed for such purpose, whereupon all or any part of such funds shall, upon approval by the Secretary, revert to the general fund of the Treasury of the

Mr. MAPES. Mr. Chairman, a point of order. I desire to make a point of order against that paragraph.

Mr. JONES. We intend to offer an amendment striking

out the appropriation.

Mr. MAPES. Mr. Chairman, I make a point of order against the paragraph. I do not care to argue it. It is conceded by the chairman of the committee, I think.

Mr. JONES. It is subject to a point of order.

The CHAIRMAN (Mr. MITCHELL of Tennessee). The Chair sustains the point of order.

Mr. COOLEY. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Cooley: On page 5, after the word "association", in line 10, strike out all of section 7 and insert a new section, to be numbered section 7 and to read as follows:

"Sec. 7. (a) For the purpose of administering this act there is authorized to be appropriated to the Secretary of Agriculture the sum of \$300,000, or so much thereof as may be necessary, for that

"(b) Any advances or loans which are repaid to the Secretary by any commission or association pursuant to sections 3 and 5 of this act shall revert to the general fund of the Treasury of the

United States.

Mr. MAPES. Mr. Chairman, I have no desire to discuss the amendment, but section 7 has been stricken out of the bill by the decision of the Chair and by the Speaker on yesterday, and I think the amendment to that extent should be corrected.

The CHAIRMAN. Without objection, the amendment will be so modified as to cover the same.

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. Cooley].

The amendment was agreed to. The Clerk read as follows:

SEC. 8. All funds available for carrying out this act shall be available for allotment to the bureaus and offices of the Department of Agriculture and for transfer to such other agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this act.

Mr. MAPES. Mr. Chairman, I desire to make a point of order against section 8 for the same reason as applied to section 7. The section makes available and transfers funds in the Treasury for a different purpose than that for which they have been appropriated, and I think under the precedents and decision of the Speaker and of the Chair it is subject to the same point of order as was raised to section 7.

If there is any question about the matter, I should like to call the attention of the Chair particularly to a precedent in the Sixty-seventh Congress, first session, page 4891, where somewhat similar language to this was passed upon by the Chairman of the Committee of the Whole at that time. Democratic leader at that time, Mr. Garner, now Vice President, participated in the debate; also the gentleman from Ohio, Mr. Longworth, who was afterward Speaker of the House. It pertained to a bill to control the importation of dyes and chemicals, and a point of order was raised by the gentleman from Massachusetts, Mr. Walsh, against section 3 of that bill. Section 3 of the bill reads as follows:

That the appropriation "Collecting the revenue from customs, 1922", is hereby made available for the payment of salaries and all other expenditures incident to the operation of the Dye and Chemical Section, Division of Customs, Treasury Department, for the fiscal year ending June 30, 1922.

The gentleman from Ohio, Mr. Longworth, argued against

The CHAIRMAN. The question is on the committee | spoke in favor of the point of order. I should like particularly to read what the gentleman from Texas said-I am quoting from the remarks of the gentleman from Texas on the point of order:

> Mr. Garner. Mr. Chairman, this case is undoubtedly on all fours with the pink-bollworm proposition. In that instance there was an appropriation of \$545,000 appropriated for the eradication of the pink bollworm. The Committee on Agriculture reported a provision authorizing a divergence of \$250,000 of that amount for a purpose not originally enumerated in the law, to wit, to pay for the use of land in the eradication of the pink bollworm. Now, the appropriation is already made, but this bill proposes to divert it for another purpose, and I do not think there is any doubt but under the logic of the Chair at the time, who held that the divergence of an appropriation already made was tantamount to making a new appropriation, that the point of order in this case is good because this does divert for another purpose than the appropriation already made. Mr. GARNER. Mr. Chairman, this case is undoubtedly on all fours appropriation already made.

> appropriation already made.
>
> Let us illustrate it, if the Chair please. Suppose you make an appropriation of \$10,000 for a purpose which would take only \$5,000. Then \$5,000 will be reverted to the Treasury. Now, it is contended that another committee other than the Appropriations Committee has authority to come in and divert the other \$5,000 for some other particular purpose. I think the logic of the Chair at the time he held the pink-bollworm diversion was not authorized under the rules of the House was good; and if it was, undoubtedly this is on all fours with it.

The Chairman of the Whole at that time, the gentleman from Kansas, Mr. Campbell, agreed with the reasoning of the gentleman from Texas, Mr. Garner, and sustained the point of order.

It seems to me the language in section 8 of the pending bill is equivalent to an express appropriation. It reads:

SEC. 8. All funds available for carrying out this act shall be available for allotment to the bureaus and offices of the Department of Agriculture and for transfer to such other agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this act.

I call the Chair's attention to the fact that the fees paid by the handlers of tobacco for so-called marketing agreements under section 3 go into the Treasury of the United States and are a part of the funds referred to in this section. They would remain in the Treasury and not be available to the Secretary of Agriculture or to anyone except for the language in section 8.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. JONES. I desire to be heard briefly, Mr. Chairman. The CHAIRMAN. The Chair will hear the gentleman.

Mr. JONES. Mr. Chairman, I submit the suggestion that by the provisions of the amendment to the previous section any advance or loans repaid to the Secretary by any commission, and so forth, shall revert to the Treasury of the United States; so the point of order made by the gentleman is not applicable. Section 7 (a) is where provision is made with reference to the funds mentioned in section 3. All that is involved in section 8 is the amount appropriated to the Secretary of Agriculture for administrative purposes, and this is merely a matter of allowing him to permit some other bureau assisting him to use the same fund. It is not a new appropriation, it is the same appropriation and it is for the same function, that of administration. It does not involve a new appropriation if a man's assistant spends the man's money helping him do the job. In fact, this involves no appropriation at all. It only refers to the use of funds authorized to be appropriated in a previous section-if and when such appropriation is made.

If the gentleman from Michigan will look at the previous section, he will find the funds mentioned in section 3, and the collections thereof revert to the Treasury automatically, under the amendment which we just adopted and which takes the place of the provision which was stricken out.

Mr. MAPES. Mr. Chairman, will the gentleman yield? Mr. JONES. I yield.

Mr. MAPES. Will not the gentleman from Texas admit that section 8 might divert some of the funds which may be appropriated under the committee's substitute for section 7, which would not be so diverted except for section 8?

Mr. JONES. That would be true for any part of the funds that are appropriated there for administrative purposes but the point of order. The gentleman from Texas, Mr. Garner, not for advances and loans, because subdivision (b) of section 7 specifically eliminates all loans and advances and | puts them back into the Treasury when they are repaid. So, by virtue of the limitation in section (b) this can apply only to administrative funds.

The CHAIRMAN. The point of order is raised against section 8 of the bill, which provides:

All funds available for carrying out this act shall be available for allotment to the bureaus and offices of the Department of Agriculture and for transfer to such other agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this act.

As the Chair understands, this bill does not carry any appropriation—that part of the bill was stricken out on a point of order-and therefore there are no funds available so far as the bill stands at the present time.

The Chair therefore overrules the point of order.

The Clerk read as follows:

Sec. 9. If, pursuant to this act, any compact entered into among three or more of the States of Pennsylvania, Ohio, Wisconsin, and Connecticut, becomes effective, or if any association or associations are formed, the membership of which includes at least two-thirds of the producers of cigar-filler tobacco and cigar-binder tobacco in three or more of said States, commerce in cigar-filler tobacco produced in Puerto Rico shall be regulated during the period in which any such compact remains effective or such associations continue

to operate, as follows:

to operate, as follows:

(a) The Secretary shall determine for each crop year, by calculations from available statistics of the United States Department of Agriculture, the quantity of cigar-filler tobacco produced in the continental United States and Puerto Rico which is likely to be consumed in all countries of the world during such crop year, increased or decreased, as the case may be, by the amount by which the world stocks of cigar-filler tobacco (produced in the continental United States and Puerto Rico) at the beginning of such crop year are less than or greater than the normal stocks of such cigar-filler tobacco, as determined by the Secretary. For the purposes of this section, the Secretary shall specify as a "crop year" such period of 12 months as he deems will facilitate the administration of this section.

12 months as he deems will facilitate the administration of this section.

(b) The Secretary shall determine a marketing quota for Puerto Rico for cigar-filler tobacco for each crop year in which the provisions of this section are operative. Such quota shall be that quantity of cigar-filler tobacco which bears the same proportion (subject to such adjustment, which may be cumulative from one crop year to another, not exceeding 5 percent of said proportion in any 1 year, as the Secretary determines is necessary to correct for any abnormal conditions of production during the crop years 1933, 1934, and 1935 for trends in production during such crop years and for trends in consumption since such crop years) to the total quantity of cigar-filler tobacco produced in the continental United States and Puerto Rico and required for world consumption (as determined pursuant to paragraph (a) of this section) as the average production of cigar-filler tobacco in Puerto Rico in the crop years 1933, 1934, and 1935 bore to the average of the total production of cigar-filler tobacco in the continental United States and Puerto Rico in the crop years 1933, 1934, and 1935.

(c) The Secretary shall establish for each farm in Puerto Rico for each crop year a tobacco-marketing quota, giving due consideration to the quantity of cigar-filler tobacco marketed from the crops produced on such farm and by the operator thereof in past years; to the land, labor, and equipment available for production of tobacco on such farm; to the crop-rotation practices on such farm; and to the soil and other physical factors affecting production of tobacco on such farm: Provided, That the total of the marketing quotas established for all farms in Puerto Rico for such crop year.

(d) The marketing quota established for Puerto Rico and the

crop year shall not exceed the marketing quota for Puerto Rico for such crop year.

(d) The marketing quota established for Puerto Rico and the marketing quotas established for farms in Puerto Rico for any crop year pursuant to paragraphs (b) and (c) of this section shall be subject to such uniform adjustment during the crop year, not exceeding 10 percent of said quotas, as the Secretary shall determine to be necessary to establish and maintain normal world stocks of clear-filler tobacco produced in the continents! United States

mine to be necessary to establish and maintain normal world stocks of cigar-filler tobacco produced in the continental United States and Puerto Rico and otherwise to effectuate the purposes of this act.

(e) The Secretary shall, under such terms and conditions and in accordance with such methods as may be established in regulations prescribed by him, issue, to buyers or handlers of tobacco from any farm in Puerto Rico, marketing certificates for an amount of tobacco equal to the marketing quota established for such farm, and, for any tobacco marketed in excess of such quota for such farm, sell, to the buyer or handlers of such excess tobacco, marketing certificates for a charge equal to one-third of the current market value of such tobacco, and the Secretary may require the buyer or handler of such excess tobacco to deduct the charge for marketing certificates from the price or proceeds of or advances on marketing certificates from the price or proceeds of or advances on such tobacco.

(f) From the proceeds received from the sale of marketing certificates pursuant to paragraph (e) of this section, the Secretary shall make payments to the producers of tobacco on farms in Puerto Rico from which the sales of tobacco, because of weather or diseases or loss by fire affecting the tobacco crops thereon adversely.

during any crop year, are less than the marketing quotas for such farms for such crop year. Such payments shall be at a rate per pound of such deficit as shall be determined by dividing the funds remaining after deduction of such amount as the Secretary estiremaining after deduction of such amount as the Secretary estimates to be necessary for the payment of administrative expenses incurred in administering the provisions of this section by the total number of pounds by which the sales of tobacco from all such farms fall below the marketing quotas for such farms.

(g) The action of any officer, employee, or agent in determining the amount of and in making any payment authorized to be made under this section shall not be subject to review by any officer of the Government other than the Secretary of Agriculture.

(h) The sale, marketing, purchase, or transportation of any cigar-filler tobacco produced, sold, or marketed in Puerto Rico during any period of time when this section shall be in effect is hereby prohibited unless a marketing certificate has been issued for such tobacco by the Secretary pursuant to the provisions of this act.

tobacco by the Secretary pursuant to the provisions of this act.

Mr. COCHRAN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Cochran: Page 10, beginning in line 1, strike out all of subsection (g).

Mr. JONES. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Texas.

Mr. JONES. I cannot see any objection to the gentleman's amendment, if no one wants to keep that language in.

Mr. SHORT. I am glad the committee accepts the amend-

Mr. JONES. I am only expressing my own personal ideas, not speaking for the committee.

Mr. COCHRAN. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. Cochran].

The amendment was agreed to.

Mr. CARPENTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, since becoming a Member of Congress it has been my pleasure to do everything that I could for the benefit of agriculture and to support all measures that I thought would really be for the best interest of the farmers of this country. I recognize today, as I did when the first Kerr bill was presented to the House for consideration, that those Members of that particular part of the United States engaged in raising tobacco are moved by most sincere efforts to benefit the farmers they are representing. I appreciate that attitude. I expect if I came from that part of the United States and felt that the majority of the people wanted me to support such legislation in my representative capacity, I would do so. But I believe I would be remiss to my theory of government if I did not voice what I think are the objectionable features of this legislation.

I am opposed to it primarily because it is compulsory. I am opposed to any governmental compulsion in regard to business or agriculture. At the same time I wish to state that I was always a staunch supporter of the Agricultural Adjustment Act, known as the A. A. A. It was, in my opinion, as has been often stated, merely a farmer's tariff; however, I can see no relation between that legislation and the proposed legislation. The former was not compulsory, and I say this notwithstanding the Supreme Court's opinion, which I expect to hereafter refer to. It was a voluntary contractual relation for which the farmer received certain expressed consideration, all of which is foreign to the State statutes in question. And while it is merely my personal opinion, I do not believe that this administration is any more in favor of this proposed scheme than it was in favor of the Potato Act, which was passed the latter part of last session and had to be repealed at the beginning of this session. In the next place, as has been brought out here from time to time, I do not believe that the proposed laws, to be adopted by the various States to the compact in question, are constitutional; and, therefore, according to my way of thinking, we should not pass this act and thereby place our stamp of approval on such legislation.

Parts of the proposed act read as follows: Section 10 of the South Carolina bill contained in the committee hearings, commencing on page 26 of the hearings, and section 11 of the Virginia act found in the Congressional Record, commencing on page 5112 of the RECORD of this session, has the following provision:

The commission is authorized and directed: (a) To establish, in accordance with section 12 of this act, tobacco-marketing quotas for each kind of tobacco for individual farms within the State for each year.

And the next section, being section 11 of the South Carolina act, and section 12 of the Virginia act, reads as follows:

(c) The tobacco base established for each farm, under paragraphs (a) and (b) of this section 12, shall be fair and reasonable for such farms as compared with the tobacco bases for other farms which are similar with respect to the following: The past production of tobacco on the farm and by the operator thereof, land, labor, and equipment available for the production of tobacco; the crop-rotation practices; and the soil and other physical factors tending to affect the production of tobacco.

(d) To the tobacco base established for each farm, pursuant to paragraphs (a), (b), and (c) of this section 12, there shall be applied the percentage which the marketing quota for the State is of the total of the tobacco bases for all farms in the State, and resulting figure shall be the marketing quota for the farm.

And the following section in part reads as follows:

SEC. 14. The commission is authorized and directed: (a) Upon application therefore by any producer, as defined in section 2 hereof, to issue to the buyer or handler who purchases or handles the tobacco, marketing certificates for an amount of tobacco not exceeding the marketing quota for the farm on which said tobacco is produced, or the quantity of tobacco marketed from the crop produced on such farm, whichever is the smaller.

And section 19 of the South Carolina and section 20 of the Virginia act reads as follows:

Any person violating any provision of this act, or any regulation of the commission shall be guilty of a misdemeanor, and upon conviction shall be fined a sum of not less than \$10 for the first offense, and not less than \$25 for each subsequent offense.

In other words, a commission can tell a farmer what he can raise and what he cannot raise; how much he can raise and how much he cannot raise. And the farmer, under such a law, would not know what day the sheriff might appear and drag him to jail for overproducing or overselling. To be governed by boards and commissions in regard to governmental matters is bad enough, but to have our private businesses ruled by such boards and commissions is objectionable; in fact, it is intolerable and opposed to the American system of government. And it is no less objectionable or less intolerable if the particular board or commission happens to be a State agency in the place of a Federal authority. According to my judgment, a State statute containing such provisions is squarely unconstitutional under that part of the fourteenth amendment of our Federal Constitution which reads as follows:

No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

I do not believe that the Federal Government or the States have such authority to regulate by compulsion either business or agriculture. I do not believe we can do indirectly what we cannot do directly. The decision of the Supreme Court in the case of the United States of America, petitioner, against William M. Butler et al., receivers of Hoosac Mills Corporation, holding the Agricultural Adjustment Act invalid, seems to be generally interpreted to the effect that the States have the right to take action in regard to such regulation, but I do not think that that is a clear interpretation of this decision. I have studied the Supreme Court opinion, and I find nowhere in that decision the holding that it lies within the power of the State to pass such legislation as is here proposed. It does hold, as I interpret it, under the tenth amendment to the Constitution, that the Federal Government does not have any such authority. It is stated in that opinion that such powers as are not granted to the Federal Government under the Constitution are reserved to the States or to the people. What does that mean? It means those powers are reserved to the States or to the people to grant to the Federal Government. That is the way I interpret the decision.

If such statutes are unconstitutional and therefore the

passed in the first instance? It will ultimately be set aside by the court of last resort, but in the meantime, when attempting to put it into operation, it will merely add confusion and dissension to the business in question and also set a bad precedent in the field of legislation.

I notice from the provisions of the proposed State acts that they are operative upon enactment, but become ineffective with respect to any kind of tobacco in the next succeeding crop year, providing more than one-third in a referendum vote against continuance of the act. In other words, there is no direct referendum in respect to the original operation, but its future depends upon whether it meets with the approval of two-thirds of the producers. This calls to my mind that in the last session of Congress the gentleman from New York [Mr. Wadsworth] suggested that it was a Fascist idea that the majority of persons engaged in a business may employ the force of government to compel the minority to do as the majority wishes. Fifty-one percent, he said, according to this philosophy of the persons engaged in a business, be it farming or anything else, under the Fascist idea, may with the support of the government or its bureaucracies enact and enforce a law governing the conduct of business and compel the 49 percent to live a life decreed by the 51 percent, and by his remarks raised the question as to whether such philosophy was desirable in this country. Personally, I do not believe that it is. As I recall history it has been some pioneer or other who departed from the beaten tracks who discovered new worlds and opened up a new life and new freedom and new methods of business, which if he had been restricted by a 51-percent or 75-percent vote would never have been brought forth.

We all know of many instances where someone has determined that the orthodox method could be improved upon and the exception that he created later became the adopted rule of the majority. We all believe in rule by the majority in regard to governmental matters, but the very government that is established by the majority at the same time insures the rights of the minority. If we depart from this theory of our Government, it will be doubtful whether we can avoid a dictatorship or something even worse in this country.

Jefferson believed that the stability and future of this country was firmly attached to agriculture, and he made this statement in his first inaugural address: "Still one thing more, fellow citizens—a wise and frugal government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close the circle of our felicities." Jefferson also said if we should wander from the creed of our political faith in moments of error or of alarm that we should hasten to retrace our steps and regain the road which alone leads to peace, liberty, and safety.

The Clerk read as follows:

SEC. 10. Any receipts by the Secretary under section 9 of this act shall be held in a separate fund and used by the Secretary for purpose of paying administrative expenses and

incurred or made in connection with section 9 of this act.

SEC. 11. If any provisions of this act, or the application thereof to any person or circumstance, shall be held invalid, the validity of the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 12. The Secretary shall prescribe such rules and regulations as he may deem necessary to carry out the provisions of this act.

Mr. WARREN. Mr. Chairman, under the previous agreement we were to return to section 1.

The CHAIRMAN. The Clerk will report the amendment to section 1.

The Clerk read as follows:

Amendment offered by Mr. Duncan: On page 2, line 15, after the comma, insert the following: "or by any other State or States producing any type or types of tobacco referred to in said act"

Mr. BOILEAU. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not like to prolong debate on this matter, because I stated my position a little while ago. I stated at that time that if this amendment is adopted it would add compact authorized in this act voided, why should it be to the constitutional difficulties, and I have not been convinced to the contrary. Of course, I may be in error, but | it seems to me that the adoption of this amendment might result in the acts being held unconstitutional.

I want to point out one matter for the general information of the House with reference to the effect of this legislation. There are various types of tobacco produced in the United States. Down around Kentucky, Virginia, North and South Carolina, and Georgia they produce flue-cured tobacco, burley tobacco, and fire-cured tobacco. I believe those are the principal types. Those are the types referred to in the Virginia act. In other words, this legislation provides that with reference to those types of tobacco the States may enter into these compacts without further action on the part of Congress. Any State which produces the type of tobacco referred to in the Virginia act may enter into a compact and have it effective without further action on the part of the

There is another type of tobacco produced in this country and it is quite generally produced in a different section of the country. We have the so-called cigar-wrapper and cigarfiller types of tobacco produced largely in Connecticut, Pennsylvania, Ohio, and Wisconsin.

The only difference in this bill as to the treatment of those particular States and the more favored States is that we hereby give full carte-blanche authority to any State producing the type of tobacco raised in the South to enter into compacts which become effective without further action on the part of Congress. With reference to the type of tobacco produced in the North, we provide that those States can go ahead and negotiate a compact, but before it is effective they must come back here for our consent or ratification. The people in the cigar-type section of the country have not had an opportunity to discuss this matter, and they have not formulated a program. They do not know whether they want compacts or not, for the simple reason they have not given it any thought or consideration. I am wondering if this House of Representatives again wants to go on record in the legislative history of this session of Congress by saying that Southern States can enter into compacts without further consent of Congress, even though some of those States have not heretofore given any consideration to this type of legislation, and at the same time provide that the States of Pennsylvania, Ohio, Connecticut, and Wisconsin must come back and get the consent of Congress to a compact before it can become effective.

Mr. HAINES. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Pennsylvania.

Mr. HAINES. Has the gentleman received any information from his constituents on this bill?

Mr. BOILEAU. No; I have not any information one way or the other, and I should very much like to have information and should be pleased to yield in my time to the distinguished gentleman from Pennsylvania, who understands the problems of the cigar-type of tobacco as well as anybody in this House, to get his viewpoint on it.

Mr. HAINES. Mr. Chairman, I have not heard a word from my people back home on this proposal, and I am somewhat up in the air about it.

Mr. BOILEAU. I may say to the gentleman that in my opinion this bill would not affect the type of tobacco produced in those States.

Mr. HAINES. I am confident it will not.

Mr. BOILEAU. And for that reason I am inclined to support the bill, but I think the amendment adds to the constitutional difficulties presented by the bill.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield? Mr. BOILEAU. I yield.

Mr. O'MALLEY. Does the gentleman consider that this lack of consideration for all the States would act as a discrimination against the Northern States and that they would have to come back here and get a ratification of their compact, while the Southern States would not have to do so?

Mr. BOILEAU. That is the way it works out, but I may say to the gentleman, in order to be absolutely fair about the proposition, that I do not think there is any sentiment I this statute, but certainly in the light of the decision of the

at the present time in the Northern States for such a compact.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I do not have any tobacco in the section I represent. There has been no disposition whatever to make this a sectional matter by anybody on the committee, and I know the gentleman from Wisconsin [Mr. BOILEAU] does not intend to intimate as much.

The only reason this particular type of contract or compact is exempted from the requirement of ratification is because the people who live in these particular areas have drawn up in so many words just what they want. Naturally, we should know what we give consent to. We give consent to any State that wants to follow just what we have looked at here. If these other people from other areas of the country want a measure and will go just as far as these people have gone, I do not believe there is a man in the House who would not be willing to grant consent if the terms are reasonable and do not tend to injure the people of any other

At first, we practically determined to write into the bill that all of these negotiations should require ratification. It was discovered that if we were going to do anything this year in reference to the flue-cured tobacco of these areas it would be necessary to secure early action, and since we knew just what they were going to do and what they wanted it seemed we might make an exception as to them. As to the other types that the gentleman refers to, if they can use this character of bill they can come in under the proposed

Mr. BOILEAU. Mr. Chairman, will the gentleman yield? Mr. JONES. I yield.

Mr. BOILEAU. I am sure the gentleman will agree that there is no possibility of a compact being entered into which can be effective this year with reference to any other type of tobacco except flue-cured.

Mr. JONES. I think that is probably true, although I do not know. I am not tobacco man enough to know and I would rather these other gentlemen would answer that.

Mr. BOILEAU. Does not the gentleman recall the fact that in the committee it was made very clear by the Representatives from Kentucky, and the other States, that there would not be any possibility of those States entering into a burley program this year?

Mr. VINSON of Kentucky. We are trying to do that.

Mr. BOILEAU. The Members from the other States gave us every reason to believe that there would not be a burley compact this year.

Mr. VINSON of Kentucky. There may not be, but we are trying to do so.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield? Mr. JONES. I yield.

Mr. O'MALLEY. How would it affect the bill if the door were left open to the other States to enter into compacts without any further ratification?

Mr. JONES. The door is open now, as long as they follow the lines of this bill. The only way there is any limitation. even by implication, is the fact that the growers of some other types of tobacco might want an entirely different bill, and, of course, we would not want to give our consent in advance to that:

Mr. O'MALLEY. Under this bill the door is closed to any other type of bill without further ratification.

Mr. JONES. Without further ratification, any type of tobacco can come in, if they will follow this plan.

Mr. BOILEAU. I think the gentleman is in error. I believe the bill limits these compacts to the types of tobacco referred to in the Virginia act, which are fire-cured, fluecured, and burley tobacco.

Mr. JONES. I think the gentleman is correct. However, I am sure that if a reasonable program is fashioned the consent would probably be granted.

I repeat that I am not sure of the wisdom of legislation that is contemplated by the States that may be affected by Supreme Court it comes strictly under the head of the business of those States.

There may be some question as to the legality of what the States are trying to do, but the attorneys general of the various States, so I am informed, believe in and back this bill.

Inasmuch as we do not undertake to pass on the interstate feature in any sense but merely give consent, I do not believe that it is proper for me to match what little study and judgment I might have against those who want to deal with their problem that comes under the jurisdiction of those States.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. Bolleau) there were 81 ayes and 35 noes.

So the amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise. Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MITCHELL of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 12037) relating to compacts and agreements among States in which tobacco is produced, providing for the control of production of, or commerce in, tobacco in such States, and for other purposes, and, pursuant to House Resolution 476, he reported the bill back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? Mr. BOILEAU. I ask for a separate vote on the amendment offered by the gentleman from Missouri [Mr. Duncan].

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en bloc. The other amendments were agreed to.

The Clerk read as follows:

Page 2, line 5, after the comma, insert the following: "or by any other State or States producing any type or types of tobacco referred to in said act."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. Boileau) there were 87 ayes and 52 noes.

So the amendment was agreed to.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill. The question was taken; and on a division (demanded by Mr. Martin of Massachusetts) there were 106 ayes and 54

Mr. MARTIN of Massachusetts. Mr. Speaker, I object to the vote on the ground that there is no quorum present. The SPEAKER. Evidently there is no quorum present,

and the Clerk will call the roll. The question was taken; and there were-yeas 190, nays 116, answered "present" 2, not voting 121, as follows:

[Roll No. 59]

YEAS-190

Cochran Doxey Grav. Pa. Ayers Bankhead Coffee Colden Drewry Driver Green Greenway Barden Duffy, N. Y. Duncan Barry Beiter Colmer Greenwood Greever Connery Cooley Cooper, Tenn. Dunn, Pa. Gwynne Bland Eckert Haines Blanton Costello Edmiston Hamlin Cox Bloom Eicher Hancock, N. C. Harlan Hildebrandt Boehne Cravens Faddis Boileau Farley Cross, Tex. Ferguson Fitzpatrick Flannagan Boykin Hill. Ala. Crowe Cullen Hill, Samuel B. Brooks Brown, Ga. Hook Fletcher Ford, Calif. Buchanan Cummings Houston Curley Imhoff Daly Darden Johnson, Okla. Johnson, Tex. Johnson, W. Va. Buckler, Minn. Ford, Miss. Frey Fuller Cannon, Mo. Cartwright Castellow Deen Dempsey Dingell Fulmer Gambrill Chandler Dobbins Gasque Kennedy, Md. Dockweiler Dorsey Doughton Chapman Clark, Idaho Clark, N. C. Gildea Goldsborough Kerr Kloeb Gray, Ind. Kopplemann

Kvale Lambeth Lanham Larrabee Lea, Calif. Lee, Okla. Lesinski Lewis, Colo. Lewis, Md. McClellan McCormack McFarlane McGrath McSwain Mahon Maloney Mansfield Martin, Colo. Mason Massingale Mayerick

Meeks Merritt, N. Y. Miller Mitchell, Tenn. Murdock Nelson O'Connell O'Connor O'Leary O'Neal Owen Parsons Patterson Pearson Peterson, Fla. Peterson, Ga. Pettengill Pfeifer Pierce Polk Rahaut Ramsav

Ramspeck Rankin Reilly Robertson Rogers, Okla. Russell Ryan Sanders, Tex. Sandlin Schaefer Scott Scrugham Sears Secrest Shanley Shannon Smith, Conn. Smith, W. Va. Spence Stack Starnes Stubbs Tarver

Taylor, Colo. Thomason Thompson Tolan Turner Umstead Vinson, Ga. Vinson, Ky. Warren Weaver West White Whittington Wilcox Williams Wilson, La Wood Woodrum Zimmerman

NAYS-116

Amlie Andresen Andrew, Mass. Andrews, N. Y. Arends Ashbrook Bacharach Bacon Blackney Boylan Brewster Burdick Carlson Carpenter Cavicchia Church Cole, Md. Cole, N. Y. Collins Cooper, Ohio Crawford Crosser, Ohio Crowther Culkin

Delaney Dickstein Jacobsen Kenney Dirksen Kinzer Dondero Knutson Doutrich Lamneck Lehlbach Ekwall Ellenbogen Lemke Engel Evans Ludlow Fiesinger Focht McLeod McLeod Gehrmann Main Mapes Gilchrist Marcantonio Gillette Marshall Martin, Mass Goodwin Griswold Merritt, Conn. Halleck Moran Hancock, N. Y. Mott Hart Norton O'Day O'Malley Harter Higgins, Mass. Peyser Pittenger Hoffman Holmes Hope Huddleston Plumley Powers Ransley Hull ANSWERED

Reece Reed, N. Y. Rich Richardson Risk Robsion, Ky. Rogers, Mass Sauthoff Short Somers, N. Y. South Stefan Sutphin Sweeney Taber Taylor, Tenn. Thurston Tobey Tonry Treadway Turpin Welch Wilson, Pa Withrow Wolcott Wolfenden Wolverton Woodruff Young

"PRESENT"-2

Christianson Kahn NOT VOTING-121

Adair Allen Beam Rell Berlin Boland Brennan Brown, Mich. Buckbee Buckley, N. Y. Bulwinkle Caldwell Cannon, Wis. Carmichael Carter Cary Citron Claiborne Corning Crosby Dear DeRouen Dies Dietrich Disney Driscoll Duffey, Ohio Dunn, Miss,

Eaton

Fenerty Fernandez Fish Gassaway Gavagan Gearhart Gingery Granfield Gregory Hartley Hennings Hess Higgins, Conn. Hill, Knute Hobbs Hoeppel Hollister Jenckes, Ind. Jenkins, Ohio Kelly Kennedy, N. Y. Kleberg Kocialkowski Lambertson Lord Lucas Lundeen

Englebright

McGehee McKeough McLaughlin McReynolds Mead Michener Mitchell, III. Monaghan Montague Montet Moritz Nichols O'Brien Palmisano Patton Perkins Quinn Randolph Rayburn Reed, Ill. Richards Robinson, Utah Rogers, N. H. Romjue Sabath Sadowski

Sanders, La Schneider, Wis. Schuetz Schulte Seger Sirovich Sisson Smith, Va. Smith, Wash. Snell Snyder, Pa Steagall Stewart Sullivan Sumners, Tex. Taylor, S. C. Thomas Tinkham Underwood Utterback Wadsworth Wallgren Walter Wearin Werner Wigglesworth Zioncheck

So the bill was passed.

The Clerk announced the following pairs: On this vote:

McAndrews

Mr. Kleberg (for) with Mr. Snell (against).
Mr. Healey (for) with Mr. Christianson (against).
Mr. McMillan (for) with Mrs. Kahn (against).
Mr. Richards (for) with Mr. Wigglesworth (against).
Mr. Cary (for) with Mr. Hollister (against).
Mr. Gregory (for) with Mr. Stewart (against).
Mr. Bulwinkle (for) with Mr. Hess (against).
Mr. Snyder of Pennsylvania (for) with Mr. Jenkins of Ohio (against).
Mr. Kocialkowski (for) with Mr. Seger (against).
Mr. Hennings (for) with Mr. Michener (against).

- Mr. Kelly (for) with Mr. Higgins of Connecticut (against).
 Mr. Dunn of Mississippi (for) with Mr. Reed of Illinois (against).
 Mr. Adair (for) with Mr. Allen (against).
 Mr. Smith of Virginia (for) with Mr. Eaton (against).
 Mr. Lucas (for) with Mr. Hartley (against).
 Mr. McGehee (for) with Mr. Thomas (against).
 Mr. Schuetz (for) with Mr. Maas (against).
 Mr. Nichols (for) with Mr. Tinkham (against).
 Mr. Brown of Michigan (for) with Mr. Lord (against).
 Mr. O'Brien (for) with Mr. Bolton (against).
 Mr. McAndrews (for) with Mr. Perkins (against).

General pairs:

- Mr. Rayburn with Mr. Wadsworth.
 Mr. Parks with Mr. Lambertson.
 Mr. Oliver with Mr. Gearhart.
 Mr. Eagle with Mr. Carter.
 Mr. Gavagan with Mr. Mitchell of Illinois.
 Mr. Steagall with Mr. Englebright.
 Mr. Sullivan with Mr. Fenerty.

Mr. Steagall with Mr. Englebright.
Mr. Sullivan with Mr. Fenerty.
Mr. Granfield with Mr. Fesh.
Mr. McReynolds with Mr. Schneider of Wisconsin.
Mr. Montague with Mr. Lundeen.
Mr. Mead with Mr. Bearn.
Mr. Montet with Mr. Beam.
Mr. Taylor of South Carolina with Mr. Buckley of New York.
Mr. Patton with Mr. Randolph.
Mr. Claiborne with Mr. Gassaway.
Mr. Smith of Washington with Mr. Boland.
Mr. Dies with Mr. Utterback.
Mr. Romjue with Mr. Cannon of Wisconsin.
Mr. McKeough with Mr. Dietrich.
Mr. Gingery with Mr. Caldwell.
Mr. Quinn with Mr. Bell.
Mr. Gingery with Mr. Werner.
Mr. Montz with Mr. Zioncheck.
Mr. Duffey of Ohio with Mr. McLaughlin.
Mr. Disney with Mr. Schulte.
Mr. Garmichael with Mr. Kee.
Mr. Berlin with Mr. Walgren.
Mr. Monaghan with Mr. Fernandez.
Mr. Sumners of Texas with Mr. Dear.
Mr. Crosby with Mr. Brennan.
Mr. DeRouen with Mr. Brennan.
Mr. DeRouen with Mr. Driscoll.
Mr. Kennedy of New York with Mr. Walter.
Mrs. Jenckes of Indiana with Mr. Hobbs.
Mr. Rogers of New Hampshire with Mr. Sanders of Louisiana.
Mr. Whelchel with Mr. Slrovich.
Mr. Sadowski with Mr. Palmisano.
Mrs. KAHN. Mr. Speaker, I have a pair with the gen Mrs. KAHN. Mr. Speaker, I have a pair with the gentleman from North Carolina, Mr. McMillan. I withdraw my vote of "no" and vote "present."

Mr. PETTENGILL. Mr. Speaker, I change my vote from "no" to "aye."

Mr. CHRISTIANSON. Mr. Speaker, I am recorded as voting "no." I have a pair with the gentleman from Massachusetts, Mr. Healey, and I withdraw my vote of "no" and answer "present." If Mr. HEALEY were present, he would vote "ave."

Mr. HAINES. Mr. Speaker, my colleagues from Pennsylvania, Mr. Driscoll and Mr. Gingery, are detained at departments downtown. If present, they would vote "aye."

Mr. FERGUSON. Mr. Speaker, my colleague from Oklahoma, Mr. Nichols, is unavoidably absent. If present, he would vote "aye."

Mr. JOHNSON of Oklahoma. Mr. Speaker, my colleague from Oklahoma, Mr. Gassaway, is ill. If present and permitted to vote, he would vote "aye."

Mr. MAPES. Mr. Speaker, my colleague from Michigan, Mr. Michener, is absent on account of illness. If present, he would have voted "no."

The result of the vote was announced as above recorded. A motion to reconsider the vote by which the bill was

passed was laid on the table.

LOBBYING ACTIVITIES

Mr. MILLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Strike out all after the enacting clause and insert:
"That any person who shall engage himself for pay, or for any consideration, to attempt to influence legislation, or to prevent legislation, by the National Congress, or to influence any

Federal bureau, agency, or Government official, or Government employee, to make, modify, alter, or cancel any contract with the United States Government, or any United States bureau, agency, or official, as such official, or to influence any such bureau, agency, or official in the administration of any governmental duty, so as to give any benefit or advantage to any private corporation or individual, shall before entering into and engaging in such practice with reference to legislation as herein set out register with the Clerk of the House of Representatives and the Secretary of the Senate, and shall give to those officers his name, address, the person, association, or corporation, one or more, by whom he is employed, and in whose interest he appears or works as aforesaid. He shall likewise state how much he has been paid, and is to receive, and by whom he is paid, or is to be paid, and how much he is to be paid for expenses, and what expenses are to be included, and set out his contract in full.

"Src. 2 Any person before he shell enter into and engage in

"Sec. 2. Any person, before he shall enter into and engage in such practices as heretofore set forth, in connection with Federal bureaus, agencies, governmental officials, or employees, shall register with the Federal Trade Commission giving to the Federal Trade Commission the same information as that required to be given to the Clerk of the House and Secretary of the Senate in section 1 of this act.

in section 1 of this act.

"Sec. 3. At the end of each 3-month period, each person engaged in such practices as aforesaid shall file, either with the Federal Trade Commission or the Clerk of the House or the Secretary of the Senate, as required herein, a detailed report of all moneys received and expended by him during such 3-month period in carrying on his work as aforesaid, to whom paid, and for what purpose, and the names of any papers, periodicals, or magazines in which he has caused any articles or editorials to be published. published.

"SEC. 4. All reports required under this bill shall be made under oath, before an officer authorized by law to administer

"SEC. 5. Any person who may engage in the practices hereto-fore set out without first complying with the provisions of this act shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than \$5,000 or imprisonment for not more than 12 months, or by both such fine and imprison-

"SEC. 6. Any person who shall make a false affidavit, where an affidavit is required in this act, shall be guilty of perjury and upon conviction shall be punished by imprisonment for not more

than 2 years.

"SEC. 7. A new registration shall be required each calendar year on or before January 15."

"An act to require registration of

Amend the title so as to read: "An act to require registration of persons engaged in influencing legislation or Government contracts and activities.'

The SPEAKER. The gentleman from Arkansas asks unanimous consent to take from the Speaker's table the bill H. R. 11663, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Is this the so-called Black lobbying bill?

Mr. MILLER. This is the bill as amended by the Senate. The Senate simply struck out all of the House bill and inserted the so-called Black bill.

Mr. MARTIN of Massachusetts. And at the present time it is practically a new bill?

Mr. MILLER. It is a new bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Mr. WEAVER, Mr. MILLER, Mr. CELLER, Mr. WALTER, Mr. HESS, and Mr. GUYER.

MONSIGNOR TIMOTHY DEMPSEY

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, Mgr. Timothy Dempsey, known throughout the Nation as "Father Tim", died in St. Louis Sunday night. The passing of a clergyman is ordinarily of local concern, but, Mr. Speaker, in this instance the last call comes to a man who during his lifetime set an example that might well be followed by others in large communities throughout our land.

"Father Tim" came to St. Louis from Ireland many years ago. When he became pastor of St. Patrick's Church in downtown St. Louis he founded a home for workingmen also known as Father Dempsey's Hotel. This was in 1906. This was followed by a home for working women. Then a convalescent home for sick women unable to be employed, a home for colored men, an emergency free lunchroom, a day nursery where women could leave their children while at work, and finally an organization known as the White Cross Crusade, which had as its purpose the prevention of tuberculosis in underprivileged children. The emergency free lunchroom was established in 1931, and since the date of opening official statistics show that over 7,000,000 free meals have been served to deserving people-black, white, Catholic, Protestant, and Jew.

His charities were supported by the good people of St. Louis and our businessmen and our women, regardless of creed, never said "No" when "Father Tim" would call them over the telephone and say, "I need \$25 or \$50 from you this month."

Our business houses, starting with the packers and bakers,

were daily contributors.

Over 6 feet 2 inches, weighing well over 200 pounds, "Father Tim" was a commanding figure as he walked through the crowds that flocked to his places for assistance daily. He always had a word of good cheer and one of his favorite expressions was "Never mind; times will be better." When all others failed "Father Tim" stepped in and settled

numerous labor disputes in our city.

"Father Tim's" charities and his institutions were successful solely because of his personal supervision and the loyal support he received from the citizens of the St. Louis community. Only the Archbishop of St. Louis can say whether they will be continued.

Just think, Mr. Speaker, of one individual being responsible for the supervision of charities, one of which alone has furnished 7,000,000 free meals to unfortunate people and you

will realize the enormity of his undertaking.

While "Father Tim" thought of the unfortunate during his or her lifetime, he did not even forget them in death, for he established an "exiles' rest" in one of our leading cemeteries, and he saw to it that his unfortunate friends who stayed at his institutions received a decent burial and a last resting place. At his request he was buried along with his friends in "exiles' rest."

The example set by this good man will live long in the memories of the people of St. Louis, and while we all realize it will be a most difficult task to carry on his activities I am sure every effort will be made by the archbishop to do so.

EXTENSION OF REMARKS

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill, H. R. 12037, have 5 legislative days within which to extend their own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

COMMANDER PERCY TODD

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11053) authorizing the President to present the Distinguished Service Medal to Commander Percy Tod, British Navy, and the Navy Cross to Lt. Comdr. Charles A. deW. Kitcat, British Navy, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amend-

The Clerk read as follows:

Line 4, strike out "Tod" and insert "Todd."

Amend the title so as to read: "An act authorizing the President to present the Distinguished Service Medal to Commander Percy Todd, British Navy, and the Navy Cross to Lt. Comdr. Charles A. deW. Kitcat, British Navy."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that on Monday next, after the reading of the Journal, disposition of matters on the Speaker's table, and the special order, I may be permitted to address the House for 30 minutes on the anniversary of the birthday of Thomas Jefferson.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. RICH. Reserving the right to object, Mr. Speaker, I will not object to the gentleman from Missouri making an address on Thomas Jefferson, but I wonder whether the people of St. Louis are going to be opposed to that \$30,000,000 to erect a memorial to Thomas Jefferson when they already have one, and whether the gentleman can satisfy the people of this country that we should build these two great memorials in St. Louis to Thomas Jefferson.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. Shannon]?

There was no objection.

EXAMINATION OF NUECES RIVER IN TEXAS

Mr. WEST. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 11006) providing for the examination of the Nueces River in the State of Texas for flood-control purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, this bill has been before the committee and has the unanimous report of the committee?

Mr. WEST. Yes. I have a report from the War Department also.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause a preliminary examination of the Nueces River in the State of Texas, with a view to the control of its floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill providing for the examination of the Nueces River and its tributaries in the State of Texas for flood-control purposes."

RENEWAL OF BADGE OF UNITED STATES DAUGHTERS OF 1812

Mr. TERRY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 11562) to renew patent no. 25909, relating to the badge of the United States Daughters of 1812.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is a regularly reported bill from the committee?

Mr. TERRY. This bill has been unanimously reported by the Committee on Patents.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. TERRY. I yield.

Mr. LANHAM. This is merely following up a policy which has been adopted generally that these patriotic orders which have a badge distinctive of their order should be permitted to keep it beyond the patent period. For instance, the Daughters of the American Revolution have it, as well as various other organizations. This simply allows them to keep their badge beyond the patent period.

Mr. MARTIN of Massachusetts. Are there any of the

girls of 1812 left? [Laughter.]
The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date August 11, 1896, being patent no. 25909, is hereby renewed and extended for a period of 14 years

from and after the passage of this act, with all the rights and privileges pertaining to the same as of the original patent, being generally known as the badge of the United States Daughters of 1812.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE ALLOCATION OF RELIEF COSTS BY THE F. E. R. A. AND EMERGENCY RELIEF EXPENDITURES

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein three tables.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following remarks, including tables showing, first, the allocation of relief costs by the F. E. R. A.; second, emergency-relief expenditures.

THE ALLOCATION OF RELIEF COSTS BY THE F. E. R. A.

In the Federal Emergency Relief Act of 1933—act of May 12, 1933; Public, No. 15-which was entitled "An act to provide for cooperation by the Federal Government, the several States and Territories, and the District of Columbia in relieving the hardship and suffering caused by unemployment, and for other purposes", it was stated in section 4 (a):

Out of the funds of the Reconstruction Finance Corporation made available by this act, the Administrator is authorized to make grants to the several States to aid in meeting the costs of furnishing relief and work relief and in relieving the hardship and suffering caused by unemployment in the form of money, service, materials, and/or commodities to provide the necessities of life to persons in need as a result of the present emergency, and/or to their dependents, whether resident, transient, or homeless.

This act gave the Administrator unlimited discrimination in allocating grants. But from the act it would appear that the main responsibility for relief rested upon the States; the Federal Government only assumed a secondary responsibility.

Mr. Roosevelt, in interpreting this section, said as follows:

The Emergency Relief Act is an expression of the Federal Government's determination to cooperate with the States and local communities with regard to financing the emergency-relief work. Federal Emergency Relief Administration has principle that it means just that. It is essential that the States and local units of government do their fair share. They must They must not expect the Federal Government to finance more than a reasonable proportion of the total. (Statement at a conference of Governors and State emergency relief administrators June 14, 1933.)

That is a statement of policy. How has that policy been administered? Or, in other words, how has a fair share or reasonable proportion of the burden been determined in the case of each individual State? The Federal Emergency Relief Administration in its report to the Senate Committee on Appropriations, in response to Senate Resolution No. 115, Seventy-fourth Congress, first session, printed in Senate Document No. 56 of the same Congress, made a statement which purports to be an explanation of the method by which available funds were allocated as between the several States. The Assistant Administrator of the F. E. R. A., Mr. Corrington Gill, asserted that the bulk of the various factors taken into consideration in the effort to arrive at a determination of the grants to each State can "properly be included under four broad classifications":

First, it would be necessary to take into account the need for relief. We know that this item varies widely from State to State and from community to community. In April 1934, for example, when 14 percent of the population of continental United States was receiving public relief, percentages ranged from 4 percent of the population in Vermont to 35 percent in North Dakota. Obviously, the burden of caring for one-third of the population of a State is an enormously greater strain on its financial resources than is the burden of caring for one twenty-fifth of its people. To grasp the significance of this variation it need only be recalled that, all other things being equal, the larger the proportion of population in need of relief the smaller the group left to supply the necessary financial resources.

Second, due weight must be given to the relative abilities of the political units to finance relief. Economic capacities vary to an extreme degree. In some instances States and their political subdivisions are already in poor financial condition and are, there-

fore, unable to provide additional funds. Then again there are some States where economic capacity is adequate but where it can-not be employed because of constitutional and statutory limitations either on the levying of taxes or the incurrence of debt, or the performance of service. Where these constitutional or statutory restrictions are obstacles in the way of the provision of relief funds, taxpayers in other States have a right to expect the removal of such limitations. Unfortunately the revision of constitutions and statutes is a lengthy process, and in the meantime the needy

unemployed must be cared for.

Third, proper attention should be given to the relative amounts spent by the political units for public-welfare purposes other than direct relief. Their significance is obvious. Those activities fre-

quently reduce the necessity for direct relief.

Fourth, geographical variations in living standards and relief costs, as well as weather and seasonal factors, must be considered in arriving at any available and fair conclusion on the amount of participation by the Federal Government in helping meet the relief needs of the various States. It should not be forgotten that in general States and localities appropriate a given sum of money to be used during the given period of time. Thus the amount is inflexible and there is small opportunity to increase the amount by legislative action between sessions of the legislative bodies. Furthermore, the Federal Government endeavors to grant to the States an amount equal to the difference between the State's ability to finance relief as indicated by their relief appropriations and their need from month to month as indicated by the relief-case load. Thus changing economic factors from month to month make it necessary for the Federal Government to change its policy as regards grants to any particular State without being able to plan its exact participation a year in advance. An unusually severe winter or a summer drought may change the relief load beyond any possibility of human forecast.

The Assistant Administrator went on to say:

Although the foregoing are the most important of the factors used in measuring the ability of the States and localities to finance unemployment relief, there are other more practical and less academic items which have, in some cases, made it difficult to secure adequate financial participation, such as the unwillingness of some governors to call special sessions of the State legislatures, the lack of responsibility or the presence of political factionalism which may prevent legislative action, and in a few cases perhaps which may prevent legislative action, and in a few cases perhaps the unwillingness of the people dominating the political scene to go on record as favoring the raising of funds for the relief of their unemployed. The Federal Emergency Relief Administration has consistently followed the policy of exerting all the legitimate pressure which it could properly bring to bear without causing undue suffering to the unemployed themselves who are not represented for the attitude of those determining the first policies. sponsible for the attitude of those determining the fiscal policies of States or localities (pp. 641, 642).

In answer to one of the specific questions asked in the resolution which elicited this document-What cooperation or assistance was required in the several States to which appropriations or allotments were made?-the Administrator presented an extended discussion of the various factors affecting the financial ability of the States, but in concluding that discussion he stated:

It should be clearly understood that these suggested quotas constituted only a basis of negotiation with the governors and legislative bodies of the several States. In each instance there were discussions between the State executives and the relief Administrator or the field representatives of the Administrator, and the final quota urged upon each State represented a meeting of the minds between the Administrator and the Governor of the State concerned (p. XIV, Senate Doc. No. 56).

In the previously mentioned memorandum presented by Mr. Gill, the second item, the ability of the States to pay, is the one that comes in for the most extended discussion. The Administrator indicated that the studies of financial ability being carried on by his research division were organized along three lines: First, they constructed a composite index number, representing the economic capacity of each State; second, they made a case study of the individual States, modifying their relative positions in the above index on the basis of additional information; third, they estimated the yield in each State of a model tax system.

What went into this above-mentioned index number of the economic capacity of the States? According to the Administrator, the following components were utilized: Gainful workers, 1930; national income, 1929; manufacturing output, 1931; mining output, 1932; and agricultural output, 1933; retail sales, 1933; spendable money income, 1933; net wholesale sales, 1933; Federal income-tax receipts, 1933-34; savings deposits as of July 1, 1933; passenger-car registrations, 1933; State and local governmental cost payments, 1932; State and local revenue receipts, 1932; assessed valuation, 1932; net governmental debt, 1932; estimated taxable wealth, 1931.

The Administrator stated:

The total of each of these items was distributed among the several States on the percentage basis reported for each. Certain of these factors were then weighted so as to give them greater For example, retail sales was considered ant as governmental debt. The result was value than to others. three times as important as governmental debt. The result was a final index of the percent of economic capacity which was assumed to lie in each State.

A total proposed contribution of \$300,000,000, \$400,000,000, and \$500,000,000 was then distributed according to those percentages. If a State had been badly damaged by drought or its known low economic capacity was generally recognized, the allocation was made according to the \$300,000,000 total. If, on the other hand, States were known to be wealthy and to have suffered relatively less than others from the depression, they were placed in the \$500,000,000 group. The balance of the States were placed in the \$400,000,000 group and tentative quotas assigned accordingly (p. XII).

The components of the index of the capacity of the States to pay represent a number of diverse and, in some cases, overlapping measures of various segments of the economic structure of the several States: For example, if you include national income in an index, there would hardly seem to be justification for also including in the same index spendable money income or, for that matter, Federal income-tax receipts. Or, again, there does not seem to be any particular justification for including both estimated taxable wealth and savings deposits and assessed valuation in the same index number. Likewise any figures for State and local government cost payments might be expected to be very close to figures for State and local government revenue receipts.

A more serious problem arises if you try to justify the inclusion of figures for government debt as a measure of the economic capacity or the relative economic position of the several States. After all, the figure for government debt in a particular instance may well be a function of certain accidents of political management or local theories of financing government improvements without any connection, therefore, between the amount of debt any particular jurisdiction has incurred and its economic capacity.

And what about the weight assigned to the various constituent elements of the index in the effort to get a composite index which should be a measure of the capacity of the States to pay? The report is certainly most obscure, and one is inclined to believe intentionally so on the matter of weighting. The one illustration of actual weights used is that retail sales was considered three times as important as the Government debt. But why three times? Why not 5 times, or why not 10 times? There is nothing in the report to justify that particular weighting.

As was stated in the last quotation, on the basis of an assumed total contribution from the States aggregating \$300,000,000, \$400,000,000, and \$500,000,000, an allocation among the States on the basis of this index was worked out. The shares of the individual States were determined on the basis of their relative position in the composite index of capacity to pay. The report goes on to say:

If a State had been badly damaged by drought, or its known low

reconomic capacity was generally recognized, the allocation was made according to the \$300,000,000 total.

If, on the other hand, States were known to be wealthy and to have suffered relatively less than others from the depression, they were placed in the \$500,000,000 group. The balance of the States were placed in the \$400,000,000 group (p. XII).

What was the measure of the fact that a State had been badly damaged by drought? That is to say, what standard was there by which it could be determined that State "A" was badly damaged by drought and therefore should be asked for a relatively small contribution, whereas State "B" was not badly damaged and therefore a larger contribution should be requested from it? One may well ask also what standards were used in determining what "States were known to be wealthy"?

The above quotation gives rise to a very pertinent inquiry. If States were known for their low economic capacity or for their wealth in advance of these studies, then why should there be all of this complicated mathematical mechanism to arrive at an index of capacity to pay? If it is necessary to compute an index of capacity to pay, then there can be no justification for predicting adjustments on the basis of low economic capacity or of high economic capacity that is supposed to be shown from other unreported sources. This procedure would seem to have all the earmarks of a statistical support for a previously arrived at conclusion. This can hardly be said to be scientific.

The second group of procedures used in determining financial ability is a case study of the condition of each State. In beginning the discussion of the case study the report states:

It is unfortunate that accurate data on wealth and income for the Nation and its subdivisions are not available. The inadequacy of these criteria used for determining tax capacity are freely admitted. Certainly they are estimates, rather than the result of actual enumeration; the significance of particular items and of weighting may be a matter of individual opinion; and the resulting ranking of the States in ability is indicative and relative, rather than absolute. Accordingly, an effort was made to check the results of the foregoing method by a case examination of each State, considering an additional number of criteria of financial conditions, including crops, benefit payments, bank resources, automobile purchases, tax delinquencies, estimated severity of drought, condition of State finances, revenue system, etc. (p. XII).

According to the report-

The States were then arranged in six groups. Tentative quotas were assigned to each group, beginning with \$6 per capita, or 2 percent of total retail sales, in the first group and ranging to \$1 per capita, or 1 percent of retail sales, in the lowest group (p. XIII).

The text gives no clue as to how the six groups were formed or as to how the values attached to each one were arrived at.

In actuality all this case study does is to go through the same process that was followed in the construction of the index number, except a few more miscellaneous items and subdivisions of the original data are included. As to what is gained by the case study it is difficult to say, except that it adds confusion to the entire issue.

The report then takes up the third procedure for determining financial ability—the yield of a model tax system as applied to all States.

As a further check on the tentative quotas already set up, an effort was made to apply certain reasonable rates of taxation to the existing values, estimated personal income, estimated business income, value of natural resources, etc., as known for each State. These hypothetical tax rates were applied in accordance with the recommendations of the special committee of the National Tax Association made up of tax officials and recognized economists. The result showed possible tax collections under this method of a total of \$4,825,000,000. Ten percent of this total was approxi-mately the figure arrived at, as a minimum total to be asked of veral States, and tentative quotas were assigned accordingly

The Administrator does not reveal how they determined that 10 percent of State and local tax income should be devoted to relief.

This model tax system that was applied to all States was composed of the following taxes: Real property, \$20 per \$1,000 of full value; severance on gas and oil, 2 percent on gross value; personal income, progressive rates, varying from 1 to 6 percent; corporate income, 4 percent; inheritance taxes are so arranged as to make maximum use of the rebates allowed to States; gasoline, 4 cents per gallon; licensing of motor vehicles according to the New York State rates; and a sales tax of 1 percent. This tax scheme is not described in the document; its content is derived from other sources. It should be noted that both the tax on gasoline and the fees for motor-vehicle licenses can hardly be called taxes based upon ability to pay; they are quite distinctly benefit taxes. It seems rather strange that a 1-percent sales tax was included in the scheme. The sales tax is highly regressive, and it will fall most heavily upon the class of people who are receiving relief.

The report proceeds:

From the foregoing it will be noted that four independent estimates of the economic capacity of each State were made: One, by 10 weighted indices of economic ability; two, by estimated eco nomic groups related to retail sales; three, by estimated economic groups related to purchases; four, by application of uniform tax rates to estimated taxable wealth and income (p. XIV).

The report admits that-

These tentative quotas were determined independently of each other, and from them a fifth quota was made, which was be-lieved to represent a reasonable request that might be made upon each government. These quotas were then modified by taking each government. These quotas were then modified by taking into consideration the constitutional limits upon taxation, existing revenue systems, State and local debt, defaults on bonds, Treasury condition, public attitude toward various types of taxa-tion, the contributions that have been made by the State during tion, the contributions that have been made by the State during the past 2 years for relief. Also consideration was given to the attitude toward relief and the per-family cost of relief. For example, a State with a relatively good economic condition and with a high standard of relief measured in dollars per family per month might be expected to contribute more generously than a State with a lower standard, where the Federal contribution would be small even if it constituted a larger percentage of the total (p. XIV).

In the paragraph just quoted from the Administrator's report reference is made to a quota which was believed to represent a reasonable request that might be made upon each State government. Nothing is said, however, as to what standard of reasonableness was set up or what factors went into the determination of what amounted to a reasonable request in any particular case. Then these "reasonable requests" were further adjusted to put a premium on the existence of archaic tax systems in any particular State. Those States which had continued to go along with an outmoded system of taxation were rewarded insofar as they were given the benefit of consideration on that score and the amount that was asked from them was correspondingly reduced; whereas those States which had made a decent and honest effort to meet the responsibilities that rightly and justly were theirs by altering their system of taxation in accordance with new ideas were penalized insofar as their requested contributions were relatively increased.

Some of the inequalities that result from this confused and hit-or-miss basis of allocation are clearly set forth in the accompanying table. A comparison has been made between certain measures of ability to pay and the proportion contributed by State and local governments to total relief expenditures during the period from January 1, 1933, through the end of September 1935. The period selected is a fair test of the operation of the system insofar as the burden of relief expenditures began to decline measurably in the latter part of 1935, due to the introduction of the works-progress

The ranking of the States in proportion to their contribution to their total relief costs have been compared with their rank in per capita wealth on the latest available date (1929); their rank in per capita net income on the last date for which there are any scientific figures (1929); and their rank in per capita taxpaying ability according to the only scientific study that has been prepared to date (1930).

The index of the taxpaying ability of the States has been taken from a study made by Prof. Mabel Newcomer, of Vassar College, for the Columbia University Council on Research in the Social Sciences, which has been published under the title, "An Index of the Taxpaying Ability of State and Local Governments (1935)." This index was constructed by applying a model tax system to each of the States and determining the yield from each of the component taxes. The following taxes are used in the system: Real property, \$20 per \$1,000 of full value; severance tax, 2 percent gross on oil and gas; personal income, which varies from 1 percent to 6 percent; business net income, 4 percent on corporations and 2 percent on unincorporated enterprises; the incorporation of business enterprises, five-tenths of 1 percent of the value of the stock; stock transferred, four-hundredths of 1 percent of the value of the stock; liquor, varies from 31/2 cents per gallon of beer

to \$1 per gallon of whisky; and a progressive tax on inheritances ranging from 1 percent to 10 percent.

This particular measure of the taxpaying ability of State and local governments seems to be superior to that used by the F. E. R. A. in the following respects: The F. E. R. A. model tax system includes a 1-percent sales tax which is clearly regressive—that is, it would fall most heavily on people in the lower income groups-for example, people on relief; the F. E. R. A. system also includes gasoline and motor vehicle taxes which are not predicated on ability to pay, but on benefits.

Examination of the attached table reveals that certain States bear a higher percent of the costs of relief than their financial position, as measured by these three indexes would warrant. For example, the State of Maine has paid 48.7 percent of the total costs of relief in that State. It stands fourth in the list of States according to the percent of costs of relief that were borne by the State and it stands thirtysecond in terms of taxpaying ability, twenty-fourth in terms of income, and thirty-second in terms of wealth. The case of Vermont may also be cited. It stands eighth in terms of relief costs borne by the State, but it stands thirty-sixth according to its taxpaying ability, twenty-fifth according to income, and thirty-fifth according to wealth. It would seem from a consideration of this table that there is a good cause for believing that Rhode Island, New Hampshire, and Indiana have also been treated in a discriminatory manner.

From a perusal of this table it also appears that certain States were especially favored in the allocation of relief funds; that is, they have not been required to bear as large a share of their relief costs as their financial position would warrant. For example, Nevada only assumed 9.4 percent of the cost of relief in that State. It is ranked thirty-eighth in the list of States according to the percentage of the cost borne by the State, but it ranked second in terms of taxpaying ability, seventh in terms of income, and first in terms of wealth. The case of Wyoming might also be cited. This State stands thirty-ninth in terms of the percent of the cost of relief borne by the State, but it stands eighth in terms of taxpaying ability, sixteenth in terms of income and second in terms of wealth. From the data presented in the attached table it would appear that the following States also received special benefits in the distribution of relief funds: Oregon, Arizona, Montana, and New Mexico.

Comparison of State and local contributions to emergency relief, with indexes of taxpaying ability of States

State	Emergency relief expended from State and local funds ¹ Jan- uary to September 1935	percent of relief expended	Rank in per-capita wealth !	Rank in per-capita personal income ³ (1929)	Rank in per-capita taxpay- ing abili- ty (1930)	
Delaware	Percent 60.0 59.6 56.1 48.2	1 2 3 4	31 23 9 32	2 10 5 24	1 11 6 32	

1 Data from Congressional Record, Jan. 30, 1936, p. 1228. The period covered by this data is believed to be most representative of what took place during the life of F. E. R. A., since it covers practically the whole period in which extensive grants were made. Shifting of the load to W. P. A. began in the fall of 1935, with the result the total expenditures for emergency relief declined from \$188,571,767 in May 1935 to \$70,555,119 in December 1935. The proportionate contribution by the Federal Government declined due to the fact the W. P. A. attempted to care for all employables.

ables.

Based on National Industrial Conference Board estimates.

Based on Brookings estimate in America's Capacity to Consume, p. 173.

This is taken from Mabel Newcomer, An Index of the Taxpaying Ability of State and Local Governments, New York (1935), p. 59. This index was constructed by applying a model tax system to each of the States and determining the yield from each of the component taxes. The taxes used in the system are as follows: Real property, \$20 per \$1,000 of full value; severance tax, 2 percent gross on oil and gas; personal income, rates vary from 1 to 6 percent; business net income, 4 percent on corporations and 2 percent on unincorporated enterprise; the incorporation of business enterprises, 0.5 of 1 percent of value of stock; stocks transfer, 0.04 of 1 percent of value of stock; liquior varies from 3½ cents per gallon of beer to \$1 per gallon of whisky; and a progressive tax on inheritances ranging from 1 to 10 percent. This model tax system is practically the same as one developed by a committee of the National Tax Association.

Comparison of State and local contributions to emergency relief, with indexes of taxpaying ability of States—Continued

State	Emergency relief expended from State and local funds Jan- uary to September 1935	Rank in percent of relief expended from State and local funds	Rank in per-capita wealth	Rank in per-capita personal income (1929)	Rank in per-capita taxpay- ing abili- ty (1930)
Massachusetts New Hampshire New York	Percent 47. 8 46. 2 45. 8	5 6 7	16 18 22	9 23 1	9 30 3
Vermont	42.9	8	35	25	36
Iowa	41.0	9	5	35	12
California	33. 5	10	28	4	7
Indiana		11	29	27	31
New Jersey	30.9	12	21	6	5
Pennsylvania	28.0	13	19	13	19
Maryland	27. 6	14	33	14	23 15
Michigan	26.7	15	34	- 11	15
Kansas	26. 7	16	15	30	22
District of Columbia	25. 6	17	10	3	4
Wisconsin	25. 6	18	30	21	25 10
Illinois	24.8	19	. 25	8 32	17
Nebraska	23. 6 22. 1	20 21	6 12	26	24
Minnesota	22.1	22	27	22	24 28 18
Missouri		23	24	15	18
Texas	21. 5	24	40	33	38
Utah		25	17	29	29 14
Oregon	1000000	26	8	17	14
Washington	19.3	27	13	12	16
Colorado	15. 9	28	20	20	21
Idaho		29	7	28	26
Arizona	14.8	30	14	18	20
Oklahoma	13.4	31	42	34	37
KentuckyNorth Dakota	13.3	32	46	42	43
North Dakota	12.6	33	11	39	34
Montana West Virginia	11.9	34	4	19	13
West Virginia	10.7	35	26	36	33 40
Virginia	10.1	36	36	41 38	27
South Dakota		37	3 1	7	20
Nevada		39	2	16	2 8
Wyoming		40	39	43	41
TennesseeAlabama		41	48	45	47
Georgia		42	47	44	46
Florida		43	38	31	35
Arkansas	3.6	44	45	47	45
North Carolina	3.3	45	43	46	42
New Mexico	3.1	46	37	37	39
Louisiana	20.21	47	41	40	44
Mississippi		48	49	48	49
South Carolina	1.9	49	44	49	48

Per-capita measures of taxpaying ability

State	Per- capita wealth (1929) 1	Per- capita personal income (1929) ¹	Per-cap- ita tax- paying ability (1930) 3
Alabama	\$1, 264	\$330	\$11
Arizona	3, 686	728	37
Arkansas	1,557	304	13
California	3, 093	1,065	53
Colorado	3, 418	697	37
Connecticut	3, 890	1.005	55
Delaware.	3, 056	1,311	390
District of Columbia	3, 849	1, 233	66
Florida	2, 029	537	28
Georgia	1, 528	341	12
Idaho	4, 119	614	35
Illinois	3, 227	990	46
Indiana	3, 082	618	31
Iowa	4, 617	500	42
Kansas.	3, 626	569	36
Kentucky	1, 536	401	16
Louisiana	1, 858	433	14
Maine	2, 910	642	31
Maryland	2, 804	798	36
Massachusetts	3, 562	973	49
Michigan	2, 795	871	41
Minnesota	3, 731	626	36
Mississippi	1, 242	279	10
Missouri	3, 131	653	35
Montana	4, 755	705	42
Nebraska.	4, 241	535	40
Nevada	6, 318	995	141
New Hampshire.	3, 440	650	32
New Jersey	3, 415	1,000	58
New Mexico.	2, 300	467	22
New York	3, 276	1, 365	79

National Industrial Conference Board estimates.
Brookings data, America's Capacity to Consume, p. 173.
Mabel Newcomer, An Index of the Taxpaying Ability of State and Local Govern-

Per-capita measures of taxpaying ability-Continued

State	Per- capita wealth (1929)	Per- capita personal income (1929)	Per-cap- ita tax- paying ability (1930)	
North Carolina	\$1,731	\$312	\$16	
North Dakota	3, 803	438	28	
Ohio.	3, 250	798	40	
Oklahoma	1,803	501	21	
Oregon	4, 084	751	41	
Pennsylvania	3, 425	816	40	
Rhode Island	3, 251	880	43	
South Carolina	1, 593	259	10	
South Dakota	4, 964	451	35	
Tennessee.	1, 909	351	20	
Texas	1,906	523	24	
Utah	3, 505	598	34	
Vermont	2, 637	636	28	
Virginia	2, 347	431	21	
Washington	3, 699	829	40	
West Virginia	3, 143	487	29	
Wisconsin	3, 073	696	36	
Wyoming	5, 227	789	50	

EMERGENCY RELIEF EXPENDITURES

The attached table gives, by States, expenditures under the emergency-relief program during the calendar year 1935. In the table the contributions from Federal funds, contributions from State and local funds, as well as the total expenditures in each State, have been presented.

There is likewise a statement of the number of families on relief during July 1935, as reported by the F. E. R. A., and, based on our estimates of the number of families in each State July 1, 1935, there has been calculated a statement of the percent of all families in each of the several States that were on relief during July 1935.

Several important and necessary qualifications must be made of the latter percentage figures as they now stand. In the first place, the concept "family", as reported to the Relief Administration, varies among the several States. Likewise a definition of what is involved when any such family is considered on relief is determined under State law. Therefore, on the basis of any information that has been available to us, it is impossible to make any generalization as to what constitutes a family for use in connection with relief statistics or. further, what precisely is involved, statistically speaking, to be included as being on relief.

In the absence of any accurate knowledge on either of these two subjects, the last group of columns in the accompanying table which gives expenditures of relief funds by sources for each family on relief in the several States must be used with extreme caution. It will not do to say directly that in California, for example, the expenditures per relief family were \$762 and that in Nevada they were \$164 per relief family, representing outrageous discrimination in favor of California residents as against those in Nevada. The reason this cannot be done-to emphasize what has been said above—is that a family on relief, as tabulated in California statistics, is probably not at all the same thing as a family on relief as reported in the statistics for the State of Nevada.

It is therefore urged upon anyone using these figures to bear closely in mind that there are great limitations, due to lack of comparability of data for the several States. While attention may be called to the fact that on the basis of available statistics it would seem that families in State A obtained a great deal more than families in State B, such comparisons should be used only in an effort to discover wherein lies the source of this divergency.

That is to say, one might suggest to take the illustration above, that residents of California seem to get a great deal more than the residents of Nevada; and it would be desirable to discover exactly how much of this discrepancy is due to statistical accident and how much of the difference between the two States represents a justifiable distinction on the basis of varying economic conditions.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
State	Estimated population July 1, 1935 i	Estimated number of families July 1, 1935 ²	Number of families on relief July 1935 (actual) ³	Percent of all families that were on relief (column 3÷ column 2)	F. E. R. A. grants (Fed- eral emer- gency relief)	State and local funds for emer- gency relief	Total emergency relief expenditures (column 5+ column 6)	Percent of total relief expendi- tures from Federal funds (col- umn 5÷ column 7)	Federal funds per family on relief (col- umn 5÷col- umn 3)	State and local funds per family on relief (column 6÷ column 3)	Total emergency relies expenditures perfamily on relief (column 7+column 3)
				Percent				Percent			
Alabama	2, 723, 000	623, 000	61, 938	9.9	\$17, 331, 528	\$1, 415, 819	\$18, 747, 347	92.4	\$280	\$23 58	\$30
Arizona Arkansas California	461,000	116,000	16, 026	13.8	6, 902, 827	4 923, 138	7, 825, 965 17, 526, 741	88. 2	431	58	48
Arkansas	1, 880, 000 6, 254, 000	456,000 1,834,000	52, 719 169, 371	11.6	16, 942, 786	583, 955	17, 526, 741	96.7	321	11	33
Colorado	1, 060, 000	282,000	37, 868	9. 2 13. 4	91, 687, 753	37, 439, 023 2, 384, 603	129, 126, 776	71.0	541	221	76
Connecticut	1, 664, 000	414,000	35, 556	8.6	19, 755, 146 12, 884, 036	12, 347, 306	22, 139, 749 25, 231, 342	89. 5	522	63	58
Delaware	248, 000	63,000	3, 492	5.5	642, 928	6 569, 738	1, 212, 666	51. 1 53. 0	362 184	347 163	71
District of Columbia	449,000	119,000	11, 487	9.7	6, 982, 540	6 2 144 076	9, 126, 616	76.5	608	187	34 79
Delaware District of Columbia	1, 596, 000	421, 000	48, 165	11.4	14, 494, 534	6 2, 144, 076 6 913, 052	15, 407, 586	94.1	301	19	32
Georgia.	2, 911, 000	669, 000	54, 757	8.2	20, 343, 180	6 1, 307, 361	21, 650, 541	94.0	372	24	39
daho	449, 000	112,000	13, 397	12.0	6, 234, 540	1, 373, 972	7, 608, 512 122, 923, 596	82.0	465	103	56
Illinois	7, 926, 000	2, 064, 000	277, 016	13.4	100, 502, 123	22, 421, 473	122, 923, 596	81.8	363	81	44
Georgia	3, 317, 000	887, 000	91, 430	10.3	22, 769, 124	11, 958, 169	34, 727, 293	65. 6	249	131	38
owa Kansas Kentucky	2, 488, 000	658, 000	37, 075	5. 6	12, 392, 639	7, 525, 674	19, 918, 313	62.2	334	203	53
Cansas	1, 910, 000	509, 000	53, 881	10.6	21, 696, 007	6, 782, 246	28, 478, 253	76. 2	403	126	52
Kentucky	2, 666, 000	638, 000	97, 774	15.3	15, 972, 497	2, 823, 104	18, 795, 601	85.0	163	29	19
Louisiana	2, 179, 000 806, 000	516, 000 206, 000	48, 370 20, 972	9. 4 10. 2	18, 560, 428 5, 659, 233	6 919, 131	19, 479, 559	95. 3	384	19	40
Maine	1, 679, 000	407, 000	29, 153	7.2	14, 383, 874	4, 449, 745 2, 540, 448	10, 108, 978 16, 924, 322	56. 0 85. 0	270	212 87	48
Maccachinestte	4, 352, 000	1, 075, 000	155, 074	14.4	67, 159, 620	38, 061, 564	105, 221, 184	63.8	493 433	245	58 67
Michigan	5, 143, 000	1, 289, 000	137, 246	10.6	49, 892, 324	16, 559, 105	66, 451, 429	75.1	364	121	48
		635, 000	66, 329	10.4	34, 435, 134	9, 976, 515	44, 411, 649	77.5	519	151	67
Mississippi	2, 067, 000	498, 000	37, 773	7.6	12, 713, 575 32, 151, 020	928, 374	13, 641, 949	93, 2	337	25	36
Missouri	3, 688, 000	983, 000	110, 655	11.3	32, 151, 020	9, 944, 742	42, 095, 762	76.4	291	90	38
Montana	538, 000	141,000	17, 959	12.7	9, 085, 409	736, 051	9, 821, 460	92.5	506	41	54
Mississippi Missisuri Montana Nebraska	1, 398, 000	358, 000	28, 809	8.0	12, 971, 001	2, 863, 465	15, 834, 466	81.9	450	99	55
Navada	MOLTERY	28, 000	1, 693	6.0	2, 308, 553	467, 891	2, 776, 444	83. 1	136	276	16
New Hampshire New Jersey New Mexico	471,000	124, 000	10, 738	9.0	2, 159, 299	3, 447, 233	5, 606, 532	38.5	201	321	52
New Jersey	4, 269, 000 440, 000	1, 070, 000 105, 000	123, 190 24, 700	12.0 23.5	45, 724, 549 7, 718, 337	16, 907, 538	62, 632, 087	73.0	371	137	50
New Mexico	13, 153, 000	3, 390, 000	439, 094	13.0	172, 306, 206	427, 272 136, 338, 032	8, 145, 609 308, 644, 238	94. 7 55. 8	312 392	17 310	33
North Carolina	3, 327, 000	692,000	56, 384	8.1	16, 294, 426	6 48, 558	16, 342, 984	99.7	289	71	29
North Dakota	689,000	150,000	27, 072	18.0	11, 860, 493	1, 875, 884	13, 736, 377	86.3	438	69	50
Ohio	6, 874, 000	1, 804, 000	247, 616	13.7	85, 397, 724	12, 339, 620	97, 737, 344	87.4	345	50	39
Oklahoma	2, 491, 000	602,000	93, 150	15. 5	19, 439, 486	2, 242, 088	21, 681, 574	89.7	209	24	22
New Mexico New York North Carolina North Dakota Dhio Dklahoma Dregon Pennsylvania Rhode Island South Carolina South Dakota Tennassea	997,000	288,000	21,095	7.3	9, 104, 956	2, 242, 088 3, 118, 078	12, 223, 034	74.5	432	148	58
Pennsylvania	9, 865, 000	2, 349, 000	373, 387	16.0	163, 647, 051	49, 360, 849	213, 007, 900	76.8	438	132	57
Rhode Island	708, 000	175, 000	15, 914	9.1	3, 038, 140	5, 642, 163	8, 680, 303	35.0	191	355	54
South Carolina	1, 752, 000	377,000	34, 965	9.3	12, 449, 258	327, 752	12, 777, 010	97.4	356	9	36
outh Dakota	708,000	169,000	19,002	11.2	12, 020, 466	8 1, 314, 544	13, 335, 010	90.1	633	69	70
l'ennessee	2, 688, 000	632,000	65,070	10.3	16, 486, 435	1, 668, 713	18, 155, 148 45, 311, 523	90.8	253	26	27
rexasUtah	6, 123, 000 522, 000	1, 490, 000	133, 709 20, 642	1.7	39, 320, 117 8, 267, 073	5, 991, 406	10, 575, 958	86.8	294 400	45	33
Jormont.	261 000	1, 222, 000	6, 809	7.4	1, 759, 661	2, 308, 885 935, 204	2, 694, 865	78. 2 65. 3	258	112 137	51 39
Virginia	2, 451, 000	548, 000	45, 279	8.3	13, 357, 218	811, 509	14, 168, 727	94.3	295	18	31
Washington	1, 617, 000	453, 000	49, 575	10.9	16, 687, 670	4, 198, 572	20, 886, 242	79.9	337	85	42
West Virginia	1, 798, 000	398,000	76, 768	19.3	17, 679, 605	3, 028, 196	20, 707, 801	85. 4	230	39	27
Wisconsin	3, 018, 000	751,000	73, 042	9.7	35, 231, 996	13, 964, 227	49, 196, 223	71.6	482	191	67
Virginia	233, 000	61,000	4, 150	6.8	3, 173, 941	296, 413	3, 470, 354	91. 5	765	71	83
Total			3, 677, 337		1, 359, 978, 466	466 059 476	1, 826, 930, 942				
Continental United States		31, 900, 000	0, 011, 001	11.5	1, 000, 010, 400	100, 502, 110	1, 020, 900, 942	74.4	370	127	49

¹ Obtained by adding to the official census estimate of population in each State on July 1, 1934, an amount equal to the net change in the population in that State between July 1, 1933 and July 1, 1934, as shown in estimates of the Bureau of the Census (Statistical Abstract 1935, p. 9). This procedure assumes, therefore, that the population in each State increased over 1934 by the same amount that it increased in 1934 over 1933.

³ Obtained by dividing the estimated population in each State by an estimate of the average number of persons per family in that State. The average population per family in the United States in 1930 was 4.1, but this figure has been decreasing by ¾10 of a unit per decade since 1890, and it seems reasonable on the basis of the assumption that this decrease is continuing to reduce the 1930 figure by ½10 in connection with the 1935 estimated population. This procedure has been used for each State, the 1930 figure for the average number of persons per family in the State being reduced by ½10 for use with the 1935 estimated population. This procedure has been used for each State, the 1930 figure for the average number of persons per family in the State being reduced by ½10 for use with the 1935 estimated population. This procedure has been used for each State, the 1930 figure for the average number of persons per family in the State being reduced by ½10 for use with the 1935 estimated population. This procedure has been used for each State, the 1930 figure for use with the 1935 estimated population. This procedure has been used for each State, the 1930 figure for use with the 1935 estimated population. This procedure has been used for each State, the 1930 figure for use with the 1935 estimated population. This procedure has been used for each State, the 1930 figure for use with the 1935 estimated population. This procedure has been used for each State, the 1930 figure for use with the 1935 estimated population. This procedure has been decreasing by ½10 for use with the 1935 estimated popula

7 Less than.

1 United States figures calculated on basis of official estimate of United States population and family estimate based on assured continental United States, average of 4.0 persons per family. The percentage of families on relief for United States, and the per-family figures in the final columns are all based on continental United States figures rather than being averages of figures for individual States.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as

To Mr. Gavagan, indefinitely, on account of official business.

To Mr. KNUTE HILL, indefinitely, on account of illness in his family.

To Mr. McGrath, indefinitely, on account of important business.

To Mr. Michener (at the request of Mr. Mapes), on account of illness.

To Mr. Smith of Virginia (at the request of Mr. Darden) for the balance of the week, on account of illness in his family.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6297. An act for the relief of Leon Frederick Ruggles;

H.R. 6982. An act to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898;

H.R. 11849. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925; and

H. J. Res. 526. Joint resolution to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.) the House adjourned until tomorrow, Thursday, April 9, 1936, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON THE PUBLIC LANDS

The House Public Lands Committee will meet Thursday, April 9, 1936, at 10:30 a.m., in room 328, old House Office Building, to consider various bills.

EXECUTIVE COMMUNICATIONS, ETC.

768. Under clause 2 of rule XXIV a letter from the recorder of deeds of the District of Columbia, transmitting a copy of the annual report of the recorder of deeds to the President, was taken from the Speaker's table and referred to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SUMNERS of TEXAS: Committee on the Judiciary. H. R. 11615. A bill limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases; with amendment (Rept. No. 2386). Referred to the Committee of the Whole House on the state of the Union.

Mr. GILLETTE: Committee on Foreign Affairs. S. 3950. An act to aid in defraying the expenses of the Sixteenth Triennial Convention of the World's Woman's Christian Temperance Union to be held in this country in June 1937; without amendment (Rept. No. 2387). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK: Committee on Mines and Mining. H. R. 12190. A bill providing for the suspension of annual assessment work on mining claims held by location in the United States; without amendment (Rept. No. 2388). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CARPENTER: Committee on the District of Columbia. H. R. 10724. A bill to amend the charter of the Washington Gas Light Co., and for other purposes; with amendment (Rept. No. 2385). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on World War Veterans' Legislation was discharged from the consideration of the bill (H. R. 7090) for the relief of Leonard Gramstad, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARMICHAEL: A bill (H. R. 12212) to quiet title and possession with respect to certain lands in Tuscumbia, Ala.; to the Committee on the Public Lands.

By Mr. STARNES: A bill (H. R. 12213) to change the name of Guntersville Dam or Cole's Bend Dam to Franklin D. Roosevelt Dam; to the Committee on Military Affairs.

By Mr. GEARHART: A bill (H. R. 12214) for the relief of soldiers who were discharged from the United States Army during the Indian campaigns because of misrepresentation of age; to the Committee on Military Affairs.

By Mr. HULL: A bill (H. R. 12215) to amend an act entitled "An act to promote the conservation and profitable use of agricultural land resources by temporary Federal aid to farmers and by providing for a permanent policy of Federal aid to States for such purposes", approved February 29, 1936; to the Committee on Agriculture.

By Mr. O'MALLEY: A bill (H. R. 12216) limiting the power of the Secretary of War and the Secretary of the Navy in certain instances; to the Committee on Military Affairs.

By Mr. PIERCE: A bill (H. R. 12217) to authorize payments in lieu of allotments to certain Indians of the Klamath Indian Reservation in the State of Oregon, and to regulate inheritance of restricted property within the Klamath Reservation: to the Committee on Indian Affairs.

Also, a bill (H. R. 12218) providing for the final enrollment of the Indians of the Klamath Indian Reservation in the State of Oregon; to the Committee on Indian Affairs.

By Mr. SUMNERS of Texas: A bill (H. R. 12219) to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments; to the Committee on the Judiciary.

By Mr. WILCOX: A bill (H. R. 12220) to authorize the adjustment of the boundary of the Fort Marion National Monument, Fla., in the vicinity of Fort Marion Circle, and for other purposes; to the Committee on the Public Lands.

By Mr. WHITE: A bill (H. R. 12221) to amend section 304 of the Tariff Act of 1930 to require the marking of imported articles upon repacking, and for other purposes; to the Committee on Ways and Means.

By Mr. McCORMACK: A bill (H. R. 12222) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the Leyden International Bureau attending an international conference to be held in the United States in 1936; to the Committee on Immigration and Naturalization.

By Mr. ASHBROOK: A bill (H. R. 12223) to amend section 239 of the act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500); to the Committee on the Post Office and Post Roads.

By Mr. COCHRAN (by request): A bill (H. R. 12224) to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspension in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensation of Government officers and employees; to the Committee on Expenditures in the Executive Departments.

By Mr. WOODRUFF: A bill (H. R. 12225) to protect domestic producers of sugar beets and sugar cane and to encourage the domestic production thereof by the regulation of foreign and interstate commerce in sugar; to provide for the fixing and revision of yearly quotas of sugar that may be imported into, transported to, or received in continental United States; to maintain a continuous and stable supply of sugar in continental United States for the benefit of both producers and consumers, and for other purposes; to the Committee on Agriculture.

By Mr. BROOKS: A bill (H. R. 12226) authorizing the Chief of the Weather Bureau to establish telephone, telegraph, radio river-stage recorders, distance-recording gages, or radio-telephone stations for the gathering and dissemination of flood information; to the Committee on Agriculture.

By Mr. DALY: Resolution (H. Res. 481) requesting information with respect to the naval hospital at Philadelphia, Pa.; to the Committee on World War Veterans' Legislation.

By Mr. STARNES: Resolution (H. Res. 482) to increase pay in the Office of Official Reporters of Debates; to the Committee on Accounts.

By Mr. KENNEY: Resolution (H. Res. 483) authorizing the appointment of a select committee of the House to

investigate the activities of commercial and civil aviation | the New York State canal system; to the Committee on industries engaged in interstate commerce; to the Committee on Rules.

By Mr. GREEN: Joint resolution (H. J. Res. 564) making an appropriation to aid in the financing of non-Federal projects submitted to the Public Works Administration and recommended for approval by State engineers (P. W. A.) and advisory boards; to the Committee on Appropriations.

By Mr. MARTIN of Massachusetts: Concurrent resolution (H. Con. Res. 47) declaring the policy of Congress toward funded war debts due the United States; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Jersey, regarding the transfer of the Delaware and Raritan Canal; to the Committee on Rivers and Harbors.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOBBINS: A bill (H. R. 12227) granting a pension to Lawrence A. Golden; to the Committee on Invalid Pensions.

By Mr. GOLDSBOROUGH: A bill (H. R. 12228) for the relief of Mrs. George E. Richardson; to the Committee on

By Mr. HARLAN: A bill (H. R. 12229) granting a pension to Mary F. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12230) for the relief of Donald L. Bookwalter; to the Committee on Claims.

Also, a bill (H. R. 12231) for the relief of Chester Earl Rist; to the Committee on Naval Affairs.

By Mr. KLEBERG: A bill (H. R. 12232) for the relief of Llewellyn B. Griffith; to the Committee on Military Affairs.

By Mr. LEWIS of Maryland: A bill (H. R. 12233) for the relief of the heirs of William F. Stearns: to the Committee on War Claims.

By Mr. McFARLANE: A bill (H. R. 12234) for the relief of Roy Burns, alias Arthur Clark; to the Committee on Mili-

By Mr. MAVERICK: A bill (H. R. 12235) authorizing and directing the appointment of Joseph W. Harrison as a captain in the Chaplain Reserve Corps; to the Committee on Military Affairs.

By Mr. PETERSON of Florida: A bill (H. R. 12236) granting a pension to Sallie E. Perrin; to the Committee on Invalid Pensions.

By Mr. SCHULTE: A bill (H. R. 12237) for the relief of Roscoe D. Guy; to the Committee on Military Affairs.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 12238) granting a pension to Milton Warner; to the Committee on Invalid Pensions.

By Mr. WELCH: A bill (H. R. 12239) for the relief of Charles F. Stone; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10695. By Mr. BACON: Petition of 116 citizens of Nassau County, N. Y., principally from Albertson, N. Y., protesting against the enactment of the so-called Kerr immigration bill (H. R. 8163), and praying that the House of Representatives defeat this proposal; to the Committee on Immigration and Naturalization.

10696. By Mr. CONNERY: Petition of the city council of Cambridge, Mass., disapproving the abandoning of Civilian Conservation Corps camps in Massachusetts; to the Committee on Appropriations.

10697. By Mr. FITZPATRICK: Memorial of the New York State Assembly, requesting an annual appropriation of \$2,500,000 for the maintenance and operating expenses of

Appropriations.

10698. By Mr. SMITH of Virginia: Petition presented by Frances M. Mabry, of Ballston, Va., and Mrs. G. A. Hamilton, of Clarendon, Va., and signed by several thousands of individuals, endorsing House bill 8739, introduced by Mr. GUYER. of Kansas, during the first session of the present Congress; to the Committee on the District of Columbia.

10699. By Mr. TERRY: Petition of the Chamber of Commerce of Little Rock, Ark., duly adopted April 6, 1936, requesting the Congress to include in the new flood-control legislation now pending in the Senate, levee and reservoir projects provided in House bill 8455, on the White and Arkansas Rivers in Arkansas; to the Committee on Flood Control.

10700. By Mr. WILLIAMS: Petition of George Keeney, of Rolla, Mo., and others, requesting changes in tenure of office and compensation of star-route mail carriers; to the Committee on the Post Office and Post Roads.

SENATE

THURSDAY, APRIL 9, 1936 (Legislative day of Monday, Feb. 24, 1936)

The Senate met at 11:30 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. Roeinson, and by unanimous consent, the reading of the Journal of the legislative proceedings of the calendar day April 8, 1936, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WEAVER, Mr. MILLER, Mr. CELLER, Mr. WALTER, Mr. HESS, and Mr. Guyer were appointed managers on the part of the

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 11006. An act providing for the examination of the Nueces River and its tributaries in the State of Texas for flood-control purposes;

H.R. 11562. An act to renew patent no. 25909, relating to the badge of the United States Daughters of 1812; and

H. R. 12037. An act relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 11053) authorizing the President to present the Distinguished Service Medal to Commander Percy Todd, British Navy, and the Navy Cross to Lt. Comdr. Charles A. deW. Kitcat, British Navy.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 536. An act for the relief of Ada Mary Tornau;

S. 754. An act to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States:

S. 903. An act for the relief of the Holyoke Ice Co.;

S. 1152. An act relating to the carriage of goods by sea;

S. 1824. An act for the relief of Abraham Green;

S. 2021. An act to recognize the service of Brig. Gen. Edward R. Chrisman:

S. 2336. An act granting compensation to Mary Weller; S. 2682. An act for the relief of Chief Carpenter William

F. Twitchell, United States Navy;

S. 2697. An act for the relief of the United Pocahontas Coal Co., Crumpler, W. Va.;

S. 2922. An act for the relief of Rose Stratton;

S. 2942. An act for the relief of John Hoffman;

S. 2943. An act for the relief of John Morris;

S. 3125. An act for the relief of J. A. Hammond;

S. 3367. An act for the relief of James Gaynor;

S. 3445. An act to authorize the Secretary of Agriculture to release the claim of the United States to certain land within the Ouachita National Forest, Ark.;

S. 3655. An act for the relief of the Vermont Transit Co.,

S. 3684. An act to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War;

S. 3777. An act to authorize the Secretary of the Treasury to execute an agreement of indemnity to the First

Granite National Bank, Augusta, Maine;

S. 3872. An act for the relief of the present leader of the Army Band; and

S. 4232. An act to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects.

CALL OF THE ROLL

Mr. BACHMAN. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	La Follette	Reynolds
Ashurst	Couzens	Lewis	Robinson
Austin	Davis	Logan	Russell
Bachman	Donahey	Lonergan	Schwellenbach
Bailey	Duffy	McGill	Sheppard
Barbour	Fletcher	McKellar	Shipstead
Barkley	Frazier	McNary	Smith
Benson	George	Maloney	Steiwer
Black	Gerry	Metcalf	Thomas, Okla.
Bone	Gibson	Minton	Thomas, Utah
Brown	Glass	Moore	Townsend
Bulkley	Guffey	Murphy	Truman
Bulow	Hale	Murray	Tydings
Burke	Harrison	Neely	Vandenberg
Byrnes	Hastings	Norris	Van Nuvs
Capper	Hatch	Nve	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Carey	Holt	Overton	White
Clark	Johnson	Pittman	A CONTRACTOR OF THE PARTY OF
Connally	Keyes	Pope	
Coolidge	King	Radcliffe	

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. COSTIGAN], the Senator from California [Mr. McApoo], the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL] are absent because of illness.

The Senator from New Mexico [Mr. Chavez] is absent because of illness in his family.

The Senator from Mississippi [Mr. Bilbo], the Senator from Oklahoma [Mr. Gore], the Senator from Virginia [Mr. Byrd], the Senator from Montana [Mr. Wheeler], and the Senator from Illinois [Mr. DIETERICH] are necessarily de-

The VICE PRESIDENT. Eighty-one Senators having answered to their names, a quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of New York, favoring the making of an annual appropriation by the Congress to the use of the State of New York, in the sum of \$2,500,000, for the maintenance and operating expenses of the New York State Canal system, which was referred to the Committee on Commerce.

(See concurrent resolution printed in full when presented today by Mr. COPELAND.)

The VICE PRESIDENT also laid before the Senate a letter in the nature of a petition, signed by David Lasser, national chairman of the Workers Alliance of America, praying for the prompt making of an appropriation to provide housing, food, and return transportation to about 200 of the delegates to the second national convention of the above-named organization now in session in the city of Washington, which was referred to the Committee on Appropriations.

Mr. COOLIDGE presented a resolution of Local Union No. 2178, United Textile Workers of America, of Millbury, Mass., favoring the enactment of the so-called Ellenbogen bill, pertaining to the textile industry, which was referred to the Committee on Education and Labor.

He also presented a resolution of Local, No. 38, United Shoe and Leather Workers Union, Lowell, Mass., favoring the enactment of the so-called Marcantonio bill, being the bill (H. R. 11186) to provide for cooperation by the Federal Government with the several States and the District of Columbia in relieving the hardship and suffering caused by unemployment, and for other purposes, which was referred to the Committee on Education and Labor.

He also presented a letter in the nature of a petition from G. A. Henderson, chairman of the general grievance committee, Brotherhood of Locomotive Firemen and Enginemen (Boston & Maine Railroad System), Boston, Mass., praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which was referred to the Committee on Interstate Commerce.

Mr. COPELAND presented the following concurrent resolution of the Legislature of the State of New York, which was referred to the Committee on Commerce:

Whereas the State of New York has invested, and continues annually to appropriate and invest, huge sums of money in the construction and maintenance of a State canal system; and

Whereas the facilities of said canal system are and have always been available to the shipping of all the States of the United States and have contributed greatly to the development of commerce in the entire United States; and

Whereas there is no other State in the Union that maintains a canal or canals for the use of the public at its own expense; and Whereas the State of New York contributes annually to the Federal Government more money than any other State in the Union, which for the last fiscal year amounted to the sum of

Whereas Congress, recognizing this fact, passed legislation in 1931 appropriating \$2,500,000 for maintenance of the State canal system with the condition that the State surrender title to said canal system to the Federal Government, which condition was refused by the legislature of this State; and

refused by the legislature of this State; and
Whereas the Federal Government subsequently, in the year 1934, appropriated the sum of \$27,000,000 for the deepening of a portion of said canal system with no condition for the surrender of title to the canal system by the State of New York: Now, therefore, be it Resolved (if the senate concur), That the Congress of the United States be, and it hereby is, respectfully memorialized to appropriate annually to the use of the State of New York the sum of \$2,500,000 for the maintenance and operating expenses of the New York State canal system; and he it further

York State canal system; and be it further

Resolved (if the senate concur), That a copy of this resolution
be transmitted to the Clerk of the House of Representatives, the
Secretary of the United States Senate, and to each Member of
Congress elected from the State of New York.

REPORTS OF COMMITTEES

Mr. BURKE, from the Committee on Claims, to which was referred the bill (H. R. 2119) for the relief of Mrs. E. L. Babcock, mother and guardian of Nelson Babcock, a minor, reported it without amendment and submitted a report (No. 1757) thereon.

Mr. COOLIDGE, from the Committee on Claims, to which was referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1265. A bill for the relief of N. N. Self (Rept. No. 1758):

H. R. 3513. A bill for the relief of Archie P. McLane and Hans Peter Jensen (Rept. No. 1759);

H. R. 4965. A bill for the relief of M. M. Smith (Rept. No.

H. R. 6669. A bill for the relief of Mrs. Earl Poynor (Rept. No. 1762); and

H. R. 8094. A bill for the relief of Dr. J. C. Blalock (Rept. No. 1763).

Mr. SCHWELLENBACH, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3080. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of John W. Hubbard (Rept. No. 1764); and

H.R. 11231. A bill for the relief of Rasmus Bech (Rept. No. 1765).

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3907. A bill for the relief of the State of Nevada (Rept. No. 1766);

H. R. 7963. A bill for the relief of J. Edwin Hemphill (Rept. No. 1767); and

H. R. 10521. A bill for the relief of Joseph Mossew (Rept. No. 1768).

Mr. BAILEY also, from the Committee on Claims, to which was referred the bill (S. 3241) authorizing adjustment of the claims of F. L. Forbes, John L. Abbot, and the Ralph Sollitt & Sons Construction Co., reported it with an amendment and submitted a report (No. 1769) thereon.

Mr. BENSON, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3839. A bill granting a pension to Randall Krauss (Rept. No. 1770); and

H.R. 4660. A bill for the relief of Robert C. E. Hedley (Rept. No. 1771).

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H.R. 3823. A bill for the relief of Albert Thesing, Jr. (Rept. No. 1772); and

H.R. 5867. A bill for the relief of E. C. Willis, father of the late Charles R. Willis, a minor (Rept. No. 1773).

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (H. R. 8089) for the relief of Joseph J. Baylin, reported it without amendment and submitted a report (No. 1774) thereon.

He also, from the same committee, to which was referred the bill (S. 3932) for the relief of Ann Rakestraw, reported it with an amendment and submitted a report (No. 1775) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 3652. A bill for the relief of George E. Wilson (Rept. No. 1776); and

H. R. 7253. A bill for the relief of James Murphy Morgan (Rept. No. 1777).

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 4214) to authorize the preparation of a comprehensive plan for controlling the floods, regulating the flow of waters, land reclamation, and conserving water for beneficial uses, in the basins of the Sabine and Neches Rivers, and for other purposes, reported it with amendments and submitted a report (No. 1778) thereon.

He also, from the same committee to which was referred the bill (S. 4271) to extend the time for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind., reported it with an amendment, and submitted a report (No. 1809)

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 4208. A bill to extend the times for commencing and completing the construction of a bridge across the Missis-

H. R. 5753. A bill for the relief of Edith H. Miller (Rept. | sippi River at or near Natchez, Miss., and for other purposes (Rept. No. 1779);

S. 4326. A bill granting the consent of Congress to the Department of Public Works of Massachusetts to construct, maintain, and operate a free highway bridge across the Connecticut River at or near Northampton, Mass. (Rept. No.

S. 4095. A bill granting the consent of Congress to the State Highway Commission of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Monticello, Miss. (Rept. No. 1797);

S. 4276. A bill to revive and reenact the act entitled "An act granting the consent of Congress to the Lamar Lumber Co. to construct, maintain, and operate a railroad bridge across the West Pearl River, at or near Talisheek, La.", approved June 17, 1930 (Rept. No. 1798);

S. 4355. A bill to authorize a preliminary examination of the Delaware River with a view to the control of its floods (Rept. No. 1799);

H. R. 3383. A bill to provide a preliminary examination of the Greenbrier River and its tributaries in the State of West Virginia, with a view to the control of its floods (Rept. No. 1800):

H. R. 3384. A bill to provide a preliminary examination of the Cheat River and its tributaries in the State of West Virginia, with a view to the control of its floods (Rept. No. 1801);

H. R. 3385. A bill to provide a preliminary examination of the Potomac River and its tributaries, with a view to the control of its floods (Rept. No. 1802);

H.R. 8301. A bill to authorize a preliminary examination of the Marais des Cygnes River, in the State of Kansas, with a view to the control of its floods (Rept. No. 1803);

H. R. 8414. A bill to provide a preliminary examination of the Yakima River and its tributaries and the Walla Walla River and its tributaries, in the State of Washington, with a view to the control of their floods (Rept. No. 1804);

H. R. 9273. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Weldon Spring, Mo. (Rept. No. 1805);

H. R. 10487. A bill to authorize a survey of Lowell Creek, Alaska, to determine what, if any, modification should be made in the existing project for the control of its floods (Rept. No. 1806);

H. R. 10631. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y. (Rept. No. 1781):

H. R. 11042. A bill authorizing a preliminary examination of the Matanuska River in the vicinity of Matanuska, Alaska (Rept. No. 1807);

H. R. 11043. A bill to extend the times for commencing and completing the construction of a bridge across the Waccamaw River at or near Conway, S. C. (Rept. No. 1782);

H. R. 11073. A bill granting the consent of Congress to the State Highway Commission of Missouri to construct, maintain, and operate a free highway bridge across the Current River at or near Powder Mill Ford, on Route No. Missouri 106, Shannon County, Mo. (Rept. No. 1783);

H.R. 11402. A bill authorizing the Delaware River Joint Toll Bridge Commission of the State of Pennsylvania and the State of New Jersey to construct, maintain, and operate a toll bridge across the Delaware River at a point near Delaware Water Gap (Rept. No. 1784);

H.R. 11478. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River between St. Louis, Mo., and Stites, Ill. (Rept. No. 1785):

H.R. 11613. A bill to extend the times for commencing and completing the construction of a bridge across the Tennessee River between Colbert County and Lauderdale County, Ala. (Rept. No. 1786);

H.R. 11644. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of St. Louis, Mo., and a point opposite thereto in the city of East St. Louis, Ill. (Rept. No. 1787);

H.R. 11772. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Sistersville, W. Va. (Rept. No. 1788); and

H. R. 11806. A bill to authorize a preliminary examination of Passaic River, N. J., with a view to the control of its floods (Rept. No. 1808).

Mr. SHEPPARD (for Mr. Bilbo), from the Committee on Commerce, to which was referred the bill (H. R. 8694) to provide a preliminary examination of Chickasawha River and its tributaries in the State of Mississippi, with a view to the control of their floods, reported it without amendment and submitted a report (No. 1795) thereon.

Mrs. CARAWAY, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 9235. A bill to provide for a preliminary examination of the Cosatot River in Sevier County, Ark., to determine the feasibility of cleaning out the channel and leveeing the river and the cost of such improvements with a view to the controlling of floods (Rept. No. 1789);

H. R. 9236. A bill to authorize a preliminary examination of the Red and Little Rivers, Ark., insofar as Red River affects Little River County, Ark., and insofar as Little River affects Little River and Sevier Counties, Ark., to determine the feasibility of leveeing Little River and the cost of such improvement, and also the estimated cost of repairing and strengthening the levee on Red River in Little River County, with a view to the controlling of floods (Rept. No. 1790);

H. R. 9249. A bill to provide for a preliminary examination of the Little Missouri River in Pike County, Ark., to determine the feasibility of cleaning out the channel and leveeing the river and the cost of such improvements with a view to the controlling of floods (Rept. No. 1791);

H. R. 9250. A bill to provide for a preliminary examination of the Petit Jean River in Scott and Logan Counties, Ark., to determine the feasibility of cleaning out the channel and leveeing the river and the cost of such improvements with a view to the controlling of floods (Rept. No. 1792);

H. R. 9267. A bill to provide for a preliminary examination of Big Mulberry Creek, in Crawford County, Ark., from the point where it empties into the Arkansas River up a distance of 8 miles, to determine the feasibility of cleaning out the channel and repairing the banks, and the cost of such improvement, with a view to the controlling of floods (Rept. No. 1793); and

H. R. 9874. A bill authorizing a preliminary examination of Cadron Creek, Ark., a tributary of the Arkansas River (Rept. No. 1794).

Mr. OVERTON, from the Committee on Commerce, to which was referred the bill (S. 4002) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La., reported it without amendment and submitted a report (No. 1796) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 8, 1936, that committee presented to the President of the United States the following enrolled bills:

S. 2288. An act to provide for the measurement of vessels using the Panama Canal, and for other purposes;

S. 2496. An act to amend the Railway Labor Act;

S. 3761. An act authorizing the Secretary of the Interior to patent certain land to the town of Wamsutter, Wyo.;

S. 3860. An act to amend section 2 of the act entitled "An act to amend the National Defense Act", approved May 28, 1928: and

S. 3971. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GUFFEY:

A bill (S. 4457) authorizing the appointment of an additional circuit judge for the Third Circuit; to the Committee on the Judiciary.

By Mr. CONNALLY and Mr. SHEPPARD:

A bill (S. 4458) to authorize a preliminary examination of the Sabine and Neches Rivers and their tributaries in the Sabine-Neches Conservation District in the State of Texas with a view to the control of their floods; to the Committee on Commerce.

By Mr. COPELAND:

A bill (S. 4459) to amend section 603 of the Revenue Act of 1934; to the Committee on Finance.

(By request.) A bill (S. 4460) for the relief of the P. L. Andrews Corporation; to the Committee on Claims.

By Mr. BURKE:

A bill (S. 4461) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebr.:

A bill (S. 4462) to extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebr., and Onawa, Iowa: and

A bill (S. 4463) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near the cities of South Sioux City, Nebr., and Sioux City, Iowa; to the Committee on Commerce.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 11006. An act providing for the examination of the Nueces River and its tributaries in the State of Texas for floor-control purposes; to the Committee on Commerce.

H. R. 11562. An act to renew Patent No. 25909, relating to the badge of the United States Daughters of 1812; to the Committee on Patents.

GRACE PARK

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2042) for the relief of Grace Park, which was to amend the title so as to read: "An act for the relief of Grace Park, a minor, the Westerly Hospital, and Dr. H. M. Scanlon."

Mr. LONERGAN. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

PLACE OF FILING CIVIL SUITS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2524) amending section 112 of the United States Code, Annotated (title 28, subtitle "Civil suits; where to be brought"), which

Page 1, strike out all after the enacting clause down to and including "title" in line 6 and insert "That section 51 of the Judicial Code (U. S. C., title 58, sec. 112) is amended to read as

"'SEC. 51. Civil suits; where to be brought: Except as provided in the five succeeding sections, no person shall be arrested in one district for trial in another, in any civil action before a district court; and, except as provided in the six succeeding sections.'"

Page 2, line 1, strike out all after "the" where it occurs the third time down to and including "found" in line 10, and insert "defendant; except that suit by a stockholder on behalf of a corporation may be brought in any district in which suit against the defendant or defendants in said stockholders' action, other than said corporation, might have been brought by such corporation and process in such cases may be served upon such corporation in any district wherein such corporation resides or may be found."

Amend the title so as to read: "An eat to amount wherein such corporation in the strike so as to read: "An eat to amount wherein such corporation in the strike so as to read: "An eat to amount wherein such corporation in the strike so as to read: "An eat to amount wherein such corporation in the strike so as to read: "An eat to amount wherein such corporation in the strike so as to read: "An eat to amount wherein such corporation in the strike so as to read."

Amend the title so as to read: "An act to amend section 51 of the Judicial Code of the United States (U.S.C., title 28, sec. 112)."

Mr. TYDINGS. Mr. President, this bill has passed the Senate and the House. The House has adopted slight amendments clarifying the language but not changing the philosophy of the bill. I have taken the matter up with the chairman of the committee and I think there will be no objection. I was the author of the bill.

I move that the Senate concur in the House amendments. The motion was agreed to.

COMMERCIAL AIRPORT FOR THE DISTRICT OF COLUMBIA—CONFERENCE REPORT

Mr. KING submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3806) to establish a commercial airport for the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the Senate insert the following:

"That there is hereby created a commission to be known as the 'District of Columbia Airport Commission' (hereinafter referred to as the 'Commission'), to be composed of three Members of the United States Senate, to be appointed by the President of the Senate, three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, and three persons to be appointed by the President of the United States, who because of their official positions are interested in the development of a commercial airport in the District of Columbia. No person shall serve on the Commission who has any financial interest direct or indirect in any site or sites for said airport which may be the subject of consideration. The Commission shall proceed immediately after its appointment and organization to examine all available data concerning potential sites for commercial airports and to inspect such potential sites, and shall select a site for such purpose with due regard to the cost of its acquisition and development, its safety, and its adaptability to the requirements of commercial aviation and national defense.

"Sec. 2. The Commission shall preserve its decision and selection in confidence and shall make a confidential report thereon to the President of the Senate and the Speaker of the House of Representatives, or the Secretary of the Senate and the Clerk of the House of Representatives if Congress is not in session: Provided, however, That said report shall be made as soon as practicable.

"Sec. 3. The members of the Commission shall receive no salary as such, but shall be reimbursed for actual expenses incurred in the discharge of official duties as such commissioners. There is hereby authorized to be appropriated the sum of \$10,000, to be charged one-half to the moneys in the Treasury to the credit of the District of Columbia and one-half to the moneys in the Treasury not otherwise appropriated, which shall be used for carrying out the purposes of this Act, including the employment of such experts and other assistants as the Commission may deem necessary."

And the Senate agree to the same.

William H. King,
Millard E. Tydings,
Warren R. Austin,
Managers on the part of the Senate.

VINCENT L. PALMISANO, JACK NICHOLS, EVERETT M. DIRKSEN, Managers on the part of the House.

The report was agreed to.

REHABILITATION LOANS TO STORM-STRICKEN AREAS

The Senate resumed the consideration of the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

Mr. FLETCHER. Mr. President, we were considering the amendments of the committee, and I ask that the next amendment be stated.

The VICE PRESIDENT. The clerk will state the next amendment of the committee.

The next amendment of the committee was on page 4, line 8, after the word "exceed", to strike out "\$25,000,000", and to insert in lieu thereof "\$50,000,000", so as to read:

The aggregate of loans made under this act shall not exceed \$50,000,000.

BENEFIT PAYMENTS UNDER A. A. A.

Mr. VANDENBERG. Mr. President, I desire to submit a correction in the Record in behalf of the distinguished Secretary of Agriculture, and a brief statement in connection with it. It will take me only a moment, and I am sure it will not interfere with the consideration of the pending business.

On March 23, when I submitted my resolution asking the Secretary of Agriculture to report upon the larger A. A. A.

benefit payments, I said, among other things, the following. I quote from page 4150 of the RECORD:

Again, I understand the average wheat contract in Kansas run in the neighborhood of \$800. But I know, for example, of one such contract—although in this instance I know neither the State nor the acreage—which produced 65 checks for a total of \$78,638 in 2 years.

In other words, I was undertaking to identify wheat benefit payments of \$78,638.

At the end of about a week, after Mr. Secretary Wallace reluctantly yielded to the demand for some slight ventilation of the subject, in his letter to the distinguished Senator from South Carolina [Mr. SMITH] he said—and I quote from page 4999 of the RECORD:

The largest wheat payment for a single year under the program totaled \$29,398.32.

In other words, there seemed to be a discrepancy between my figures and the figures of the Secretary, mine showing at least one contract for \$78,000—his statement insisting that the largest contract was \$29,000. Naturally, the distinguished Secretary had better sources of information than I can hope to command; but I was chagrined to have seemingly erred, although all my other figures were vindicated.

Mr. President, I am happy to note in this morning's Washington Post that even my wheat figures are now conceded and that the Secretary made a statement last evening, from which I quote as follows:

In his preliminary list, Wallace had recorded the largest wheat payment disbursed under A. A. A. as \$29,938.32. In a correction letter sent Senator Smith yesterday, Wallace said the actual figure should have been \$78,634.32.

One interesting part about the matter is how the Secretary apparently happened to discover that he had made this mistake. When I presented my original statement I indicated that I did not know the name of this particular beneficiary, but that I had his check numbers. So I wrote the Secretary of the Treasury and I submitted this simple inquiry:

I want to know to whom check no. 9,502,291 was issued, probably in January 1935.

Mr. President, I got no responsive answer from the Secretary of the Treasury. I got no information from him. But this morning I have an explanatory letter from Mr. Morgenthau, which says:

I learn that this is an Agricultural Adjustment check, and, since Secretary Wallace is now in correspondence with the Senate Committee on Agriculture with respect to the identities and amounts paid to recipients of crop-benefit payments, it seems to me fitting that the inquiry should be addressed to the Secretary of Agriculture.

In other words, when the Secretary of the Treasury discovered that I was asking about a wheat check, he hastened to notify Mr. Wallace instead of me.

Therefore, it appears that my letter to the Secretary of the Treasury is now answered through the Secretary of Agriculture, who, when put upon notice regarding check no. 9,502,291, discovers that he was mistaken in his figures and that my figures were correct. This is not a very satisfactory method of getting public information from the Departments. Of course, I am not yet allowed to know the name of this particular beneficiary. That information is still held secret. But I am confident that whenever our governing authorities are willing to identify the payee on check no. 9,502,291, we shall know the answer to my question. It is beyond my comprehension why there should be so much mystery and indirection about a matter of the public business.

I am sorry that it is difficult for me to get direct information from the departments with reasonable promptness in respect to this problem.

Mr. MURPHY. Mr. President-

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. VANDENBERG. I yield, except that I want to be very sure I do not intrude on the time of the unfinished business.

Mr. MURPHY. May I ask the Senator what his original inquiry to the Secretary of Agriculture covered? Am I correct in understanding that it related to the wheat-benefit payments made?

Mr. VANDENBERG. That is correct, except that I never submitted any preliminary question to the Secretary himself.

Mr. MURPHY. Is it possible that the amount of \$29,000, or whatever it is, would be the amount of the wheat benefit payments made, and that the larger amount might represent payments to cover other contracts than wheat?

Mr. VANDENBERG. Apparently not. The Secretary is quoted this morning as saying in a letter to the Senator from South Carolina [Mr. Smith] yesterday that the actual figure of the wheat payments should have been \$78,634. The Senator should quiz the Secretary, not me.

Mr. MURPHY. Is that the amount of the specific checks concerning which the Senator addressed his inquiry to the Secretary of the Treasury?

Mr. VANDENBERG. No, Mr. President; there were 65 checks paid to this particular beneficiary, and the total of the checks is the figure indicated. My inquiry about one of these checks evidently put the Secretary on the trail of the balance.

Mr. MURPHY. Is the Senator advised as to whether or not this payment of \$29,000 was for the crop year or was \$78,000 for the crop year?

Mr. VANDENBERG. I am not advised, Mr. President.

Mr. MURPHY. The Senator has no information as to whether or not these payments were made under separate contracts covering each county?

Mr. VANDENBERG. I have no information, Mr. President, except that which an outsider is enabled to dig out from a reluctant department. If the Senate had adopted the resolution to which I have been trying to get its consent, there would be less need for speculation on the subject. I know of no sound reason why we should encounter continuing delay in this connection.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. VANDENBERG. I yield, if the Senator from Iowa has concluded.

Mr. ROBINSON. With respect to the Senator's statement that he does not wish to trespass—I think that is his exact language—on the time of the bill under consideration, I point out to him that the Senate met this morning at 11:30 to consider that bill, and that more than half the time available has already elapsed. The consent was for the consideration of the bill advanced by the Senator from Florida [Mr. Fletcher].

I will say to the Senator that ample opportunity will be afforded, as soon as it can be secured, for the consideration of the resolution to which he has referred.

Mr. VANDENBERG. I thank the Senator for his assurance. I take it in the good faith in which I know the Senator makes it. I will not yield for further interruption, and I will conclude simply by saying that in respect to this process which seems to be in vogue of answering my farm inquiries to the departments by rerouting them via the Department of Agriculture I hope the Commissioner of Indian Affairs will not have to wait more than 10 more days, the period which has already intervened, to send me an answer, either direct or through the Secretary of Agriculture, to the following question:

I should like to know whether Mr. Thomas Campbell or the Campbell Farming Corporation leases lands from the Government—lands belonging to the Indian Service. If so, I should like to know the acreage and the annual rental.

I am seeking correction of the Record this morning, Mr. President, because I put in the Record the letter of the Secretary of Agriculture, and the Secretary's letter was incorrect. I hope the Senate may have an early opportunity to facilitate the inquiry submitted by my resolution. We shall never know the whole truth until the whole facts are disclosed. The country is entitled to know precisely what Secretary Wallace did with its money.

Several Senators addressed the Chair.

Mr. ROBINSON. Mr. President, I insist that in all good faith the Senate ought to be permitted to consider the bill we met to consider.

REHABILITATION LOANS TO STORM-STRICKEN AREAS

The Senate resumed the consideration of the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment on page 4, line 8, to strike out "\$25,000,000" and insert "\$50,000,000."

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 4, line 9, to strike out "That the" and to insert "Sec. 2. The", so as to make the section read:

SEC. 2. The title of the said act is amended to read as follows: "An act authorizing the Reconstruction Finance Corporation to make loans for the repair of damages caused by floods or other catastrophes, and for other purposes."

The amendment was agreed to.

The next amendment was, on page 4, after line 13, to insert a new section, as follows:

SEC. 3. Title I of the National Housing Act, as amended, is amended by inserting after section 5 thereof the following new section:

"Sec. 6. (a) The Administrator is authorized and empowered, upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building-and-loan associations, installment lending companies, and other such financial institutions, heretofore or hereafter approved by the Administrator as eligible for credit insurance, against losses which they may sustain as a result of loans and advances of credit, and purchases of obligations representing loans and advances of credit, made by them subsequent to the date this section takes effect and prior to January 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that the emergency no longer exists, for the purpose of financing, by the owners of real property or by lessees thereof under a lease for a period of not less than 1 year, the restoration, rehabilitation, rebuilding, and replacement of improvements on real property and equipment and machinery thereon which were damaged or destroyed by earthquake, conflagration, tornado, cyclone, hurricane, flood, or other catastrophe in the years 1935 or 1936, either on the same site or on a new site in the same locality where the damaged or destroyed property was located. The Administrator is authorized to grant insurance under this section to any such financial institution up to 20 percent of the total amount of loans, advances of credit, and purchases made by such financial institution for such purpose, and any insurance reserve accumulated by any such financial institution under section 2 of this title prior to April 1, 1936, shall be applicable to the payment of any losses sustained by it as a result of loans, advances of credit, or purchases insured under this section.

section.

"(b) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it (1) unless the loan bears such interest, has such maturity, and contains such other terms, conditions, and restrictions, as the Administrator shall prescribe in order to make credit available for the purposes of this section; and (2) unless the amount of such loan, advance of credit, or purchase is not in excess of \$2,000, except that in the case of any such loan, advance of credit, or purchase made for the purpose of such financing with respect to apartment or multiple family houses, hotels, office, business, or other commercial buildings, hospitals, orphanages, colleges, schools, churches, or manufacturing or industrial plants, such insurance may be granted if the amount of the loan, advance of credit, or purchase is not in excess of \$50,000."

The amendment was agreed to.

Mr. AUSTIN. Mr. President, when the committee amendments have been completed I wish to offer an amendment to the bill.

The VICE PRESIDENT. All the committee amendments have not as yet been agreed to. The next amendment will be stated.

The next amendment was, on page 6, after line 13, to insert a new section, as follows:

SEC. 4. (a) The third sentence of subsection (a) of section 2 of the National Housing Act, as amended, is amended to read as follows: "The total liability incurred by the Administrator for all insurance heretofore and hereafter granted under this section and section 6 shall not exceed in the aggregate \$100,000,000; except that

if the President finds at any time that there exists a necessity for such insurance in order to make ample credit available he may authorize the Administrator to incur additional liability for such insurance in an amount not in excess of the amount of the liability incurred under section 6."

(b) Section 2 of such act, as amended, is further amended by adding at the end thereof the following new subsection:

"(e) The Administrator is authorized to waive compliance with regulations heretofore or hereafter prescribed by him with respect to the interest and maturity of and the terms, conditions, and restrictions under which loans, advances of credit, and purchases may be insured under this section and section 6, if in his judgment the enforcement of such regulations would impose an injustice upon an insured institution which has substantially complied with such regulations in good faith and refunded or credited any excess charge made, and where such waiver does not involve an increase of the obligation of the Administrator beyond the obligation which would have been involved if the regulations had been fully complied with."

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments.

Mr. AUSTIN. Mr. President, I offer an amendment, on page 2, line 9, after the word "systems", to insert a comma and the words "highways and bridges."

Mr. FLETCHER. I think it is really included in the bill, but I have no objection.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Vermont.

The amendment was agreed to.

Mr. RUSSELL. I send to the desk an amendment, which I ask to have read.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, line 1, after the word "individuals", it is proposed to insert a comma and "municipalities or political subdivisions of States or of their public agencies, including public-school boards and public-school districts, and water, irrigation, sewer, drainage, and floodcontrol districts."

Mr. WALSH. Mr. President, I should like to inquire if the present law does not permit loans by the Reconstruction Finance Corporation for highways and bridges and for the purposes enumerated in the amendment proposed by the Senator from Georgia.

Mr. RUSSELL. I am not thoroughly familiar with all the provisions of the several acts relating to the Reconstruction Finance Corporation; but I might say to the Senator from Massachusetts that the proposed amendment was suggested by one of those who have to do with the administration of the act. He thought it might be necessary.

Mr. WALSH. I am not opposed to the amendment, but I am under the impression that the present law takes care of the loans that may be applied for by States, municipalities,

or counties for public purposes.

Mr. RUSSELL. I think that is true as to all of the regular loans; but there possibly is some difference as to the degree of security required for general loans and those filed under the provisions of this bill—that is, for purposes of restoring places damaged by the various recent catastrophes.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. FLETCHER. The effect of that amendment is to transfer paragraph (c), on page 3, to page 2; is it not?

Mr. RUSSELL. I may say to the Senator from Florida that it does not transfer all of that language, as I understand the purpose of the amendment; and I freely confess that I am not thoroughly advised of the necessity for all this language, because the matter was just called to my attention since the Senate convened this morning. As I understand, the purpose of the amendment is to enable municipalities and political subdivisions to avail themselves of the loans of the character described in the first portion of the bill which are reasonably secured, as well as under paragraph (c), which are secured by taxation or by tax-anticipation warrants. amendment amplifies the class of subjects which are eligible to avail themselves of loans. Subsection (c) deals with the kind and nature of collateral which will be accepted to secure

Mr. FLETCHER. There is no objection to leaving paragraph (c) in?

Mr. RUSSELL. No; as I understand, paragraph (c) is also essential.

Mr. FLETCHER. I have no objection to the amendment. The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. DAVIS. I desire to make an inquiry of the Senator from Florida. Inasmuch as the amendment of the Senator from Vermont [Mr. Austin] has been adopted and the amendment proposed by the junior Senator from Georgia [Mr. Russell] has been adopted, does the Senator from Florida think that \$50,000,000 is sufficient to carry on this work, when there are to be included bridges, highways, schoolhouses, and so forth?

Mr. FLETCHER. I think it is sufficient. It will probably take a year to utilize the \$50,000,000. Congress will be back here again, I think, before that amount is exhausted.

Mr. DAVIS. The Senator from Florida is of the opinion that \$50,000,000 will be sufficient until Congress reconvenes next year?

Mr. FLETCHER. The committee seemed to think so.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is, Shall the bill

The bill was passed.

Mr. FLETCHER. Mr. President, I ask to have printed in the RECORD at this point the report of the Committee on Banking and Currency.

The VICE PRESIDENT. Without objection, it is so ordered.

The report (No. 1747) is as follows:

The Committee on Banking and Currency, to whom was referred the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended

do pass.

The bill as reported, insofar as rehabilitation loans by the Recon-

struction Finance Corporation are concerned, is the same as the bill which passed the House, with the following exceptions:

First. The aggregate amount which may be loaned by the Corporation for such purposes has been increased from \$25,000,000 to \$50,000,000

cond. Under the House bill the catastrophe with respect to the loan is made must have occurred in the years "1933,

which the loan is made must have occurred in the years "1933, 1934, 1935, 1936, and 1937", while under the bill as reported the catastrophe must have occurred in the years "1935 or 1936."

Third. Under the House bill there was a requirement that as a condition to obtaining a loan the repair, construction, reconstruction, rehabilitation, or acquisition be deemed by the Corporation to be "economically" useful or necessary, while under the bill as reported the word "economically" has been eliminated.

The bill as reported also contains the substance of S. 4396, introduced by Senators Walsh and Bulkley, which had the approval

the bill as reported also contains the substance of S. 4396, introduced by Senators Walsh and Bulkley, which had the approval of the Federal Housing Administration. It provides for adding a new section to title I of the National Housing Act, as amended, under which the Federal Housing Administrator is authorized to inder which the receral Housing Administrator is authorized to insure financial institutions heretofore or hereafter approved by him as qualified by experience and facilities as eligible for credit insurance, against losses which they may sustain as a result of loans, advances of credit, and purchases of obligations representing loans and advances of credit, made by them for financing the restoration, rehabilitation, rebuilding, and replacement of property damaged or destroyed by flood or other catastrophe in 1935 erty damaged or destroyed by flood or other catastrophe in 1935 or 1936. To be eligible for such insurance, the loans or advances must have been made subsequent to the date the new section takes effect and prior to January 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that the emergency no longer exists, and no such loan or advance may be so insured unless it was made to an owner of real property or to a lessee thereof under a lease for a period of not less than

1 year.
The maximum amount of insurance which may be granted under the new section to any approved financial institution is fixed at 20 percent of the total amount of such loans, advances of credit, and purchases made by it, and any insurance reserve which it may have accumulated under section 2 of the National Housing Act prior to April 1, 1936, is made applicable to the payment of any losses it sustains as a result of loans, advances of credit, or purchases insured under the new section. The provisions with respect to the maximum amount of individual loans and advances which

may be insured, and those which relate to interest, maturity, etc., correspond to the provisions contained in such section 2.

The provision of existing law that the total liability of the Administrator for all insurance under such section 2 shall not Administrator for all insurance under such section 2 shall not exceed \$100,000,000 is made applicable not only to such section but also to the new section added by the bill as reported. However, if the President finds at any time that there exists a necessity for such insurance in order to make ample credit available, he may authorize the Administrator to incur additional liability for such insurance in an amount not in excess of the amount of the liability incurred under the new section.

A provision is also added authorizing the Administrator to waive A provision is also added authorizing the Administrator to waive compliance with his regulations in certain cases where the enforcement thereof would impose an injustice upon an insured institution which has substantially complied with such regulations in good faith, and where such waiver would not increase the obligation of the Administrator beyond that which would have been involved if the regulations had been fully complied with. The purpose of this provision is merely to remove certain technical difficulties that have arisen in connection with the administration of title I of the National Housing Act.

GREAT LAKES EXPOSITION, CLEVELAND, OHIO

Mr. BULKLEY. Mr. President, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 233.

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 233) providing for the participation of the United States in the Great Lakes Exposition, to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purposes, which had been reported from the Committee on Commerce with

Mr. BULKLEY. Mr. President, last night the question was asked as to how the money authorized by this resolution was to be expended. An appropriation of \$275,000 is authorized by the resolution. Of that amount about \$105,000 is to be paid as rental for the space of Government exhibits in the exposition. This is an item which is comparable to the erection of buildings which the Government has undertaken in other similar expositions. The Government in this case will not construct a building but will pay a rental for the building erected by the exposition itself. The balance, \$170,000, is for the purpose of preparing and managing the exhibits. The proposed expenditure is at as low a rate per square foot as has been expended in connection with similar expositions in other cities.

Mr. McNARY. Mr. President, because of the lateness of the hour last evening and the general rush of business on the calendar and not knowing anything about the subject matter of the bill, I objected to its immediate consideration. Inasmuch as it involves the progress of the eight States surrounding the Great Lakes and authorizes the President to invite the Dominion of Canada to participate in the exposition, I have no objection at this time to its consideration.

The VICE PRESIDENT. The clerk will state the committee amendments.

The amendments of the Committee on Commerce were, on page 2, line 4, after the word "requested" and the comma, to strike out "by proclamation or in such manner as he may deem proper"; in line 5, before the word "such", to insert "participate in"; in line 6, after the word "exposition", to strike out "with a request that said Dominion participate therein"; in line 12, before the word "the", to strike out "and"; in the same line, after the name "Secretary of Commerce", to insert "and such other persons as in their discretion they may add"; on page 3, line 5, after the words "rate of", to insert "not to exceed"; in the same line, after the word "exceed", to strike out "three assistant commissioners" and insert "one assistant commissioner"; in line 10, after the words "per annum", to strike out the comma and "respectively"; in line 13, after the word "for", to strike out "a period of time covering the duration of the exposition" and insert "such period prior to the opening of the exposition as the Commissioner may determine, for the duration of the exposition"; on page 4, line 1, before the words "as illustrate", to strike out "as may relate to this period of our history and such"; on page 4, line 13, after the word "necessary", to insert "including the preparation of exhibit plans"; in line 18, after the word "to", to strike out "an" and insert "the"; on

page 5, line 5, after the word "science" to insert "exhibit": on page 6, line 18, after the words "square feet" to insert "without regard to the provisions of section 322 of Public Act No. 212, approved June 30, 1932, 47 Stat. 412"; on page 7, line 5, after the word "Assistant", to strike out "Commissioners" and insert "Commissioner"; on page 8, line 5, before the word "in", to strike out "Commissioners" and insert "Commissioner"; and on page 10, after line 19, to strike out:

SEC. 10. All articles imported from the Dominion of Canada for the sole purpose of display at such exposition, and upon which there is at the time of importation a tariff duty, shall be admitted free of the payment of duty, customs fees, or charges, under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during such exposition to sell or withdraw for consumption or use in the United States any articles withdraw for consumption or use in the United States any articles imported for and actually on exhibition, subject to such regulations for the security of the revenue and for the collection of tariff duties as the Secretary of the Treasury may prescribe. All such articles when sold or withdrawn for consumption or use in the United States shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of the sale or withdrawal; and on such articles that shall have suffered diminution or deterioration from incidental handling and exposure, the tariff duty if payable shall be assessed according to the weight. the tariff duty, if payable, shall be assessed according to the weight, measure, or appraised value, as the case may be, at the time of sale or withdrawal. The penalties prescribed by law shall be enforced against any person guilty of any illegal sale or withdrawal of any article imported under this section.

So as to make the joint resolution read:

Whereas there is to be held in the city of Cleveland, State of Ohio, during the year 1936 an exposition to be known as the Great Lakes Exposition, dealing with industrial, agricultural, commercial, educational, and cultural progress of the eight States bordering upon the Great Lakes, namely, New York, Pennsylvania, Ohio, Michigan, Indiana, Illinois, Wisconsin, and Minnesota; and Whereas the city of Cleveland has made available 140 acres of land centrally located, its public hall, its lakeside exhibition hall, and its stadium, valued at more than \$20,000,000, its adjacent streets and properties, its lake-front grounds, and its water-front privileges on Lake Erie; and Whereas the exposition has been incorporated not for profit and

Whereas the exposition has been incorporated not for profit and has been amply underwritten; and

Whereas such exposition is worthy and deserving of the support and encouragement of the United States; and the United States has aided and encouraged such expositions in the past: Therefore

Resolved, etc., That the President of the United States is au-

Resolved, etc., That the President of the United States is authorized and requested to invite the Dominion of Canada to participate in such proposed exposition.

Sec. 2. There is hereby established a Commission, to be known as the United States Great Lakes Exposition Commission, and hereinafter referred to as the "Commission", and to be composed of the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce, and such other persons as in their discretion they may add, which Commission shall serve without additional compensation and shall represent the United States in connection with the holding of the Great Lakes Exposition in the State of Ohio during the year 1936.

Sec. 3. There is hereby created a United States Commissioner General for the Great Lakes Exposition, to be appointed by the President with the advice and consent of the Senate, and to receive compensation at the rate of not to exceed \$10,000 per annum, and not to exceed one assistant commissioner for said

annum, and not to exceed one assistant commissioner for said Great Lakes Exposition, to be appointed by the Commissioner General, with the approval of the Commission herein designated, and to receive compensation at the rate of not to exceed \$7,500 per annum. The salary and expenses of the Commissioner Gen-

per annum. The salary and expenses of the Commissioner General and such staff as he may require shall be paid out of the funds authorized to be appropriated by this joint resolution for such period prior to the opening of the exposition as the Commissioner may determine, for the duration of the exposition and not to exceed a 6 months' period following the closing thereof.

Sec. 4. The Commission shall prescribe the duties of the United States Commissioner General and shall delegate such powers and functions to him as it shall deem advisable, in order that there may be exhibited at the Great Lakes Exposition by the Government of the United States, its executive departments, independent offices, and establishments such articles and materials and documents and papers as illustrate the function and administrative faculty of the Government in the advancement of industry, science, invention, agriculture, the arts, and peace, and demonstrating the nature of our institutions, particularly as regards their adaptation to the needs of the people.

Sec. 5. The Commission and the Commissioner General are authorized to appoint, without regard to the civil-service laws,

authorized to appoint. without regard to the civil-service laws, such clerks, stenographers, and other assistants as may be necessary, and to fix their salaries in accordance with the Classification Sary, and on their salaries in accordance with the Classification Act of 1923, as amended: purchase such materials, contract for such labor and other services as are necessary, including the preparation of exhibit plans. The Commissioner General may exercise such powers as are delegated to him by the Commission as hereinbefore provided, and in order to facilitate the functioning of his office may subdelegate such powers (authorized or dele-gated) to the Assistant Commissioner or others in the employ of or detailed to the Commission as may be deemed advisable by the Commission.

SEC. 6. The heads of the various executive departments and independent offices and establishments of the Government are authorized to cooperate with said Commissioner General in the procurement, installation, and display of exhibits, and to lend to the Commission and the Great Lakes Exposition, with the knowledge and consent of said Commissioner General such articles, specimens, and exhibits which said Commissioner General shall deem to be in the interest of the United States and in keeping with the purposes of such exposition, to be placed with the science exhibit or other exhibits to be shown under the auspices of such Commission or the Great Lakes Exposition, to contract for such labor or other services as shall be deemed necessary, and to designate officials or employees of their departments or branches to assist said Commissioner General. At the close of the exposition, or when the connection of the Government of the United States therewith ceases, said Commissioner General shall cause all such property to be returned to the respective departments and branches from which taken, and any expenses incident to the restoration, modification, and revision of such property to a condition which will permit its use at subsequent expositions, fairs, and other celebrations, and for the continued employment of personnel necessary to close out the fiscal and other records and prepare the required reports of the participating organizations, may be paid from the appropriation authorized herein; and if the return of such property is not feasible, he may, with the consent of the department or branch from which it was taken, make such disposition thereof as he may deem advisable and account therefor.

account therefor. SEC. 7. The sum of \$275,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appro-priated, and shall remain available until expended for the purposes priated, out of any money in the Treasury not otherwise appropriated, and shall remain available until expended for the purposes of this joint resolution and any unexpended balances shall be covered back into the Treasury of the United States. Subject to the provisions of this joint resolution and any subsequent act appropriating the money authorized herein, the Commission is authorized to make any expenditures or allotments deemed necessary by it to fulfill properly the purposes of this joint resolution and to allocate such sums to the Great Lakes Exposition for expenditure by such body as the Commission deems necessary and proper in carrying out the purposes of this joint resolution. And, subject to the provisions of this joint resolution and any subsequent act appropriating the money authorized herein, the Commission is authorized to rent such space, not to exceed 30,000 square feet, without regard to the provisions of section 322 of Public Act No. 212, approved June 30, 1932 (47 Stat. 412), as it may deem adequate to carry out effectively the provisions of this joint resolution during the period of the exposition. The appropriation authorized under this joint resolution shall be available for the selection, purchase, preparation, assembling, transportation, and return of such articles and materials as the Commission may decide shall be included in such Government exhibit onstration, and return of such articles and materials as the Commission may decide shall be included in such Government exhibit and in the exhibits of the Great Lakes Exposition; for the compensation of said Commissioner General, Assistant Commissioner, and other officers and employees of the Commission in the District of other officers and employees of the Commission in the District of Columbia and elsewhere, for the payment of salaries of officers and employees of the Government employed by or detailed for duty with the Commission, and for actual traveling expenses, including travel by air, and for per diem in lieu of actual subsistence at not to exceed \$5 per day: Provided, That no such Government official or employee so designated shall receive a salary in excess of the amount which he has been receiving in the department or branch where employed, plus such reasonable allowance for travel, including travel by air and subsistence expenses as may be deemed where employed, plus such reasonable allowance for travel, including travel by air, and subsistence expenses as may be deemed proper by the Commissioner General; for telephone service, purchase or rental of furniture and equipment, stationery and supplies, typewriting, adding, duplicating, and computing machines, their accessories and repairs, books of reference and periodicals, uniforms, maps, reports, documents, plans, specifications, manuscripts, newspapers and all other appropriate publications, and ice and drinking water for office purposes: Provided further, That resument for telephone service rents subscriptions to newspapers. reach and drinking water for omce purposes: Provided further, that payment for telephone service, rents, subscriptions to newspapers and periodicals, and other similar purposes, may be made in advance; for the purchase and hire of passenger-carrying automobiles, their maintenance, repair, and operation, for the official use of said Commissioner General and Assistant Commissioner in the District of Columbia or elsewhere as required; for printing and binding; for entertainment of distinguished visitors; and for all binding; for entertainment of distinguished visitors; and for all other expenses as may be deemed necessary by the Commission to fulfill properly the purposes of this joint resolution. All purchases, expenditures, and disbursements of any moneys made available by authority of this joint resolution shall be made under the direction of the Commission: Provided further, That the Commission, without release of responsibility as hereinbefore stipulated, may delegate these powers and functions to said Commissioner General, and said Commissioner General, with the consent of the Commission or its delegate them: Provided further, That the Commission or its delegated representative may allot funds authorized to be appropriated herein to any executive department, independent office, or establishment of the Government with the consent of the heads thereof, for direct expenditure by such executive department, independent office, or establishment, for the purpose of defraying any expenditure which may be incurred by such executive department, independent office, or establishment in executing the duties and functions delegated by the Commission

All accounts and vouchers covering expenditures shall be approved by said Commissioner General or by such assistants as the Commission may designate except for such allotments as may be made to the various executive departments, independent offices, and establishments for direct expenditure; but these provisions shall not be construed to waive the submission of accounts and vouchers to the General Accounting Office for audit, or permit any obligations to be incurred in excess of the amount authorized herein: And provided further, That in the construction of exhibits requiring skilled and unskilled labor, the prevailing rate of wages, as provided in the act of March 3, 1931, shall be paid.

Sec. 8. The Commissioner General, with the approval of the Commission, may receive contributions from any source to aid in carrying out the purposes of this joint resolution, but such con-

SEC. 8. The Commissioner General, with the approval of the Commission, may receive contributions from any source to aid in carrying out the purposes of this joint resolution, but such contributions shall be expended and accounted for in the same manner as the funds authorized to be appropriated by this joint resolution. The Commissioner General is also authorized to receive contributions of material, or to borrow material or exhibits, and to accept the services of any skilled and unskilled labor that may be available through State or Federal relief organizations, to aid in carrying out the general purposes of this joint resolution. At the close of the exposition or when the connection of the Government of the United States therewith ceases, the Commissioner General shall dispose of any such portion of the material contributed as may be unused, and return such borrowed property; and, under the direction of the Commission, dispose of any structures which may have been constructed and account therefor: *Provided*, That all disposition of materials, property, and so forth, shall be at public sale to the highest bidder, and the proceeds thereof shall be covered into the Treasury of the United States.

erty; and, under the direction of the Commission, dispose of any structures which may have been constructed and account therefor: Provided, That all disposition of materials, property, and so forth, shall be at public sale to the highest bidder, and the proceeds thereof shall be covered into the Treasury of the United States.

Sec. 9. It shall be the duty of the Commission to transmit to Congress, within 6 months after the close of the exposition, a detailed statement of all expenditures, and such other reports as may be deemed proper, which reports shall be prepared and arranged with a view to concise statement and convenient reference. Upon the transmission of such report to Congress the Commission established by and all appointments made under the authority of this joint resolution shall terminate.

The VICE PRESIDENT. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

WHY KENTUCKY IS FOR THE NEW DEAL—ADDRESS BY SENATOR LOGAN

Mr. ROBINSON. Mr. President, I ask unanimous consent to have printed in the Record a speech delivered by the Senator from Kentucky [Mr. Logan] before the National Emergency Council at Louisville, Ky., April 8, 1936, on Why Kentucky Is for the New Deal.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

In the spring of 1933 Kentuckians, regardless of their business or profession, were in the depths of despondency. The laboring man was without a job, and many were without food or shelter. The banks, and other financial institutions, had ceased to function. Farmers were in hopeless despair, and there was no way for them to sell the products of their farms for enough to pay interest on their indebtedness, much less to support their families in reasonable comfort. The home owners saw their homes sold in foreclosure proceedings, or for taxes. The professional man might work but no one could pay him for his services. The mines were largely closed and the operators were confronted with bankruptcy and the miners hopeless and dumb in the face of the disaster that had overtaken them. Business had ceased. Even the wisest could find not a gleam of hope for the future. The high and low, the rich and the poor, the learned and the ignorant all suffered together. These difficulties had been approaching for 4 years and reached their culmination at the time mentioned. Then came the inauguration of a new President, and he delivered his inaugural address before the assembled multitudes, and the radio made it possible for him to speak to the Nation at large. When his voice was heard, hope was born. He promised to build again national affairs on a fair and just foundation. We Kentuckians have not been disappointed in the promises which he made. Instead of destitution and despair, Kentucky is prosperous and happy. Her people rejoice in what the present national administration has done for her. It is fitting that Kentuckians should give their reasons why they have an abiding faith in the promises of President Roosevelt and the great leaders, who seek to solve the problems of the Nation, with whom he has surrounded himself. Speaking for Kentucky, I shall briefly summarize that which has been done for my State by the present administration in which the Senators and the Members of the House of Representatives have taken part.

I have said that at the beginning of this administration the farmers believed that they were without hope; but that belief was soon changed when the Farm Credit Administration, under the wise guidance of our national leaders, by the authority of Congress, commenced its efforts to relieve the distress of the farmers in Kentucky. Five thousand seven hundred farmers secured loans from

the Federal land banks in the aggregate sum of \$20,983,100 between May 1, 1933, and January 31, 1936, and 11,805 farmers secured loans through the Land Bank Commissioner in the same period of time aggregating \$18,990,200. Thus 17,505 loans were made, aggregating aggregating \$18,990,200. Thus 17,505 loans were made, aggregating \$39,973,300, to help distressed farmers. In addition to this vast sum which the farmers secured, through the aid of the present administration Production Credit Associations made loans to 5,122 farmers aggregating \$2,258,016. There were 12,602 emergency crop loans aggregating \$611,861, and the Regional Agricultural Credit Corporations made 1,141 loans aggregating \$441,271. While the Federal intermediate credit banks made loans to, and discounts for, private financing institutions aggregating \$69,935. Therefore it is seen that beginning on May 1, less than 60 days after the present administration came into power, and continuing to January 31, 1936, the farmer has received help at the hands of the national administration aggregating \$43,354,483. These advancements enabled the farmer to save his farm and to aid him in operating it. The promise made by the President to aid farmers in the Nation has been

farmer to save his farm and to aid him in operating it. The promise made by the President to aid farmers in the Nation has been abundantly carried out to the farmers in Kentucky.

I mentioned the distress of the home owners. The President promised that they should have relief, and between the date that promise was made and February 27, 1936, 9,158 loans have been closed in the amount of \$25,161,588. Other applications are still under consideration. The promise made for the relief of home owners has been kept insofar as Kentucky is concerned. That is not all that has been done by the administration for the home owners in Kentucky. Six thousand four hundred and fifty modernization and repair notes were insured for \$2,213,001, under title I of the Federal Housing Administration Act, and 522 mortgages have been accepted for insurance under title II, amounting to \$2,373,870. This covers the period up to December 31, 1935. The Federal Housing Administration has enabled home owners in Kentucky to secure private loans at a low rate of interest for the modernization and repair of homes in the aggregate of \$4,586,871. In order to provide work for those who had no jobs, the Civil Works Administration spent in Kentucky \$9,953,210 up to January 31, 1936.

31, 1936.

The Civilian Conservation Corps camps located in Kentucky have received funds derived from the Emergency Relief Appropriation Act of 1935 up to December 31, 1935, in the total sum of \$23,321,964.60.

Works Administration up to December 31, 1935,

\$23,321,964.60.

The Public Works Administration up to December 31, 1935, had made allotments for non-Federal projects in the sum of \$15,082,015, of which sum \$5,360,009 had been expended up to that time, and had made allotments for Federal projects aggregating \$14,967,519, of which sum \$13,275,000 had actually been expended.

The Reconstruction Finance Corporation made loans to Kentucky institutions up to December 31, 1935, as fellows: To banks and trust companies (including receivers, liquidating agents, and conservators), \$17,077,447.26, and of this sum \$15,868,040.14 had been repaid: to building-and-loan associations (including receivers), \$1,395,011.61, all of which has been repaid; to mortgage loan companies, \$50,000, all of which has been repaid; to processors or distributors who are subject to processing taxes, \$3,428, all of which has been repaid. These loans, made under section 5 of the Reconstruction Finance Corporation Act, aggregate \$18,525,886.87, of which sum \$17,316,479.75 has been repaid. In addition to the loans made under section 5 of the Reconstruction Finance Corporation Act as amended, under section 5 (d) it made loans to industrial or commercial businesses of \$92,500 and purchases of participations in the sum of \$268,333.33, making a total under section 5 (d) of \$360,833.33, of which sum \$15,987.62 has been repaid. It has also made loans to self-liquidating projects in the sum of \$948,000, of which sum \$655,000 has been repaid; and loans for the financing of agricultural commodities and livestock in the sum of \$2,332,233,18, of which sum \$389,382.52 has been repaid; and has made available for relief and work relief \$6,728,987, or a total for emergency relief and construction of \$10,009,220.18, of which sum \$1,044,382.52 has been repaid. It has subscribed and purchased preferred stock in banks and trust companies in Kentucky \$8,874,850, of which sum and construction of \$10,009,220.18, of which sum \$1,044,382.52 has been repaid. It has subscribed and purchased preferred stock in banks and trust companies in Kentucky \$8,874,850, of which sum \$468,500 has been redeemed. The grand total of loans and advances made by the Reconstruction Finance Corporation to Kentuckians to aid in the carrying on of business up to December 31, 1935, was \$37,770,790,38, of which sum \$18,845,349,89 has been repaid.

The Federal Emergency Relief Administration, up to December 31, 1935, had made grants for general relief purposes in Kentucky in the sum of \$30,198,151; for transient relief, \$1,086,856; for rural rehabilitation, \$719,000; for education, \$1,134,167; for Federal Surplus Relief Corporation, \$2,061,000; for miscellaneous purposes, \$1,186,776. The total granted to Kentucky for Federal emergency relief aggregates \$36,385,956.

Rentals and benefit payments to farmers under the Agricultural Adjustment Administration up to January 31, 1936, amounted to \$20,670,971.77, distributed as follows: Cotton, \$203,145.04; wheat, \$651,648.60; tobacco, \$14,346,111.58; corn and hogs, \$5,470,048.55; peanuts, \$18.

peanuts, \$18.

peanuts, \$18.

The amount of grants, loans, and benefits which the present national administration has extended to Kentuckians in approximately the last 3 years reaches the enormous total of \$231,255,-368.75. These benefits were extended by the following agencies of Government: Farm Credit Administration, \$43,354,483; Home Owners' Loan Corporation, \$25,161,588; Federal Housing Administration, \$45,86.871; Civil Works Administration, \$9,953,210; Emergency Conservation Work (C. C. C. camps), \$23,321,964.60; Public Works Administration, \$30,049,534; Reconstruction Finance Corporation, \$37,770,790.38; Federal Emergency Relief Administration, \$36,385,-956; Agricultural Adjustment Administration, \$20,673,971.77. In addition to these sums, out of the Emergency Relief Appropriation

Act there has been allocated to Kentucky the sum of \$60,502,388.35, and on December 31, 1935, the sum actually expended out of this allocation was \$33,777,406.35. The sums expended by the Agricultural Department for public roads aggregate \$9,803,978.25; by the Commerce Department, \$95,780; by the Interior Department, \$20,-157.60; by the Labor Department, \$140,546; by the Treasury Department, \$186,859.98; by the War Department, \$67,276; by the Resettlement Administration, \$1,129,970; by Rural Electrification Administration, \$98,500; by Works Progress Administration, \$18,-184,090.50; by Employers' Compensation Board, \$25,535.02; by Veterans' Administration, \$69,050.

When these sums from the Emergency Appropriation Act of

When these sums from the Emergency Appropriation Act of 1935 are added to the grand total above mentioned, Kentucky has shared in benefits conferred by the present national administration in the aggregate of nearly \$300,000,000, exclusive of sums expended by the War Department on Army camps, locks and dams,

and flood control.

These benefits which Kentucky has received from the national administration since the spring of 1933 have been reflected in the improvement of business conditions along all lines. Contracts awarded for total construction in Kentucky in 1932 aggregated \$20.651.500. In 1932 aggregated \$20.651.500. In 1932 aggregated \$20.651.500. the improvement of business conditions along all lines. Contracts awarded for total construction in Kentucky in 1932 aggregated \$20,651,500. In 1933 contracts awarded amounted to \$27,-648,200. In 1934 contracts awarded amounted to \$21,055,100, while in 1935 they amounted to \$28,104,900. The percentage increases in contracts awarded for total construction in Kentucky in 1935 over 1932 is 36.1 percent. The yearly average indexes of employees and pay rolls in all groups for Kentucky as reported by the Bureau of Labor Statistics, United States Department of Labor, show the following percentage increases:

In 1932 employment was 94.2; in 1933, 100; in 1934, 107.3; in 1935, 107.2. While the pay roll indexes were for 1932, 93.2; 1933, 100; 1934, 123.1; 1935, 135.1. The receipts by Kentuckians for the sale of principal farm products, including benefit payments, as reported by the Bureau of Agricultural Economics for the period 1932–35, inclusive, were: For 1932, \$73,706,000; 1933, \$66,493,000; 1934, \$95,218,000; 1935, \$133,325,000, or an increase for 1935 over 1932 of 80.9 percent. Contracts awarded for residential construction in Kentucky for the period 1932–35 were: For 1932, \$2,465,900; 1933, \$3,390,200; 1934, \$1,837,700; 1935, \$4,184,100, or an increase in 1935 over 1932 of 69.9 percent.

The agencies of the Federal Government represented by those in attendance today have been instrumental in carrying into effect the plays whereby nearly \$200,000,000.

an increase in 1935 over 1932 of 69.9 percent.

The agencies of the Federal Government represented by those in attendance today have been instrumental in carrying into effect the plans whereby nearly \$300,000,000 has been expended in Kentucky. In the main the affairs for the Government by those looking after them in Kentucky have been efficiently managed. There has been no major scandal, graft, or fraud. There has been some complaint in connection with the expenditure of relief funds. I have attempted to ascertain the proportion that the expenditure of funds about which complaints have been made bears to the total expenditures in the State. It is a liberal estimate to say that the complaints that have been made relate to less than one-half of 1 percent of the total. Out of every dollar that has been expended there has been no complaint, so far as I know, about the expenditure of 99½ cents and the complaints are confined to the expenditure of the other one-half cent out of every dollar. Considered as a whole this is a remarkable record. It may be said that many of the complaints have not related to the method of handling the funds, but have been directed at those in charge of the handling of the funds.

The good that has come to business generally in the State is perhaps more correctly reflected by the increase in income-tax collections than in any other way because it is only those who earn incomes that pay income taxes. The amount of income taxes paid by Kentuckians for 1933 was \$4,522,534; in 1934 the amount increased to \$6,325,332, and in 1935 there was a further increase to the sum of \$9,455,697, or an increase for 1935 over 1933 of 109 percent. This would indicate that the people in Kentucky in 1935 had an increase in business income of more than double what it was in 1933.

There has been much said about the new indebtedness created

it was in 1933.

It was in 1933.

There has been much said about the new indebtedness created by the National Government to carry out its program. It is true that large sums have been expended, but the amounts are small compared to the total national assets, and if the Nation could be saved only through the plans that have been followed, many persons well informed would say that the price of salvation has been cheap. The result of the spending, however, has been an asset, taken as a whole, rather than a liability. The increase in the value of property attributable directly to the program of the Federal Government in the last 3 years has been many times the amount of money which has been expended. The increase in the value of securities listed on Wall Street—and these securities are held by the people throughout the Nation—have increased in value by \$30,000,000,000. held by the people throughout the Nation—have increased in value by \$30,000,000,000. Real-estate values have increased many billions. The value of coal mines and their output has increased enormously. The value of coal produced in Kentucky has increased from \$40,000,000 in 1932 to \$65,000,000 in 1935 and wages of coal miners have almost doubled. I think it might be well to refer to some of the large industrial concerns and make a comparison of their income in 1933 with their income in 1935. It seems to be big business that is complaining about the manner of operating the Federal Government. It is well, therefore, to call the attention of big business to the truth, which everyone should know, and that is that not only have they been protected but they have been placed in a position to convert deficits into large incomes. In 1933 the United States Steel Corporation had a deficit of \$36,501,123. In 1935 it had a net income of \$1,084,917, a gain of more than \$37,000,000 over 1933. In 1933 Bethlehem Steel had a deficit of \$8,735,723, while in 1935 it had a net income of \$4,291,253, a gain of more than \$13,000,000. In 1933 National Steel had a net income of \$2,812,407, while in 1935 it had a net income of \$11,-136,451, a gain of more than \$8,000,000. In 1933 the American Rolling Mill Co. had a deficit of \$673,109, while in 1935 it had a net income of \$4,150,000, a gain of more than \$4,700,000.

Rolling Mill Co. had a deficit of \$673,109, while in 1935 it had a net income of \$4,150,000, a gain of more than \$4,700,000.

In 1933 the American Can Co. had a net income of \$15,357,948, while in 1935 it had a net income of \$17,730,319. a gain of \$2,250,000. In 1933 Westinghouse Electric Co. had a deficit of \$8,716,111, while in 1935 it had a net income of \$12,000,000. In 1933 General Motors Corporation had a net income of \$1.73 per share, while in 1935 it had a net income of \$3.69 per share, a gain of more than \$84,000,000. In 1933 the Commonwealth & Southern Co. had a net income of \$8,496,822, while in 1935 it had a net income of \$9,406,798, a gain of \$1,000,000. In 1933 the International Nickle Co. had a net income of 53 cents per share, while in 1935 it had a net income of \$1.04 per share, a gain of more than \$15,000,000. In 1933 the R. J. Reynolds Tobacco Co. had a net income of \$1.39 per share, a gain of more than \$15,000,000. In 1933 the R. J. Reynolds Tobacco Co. had a net income of \$2.39 per share, a gain of nearly \$7,500,000. In 1933 the Libby, Owens & Ford Glass Co. had a net income of \$1.65 per share, while in 1935 it had a net income of \$1.65 per share, while in 1935 it had a net income of \$2.93 per share, while in 1935 it had a net income of \$6.34 per share, a gain of more than \$37,000,000. In 1933 the Commercial Investment Trust had a net income of \$6.35 per share, a gain of more than \$37,000,000. In 1933 the Commercial Investment Trust had a net income of \$6.55 per share, a gain of more than \$2.900,000. In 1933 Decre & Co. had a deficit of \$4,335,308, while in 1935 it had a net income of \$6.07 per share, a gain of more than \$2,000,000. The figures that I have just given indicate how the policies of the present administration have affected big business.

Let us consider for a moment whether the money which has tration have affected big business.

Let us consider for a moment whether the money which has been expended in Kentucky represents money that must be repaid by taxation. Forty-three million three hundred and fifty-four thousand four hundred and eighty-three dollars was loaned by the Farm Credit Administration to farmers and is secured by a first mortgage on farms. Twenty-five million one hundred and sixty-one thousand five hundred and eighty-eight dollars was loaned by the Home Owners' Loan Corporation and is secured by a first mortgage on homes. Four million five hundred and eighty-six thousand eight hundred and seventy-one dollars was expended through the Federal Housing Administration, and the notes insured by the Federal Government, but they are all secured in a way satisfactory to the banks that advanced the money. The \$37,-770,790.38 loaned by the Reconstruction Finance Corporation was all secured and \$18,845,349.89 has already been repaid. The \$20,-670,971.77, representing rental and benefit payments made by the Agricultural Adjustment Administration to farmers, was collected under the provisions of that act, but the decisions of the Supreme Court nullifying that act will perhaps require a refund of this sum that will have to be repaid out of the general funds of the Federal Government. Much of the \$30,049,534 allocated to Kentucky by the P. W. A. was for self-liquidating projects and for the erection of necessary buildings. An analysis of the other expenditures will show that \$9,953,210 was expended by the Civil Works Administration as work relief. It may be admitted that this expenditure did not add value equal to the expenditure, but much of it was expended for permanent benefits to the public. The \$23,321,-964.60 expended on the Civilian Conservation Corps camps has resulted in increasing values to the amount of the expenditure or even more. The \$36,385,956 expended for relief in Kentucky by the Federal Government will be paid through taxation. Perhaps one-fifth of the total expenditure in Kentucky, all for relief, represents the total Let us consider for a moment whether the money which has been expended in Kentucky represents money that must be repaid sents the total burden that will have to be borne by the taxpayers of the Nation, and the balance will largely be paid by those who secured the money.

I did not come here today to deal in generalities or to entertain you with wild fancies or to spread propaganda. I have given you facts obtained from the records, as it is only through understanding facts that the truth may be known.

THE GOLDEN RULE WAY TO UNEMPLOYMENT RELIEF

Mr. DAVIS. Mr. President, I ask unanimous consent to have printed in the RECORD an exceedingly interesting article by Mr. George A. Hormel, chairman of the board of George A. Hormel & Co., of Beverly Hills, Calif. The article is entitled "The Golden Rule Way to Unemployment Relief."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GOLDEN RULE WAY TO UNEMPLOYMENT RELIEF

We enjoy in America today benefits which are unparalleled in any other section of the world. During the last three decades we have made strides in science, medicine, transportation, and in many other fields which have opened for the American people opportunities for self-expression, advancement, and happiness beyond any dreams of the last century. We are reputed to be in possession of nearly one-half the wealth of the world. We have what appears on the surface to be everything necessary to make our people content, happy, self-respecting, and creative.

However, although the ideal may be a state of happiness among our people, the facts are no longer consistent with that ideal. A nation cannot be happy when ten or more millions of

its wage earners are out of employment and have no immediate hope of being placed back in their jobs. This amazing unemployment load has brought perplexities and hardships to 30,000,000 of our people. It is most certainly inconsistent with the ideals of government as expressed by our forefathers, and reiterated by

of government as expressed by our forefathers, and reiterated by our present-day patriots.

The causes of this unhappy condition do not rest in our philosophy of government; wholesale unemployment is the direct opposite to its ideals. Nor can these causes be considered a part of the physical structure of our Nation; there is enough wealth in America, if properly administered, to make this condition impossible. Must we not recognize that the responsibility for finding the ultimate solution of the unemployment problem which has threatened the very security of the Nation, rests upon employers in the field of business and industry? A frank discussion of the fundamentals involved will, it is hoped, throw some light on this problem. this problem.

The arguments which follow and the conclusions which have been reached are based on a knowledge of conditions in the business world gained through many years of experience in a company which today employs approximately 4,000 men and women. The simple and direct steps herein indicated, to lift us out of the depression into prosperity, are not new and untried. They are merely the present application of methods used so successfully in the present.

the past.

THE ECONOMIC SITUATION SEEN IN PERSPECTIVE

We can better understand our present plight and ferret out its causes through a brief summary of recent trends.

Looking over the sociological movements of the past 30 years, we become aware of important major factors. Until the amazing industrial advances made in America during the late decades of the last century, most of the simple commodities which were available were made by hand. A wage of \$1 to \$1.25 for a 12- or 14-hour day purchased all that the world then afforded for the family of a workingman. family of a workingman.

Then came the great industrial development with new machines speeding up mass production. The results of education and the development of inventive genius were being felt in American business and industry.

A wave of prosperity set in with feverish activity. When the war broke out this prosperity was definitely assured. It was then that a miracle took place which changed the whole basis of American life. After our own country entered the war, the Army took large numbers of the best of our young men. This created a shortage of labor, and the wage rate was correspondingly increased. Everyone was busy throughout the war period, and wages were the highest they had ever been in the history of the world. What followed the close of the war should be a guide to industry in the future. We shortened the hours and maintained the pay, and that was the greatest contribution to our period of prosperity.

perity.

At the end of the war the demand on American industry for war supplies was cut off, and the time for an economic readjust-

At the end of the war the demand on American industry for war supplies was cut off, and the time for an economic readjustment had arrived. This was one of the most serious problems we ever faced, but a depression was prevented at that time by supplying a need. The need was employment for the men returning from overseas, and we supplied that need by reducing hours of labor and substantially maintaining the pay.

At that time the railroads were operated by the Government and an 8-hour day, without reduction in wages, was established. But industry was reluctant to follow, claiming, as some claim today, that the increased cost of living would reduce buying and retard industry, thus throwing labor out of work.

However, President Harding conferred with the leading businessmen of the Nation, urging the adoption of the shorter-hour day without reducing pay. After several sessions with the heads of the steel industry, the 10- and 12-hour day was reduced to an 8-hour day, and it was only a short time until 8 hours became the working schedule for nearly all lines of business throughout the Nation. It is stated that the late Judge Gary, then at the head of United States Steel, was strong in his contention that it was the best thing that ever happened for business.

The following years drew millions of people from the farm into

was the best thing that ever happened for business.

The following years drew millions of people from the farm into town and city industries, and the ex-farmer became an industrial consumer. Increased efficiency in farming gave an increased supply of agricultural products, notwithstanding the decreased number of farmers. However, in the later twenties the Nation began to feel the effect of the many new labor-saving and automatic machines in industry. Usually when such a machine was invented one man operating it would do the work of 10 or 20, but industry failed to divide the work among all the willing workers. Therefore they must either remain idle or go back to the farm to crowd the ranks of agriculture.

Newer industries failed to spring up as fast as labor-saving machines were installed. The more we sent men back to the farm the more volume of farm products increased, until in 1929 and 1930 our elevators and warehouses were bulging with a surplus of foodstuffs. The law of supply and demand lowered market prices of farm products to a level which was under their cost of

of farm products to a level which was three theorems of farm production.

The year 1929 brought our greatest crisis and found our people drunk with speculation. Then came the stock-market crash. This was a tremendous shock to buying power. Many had been living by their wits. They had no special jobs. But when the crash came it precipitated this class down to earth. They mortgaged their homes, their cars, borrowed where they could, lost it all,

and were in debt. Business was at a standstill. Manufactured goods began to accumulate. Business America became panicky. We cut and slashed prices to make sales. Later we cut and slashed wages to reduce cost, and by so doing further curtailed buying power, and at this point we utterly destroyed the most perfect economic situation this country had ever enjoyed.

In other words, the reduced pay sapped the lifeblood from our business system, and within 6 months we were in the depths of

depression. Withdraw one-third of the blood from the human system and we have a sick patient with many aliments. Likewise, if we reduce the pay check by one-third, we withdraw one-third of the money in actual circulation, and we have an anemic nation, with grave disorders in many of its economic departments.

Is it not reasonable, therefore, to conclude that a transfusion of money throughout the arteries of our national trade will revive our sick Nation and restore business to normal health?

Here, then, we find the solution to our problem, through shortening the hours of labor and increasing the pay check of those now at work. The increased buying power thus established will put into circulation billions of dollars, which will revitalize our national life.

This process is as natural as any law of nature. It is the inevitable result of a theory which has long since proved sound. The idea of shorter hours and more pay is not new. We are not required to experiment. We applied this very remedy to a sick nation after the war. It resulted in prosperity. Is there any reason why the same treatment will not be just as effective

Let us see how this remedy will work. A 36-hour week with time and a half for overtime for all employees between the ages of 18 and 60, a \$4-per-day minimum basic wage for figuring hourly rates for common labor, with skilled workmen higher in propor-tion, would mean an increase of \$8 per week over the N. R. A.

of \$16 per week. There are approximately 35,000,000 wage earners on our pay rolls. If each pay check is increased \$8 per week, it would mean \$280,000,000 added money circulating through all avenues of trade

each week.

each week.

For every added dollar that is spent, some one must work to make that which the extra dollar buys.

It is claimed that the extra spending of \$280,000,000 weekly will create enough jobs to put 10,000,000 of the unemployed back to work within 6 months. The combined new buying power (\$240,000,000 per week) of the newly employed, and the increase of \$280,000,000 of those at work, will place more than \$500,000,000 of new money into circulation every week.

Is it not reasonable to conclude that the addition of \$2,000,000,000,000 a month to our buying power and the 36-hour workweek will

000 a month to our buying power and the 36-hour workweek will result in giving every willing worker a job and will restore prosperity to every line of industry and business?

THE VERY BEST BUSINESS INSURANCE IS EMPLOYMENT ASSURANCE

The proposed plan will work for the mutual advantage of employer and employee. It is a natural solution of the problem written in the laws of the economic order rather than a temporary or artificial remedy.

Let every industrial leader ask himself the question: Is it more

Let every industrial leader ask himself the question: Is it more hazardous to add a trifle to the selling price of his product in order to insure an increased pay check, and pass it on to the consumer, than to pay the tremendous Federal, State, and municipal taxes which are unavoidable, and will continue to be so as long as we permit millions to remain jobless? Is it as costly and ruinous as the income and inheritance tax? Can we reasonably expect anything but destructive taxation if economic disorders are not corrected by our business leaders themselves?

We have reached the crisis. Something must be done. The longer we defer shortening hours and raising pay, the more we are encouraging communism and socialism. Our rapidly mounting taxes will eventually ruin us.

Furthermore, \$500,000,000 added to our weekly circulation will relieve the distress of the American farmer, since it will create enough new business to attract the ex-farmer back to the cities and towns where he will become an urban consumer. This increased buying power and the removal of the ex-farmer from the field of production will enable the legitimate farmer to operate at a profit once more.

THE PRACTICABILITY OF THE PLAN

It does not require a stroke of magic to increase the pay check in all lines of activity as some would have us believe. In the company in which the writer is interested, for example, the statistical report for the year ending October 26, 1935, shows an average of 2,925 people employed at the main plant in Austin, Minn. The total tonnage of packing-house products sold during the year was 336,259,660 pounds. According to these figures it would require adding to the price of the product sold three-tenths of a cent per pound in order to increase each pay check \$8 per week over the N. R. A. basis of \$16.

One of the leading milling companies in America advised that it would require adding 6 cents to the cost of a barrel of flour to would require adding 6 cents to the cost of a barrel of flour to increase each pay check on their pay roll \$8 per week. A report from one of our leading chain bakeries advises that it would add approximately three-fourths of a cent to the cost of a loaf of bread to do likewise for their employees. Would the aggregate increase in price make it a hardship for the wage earner if he received an extra \$8 per week?

Like a thunderclap out of a clear sky our Government demanded of the meat packer a processing tax of \$2.25 per hundred on all

hogs slaughtered, or about \$5 per hog. For the year ending October 26, 1935, this tax amounted to \$4,325,017.39 for our company at Austin, while our entire plant pay roll totalled \$3,730,407.07 for the same period. In other words, the processing tax for the year amounted to \$594,610.32 more than was paid in wages.

The Government at the same time demanded of the miller a processing tax of \$1.38 per barrel of flour. This enormous tax of the packer and the miller was added to the cost of what they produced and it created no noticeable administrative problem. It

produced and it created no noticeable administrative problem. It required a simple routine of business—a matter of bookkeeping. Like any other item, it was added to the cost of production and

Like any other item, it was added to the cost of production and passed on to the consumer.

Can it be consistently argued that the miller can absorb a Government processing tax of \$1.38 per barrel but cannot add 6 cents a barrel for the purpose of increasing the pay check? Is it fair reasoning to say the packer can pay a Government tax of \$5 per hog but cannot add a fraction of a cent per pound to the cost of his product to increase the pay check?

The packing business and the milling business are fundamentally the same as any other line of business and will be equally affected by an increased pay check. Since the educated brain from our high schools and universities has entered your business and my business, it has developed efficiency methods and labor-saving machinery which has multiplied the production per man so enormously that a triffe added to that which is produced will make possible the increased pay check and the 36-hour week.

Would it not be more reasonable to give money directly to the employee than to have it collected by governmental agencies and redistributed with a high and necessary wastage? Diversified dis-

redistributed with a high and necessary wastage? Diversified distribution of wealth through industry would be much more economical and satisfactory than centralized control.

APPLICATION OF THE PRINCIPLE OF GIVE AND TAKE

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The Golden Rule will work in business. It is the solution of our unemployment problem. The fundamental law of human life is service, cooperation. All progress of our race must be measured in terms of this law. America has excelled all other nations because it has recognized and put into practice this principle to a higher degree than any other country. The employer, in helping the worker and the unemployed, will inevitably help himself.

The W. K. Kellogg Co., of Battle Creek, Mich., has been operating on a 36-hour week and \$4.50 per day minimum-wage basis, plus a bonus system, for nearly 5 years, and openly declared through the columns of the press that it is the only solution to the problem of unemployment relief and business recovery.

It is understood that the Ford Motor Co. is operating on a \$6

problem of unemployment relief and business recovery.

It is understood that the Ford Motor Co. is operating on a \$6 minimum wage per day and a shorter hour week. Should we not be encouraged to do likewise when companies of this character have set the example? If all employers in industrial, commercial, financial, and professional lines would unite in carrying out this policy, there would be no depression.

Obviously, public opinion among employers must be strong enough to insist on a universal adoption of these higher standards to avoid malpractices. Why should workmen in one line of business be required to work longer hours than workmen in other lines? Why should we let unscrupulous employers who chisel for longer hours and lower pay disrupt a uniform basic policy? Why not discourage the demand for Government regimentation and regulation of business by a voluntary uniform basic work day and wage scale? and wage scale?

A VOLUNTARY RATHER THAN A LEGISLATIVE SOLUTION

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The business flurry we are having now is not enduring, when more than 10,000,000 remains unemployed. This activity is artificial. Government spending is like a hypodermic; when the administration of Government funds ceases, we will again have increased unemployment and business depression.

We reached the lowest depth of our depression within 6 months after we cut and slashed the pay in 1932.

Cut the pay check now \$8 a week under the N. R. A. basis of \$16 per week, and within 6 months half of our present industries will, for lack of buying, close up shop.

Increase the pay check \$8 a week over the N. R. A. basis of \$16 per week and within 6 months, with a 36-hour week, every willing worker will have a job, and we will have renewed business activity in every line.

in every line

True, industry can take care of only part of the unemployed, but industry can take the initiative in adopting a 36-hour week now, the same as it did following the war when the working schedule was reduced from a 10- and 12-hour day to an 8-hour day. It set the example, and employers of labor throughout the Nation followed. It required no law to establish the 8-hour day. It will require no law to establish a 36-hour week.

By what method can we achieve the shorter hour day and higher

By what method can we achieve the shorter hour day and higher pay? It is suggested that every local chamber of commerce throughout the country cooperate with the Chamber of Commerce of the United States and the National Association of Manufacturers of the United States, and sign up employers in establishing a readjustment of hours and wages, to become effective on a certain date. No employer will suffer because the relative level of competitive cost for each group will advance by the same amount for all. If industry and commerce take the lead, employers in miscellaneous lines will be obliged to follow.

Whatever plan is adopted, action must not be delayed. It should make no difference what administration is in power. Our problem is one for American business to solve and must not be left for

either put the jobless to work with higher pay and stop the need of huge Government spending for relief purposes, or submit to continued increases in taxes each year which are bound to ruin us. Would not the universal adoption of the Golden Rule plan help to end our depression and reestablish prosperity? Our people would be lifted once more to a plane of selfrespecting citizenship through honest employment, so that it will again be true in fact that this is a nation "of the people, by the people, and for the people." people."

TAXES FOR EXTRAVAGANCE-ADDRESS BY SENATOR BARBOUR

Mr. AUSTIN. Mr. President, I ask unanimous consent to have inserted in the RECORD a speech delivered over the National Broadcasting System last night by the senior Senator from New Jersey [Mr. BARBOUR] on the subject Taxes for Extravagance.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Once again the tax collector comes knocking at the doors of the American people. This time he has in his hand an entirely new weapon which on first glance seems only to strike a small group of our citizens. Actually, it will hit everyone of us. It en-dangers those who have jobs, those who seek better ones, and those who want to find jobs.

Perhaps the tax man has never climbed your particular front steps. It may be that because you are exempted from income tax by reason of a family or dependents you believe that you will not feel the blows contained in these new tax laws. It may be that

feel the blows contained in these new tax laws. It may be that because you are not now employed you feel that a new tax bill does not concern you.

The new tax bill, now being considered in Congress by request of the present administration, directly concerns corporations and stockholders. For that reason you may be inclined to pass it by with only a glance. If you will do me the kindness of listening for just a few minutes I believe I can show you that you are affected by the new bill, no matter what may be your income or whether you have any income at all.

affected by the new bill, no matter what may be your income or whether you have any income at all.

Taken by itself, the new tax bill is a strange animal which, once unleashed, would gobble up the little businesses that are the backbone of this country. On its heels, however, comes a message from the President suggesting that business begin to employ more men. This is only the latest attempt of the New Deal to exploit the unfortunate by subterfuge.

Probably you already know that every man, woman, and child in this country pays taxes. The little child with a nickel to spend for an ice cream cone unwittingly sends part of the nickel to the United States Treasury. The white-haired grandmother who buys a shawl to throw around her shoulders likewise enriches the Treasury in Washington to the extent of part of the purchase price.

United States Treasury. The white-haired grandmother who buys a shawl to throw around her shoulders likewise enriches the Treasury in Washington to the extent of part of the purchase price.

Of course, we have always had to pay taxes to the Government so that it could continue its functions. In recent years, however, our taxes have piled up higher and higher. Now comes an entirely new proposal to add to the top of that pile so that the American people are asked to pay more taxes than ever before in their history.

Why are more taxes necessary at this time when all of us have diminished incomes? We can hardly complain when we are asked to pay taxes to the Federal Government to maintain our courts, our Department of Justice, our Agricultural Bureaus, our Weather Bureaus, our Lighthouse and Lifesaving Services, our Military and Naval Establishments, and all the other ordinary activities of government that make for the safety, health, and well-being of our citizens. For such ordinary activities, however, we need no new taxes. Were these activities alone drawing on the Federal Treasury, our taxes would be but a fraction of what they are now, and the child would be getting a bigger scoop of ice cream for a nickel, and the grandmother would be paying less for her shawl.

It is the out of the ordinary activities that the present administration has added to the Government which make additional taxes necessary. You are now being asked to begin to pay for the helter-skelter collection of New Deal bureaus and alphabetical agencies that have been run on borrowed money.

For 3 years the New Deal has tumbled billions of dollars into a bottomless well. It has spent money that it did not possess, mortgaging the country in the sublime confidence that "everything will come out all right." With hardly a crumb to offer as evidence of all that has been squandered, the bill is now presented to you for payment.

Remember that the income tax is still in force and will continue

to you for payment

Remember that the income tax is still in force and will continue to be. The new tax proposal is in addition, and has for its avowed purpose the taxing of the "rainy day" savings of corporations and dividends paid to stockholders.

Perhaps you are saying, "How does that affect me? I am not a corporation and I own no shares of stock."

The answer is this: If you or the breadwinner in your family works for a corporation—and most businesses are corporation—your future employment is in danger, because without these "rainy day" savings the corporation cannot employ you when earnings fall off.

If you are now unemployed, your chances of getting work are going to be poorer, for without such "rainy day" savings a corporation cannot expand and so employ more workers.

If you own shares of stock, of course, you are directly and immediately affected, as you are if your income comes from a trust fund or insurance policy, both of which depend for a portion of their earnings upon corporation dividends.

corporation is a person, even though an artificial one. run by human beings, it employs human beings, it conducts its business just like the country storekeeper or the barber or the plumber. It has its good years and its bad, and it tries—if it is honestly and ably run—to save out of its current earnings a reserve to tide it over in evil times so that it may continue to

reserve to tide it over in evil times so that it may continue to employ its workers, produce its goods, and pay interest to those who have invested their savings in it.

The administration tax bill proposes to tax the reserves of a corporation thus putting a penalty upon its attempts to save for a "rainy day." If the corporation gets rid of its reserves by paying them out in dividends to stockholders, the Government taxes the employees as well as the stockholders.

During the depression many of our factories and businesses—most of them corporations, of course—would have been unable to employ any workers at all had their reserves been destroyed by such a tax as is now proposed.

most of them corporations, of course—would have been unable to employ any workers at all had their reserves been destroyed by such a tax as is now proposed.

The great bulk of American business is done by small corporations which must plow back their earnings into wages and equipment if they are to expand and prosper and so create more employment. The large corporations in this country already have extensive plants and equipment, and most of them are probably not considering expansion. It is the small business which this proposed tax bill would cripple and through it any hope of increasing employment in America. I bluntly and confidently declare that the New Deal's tax bill will stifle small businesses, keep them small, and thus protect and enrich the bigger monopolies.

Remembering that the effects of this measure would be to restrain businesses from expansion, I am trying in vain to reconcile the tax proposal with the latest message from the White House urging American business to offer more jobs to the unemployed. I should like to see greater employment, of course, but we shall never have it by crippling business, which is the most abundant of all sources of jobs.

That the New Deal sorely needs money to pay for past extravagances no one denies. That a tax bill of some kind may be necessary is a matter we must face, without delay. We cannot help but remember the old maxim that "nothing is certain but death and taxes."

but remember the old maxim that "nothing is certain but death and taxes."

However, I very much regret that when the administration sent to Congress this present tax proposal it did not also send along a little note saying that it had learned a lesson in thrift and would hereafter mend its extravagant ways.

What is the use of passing a tax bill designed to draw from the pockets of the American people all these millions when we are not told to what uses all that money will be put? Before we send the tax collector out after the American people armed with a larger net than ever before, let us have some assurance from the New Dealers that this money is not going for new extravagances nor even for a continuation of the old ones. Let us hear the cheering news that the Government octopus is going to divest itself of some of its costly and useless tentacles. Let us hear that it will cut down its bulging pay rolls. Let us hear that it will pass no more fortunes out to people for making things that nobody wants, for tearing things down, for doing nothing at all.

There was a time when Congress itself determined how much money would be spent by the Government and for what purposes. It was the New Deal that inaugurated the system of sending down a blank check which Congress was asked to sign and return. It was the New Deal which began the expending of huge sums for projects never divulged to Congress nor to the people of the country. The friends of the administration in Congress actually turned over many of their legislative powers to the New Dealers who used them to promote projects that would be merely funny if they were not so costly.

Those men whom all of you have seen dotting our city streets and countryside, leaning on shovels or pickaxes and giving the

Those men whom all of you have seen dotting our city streets and countryside, leaning on shovels or pickaxes and giving the appearance of being almost ready to go to work, are a result of this New Deal innovation. Those men are not to be blamed. Most of them, I believe, would welcome a job where they would really be doing something useful in return for their pay. But they were assigned to projects so utterly trivial and useless under bosses so incompetent and dawdling that it is no wonder that they have little or nothing to show for a day's work.

It is this useless waste of money that I would like to see curbed before any such tax bill as is now proposed becomes law. I want to see Congress take back the powers and responsibilities it voted away. I want to see Congress decide where and how money shall be spent. I do not wish to take jobs away from men and women. I wish rather to see them engaged in something worth-while, but until we in Congress can again determine how public moneys shall be spent, that will never be.

I shall continue to oppose such tax measures as the one now proposed until I have the assurance that governmental extravagance is over and that Congress has taken back its traditional and constitutional right and duty of standing guard over the Treasury of the United States. Those men whom all of you have seen dotting our city streets

Treasury of the United States.

ADDRESS BY SECRETARY ICKES BEFORE COMMUNITY FORUM, PITTSBURGH

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting and informative address delivered by Hon. Harold L. Ickes, Secretary of the Interior and Administrator of Public Works, before the Community Forum, Pittsburgh, Pa., on the evening of Monday, April 6, 1936.

printed in the RECORD, as follows:

country than such a gathering as this. You have come together to discuss politics. This is as it should be and yet it is a far cry from the time, not so very long ago, when citizens generally considered politics to be beneath them; as something to be endured but not encouraged; a subject not fit for discussion in the presence of the immature. Those were the days when we brought up our children in the belief that storks were the common carriers who delivered habies with a conditional attached to the customers. up our children in the belief that storks were the common carriers who delivered babies with a c. o. d. tag attached to the customers who had placed orders for them. Public meetings, except religious services, were for the purpose of "acquiring culture", or "improving the mind" and not by the widest possible stretch could it even be imagined that there could be either pleasure or profit, let alone a healthy stimulation of the mental processes, in listening to or participating in a discussion of politics.

Citizens throughout the length and breadth of the land, whether they be rich or poor, native or foreign born: employers

Citizens throughout the length and breadth of the land, whether they be rich or poor, native or foreign born; employers or employees, industrial workers or farmers; whether they boast Phi Beta Kappa keys and doctors' degrees, or are barely literate, are today interesting themselves in politics as they have not done for many years. Since governments are begotten of politics; since mayors, governors, legislators, Supreme Court Justlees, and Presidents are all more or less perfect flowers of politics; and since our economic well-being and our social order depend upon politics, we have all come to realize the importance of politics in even the most intimate details of our daily life. So groups of men and women, concerned about the future of their country, since with that future the well-being and happiness of themselves and their children are inextricably bound up, are not only willing, they are eager to seek information that may help them to perform as intelligently as possible their full duty as those citizens upon whom, in the final analysis, rests the responsibility, not only for what America is but what America is to be.

No speaker can promise his audience transcendent wisdom on

whom, in the final analysis, rests the responsibility, not only for what America is but what America is to be.

No speaker can promise his audience transcendent wisdom on any subject. In these days of great metropolitan newspapers, of magazines with national circulations, and radio programs devoted to public affairs, all anyone can hope to do is to add something to the store of current knowledge. As a member of the national administration, my sympathy with its point of view and policies must, of course, be taken for granted. As you listen you must decide for yourselves how greatly you should discount what may be said on account of the loyalty that is frankly avowed. There can be no assurance that every statement made will be uncolored by personal beliefs that are held or by the political allegiance that has been voluntarily and gladly assumed. It is only fair to warn you in advance that your guest is a man of strong convictions who lays no claim to being a disembodied spirit functioning in the sterilized tube of an immaculate laboratory. He does not pretend that he can look at a pressing political or social issue with complete detachment. All that he can and does claim for himself is that he will say nothing to you that he does not believe. He will in all matters try to be straightforward, leaving it to you, on the basis of your own prejudices and of whatever facts you may have, to agree with him, either in whole or in part, or to disagree with him with your whole heart.

Another thing may be said, and that is that I have never approached a political question in the spirit of a partisan. I have never believed that all the political wisdom, all the public zeal, all the disinterestedness, and all the patriotism lay in any political party. It may be charged that my political principles are colored by my prejudices, but it is honestly my belief that I cannot justly be accused of partisanship in the sense that my convictions have ever been surrendered into the keeping of any political party.

A son of your own great

A son of your own great State, I can point to an ancestry in this country in both lines back to pre-Revolutionary War days. And there is not a drop of American blood in my veins that is not true Pennsylvania blood. In the oldest line that I have been able to trace I represent the tenth generation in this State, and I was the first one in my direct line to leave Pennsylvania. Politically, as first one in my direct line to leave Pennsylvania. Politically, as might be expected, I was brought up in the Republican tradition. My mother, who was of full Scotch descent, clung to her politics almost as tenaciously as she held onto her hereditary Presbyterianism. In my direct line on both sides, from the time that the Republican Party was founded, there was never a break in allegiance to that party until I discovered, to my great surprise, that there were occasions when candidates on the Republican ticket was leaved between leave described the many terms leave on other ticket. there were occasions when candidates on the Republican ticket were less desirable than were their opponents on other tickets. I remember as a young boy that there was a black sheep in the fold. A cousin of my father's avowed himself to be a Democrat. Even his consanguinity did not save him from the contempt that, in our belief, he so richly merited. So far as we were concerned, he was outside the pale, a skeleton in the family closet, one to be pitied because of his political aberration.

With such a relitical background and with guah convictions it

With such a political background and with such convictions, it With such a political background and with such convictions, it was only to be expected that when the campaign of 1932 came around I should support that candidate for President whose character, record, and public accomplishments seemed to promise most for the well-being of the people as a whole. I had closely followed the record that had been made by President Hoover. I had seen him go into office in 1929 generally acclaimed as the best-equipped man who had ever occupied the White House. America was already entering the last phase of the greatest era of prosperity that we had ever known. People were not much concerned about politics in those days. Economically, the country seemed to be solidly set on

There being no objection, the address was ordered to be rinted in the Record, as follows:

There could not be a more hopeful portent for the future of our buntry than such a gathering as this. You have come together of discuss politics. This is as it should be and yet it is a far by from the time, not so very long ago, when citizens generally

How like a mighty and beneficent demigod Herbert Hoover ap-peared in those days. But when the acid test came we discovered to our consternation not only that we had been looking at him through the little end of a very large telescope, but that the big end was placed so close to him that he was magnified out of

to our consternation not only that we had been looking at him through the little end of a very large telescope, but that the big end was placed so close to him that he was magnified out of human seeming. Mr. Herbert Hoover had been able to lead when no leadership was necessary, when we were being rushed onward in the swirl of a highly stimulated but false enthusiasm, which had been engendered and kept going with shots in the arm under his own and preceding administrations.

The popular hero, the great engineer, the best equipped President that the country had ever seen became a figure to be pitted after the crash of 1929. Where was his capacity for leadership then? What quality did he have to stand at the helm with clear eye and steady hand and bring the ship of state once more safely into harbor? What reserve of morale did he have to share with stricken men and women, who, bereft of their savings as well as of their jobs, had little hope for the future? Unable to stimulate convincingly a courage that he did not possess, incapable of supplying the leadership that the people so desperately needed, Mr. Hoover's statesmanship could rise no higher than a declaration of a moratorium on his pet forecasts of "a chicken in every por" and "two cars in every garage." As a substitute, he undertook to whistle down the chilling winds that meant cold and hunger to despairing millions, by uttering in a doleful voice the prophecy that "prosperity is just around the corner."

In order, so far as possible, to evade personal responsibility in case prosperity should forget the corner around which it was hiding, Mr. Hoover frantically began to organize committees; to call conferences; to request employers to share the work; to suggest studies of this or that or the other problem; to lecture local communities on their duty to support their citizens who might need help even although those cities had reached the end of their resources; to utter platitudes about the initiative, the enterprise, and the inherent pride of American citizen

A do-nothing, but, on the surface, a highly successful administration prior to the crash of 1929, continued, after that catastrophe, to be a do-nothing but an admitted failure as an administration. In making this indictment I do not overlook the fact that under President Hoover rich treasure was siphoned the fact that under President Hoover rich treasure was siphoned out of the vaults of the United States into the banks and the great corporations of the country. Surely none of you have forgotten the eighty-odd millions generously poured into the lap of Mr. Charles G. Dawes, of Chicago, in order to ball out his bank just after Mr. Dawes had resigned as President of the Reconstruction Finance Corporation.

Mr. Hoover, while sternly denying Federal relief to starving men and women because he did not want to usurp the functions that local governments could no longer perform, or on the ground that he did not wish to weaken the moral fiber of American citizens who, notwithstanding that fiber, were nevertheless hungry and

who, notwithstanding that fiber, were nevertheless hungry and cold, did not hesitate to weaken the moral fiber of banks and insurance companies and manufacturing and industrial enterprises by generously handing over to them millions of dollars that you and I have had to pay in taxes, and the repayment of which by

and I have had to pay in taxes, and the repayment of which by some of the beneficiaries is being resisted in the courts on the ground that in lending that money the Government exceeded its constitutional powers. Mr. Hoover made his choice in those days of catastrophe. He elected to help the bankers and the investing classes. They must have their property though the people starved. When I was in Pittsburgh in October of 1934 I discussed the profound changes that were taking place in this country. I traced the story of the disappearing frontier, the dawn of the machine age with its subsequent industrial expansion, the era of immense fortunes and of political rule by the sheer power of big business. And then, as I recall, I said that it was with a feeling of regret that was akin to shame that truth forced me to assert that this State of my birth stood out among her sister Commonwealths as that was akin to shame that truth forced me to assert that this State of my birth stood out among her sister Commonwealths as furnishing an unwholesome example of a heedlessly exploiting minority battening upon the miseries and profiting from the oppressions of a great but helpless people. As I warmed to my subject I called a spade a spade—I even mentioned names—names which at one time were of great importance in Pennsylvania, names with which all of you are familiar.

I singled out Mr. Andrew W. Mellon, of your own city, once upon a time acclaimed as "the greatest Secretary of the Treasury since Alexander Hamilton" whose most recent contribution to the cause of good government was to give \$1,000 to a lobby organization in Washington to help to make the country "tax conscious." I mentioned also his fleet-footed messenger, the lugubrious David A.

Reed, whose senatorial tenure was brought to an abrupt end by the voters of this State in 1934. Nor did I overlook that self-appointed defender of the constitutional rights of a liberty-loving people, that self-admittedly great and profound constitutional lawyer, Mr. James M. Beck, whose views on the constitutionality of the Tennessee Valley Authority Act were not shared by the United States Supreme Court. I have not noted whether Mr. has exercised his judicial prerogative to dissent from the decision in that case.

These men and others of their ilk comprise a school of turtlelike statesmen who hastily withdraw their heads into their shells whenever anything new comes within the range of their limited vision. To them the status quo ante is the utopia of the future. The administration of Herbert Hoover represented to them the ne plus ultra in government. And now that the Nation is emerging hopefully from the economic pit in which they left it in 1933, they deliberately blind themselves to the facts of actual recovery that are recognized by every honest-minded man and woman. They scream aloud their imprecations against the policies of the New Deal. Taking their cue from Mr. Hoover they go about the country spreading the same old gospel of fear; moaning the country spreading the s familiar dirge of despair.

Parrotlike, they nervously bustle about muttering "balance the Budget, balance the Budget", and this comprises the breadth, depth, and height of their economic, social, and political program. Incapable of offering anything themselves, they refuse to believe that another can serve the people. In order to make the country forget their own dismal record of fallure, they insist that whatever this administration has done has been wrong; that anything that it might, could, should, or would do, would equally be wrong. Lacking initiative, devoid of vision, they dread the uncertainties of a political future that must be courageously and intelligently faced if we are not to be overwhelmed by it. They are not even standpatters. They would turn tail and incontinently retrace standpatters. They would turn tall and incontinently retrace their steps to the Hoover millenium.

The perfect flower of their statesmanship is the proposal that

we discard the New Deal and reclaim the old deal from the junk we discard the New Deal and rectain the old deal from the junk shop. This is the issue with which we citizens of America are now face to face. This is the suggestion that is before us for consideration, and which I wish to discuss with you tonight. In order to come to grips with this issue, it will first be necessary to define the term "New Deal." As to the "old deal", we know from bitter experience what that is.

To me, the New Deal means the greatest good for the greatest number of the people. And if this is what the New Deal is, then it is not really new because always it has been the aspiration of every enlightened government to achieve the greatest good for the greatest number of its people. That is what governments are for. I do not believe that there has ever been a political campaign since America became a free Nation in which what we today call the New Deal was not advocated by candidates for office from that of the Presidency down. What is really new about the New Deal of this administration is that it not only promised reforms in the interest of the people as a whole, it has actually been translating those promises into legislation. It has not been content to build up hopes for the future only to permit them to die away with the echoes of the campaign.

I venture the assertion that the man who insists that he will undo all that the New Deal has done; that he will tear from the statute books every act carrying out New Deal policies; that he will turn the clock back to the period antedating 1933, is either doing some dishonest thinking or he is making reckless promises that he would not even attempt to carry out if given the chance. I venture the further assertion that there is not a candidate who hopes to become President on January 20 of next year who would dare to turn back the clock. After all, the American section of the human race is going forward and not backward.

It is a fair question to ask of those men who so vigorously condemn the New Deal and who assure the people that if the present administration is defeated at the polls next November the first concern of those succeeding it will be to sink the New Deal with-

concern of those succeeding it will be to sink the New Deal without a trace, what they propose to substitute for the New Deal. It might also be suggested to them that they state specifically what they object to in the New Deal.

When this administration came into power private charitable resources had been exhausted and cities, counties, and States in many parts of the land found themselves unequal to the task of providing food, clothing, and shelter for those who were out of work. Under the New Deal, Federal means have been used to supplement and to replenish inadequate local resources. Do the old dealers hold that the national administration should extend relef only to corporations, as was done under the preceding adminisonly to corporations, as was done under the preceding administration, leaving millions of American citizens to suffer hunger and

The New Deal attempted to save what was left of the banks of the country by putting them on a firmer footing so that people could deposit their savings in them with reasonable certainty that they would not lose those savings. Was this improper conduct on the part of the New Deal and do the critics propose the abandon-

ment of this policy in similar emergencies in the future?

The New Deal has increased tremendously the income of the farmers and has struggled unceasingly to provide work for the unemployed at decent wages. It has interested itself in the just cause of the man who works with his hands. Are these policies offensive to the old dealers?

The New Deal conceives it to be sound and humans statements.

The New Deal conceives it to be sound and humane statesman-ship to institute a system of social insurance so that people com-

ing into old age or thrown out of work through no fault of their own will not have to choose between unwelcome charity and actual starvation. It has sought to protect the victims of occupational accidents and diseases, to prevent those additional agonies of childbirth which a mother suffers when she lacks the means to pay for proper medical care and fears the loss of her job. Is it such acts of simple humanity to which the old dealers object?

After the crash in the markets in the fall of 1929 it was discovered that thimble-rigging manipulators had been enticing even fairly experienced people to buy securities that were worthless. The New Deal undertook to protect the innocent investor without injury to the legitimate business of the exchanges and the boards of trade. Do the old dealers advocate the dismantling of these defenses that have been erected for the protection of helpless

victims of speculative greed?

The New Deal advocates the adoption of the pending constitutional amendment to prevent the continued exploitation of the immature bodies of little children who are kept at work for long hours at tasks beyond their strength for pitiful pay. Do the old dealers demand the defeat of this humane measure so that the children of the poor may continue to be chained to the oars of industrial galleys?

The New Deal has given a fresh start in life to thousands of young men whose bodies and souls were not having a fair chance. It has concentrated them in C. C. C. camps where they are doing useful work in soil conservation, in reforestation, in the correction of stream pollution, and in numerous other lines. At the same time they are developing sound minds and sound bodies. Would the old dealers demobilize this shining army of fine young citizens and sentence its recruits to enforced idleness in demoralizing surroundings?

The New Deal has undertaken the first serious and Nation-wide campaign against vicious city slums, wiping out many of these areas of social blight, and constructing in their stead decent, modern living quarters for citizens in the lowest income brackets. Do the old dealers insist that the United States abandon this enlightened policy and cling to its dubious distinction of being the only one of the enlightened governments of the world to close its

Under the Presidency of Franklin D. Roosevelt not a single American soldier or marine has been landed on the shores of a foreign country, thus establishing a time record since the year 1892. Would the old dealers prefer to go back to the "good old dealers" to this representations.

1892. Would the old deale days" in this respect also?

I do not pretend to say that under the New Deal no mistakes have been made or that performance of all of the hopeful at-tempts that have been made to solve our perplexing problems has been 100 percent. Of course, we have made mistakes. But it must be remembered that no peace-time administration has ever carried such heavy burdens as has this one, and after all we are merely human beings. I do claim that we have honestly tried. Yet there are those who, vaunting their patriotism and pretending a sympathetic interest in the welfare of their fellow citizens, have attempted to block the march forward of this administration every step of the way since March 4, 1933. And this after the adminis-tration had pulled them out from under their beds or from their cyclone cellars where they were quaking with fear and had shaken some courage back into them.

I have said on several occasions that those who sweepingly con-demn the New Deal and glibly promise, if given power, to put an inglorious end to it are without an affirmative program. That was not quite a fair or accurate statement. They have a program, or at least they offer a cure-all nostrum. "Balance the Budget, balance the Budget", they parrot, "and prosperity will soar to greater heights than ever before." Are we to understand that these politicians advocate a general increase in taxation, or are we to believe that they propose to repudiate completely our obligation to care for those millions of Americans who without relief would be face to face with stark want? They do not explain why, if a balanced Budget is the only essential to prosperity, we ever came to be taken for the economic ride of which we were the victims in 1929.

But the old dealers, those who would force the return of the country to the principle of laissez faire, rise to their most impassioned heights when, through shuddering microphones, they attack the President as a dictator, accusing him of deliberate misgovernment, of attempting to destroy the liberty of the press, and of arrogating to himself the functions of the legislative and judicial branches of the Government. Students of American history know that the same charges have been made against every President who has sought to advance the welfare of the common man. As far back as 1907 those who in their unpatriotic selfishness resisted the social and economic reforms that were urged by the first great Roosevelt echoed the same hackneyed and threadbare accusations in their malicious attempt to calumniate a man who

accusations in their malicious attempt to calumniate a man who was making a brave stand against entrenched greed. I quote from an article on Theodore Roosevelt by Frank Cobb, which appeared nearly 30 years ago in the New York World:

"Always more law, more law, like the daughters of the horse-leech crying, 'Give! Give!' When will the President's clamor for new legislation end? When will he give the legitimate business interests of the country a breathing spell?

"A The grave defect of Mr. Roosevelt's corporation policy is that he has no policy.

"More legislation has been passed in a single year than the courts can dispose of in the next 3 years.

"It is folly to invent new schemes of regulation and excite new unrest when acts already passed are yet to be worked out in the courts.

""

"Nothing is settled. Nothing is certain. The demand for new experimental legislation goes on before the older experimental legexperimental legislation goes on before the older experimental legislation has been tried and tested. Confidence is shaken, and confidence is the mother of credit. Credit is weakened, and without credit the business of the Nation cannot be carried on. This is a simple fact which is worth a pound of all the theories that even so versatile a genius as President Roosevelt can invent.

* * It is time to call a halt. It is time to give legitimate business a breathing spell and permit the restoration of confidence and credit

"The country needs a rest from agitation."

"The country needs a rest from agitation."

Where have we heard similar words? Paragraph by paragraph, line for line, they are paraphrased in editorial attacks against Franklin D. Roosevelt that are appearing day after day in the Tory press. You will not miss the point that it is only when a President has interested himself in the cause of the plain people, when he has a heart that pulses with sympathy for humanity, when he is determined to equalize economic opportunities so as to establish a better and a happier social order, when he bravely tilts his lance against special privilege and entrenched greed that the copperheads, their ancestors or their descendants, secrete an extra supply of venom with which to strike him down.

The critics and traducers of Theodore Roosevelt also trembled for the safety of our institutions. They would preserve the Congress and the courts from the aggression of the Executive. They would defeat the cunning intention of a dictator to destroy our liberties and set up on free American soil an absolute and irresponsible Government. There are many such "patriots" abroad in the land today.

in the land today.

Another complaint against the Administration is that it has put the Government into business, thereby destroying private initiative. Big business in all parts of the country is being exhorted to "gang up" on President Roosevelt and it is generously responding to the call, although small business men throughout the length and breadth of the land, as well they might, regard the President as a friend who would save them from further encroachments and possible annihilation.

Big business has chosen for itself in this campaign an interesting alias—The American Liberty League. This offspring of a notorious political miscegenation held a banquet in Washington a short time ago, a banquet at whose board there were seated persons representing \$1,000,000,000 in wealth. The controllers of this great aggregation of capital flocked into Washington in private cars or on special trains because their hearts were bleeding for the under-privileged and the oppressed among their less forprivate cars or on special trains because their hearts were bleeding for the under-privileged and the oppressed among their less fortunate fellow citizens. Among those present were: Felix A. du Pont, Jr., A. V. du Pont, Mrs. A. V. du Pont, Emil F. du Pont, Eugene E. du Pont, Henry B. du Pont, Mrs. H. B. du Pont, Pierre S. du Pont, Mrs. Irénée du Pont, Mrs. Pierre S. du Pont, and Mrs. Pierre S. du Pont. What a document of human liberty our Federal Constitution would be if only it had been destroy by the province of the property of the property of the province of the pr

du Pont, and Mrs. Pierre S. du Pont. What a document of human liberty our Federal Constitution would be if only it had been drafted by the liberty-loving du Ponts, assisted by Messrs. Raskob, Shouse, John W. Davis, Beck, and Talmadge!

Speaking of the Du Ponts and their self-sacrificing efforts to preserve the constitutional liberties of us humbler Americans reminds me of Mr. Alfred P. Sloan, Jr., former Du Pont employee, but now, by their grace, president of the General Motors Corporation, in which the Du Pont interests are paramount. As might be expected, Mr. Sloan is also a member of the Liberty League and, like others of his kind, he considers himself ipso facto qualified to speak with finality on any question, even though it is not remotely connected with the business of his corporation. He has even assumed the right to do the political thinking for his stockholders, and to instruct them from the Olympian heights on which he dwells how they should exercise their rights of citizenship. Repeatedly he has gone on record as being in favor of keeping politics out of business, but as a Liberty Leaguer, he sees no impropriety in mixing up his business with politics. Conformably with the injunction of Mr. Edward F. Hutton, to "gang up" on President Roosevelt, he uses the annual reports of his corporation to its stockholders as a medium of disseminating political propaganda. The stockholders foot the bill for this publicizing of Liberty Leaguer Sloan's political views. It is even to be doubted that their consent is asked, although he presumes to speak not only for himself but for them.

Mr. Sloan's latest literary effort along this line appears in the annual stockholders' report of his corporation recently issued.

that their consent is asked, although he presumes to speak hot only for himself but for them.

Mr. Sloan's latest literary effort along this line appears in the annual stockholders' report of his corporation recently issued. Taking his pen in hand, he writes:

"The corporation believes and has no hesitancy in taking the position that the present attitude of the Government and the results of its experiments in the realm of economics * * have definitely postponed recovery."

Now, a corporation is supposed to be made up of its stockholders, and it is not out of place to wonder how Mr. Sloan found out that the views he so pontifically enunciates are in fact those of the stockholders of the General Motors Corporation. I doubt whether he took a vote on the subject. My guess is that, with the natural arrogance of men of his lik, he was expressing, as the views of the corporation, the opinion that he personally shares with Mr. Shouse and the patriotic Du Ponts. The surpassing wisdom, the all-encompassing grasp on all subjects that one acquires merely by joining the Liberty League is the political marvel of the age.

But Mr. Sloan presents an Achilles heel in the form of the audited figures of the financial status of his corporation. The duly impressed reader of the language above quoted, if he delves further into Mr. Sloan's annual report, will discover facts and

figures therein that do not seem to support Mr. Sloan's conclusions. It appears that the sales of General Motors last year showed a gain of 34 percent over 1934, which, in net profit per share, amounted to \$3.69 as compared with \$1.99 in the earlier year. It seems, also, that the pay rolls of the corporation increased 22.7 percent last year. As Mr. Raymond Clapper wrote in his column: "What does Sloan mean, postponed recovery?" All I can say is that if Mr. Roosevelt is responsible for this "postponed recovery" I hope he will do a little more "postponing."

The trouble with Mr. Sloan and other Liberty League oracles is that they try to mix their hymns of hate of the administration with their exultations about their business achievements. "First they solemnly denounce the New Deal. Then they brag about how much money they are making." Knowing their type as I do, I anticipate that we will see within the next few months many corporation reports written according to the Sloan formula.

Mr. Sloan wants Government to have less to do with business,

Mr. Sloan wants Government to have less to do with business, although he is perfectly willing as a side line to tell Government how it should conduct its affairs. On the other hand, it would appear from another recent report to stockholders of a great corappear from another recent report to stockholders of a great corporation that wise planning on the part of Government will help to bring about the economic recovery of the country. Mr. Clarence M. Woolley, chairman of the board of the American Radiator & Standard Sanitary Corporation, whose principal office is the Bessemer Building in this very city of Pittsburgh, and the affairs of which, therefore, are of particular interest to the people of this area, in his current report to his stockholders said:

"The business of foreign affiliated companies continues satisfactory. There has been no depression in the building industry abroad. While there have been declines in building in certain countries, increases have taken place elsewhere. The older countries have appreciated the steadying influence on the entire economic structure of the wisely planned building programs to take up slack in times of unemployment. This understanding, coupled with an insistent demand for better housing conditions, has produced an extraordinary equilibrium in building conditions abroad over a long term of years. In our own country we have yet to realize the weight of these factors."

It appears that while Mr. Sloan views with alarm "the present It appears that while Mr. Sloan views with alarm "the present attitude of Government and the results of its experiments in the realm of economics" Mr. Woolley demands more of such experiments, at least so far as "wisely planned building programs to take up slack in times of unemployment" are concerned. I wonder if Mr. Woolley, when he wrote those words, did not have in mind the Public Works program of this administration, which includes well-formulated plans for better housing in all parts of the country.

I have referred to the contribution by Mr. Mellon of \$1,000 to assist in making the people "tax conscious." Probably President Roosevelt is attacked more bitterly and less understandingly on the subject of taxes than with respect to any other phase of his administration. It is a subject of intense concern to every one of us, and a little discussion of the subject might not be out of place.

when I was an old-fashioned boy studying economics and history as taught by old-fashioned teachers I learned that there were two fundamental principles of taxation, and they seemed to me to be so obvious that until recently I have taken them for granted. The first of these was that citizens should pay toward the support of the Government in proportion to their ability to pay, and the second—if indeed it is not the first principle dressed in a different suit of clothes—was that payment should be in proportion to the benefits received from Government.

Now, to my utter distress and amazement, I read in certain newspapers that this is all wrong. Sitting humbly at the feet

Now, to my utter distress and amazement, I read in certain newspapers that this is all wrong. Sitting humbly at the feet of such master economists and disinterested citizens as William Randolph Hearst and Col. Robert R. McCormick of the Chicago Tribune, both of them men of great wealth, I am doing my best to unlearn what I was taught in my impressionable youth, although I confess that at my age it is rather difficult to uproot deeply embedded beliefs.

deeply embedded beliefs.

We are now asked to believe that the verities underlying taxation that have been accepted for a thousand years are in fact fallacies. We must not expect the rich to pay in proportion to their ability to pay; we must not demand that citizens support the Government in the ratio in which they receive benefits from the Government. Such notions are old-fashioned, out-moded, passé. There is a new principle of taxation lately proclaimed by some of those in the highest income brackets. This new theory is "soak the poor"; make people pay in proportion to their financial disabilities; send the tax collector out among the underincomed and humbler citizens who expect the least from Government and get even less than their modest expectations; make these people pay and pay and pay for the Government which the rich and the prosperous have arrogantly come to regard as peculiarly their own. peculiarly their own.

Taxation is a beneficent institution when regarded through the eyes of the rich man, provided, of course, that its heavy hand is removed from him and laid upon those least able to pay. For is removed from him and laid upon those least able to pay. For that reason, at least some of our multimillionaires want the surtaxes on great incomes reduced or even abolished and sales taxes imposed in their stead. Testimony to this effect was given before the United States Senate committee investigating lobbying. The witness was one J. A. Arnold, who described himself as manager of the American Taxpayers' League. I read from the Baltimore Sun's account of the hearing:

"The clash grew out of Arnold's testimony about the annual income of his organization, which, he said, was endeavoring 'to

make the country tax conscious.' He said the revenues, contributions, and annual membership dues of \$10 each amounted to \$45,927 in 1935 and 'were about the same' in 1934. In former years the league received from \$150,000 to \$200,000 from the same sources, he testified.

"Despite his suggestion that 'everybody's broke nowadays', Arnold was able to get several large contributions last year, he testified, including one of \$1,000 from Andrew W. Mellon, former Secretary of the Treasury, and one of \$1,500 from E. Parmalee Prentice, who was identified by the committee as a son-in-law of John D. Rockefeller."

I continue to read from the Sun:
"Arnold testified that the Taxpayers' League was interested in promoting State sales taxes as substitutes for other levies and admitted it also favored reduction of Federal income taxes on individuals and corporations and reduction of Federal taxes on gifts and estates."

Arnold also was questioned about the connection of Mr. Bain-

Arnold also was questioned about the connection of Mr. Bainbridge Colby with his league. He said Mr. Colby had "cooperated" with the league and had furnished "valuable advice." Arnold testified that Mr. Colby had helped the league get the use of radio stations controlled by William Randolph Hearst, the publisher, and also had participated in some negotiations to get Governor Talmadge of Georgia to speak at a meeting in New York.

Now, everyone who is capable of honest thinking knows that a sales tax is a graduated income tax in reverse. It bears most heavily upon those least able to pay. But when the sales tax is glorified by the man of large income and his little brothers of the rich it is not that sort of a fiscal instrumentality at all. The

glorified by the man of large income and his little brothers of the rich it is not that sort of a fiscal instrumentality at all. The sales tax, according to these public-spirited gentlemen, is a bright sunbeam bursting through a heavy cloud; a welcome responsibility that every citizen ought gladly to assume. How wonderful it is, say they, for the cares and burdens of Government and its opportunities and responsibilities to be brought home to all. And what better method to accomplish this result than to require every

citizen to pay taxes?

More self-serving and dishonest thinking! As if everyone does not pay taxes. As if, generally speaking, under our system, those least able to afford it do not pay taxes in inverse ratio to their

least able to afford it do not pay taxes in inverse ratio to their ability to pay.

Just why shouldn't taxes be paid in proportion to ability to pay and to benefits received from Government? The man who buys more food or more clothing or builds a bigger house than his neighbor without question pays in proportion to what he buys. The same rule ought to apply to the purchase of public benefits. The great industrialist who has hundreds of millions of dollars invested in plants and the products of those plants requires police and fire protection to a greater extent than the humbler citizen who brings home his modest weekly wages to spend on the family that he is rearing in a mortgaged bungalow. Those individuals and business enterprises who have investments in forfamily that he is rearing in a mortgaged bungalow. Those individuals and business enterprises who have investments in foreign lands or are engaged in international commerce are the ones that particularly need for their protection a great navy and a highly trained and efficient army. Yet, according to the theory of those who have the effrontery to demand that income taxes be abolished entirely, or at least be drastically reduced, the cost of maintaining such services should, in a larger measure, be borne by those who make the least use of them by those who make the least use of them.

It is to be expected that every politician out of office is for economy and lower taxes. They are even for efficiency—when out of office. I do not believe that anyone has ever run for any office anywhere at any time who has not been for lower taxes. Yet our taxes continue to mount to meet the increasing cost of Government. taxes continue to mount to meet the increasing cost of Government year after year, and, except for certain emergency expenditures which even the office-hungry critics would not dare to cut off, and which this administration is as anxious as anyone could possibly be to do away with, the regular expenses of Government, in the aggregate, will not decrease very much so long as the people demand from Government the services that they are insisting upon in increasing measure as year follows year.

There are other issues interesting to you and to me as citizens that I should like to discuss if time permitted. I should like particularly to cast a little light upon the sayings and doings of certain gentlemen who are going about the land arousing fears. in-

tain gentlemen who are going about the land arousing fears, instilling prejudices, making statements that cannot be supported by the facts and sounding taps to faith, hope, and charity. I have been especially intrigued lately by the interesting behavior of the man who is laboring with all his might to reestablish in the minds of the American people that state of apprehension in which he left them when President Roosevelt succeeded him in the White House. Three years ago Mr. Hoosevelt succeeded him in the white House. Three years ago Mr. Hoover's refrain was that "prosperity is just around the corner." Now he is just as certain that "collapse is just around the corner." It is permissible to doubt the essential statesmanship of any man who, considering what the country has passed through, would deliberately seek to build up a state of corroding and possibly catastrophic fear to serve a political

Not only Mr. Hoover, but others of lesser rank ought to measure Not only Mr. Hoover, but others of lesser rank dight to measure their words more carefully before they insist that this administration has retarded economic recovery; that if President Roosevelt had adopted the policy of his predecessor of taking to the cyclone cellar to sit trembling in fear and darkness while the economic winds howled overhead, we would have achieved a larger measure of recovery than we have. There is no warrant for such balderdash. We know what the state of the country was when President Roosevelt took it over and we know what it is now. Here are actual facts that cannot lightly be ignored. We know that

under President Hoover the country took a header into the lowest economic depths; we know that under President Roosevelt a large degree of recovery has already been achieved, while hope is growing everywhere that we are definitely on our way back to pros-

Without any desire to tax your patience with figures I will point to the enviable position occupied by Pennsylvania in relation to the program of the Public Works Administration.

I do not know offhand the benefits in dollars and reemployment that this State has had from other agencies of the Federal Government, but I do know that from the Public Works Administration Pennsylvania has received for Federal projects and in loans and grants for useful local improvements a sum in excess of \$200,000,000.

This total includes allocations for Federal projects; loans to railroads for steel rails and equipment and what we Failroads for steel rails and equipment and what we term non-federal allotments which are loans and grants to cities, towns, and other local public bodies for desirable public-works projects of their own selection. The local communities of this State are carrying to completion a non-Federal P. W. A. building program of close to \$100,000,000. To encourage this useful construction P. W. A. made grants that amount to \$30,405,064. The applicants themselves raised \$36,895,194 in addition to \$28,804,150 borrowed from P. W. A.

from P. W. A.

An interesting public works undertaking was the Pennsylvania Railroad project. Here was a straight loan of approximately \$70,000,000 at 4 percent (be it noted in passing that the major portion of the securities taken by the Government for this loan was subsequently sold by us at a profit of more than \$2,000,000). This project consisted of finishing the electrification of the line from New York to Washington and of certain other portions of the road; of building new electric locomotives and freight cars; and of changing old locomotives from passenger to freight. The project was completed in about 22 months. The direct employment numbered 15,000 men. The indirect employment probably ment numbered 15,000 men. The indirect employment probably ran to at least 30,000 men. The total employment, both direct and indirect, was scattered among 45 States.

and indirect, was scattered among 45 States.

Steel had to be fabricated, stone had to be quarried, concrete had to be manufactured, cars had to be built, trees had to be made into lumber, copper had to be meited into transmission lines, electric locomotives had to be built, and all of these materials and the final products into which they were transformed had to be moved from points of origin to final destinations.

Of the approximate \$200,000,000 loaned by P. W. A. to the railroads of the country for steel rails, new rolling stock, and other equipment, nearly \$82,000,000 have actually been expended within the boundaries of this State.

This is an instance of the vast indirect benefits that have

This is an instance of the vast indirect benefits that have accrued to Pennsylvania as a result of expenditures for public works. Such benefits percolate into many communities in widely separated States. That Pennsylvania leads all other States in this respect I have no doubt. Our own studies indicate this. A survey by the Construction League of the United States confirms it. Writing in the Engineering News Record, Mr. Lawrence Mehren, listed Pennsylvania as first with respect to indirect advantages in the construction industry, followed in order by Ohio, New York, and Illinois.

Figures given to me by P. W. A. statisticians show that approximately 37 percent of all the iron and steel in the United States is fabricated in Pennsylvania and that over 20 percent of all the cement and allied products are manufactured here. By virtue of its resources and its mines, mills, and factories your State stands first, with an index figure of 678, with 100 as the figure for an average State. These studies and calculations are based upon United States Census Bureau findings and on statistics covering

33 basic materials that go into general construction which, in a general way, would parallel the types of works financed by P. W. A. Statistics are dull at best, but this group will be interested in certain Federal Reserve Board figures for the Pittsburgh section. In tracing recovery in this area, let us translate into percentages the increase in business. For the purpose of making comparisons of unquestioned fairness, let us select the months of December in 1932 and 1935—not the best of months, but the most representative of the last days of the Hoover administration and of the present

administration.

According to the record, the Pittsburgh district has fared well. Industrial production in the United States has increased 56 percent, according to the statistics of the Federal Reserve, while industrial production in the Pittsburgh area has improved 97 percent. This comparison is based upon figures gathered by the Pittsburgh Busi-

comparison is based upon figures gathered by the Pittsburgh Business Review of February 27, a source which is accepted by the Federal Reserve as being authoritative.

Based upon the rate of steel operations, business in this district had improved 202 percent in December of 1935 over the same month in 1932. Your polished-plate-glass production is better by 299 percent; while your pig-iron production increased 330 percent. Electric-power production for the Nation increased 36 percent; in Pittsburgh power sales increased 67 percent.

Factory pay rolls in the Nation increased 35 percent, but in the Pittsburgh district they increased 74 percent. Residential construction, based upon contracts awarded, went up 192 percent, while in 37 States east of the Rocky Mountains the increase was 246 percent. Your freight-car loadings are better off by 51 percent, your retail sales by 34 percent, your wholesale sales by 70 percent, your total bank clearings by 50 percent.

And Mr. Hoover's contribution to this indisputable and remarkable advance toward economic recovery is to insist that if

he were still President, carrying out the policies that he inaugurated, business would be better still. On the face of the record this is a foolish claim that is not capable of substantiation. It is like the man who missed the boat telling the crew how much better he would have navigated than had the capitain who brought the ship safely through the hurricane.

All the cries of "wolf" to the contrary notwithstanding, as compared with the end of the Hoover era, tremendous and substantial business gains have already been made. And they have been made under the administration of President Roosevelt. "They say" that if Mr. Hoover had continued as our President since March 4. made under the administration of President Roosevelt. "They say" that if Mr. Hoover had continued as our President since March 4, 1933, we would have had a larger share of recovery. "They say" that if Mr. Hoover, or an alias Mr. Hoover, should be elected President next November, recovery would come more surely and with greater speed. "They say" all sorts of things that are neither justified by the facts nor capable of proof in the future even in the best of circumstances. Well, let them say. Attempted allibs for past failures and irresponsible claims for the future will not stand up in the face of concrete facts. And such facts there are in plenty for the careful pondering of intelligent citizens.

TOBACCO COMPACTS-LETTER OF JOHN W. HESTER

Mr. REYNOLDS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by John W. Hester, dated Washington, D. C., February 27, 1936, pertaining to State compacts for the control of tobacco.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STILL BELIEVES IN STATE COMPACT IDEA

To the EDITOR:

As one who had pinned much faith to this method of production control and had given the subject much thought, I offered three ways to overcome the handicap inherent in the State compact system, which are as follows:

(1) That the Congress, as in the case of the oil compacting States, enact supplementary legislation forbidding the shipment in interstate commerce of tobacco in excess of the quota allowed

the producing State.

That the compacting States be protected against the shipment therein of tobacco grown in free, or noncompact, territory, as was done in the case of dry territory under the Webb-Kenyon

(3) That the Congress change its bounty basis from that of the States to that of the commodity basis and make the bounty for tobacco available only to those growers who are within the com-

pact-covered production area.

As to the first suggestion, I was forced by the North Carolina Governor to admit that I did not think Congress could extend much protection to the compact-covered area, for that Congress could not allot any quota nor could it exclude from the channels of interstate commerce tobacco produced in free, or noncompact-covered, areas. The oil limitation statute has not been challenged yet.

But I do have considerable faith in the second suggestion, and

lenged yet.

But I do have considerable faith in the second suggestion, and so asserted at the conference. Later Governor Peery expressed considerable interest in this plan and intimated that I should follow it through in my thoughts and investigation.

Now, bright flue-cured tobacco is grown in Virginia, North and South Carolina, Georgia, and Florida, with a little in Alabama; but the bulk of this type of tobacco is manufactured in North Carolina and Virginia. If Congress can do for North Carolina and Virginia as production-controlled areas what it did under the Webb-Kenyon statute for "dry" territory, there is a way of affording substantial protection to the grower in the compact-covered area. Of course, in our thinking of the way to obtain the desired protection we must remember that tobacco is not thought of as being quite in the class with intoxicating liquors, though it is a luxury and usually kicked and cuffed around by the taxing and police powers of the States about as are intoxicating liquors.

This question, however, may soon be cleared up by the United States Supreme Court. It now has under advisement, the case having been argued, the question of the validity of a Federal statute protecting States which have banned prison-made goods from their territory. In this instance, there is nothing inherently obnoxious about the quality of the commodity barred. The question is, What protection may be accorded the trade and commerce policies of the respective States? The child-labor case is not quite in point, though it has considerable persuasive force. In that case the commerce, not merely from certain States.

But the question is of tremendous import. The Court has

In that case the commodities made with child labor were barred from interstate commerce, not merely from certain States.

But the question is of tremendous import. The Court has thrown this agricultural-production-control problem squarely into the laps of the States, where, I think, under the Federal Constitution it belongs. Can the States control production as distinguished from the mere conditions of production? Without help from the General Government, as indicated, they cannot do it. and I would not like to be advised by the final authority that production control cannot be had. Surely, I would acquiesce therein, but I would be awfully sick.

Even though the second suggestion should be found defective from a constitutional point of view, I would not give up the problem as incapable of solution. In the third suggestion there is a way that would work itself out automatically. Put the bounty on the commodity basis and limit the availability of the bounty to

the States within the compact, and they would get in all right. There is no constitutional objection to the bounty system. Hamilton advocated that system for industry instead of the protective system. But the protective system is not subject to such visibility as the bounty system and therefore less objectionable, though equally vicious in principle, I prefer the second suggestion to the third, because I am fundamentally opposed to taxing all the people for the benefit of the few or pressure-producing minorities. minorities.

all the people for the benefit of the few or pressure-producing minorities.

This further suggestion and I am through: Many farmers are clamoring for the limitation of production not only to the present production area, but to the producers therein. I am a farmer's son and have all my property in tobacco-producing land, but I am frank to say that the thoughtless selfishness of the farmer himself is likely to negative the efforts of his real friends. Leadership of the dependable kind does not consist in facing the followers and getting their wishes as to the course to be taken, but in looking ahead at the terrain to be traversed, at its ups and downs, its limitations and handicaps. When I was a boy it was said that the South had a natural monopoly on the production of cotton. Now half of the cotton produced is grown outside of the South. The United States Supreme Court sustained the New York milk-control statute. It later sustained a price differential, but when it came to limiting that protective feature to those producing milk on January 1, 1933, the Court balked, and properly so, on the ground that such was arbitrary and unreasonable. Let the tobacco grower take a hint and not try to freeze the production to any area or to any group of producers. Make the control plan flexible enough to take care of normal growth and expansion. Reasonable as opposed to complete protection is all that is possible. Anything else will discredit the whole control program. program

JNO. W. HESTER.

WASHINGTON, D. C., February 27, 1936.

STATE TOBACCO CONTROL COMPACTS

Mr. ROBINSON obtained the floor.

Mr. REYNOLDS. Mr. President, will the Senator yield? Mr. ROBINSON. I yield.

Mr. REYNOLDS. Yesterday afternoon, according to my information, by vote of 190 to 116, the House passed House bill 12037, relating to compacts and agreements among States in which tobacco is produced, providing for the control of production of, or commerce in, tobacco in such States, and for other purposes. I understand that the Senate Committee on Agriculture and Forestry has favorably reported a similar bill, a sister bill, being Senate bill 4430.

Mr. ROBINSON. Mr. President, I am informed as to the bill to which the Senator is referring, and I anticipate that the Senator desires to ask for its immediate consideration. There is not time now to consider the bill. I wish to add to this statement that I am constantly being pressed by Senators to assist in arranging for the consideration of legislative business. I am doing the best that can be done, and will continue to do so, but I hope Senators will possess themselves in peace, in view of the fact that the Senate is proceeding under an order which requires practically all the time during our sessions for the consideration of the impeachment case.

IMPEACHMENT OF HALSTED L. RITTER

The VICE PRESIDENT. The hour of 12 o'clock having arrived, under the order prescribing the hours of the daily sessions, the Senate now resolves itself into a court for the trial of the articles of impeachment against Halsted L. Ritter, United States district judge for the southern district of Florida

The managers on the part of the House, Hon. HATTON W. SUMNERS, of Texas; Hon. RANDOLPH PERKINS, of New Jersey. and Hon. Sam Hobbs, of Alabama, accompanied by the clerk of the Committee on the Judiciary of the House of Representatives, Elmore Whitehurst, and by Thomas M. Mulherin, special agent, Federal Bureau of Investigation, Department

sitting as a Court of Impeachment, for Wednesday, April 8, 1936, was dispensed with, and the Journal was approved.

Mr. ASHURST. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators

answered to their names:

Coolidge Copeland Couzens Keyes King La Follette Pittman Adams Ashurst Pope Radcliffe Austin Bachman Bailey Davis Donahey Lewis Logan Reynolds Robinson Barbour Duffy Lonergan Russell McGill Schwellenbach Fletcher McKellar Benson Frazier Sheppard Shipstead McNary George Shipst Black Maloney Bone Gibson Glass Metcalf Brown Steiwer Thomas, Okla. Thomas, Utah Minton Bulkley Bulow Guffey Moore Hale Harrison Townsend Truman Murphy Murray Byrnes Capper Caraway Hastings Neely Vandenberg Van Nuys Hayden Wagner Carey Nye O'Mahoney Walsh Clark Holt Overton White Connally Johnson

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

Do the managers on the part of the House desire to offer another witness?

FURTHER CROSS-EXAMINATION OF JUDGE ALEXANDER AKERMAN

Mr. WALSH (of counsel). If the President please, I should like to recall Judge Akerman for one or two other questions on cross-examination.

The VICE PRESIDENT. The witness is available and has heretofore been sworn.

By Mr. WALSH (of counsel):

- Q. Judge Akerman, you testified in this case, did you not, in November 1933 at Miami?—A. Before the investigating committee
- Q. I will ask you whether or not at that time you offered to make a voluntary statement?—A. I did.
 - Q. Was it as follows-I am reading from the record?-

I did not know Judge Ritter at the time he was appointed judge, but I met him, my recollection is, on the 21st of February 1929. From that time up to the present time I have been rather closely associated with him. I have presided for him, and he has presided for me. We have occupied the same chambers, and I have heard Judge Ritter's reputation discussed by numerous people, and I think I am thoroughly familiar with his reputation for honesty and integrity, and I believe it to be the highest. I just wanted to make that statement, gentlemen.

Did you make that statement at that time?-A. I did.

Q. Is that still your opinion?—A. It is. Mr. WALSH (of counsel). That is all.

Mr. Manager SUMNERS. The managers on the part of the House have no further questions to ask.

The VICE PRESIDENT. The managers on the part of the House may call their next witness.

DIRECT EXAMINATION OF FRED H. DAVIS

Fred H. Davis, having been duly sworn, was examined and testified as follows:

By Mr. Manager HOBBS:

Q. Your name, please?-A. Fred H. Davis.

Q. Judge Davis, what position do you occupy in the State of Florida at the present time?—A. Justice of the supreme court.

Q. Are you or not chief justice of the Supreme Court of Florida?—A. I have just finished a term as chief justice.

Q. You are now justice, and you have just finished a term as chief justice?—A. Yes, sir.

Q. Judge Davis, are you familiar with the practice in the State of Florida in allowance of fees in mortgage foreclosure cases?—A. I am, sir; according to the State law.

Q. Judge Davis, I will ask you whether or not in foreclosure practice there is or is not any such thing as a conservation fee?—A. I have never heard of it.

Q. Judge Davis, in the event that the evidence showed that the attorney or attorneys filing a bill for the foreclosure of a mortgage knew that another attorney or citizen was soliciting a client or clients to enable them to have the

requisite amount of bonds necessary to file their bill or the bill which they contemplated filing for the foreclosure of a mortgage, would, or not, in your opinion, any fee be properly allowable under the laws of Florida to an attorney filing a bill under those circumstances?—A. I will answer that in this way: That is a point that has never been directly adjudicated by any past decision of the Florida courts, but that is generally considered to be the law by the members of the profession, though, of course, it is an unsettled proposition so far as any adjudicated case is concerned.

Q. In other words, for the inception of any case of champertous character no fee would be allowable to any attorney who, with knowledge of the solicitation of a client, after-

wards filed a bill?-A. No, sir.

Q. I will ask you if in the foreclosure case of the Whitehall Hotel properties—this particular case—where the amount of the first mortgage bond issue was \$2,500,000that was the issue on which the foreclosure was soughtwhere the services performed consisted of the routine handling of that case, where a fee of \$15,000 was allowed and paid, where the total services rendered and the total time of the litigation was from the inception of the original bill on October 11, 1929, to the final decree on December 24, 1930, and where the upset price was fixed at \$1,500,000, to be paid either by the surrender of the bonds, or in cash, what, in your opinion, would have been a reasonable, full and fair fee to be allowed the attorneys representing the petitioning creditors seeking foreclosure?-A. Of course, that involves a matter of judgment, and there would probably be a difference in the allowance in the Federal court and the State court. The maximum amount that I feel sure the State court sustains in a foreclosure of that kind would be not exceeding \$50,000.

Q. That would be the outside limit, in your judgment?—A. Yes, sir.

Q. Would you, or not, say in any court, Federal or State, that \$75,000 would be a reasonable fee?—A. Well, it would seem to me to be unreasonable. I could only give my judgment about it. There have been fees allowed within the range of fifty or sixty thousand dollars in corresponding foreclosures.

Q. Would you or not say, in your opinion, in the Federal court of the southern district of Florida in this foreclosure case that the total allowance of \$75,000 would be excessive?—

A. It would seem to me that it would be out of line.

Mr. Manager HOBBS. Counsel may take the witness.

Mr. WALSH (of counsel). If there be no objection, I should like to have my colleague examine the witness on the Florida law, but first I should like to ask a few questions.

Mr. Manager HOBBS. That is perfectly agreeable to us if it is to the Court.

The PRESIDING OFFICER (Mr. Austin in the chair). Counsel may proceed.

CROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Judge, a champertous proceeding, as I understand, is one where a stranger to the litigation goes into the litigation with an understanding to support it financially for an allowance or division of fruits of the litigation, whether in land, property, or money. Is not that true?—A. Generally so; yes.

Q. Is not that the textbook definition and the definition in all the decisions?—A. I should say so.

Q. If a champertous proceeding were brought, you stated that no fee should be allowed. Is that correct?—A. Yes, sir.

Q. I agree with that. If a champertous proceeding were brought, you would go further, would you not, and say it ought not to be permitted to be maintained at all?—A. Absolutely, if it was known to the court.

Q. If an officer of the court—and by that I mean an officer in the ordinary sense or an attorney who is an officer of the court—had such knowledge, would it not be his duty to bring it up on an appropriate motion to the court and have the person removed and disciplined?—A. I should think it would.

sure of a mortgage knew that another attorney or citizen Q. You think that a reasonable fee, as explained to you, was soliciting a client or clients to enable them to have the in this case would be \$50,000. Is that correct?—A. I would

say, from the standpoint of our allowances in the State court |

O The State court allows fees in large cases approximately amounting to 5 percent, does it not, frequently?—A. I am speaking now from the standpoint of what would be sustained in the Supreme Court if somebody paid and they brought it up there.

Q. But they do make the allowance, and it is a matter, is it not, largely of judgment or entirely of judgment with the court in the first instance?-A. Absolutely, and sometimes influenced by agreements and stipulations, and so forth.

Q. Suppose we had a case where the laywers were men of repute, well known at the bar, and that all the lawyers agreed on the fee that should be paid; that it was proposed to be put in the order to be made by the judge, and the judge made inquiry to find out if every person, including the bondholders represented by attorneys of their own, were satisfied with that; would that not have an influence upon you as judge?-A. Undoubtedly.

Mr. WALSH (of counsel). May it please you, Mr. President, and gentlemen, Mr. Hoffman wishes to ask a question or two on the Florida law with which I am not as familiar as he is.

By Mr. HOFFMAN:

Q. Judge Davis, do you know the law firm or members of the law firm of Loftin, Stokes & Calkins and of Shutts & Bowen?-A. I do.

Q. Do you know Attorney E. P. Donnell; Bert Winters; H. W. Johnson, of West Palm Beach; and H. C. Fisher, of West Palm Beach?—A. I do know them all.

Q. If a final decree of foreclosure were presented to the court, foreclosing a mortgage of principal of \$2,500,000, with accumulated interest running the mortgage debt to approximately \$3,000,000, providing for an upset price of \$1,500,000 in the decree, and with this decree were presented the affidavits of such gentlemen as I have mentioned, and if the firms involved in the litigation, of the type and repute of the firms I have mentioned, stated that the decree was the result of an amicable adjustment and settlement of all matters in dispute, that the calculation had been agreed upon as accurate, that the decree and settlement were satisfactory to every party to the cause, that the bondholders' committee, who were not parties to the cause, had seen the decree and had been consulted and had agreed to and were satisfied with the decree, thus ending the litigation, and affidavits of men of the type I have spoken of were presented in support of the reasonableness of the fee of \$75,000 to be allowed, would not all those circumstances have been considered by the judge in awarding the fee requested under those circumstances?-A. Undoubtedly.

Q. Would not the judge have been inclined to allow the fee agreed upon under those circumstances, even though he may not have allowed that particular amount had there been a contest or disagreement among the parties and not an amicable settlement?-A. That would depend on the individual judge.

Q. What would be your view of that?—A. Under our rule in the State court, it has been very definitely held that the question of attorney's fees is a matter of indemnity involving the actual output on the part of the complainant in a foreclosure case, and it is a responsibility of the judge to ascertain and investigate the reasonableness of that fee irrespective of what may have been agreed on by the parties. That was the effect of the holding in the First National Bank case, the case of Brett against First National Bank and

Q. If there was a cross bill in the case on behalf of the trustee under the bond issue providing for payment of counsel fees of the trustee for defense of the suit, or in a suit to foreclose that particular trust deed by the trustee. that counsel would also be entitled to compensation, would he not?-A. I did not follow the question all the way through.

Q. If, in the case in question, there was a cross bill on behalf of one of the defendants, the trustee, his counsel

might be entitled to compensation dependent on the circumstances.

Q. Coming to the conservation fee--A. The idea under our rule is that the person who is collecting the money is to be able to collect his money through decree of the court without suffering any loss of his principal and interest, which means the attorney's fee is fixed as an indemnity proposition.

Q. Coming to the conservation fee, you recognize of course the principal of the allowance of a fee as a conservation fee to the attorney for the plaintiff who brings into court and subjects to the trust, in cases of trust, the subject matter of the trust as being entitled to a fee for conservation and preservation?-A. Yes, sir.

Q. That principle is recognized and decided by the court of which you are a member in the case of Amos against Taylor and Railey, was it not?-A. Yes, sir.

Q. In that case the conservation fee was paid out of the assets brought into the court by the attorneys, even though your court held that the lower court had no jurisdiction to appoint the receiver in that case. Is not that true?—A. Not altogether.

Q. Because they held it during the pendency of the appeal?-A. The situation in that case was that there were conflicting interests between the two parties, that both would be benefited by the banking department of the State, and the court held the complainant in that particular case, who invoked the jurisdiction of the court of equity, should have the right to administer its estate determined, and they performed services for the general trust estate, and we approved an allowance of \$10,000 attorney's fee for bringing in the assets of half a million dollars, as I recall.

Q. The point is in that case and in another case growing out of the same suit that you recognized the principle of a conservation fee in a proper case?-A. In general trust matters, but not in foreclosure cases.

Q. But I do not understand you to say that where a bondholder brings a suit charging fraud, maladministration, and dereliction of duty on the part of a trustee under a bond issue, and waste a dissipation of the assets of the trust, and, urging those grounds, brings the subject matter of the trust into court and asks to foreclose the bond issue, it would not be proper to allow a conservation fee. As I understand, your testimony is that you never heard of that occurring?—A. I have never heard of a conservation fee, as such, allowed in a foreclosure case.

Q. You are speaking of a straight foreclosure case?—A. As a matter of foreclosure. Whatever conservation fee would be allowed in a foreclosure case would be a part of the general fee that went to the attorney who was doing the foreclosing; and, of course, he might split it up into its constituent elements, and call a part of that total for a conservation fee. I have never heard it done, but it might be done.

Mr. HOFFMAN. That is all.

REDIRECT EXAMINATION

By Mr. Manager HOBBS:

Q. Judge, where the foreclosure final decree acquits the trustee under the bond issue of all fraud or chicanery, and specifically holds that that allegation in the original bill is not true, what, in your opinion, would be the right of the judge under the Florida law to allow any conservation fee in such a case?—A. Under this principle in the case which has just been referred to, this bank case, if there had been services rendered that were of value in fixing the status and legal rights with reference to that trust estate, it would be a matter of discretion with the court to allow a fee, even though there might be no fraud or breach of trust proven. It would all depend on whether or not the resulting litigation had fixed the status of the trust in such a way as to benefit the estate itself.

Q. But your testimony is that in a foreclosure suit you never heard of a conservation fee being allowed?-A. No, sir; as such.

Q. Where there was no agreement between the attorney or attorneys filing the bill and the client as to any fee whatwould be entitled to compensation, would he not?—A. He soever, is it or not competent and permissible, under Florida law, to allow a fee?-A. Under Florida law, if the mortgage provides for the payment of a reasonable attorney's fee or a fixed attorney's fee by foreclosure, before any attorney's fee can be allowed or recovered in the case, it must be both alleged and proved that the complaining party has incurred an obligation to his attorney for some fee. He may incur an obligation to pay whatever is a reasonable fee, in which case that would be an unliquidated amount until it was so ascertained by the court. But speculation in the matter of recovering the attorney's fee, without any understanding that if the case fails there will be no attorney's fee paid, is not considered the basis under Florida law for recovery of an attorney's fee in a foreclosure suit, because it is considered an indemnity for the mortgagee to recoup a loss that he is out of pocket in employing attorneys to get his money; and if he suffers no loss, either through incurring obligation or otherwise, then he is not entitled to an attorney's fee just as a sort of commission.

Q. Judge, is it or not a sufficient predicate for the allowance of a fee to an attorney in a foreclosure case that the law creates a mere presumption that a reasonable fee will be allowed; or, to the contrary, is the law of Florida such that there must be an agreement of some kind between attorney and client?—A. There must be an agreement, but it may be express or implied. The court has recently held that where a mortgagee takes a mortgage to a lawyer's office and says, "I want you to foreclose this for me", he knows that that lawyer is not doing business for his health, and that the law will raise the presumption that he intended to pay him for it, and therefore that it will be recoverable on that sort of an understanding as an implied contract to pay for services.

Q. You mean when the client voluntarily takes the mort-gage?—A. Yes.

Mr. WALSH (of counsel). One minute; I object to that as leading and suggestive.

The PRESIDING OFFICER. The question has been answered. The Chair thinks the answer may stand.

Mr. WALSH (of counsel). Very good.

By Mr. Manager HOBBS:

Q. One other question, Judge. Where the trial judge, before fixing the fee of counsel in a foreclosure case, knew that there had been an agreement entered into between counsel in the case for a division of that fee, whereby some \$40,000 of the fee allowed was to be distributed to other counsel in the case not representing the complainants but representing other parties, would or not that of itself evidence to your mind that the allowance was not for the services of counsel for the complainants, and therefore was, by the amount to be distributed and split, unreasonable?-A. Well, that would all depend on the circumstances under which such an arrangement as that was proposed. As I said awhile ago, the question of stipulations and agreements as to fees would enter into a proposition of that kind, and the judge does not concern himself with how the fee is going to be divided in a case of the character you have just mentioned, if nobody is there objecting to it, so far as the mere splitting of fees is concerned.

Q. But if the judge knew that there was to be a split of some \$40,000 in the fee, and that that amount of a \$90,000 allowance was to be distributed to other counsel, in your opinion would he be authorized to award a \$90,000 total fee for the services of the attorney for the complainant?

Mr. WALSH (of counsel). I object to that for the reason, first, that it is leading; second, it is argumentative; third, insofar as it has the quality of a hypothetical question, it is not based on the hypothesis of any testimony which has been introduced here.

The PRESIDING OFFICER. The present occupant of the chair understands that the law of Florida has been put in issue by both parties; and, as the present occupant of the chair understands the question, it is an appropriate question to understand what the law of Florida is upon the point involved. Therefore, the ruling is that the objection is overruled, and the question is admissible.

A. Do you mean, by the question, whether or not the judge would be authorized to enlarge the fee because there

was going to be a split of the fee, so that each one would get a liberal allowance?

Mr. Manager HOBBS. I will ask the reporter to read the question.

The Official Reporter read the question, as follows:

But if the judge knew that there was to be a split of some \$40,000 in the fee, and that that amount of a \$90,000 allowance was to be distributed to other counsel, in your opinion would he be authorized to award a \$90,000 total fee for the services of the attorney for the complainant?

A. I do not think he would be authorized to allow \$90,000 at all. That is my individual opinion.

Mr. Manager HOBBS. I have no further questions.

Mr. KING. Mr. President, I send to the desk a question which I desire to propound.

The PRESIDING OFFICER. The clerk will read the interrogatory propounded by the Senator from Utah.

The legislative clerk read the question propounded by Mr. King, as follows:

Does the Florida law provide any sum or amount or percent to be paid upon foreclosure proceedings?

A. It is not fixed by statute. It is entirely a matter of contract.

The PRESIDING OFFICER. Call your next witness, please.

Mr. Manager HOBBS. Mr. Martin Sweeny.

DIRECT EXAMINATION OF MARTIN SWEENY

Martin Sweeny, having been duly sworn, was examined and testified as follows:

By Mr. Manager HOBBS:

Q. State your name, please, sir.—A. Martin Sweeny.

Q. Mr. Sweeny, were you connected with the Whitehall Hotel operation?—A. I was.

Q. What connection did you have with it?-A. Manager.

Q. Mr. Sweeny, please explain to the Members of this honorable Court how the bookings for that hotel are made, where, and by whom.—A. The bookings are made from the hotel in New York, at my office.

Q. Is that hotel, in its operation, dependent upon casual comers to the hotel?—A. No. There is a good deal of booking that we do, and publicity work involved, to get our clientele.

Q. Is it or not a fact that the clientele of that hotel has been worked up through the years and is definitely known and nursed?—A. That is true.

Q. Mr. Sweeny, you and Mr. Bemis and your brother bought that hotel originally, did you not?—A. We did.

Q. It was the Henry M. Flagler private home; and you bought it, with the land on which it was situated, and paid how much for it?—A. \$437,000.

Q. Then, afterward, you were induced to build an addition to it in the form of a modern hotel at the rear, leaving the residence standing intact at the front?—A. Yes, sir.

Q. Mr. Sweeny, do you know Mr. Walter S. Richardson?— A. Yes, sir.

Q. Do you remember the two seasons during which he was receiver of this Whitehall Hotel property?—A. Yes, sir.

Q. What two seasons were they?—A. 1928 and 1929, I believe.

Q. I am not speaking of the seasons in which he operated it as trustee in bankruptcy.—A. When he operated it as receiver?

Q. Yes, sir.—A. 1929 and 1930.

Q. What are the seasons of that hotel?—A. We open about the 1st of January and close April 1.

Q. In other words, you have a total gross season of 3 months, beginning January 1?—A. Yes, sir.

Q. For the purpose of refreshing your recollection, Mr. Sweeny, I believe the bill for the appointment of a receiver in this case was filed October 11, 1929?—A. Yes, sir.

Q. Therefore, it would be the season of 1930 and 1931?—A. 1930 and 1931.

Q. Mr. Sweeny, please state to the members of this honorable Court what services Mr. Walter S. Richardson performed with reference to bookings or securing the people coming to that hotel as guests?—A. He did not perform any services.

Q. Who did that work?-A. I did.

- Q. Mr. Sweeny, please detail to the members of this honorable Court what services Mr. Richardson performed while he was receiver of this property.-A. Well, he had charge of the property under a court order.
 - Q. Who ran it?-A. Who ran the hotel?

Q. Yes.—A. I ran the hotel.

- Q. What did Mr. Richardson do? Just describe his daily activities .- A. Well, he would come to the hotel every morning, see if there was any mail for him, see what cash was in the bank, what deposits had been made, stay there for an hour or two.
- Q. What would he do after that?-A. That I could not tell you.
- Q. I mean, would he leave the hotel?—A. Yes; sometimes he came back in the afternoon about 4 or 5 o'clock for
- Q. Did he have anything to do with the handling of the cash?-A. No, sir.
- Q. Did he have anything to do with the keeping of the rooms?-A. No. sir.
- Q. Did he have anything to do with the registrations or the running of the clerk's desk?-A. No, sir.
- Q. Did he have anything to do with the keeping of the books?-A. No. sir.
- Q. Did he have anything to do with giving directions to
- you as to how to operate the hotel?—A. No, sir.
- Q. So his total services, then, according to your testimony, consisted of coming there once or twice a day for a short period of time and getting whatever mail might have come in for him and seeing what money had been deposited in the bank?-A. That is true.
- Q. And that is all the services he performed?—A. During the operating period.
- Q. What services did he perform after the operating period each year?-A. That I could not say. I left there each year after the close of operations.
- Q. The hotel was closed, was it not?—A. Yes; the hotel had to carry on.
- Q. I recognize that, and it carried on through whose management?-A. H. E. Bemis.
- Q. If I understand your testimony, you handled the New York and booking end during the closed season of 9 months, and Mr. Bemis supervised the keeping of the rooms aired and moth-prevention work down there?-A. Yes, sir.
- Q. Do you know whether or not Mr. Richardson did anything whatsoever during that 9 months?-A. I do not.
- Q. What is your best judgment as to whether there was anything for him to do?—A. I think, very little.
- Q. Mr. Sweeny, what was the scale of prices in vogue for the Whitehall Hotel to be paid for the naked rooms? I mean by that, without valet service, without meals, without anything but the occupancy of the rooms. What was your scale of prices for the rooms during the seasons 1930 and 1931?-A. Twenty-five and thirty dollars a day.
- Q. Were there any rooms there cheaper than that?-A. We had one room to a floor, a single room, that we rented for \$10 or \$12 a day.
- Q. But the suites were all \$25 to \$30 a day per room?-A. Yes, sir.
- Q. Do you know whether Judge Halsted L. Ritter occupied any of those rooms during those two seasons?-A. Yes, sir.
- Q. Did he occupy the \$10 or \$12 room, or what?-A. No; he occupied a suite.
 - Q. A suite of how many rooms?—A. I believe two rooms.
- Q. Two rooms; a sitting room?-A. A sitting room and bedroom.
- Q. And the price of those rooms which he occupied was \$25 or \$30 a day per room?—A. The two rooms were \$50 a day.
- Q. Mr. Sweeny, do you know whether or not the room accommodation was paid for by Judge Ritter?-A. I believe not.
- Q. Do you remember how often he occupied rooms in that hotel?-A. To the best of my knowledge, I believe he was there twice.
 - Q. And for how long each time?-A. Overnight.

- Q. Mr. Sweeny, was he charged anything for the room accommodation or for the valet services and meals?-A. I do not believe so.
- Q. For the purpose of refreshing your recollection, I should like to show you this [handing witness paper]. Upon the occasion shown in account sheet 7700, for how long did he stay there?-A. Two days.
 - Q. Two days?-A. Yes, sir.
- Q. Mr. Sweeny, during the period of your connection with Whitehall, either before you built any annex to it or afterward, I will ask you to tell the Court, in a concise way, how your business ran and when it fell off .-- A. During each year?
- Q. Yes .- A. We would open up about the 1st of January each year, and we would become 100 percent filled by the 1st of February. By that 100 percent I mean around 90 to 95 percent we considered a hundred percent; and would continue that way until about the end of March.
- Q. I beg your pardon; I was not particularly asking that. What I am trying to get at is what you call your room account. In other words, I will ask you if the season of 1929, which began on January 1, 1929, and ran to April 1, was not your peak, your banner year?-A. It was one of our best years.
- Q. That was the height of the prosperity before the crash of the fall of 1929?-A. Yes, sir.
 - Q. Who did the booking for that year?-A. I did.
- Q. Did Mr. Walter S. Richardson have anything to do with it?-A. No, sir.
- Q. During the 1929 season—that is, beginning January 1, 1929, and ending April 1, 1929—he was trustee in bankruptcy, was he not?—A. Yes, sir.
- Q. Did he have anything to do with the management of the hotel during that period except such as you have described?-A. No, sir.
- Q. Did he give you any orders or directions about the running of the hotel, or anything of that sort?-A. No, sir.
- Q. The same class of service to which you have testified obtained with respect to Mr. Richardson during that period also?-A. Yes, sir.
- Q. During the 1930 season and 1931 you continued to have fairly good business, though diminishing?-A. Yes, sir.
- Q. And the bottom did not drop out, so to speak, until 1932?—A. That is right.
- Q. Do you know whether or not Mrs. Ritter, the wife of the judge, stopped there at any time when she was not with the judge?-A. I do not recollect; no, sir.
- Q. Do you know whether or not Mrs. Merle R. Walker stopped there?
- Mr. WALSH (of counsel). One minute. I object to that unless some evidence is produced as to the knowledge of the judge with respect to the matter.
- The PRESIDING OFFICER. The reporter will read the
- The Official Reporter read the question, as follows:
- Do you know whether or not Mrs. Merle R. Walker stopped there?
- The PRESIDING OFFICER. The question is admitted; the objection is overruled. The assumption is that counsel is leading up to something else by that question.
- Mr. Manager HOBBS. We hope to connect it, may it please the Court. If we should not do so, we are perfectly willing to have it go out.
 - By Mr. Manager HOBBS:
 - Q. Do you know?-A. No; I do not.
- Q. Do you know the relationship between Mrs. Walker and Judge Ritter?-A. No, sir.
- Q. Do you know whether or not Mr. and Mrs. Lloyd Hooks stopped there?
 - Mr. WALSH (of counsel). Mr. President-
 - A. No.
 - By Mr. Manager HOBBS:
- Q. I will ask you to look at these sheets and to see if they are the sheets regularly and properly kept in the operation of that hotel business? [Several papers were handed to the witness.]-A. Yes; they are.

The PRESIDING OFFICER. Mr. Hobbs, the present occupant of the chair thinks that when a question of that character is asked the sheets should be identified in some

Mr. Manager HOBBS. May it please the Court, we would like at this time to have the reporter mark separately and severally our exhibits which we have already identified. offer them severally and separately in evidence and ask that they be marked "Exhibits A, B, C, D", and so on, including the ones we are now offering.

Mr. WALSH (of counsel). Mr. President, might we not look at those before they are admitted? A great many matters were referred to and offered which were given no exhibit numbers and we would like to go over them and recall, if we can, whether they were so offered-I know the gentlemen here intend to do that—and determine whether or not they are competent and relevant to the matter.

The PRESIDING OFFICER. The present occupant of the chair considers that there is nothing to rule upon at the present time and feels sure that the learned counsel on both sides would follow the general practice in that regard.

Mr. Manager HOBBS. I will withdraw that question, if it be considered a question, and simply introduce these documents and ask that they be marked.

The PRESIDING OFFICER. Will the manager on the part of the House please have the documents last handed to the witness given some identification?

Mr. Manager HOBBS. Yes sir; that is what I am now asking. I am offering those documents in evidence and asking that they be marked "Seriatim Exhibits", we will say, "F, G, H", and so on.

The PRESIDING OFFICER. Have counsel for the respondent any objection to that procedure?

Mr. WALSH (of counsel). May I ask a question? Do I understand that you have offered these documents, among others?

Mr. Manager HOBBS. I have offered the documents referred to, without the others.

Mr. WALSH (of counsel). I object to all of these documents except those relating to Judge Ritter and Mrs. Ritter, because no connection has been shown with Judge Ritter as to the other documents and as being irrelevant and immaterial. As to the other documents, I decidedly do object to them unless we can go over them first, because I cannot comprehend, and doubt whether the Court can, what they are. I think some sort of identification should be given to them as they are offered.

The PRESIDING OFFICER. Is there anything further on the part of the managers?

Mr. Manager HOBBS. No, sir.
The PRESIDING OFFICER. The Chair rules that the part of the offer calling for marking the papers for identification is granted and that they should be marked.

With respect to the papers that are assented to on the part of the respondent, they are admitted. With respect to those which are objected to, they are excluded until they are connected either with the respondent or with the issue. There is nothing before the Court at the present moment which indicates that they are relevant,

By Mr. Manager HOBBS:

Q. Mr. Sweeny, I now show you a telegram, which I ask you to look at and identify, if you can [handing telegram to witness]. Mr. Sweeny, did you see this telegram from Walter Richardson?-A. I do not know.

Q. You do not know?-A. It may have been received by Mr. Bemis,

Q. Did you see it? It is addressed to you or your attorney.—A. Yes, sir.

Q. Have you it with you?—A. I have not. All the papers I have here were taken out of my files.

Q. Did you receive or see this telegram; and the "Walter" by whom it is signed is who?—A. Walter Richardson.

Mr. Manager HOBBS. We offer this telegram in evidence, and ask that it be marked by the appropriate letter. It is dated October 16, 1929, and, eliminating the hieroglyphics, is directed to H. E. Bemis or Martin Sweeny.

Mr. WALSH (of counsel). I should like to see that, if you please [examining telegram]. We have no objection.

The PRESIDING OFFICER. It is admitted. Will the managers please have the paper marked?

Mr. Manager HOBBS. I ask that it be marked in proper order according to our letters.

(The telegram was marked "Managers' Exhibit C.")

Mr. Manager HOBBS (reading):

Holland's refusal to permit application for receiver necessitates filing separate bill for interveners, which will be done Thursday, and motion for appointment receiver will probably be heard Saturday morning; otherwise everything apparently well set to go.

By Mr. Manager HOBBS:

Q. Mr. Sweeny, this letter of August 30, 1929, signed "Walter" and directed to you, I will ask you to look at and say if you received that, and identify it.

(The witness examined the letter.)

A. Yes.

Mr. Manager HOBBS. We offer this letter in evidence, may it please the Court, and ask that it be marked "Exhibit D." This is the letter which was identified yesterday. I also ask that the sheets from the records of the hotel company be marked "Managers' Exhibits A and B."

The PRESIDING OFFICER. That may be done.

Mr. Manager HOBBS. And that the telegram I have just read immediately follow that. The letter I have just referred was marked "Exhibit D." It was, according to my recollection, the first exhibit to be identified by the witness Fordham.

(Statement of account dated Feb. 20, 1931, Whitehall, Palm Beach, to Mr. H. L. Ritter and Mrs. Ritter, was marked "Managers' Exhibit A.")

(Statement of account dated Mar. 3, 1931, Whitehall, Palm Beach, to Mr. H. L. Ritter and Mrs. M. R. Walker was marked "Managers' Exhibit B.")

(The telegram was marked "Managers' Exhibit C.")

Mr. Manager HOBBS. This letter has already been read. having been read yesterday; so I shall not read it again.

Mr. WALSH (of counsel). Let me see that letter. I do not recall it. [After examining letter.] We have no objec-

The PRESIDING OFFICER. Then the letter may be admitted

(The letter was marked "Managers' Exhibit D.")

By Mr. Manager HOBBS:

Q. In connection with this letter which you have seen, I ask you if you had any connection in Boston "that could reach Mr. Bert E. Holland, an attorney, whose address is Tremont Building, Boston? Mr. Holland is a cotrustee and, as such, is the holder of \$50,000 of the first-mortgage bonds." I ask you if you had any connection that could get in touch with him and reach him and get him to put up his bonds, or authorize the employment of attorney to foreclose. Did you do so?-A. Yes, sir.

Mr. WALSH (of counsel). One minute! I object to that. The letter is the best evidence. I do not recall that that is what it says in the letter. I do not say that it does not, Mr. Manager, but the letter is in evidence.

Mr. Manager HOBBS. I beg your pardon. It says "Mr. Holland's full cooperation with us would solve our problem", after he had stated what he wanted with him.

Mr. WALSH (of counsel). Yes. That is the reason I object to it.

Mr. Manager HOBBS. I withdraw the question.

By Mr. Manager HOBBS:

Q. Mr. Sweeny, in this letter, I will ask you if, in response to his suggestion stated in this letter-

I am spending much time in working out a plan whereby the bondholders can take it away from them just as quickly as they get through with the bankruptcy proceedings; but, for the Lord's sake, don't breathe this, as I am again attempting to match wits with old man Moore, and I believe I have about solved his line

of procedure.

Just as soon as my final report is approved and out of the way, I expect to go to New York, and go into the matter in detail, and formulate a definite plan of procedure. I have already gone into this matter very thoroughly with Mr. Bemis, and immediately upon his return I expect to take action and shoot as fast as a mechine gun in order to have things in shape for another season's machine gun in order to have things in shape for another season's operation.

I wish you would get in touch with as many first-mortgage bond-holders as possible in order that we may take up with them our plan and have their cooperation. Now, don't argue the question with me, for I have gone into the matter thoroughly and have been watching and planning for some 6 months, and the plan of procedure is the correct one, and you leave this part of it to me, as I am more anxious than ever to thoroughly demonstrate to Mr. Moore that he is not so wise, after all, and that this "fathead" that has down here is a "pluperfect boob."

Wonder if you have any connection in Boston that could reach Mr. Bert E. Holland, an attorney, whose address is Tremont Building, Boston? Mr. Holland is a cotrustee and, as such, is the holder of \$50,000 of the first-mortgage bonds. Mr. Holland's full coopera-

of \$50,000 of the first-mortgage bonds. Mr. Holland's full coopera-

tion with us would solve our problem.

In response to that, did you follow the suggestion made in this letter by Mr. Walter S. Richardson, then trustee in bankruptcy of the Whitehall Hotel, and contact Mr. Bert E. Holland?-A. I did.

Q. Did you, or not, have a conference with Mr. Holland in New York?-A. I did.

Q. Did you, or not, gain his consent that his name and bonds be used in the filing of this suit?-A. Yes, sir.

Q. At your instance and in your office letters were written by him to Mr. A. L. Rankin and Mr. Metcalf, his partner, authorizing them to proceed in his name, were they not?-A. Yes, sir.

Q. One other question, Mr. Sweeny. I notice no. 7700 and 7540 and 7975, and so on, in the upper lefthand corner of these sheets [handing sheets to witness]. The question I wish to ask is what those numbers mean?—A. Those are the account numbers.

Q. There are the account numbers of what files?-A. They correspond to the registration cards.

Q. In what files?—A. That number there is the same number as is on the card of registration when entering the hotel.

Q. The Whitehall Hotel?-A. Yes.

Q. I thank you, sir. Now, Mr. Sweeny, I want to ask you about this letter which I now show you a copy of. [Handing letter to witness.] Is this the copy from your files of the letter you wrote to Judge A. L. Rankin?-A. (After examining letter.) Yes, sir.

Q. You signed this letter and mailed it to him?-A. Yes,

Mr. Manager HOBBS. We introduce this letter in evidence and ask that it be marked for identification. It is dated November 22, 1930, and is directed to Judge A. L. Rankin, West Palm Beach, Fla.

Mr. WALSH (of counsel). I know the manager is not noticing it, but I should like to look at anything that is offered on the part of the managers, if you please. I did not hear the manager's statement, but my colleague advises me that that was only offered for identification. We have no objection to it going in, but I do not think the record ought to be confused in that way. Are you offering the

Mr. Manager HOBBS. Yes, sir.

Mr. WALSH (of counsel). You are offering it in evidence?

Mr. Manager HOBBS. Yes, sir.

Mr. WALSH (of counsel). All right.

The PRESIDING OFFICER (Mr. George in the chair). Is there objection?

Mr. WALSH (of counsel). No, sir.

The PRESIDING OFFICER. The document will be admitted and appropriately marked.

(The document was marked "Managers' Exhibit E.") Mr. Manager HOBBS. The letter reads:

MANAGERS' EXHIBIT E

WHITEHALL Palm Beach, Fla., November 22, 1930.

Judge A. L. Rankin,
West Palm Beach, Fla.
Dear Judge Rankin: Mr. Bemis loaned me last night the copy

of the final decree of which you so kindly sent him. From a layman's standpoint it looks as though you have covered every point.

I note that in the sale of this property you ask for a minimum price of \$1,500,000, either in bonds or cash, and, as I understand this, it will be necessary for the bondholders' committee to put up two and a half million dollars in bonds of the old issue. In case they only control 92 persons of the bond. case they only control 93 percent of the bonds, for the balance, or 7 percent of the entire issue, they would put up 60 cents on the dollar.

Furthermore, I believe it was our understanding that the bonds held by W. J. Moore, which he bought in after he knew the prop-

erty was bankrupt, could not be used. This would be another \$300,000 of bonds, or the equivalent of 60 cents on the dollar in cash, would have to be put up.

In other words, whoever bought the property would have to deposit in round figures about \$300,000. I am just reciting these facts to see if they are correct, in case someone does bid upon the property. For I believe it is your intention eventually to put this in the hands of three trustees, for, truthfully speaking between friends, I do not believe the property in the long run would pay out at this figure. out at this figure.

Naturally I am anxious to get to Palm Beach, so that you, Mr. Bemis, and I can go over all these various points brought up in the final decree, so as to be able, when the property is finally offered for sale, to be in a position to make a legitimate bid with a company that will have the backing of several Palm Beach men

a company that will have the backing of several Palm Beach men on our board, that would guarantee the bonds at a fair price. I believe this can only be accomplished by the property being put in the hands of three competent trustees who would look at it for a long pull and not from one season's extraordinary earnings. It is not only so of Florida property but of all real-estate property throughout the United States today, that on bonds of going concerns that are earning money, would not carry the price that you have asked in this final decree. As an illustration, the first-mortgage bonds on the Berkshire, corner of Flity-second Street mortgage bonds on the Berkshire, corner of Fifty-second Street and Madison Avenue, the total issue of which was only \$1,350,000, are today offered to us at 60. The property has been built and in operation for 5 years and each and every year has made more than its interest and amortization. In other words, the ground rent on this property is \$75,000 a year, the interest and amortization is \$120,000, making a total of \$190,000. In the last fiscal year we made over \$290,000.

As another illustration, the first-mortgage bonds on the Florida East Coast entire properties are today selling at 35.

I am just giving you these figures and facts so that you can see the future of Whitehall in the final accounting, instead of the earnings of 2 years ago.

We have a moral obligation to the first bondholders who invested their money in this property. Naturally we would like to see them get some of their capital with a guaranteed return of it. I believe we can earn as much on the property for the first-mortgage bondholders, if not more, than any other group.

I believe I am speaking for Mr. Bemis, as well as myself, when I say that I would hate to see this property get into some hands that in the final outcome would in any way reflect upon Judge

Ritter's court.

I saw Judge Harris the other day, and I wish you would send me the letters that you had from the Governor of Alabama, as it is just possible before I leave for Palm Beach I might see the Honorable James Francis Burke, of Pittsburgh, and, as you know, he has a big influence at Washington. It is just possible I might get a word in to your advantage.

With kindest regards believe me I am

With kindest regards, believe me, I am,

Sincerely yours.

By Mr. Manager HOBBS:

Q. Then you testified you signed this letter?-A. Yes, sir.

Q. And sent it to Mr. Rankin?—A. Yes, sir.

Mr. Manager HOBBS. The letter which I now have, dated October 3, 1929, was shown to counsel for the respondent yesterday.

Mr. WALSH (of counsel). I should like to look at it if you are going to offer it. I cannot carry it in my mind. Mr. Manager HOBBS. Very well.

The PRESIDING OFFICER. If the manager on the part of the House, as well as counsel for the respondent will show to the other side documents which they offer it will probably make for the conservation of time.

Mr. Manager HOBBS. Counsel was shown that letter yesterday, may it please the Court.

Mr. WALSH (of counsel). If I saw it, I am sure I do not remember it. I have no objection to it, however. Is it offered in evidence as an exhibit?

By Mr. Manager HOBBS:

Q. Mr. Sweeny, did you write this letter of October 3, 1929, to Mr. Bert E. Holland?-A. Yes, sir.

Mr. Manager HOBBS. We offer this letter in evidence and ask that it be given an appropriate letter of identifica-

The PRESIDING OFFICER. Without objection, it will be admitted and given an appropriate number as an exhibit. (The letter was marked "Managers' Exhibit F.")

Mr. Manager HOBBS. The letter reads:

WHITEHALL Palm Beach, Fla., October 3, 1929.

Mr. BERT E. HOLLAND,

73 Tremont Street, Boston, Mass.

Dear Mr. Holland: Confirming our conversation this morning, we are planning to apply to the Federal court for a receivership under the first-mortgage bonds and ask the court to appoint the following committee as a self-constituted bondholders' committee

representing the 7,000 bondholders of the first mortgage on White-

hall, Palm Beach, Fla.

The court will in return appoint Mr. Bemis and me as managers payments will be met. Furthermore, the committee after securing this property will work out a plan for the future, and as president of this company since it has been incorporated I can assure you that your bonds will become of real value.

Very truly yours, of the property, and as we have always made more than the interest on the first mortgage you can rest assured that your interest

MS:BT.

By Mr. Manager HOBBS:

Q. You signed that and mailed it?-A. Yes, sir.

Mr. Manager HOBBS (reading):

Whitehall, Palm Beach, October 3, 1929-

Mr. WALSH (of counsel). Is that another letter?

Mr. Manager HOBBS. No, sir; it is a part of the same letter. WHITEHALL

Palm Beach, Fla., October 3, 1929.

Mr. G. B. Romph, First National Bank of Miami, Fla.

Mr. Charles H. Gilman, president, Bank of Bay Biscayne. Mr. Frank A. Shaughnessy, president, First National Bank, of

Palm Beach.

Mr. Franklin P. Smith, Lake Forrest, Ill. Mr. E. F. Hutton, chairman of the Board of General Foods Co.,

Mr. Bert E. Holland, attorney, 73 Tremont St., Boston, Mass.

Mr. Manager HOBBS. May it please the Court, that is all.

Mr. WALSH (of counsel). I should like to know whether this letter of October 3. 1929, was not written from New York although it has a Palm Beach, Fla., letterhead. I ask that question of the manager.

Mr. Manager HOBBS. I beg pardon.

Mr. WALSH (of counsel). I say is it a fact that that letter was written from New York although it has a Palm Beach letterhead?

Mr. Manager HOBBS. I do not know, sir.

Mr. WALSH (of counsel). Maybe the witness will know.

The WITNESS. It was written from New York.

Mr. Manager HOBBS. That answers it.

Mr. WALSH (of counsel). I have a few questions I should like to ask the witness.

CROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Mr. Sweeny, you have been in the hotel business down on the Florida coast for 31 years?-A. Yes, sir.

Q. What hotels have you been connected with?-A. From 1906 to 1920 I was connected with the Royal Poinciana Breakers Hotel.

Q. Who owned that hotel?-A. The Florida East Coast Hotel Co. From 1920 to 1925 I was connected with the Everglades Club in Palm Beach, Fla. From 1926 until the present day I have been connected with Whitehall.

Q. You have been connected with Whitehall ever since it was a hotel?-A. Yes, sir.

Q. What was Mr. Bemis' connection with those hotels?-A. With the Royal Poinciana Hotel; Mr. Bemis was vice president and general manager.

Q. Was that a part of this same hotel chain?-A. Well, the Royal Poinciana is part of the Florida East Coast Hotel chain.

Q. You stated that you were one of the persons who turned the Flagler residence into a hotel or club. That was when?-A. We bought it in the spring of 1924.

Q. You were asked whether or not you were induced to build a hotel behind the original residence, and you answered "yes." When was that?-A. We opened the hotel in the winter of 1926.

Q. Who induced you to build the hotel?-A. Well, W. J. Moore.

Q. Did W. J. Moore and the Moore interests finance that hotel?-A. I did not understand the question.

Q. Did W. J. Moore and the Moore interests finance that hotel?-A. Yes, sir.

Q. There were three mortgages on the hotel, were there not?-A. Yes, sir.

Q. It was built by a building company owned and controlled by the Moore interests, was it not?-A. Yes, sir.

Q. What was the estimated cost of that hotel when you concluded to build the addition to it that made it of the present size?-A. Do you mean what was our valuation?

Q. What was the estimated cost of building the hotel?-A. Oh, the estimated cost was \$3,000,000.

Q. And it was a company of their own. How much did it cost, as a matter of fact, to build it?-A. Well, when we got through we were about seven or eight hundred thousand dollars short.

Q. Was a mortgage given for it?-A. No, sir.

Q. That shortage was to unsecured creditors?—A. Yes, sir.

Q. And subsequently these mortgages were put upon the hotel-two more?-A. No; one more.

Mr. Manager SUMNERS. Mr. President, we desire to suggest the apparent irrelevancy of the testimony.

The PRESIDING OFFICER. Is there an objection on that ground?

Mr. Manager SUMNERS. Yes; we object.

Mr. WALSH (of counsel). We think it is not irrelevant. The PRESIDING OFFICER. The Chair overrules the objection.

By Mr. WALSH (of counsel):

Q. But the building operation wound up with three mortgages on the hotel, and a large amount due to unsecured creditors? Is that true or not?-A. Yes, sir.

Q. You put some money in that hotel yourself, did you

not?-A. Yes, sir.

Q. How much did you lose in it before the foreclosure proceeding was brought?—A. I think my brother and myself lost about \$140,000 in it altogether.

Q. You were the manager of that hotel, were you not, from the time it started until the present day?—A. Yes, sir.

Q. You are still the manager of it?-A. Yes, sir.

Q. I call your attention to one other matter, because I am going to try to get through with you very quickly. After the receivership of 1929, was that the year that you had a big hurricane there?-A. We had a hurricane in the fall of 1929.

Q. Was that the one that required the extensive repairs to be made?—A. Yes, sir.

Q. Who put up the money for that?-A. Well, the court allowed \$100,000 worth of receivers' certificates to be sold; but when we got ready to sell the certificates of the receiver the banks would not take them, so Mr. H. E. Bemis, Ed Sweeny, and myself guaranteed \$50,000 worth of those certificates.

Q. Ed Sweeny is your brother, I believe?—A. Yes, sir.

Q. These letters that have been read to you, four or five of them, are letters out of an extensive correspondence, are they not, that you had with Mr. Bemis, with Mr. Richardson, and with other persons interested in the preservation of that hotel property?-A. Yes, sir.

Q. And you turned over your entire files to the House managers, did you not?—A. Yes, sir.

Q. How long ago was that?-A. Well, part of my files

were taken over a year ago.

Q. Yes; and when were the last turned over to them?-A. Yesterday.

Q. And the part that was turned over a year ago, you took their receipt for, did you not?-A. I did not, but my caretaker did.

Q. Your caretaker did; and you asked for the return of them?-A. No; I never asked for the return of them.

Q. Did you get them back?-A. No, sir.

Q. You have not seen them since?-A. No, sir.

Mr. WALSH (of counsel). May I see them please? I really did not know; I thought we had them all.

Mr. Manager SUMNERS. I am afraid we did not understand the question.

Mr. WALSH (of counsel). The witness says that his caretaker turned over a number of letters, correspondence, to the committee over a year ago, and that they have not been returned. If you have them handily, I should like to see them.

Mr. Manager SUMNERS. I do not believe we have them at the moment; and Mr. Mulherin, the young man who is most familiar with the records, is out of the Chamber just |

Mr. WALSH (of counsel). Very good. I wish to get through with this just as quickly as I can, and you can give them to me later, or let me look over them, anyway.

Mr. Manager SUMNERS. Yes.

By Mr. WALSH (of counsel):

Q. The files you retained, after they were returned by the House managers, you allowed us to go over, did you not?-A. Yes. sir.

Q. That is, the counsel for Judge Ritter?—A. Yes, sir.

Mr. WALSH (of counsel). Have you the files here now? Mr. MULHERIN. Here is everything except those intro-duced in evidence. The originals are not here of all of

them, but I have copies of them.

Mr. WALSH (of counsel). If you are sure that the originals are all here, we accept the copies.

Mr. MULHERIN. I say the originals are not all there.

Mr. WALSH (of counsel). I say if you are sure these are copies of the originals-

Mr. MULHERIN. I am certain of that.

Mr. WALSH (of counsel). We will accept them.

Mr. Manager SUMNERS. I would like to have the record show at this point that the managers on the part of the House have complied with the request of counsel for the respondent with reference to the records just referred to.

By Mr. WALSH (of counsel):

- Q. Before I get to the main body of the correspondence, there was a letter introduced here yesterday-and I think you have testified about it this morning-which was written from your office by Mr. Holland, addressed to Mr. Rankin. Why did you recommend Mr. Rankin to Mr. Holland?-A. Mr. Bemis recommended him to me.
 - Q. Mr. Bemis was your associate?-A. Yes, sir.
- Q. And he has been your associate during all these years, has he not?-A. Yes, sir.

Q. You began life down there, I believe, as a bookkeeper at one of those East Coast Railway hotels?-A. Yes, sir.

Q. That was 30 years ago. Just another question or two. You were asked about Judge Ritter stopping at your hotel on these two occasions. Is it customary in first-class hotels for the manager to have a list or to make complimentary space at the hotel for individuals?—A. Yes, sir.

Q. Explain the practice briefly, very briefly.-A. Well, it is in the discretion of the manager. If he wants to entertain any guests, friends, people he wants to take care of overnight,

he generally gives them the privileges of the hotel.

- Q. There were two occasions during the years the judge had to do with this hotel that the records showed he stopped there; he stopped there with his wife. Did you give authority for that?-A. I believe Mr. Bemis asked me to take care of Judge Ritter.
 - Q. Was it in the way that it is usually done?—A. Yes, sir.

Q. Under those circumstances?-A. Yes, sir.

Q. And one occasion was a sort of gala occasion, being Washington's Birthday, I notice by the date.—A. Yes, sir.

Q. Is that correct?-A. Yes, sir.

Q. Did you have other complimentary guests there at that time?-A. That I could not say.

Mr. WALSH (of counsel). For the sake of saving time, we have these letters which have gotten into our possession, which have been given to us, and I suggest to the House managers that we have copies of this entire correspondence, a continuous list of them chronologically copied. We are going to ask you, if you will agree, that instead of reading these letters to Mr. Sweeny we be permitted to offer them all in evidence and give you copies of them.

Mr. Manager PERKINS. Mr. President, the managers on the part of the House object to that procedure. These letters are incompetent, immaterial, and irrelevant, and will only

encumber the record.

Mr. WALSH (of counsel). I desire to say that these letters predate and antedate this transaction. They show the effort that was being made, and they throw a strong light upon the proposition that this was not a champertous proceeding, but that it was a proceeding started by these men who had in- Senate will stand in recess until the hour of 2:15 p.m.

vested their money, and upon whose names and credit these bonds were sold. It is in answer to that.

The PRESIDING OFFICER. It is the ruling of the Chair that the letters shall be exhibited to the managers on the part of the House, and that the managers on the part of the House may make specific objections to each document to which they wish to lodge objection. There can be no ruling with respect to a large number of documents without specific objection.

Mr. WALSH (of counsel). Will you take that suggestion of the Presiding Officer and go through these documents?

Mr. Manager PERKINS. Mr. President, we understand that these letters are to be offered, and objection made as they are offered; or are we to examine the file and find out what documents we object to?

The PRESIDING OFFICER. The ruling of the Chair was that the letters shall be exhibited to the managers on the part of the House, and that specific objection shall be lodged to documents to which the managers wish to lodge objections.

Mr. Manager PERKINS. Mr. President, we will examine them during the recess and be prepared to follow that procedure.

The PRESIDING OFFICER. Very well. Are there any other questions?

Mr. WALSH (of counsel). Yes; I have some very vital questions.

By Mr. WALSH (of counsel):

Q. During the time that this correspondence was going on, did you know Judge Halsted L. Ritter?-A. No, sir.

Q. When did you first get acquainted with him, if you ever did?-A. I met him for the first time when he came to Whitehall.

Q. Did you ever at any time have a conversation with him bearing upon the Whitehall situation?-A. No, sir.

Q. Did you ever at any time hear anyone else having a conversation with him bearing on the Whitehall situation?—

Q. So far as you know, none of the negotiations that you had with Mr. Richardson or with your associate, Mr. Bemis, or any other person, was ever in any way brought to the attention of Judge Halsted L. Ritter?-A. No. sir.

Q. You have no information that he ever had any knowledge of any kind of any of these letters or any of these negotiations?-A. Not to my knowledge.

Q. When did you first meet Mr. Rankin?-A. I first met

Mr. Rankin in New York in 1929. Q. And you were introduced by whom?-A. By Mr. Rich-

ardson. Q. Did Mr. Bemis have anything to do with the actual management of the hotel?—A. Yes; he did.

Q. With the Whitehall Hotel?-A. Yes. We talked the matters over always.

Mr. WALSH (of counsel). Let me look at that "Attaboy" letter; will you, please? [After examining letter.] I want to hand this letter, marked "Managers' Exhibit AA", to Mr. Sweeny and ask him whether or not he has the letter in his file which he wrote to W. J. Moore, referred to in this exhibit, and the Moore letter to him, that being the letter dated March 10. If you do not remember it, Mr. Sweeny, you can examine the letter.

(The witness examined the letter.)

The WITNESS. What is it you want to know, Mr. Walsh? By Mr. WALSH (of counsel):

Q. I want to know if you have in your files the letter that you wrote to Mr. Moore, referred to in that letter .- A. I think I have a copy of it; something like that.

Q. And Mr. Moore's letter to you?-A. Yes; I probably have a copy.

Q. Will you please bring that in?-A. Now?

Mr. WALSH (of counsel). Yes. I will get through with the witness in 1 minute. That is all I have to ask him.

RECESS

The PRESIDING OFFICER. The hour of 1:30 having arrived, in accordance with the order heretofore entered, the

Thereupon (at 1 o'clock and 30 minutes p. m.) the Senate, sitting as a Court of Impeachment, took a recess until 2 o'clock and 15 minutes p. m., at which time it reassembled.

The VICE PRESIDENT. Are the managers on the part of the House ready to proceed?

Mr. Manager HOBBS. Counsel for the respondent was in charge of the witness at the time of the recess.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Coolidge	Keyes	Pope
Ashurst	Copeland	King	Radcliffe
Austin	Couzens	La Follette	Reynolds
Bachman	Davis	Lewis	Robinson
Bailey	Donahey	Logan	Russell
Barbour	Duffy	Lonergan	Schwellenbach
Barkley	Fletcher	McGill	Sheppard
Benson	Frazier	McKellar	Shipstead
Black	George	McNary	Smith
Bone	Gerry	Maloney	Steiwer
Brown	Gibson	Metcalf	Thomas, Okla.
Bulkley	Glass	Minton	Thomas, Utah
Bulow	Guffey	Moore	Townsend
Burke	Hale	Murphy	Truman
Byrnes	Harrison	Murray	Vandenberg
Capper	Hastings	Neely	Van Nuys
Caraway	Hatch	Norris	Wagner
Carey	Hayden	O'Mahoney	Walsh
Clark	Holt	Overton	White
Connally	Johnson	Pittman	

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present.

CROSS-EXAMINATION OF MARTIN SWEENY (CONTINUED)

By Mr. WALSH (of counsel):

Q. Mr. Sweeny, are the two letters which I hand you the letters which I asked you before the luncheon recess to produce?-A. Yes, sir.

Mr. WALSH (of counsel). I ask that these two letters, one being a carbon copy dated September 15, 1929, with the initials at the bottom "MS-CS", and one dated September 24, being an original letter, written to Mr. Martin Sweeny by Mr. William J. Moore, be marked for identification.

(The letters were marked, respectively, for identification, "Respondent's Exhibits 15 and 16.")

Mr. WALSH (of counsel). That is all, thank you, Mr. Sweeny.

The VICE PRESIDENT. Are there any further questions on the part of the managers?

Mr. Manager HOBBS. No other questions.

The VICE PRESIDENT. The witness may stand aside.
Mr. WALSH (of counsel). The correspondence is still in the possession of the gentlemen upon the other side, and they have not had time to read it. Mr. Sweeny wishes to get away. If I may have a stipulation with the managers to the effect that those are letters that came from Mr. Sweeny's file, and they are authentic copies and original letters, we can let him go.

Mr. Manager PERKINS. You need not hold Mr. Sweeny here to prove the letters, but we object to them on the ground of their relevancy and materiality.

Mr. WALSH (of counsel). I understand, but that is not the question.

Mr. Manager PERKINS. We will, at the proper time when you wish to offer them, admit. Many of them are not letters addressed to Mr. Sweeny. There are some 200 letters, and we have not had a chance to examine them since you offered them.

Mr. WALSH (of counsel). I understand that perfectly. I am afraid you will have to remain awhile, Mr. Sweeny.

Mr. Manager PERKINS. Here is a letter dated December 18, 1928, addressed to Mr. Bemis, which has no signature. We cannot admit that.

Mr. WALSH (of counsel). Then I shall have to prove them. I am doing my best. That is all I can do. You had better wait awhile.

The VICE PRESIDENT (to the witness). Stand aside. [To the managers on the part of the House:] Call the next

Mr. Manager PERKINS. Mr. President, under stipulation with counsel for the respondent I am about to offer two letters and a check in evidence, and I ask that they be marked as exhibits.

The VICE PRESIDENT. The clerk will mark them as exhibits with the next numbers.

Mr. WALSH (of counsel). I stated at the time of this stipulation that the witness, Mr. Brodek, was to be called.

Mr. Manager PERKINS. I did not understand that.

Mr. WALSH (of counsel). Oh, yes!

Mr. Manager PERKINS. I will call Judge Ritter, then. and prove the letters by him. If you wish to admit them, I will read them. Otherwise I will prove them by Judge

Mr. WALSH (of counsel). Let me see the letters, please. Meantime, do not excuse Mr. Brodek.

(The letters were exhibited to Mr. Walsh.)

The VICE PRESIDENT. The Chair understands that the letters and check are introduced, and will be marked "Exhibits H-1, H-2, and H-3."

(The documents were marked "Managers' Exhibits H-1, H-2, and H-3.")

Mr. Manager PERKINS. I desire to read the exhibits just

The first is as follows:

MANAGERS' EXHIBIT H-1

UNITED STATES DISTRICT JUDGE'S CHAMBERS. SOUTHERN DISTRICT OF FLORIDA, Miami, Fla., March 11, 1929.

Miami, Fla., March 11, 1929.

Mr. Charles A. Brodek,
67 Wall Street, New York, N. Y.

Dear Mr. Brodek: The Mulford Realty Co. foreclosure case on the Brazilian Court Hotel was decided in our favor in every particular. This case certainly has been long-drawn out and has been far more of a fight than anyone anticipated when my firm took it over. Of course, now that I am on the Federal bench, I cannot practice any further, and my partner, A. L. Rankin, will carry through the further proceedings in that case. I will, however, be consulted about matters by him until it is all closed up.

I enclose a statement of the account to date, showing a balance of \$1,945.23 due on the agreed fee of \$4,000, a check for which was given me by Mr. Mulford on the 9th. He asked me to notify Mr. Cooper of the drawing of this check. Will you please telephone him?

I think you will appreciate that we have done an enormous

him?

I think you will appreciate that we have done an enormous amount of work in this case, which has been pending for considerable over a year. In the first place, we did not know of the foreclosure suit which D'Esterre had brought to foreclose his second mortgage prior to the bringing of our suit. This necessitated our entering that suit, and by demurrers and motions to dismiss, finally getting rid of it. In that case some of the law questions were decided which became available in our foreclosure. Every possible block was interposed by the defendant, D'Esterre, and by E. C. Hilker, Inc., which claimed a retention title contract on the plumbing. Also, I had continually on my hands the Paschals, advised the receiver, had three changes of receivers, as you know, and there were continual questions arising between the receivers and the Paschals in reference to the management and accounts of the hotel. the hotel.

I could send you a complete statement of the situation, but you will readily understand the amount of work involved. I am saying all this for the reason that I think \$2,000 more by way of attorneys' fees should be allowed. The receiver now has on hand something over \$16,000. We proved up attorneys' fees of \$16,000. I think the court will allow us \$10,000. This will be paid to us by order of court by the receiver, and, as I understand it, this money will be turned over to Mulford to reimburse him for expenses which he has paid and for the payment of attorneys. for expenses which he has paid and for the payment of attorneys' fees. This amount, of course, will more than do this. I talked with Mr. Mulford about this matter on last Saturday, and he said he realized we should have more money, but desired the matter taken up through you. I was glad he did so, because he will then

I do not know whether any appeal will be taken in the case or not; but if so, we hope to get Mr. Howard Paschal or some other person as receiver who will be amenable to our directions, and the hotel can be operated at a profit, of course, pending the appeal. We shall demand a very heavy supersedeas bond, which I doubt

whether D'Esterre can give.

I will appreciate your communicating with me direct about this matter, as I had the matter up with Mr. Mulford, and am, of course, primarily interested in getting some money out of this case, as the shift from the practice to the bench shuts off my activity in collections from my old firm, and this matter is one among very few which I am assuming to continue my interest in until finally closed up.

Appreciating your consideration of this matter, I am, with best regards.

regards, Very truly yours,

HALSTED L. RITTER.

P. O. box 880, Miami. HLR:ALH Enc.

The next exhibit is the following letter:

MANAGERS' EXHIBIT H-2

UNITED STATES DISTRICT JUDGE'S CHAMBERS, SOUTHERN DISTRICT OF FLORIDA, Miami, Fla., April 1, 1929.

Mr. Charles A. Brodek,
72 Wall Street, New York, N. Y.

Dear Mr. Brodek: Many thanks for yours of March 30, enclosing check for \$2,000 additional fee in the Brazilian Court Hotel matter. I greatly appreciate your and Mr. Mulford's attitude in the matter, and assure you that I will keep in touch, in an advisory way, with the progress of the case. I feel sure my partner, Judge Rankin, will handle the matter very carefully and efficiently. Very truly yours,

HT.R . AT.H

HALSTED L. RITTER.

No. 4771

The third exhibit is a check, as follows:

MANAGERS' EXHIBIT H-3

Brodek, Raphael & Eisner.

NEW YORK, March 30, 1929.

The Equitable Trust Co. of New York 1-217

Pay to the order of Hon. Halsted L. Ritter Two thousand 00/xx Dollars. Payable through the New York Clearing House. BRODEK, RAPHAEL & EISNER, (Signed) RALPH H. RAPHAEL.

Endorsed "Hon. Halsted L. Ritter, H. L. Ritter", and paid through the Bankers Trust Co. of New York.

Mr. WALSH (of counsel). Have you the letter of transmittal that came with that check from Brodek, please?

Mr. Manager PERKINS. We have what purports to be a copy of a letter of March 30, 1929, addressed to Hon. Halsted L. Ritter and signed "Chas. A. Brodek."

Mr. WALSH (of counsel). For the purpose of conserving time, would you mind reading that, to obviate the necessity of my having it marked for identification?

Mr. Manager PERKINS. No.

Mr. WALSH (of counsel). Thank you. Mr. Manager PERKINS. It is as follows:

MARCH 30, 1929.

Re: Brazilian Court Hotel. Hon. Halsted L. RITTER,

Hon. Halsted L. Ritter,

United States District Judge, Miami, Fla.

Dear Judge Ritter: Mr. Mulford came back last week, but his engagements and then my engagements prevented meeting on the subject of your recent letter until yesterday.

As I intimated in my March 13 letter, I encountered no difficulty on Mr. Mulford's part in accepting my suggestion that you were entitled to the additional fee, and I am therefore enclosing my firm's check for \$2,000.

I told Mr. Mulford that insofar as your judicial duties would permit, you would, in the event of an appeal, give the benefit of your intimate knowledge of the facts and law of the case to Mr. Rankin. I also told Mr. Mulford that in the event of an appeal an additional fee would have to be paid, but that I felt certain that in fixing the amount of that fee, the payments in connection with the case to date would be taken into consideration.

Mr. Mulford wants me to express to you his deep appreciation of your interest in the case and his gratification at the satisfactory outcome of the excellent work you did.

With best regards, I remain,

Sincerely yours,

CHAS. A. BRODEK.

B/W: Encl.

Mr. Manager PERKINS. Call Jerome D. Gedney.

DIRECT EXAMINATION OF JEROME D. GEDNEY

Jerome D. Gedney, having been duly sworn, was examined and testified as follows:

Mr. Manager PERKINS. Mr. President, this witness is suffering from lameness and requests that he be permitted to sit as he testifies.

The VICE PRESIDENT. The Chair will be prepared to use his discretion. The witness may take the chair back of the desk.

By Mr. Manager PERKINS:

Q. Where do you live, Mr. Gedney?—A. I live in the small town of Manalpan, in Palm Beach County, Fla.

Q. What is your business?-A. Lawyer.

Q. Do you know the respondent, Halsted L. Ritter?-A.

Q. Did you or did you not represent a corporation in the matter of Francis?-A. I represented the Spanish River Land Co.

Q. Who was Mr. Francis?-A. Well, I do not know who he is, other than he was purchaser of land from the Spanish River Land Co.

Q. Did you meet Judge Ritter with reference to some law business in which he represented Mr. Francis?-A. I did not quite hear the question.

Mr. Manager PERKINS. I will ask the reporter to read

the question.

The Official Reporter read the question.

A. I suppose you mean did I meet with Judge Ritter? I

By Mr. Manager PERKINS:

Q. What was your first connection with that matter?-A. My first connection with that matter was when a receipt for an amount of money that had been paid by Mr. Francis on account of the purchase of property was sent to me, together with some correspondence.

Q. Do you know Judge Ritter's signature?-A. I do not know that I could qualify as an expert. I believe I know his

signature.

Q. I show you a letter bearing date February 3, 1930, addressed to Mr. C. H. Geist, Boca Raton, Fla., and ask if that is Judge Ritter's signature?—A. (After examination.) I believe it to be.

Mr. Manager PERKINS. Will counsel admit this is the signature of Judge Ritter?

Mr. WALSH (of counsel). I have not seen the letter. Mr. Manager PERKINS. I will hand it to you.

Mr. WALSH (of counsel, after examining letter). That

appears to be his signature. I will agree that it is.

Mr. Manager PERKINS. Mr. President, I offer this letter in evidence and ask that it be marked "Managers' Exhibit I."

(The document was marked "Managers' Exhibit I.") Mr. Manager PERKINS. Managers' exhibit I is a letter written on the letterhead of Halsted L. Ritter, and is as follows:

MANAGERS' EXHIBIT I

HALSTED L. RITTER, United States District Judge, Miami, Florida, February 3, 1930.

Mr. C. H. GEIST, Boca Raton, Florida.

Dear Mr. Geist: In March 1928, while I was practicing law in West Palm Beach, I had two or three conferences with you concerning the property which Mr. J. R. Francis, of Flint, Michigan, had purchased in Boca Raton prior to the bankruptcy proceedings. These lots were as follows:

Lots 1, 2, 3, and 4, 42-A; lots 10 and 11, block 126, plat 4, designated as the Cloister Inn golf course addition of Boca Raton.

On the purchase price of \$83,500.00, Mr. Francis paid \$59,850.00 on these lots

on these lots

on these lots.

Paid \$54,200 on a/c principal.

You told me at the time that you would have to clear up the title to the lands through foreclosure and arrange your plans, after which you intended to adjust with creditable people their purchase contract agreements, and for me to take the matter up with you again after you had progressed farther in your matters. I take it that by this time you are ready to consider the proposition.

Mr. Francis is a man of the highest standing in the manufacturing world. He has a beautiful home on the ocean front in Miami Beach, where he spends a little time now and then. He is a man

ing world. He has a beautiful home on the ocean front in Miami Beach, where he spends a little time now and then. He is a man of considerable wealth and, I am sure, is the type of man you would want interested in your plans. He desires to acquire the property which he contracted for and, I am sure, would cooperate with you in the improvement of the same satisfactorily. He has asked me to take the matter up with you again. He intended to be down here at this time but is delayed, but will be here, I think, in a week or ten days. Mr. Francis is more than a mere client of mine; he is one of my intimate friends, and naturally I would like very much to get the situation adjusted to the satisfaction of you both. both.

Would you please let me know what your ideas about this matter are?

I hear a great many laudatory things about your Boca Raton Club. Yours very truly, HALSTED L. RITTER.

By Mr. Manager PERKINS:

Q. Mr. Gedney, did you receive this letter from Mr. Geist?-A. Yes.

Q. What, if anything, did you do with reference to the matter referred to in the letter?-A. Well, I prepared the necessary deeds that were to be given. I arranged to have the title guaranteed. I procured a title search and made the tax certificate. I mean I prepared the tax certificate; I did not sign it. Then there was a certificate of the engineer required as to a certain portion of the title. That certificate was made by the engineer of the land company.

Q. Did you communicate with anyone representing Mr. Francis?—A. I communicated with Judge Ritter.

Q. What did you do with reference to that?—A. When I procured the title certificate from the title company, which was to insure the title. I sent those preliminary certificates to Judge Ritter with a letter, registered, in the fall of 1930.

Q. I show you what purports to be copy of a letter dated November 19, 1930, and ask if this is a copy of the letter you sent to Judge Ritter.-A. (After examining letter.) That is the carbon copy of the original from my file.

Mr. Manager PERKINS. Mr. President, I offer that in evidence.

The PRESIDING OFFICER (Mr. STEIWER in the chair). It will be admitted.

Mr. WALSH (of counsel). We have no objection.
Mr. Manager PERKINS. I ask that it be marked in evidence as an exhibit.

(The document was marked "Managers' Exhibit J.")

Mr. Manager PERKINS. The exhibit just marked in evidence bears date November 19, 1930, and reads as follows:

MANAGERS' EXHIBIT J

MANAGERS' EXHIBIT J

Hon. Halsted L. Ritter,

United States District Judge,

Post Office Building, Miami, Florida.

My Dear Judge Ritter: Herewith I am sending you preliminary certificates issued by Atlantic Title Company, as agent of the New York Title & Mortgage Company, which are known as re-issue certificates nos. 4 and 5 of policy no. 6985. These certificates are issued to Mr. J. R. Francis, of Flint, Michigan, to cover the property which through you he arranged to purchase from Spanish River Land Company in February last.

Upon the closing we will furnish a certificate of the collector of taxes of the town of Boca Raton, to the effect that there are no municipal assessments against the properties in question, and a

taxes of the town of Boca Raton, to the effect that there are no municipal assessments against the properties in question, and a certificate of our engineer, who is a registered civil engineer, that there are no easements for sewers, water pipes, roads, alleys, telegraph, telephone, electric light or power lines, or other public utilities established on the premises in question.

Please indicate when and where you wish to have the closing in this matter. I can arrange to come to Miami for the purpose if you wish to attend to the closing yourself, but otherwise I would prefer to have the closing at my office, Harvey Building, West Palm Beach, Florida.

Awaiting your advices in the matter, I am, Very truly yours,

JDG:RW REG. Bv

By Mr. Manager PERKINS:

Q. Who signed this letter?—A. I did.

Q. Did you receive a response to that letter from Judge Ritter?—A. I believe I did. You have the file.

Q. I show you a letter bearing date November 21, 1930, and ask you if that is a response to the letter just read?-A. (After examining letter.) It is.

Mr. Manager PERKINS. I offer this letter in evidence and

ask that it be marked as an exhibit.

(The document was marked "Managers' Exhibit K.")

Mr. Manager PERKINS. The letter just marked as an exhibit is on the letterhead of Halsted L. Ritter, dated November 21, 1930, and reads as follows:

MANAGERS' EXHIBIT K

HALSTED L. RITTER UNITED STATES DISTRICT JUDGE, MIAMI, FLA., November 21, 1930.

SPANISH RIVER LAND CO.,

SPANISH RIVER LAND Co.,

P. O. box 58, West Palm Beach Fla.

GENTLEMEN: I beg to acknowledge receipt of yours of November 19 containing preliminary certificates issued by Atlantic Title Co. as agent of the New York Title & Mortgage Co., which are known as reissue certificates nos. 4 and 5 of policy no. 6985, which certificates are issued to J. R. Francis, of Flint, Mich.

I will this day send these certificates on to Mr. Francis. I expect him to be in Miami around the first of the year. I hope it will be convenient for you to wait until Mr. Francis comes down here this winter to finally close up the matter, unless Mr. Francis should write to me, authorizing me to close the matter up for him, in which event I will communicate with you.

Yours very truly,

Yours very truly.

HALSTED L. RITTER.

Did you make a response to that letter, Mr. Gedney?-A. I believe I did.

Q. I show you what purports to be a letter from the Florida River Land Co. dated November 26, 1930, and ask you if that is a copy of your response?—A. (After examining letter.) That is the answer.

Mr. Manager PERKINS. I offer this in evidence and ask that it be marked as an exhibit.

(The document was marked "Managers' Exhibit L.")

Mr. Manager PERKINS. The exhibit just marked is as follows:

MANAGERS' EXHIBIT L

701 HARVEY BUILDING. West Palm Beach, Fla., November 26, 1930.

Hon. HALSTED L. RITTER

Hon. Halsted L. Ritter,

United States District Judge, Miami, Fla.

Dear Sir: This is to acknowledge the receipt of your letter of November 21, 1930, re Spanish River Land Company—J. R. Francis. The long delay which has ensued in this matter is chargeable to us and not to Mr. Francis.

We would very much like to close the title during the current year, and if it can be so arranged we would appreciate your arranging to have it done, but if this will seriously inconvenience either Mr. Francis or yourself, we will defer the closing of the title, provided there be an understanding between us that unless an earlier date and place be set for the closing mutually convenient, it will be closed at this office, 701 Harvey Building, West Palm Beach, Florida, on Thursday, January 15, 1931, between the hours of 10:00 o'clock in the forenoon and 12:00 o'clock noon.

Please advise us as to the permanent post office address of Mr. Francis, in order that the same may be inserted in the proposed deed of conveyance.

deed of conveyance.

Yours very truly,

IDG . RW

By

By Mr. Manager PERKINS:

Q. Who signed the letter?-A. I did.

Q. Did you receive a response from Judge Ritter to that letter?-A. I believe I did.

Q. I show you a letter dated December 29, 1930, and ask if that is a reply you received.—A. (After examining letter.) This letter does not refer to the earlier letter, but it was received at a later date.

Q. Is that a letter you received from Judge Ritter with reference to the Francis matter?-A. Yes. This letter is dated December 29, 1930.

Mr. Manager PERKINS. I offer the letter in evidence and ask that it be marked as an exhibit.

(The document was marked "Managers' Exhibit M.")

Mr. Manager PERKINS. The letter just marked as an exhibit is on the letterhad of Halsted L. Ritter, and is as follows:

MANAGERS' EXHIBIT M

DECEMBER 29, 1930.

SPANISH RIVER LAND CO.

SPANISH RIVER LAND Co.,

Harvey Building, West Palm Beach, Fla.

GENTLEMEN: In the matter of closing up the contract arrangements with Mr. J. R. Francis concerning which you wrote me some time ago, and fixed the 15th day of January as the date, I beg to say that Mr. Francis is very sick in the Battle Creek Sanitorium at Battle Creek, Mich., but is recovering. He cannot arrive in Miami, however, until about the 1st of February. I therefore request you to change the date for closing up this matter until his arrival in Miami along about the 1st of February, and he and I will get in touch with you at that time.

Yours very truly.

Yours very truly,

HALSTED L. RITTER.

By Mr. Manager PERKINS:

Q. Did you respond to that letter of Judge Ritter's?—A. I believe I did.

Q. I show you a copy of what purports to be a letter dated January 6, 1931, and ask you if that is the copy of the letter you wrote to Judge Ritter on that date respecting that particular matter?-A This is the reply I made to the letter of December 29.

Mr. Manager PERKINS. Mr. President, I offer the letter in evidence, and ask that it be marked as an exhibit.

(The document was marked "Managers' Exhibit N.")

Mr. Manager PERKINS. The exhibit just marked in evidence is as follows:

MANAGERS' EXHIBIT N

701 HARVEY BUILDING. West Palm Beach, Fla., January 6, 1931.

Re J. R. Francis.

JDG: RvB.

Hon. Halstead L. Ritter,

United States District Judge,

Federal Building, Miami, Fla.

Dear Sir: Your letter of December 29, 1930, in the above matter was duly received. We were sorry to hear of the illness of Mr. Francis and will, of course, be willing to grant the request that the closing be deferred until after his arrival in Miami about February 1, at which time I understand you or he will communicate with me and arrange for a convenient time and place for the closing. for the closing.

Very truly yours,

SPANISH RIVER LAND CO. Bv --, Vice President. By Mr. Manager PERKINS:

Q. Who signed the letter, Mr. Gedney?-A. I signed it.

Q. Did you receive a response to that letter from Judge Ritter?—A. I do not recall whether I received a response to the letter or not.

Q. Do you know whether or not, on or about February 3, you wrote Judge Ritter a letter with respect to the transfer of the property from Spanish River Land Co. to J. R. Francis? I send you what purports to be a copy of a letter and ask you if you recognize that to be a copy of a letter which was sent by you to Judge Ritter respecting the matter just described.—A. I am referring now to the letter of December 29 written to me by Judge Ritter.

Q. Did you write the letter a copy of which you have in your hand?—A. Yes; I wrote a letter of which this is a copy.

Mr. Manager PERKINS. I offer it in evidence, Mr. President, and ask that it be marked as an exhibit.

(The document was marked "Managers' Exhibit O.")

Mr. Manager PERKINS. The exhibit which has just been marked reads as follows:

MANAGERS' EXHIBIT O

FEBRUARY 3, 1931.

Re: Spanish River Land Company-J. R. Francis.

Hon. Halsted L. Ritter,

United States District Judge,

Federal Building, Miami, Florida.

Dear Sir: You will recall that under date of December 29th, 1930, you requested that the date for closing title in the above matter be deferred until after Mr. Francis' arrival, which you expected would be about February 1st. I am writing simply to ask whether Mr. Francis has arrived in Florida; and if so, that a day be set for the closing.
Very truly yours,

JDG:RvB

SPANISH RIVER LAND COMPANY,
—————————————, Vice President. By -

By Mr. Manager PERKINS:

Q. I show you a letter from Judge Ritter dated February 5, 1931, and ask you if you received that letter from him respecting the matter just described .-- A. This letter of February 5 refers to the previous letter, of February 3, written by me to Judge Ritter.

Mr. Manager PERKINS. Mr. President, I ask that the letter be marked as an exhibit, and I offer it in evidence.

(The document was marked "Managers' Exhibit P.")

Mr. Manager PERKINS. The exhibit just marked reads as follows:

MANAGERS' EXHIBIT P

FEBRUARY 5, 1931.

SPANISH RIVER LAND COMPANY,

P. O. Box 58, West Palm Beach, Florida.
GENTLEMEN: I have your letter of February 3rd in regard to the date for closing title in the matter with Mr. J. R. Francis. I am informed that Mr. J. R. Francis is expected to arrive in Miami about February 9th, and just as soon thereafter as he is physically able the matter will be taken up.

Yours very truly.

HALSTED L. RITTER.

By Mr. Manager PERKINS:

Q. I show you another letter, dated March 27, 1931, and ask you if that is a letter received by you from Judge Ritter respecting the transfer of this property.—A. No; it is a letter written to Gordon B. Anderson.

Q. Did you actually receive it?—A. I beg your pardon?

Q. Do you know that that letter is a letter received by you from Mr. Anderson?-A. I received the letter from Mr. Anderson. I did not receive it from Judge Ritter.

Q. That has the signature of Judge Ritter to it?-A. I believe so.

Mr. WALSH (of counsel). Is that the one exhibited to counsel just now?

Mr. Manager PERKINS. That is the one exhibited to counsel just now.

Mr. WALSH (of counsel). That is the signature of Judge Ritter.

Mr. Manager PERKINS. I offer the letter in evidence, Mr. President, and ask that it be admitted and marked as an exhibit.

(The document was marked "Managers' Exhibit Q.")

Mr. Manager PERKINS. The exhibit just offered is on the letterhead of Halsted L. Ritter, United States district judge, Miami, Fla., and reads as follows:

MANAGERS' EXHIBIT Q

HALSTED L. RITTER, United States District Judge, Miami, Fla., March 27, 1931.

Mr. Gordon B. Anderson, Spanish River Land Co., Boca Raton Club, Boca Raton, Fla Spanish River Land Co., Boca Raton Club, Boca Raton, Fla.

Dear Sir. I acknowledge receipt of yours of the 24th in reference to lot in Boca Raton to be conveyed to Mr. J. R. Francis. I have examined the deed, and it appears to be a special warranty deed by and through the Spanish River Land Co. I understood there was to be a general warranty deed, and that a policy of title insurance would be issued in conformity therewith. The deed can readily be interlined to carry out this purpose.

I presume you have abstracts of title to the property to be conveyed, as well as to lots 1, 2, 3, and 4 of block 42-A, plat no. 2, of which Mr. Francis is the owner, or have a general abstract from which abstracts could be readily made to these specific pieces of property.

Mr. Francis tells me that he has the preliminary certificates of title insurance on the lots in block 42-A. I presume you have the policies ready to deliver upon closing up the matter. I have given Mr. Francis a copy of this letter, and he will get in touch with your very shortly. you very shortly.

herewith enclose the deed sent me to the property on El

Enc.

Camino Real. Yours very truly,

HALSTED L. RITTER.

By Mr. Manager PERKINS:

Q. Mr. Gedney, when did you go to Judge Ritter's office about the transfer of this property from the Spanish River Land Co. to J. R. Francis?—A. I cannot hear your question.

Q. When did you go to see Judge Ritter with reference to the transfer of the property from the Spanish River Land Co.

to Francis?-A. When? Q. Yes; to Judge Ritter's office.—A. I saw Judge Ritter regarding this matter twice; once at his chambers early in 1931, and again when the matter was closed. I looked up the date from the memorandum in my file, and know that the first occasion was on Thursday, the 19th of February. I do not recall it, but I looked it up from a memorandum in my files.

Q. What year was that?-A. 1931.

Q. Where did you see him?—A. At his chambers.

Q. What did you discuss with him?-A. This closure. I do not remember it specifically, but probably it was in relation to the statement of his in a letter that Mr. Francis was to get a warranty deed, and my belief is that that was the real occasion of my calling upon him.

Q. Did you discuss with him the transfer of this property from the Spanish River Land Co. to Francis?-A. Yes. That

was the reason I went to see him.

Q. When did you see him the second time?—A. I saw him the second time at Boca Raton.

Q. Did you meet him first at Miami and go to Boca Raton from Miami?-A. On the second occasion?

Q. Yes .- A. No.

Q. Where at Boca Raton did you see him?—A. Where is it?

Q. Where at that place did you see Judge Ritter and Mr. Francis?-A. At the clubhouse.

Q. What was the purpose of your meeting with Judge Ritter?-A. Well, I was asked to come down to attend the closing of the Francis matter, and I brought my file.

Q. Whom were you representing?-A. I was representing the Spanish River Land Co.

Q. Who was representing Francis?-A. Well, Judge Ritter was there with Mr. Francis.

Q. Did he participate in the discussion of the matter?-A. My recollection is that when I got there at the Boca Raton clubhouse that I was told that they were not prepared to pay the balance of \$14,000, which was due in cash, and I was asked what could be done about it.

Q. Who were present at that meeting?—A. Well, we were all there, quite a crowd.

Q. Name the persons, please.—A. Mr. Geist, Mr. Ander-

son, Judge Ritter, Mr. Francis, and myself. Q. State generally to this honorable Court what tran-

spired there.—A. Well, I have already told that when I first went there I was told that they were not prepared to pay the balance in cash, but wanted to pay half in cash and the balance in note, and I was asked what could be done about it.

Q. What was arranged there with reference to that situation?-A. I then suggested that we could close the matter-it had been dragging a long time, and I thought it would be a great deal better to make a delivery of the deeds in escrow, take the \$7,000 and the note and deposit the deeds subject to be delivered to Mr. Francis if he paid the note, and to us if he did not pay it at maturity.

Q. Who participated in that conversation?-A. It was participated in by all. I was then asked to prepare such an escrow agreement, and the escrow agreement was prepared.

Q. Signed by whom?-A. Signed by Mr. Geist, I believe, president of the Spanish River Land Co.

Q. And delivered to whom?—A. Either to Mr. Francis or to Judge Ritter; I cannot say which.

Q. Was the matter subsequently closed entirely by payment?—A. The matter was closed that day, and I took the deed and delivered it to the Atlantic Title Co., and took their receipt in accordance with the terms of the escrow agreement, and at a later date the note was sent to me, and I deposited that note in the Central Farmers' Trust Co. At a still later date, after the due date of the note had arrived, I received a letter from a lawyer in Miami asking about the delivery of the deed, and I replied to him that instead of having it delivered to me and then redelivered to him, I would instruct the Atlantic Title Co. to send it direct.

Q. What relation did Mr. Geist bear to the Spanish River Land Co.?-A. Mr. Geist was the president of the company.

Q. Is he an attorney at law?-A. Mr. Geist?

Q. Yes.-A. No.

Q. Is Mr. Anderson?-A. No.

Q. Through this transaction, did Mr. Francis receive more land in the final deed than was originally designed in the first deed?—A. In order to give you an understanding of that, you will have to know that the Boca Raton Club was formed out of the wreck, so to speak, of the Mizner Development Corporation. The Mizner Development Corporation was a company which had considerable success for a time in the development of Boca Raton. It built a hotel and built two golf courses, and what not. After selling \$31,000,-000 worth of property on contracts, on which they collected \$11,000,000, they sold 5,000,000 of stock. With the collapse of the boom, they collapsed and went into bankruptcy, and afterward it was sold, in the late summer or early fall of 1927.

Q. Mr. Gedney, make it brief. What I want to know is whether, through the transaction, Mr. Francis at this time received more land than the original contract called for?-A. I wanted to explain how that was. I will make it as brief as possible. He had arranged to buy certain lands which are described in various letters and in the deeds, which were finally given to him from the Mizner Development Corporation, and had paid the full amount, and the lands were foreclosed, and he was out so far as his property was concerned.

Mr. O'MAHONEY. Mr. President, I send three questions to the desk and ask that they be put to the witness.

The PRESIDING OFFICER. The clerk will read the interrogatories submitted by the Senator from Wyoming.

The legislative clerk read the first question propounded by Mr. O'MAHONEY, as follows:

At the Boca Raton conference who told you that Mr. Francis was unable to pay the balance at that time?

A. I do not recall exactly who told me. I believe it was Mr. Anderson.

The legislative clerk read the next question propounded by Mr. O'MAHONEY, as follows:

Who instructed you to draw the deed?

A. Well, I was the attorney of the company, and I presume that I did it as a matter of course.

The legislative clerk read the third question propounded by Mr. O'MAHONEY, as follows:

What part, if any, did Judge Ritter take in this conference?

A. Judge Ritter was present with Mr. Francis when this matter was discussed, and I believe was present when the receipt, the escrow receipt, was signed and delivered to Mr. Francis. I also believe he discussed the propriety of carrying out the matter in the way that I had suggested.

By Mr. Manager PERKINS:

Q. On whose behalf did he discuss the propriety?

Mr. WALSH (of counsel). I object to that as calling for a conclusion of the witness. Anything that was said there that the witness can recall will be all right,

The PRESIDING OFFICER. The Chair suggests that the witness may recite the conversation if he remembers it.

Mr. Manager PERKINS. I produce, having exhibited it to counsel for the respondent, a certified copy of deeds from the Spanish River Land Co. to J. R. Francis, one dated the 31st of March 1931, the other dated the 16th of February 1931. I desire to offer these in evidence and have them marked as exhibits.

The PRESIDING OFFICER. Without objection, the documents will be received and appropriately marked.

(The documents were marked, respectively, "Managers' Exhibit R" and "Managers' Exhibit S.")

By Mr. Manager PERKINS:

Q. Mr. Gedney, had it not been for the conference and the arrangements at the time they were made, would Mr. Francis ever have received any land from the Boca Raton Co.?

Mr. WALSH (of counsel). I object to that as calling for an improper conclusion.

The PRESIDING OFFICER. Do the managers on the part of the House insist upon the question?

Mr. Manager PERKINS. No; I will put the question a little differently.

By Mr. Manager PERKINS:

Q. At the time of the bankruptcy was or was not Mr. Francis' interest in the Boca Raton property entirely separate?—A. I understand the question to be at the time of the bankruptcy.

Q. At the time of the bankruptcy or by reason of any other legal proceeding.—A. That is what I was about to explain. The property of the Mizner Development Corporation was all heavily mortgaged, and this very property which Mizner had sold to Mr. Francis under a contract of sale was foreclosed at a later day and had nothing to do with the bankruptcy.

Q. At the inception of the transaction with reference to the title that you described to this honorable Court, did Mr. Francis have any legal title to any of that land which he afterward received under the deed?-A. None whatever.

Q. Did he have any equity or interest in that property whatever?—A. No.

Mr. Manager PERKINS. I desire to show counsel for respondent a check. I understand that the check has been submitted, and I offer it in evidence and ask that it be marked as an exhibit.

Mr. HOFFMAN. Does this witness know anything about it?

Mr. Manager PERKINS. I am not asking the witness anything about it.

Mr. HOFFMAN. We object to its introduction at this point because of the purpose in offering it at this time. If this witness knows nothing about it, the examination of the witness should proceed before the check is offered.

Mr. Manager PERKINS. Will you let me have the check back?

Mr. HOFFMAN. Yes; you can have it back; it has been through the bank, so I will let it go back to you.

Mr. Manager PERKINS. Counsel for the respondent may take the witness.

The PRESIDING OFFICER. Are there further interroga-CROSS-EXAMINATION

By Mr. HOFFMAN:

Q. Mr. Gedney, it is true, is it not, that Mr. Francis, prior to the collapse of the Mizner Development Co. at Boca Raton, was a purchaser under a land contract of some property in the original development of the Boca Raton?-A. I have explained that he had a contract at the time of the collapse of Mizner Development Co. to purchase from the Mizner Co. some property which he afterward received by deed from the Spanish River Land Co.

Q. The story is, in fact, that what you did was a conclusion of an arrangement made by Judge Ritter with your client with respect to that old Francis purchase made by Judge Ritter before he went on the bench?-A. No; it had nothing to do with anything that happened before the incorporation of the Spanish River Land Co.

Q. I understand that, but Mr. Francis was trying, was he not, to have your company sell to him property in the Mizner Development Co. area owned by your client at the time, in view of the fact that he was formerly a purchaser, and that that was mentioned?—A. I do not know what Mr. Francis' purchase was, but I know it is a fact that he bought from the Spanish River Land Co. the same property that he had been under contract to buy from the Mizner Co., with the exception that the Spanish River Land Co. conveyed additional deeds.

Q. Your client took into consideration or you knew at the time he had formerly been one of the original buyers in Boca Raton and then had no interest in it because of the

crisis?-A. I say again, that is true.

Q. He then became a purchaser by purchasing from the new owners that you represented land in the same area. Did he also become a member of the Boca Raton Club?—A. I believe he did.

Q. On that occasion at Boca Raton do you recall seeing Mrs. Francis and Mrs. Ritter there also?—A. No; I do not. I do not think I have ever met Mrs. Ritter.

Q. Were they not there at dinner in the club on that occasion?—A. They may have been: I do not recall it.

Q. You did not see them?—A. I remember that we had luncheon together; a crowd of us were there. Other than those I talked to in the business conference, I do not recall who were there when we had luncheon and were socially engaged.

Q. All the papers in this matter were drawn by you, were they not? I mean the escrow agreement and the deed?—A.

All the papers were not drawn by me; no.

Q. Let us say that the conveyances, to get them singled out, were drawn by you?—A. Yes; they were. There were two deeds.

Q. Those are the two we just had here?—A. That is right.

Q. The escrow agreement that deposited the deeds subject to the balance being paid was drawn by you?—A. That is right; yes.

Q. Judge Ritter did not draw any of the title papers, did he, that you know of?—A. No; he did not draw any of them.

Q. Do I understand that, so far as you know, Judge Ritter was gratuitously serving Francis in the matter?—A. I know nothing about Judge Ritter's relations with Mr. Francis except what is contained in his own letter.

Q. That original letter mentions an understanding or, rather, a discussion with your client prior to the time of

this first letter, does it not?-A. Yes.

Q. You do not know when that discussion was had, how long prior to the first letter of this series of letters?—A. I cannot hear you when you speak directly behind the microphone. I am doing my best.

The PRESIDENT pro tempore. Let the Chair state that the microphones are so arranged that we can hear less at this point in the Chamber than any place else. I have called the attention of the Sergeant at Arms to that fact.

The WITNESS. If you will speak a little to one side of the microphone perhaps I can hear you.

By Mr. HOFFMAN:

Q. You cannot tell us how long prior to the first communication introduced here, from the standpoint of the dates, it was that Judge Ritter discussed with your client this matter?—A. Show me the first communication and I will tell you. If you will tell me what you mean by the communication, perhaps I can answer.

Q. The first one, from the standpoint of date, that first came to your attention. I am trying to find out if you know how long before that it was discussed with your client.—A. I want to see the first receipt that came from my files.

Mr. McKELLAR. Mr. President, may I ask the witness to sit a little closer to the microphone, so we can hear him a little better, perhaps.

The WITNESS. I am glad to do so.

By Mr. HOFFMAN (of counsel):

Q. Perhaps we can save a little time. Judge Ritter talked this matter over with your client, Mr. Geist, long before he went on the bench, did he not?—A. I don't know. He said so in the letter that was introduced. I believe he did.

Q. That is what I wanted the letter for—A. Yes; certainly. Q. All that happened was the closing up of that trans-

action?—A. No; it was decidedly not. It was an entirely new transaction because in between the time the title had been foreclosed out of the old Mizner Development Co. and the Francis sale was made, the title was in the land company.

Q. Originally, one company owned it, and Mr. Francis contracted and your clients thereafter became the owner, and Mr. Geist was interested in the Spanish Land Co. The discussion that Mr. Geist mentioned in the first letter we have here——A. Now you are talking something about why a letter was written.

Q. No; there was only one transaction, the Francis transaction. It is the same matter, is it not?—A. No; there were two transactions, one the purchase under a contract with Mizner, which was absolutely settled by the foreclosure of the mortgage.

Q. You had nothing to do with that in this transaction?—
A. What do you mean?

Q. This was just one transaction of Francis with the Spanish River Land Co.?—A. One transaction with the Spanish River Land Co.; yes.

Q. There is no misunderstanding about that. This first letter is dated February 3, 1930, addressed to Mr. Geist and commences:

In March 1928 while I was practicing law in Palm Beach, I had two or three conferences with you concerning the property which Mr. J. R. Francis, of Flint, Mich., had purchased in Boca Raton prior to the bankruptcy proceedings.

That is where he first comes to your attention, is it not, as a result of this first letter?—A. No; it was not.

Q. That is, Mr. Geist sent this letter to you?—A. That was not the first. The first thing I got was a copy of a receipt given by the Spanish River Land Co. to Mr. Francis for payment of \$15,000, and afterward I got that letter.

Q. The culmination and finality of it was the delivery of these deeds we have in evidence?—A. They were to be delivered afterward, yes, April 1, in escrow. They were delivered on the 2d of April 1931; and they were delivered on payment of the notes I described on my direct examination.

Q. That final thing was the delivery of the two deeds we have in evidence?—A. Yes.

Mr. HOFFMAN. That is all.

REDIRECT EXAMINATION

By Mr. Manager PERKINS:

Q. You sent the deeds described to Judge Ritter, did you?—A. I never sent the deeds to Judge Ritter. They were present in the meeting of April 1 at Boca Raton, which I have testified about.

Q. Do you know whether in the final closing of the matter Mr. Francis received credit for any of the money he had paid to the Mizner people that he had lost by reason of the fore-closure?—A. I think the purchase price was arrived at by giving him credit for all that he paid to the Mizner Co. and deducting that sum from the amount that he had agreed to pay the Mizner Co. In other words, he paid the Spanish River Land Co. \$29,000 for all these lots, and they as a matter of fact represented the difference between what he had paid and what he had agreed to pay to the Mizners.

Q. I show you a memorandum on the back of the letter of February 3, 1930, and ask you if that refreshes your memory as to the amount of the payment?—A. No; it does not, because the amount of the difference here is shown to be \$29,300. The receipt which is in my file and which was sent to me fixed the amount at \$29,000.

Q. Did I offer that receipt to you?-A. No; you did not.

Q. Will you please examine your file which appears to be before you and see if you can find that receipt?—A. (After examining papers.) Yes; I find it.

Mr. WALSH (of counsel). I did not hear what the witness said.

Mr. Manager PERKINS. He said he found the receipt.

Mr. WALSH (of counsel). Have we seen the receipt?

Mr. Manager PERKINS. I do not know.

Mr. WALSH (of counsel). May we see it before it is offered in evidence?

Mr. Manager PERKINS. You may [handing paper to Mr. Walsh (of counsel) 1.

By Mr. Manager PERKINS:

Q. Mr. Gedney, I show you the paper just referred to and just submitted to counsel for the respondent and ask if this is a copy of the receipt to which you referred in your testimony?-A. This is the original paper which I received from the Spanish River Land Co. as the basis for proceeding with the matter and it purports to be a copy of the receipt issued to Mr. Francis.

Mr. Manager PERKINS. I offer it in evidence and ask that it be marked as an exhibit.

(The receipt was marked "Managers' Exhibit T.")

Mr. WALSH (of counsel). May I see that again when

you are through with it?

Mr. KING. Mr. President, may I be permitted to inquire whether counsel desire or intend to have printed in the RECORD of today's proceeding these deeds respecting the Spanish River transaction? It seems to me that the mere identification, and the fact that they are presented, would preclude the necessity of having them printed in the RECORD.

The Record is already getting voluminous.

Mr. Manager PERKINS. Mr. President, in response to the honorable Senator, the managers on the part of the House will say that they expect to do just what the Senator has suggested-merely to offer them and give them exhibit numbers, but not to print them.

The receipt just offered in evidence is as follows:

MANAGERS' EXHIBIT T

FEBRUARY 15, 1930. Received of J. Richard Francis, \$15,000.00 to apply on the purchase of lots nos. 1, 2, 3, and 4, block no. 42-A, and lots nos. 10 and 11, block no. 126, plat no. 4, designated as "The Cloister Inn Golf Course Addition of Boca Raton."

Mr. J. Richard Francis agrees to pay \$14,000.00 more when deed is delivered, with guarantee title insuring title to these lots.

Mr. Francis also agrees to having inserted in the deed the regular restrictions of the Spanish River Land Company to lot purchasers. SPANISH RIVER LAND COMPANY,

-. President.

By Mr. Manager PERKINS:

Q. Mr. Gedney, what was the total purchase price of those lots?-A. \$29,000.

Q. Do you know how much Mr. Francis had previously paid to the Meizner interest?-A. He had paid something around \$53.000.

Q. So that the total amount that he had disbursed altogether was something like \$83,000?—A. That is mathematical.

Mr. Manager PERKINS. That is all.

Mr. WALSH (of counsel). That is all. Mr. Manager PERKINS. Mr. President, I now desire to offer in evidence a check which has been exhibited to counsel for respondent, and which is admitted to be genuine, and ask that it be given an exhibit number.

The PRESIDENT pro tempore. It is so ordered. (The document was marked "Managers' Exhibit U.")

Mr. Manager PERKINS. The exhibit just offered reads as follows:

MANAGERS' EXHIBIT U

INDUSTRIAL SAVINGS BANK-MAIN OFFICE

FLINT, Mich., April 18, 1929. No. 20 \$7,500.00/xx

Pay to the order of H. L. Ritter Seven thousand five hundred 00/100 dollars.

(Signed) J. R. FRANCIS.

(Chg. Savings a/c.)

Endorsed "H. L. Ritter" and cleared through the banks shown by the endorsement.

Mr. McKELLAR. Mr. President, what is the date of the

Mr. Manager PERKINS. Mr. President, in response to the inquiry, I will state that the date of the check is April 18, 1929.

Mr. Manager HOBBS. Call Judge Chillingworth, please. DIRECT EXAMINATION OF C. E. CHILLINGWORTH

C. E. Chillingworth, having been duly sworn, was examined and testified as follows:

By Mr. Manager HOBBS:

Q. State your name, please .- A. C. E. Chillingworth.

Q. What office do you occupy, if any, Judge?-A. I am a judge of the Circuit Court of the Fifteenth Judicial Circuit of Florida.

Q. How long have you been so?-A. I have been a circuit judge for something over 12 years.

Q. Judge, you were the presiding judge in the case of Trust Co. of Georgia, Robert G. Stephens, as trustee, against Brazilian Court Building & Operating Co., were you?-A. I Was.

Q. Do you remember the number of that case?—A. I do not. The records are here. I think it is 5704. I am not certain.

Q. That is right. That case was pending regularly in your court—that is, of the fifteenth judicial circuit of Florida?-A. Yes. sir.

Q. Judge, I will ask you if that was the case in which Mulford Realty Co. was the owner of the bonds?—A. Yes.

Q. During the pendency of that case, who was counsel for the complainant and who for the defendant, if you remember?-A. The firm of Ritter & Rankin represented the plaintiff trustees. The firm of Winters & Foskett-perhaps it was then Winters, Foskett & Wilcox-represented some of the defendants. I think Mr. Salisbury represented one of the defendants, and there were perhaps some other lawyers representing some lienors.

Q. Was a man by the name of D'Esteree one of the interveners?-A. He was a party in the suit. I am not certain

now just how he came in the suit.

Q. All right, Judge. Now we have the suit identified. As judge of that court, do you, for your own private information, keep a record book in which you yourself enter engagements?-A. I do.

Q. Have you your book for 1929?-A. I have it.

Q. I will ask you, Judge, to turn to the page which indicates the date of May 3, 1929. Did you yourself make that entry?-A. All the entries on that page in writing are made in my own handwriting.

Q. What entries do you make when an attorney or anyone else makes an engagement with you as judge of that court?-A. My practice with reference to engagements is to make a notation of the lawyer who seeks the engagement and the approximate amount of time that he feels he needs.

Q. You mean his name?-A. His name.

Q. When a lawyer gives you a citation of authority, do you note that?-A. Quite often.

Q. I will ask you to look at May 3 and see if you have a notation there of an engagement with Rankin.-A. I do.

Q. Read that notation, if you please, Judge.

Mr. WALSH (of counsel). I should like to see that, please-any document that goes in.

Mr. Manager HOBBS. I shall be so glad to have you see

(The document was exhibited to Mr. Walsh, of counsel.)

Mr. Manager HOBBS. With the Court's permission and the kind attention of opposing counsel, I should like to suggest that counsel also look at May 4, because I am going to examine him on that in a moment.

By Mr. Manager HOBBS:

Q. Will you please read that, Judge?-A. On Friday, May 3, in my own writing, there appears the following:

3 00 Rankin.

Q. Turn over, please, to May 4, 1929, Judge. Do you see an entry there of an engagement made by Judge Ritter?-A. There is this in my own handwriting.

Q. Please read it.—A. (Reading:)

111 So. 626 Ritter supersedeas bond.

Q. Judge, that "111 So. 626" refers to the Southern Reporter, does it not?-A. It does.

Q. Is that or not the common and accepted way that lawyers in our part of the country refer to the West Publishing Co.'s national reporter system Southern Reporter?-A. It is.

Q. And you say that that engagement is noted by you in your own handwriting?-A. These words appear here in my own handwriting.

Q. I will ask you, Judge, if at that time you had notified counsel in that case of the rendition or mind of the court with respect to the final decree in the Brazilian Court case?-A. On March 2, 1929, I wrote counsel a letter advising them of the way that I intended to dispose of that case and sent them a copy of the findings that I desired incorformal decree and present it to me on notice.

Q. So, then, from March 2 on there was only pending the question of the value of the bonds?

Mr. WALSH (of counsel). I object to that, may it please the President, as leading. Let him say what it was.

Mr. Manager HOBBS. All right; I beg your pardon. I was trying to save time.

By Mr. Manager HOBBS:

Q. Judge, I shall appreciate it if you would tell us what remained to be done in that case.—A. I should like to have a copy of that letter, which I do not have. I did not keep any copy of it. I was furnished a copy of it last week. I do not have it now. Mr. Rankin exhibited to me a copy over my signature that I sent out to the lawyers in the case. Now, if I had that copy that he exhibited to me, I could probably tell you the matters undisposed of. My recollection is that the precise amount to be included in the final decree had not yet been settled by the proof, nor had the amount of attorneys' fees and perhaps some costs. The equities had been established; at least I told them what I would do.

Q. Judge, I will ask you if the matter of the requirement of a supersedeas bond, and fixing the amount thereof, was one of the questions which would probably come up imme-

diately after the final decree was rendered.

Mr. WALSH (of counsel). I wish to object to that question for the reason that the record in the case and the papers in the case are the best evidence. I should like to have them here. I should like to have them identified, so that, if we thought it necessary, we could interrogate the witness on cross-examination.

The PRESIDENT pro tempore. The Presiding Officer thinks, if the witness knows matters that he himself attended to, the original documents not being in question, he has a right to answer the question.

A. I have no independent recollection of the matter at all. The official court records or this memorandum would have to control

By Mr. Manager HOBBS:

Q. Your decree was not rendered until June 8, was it?-A. The decree was not rendered until June 1929.

Q. I am not asking whether or not there was in fact filed a motion for a supersedeas bond to be given, or whether or not the aggrieved party, or the party feeling himself aggrieved, had taken an appeal and given in aid thereof a supersedeas bond, but I am asking you, as the judge of that court, if there was to be an appeal taken, that would be one of the steps in the perfection of that appeal, would it not? A. Yes, sir; it might be a step, and it was a step in this suit. A supersedeas bond is not essential to the appeal.

Q. Of course not; but it frequently is?-A. Yes, sir.

Q. And there was a supersedeas bond in this case?-A. Yes, sir.

Q. And you fixed the amount thereof at \$7,500, did you not?-A. I did.

Q. Judge, there was an appeal taken and prosecuted to termination, was there not?-A. Yes, sir.

Q. Who gave the supersedeas bond in this case?-A. D'Esterre, I think.

Q. I will ask you if that notation which you have in your docket, your engagement docket there, under date of May 4, 1929, referred when you wrote it, and now refers, to this book which I now show you [exhibiting book to witness]?-A. Yes.

Q. I will ask you if you read this decision?-A. I read part of it.

Q. It deals with supersedeas bonds, does it not?-A. I read that headnote, in connection with the supersedeas bond in this case.

Q. I will ask you to read this fourth headnote, which you say you read.

Mr. WALSH (of counsel). It seems to me that it is not material, Mr. President, and I therefore object to it.

The PRESIDENT pro tempore. The Chair is unable to tell whether it is material or not at the present time. They are dealing with the situation at the time of the original trial, and the judge's remembrance of it and certain notes he made at the time, I think can be shown and that he can

porated in the decree, with the request that they prepare the | read the notes. There can be no harm to respondent from his reading them.

The WITNESS. This is a proceeding in the Supreme Court of the State of Florida, [Reading:]

Where a foreclosure decree is for \$108,656.25 and \$6,000 solicitor's fees, an order of the circuit judge fixing the amount of a supersedeas bond at \$25,000 is not an abuse of discretion.

Mr. Manager HOBBS. That is all. Thank you, Judge. CROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Judge, will you be kind enough to let me look at your memorandum book or diary?-A. Yes. I am not sure you can read all of it.

Mr. WALSH (of counsel). I will do my best.

(The book was handed to Mr. Walsh.)

By Mr. WALSH (of counsel):

Q. Judge, you have many other memoranda here which do not refer to engagements with lawyers or others, have you not?-A. That is correct.

Q. You make memoranda of various kinds, I notice.—A. Personal and official both.

Q. Have you the letter to which you were referring here, which you wrote to Judge Rankin, in which you gave the substance of your findings of fact?-A. I have not. Mr. Rankin exhibited to me an original duplicate which I

Mr. WALSH (of counsel). I am going to ask the managers whether they have this letter to which the witness referred.

Mr. Manager HOBBS. We never saw it or heard of it. He says he was furnished with it by Judge Rankin. would be so glad to have it exhibited.

Mr. WALSH (of counsel). I would like to see this letter, Mr. President, if I can get it readily. I understand Mr. Rankin is still in attendance here. I would also like to have the original bill of complaint in this case.

(Several packages of papers were handed to Mr. Walsh.)

By Mr. WALSH (of counsel):

Q. Is that the record in this case [indicating]?-A. Not that I know of. This is some suit in the Federal court.

Q. I am going to send up these boxes of records which you have introduced here, Judge, and ask you to be good enough to pick out the bill of complaint, the intervention of d'Esterre, and the answers filed in the case.—A. If you would state all you want, and let me retire, I could probably save the time of the court and find those documents.

Q. I just want those pleadings I have mentioned, the original bill of complaint, the interposition of d'Esterre, and the answers filed in the case, the answers of all the defendants.

(The papers referred to were handed to the witness.)

A. (After examining papers.) I have delivered to counsel the papers requested so far as I could find them from this casual examination. Parts of those answers might have been stricken before the case went to final hearing. I would have to examine all of these orders to state accurately what was left.

Mr. WALSH (of counsel). I offer in evidence at this point, without reading them, the bill of complaint in case no. 5704, Trust Co. of Georgia, and another against Brazilian Court Building Corporation, and others, and ask that it be marked an exhibit with the next number of the respondent's exhibits.

The PRESIDENT pro tempore. It will be received and marked as an exhibit.

(The document was marked "Respondent's Exhibit 14.")

By Mr. WALSH (of counsel):

Q. Judge, I do not see here the interposing complaint of D'Esterre. Perhaps one of those answers contains it. I do not know.—A. This answer of D'Esterre, filed February 11, 1928, apparently presents his claim.

Q. His intervention?—A. His answer. I do not think there was any intervention as such.

Q. He was made a party defendant?-A. Yes, sir.

Mr. WALSH (of counsel). I now offer in evidence the following papers and ask that they be given the proper number as respondent's exhibits:

Answer of the defendant, Joseph D'Esterre, filed February

11, 1928.

By Mr. WALSH (of counsel):

Q. The date of the filing, Judge, I believe, of the original complaint is some time in 1927. Have you the original complaint there?-A. I think that is correct.

Mr. WALSH (of counsel). Also the answer of E. C. Hilker, Inc., and other defendants, filed December 5, 1927.

Also, answer of Brazilian Court Building Corporation, September 27, 1927.

Also, amended answer of E. C. Hilker, filed March 5, 1928. Also, plea in abatement of the defendant, Joseph D'Esterre, filed December 5, 1927.

Also, amendment to answer of the defendant, Joseph D'Esterre, filed April 10, 1928.

Also, amendment to the answer of the defendant, Joseph D'Esterre, filed June 4, 1928.

Also, second amended answer of E. C. Hilker, Inc., June 9, 1928

And the final decree, filed the 8th day of June 1928.

I ask that they be given their appropriate numbers as respondent's exhibits.

Mr. KING. Mr. President, I request the Presiding Officer to inquire of counsel whether it is his desire to have all the exhibits just identified printed in the RECORD, or merely offered and marked for identification and left with the clerk.

Mr. WALSH (of counsel). I desire to have them regularly put into the evidence. For the purpose of conserving time and space, I think they might be put together with a band, as they often are, and given one exhibit number. I do not ask that they be printed in full, but merely that memoranda be made just as I have dictated them here.

Mr. Manager SUMNERS. Mr. President, with the consent of counsel for the respondent in this connection, to save time, suppose the entire record be offered-we join in offering the rest of it at this time-merely for the purpose of making the papers available for examination or argument, as may be required.

The PRESIDENT pro tempore. Is that stipulation agree-

able to counsel for respondent?

Mr. WALSH (of counsel). I do not see any objection to it. The PRESIDENT pro tempore. It is so ordered, and it is

Mr. WALSH (of counsel). I should like to have an agreement with the managers, if they wish to do so, to the effect that we may get the letter referred to, which contained the judge's findings of fact, and have the judge approve it or O. K. it after we get it this evening, or some other time, and therefore not keep him over just for that purpose.

Mr. Manager SUMNERS. That is all right. Mr. WALSH (of counsel). With that understanding, that is all we have to ask you, Judge Chillingworth.

The PRESIDENT pro tempore. Under the stipulation in the record in this case, the entire record or file in the case just enumerated will be admitted in evidence and receive one identification number.

Mr. WALSH (of counsel). Yes; the papers will go under one identification number.

(The documents were marked "Respondent's Exhibit 15.") The PRESIDENT pro tempore. Call the next witness.

Mr. Manager PERKINS. Mr. President, I have submitted to counsel for respondent three letters which they have agreed may go in evidence; and I now offer a letter written by A. L. Rankin, dated May 29, 1929, to Charles A. Brodek. and ask that it be given an exhibit number.

(The document was marked "Managers' Exhibit V.")

Mr. WALSH (of counsel). I have not had a chance to see that. Judge.

Mr. Manager PERKINS. Mr. Hoffman read all these letters. I submitted all of them to him.

Mr. WALSH (of counsel). I should like to look at it.

Mr. Manager PERKINS. While counsel is reading that letter, I have two other letters written by Mr. A. L. Rankin, dated October 31, 1929, and August 26, 1931, which, under an agreement with counsel, after being admitted in evidence, I ask to have marked as exhibits.

Mr. WALSH (of counsel). I do not object to those, but I should like to read them beforehand.

The PRESIDENT pro tempore. The letters will be admitted and marked.

Mr. Manager PERKINS. I am merely trying to conserve

Mr. WALSH (of counsel). I am trying to do that, but I cannot do it at the expense of not reading what you are

(The two documents were marked, respectively, "Managers' Exhibit W" and "Managers' Exhibit X.")

Mr. Manager PERKINS. Mr. President, the exhibits which have just been offered in evidence, and which have been shown to counsel for the respondent, are as follows:

MANAGERS' EXHIBIT V

A. L. RANKIN, ATTORNEY AT LAW, COMEAU BUILDING, West Palm Beach, Florida, May 29th, 1929.

In re Brazilian court foreclosure. Mr. CHARLES A. BRODEK,

c/o Brodek, Raphael & Eisner,
67 Wall Street, New York City, N. Y.

DEAR MR. BRODEK: Upon returning to the office this morning from a ten days' business trip to Alabama I found your letter of May 20th, and also your night letter of the 28th, pertaining to the above matter. I wherewith enclosing. I wired you today, confirmation of which I am

We have had the matter of entering the final decree up with the court on several occasions, trying to arrange to have him enter the final decree without reopening the case for the taking of further testimony as to the amount Mr. Mulford has invested in the bonds, interest, and other carrying charges or expenses. The position that the court has taken in this matter in refusing to enter a final decree for the full amount of the bonds was so unexpected and unresexpueble that I have been at a loss as to how the court bonds, interest, and other carrying charges or expenses. The position that the court has taken in this matter in refusing to enter a final decree for the full amount of the bonds was so unexpected and unreasonable that I have been at a loss as to how the court could arrive at fixing the proper amount, there being no evidence before the court as to the amount paid for a number of the bonds and as to the interest and expenses of Mr. Mulford pertaining to the holding of the bonds since his purchase. The court has finally agreed that if the lawyers would stipulate and file the stipulation in the cause, consenting to the various items outlined in your telegram to me sometime back, that he would enter the final decree according to the stipulation. The attorneys have finally agreed to stipulate. The stipulation has been drafted, has been signed by myself, and is in their hands for signature. Mr. Foskett, of Winters, Foskett & Wilcox, attorneys for D'Esterre, promised to sign the stipulation more than ten days ago, but he left the city before doing so, and will not return until June 1st. The court is ready to enter the final decree immediately upon the stipulation being signed and filed.

The court has set the amount of the supersedeas bond at \$7,500.00, which the defendant, D'Esterre, will have to execute upon his appeal, which they say will be taken as soon as the final decree is entered. I think the court should have fixed this bond at not less than \$35,000.00, and so insisted, but he says that he thinks the bondholders would be fully protected with a \$7,500 bond. Under separate cover I am mailing you my memorandum brief submitted to the court on the question of the amount of the bond at \$7,500.00 in an also sending a copy of the letter received from the judge, indicating that he would fix the amount of the bond at \$7,500.00 in as soon as you have looked it over, as it is my office copy.

If D'Esterre appeals from the final decree, we will file crossassignments of error and feel that we will have no trouble in rever

of sale fixed. Yours very truly.

A. L. RANKIN.

The next exhibit marked in evidence is a letter from A. L. Rankin to Mr. Charles A. Brodek, dated August 26, 1931, as follows:

MANAGERS' EXHIBIT X

A. L. RANKIN, ATTORNEY AT LAW, COMEAU BUILDING, West Palm Beach, Florida, August 26, 1931.

Mr. CHARLES A. BRODEK, Care Brodek, Raphael & Eisner,

72 Wall Street, New York.

Re: Brazilian Court foreclosure.

Dear Mr. Brodek: I have heard nothing further from the supreme court as to when the appeal of D'Esterre in the above case will be heard. I have no doubt that it will go over into the fall

or winter.

The plan of Winters & Foskett, attorneys for D'Esterre, is to hold this case in court until they can build up a very large fund in the hands of the receiver, hoping by that to prevail upon the court to allot them a substantial sum upon a final order distributing the funds held by the receiver.

If the appeal is affirmed by the supreme court, their plan is to file a motion or petition praying the court to order the funds in the hands of the receiver paid over to them in satisfaction of their

claim, and in the event this motion or petition is denied, to again appeal to the supreme court from the court's order. There is nothing in the Florida law that would prevent them from taking

this second appeal.

this second appeal.

They are very hopeful of persuading the supreme court on the present appeal to reverse the judgment of the lower court on the authority principally of Houston vs. Forman ((Fla.), 109 Southern Reporter, p. 297); Houston vs. Adams ((Fla.), 95 Southern Reporter, p. 859); Coram vs. Palmer ((Fla.), 58 Southern Reporter, p. 721); and Hogan vs. Ellis ((Fla.), 22 Southern Reporter, p. 727). In the case of Houston vs. Forman above cited, the question of equitable estoppel was involved, and they rely principally upon this case on their appeal. I feel and contend that the facts in our case are entirely different from the facts set forth in the case of Houston vs. Forman. They have, however, a very fine talking point in the fact that D'Esterre owned the property and only received a small proportion of the original price, and that they have lost title to the property by virtue of scheming and manipulation on the part of the Paschals and G. L. Miller, the trustee, at the time the deed was delivered out of escrow. This argument might appeal to some of the judges of the supreme court, notwithstanding the doctrine of equitable estoppel and ratification of delivery out of escrow upon which we won the decision in the lower court.

In view of the prospect of long drawn out and continued litigation, it extrices the time that it would be advantageous in the lower.

In view of the prospect of long drawn out and continued litigation, it strikes me that it would be advantageous in the long run for Mr. Mulford to offer D'Esterre a substantial amount of the present moneys in the hands of the receiver in settlement of the D'Esterre claim in consideration of the withdrawal of their ap-

the D'Esterre claim in consideration of the withdrawal of their appeal and permitting us to proceed to sale under foreclosure decree.

As Judge Ritter assisted in handling this case and is very familiar with all the details, I talked this settlement over with him a few days ago before he left for New York. He agrees with me that under the circumstances a settlement is advisable. Judge Ritter is at present in New York stopping with his son-in-law, Merle R. Walker, at No. 6 River Road, Scarsdale, New York. After September first he will be holding court during the month of September for Judge Mack in New York. I suggest you get in touch with Judge Ritter and talk this matter over with him and with Mr. Mulford. If you should want me to come to New York and discuss a plan of settlement, I could run up there for a day or two during September.

With kindest regards and best wishes,

With kindest regards and best wishes,

Yours very truly,

ALR/P

A. L. RANKIN.

The other exhibit is a letter from A. L. Rankin to Charles A. Brodek, dated October 31, 1929, as follows:

MANAGERS' EXHIBIT W

A. L. RANKIN, ATTORNEY AT LAW, COMEAU BUILDING, West Palm Beach, Fla., October 31, 1929.

In re Brazilian Court Hotel. Mr. Charles A. Brodek,

In re Brazilian Court Hotel.

Mr. Charles A. Brodek,

c/o Brodek, Raphael & Eisner, 67 Wall Street,

New York City, N. Y.

Dear Mr. Brodek: Mr. Foskett, of Winters, Foskett & Wilcox, attorneys for D'Esterre, has approached me on several occasions lately with reference to a settlement of the Brazilian Court matter and the D'Esterre claim. I have refused to discuss settlement with him seriously, but while Judge Ritter was in the office here Saturday, Mr. Foskett came in and again brought up the subject of settlement, suggesting that they would take 50 cents on the dollar for their claim, including principal and interest, which would approximate the sum of \$45,000. We merely smiled and gave him no satisfaction whatever. However, after he left, Mr. Paschal came in and talked over a proposition of settlement which we might submit to Foskett, subject to the approval of you and Mr. Mulford. This proposition is as follows:

That we pay him \$15,000.00 out of the monies now in the hands of the receiver, \$15,000.00 in April 1930 out of next season's income and \$10,000.00 out of the income of the following season, which would total \$40,000.00, if we cannot settle with him for any less amount.

Judge Ritter and I recommend that if a settlement on approximately this basis can be worked out, and the receiver dismissed, and the property turned over to us for operation, that it would no doubt be beneficial in the long run, even though we have no fear of the final result in the Supreme Court.

On account of the congested docket in the Supreme Court it is probably that unless settlement is made that we will be unable to get a decision before the season of 1930-31, and it might be that the property would have to be operated under a receivership the coming season and the next. We might, however, be able by staying close in behind the appeal to get it out of the Supreme Court by next fall.

We do not know that this proposition will be acceptable to

Court by next fall.

We do not know that this proposition will be acceptable to D'Esterre, but we are inclined to think that we will be able to effect a settlement with them on the basis outlined above.

You will find enclosed a letter from Mr. Paschal to Mr. Mulford, explaining his views on the situation. You will please get in touch with Mr. Mulford, deliver the enclosed letter to him, and advise me what you think of the proposition outlined.

Yours very truly,

A. L. RANKIN.

MRS. BLANCHE BROOKS Mr. HOBBS. Call Mrs. Blanche Brooks, please. Mrs. Blanche Brooks entered the Chamber.

Mr. WALSH (of counsel). I understand that we can stipulate about Mrs. Brooks' testimony. My colleague inquired of the young lady what she was doing here and, in view of her statement to him, we may avoid putting her on the stand.

Mr. Manager HOBBS. May it please the Court, we welcome that suggestion. Mrs. Brooks was secretary to the late Judge Lake Jones, judge of the southern district of Florida, with headquarters in Jacksonville, and the purpose of this witness's testimony is only to show that Judge Lake Jones was at his office in Jacksonville attending to business during the months of September and October 1929.

Mr. WALSH (of counsel). We know nothing about that. If the young lady says he was there we will agree that he

was there.

Mr. Manager HOBBS. Well, she so says.

Mr. WALSH (of counsel). Very well, we will not have to go through that.

Mr. Manager HOBBS. Then it is stipulated that that is the fact.

That is all, thank you, Mrs. Brooks. You are not excused from attendance, but you are to be excused from the stand.

Mr. WALSH (of counsel). Would you be kind enough to give me that letter that you read from that contained the statement of Mr. Rankin that it presented a certain brief to Judge Chillingworth?

Mr. Manager PERKINS. It is now in the possession of the clerk, I believe.

Mr. WALSH (of counsel). I am going to recall Judge Chillingworth, and just ask him a couple of questions,

FURTHER CROSS-EXAMINATION OF C. E. CHILLINGWORTH

By Mr. WALSH (of counsel):

Q. Judge Chillingworth, have you any independent recollection of seeing Judge Halsted L. Ritter in your court or in your chambers after he went on the bench as a Federal judge?-A. I have no independent recollection. My book will have to speak for itself.

Q. So unless it is in the book you have no recollection of it?-A. I have no independent recollection of the appearance of any particular lawyer before me at that time.

Q. I am not asking you about any other lawyer; I am asking you about Judge Ritter.—A. Or of him. My book will have to speak for itself.

Mr. Manager HOBBS. May it please the Court, the checks about which we have examined the witness and which I now hold in my hand and have just shown to opposing counsel are to be introduced in evidence. I understand it is agreed they may be introduced in evidence seriatim according to their date and given appropriate exhibit numbers.

Mr. WALSH (of counsel). That is correct.

Mr. Manager HOBBS. I offer them in evidence in ac-

cordance with that understanding.

The PRESIDENT pro tempore. The checks will be received in evidence and appropriately numbered.

Mr. JOHNSON. Mr. President, a parliamentary inquiry. The PRESIDENT pro tempore. The Senator will state it.

Mr. JOHNSON. These checks, I assume, are those to which testimony has been directed in the past couple of days and relate to transactions concerning which the evidence has referred. These, I hope, will be printed in the RECORD rather than merely designated in such fashion as has been heretofore indicated concerning certain of the files of various sorts?

Mr. Manager HOBBS. I ask that these checks be introduced in evidence, given appropriate numbers, and that they may be printed in the RECORD.

The PRESIDENT pro tempore. The checks will be received in evidence, appropriately marked, and will be printed in the RECORD.

(The checks were marked respectively "Managers' Exhibits Y, Z, A-1, A-2, A-3, A-4, A-5, and A-6", and are as follows:)

WEST PALM BEACH, FLA., December 5, 1929. Central Farmers' Trust Co. 63-443

Pay to the order of H. L. Ritter \$100 (one hundred dollars).
A. L. RANKIN. [Endorsed by H. L. Ritter and cleared through banks.]

WEST PALM BEACH, FLA., March 20, 1930. No. 93. Central Farmers' Trust Co. West Palm Beach, Fla.

Pay to the order of H. L. Ritter \$2,590.90 (twenty-five hundred and ninety dollars and ninety cents).

A. L. RANKIN.

A. L. RANKIN, Lawyer, 812 Comeau Building.

[Endorsed "H. L. Ritter" and cleared through the banks named in the endorsement.]

EXHIBIT A-1

No.

WEST PALM BEACH, FLA., May 1, 1930.

Central Farmers' Trust Co. 63-443 West Palm Beach, Fla.

Pay to the order of H. L. Ritter.

\$209.00

Two hundred nine & 00/100_.

dollars

A. L. RANKIN. [Endorsed "H. L. Ritter" and cleared through the banks shown

EXHIBIT A-2 The First National Bank

MIAMI, FLA., December 24, 1930. \$3,000,00 Pay to the order of cash. Three thousand & no/100_ dollars A. L. RANKIN.

For payment on purchase of business, \$2,500.00. For expense trip, \$500.00.

[Endorsed on the back "A. L. Rankin" and cleared through the bank shown in the endorsement.]

EXHIBIT A-3

WEST PALM BEACH, FLA., April 14, 1931.

Central Farmers' Trust Co. West Palm Beach, Fla.

Pay to the order of cash. One thousand & 00/100_

A. L. RANKIN.

\$1,000.00

_dollars

[Endorsed "A. L. Rankin" and cleared through the banks shown in the endorsement.]

EXHIBIT A-4

The First National Bank

MIAMI, FLORIDA, April 14, 1931. \$1 000 dollars

(Signed) A. L. RANKIN. [Endorsed "A. L. Rankin" and cleared through the banks shown in the endorsement.]

EXHIBIT A-5

A. L. Rankin, lawyer, 812 Comeau Building.

WEST PALM BEACH, FLORIDA, Jan. 28, 1932.

West Palm Beach Atlantic National Bank 63-491

Pay to the order of H. L. Ritter. _dollars Three hundred & no/100___ A. L. RANKIN.

[Endorsed: "H. L. Ritter" and cleared through the banks shown in the endorsement.]

EXHIBIT A-6

No.

WEST PALM BEACH, FLA., Sept. 23, 1931.

Central Farmers Trust Company West Palm Beach, Florida

Pay to the order of Halsted L. Ritter.

Two hundred 00/100_

dollars A. L. RANKIN.

On acct. sale of business.

Pay to the order of cash.

One thousand & 00/100__

[Endorsement:] 9/26/31. Pay to order of Neil R. Walker. Hal-sted L. Ritter. Neil R. Walker. Earl E. Beyer, by Virginia Anne Lett

[Cleared through the banks shown in the endorsement.]

Mr. Manager HOBBS. The income-tax card, certified as being an original as entered on the records of the income-tax office in Jacksonville, Fla., is now offered in evidence, and we ask that it be given its appropriate exhibit number. May we, in order to save the time of calling the income-tax witness, who is outside the Chamber, agree that the initials "N. I." in both instances where they are used mean "nontaxable individual."

Mr. WALSH (of counsel). If the managers have a statement from the witness to that effect and that is the fact, it

Mr. Manager HOBBS. That is correct.

Mr. WALSH (of counsel). Very good.

Mr. Manager HOBBS. So it is stipulated that the initials "N. I." on this card for 1929 and 1930 mean "nontaxable individual." We ask that it be given an appropriate number and that it be printed in the RECORD with the stipulation that the letters "N. I." mean a nontaxable individual incometax return on which no income tax was paid.

The PRESIDENT pro tempore. The card will be received in evidence appropriately marked and printed in the RECORD.

The card was marked "Managers' Exhibit A-7", and is as

MANAGERS' EXHIBIT A-7

Form 649-A, Treasury Department, Internal Revenue Service.

INCOME TAX

Individuals.

Name: Halsted L. Ritter.

Address: Brazilian Court Hotel, W. Palm Beach, Fla.

Address: 1926—1009 Comeau Bldg., W. Palm Beach, Fla.

Address: 1929—U. S. District Court, Miami, Fla.

1932—3769 Leafy Way, ""

Year	Account no.	Year	Account no.	Year	Account no.	
1924 1925 1926 1927 1928	Colo, 801847. 911904-4. 905042-4. 903828-3.	1929 1930 1931 1932 1933	NI-651454-2. NI-750816-4. (A-31, 800959-3. 934-Feb. 200008. Exempt, not req.	1934 1935 1936 1937 1938		

[Reverse side:] I hereby certify this to be a copy of the original entry as entered on the records of this office with reference to the income-tax accounts of Halsted L. Ritter.

J. EDWIN LARSON, Collector. By Laurie W. Tomlinson, Assistant Chief, Income Tax Division.

Mr. Manager HOBBS. Opposing counsel have seen the income-tax return of 1930 of Judge Ritter?

Mr. WALSH (of counsel). I think we have.

Mr. Manager HOBBS. We offer in evidence a certified copy of Judge Ritter's income-tax return for 1930, and ask that it be given an appropriate number.

The PRESIDENT pro tempore. It will be received in evidence and numbered as an exhibit.

(The certified copy of income-tax return for 1930 was marked "Managers" Exhibit A-8.")

Mr. Manager HOBBS. May it please the Court, we offer in evidence a certified copy of the income-tax return of A. L. Rankin for the calendar year 1930, filed the 13th of March 1931, and ask that it be received in evidence and given an exhibit number.

The PRESIDENT pro tempore. It will be received and identified with the appropriate number.

(The certified copy of income-tax return was marked "Managers' Exhibit A-9.")

Mr. Manager HOBBS. I believe the House managers are about through. We should like a few moments recess to confer about the exhibits.

Mr. KING. Mr. President, I ask the indulgence of the Court and counsel for the respective parties to inquire if the check, one of the exhibits, dated March 20, 1930, "Pay to the order of H. L. Ritter, \$2,590.90. Signed A. L. Rankin"-

Mr. Manager HOBBS. That is one of the checks for a division of fees collected on the partnership business after the dissolution.

Mr. KING. I inquire whether it is contended that that is a part of the \$5,000 alleged to have been paid for the purchase of the business.

Mr. Manager HOBBS. No. sir. That was a distribution of an earned fee in another case.

Mr. ASHURST. Mr. President, am I correct in assuming that the income-tax returns for the years indicated will be printed in the RECORD? They should be so printed.

Mr. Manager HOBBS. We ask that that be done.

The PRESIDENT pro tempore. The Presiding Officer was not aware that such a request had been submitted. However, it is now submitted and the income returns just offered in evidence will be printed in the RECORD.

(The income-tax returns heretofore marked "Managers' Exhibit A-8 and Managers' Exhibit A-9", are as follows:)

CONGRESSIONAL RECORD—SENATE

MANAGERS' EXHIBIT A-8

United States of America,
Treasury Department,
Washington, October 25, 1933.

Pursuant to the provisions of section 661, chapter 17, title 28 of the United States Code (section 882 of the Revised Statutes of the United States), I hereby certify that the in this department.

In witness whereof I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

By direction of the Secretary of the Treasury:
[SEAL]

[Italics show answers by person filing return]

F. A. BIRGFELD, Chief Clerk, Treasury Department.

F 0FIII 1040			INDIVIDUAL INCO	ME TAA K	EIURN		space	
TREASURY DEPART- MENT INTERNAL REVENUE	FOR NET INC		OM SALARIES OR WAGI	NTS, OR SALE	OF PROP		File code, 615.	
SERVICE	T27. 41.14	***		AR YEAR 1930	4 1 M	N. J. J. J	Serial Number	, 750816.
(Auditor's stamp)	File this ret	urn with	h the collector of inte March	District, Florida.				
	The second		Print name and ad	dress plainly	below	A MANUAL PRINCIPAL AND AND	(Cashier's	stamp)
	Name, Halst						Cash Check M	f. O. Cert.
	Post office, (First pay						
		the part of the same of the sa	State, Miami, Florida istrict Judge.				\$	
Are you a citizen or resid If you filed a return for 19 Is this a joint return of h State name of husband o office where it was sent Were you married and liv year?	ing with husband	or wife on		7 If your status	e persons cio	st day of your taxable year si sely related to you? to questions 5 and 6 changed arsons (other than husband of port were receiving their ch year?	dueing the year	w state date
		TO VIETA	A STATE OF THE STA			Ernense	ie I	E20E15
Item and Instruction No. 1. Salaries, Wages, Commi	ssions, etc. (State	name and	INCOME I address of employer)			Amount (Explain	in	\$10,000
2 Income from Business of	Profession (Fro	m Schedn	le A)					(Exempt)
3. Interest on Bank Depos 4. Interest on Tax-free Cor 5. Income from Partnershi	its, Notes, Corpore renant Bonds Upo ps. (State name a	ation Bond n Which a and address	le A) ls, etc. (except interest on tax Tax was Paid at Sources)	-free covenant bon	ids)			
6. Income from Fiduciaries	s. (State name an	d address)						
7. Rents and Royalties. (From Schedule B)		/Param Caladada (N					
9. Taxable Interest on Lib	erty Bonds, etc.	From Sch	edule E)					
11. Other Income (including	g dividends on sto	ck of foreig	(From Schedule C)edule E)	ire of income)				
(b)			n corporations), (State natu					
12. Total Income in I	tems 1 to 11							\$
			DEDUCTIONS				44 040 00	
14. Taxes Paid. (Explain i	n Schedule F)						\$1,649.06 3,435.13	
16. Bad Debts. (Explain i	n Schedule F)	able at 100	DEDUCTIONS ot of page 2) Schedule F) Loss on Real Ed					
18. Other Deductions Auth	orized by Law. (Explain in	Schedule F) Loss on Real Es	tate Sale			4,874.40	
								6, 858. 55
20. Net Income (Item 1	2 minus Item 19).						All lost	
EARNED INC		To to t						
Of Parad Laure (act an	- 200 0000		33. Net Income (Item 20 a	home	. 1	40 Normal Way (50) of The	- 421	
21. Earned Income (not ove 22. Less Personal Exemption Dependents	on and Credit for	\$	Torre	0046/		46. Normal Tax (5% of Iter 47. Surtax on Item 20 (see I	nstruction 23)	-
23. Balance (Item 21 minus		Contract Con	34. Liberty Bond Interest (35. Dividends (Item 10) 36. Credit for Dependents.	(Item 9) \$		48. Tax on Net Income (tot	tal of Items 44 to	9
		Loss (121/2% o	f					
24. Amount taxable at 11/2% 25. Amount taxable at 3% 26. Amount taxable at 55 \$8,000 of Item 23)	(not over \$4,000) (balance over		37. Personal Exemption 38. Total of Items 34 to 37.			Col. 8, Sched. D) 50. Total of or difference b and 49		
			39. Balance (Item 33 minu 40. Amount taxable at 1½9	s 38)	\$	51. Less Credit of 25% of Troome (Item 32)	ax on Earned In	
28. Normal Tax (3% of Iten	n 25)	*						
27. Normal Tax (1½% of It 28. Normal Tax (3% of Iten 29. Normal Tax (5% of Iten 30. Surtax on Item 21	1 26)		41. Balance (Item 39 minu 42. Amount taxable at 3%	(not over \$4,000)	\$	52. Total Tax (Item 50 min 53. Less Income Tax Paid	us 51)	\$
31. Tax on Earned Net Inco	me (total of Items	\$	43. Amount taxable at 5% (Item 41 minus 42)	\$	54. Income Tax paid to a fo U. S. possession	reign country o	

AFFIDAVIT

43. Amount taxable at 5% (Item 41 minus 42)
44. Normal Tax (1½% of Item 40)
45. Normal Tax (3% of Item 42)

I swear (or affirm) that this return, including the accompanying schedules and statements, has been examined by me, and to the best of my knowledge and belief, is a true and complete return made in good faith for the taxable year stated, pursuant to the Revenue Act of 1928 and the Regulations issued thereunder.

(If return is made by agent, the reason therefor must be stated on this line)

Sworn to and subscribed before me this 14th day of March 1931.

31. Tax on Earned Net Income (total of Items 27 to 30)

32. Credit of 25% of Tax (not over 25% of Items 30, 44, 45, and 46)

Halsted L. Ritter
(Signature of individual or agent)

55. Balance of Tax (Item 52 minus Items 53 and 54)

[NOTARIAL SEAL] Palmer Rosenwold, Deputy Clerk, U. S. Disct, Court.

(Signature of officer administering oath) (Title)

An amended return must be marked "Amended" at top of return. Checks and drafts will be accepted only if payable at par.

Notations stamped across face of blank: Received remittance 3/16/31, D. E. Stanley, Deputy Collector Revenue, District of Florida.

(Stamped:) Closed; no additional tax. Date of CR, 5-4-32. Auditor, S. C. Fogelgrew. Div. AR. Sec. O. Unit 5. Date, 5-18-30.

CONGRESSIONAL RECORD—SENATE

[Page 2 of income-tax blank of Halsted L. Ritter]

SCHEDULE OF INCOME FROM BUSINESS OR PROFESSION (SEE INSTRUCTION 2)

1. Total receipts from business	or profession (sta	ate kind of busines	ss)	day)	retimets to \$6.10	oli sill itteaninia	(Otato) becalie	la fallong	all of la	\$10,000.00	
Cost of Go	ODS SOLD	Market and a series	al any a magad		OTHER BU	SINESS DEDUCTIONS		1 3 4 10			
2. Labor				10. Š	alaries not included	as "Labor", in Lin	e 2. (Do not	The same	1		
3. Material and supplies			100000	11 Tr	U. S. Dist. Judge.	n for your services). ndebtedness to other		The State of the State of			
4. Merchandise bought for sale.		The same of the sa	THE POST OF THE PARTY OF			l business property					
5. Other costs (itemize below or						le at foot of page)					
6. Plus inventory at beginning	The state of the s	CAPACITA CONTROL CONTROL OF THE PARTY.	THE RESERVE ASSESSMENT OF THE PERSON NAMED IN COLUMN TWO IN COLUMN TO THE PERSON NAMED IN COLUMN TWO IN COLUMN TO THE PERSON NAMED IN COLUMN TWO IN COLUMN TO THE PERSON NAMED IN COLUMN TWO IN COLUMN						COST STORES		
7. TOTAL (Lines 2 to 6)				15. D	epreciation, obsoles table provided at fo	n sales or services cence, and depletion of of page) er expenses (itemize	n (explain in				
8. Less inventory at end of year	GEORGE COLLEGE			16. R	separate sneet)		d below or on				
9. Net Cost of Goods Sold (Line	7 minus Line 8)\$_		17.	Exempt salary as a Total (Lines 10 t	ibore. to 16)		\$		10,000.00	
Enter "C", or "C or M", or are valued at cost, or cost or ma			inventories	alere les		e 9 plus Line 17)			-		
Explanation of deductions claim	ed on Lines 5 ar	nd 16	11		COLUMN TO SERVICE A SERVICE DE LA COLUMN DE	nus Line 18). (Ente	CONTRACTOR OF THE PARTY OF THE				
						TES (SEE INSTRUC		Taxa a			
			3. Cost or va				of a tenous and		I and a second		
1. Kind of property	inning in	2. Amount received	of Mar. 1, whichever g	1913,	4. Depreciation (explain in table at foot of page)	5. Repairs	6. Other e (itemize l		7. Net p	rofit (enter tem 7)	
Apartment house, Denver, Colo		\$4,590 00	\$		\$1,605 13	\$650 00	\$5,94	00 00	\$		
Explanation of deductions claim	ed in column 6:	Insurance, Frigid	aire equipment,	, paint	ing, renovating aparts	nents, janitor, coal, etc			E CONTO		
SCHED	ULE C-PRO	FIT FROM SAI	LE OF REAL	L EST	PATE, STOCKS, I	SONDS, ETC. (SE	E INSTRUCTION	N 8)	IS WILL		
1. Kind of property	2	. Date acquired	3. Amount re	alized	4. Depreciation allowable since acquisition	5. Cost or value a of Mar. 1, 1913 whichever greate	o, buosequ			t loss (enter item 8)	
	0.	-1 1000	****	100		am mil m			L'elimina.		
Apartment house, Denver, Colo State how property was acquire				17.50	ed in Sept. 1923.	\$53,504 40	1 9		1 \$4.	874 40	
SCHEDULE D-CA			A PARTY OF THE PARTY OF T	HI CONTRACTOR		ORE THAN TWO	YEARS. (SE	E INSTRI	UCTION 8A)		
1. Kind of property	2. Date acquired	3. Date sold	4. Amount re	alized	5. Depreciation allowable since acquisition	6. Cost or value a of March 1, 1913 whichever great er	, proveme	nts, and	8. Net g (Enter Item 4	rain or loss r 12½% as	
	Mo Day Year	Mo. Day Year								1	
As above	1	11/7/30					8	And the second	\$		
State how property was acquire											
SCHEDULE	E-INTEREST	ON LIBERTY	BONDS AN	ND OT	THER OBLIGATI	ONS OR SECURI	TIES (SEE IN	STRUCTIO	r I I I I I I I I		
1. Obligation	ons or Securities	epi mue von	2. Interest or Acc	Receive	3. Amount Own	4. Principal Amount Exemp From Taxation	5. Amount in Excess emption	Owned s of Ex-	Amou cess o	rest on nt in Ex- of Exemp- (Enter as	
(a) Obligations of a State, Territ or the District of Columbi (b) Securities issued under Fede and Certificates of Indebts (c) Liberty 3½% Bonds and of	a ral Farm Loan A edness issued after other obligations	act, Treasury Bills er June 17, 1929 of United State	\$s		\$	All	C. P. S.		Des Alle Sires	TOTAL STATE	
issued on or before Septem possessions						All	. xxxxx	xx	xxxx	xxxx	
(d) Liberty 4% and 434% Bonds, before June 18, 1929, Treas (e) Treasury Notes	ury Bonds and S	lavings Certificate	8-			\$5,000 None	. \$		\$		
Son Tares paid in clearing title on						N ITEMS 1, 14, 16,	17, AND 18				
Tutto para in trouving tree on											
EX	PLANATION	OF DEDUCTION	ON FOR DE	PREC	LATION CLAIM	ED IN SCHEDUL	ES A AND I	В			
1. Kind of property (If buildings, state material of which constructed) 2. Date acquired		3. Age w		4. Probable life after acquirement	5. Cost or value a of Mar. 1, 1913 whichever great		of depre	eciation charged off			
			acquired		and acquirement	er (exclusive o	6. Previou	is years	7. Th	nis year	
						. \$	\$		\$		
EXPLANATION	OF DEDUCT	TION FOR LOS	SES BY FIR	E, ST	ORM, ETC., CLA	IMED IN SCHEI	ULE A, AN	D IN I	TEM 15		
1. Kind of property	2	. Date acquired	3. Cost or vi as of Mar. 1, whichever gr	1913,	4. Subsequent improvements	5. Depreciation allowable since acquisition	6. Insuran salvage		7. Dedu	etible loss	
			\$		8	S			\$		

Form 1040

TREASURY DEPART-

INTERNAL REVENUE SERVICE

(Auditor's stamp)

Sec. 272 (a), Rev. Act 1928

ASSESSMENT

Tax \$2,417.95 Penalty \$.....

Interest \$______ Total ___ \$____

Basis RAR 2-28-1933 Audi-

ted by AIH.
Unit no. AR-C-20 Date

List Computation proced.

MANAGERS' EXHIBIT A-9

Managers' Exhibit A-9

United States of America,
Terasury Department,
Washington, October 21, 1933.

Pursuant to the provisions of section 661, chapter 17, title 28 of the United States Code (section 882 of the Revised Statutes of the United States), I hereby certify that the annexed is a true copy of the individual income tax return, with attached schedule, filed on form 1040 for the year 1930 by A. L. Rankin, Comean Building, West Palm Beach, Florida, on file in this department.

In witness whereof I have hereunto set my hand, and caused the seal of the Treasury Department to be affixed, on the day and year first above written.

L. W. Robers, Jr.,
[Seal]

[Italics show answers by person filing return] INDIVIDUAL INCOME TAX RETURN Do not write in these spaces FOR NET INCOMES FROM SALARIES OR WAGES OF MORE THAN \$5,000 AND INCOMES FROM File code, 601. BUSINESS, PROFESSION, RENTS, OR SALE OF PROPERTY Serial number, 750770. District, Florida. FOR CALENDAR YEAR 1930 (Cashier's stamp)

File this return with the collector of internal revenue for your district on or before March 15, 1931

Print name and address plainly below

Name, A. L. Rankin. Street and number, or rural route, Comeau Bldg. Post office, county, State, West Palm Beach, Fla. Occupation, attorney.

First payment

Cash Check M. O.

Cert. of Ind.

- Are you a citizen or resident of the United States? Yes.
 If you filed a return for 1929, to what Collector's office was it sent? Jax.
 Is this a joint return of husband and wife? Yes.
 State name of husband or wife if a separate return was made and the Collector's office where it was sent.
 Were you married and living with husband or wife on the last day of your taxable year? Yes.

- 6. If not, were you on the last day of your taxable year supporting in your household one or more persons closely related to you?
 7. If your status in respect to questions 5 and 6 changed during the year, state date and nature of change.
 8. How many dependent persons (other than husband or wife) under 18 years of age or incapable of self-support were receiving their chief support from you on the last day of your taxable year?

2. Income from Business or Profession. (From Schedule A.) See Schedule A.) 3. Interest on Bank Deposits, Notes, Corporation Bonds, set. (except interest on tax-free covenant bonds) 4. Interest on Tax-free Covenant Bonds Upon Which a Tax was Faid at Source. 5. Income from Partnerships. (State name and address) 6. Income from Partnerships. (State name and address) 7. Rents and Royalites. (From Schedule S.) 8. To Tour Bonds (From Schedule S.) 9. Dividend on Stock of Domestic Corporations. 9. (a) 9. Dividend on Stock of Domestic Corporations. 9. Dividend On Stock of Domestic Corpo	Ins	Item and truction No. Salaries, Wages, Commissions, etc. (Stat				Amount received	Expenses paid (Explain in Schedule F)		
DEDUCTIONS	3. 4. 5. 6. 7. 8.	Interest on Bank Deposits, Notes, Corport Interest on Tax-free Covenant Bonds Upo Income from Partnerships. (State name as Income from Fiduciaries. (State name an Rents and Royalties. (From Schedule B) Profit from Sale of Real Estate, Stocks, Be Taxable Interest on Liberty Bonds, etc. Dividends on Stock of Domestic Corporation of the Language (Free Interest Open Stocks).	ation Bond n Which a and address d address). onds, etc. (From Sche	le A.) See Schedule. s, etc. (except interest on tax-free covenant bon Tax was Paid at Source.) (From Schedule C). dule E). n cornorations). (State nature of income)	ds)			2,103	18
13. Interest Paid 14. Taxes Paid 14. Taxes Paid 15. Losses by Fire, Storm, etc. (Explain in Schedule F) 16. Bad Debts. (Explain in Schedule F) 17. Contributions. (Explain in Schedule F) 18. Other Deductions Authorized by Law. (Explain in Schedule F) 18. Other Deductions Authorized by Law. (Explain in Schedule F) 19. Total Deductions Items 13 to 18. 19. 1	12.	(b)	•••••						\$2, 103
21. Earned Income (not over \$30,000) \$ 33. Net Income (Item 20 above) \$2,103 47. Surtax on Item 20 (see Instruction 23) \$ 22. Less Personal Exemption and Credit for Dependents \$ 34. Liberty Bond Interest (Item 9	14. 15. 16. 17. 18.	Taxes Paid. (Explain in Schedule F) Losses by Fire, Storm, etc. (Explain in T Bad Debts. (Explain in Schedule F) Contributions. (Explain in Schedule F) Other Deductions Authorized by Law. (TOTAL DEDUCTIONS IN ITEMS 13 TO	Explain in	t of page 2)					
Less 22. Less Personal Exemption and Credit for Dependents St. Liberty Bond Interest (Item \$		EARNED INCOME CREDIT		COMPUTAT	ION OF T	CAX (SEE INST	RUCTION 23)		
31. Tax on Earned Net Income (total of Items 27 to 30)	22. 23. 24. 25. 26. 27. 28. 29. 30. 31.	Less Personal Exemption and Credit for Dependents	\$	LESS: 34. Liberty Bond Interest (Item 9)	5, 900 None \$	48. Tax on N to 47)	et Income (tota spital Gain or L ched. D)	of Items 44 coss (12½% of ween Items 48 ax on Earned 51) Source. ign country or	\$ \$

I swear (or affirm) that this return, including the accompanying schedules and statements, has been examined by me, and to the best of my knowledge and belief, is a true and complete return made in good faith for the taxable year stated, pursuant to the Revenue Act of 1928 and the Regulations issued thereunder.

(If return is made by agent, the reason therefor must be stated on this line)

Sworn to and subscribed before me this 16 day of Mar., 1931.

A. L. Rankin.

A. L. Rankin.
(Signature of individual or agent)

[NOTARIAL SEAL]

C. C. Calloway,

(Signature of officer administering oath) (Title)
An amended return must be marked "Amended" at top of return

(Address of agent) Checks and drafts will be accepted only if payable at par

Notations stamped across face of blank: Internal revenue agent in charge, received Aug. 6, 1931, Jacksonville, Fla. Internal Revenue, District of Florida, received Mar. 16, 1931; collector's office.

[Page 2 of income-tax blank of A. L. Rankin] SCHEDULE OF INCOME FROM BUSINESS OR PROFESSION (SEE INSTRUCTION 2)

1. Total receipts from business o	r profession	(state kind o	of busine	ess)	11						,		\$
Cost of Go					To Lorenz	Отн	ER Bus	INESS DEDUC	TIONS				He live
3. Material and supplies			PERSONAL PROPERTY.			alaries not inc deduct compe	nsation	for your serv	ices)		\$		
 Merchandise bought for sale Other costs (itemize below or 	on separate :	sheet)			10 7	nterest on busi	ness in	debtedness to	others.				
6. Plus inventory at beginning o	f year				13. L 14. B	osses (explain osses (explain ad debts arisin depreciation, of table provided tent, repairs, a	in tabl	e at foot of pag sales or servi	ces			77	
 Total (lines 2 to 6) Less inventory at end of year. 			\$.		15, I	depreciation, of table provided	bsoleso d at foo	ence, and de t of page)	pletion	(explain in	4114		
9. Net cost of goods sold (line 7 i	minus line 8)		\$		16. F	ent, repairs, a separate sheet	nd oth	er expenses (it	emized	below or on	14/		Hillook
					17.	Total (lines	10 to 1	6)			\$		
Enter "C", or "C or M", on are valued at cost, or cost or mar	lines 6 and 1 ket, whiche	8 to indicate ver is lower.	whethe	r inventories	I Plant	otal deduction let profit (line				The second second			No transfer and
				[2]	11	2530.110	55		-		S 812		107
Explanation of deductions claim		was a state of the same of the same of	100000000000000000000000000000000000000	CONTRACTOR DESCRIPTION	CHARLES A PARK	S AND ROY	11 7 2 7				*******	********	
	SCH.	I B	-INCO.	I FROM	KENT	AND ROL	ALIII	S (SEE INST	RUCTION	1	Page 11	1	1
1. Kind of Property		2. Amo Receiv		3. Cost or V of March Which Greater	1, 1913,	4. Depreci (Explain is at foot of p	n table	5. Reps	uirs	6. Other E: (Itemize t			et Profit as Item
		\$		\$		\$		8		8		\$	15 fo
Prolonation of deductions of the	ed in Colors	The State of the S	1			1		1	1	Andreas Services			28/11/31
Explanation of deductions claims					STATE OF THE PARTY.				Service Control				
SCHEI	OULE C-I	ROFIT FE	COM S	ALE OF RE	AL ES	TATE, STO	CKS, I	SONDS, ETC). (SE	INSTRUCTIO	N 8)		9 8
1. Kind of property		2. Date ac	quired	3. Amount 1	realized	4. Depreciat lowable sir quisition	ion al- ace ac-	5. Cost or v of March which greater	1, 1913,	6. Subseque		7. Net p	profit (en em 8)
					1		1	No Marcal de	1		T	7	- 1
State how property was acquired			ALC: UNKNOWN		THE RESERVE AND PARTY.	Charles and the same property		CONTRACTOR DESCRIPTION	CONTRACTOR OF THE PARTY OF THE				-
SCHEDULE D-													
	2. Date acqu				A mount realized 5. Depreciation all lowable since		ion al-	6. Cost or value as		7. Subsequent improvements, and		(Writer 121407 as	
						acquisition		er		tions		Item 4	9)
	Mo. Day Y	ear Mo. Da	y Year	\$		s		\$		\$		\$	
State how property was acquired		1	- Contraction		1		1		1		1		
SCHEDULE I								THE PERSON NAMED IN COLUMN TWO			_		*******
Total Control of the		201 011 21	-	- DOMED II		The state of the s	2 100	THE ON BEC	701611	I CORP INC	TROUTE		1000
1. Obligation	ns or securiti	ies		2. Interes or acc	t receive	3. Amoun	t own	4. Princed amount e From Ta	xempt	5. Amount in excess emption		of ex	erest at in exc xempti ras item
(a) Obligations of a State, Territo	ry, or politic	al subdivisio	n thereo	of.	1		1		NAME OF THE PERSON NAME OF THE P		T	CONTACT.	
or the District of Columbia (b) Securities issued under Feder	al Farm Loa	n Act, Treas	ury Bill	s,		s		All		XXXXXX	11134	IIIX	
and Certificates of Indebted (c) Liberty 3½% Bonds and of	her obligati	ons of Unit	ed State	es			-	All		XXXXXX	XX	xxxx	xxx
issued on or before Septemb possessions								All		xxxxx	x x	xxxx	xxx
before June 18, 1929, Treasu (e) Treasury Notes	ry Bonds an	d Savings Co	ertificati	es				\$5,000 None		\$		\$	
											1		
8	CHEDULI	E F—EXPL	ANAT	ION OF DE	DUCT	IONS CLAIN	IED I	N ITEMS 1,	14, 16,	17, AND 18			
EX	PLANATIO	ON OF DE	DUCTI	ON FOR DI	EPREC	CIATION CL	AIME	D IN SCHE	DULE	S A AND B			
					S III		III A	5. Cost or va	alue as	Amount	of depres	eiation cha	arged off
Kind of property (If buildings, state material constructed)	of which	2. Date a	equired	3. Age was acquired		4. Probable after acquire		of Mar. 1 whichever er (exclus land)	, 1913, great-	6. Previous			n's year
					nividir.	N. W.	1	s		\$		\$	
	21000									Marian	1		
EXPLANATION	OF DEDU	CTION FO	R LOS	SES BY FIR	RE, ST	ORM, ETC.,	CLAI	MED IN SC	HEDU	LE A, ANI	IN IT	EM 15	BEE
1. Kind of property		2. Date ac	quired	3. Cost or as of Mar. 1 whichever g	, 1913,	4. Subsequimprovement		5. Depreciallowable acquisiti	since	6. Insurance salvage		7. Dedu	ctible lo
		110		\$		\$		\$		\$		\$	
	100000							1	1				

Income:

Other expenses:

Managers' Exhibit A-9-Continued A. L. RANKIN, ATTORNEY AT LAW

Fees			\$20,000.00
Law expenses:			
Rent		\$840.00	
Books		720.00	
Stenographer		2,000.00	
Lights		36.00	
Telephone			
Telegraph		181.00	
Travel expense		760.00	
Auto gas and oil		360.00	
Auto depreciation		175.00	
			14, 568.00
Net income from law bu	siness		14, 568. 00
Losses on real estate:	- 1005		
Home in Alabama, abandoned i moved to Florida—sold for o		47 000 00	
Lot in trade, value		1, 500.00	
		8, 500.00	
Cost:			
Land	. \$2,500.00		
House	. 17, 500.00		
The desired value of the first state of	20, 000. 00		
Depreciation	3,500.00		
or sman Tilling Strate Aside 60	183880150	16, 500.00	
	Commence of		

during year on farm in Alabama, received no returns-total expense_ 1, 500, 00 Commission paid on above sale___ 500.00 Abstract 25.00 Interest paid Taxes paid___ 760.00 - 12, 465.00

Loss on sale______ 8,000.00

Fertilizer and supplies and labor paid out

Net income subject to tax ... 2, 103, 00

Mr. Manager HOBBS. Mr. President, we ask for a few minutes' recess to check up on our exhibits to be sure that we have introduced them all in evidence.

Mr. ROBINSON. Mr. President, I move that the Court stand in recess until called to order by the Presiding Officer.

The motion was agreed to; and (at 4 o'clock and 18 minutes p. m.) the Senate, sitting for the trial of the articles of impeachment, took a recess, subject to the call of the Chair.

At 4 o'clock and 42 minutes, having been called to order by the Vice President, the Senate, sitting for the trial of

the articles of impeachment, reassembled.

The VICE PRESIDENT. The Chair is advised by the managers on the part of the House, as well as the counsel

for the respondent, that they are ready to proceed.

Mr. Manager HOBBS. May it please the Court, we have a stipulation. Counsel have entered into a stipulation to the effect that by an order of the Department of Internal Revenue the income-tax returns up to 1929 and including the year 1929 have been destroyed and are not available in this case.

We offer in evidence the telegram of October 10 to Bert E. Holland from A. L. Rankin, and ask that it be given the appropriate exhibit number.

(The telegram was marked "Managers' Exhibit A-10" and is as follows:)

WEST PALM BEACH, FLA., October 10, 1929.

BERT E. HOLLAND.

Attorney at Law, Room 1104, Fremont Building,

Boston, Mass. Have foreclosure bill prepared and ready to file. Will file to-morrow or next day. No need at present for bonds. Secured copy from trust deed. Will mail copy of bill and advise fully our pro-

A. L. RANKIN.

Mr. Manager HOBBS. We offer in evidence telegram from Bert E. Holland to A. L. Rankin of October 10.

(The telegram was marked "Managers' Exhibit A-11" and is as follows:)

LXXX-333

73 TREMONT STREET, BOSTON, MASS., October 10, 1929.

A. L. RANKIN, Esq.,
812 Comeau Building, West Palm Beach, Fla.:
Please withhold filing foreclosure bill until further advice. BERT E. HOLLAND.

Mr. Manager HOBBS. We offer in evidence telegram from A. L. Rankin to Bert E. Holland of October 11. We are asking that each one of these be printed in the RECORD and be given an appropriate number.

The VICE PRESIDENT. Without objection, it is so ordered.

(The telegram was marked "Managers' Exhibit A-12", and is as follows:)

WEST PALM BEACH, FLA., October 11, 1929.

West Palm Beach, Fla., October 11, 1929.

Bert E. Holland, Boston, Mass.:

Telegram received last night. Foreclosure bill mailed clerk court Miami yesterday afternoon. Richardson had advised imperative that we proceed at once, this necessary to preserve profits this season operation for first-mortgage bondholders, otherwise antagonistic interests would procure lease and possession of mortgaged property and this season income. Bill seeks foreclosure appointment of receiver instanter, injunction against leasing, and any disposition of property pending proceedings. When you familiar facts and conditions confident you approve our quick action this regard. Mortgagor, by its president, Martin Sweeny, New York, filing answer admitting allegations of bill and consent to appointment of receiver. Outstanding men of national reputation, including yourself, have been selected and consented to act as bondholders' committee. Will apply for receiver Tuesday. Should we be delayed adverse interests would proceed with foreclosure and thereby control litigation and operation of hotel.

A. L. Rankin.

Mr. Manager HOBBS. We offer in evidence telegram from Bert E. Holland to A. L. Rankin of October 14.

(The telegram was marked "Managers' Exhibit A-13", and is as follows:

OCTOBER 14, 1929.

A. L. RANKIN,

Comeau Building, West Palm Beach, Fla.:

After investigation, have decided to do nothing further in matter of receivership. I have no objection to court matter standing as it is for the present.

BERT E. HOLLAND.

Mr. Manager HOBBS. We offer in evidence telegram from Bert E. Holland to A. L. Rankin of October 16.

(The telegram was marked "Managers' Exhibit A-14", and is as follows:)

CHICAGO, October 16, 1929.

A. L. RANKIN.

Comeau Building, West Palm Beach, Fla.:

We wired you Monday instructing you to refrain from making motion for receiver in Whitehall. Subsequent investigation leads us to again confirm these instructions and to insist that matters remain in present status until further instructions from us. Please remain in present status until further instructions.

acknowledge receipt of wire to us at Palmer House, Chicago.

BERT E. HOLLAND.

Mr. Manager HOBBS. We offer in evidence telegram from A. L. Rankin to Bert E. Holland of October 17.

(The telegram was marked "Managers' Exhibit A-15", and is as follows:)

WEST PALM BEACH, FLA., October 17.

BERT E. HOLLAND,

Palmer House, Chicago, Ill.:

As requested, will not make application for you for receiver Whitehall pending instructions. Suggest you call me long distance, as you losing strategic position by delay.

A. L. RANKIN.

Mr. Manager HOBBS. We offer in evidence telegram from A. L. Rankin to Bert E. Holland of October 17.

(The telegram was marked "Managers' Exhibit A-16", and is as follows:)

OCTOBER 17, 1929.

Mr. A. L. RANKIN,

Comeau Building, West Palm Beach, Fla.:

A bondholders' committee representing all the bonds in which we are interested has been formed, and our interests are represented on that committee. For this reason don't consider me a member of any bondholders' committee for Whitehall.

BERT E. HOLLAND.

BERT E. HOLLAND.

Mr. Manager HOBBS. We offer in evidence telegram from A. L. Rankin to Bert E. Holland of October 18.

(The telegram was marked "Managers' Exhibit A-17", and

is as follows:)

WEST PALM BEACH, FLA., October 18, 1929.

BERT E. HOLLAND,

387 Tremont Building, Boston, Mass.:

Other first-mortgage bondholders, Whitehall, have intervened and will apply to court tomorrow, 10:30 a. m., for appointment receiver. If receiver appointed, this assures operation hotel coming to the Banks & Sweens which will be very advantageous to season by Bemis & Sweeny, which will be very advantageous to all first-mortgage bondholders.

Mr. Manager HOBBS. We offer in evidence letter of A. L. Rankin to Hon. Palmer Rosemond, clerk, United States Court, Miami, Fla., and a copy of Mr. Rosemond's answer thereto. I will ask that they be given separate numbers and printed in the RECORD.

(The letter and copy of letter were marked "Managers' Exhibits A-18 and A-19", and are as follows:)

A. L. RANKIN, ATTORNEY AT LAW, COMEAU BUILDING,

West Palm Beach, Florida, October 10th, 1929.
Honorable Palmer Rosamond,

Clerk, United States District Court, Miami, Florida.

DEAR MR. ROSAMOND: Enclosed I am herewith sending you bill of complaint for foreclosure of a mortgage on property in Palm

of complaint for foreclosure of a mortgage on property in Palm Beach, which you will please file.

It is very important that we have a receiver appointed for this property immediately upon Judge Ritter's return next Tuesday. If you can possibly do so, it will be greatly appreciated by you will lock up this bill as soon as it is filed and hold it until Judge Ritter's return, so that we will have any newspaper publicity before our application is heard by the judge for the appointment of a receiver. ment of a receiver

Enclosed you will find check for \$15.00 to cover filing fee.

If you will prevent any publicity concerning this bill before
Judge Ritter returns, it will be very greatly appreciated.

Yours very truly.

A. L. RANKIN.

MIAMI, FLORIDA, October 11, 1929.

A. L. RANKIN, Comeau Bldg., West Palm Beach, Fla.

Dear Sir: Receipt is acknowledged of yours of the 10th containing bill of complaint in re: Bert E. Holland et al. vs. Whitehall Building & Operating Company et al., together with your check in the sum of \$15.00 to cover filing fee.

As requested, I will file this bill and will see that publicity is avoided pending the arrival of Judge Ritter.

Yours very truly,

PALMER ROSEMOND, Deputy Clerk in Charge.

PR:f

Mr. Manager HOBBS. We offer in evidence letter from Halsted L. Ritter under date of July 2, 1930, to Hon. Alexander Akerman.

Mr. KING. Mr. President, may I propound an inquiry as to whether or not counsel desire that those of the exhibits which have just been offered for the RECORD, and which have heretofore been read into the RECORD, be reprinted in the proceedings of the day? It seems to me that there is no necessity of having reprinted those which have been read into the RECORD.

Mr. Manager HOBBS. No, sir; we desire no duplication whatever. We appreciate the suggestion.

The letter was marked "Managers' Exhibit A-20", and is as follows:

> United States District Judge's Chambers, Southern District of Florida, Miami, Florida, July 2, 1930.

Miami, Florida, July 2, 1930.

Honorable Alexander Akerman.

United States District Judge, Tampa, Florida.

My Dear Judge: In the case of Holland et al. vs. Whitehall Building & Operating Company, No. 678—M—Eq., pending in my division, my former law partner, Judge A. L. Rankin, of West Palm Beach, has filed a petition for an order allowing compensation for his services on behalf of the plaintiff.

I do not feel that I should pass, under the circumstances, upon the total allowance to be made Judge Rankin in this matter. I did issue an order, which Judge Rankin will exhibit to you, approving an advance of \$2,500.00 on his claim, which was approved

by all attorneys.

You will appreciate my position in the matter, and I request you to pass upon the total allowance which should be made Judge Rankin in the premises, as an accommodation to me. This will relieve me from any embarrassment hereafter, if the question should arise as to my favoring Judge Rankin in this matter by an exorbitant allowance.

Appreciating very much your kindness in this matter, I am,

Yours sincerely.

HALSTED L. RITTER.

Mr. Manager HOBBS. We would like to recall Mr. A. L. Rankin to the witness stand.

The VICE PRESIDENT. The Chair is advised by the Sergeant at Arms that the witness is in conference with members of the House managers.

Mr. Manager HOBBS. Do I understand it is all right to introduce this check which I have shown you?

Mr. WALSH (of counsel). We have no objection.

Mr. Manager HOBBS. We offer in evidence a check under date of March 9, 1929, drawn on the Park Bank of New York, payable to H. L. Ritter, for the sum of \$1,945.23. signed by the Mulford Realty Co., by V. L. or V. S. Mulford, president, and ask that it be given an appropriate number.

(The check was marked "Managers' Exhibit A-21", and

is as follows:)

WEST PALM BEACH, FLA., March 9, 1929. Park Bank N. Y.

Pay to the order of H. L. Ritter \$1,945.23, Nineteen hundred forty-five & 23/100 Dollars.

(Signed) MULFORD REALTY Co., V. S. MULFORD, Prest.

[Endorsed "H. L. Ritter" and cleared through the banks named the endorsement.]

FURTHER REDIRECT EXAMINATION OF A. L. RANKIN

The VICE PRESIDENT. The witness is before the Senate. Do the managers on the part of the House desire to ask any questions?

Mr. Manager SUMNERS. I desire to have Mr. Manager Hobbs ask one question, and then I shall proceed.

By Mr. Manager HOBBS:

Q. Judge Rankin, I show you a copy of the letter signed "Charles H. Brodek" under date of August 28, 1931, and ask you to look at it and see if you received the original. If you have the original we would be glad to have you produce it .- A. Yes.

Q. You received the original signed by Mr. Brodek?-A. Yes.

Mr. Manager HOBBS. We offer this letter in evidence.

Mr. WALSH (of counsel). We have no objection.

Mr. Manager HOBBS. We offer this in evidence and ask that it be given an appropriate exhibit number.

(The letter was marked "Managers' Exhibit A-22.")

Mr. Manager HOBBS. I am informed the letter has not been read. I wish now to read it.

MANAGERS' EXHIBIT A-22

AUGUST 28TH. 1931.

Re: Brazilian Court foreclosure.

Re: Brazilian Court foreclosure.

Mr. A. L. Rankin,

Comeau Building, West Palm Beach, Fla.

Dear Mr. Rankin: I have your letter of August 26th, which I have read with the deepest interest.

It happens that Mr. Mulford was compelled to take a rest by order of his physician. He left for a ranch in Wyoming about ten days ago, and I do not expect him back until the end of September.

I do not like to interrupt his rest with matters apt to disturb him, and I should like to hold this question of settlement in abeyance until his return. In the meantime, I shall see Judge Ritter and go into the situation thoroughly with him.

I may consider it advisable for you to come to New York to discuss this matter after Mr. Mulford returns. I do not think it necessary for you to come here in his absence.

Before I see Judge Ritter I will familiarize myself with the authorities cited in your letter so as to be posted as to the strength of D'Esterres' legal position.

With best regards, sincerely yours,

With best regards, sincerely yours,

CHAS. A. BRODEK.

By Mr. Manager SUMNERS:

Q. Mr. Rankin, I believe the interveners in the Whitehall case were A. W. Kirkland, of New Hampshire; Eugenia J. Schopps, of Milwaukee; and A. H. Hill, of Alabama. Are you acquainted with either of those parties personally?— A. A. W. Kirkland and A. H. Hill.

Q. Yes; either one of those persons?-A. Yes; I am acquainted with Mr. Hill personally.

Q. Is Mr. Hill related to you?-A. Yes; he is my brother-

Q. You filed for \$3,800 of bonds in the name of Mr. Hill?-A. Repeat the question.

in your intervention suit?-A. Yes.

Q. As a matter of fact did he own those bonds?-A. No. Those bonds were turned over to him by Mr. Bemis.

Q. How did Mr. Bemis happen to turn the bonds over to him?—A. Why did he?

Q. Yes .- A. He turned them over to him so he might intervene in the suit in order to protect the first-mortgage bondholders.

Q. Is that the Mr. Bemis who has been mentioned frequently in this testimony?—A. Yes, sir.

Q. Why was it necessary to turn them over to Mr. Hill? Why was it necessary for Mr. Bemis to turn them over to Mr. Hill?—A. Why was it necessary?

Q. Yes. Why did not Mr. Bemis intervene in his own behalf?—A. He was not a nonresident.

Q. Mr. Bemis lived in Florida, did he?-A. Yes, sir.

Q. Mr. Hill lived in Alabama?—A. Yes, sir.

Q. And in order to be certain you would be able to retain jurisdiction in the event Holland went out of the suit you wanted another nonresident with \$3,000 of bonds?-A. Yes,

Q. Just how was that arranged?-A. I did not catch the question.

Q. How was it arranged for the suit to be brought in the name of Mr. Hill, when as a matter of fact Mr. Bemis owned the bonds?-A. It was arranged in this way. They were trying to dismiss the suit and he thought it was very essential and necessary to have an intervener in there in order to protect the first-mortgage bonds, and he consulted with me and asked me about it, and asked me if I could get someone to take the bonds and use them, and I suggested Mr. Hill.

Q. Mr. Hill never paid anything for the bonds, did he?-A. No; he never paid anything.

Mr. Manager SUMNERS. That is all. Mr. WALSH (of counsel). That is all.

The PRESIDENT pro tempore. The witness is excused. Mr. Manager HOBBS. May it please the Court, as I understand the entire file in the case of Holland against Whitehall Building & Operating Co. has been by stipulation put in evidence, and counsel for either side may use any statements therefrom.

Mr. WALSH (of counsel). That is correct.

Mr. Manager HOBBS. As I understand, the entire file in the Highland Glades Drainage case is similarly in evidence subject to the use of either side. Is that correct?

Mr. WALSH (of counsel). That is correct.

Mr. Manager HOBBS. Neither is to be included in the printing of the RECORD?

Mr. WALSH (of counsel). That is correct.

Mr. Manager HOBBS. The same applies to the Trust Co. of Florida and Stephens, trustee, against Brazilian Court? Mr. WALSH (of counsel). That is correct.

Mr. Manager HOBBS. Not to be printed, but to be available?

Mr. WALSH (of counsel). That is correct.

Mr. Manager HOBBS. The House managers rest their

Mr. WALSH (of counsel). Just a moment! Before the case is rested we have some further cross-examination, as the gentlemen know.

The PRESIDENT pro tempore. Counsel for the respondent may proceed.

Mr. WALSH (of counsel). I offered in evidence the statement headed "List of clients of firm of Ritter & Rankin at the time of dissolution of partnership February 15, 1929", and attached thereto an inventory of library and other distributable assets of the former firm. That was objected to on the ground that the amounts under "fees collected" could not be proven by the witness Rankin.

Proof can be made of all the rest of the data on the exhibit, and, of course, this is a vital part of it. I understand that many of these accounts are within the knowledge of the investigators of the honorable House managers.

I might say that these were gathered together by an accountant who resorted to any source from which he could prepared by somebody else.

Q. You filed for \$3,800 of bonds in the name of Mr. Hill get the information. Part of it, of course, would be hearsay. For instance, he would call upon a certain client and find out a certain amount had been paid, as explained by the witness Rankin, he having kept no books. We will, of course, produce the accountant, a registered accountant, for cross-examination, and let him be subjected to cross-examination. If he should not be truthful about it he would be subject to the ordinary punishment for any departure there-

> I desire to see if I cannot get a stipulation from the managers on this subject.

> Mr. Manager SUMNERS. Mr. President, that list, as I understand, differs from two other lists which have been furnished by Mr. Rankin to the managers. The investigator for the House of Representatives has not had an opportunity to go over the list or the accounts or the statement. however counsel for the respondent may designate the document and, of course, we are not in a position to agree

> Mr. WALSH (of counsel). Of course, it has been presented to the honorable managers heretofore; and I believe it is conceded that Mr. Mulherin has some of these items which he has already investigated.

> The reason this statement is here, I may say, Mr. President, and to the honorable Court, is that testimony heretofore has been given from hearsay or from incomplete records; and therefore we think it is of vital importance in proving the contract to show just what the subject matter of it was, so far as the cases on hand were concerned. Unless we can do this, of course, we shall have to ask for subpenas and subpenas duces tecum for the people who paid the money. There are quite a number of them.

> Mr. Manager SUMNERS. I should like to avoid that, and my associates would; but we have this difficulty:

> Mr. Rankin has furnished, on two different occasions, statements of the assets of the firm at the time of dissolution and the collections to be made out of pending business. This is a statement not prepared by Mr. Rankin, as I understand. It is not one for which he is willing to vouch. It is not a statement based upon the books of the firm, but a statement based upon the explorations of somebody who has gone about over the country interviewing various clients. and, from the best information he can get, making up a statement which counsel now offers to present. Naturally, as much as we should like to oblige counsel for the respondent, we cannot agree that that sort of a statement shall be admitted in evidence as showing the facts of which it purports to be evidence.

> Mr. WALSH (of counsel). I concede, of course, that a part of this statement is based on hearsay testimony.

> The PRESIDING OFFICER (Mr. Balley in the chair). And would not be admissible.

Mr. WALSH (of counsel). And would not ordinarily be admissible, without an agreement or stipulation. Therefore, if that is the determination, we shall have to ask, as we shall, for a subpena duces tecum on all of the items that we cannot agree upon with Mr. Mulherin, and produce the witnesses.

Mr. Manager SUMNERS. We should be perfectly willing to accept either of the statements which Mr. Rankin, the surviving partner of the business, has made with regard to the assets of the concern at the time of dissolution, and the fees received from business that was pending at the time of dissolution. Our objection is that the statement now offered, as I understand, was prepared by someone else, and does not agree with the statements which have been made by the parner himself who was conducting the business.

The PRESIDING OFFICER. The Chair understands that counsel for respondent does not insist that the evidence proposed to be introduced is admissible in its present condition. The Chair understands from the manager on the part of the House that no objection will be taken to testimony from the surviving partner.

Mr. Manager SUMNERS. Not a bit. We should not like. of course, to have him refresh his memory from a statement

The PRESIDING OFFICER. The Chair takes it that the managers for the House and the counsel for the respondent may get together and devise some plan whereby time may be saved. The evidence is material, but it is not admissible in its present condition.

Mr. Manager SUMNERS. I suggest, Mr. President, that Mr. Mulherin, on behalf of the managers on the part of the House, and the gentleman who prepared the statement for the respondent ought to be able to make very definite progress toward agreement. There may be some items in regard to which they cannot agree. The difficulty about admitting a thing of this sort is, naturally, that there is nobody to cross-examine.

The PRESIDING OFFICER. The Chair is satisfied that the evidence is not admissible in its present shape; but the Chair thinks it may be put in proper condition, and he is hoping to avoid the necessity for issuing the subpenas and the further delay which would result.

Mr. Manager SUMNERS. We shall be glad to cooperate

with counsel for the respondent in that regard.

Mr. WALSH (of counsel). We shall cooperate with the managers on the part of the House; but, to be perfectly frank about the matter, the difficulty is that Mr. Rankin has been unable to give all the items from memory or from any data that he has. When he sees them put down here now, there are items to which he cannot positively swear; so the person you would have to cross-examine, the safeguard you would have, would be the accountant who pursued these matters. He can be aided a good deal by Mr. Salisbury, who was in the office at the time.

Mr. Manager SUMNERS. Would it not be better to let the matter go over? We cannot agree for the moment any-

how

Mr. WALSH (of counsel). No; I see that.

The PRESIDING OFFICER. Since the managers on the part of the House and counsel for the respondent cannot agree, and the evidence in its present condition is inadmissible, let us move on to something else by way of crossexamination.

Mr. WALSH (of counsel). I will ask the managers on the part of the House first if they have agreed that we may put in, without reading them at the present time, the account of expenditures of the moneys received by Mr. Rankin which he turned over to Mr. Mulherin?

Mr. HOFFMAN. That is in already. Mr. Manager Sum-NERS agreed with me on that.

Mr. WALSH (of counsel). My colleague's recollection is that you have agreed on that. Is there in the RECORD a stipulation to that effect?

Mr. Manager SUMNERS. I do not know, sir, whether there is or not; but we may make a stipulation now, if you desire. The statement went in. We have agreed that that statement shall go in, subject to any objections that may be raised on either side to any of the items in the statement.

The PRESIDING OFFICER. Are you referring now to the statement of account just offered?

Mr. Manager SUMNERS. No, sir; the statement of expenditures by Mr. Rankin. How would you identify the statement?

Mr. WALSH (of counsel). The statements are in the printed document of the House investigation, and each statement has been given an exhibit numeral or letter. When I handed them to you I pointed that out, and I think it is in the RECORD.

Mr. Manager SUMNERS. What I am asking is, how is it designated, so that we may be sure that we are discussing a stipulation with regard to identically the same thing?

Mr. HOFFMAN. May I see the printed record of exhibits before the subcommittee?

Mr. Managers SUMNERS. I think there is no difficulty about it.

The PRESIDING OFFICER. The Chair understands that a statement by stipulation is to be made and entered in the RECORD. All we wish to do is to identify the statement.

Mr. Manager SUMNERS. Mr. President, to save time, I think-perhaps it is a little indefinite-the stipulation we

have with counsel for the respondent is that the items in this statement may be admitted as evidence.

The PRESIDING OFFICER. In what statement?

Mr. Manager SUMNERS. That is what I am trying to clear up. I am sorry. How do you designate it?

Mr. WALSH (of counsel). Here is the way they are designated. I think, if I may make a suggestion, it would be well to have the last number of the respondent's exhibits given to me, and I will mark the exhibits here, and strike out the alphabetical designations given in the record of the testimony of the investigating committee. Do you understand that, Mr. Manager Hobes? Here it says "Exhibit E, A. L. Rankin, receipts and disursements of fees", and so forth. Instead of that, if they will give me the number, I will offer them now, and they will be original exhibits in this case. Is that satisfactory, Mr. President?

The PRESIDING OFFICER. Very well; if that is the stipulation, let the statement be entered in accordance with the terms of the stipulation.

Mr. WALSH (of counsel). We offer in evidence the exhibit marked "Exhibit E", appearing on page 843 of the exhibits presented at the hearings before the subcommittee of the Committee on the Judiciary of the House of Representatives, pursuant to House Resolution 163. We offer this exhibit and ask that it be marked "Respondent's Exhibit 16." It is entitled "Receipts and disbursements of fees from Whitehall Building & Operating Co."

(The exhibit was marked "Respondent's Exhibit 16", and is as follows:)

RESPONDENT'S EXHIBIT 16

A. L. RANKIN

Receipts and disbursements of fees from Whitehall Building & Operating Co.

May 22, 1930, by order of Halsted L. Ritter, advance on fee for creating assets Whitehall Building & Operating Deposited in West Palm Beach Atlantic National Bank same date. __ \$2,500.00 Actual balance at the time of depositing was_____

	THE RESIDENCE
Distribution by check:	050 00
Walter S. Richardson, legal	250.00
Flo Cann, stenographer	35.00
C. F. Rankin, relative	50.00
I. Berman & Son, personal	33.83
Taylor Auto Co., expense	52.11
Powell & Albritton, payment, Fox Henderson, Ala-	
bama	1.000.00
Andalusia Bank, transfer funds	350.00
B. L. Timmerman, taxes, Alabama	50.00
G. M. A. C., payment, auto	99.00
Powell & Albritton, Fox Henderson, payment, Ala-	
bama	719.13
	0.000.07

99.00

43.56

Mr. WALSH (of counsel). We also offer the exhibit appearing on page 844, a further list of expenditures, and ask that it be marked "Respondent's Exhibit 17."

(The exhibit was marked "Respondent's Exhibit 17" and is as follows:)

RESPONDENT'S EXHIBIT 17

A. L. RANKIN

July 7, 1930, by order of Alexander Akerman, balance of fee for creating assets Whitehall Building & Operating Co. Deposited in West Palm Beach Atlantic National Bank same date_ ___\$12,500.00

Balance in bank at time of deposit_____ Distribution by check:
G. M. A. C., auto_____
J. W. Salisbury, legal_____ 825.00 Cash: Walter S. Richardson, legal
Travel expense to Alabama
Personal to wife
Gladys Schultz, stenographer
J. B. Powell, Jr., repay loan
Bank charge, miscellaneous 1,000.00 150.00 850.00 1,500,00 F. E. Fenno, office. Gladys Schultz, stenographer_____ 20.00 Albert, Jr__ Personal_ 50.00 Jennings Florida Co., remit to client_____

Cash, Palm Beach Bus Service, Inc.

A. L. RANKIN—continued		RESPONDENT'S EXHIBIT 19	
Distribution by check—Continued.	417 00	A. L. RANKIN	
R. C. Fleeman, Inc., personal insurance J. M. Robinson, principal and interest on mortgage		Dec. 24, 1930, order of H. L. Ritter, advance on Whitehall	
on home, Alabama	5, 505.00	mortgage foreclosure fee. Deposited in West Palm Beach Atlantic National Bank Dec. 24, 1930	85, 000, 00
Southern Bell Telephone Co., office	65. 59	Also deposit of \$1,500 transferred from First National	
Cash: Miscellaneous	5.00	Bank of Miami Dec. 24, out of Whitehall fee	1,500.00
Do	10.00		6, 500. 00
G. M. A. C., autoA. W. Mutty, Inc., P. B. Bus Service	99. 00 103. 00		0,000.00
Bank, note	500.00	Distribution by check:	1
Cash. personal	15.00	Miss Sarah Hill, personal Mrs. Rankin, personal	25. 00 25. 00
Tatom Motor Co., P. B. Bus ServiceCash, personal	125. 00 45. 00	General Motors Corporation, auto	99.00
George Dyer, treasurer, personal	25.00	Gas Co., personal W. S. Richardson, legal	9. 20
Gladys Schultz, stenographer	20.00	Bank, note and interest	501.25
Cash, P. B. Bus Service Don Hillyer, for client	A STANCE OF STREET	Do	503.34
Cash, personal	20.00	Cashier's check, Bank of Andalusia, personal Telegram, personal	3,000.00
J. C. Harris Co., personal		Do	.61
Clerk of court, expenses		Check charged back, personal	350.00
Southern Bell Telephone, telephones	15.35	Flo Cann, stenographerFlax Manufacturing Co., office	25. 00 3. 00
Auto license, auto East Coast Motors, auto		J. C. Hudson, taxes	36.00
Central Farmers Trust Co., personal, draft, Brown &		A. L. Jordan, personalTelegram	15.30
P. B. Bus Service, advance	250.00	Western Union, telegram	1.97
Church, contribution	1 2000000000000000000000000000000000000	Southern Bell, telephone	68. 25
Cash:		Palm Beach Times, personalR. C. Fleenor, personal	7.00 17.00
Personal Do		W. N. Rushton, office	48. 25
Water Co., personal		J. L. Murphy, legal	25. 00
Utilities Co., personal	7. 60	Cash, personal Flo Cann, stenographer	10.00 25.00
Gladys Schultz, stenographerCash, personal		Church, contribution	25.00
Secretary of State, expense	1.00	J. B. Powell, loan payment	250.00 35.00
Branch & Powell, life insurance		J. W. Salisbury, legal	10.00
W. W. Brugess, rent, residence	100.00	F. E. C. Rv., office	23. 78
	12, 648. 89	U & Me Transfer, office F. E. Fenno, office	3.50 15.00
Mr. WALSH (of counsel). We also offer a fur	ther list	Cash, personal	10.00
which appears on page 845, and ask that it be mar		Postal Telegraph, telegram Florida Power & Light, personal	10. 15 8. 31
spondent's Exhibit 18."	ACU IVC-	Cash, personal	5. 00
(The exhibit was marked "Respondent's Exhibit	18" and	Flo Cann, stenographer	25.00
is as follows:)	10 and	R. C. Prescott, stenographer L. D. Spears, personal	22. 50 20. 00
		Western Union, telegram	11.60
RESPONDENT'S EXHIBIT 18			0.071.01
A. L. RANKIN Dec. 24, 1930, by order Halsted L. Ritter, advance on fee			6, 271. 21
for foreclosing mortgage on Whitehall Hotel. De-		Mr. WALSH (of counsel). We also offer in eviden	
posited in First National Bank, Miami, Fla., Dec. 24,		of expenditures appearing on page 846, and ask th	nat it be
1930	- \$25,000	marked "Respondent's Exhibit 20."	
Distribution by check:		(The exhibit was marked "Respondent's Exhibit 20 as follows:)	", and is
East Coast Motors, auto payment	500.00	RESPONDENT'S EXHIBIT 20	
Transfer to W. P. B. Atlantic National Bank East Coast Motors, auto payment		A. L. RANKIN	
Central Farmers' Trust Co., transfer	2,000.00	Distribution of check for transfer of funds from West Pa	lm Beach
Shutts & Bowen, attorneysCash:	12, 500.00	Atlantic National Bank to the Andalusia National Bank	of Anda-
Halsted L. Ritter, first payment on purchase of		lusia, Ala. Deposited in the Andalusia National Bank Dec. 29, 1930	
one-half interest in Ritter & Rankin	2, 500.00	Distribution:	\$3,000.00
W. P. B. Atlantic National Bank, payment draft pay-	500.00	First National Bank of Brantley, Ala., Jos. Dixon	A 200 00
ing notes of Spear in Alabama, endorsed by A. L.	E. Island	noteCity of Andalusia, paving	1, 957. 50 500. 00
Rankin, lossB. L. Timmerman, taxes, Alabama	1, 948, 83	B. L. Timmerman, taxes	15. 88
J. M. Robinson, mortgage on home, Alabama	200.00 1,036.22	Bank, old note	169.49
O'Neal Lumber Co., old debt	100.00	Central Farmers Trust Co., personal Wilder Mercantile Co., expense	200.00
G. L. Gresham, tax collector City of Andalusia, paving	139, 11 250, 00	General Motors Acceptance Corporation, auto pay-	
G. L. Gresham, tax collector	137.00	ment	99.00
John B. Powell, loan payment	1,000.00	Total	3. 141. 87
Cash: Personal	100.00	Mr. WALSH (of counsel). We offer the list wh	
Do	25.00	lows the last-named exhibit, appearing at the bo	ttom of
R. C. Prescott, stenographerFlo Cann, stenographer	22. 50 25. 00	page 846 and the top of page 847, and ask that it be	marked
Interstate Credit Bureau	75.00	"Respondent's Exhibit 21."	
Florida Bank & Trust Co., legal	77. 67	(The exhibit was marked "Respondent's Exhibit :	21", and
J. W. Salisbury, legal Morey Dunn, legal	30.00 7.95	is as follows:)	
	1.00	RESPONDENT'S EXHIBIT 21	
	24, 924, 28	A. L. RANKIN	
Mr. WALSH (of counsel). We offer also the ext	hihit en	Distribution of check transfer of funds from First Natio	nal Bank
pearing at the bottom of page 845, and ask that it be		at Miami, Fla., to Central Farmers Trust Co. of West Pal Dec. 26, 1930	m Beach,
"Respondent's Exhibit 19."	J. Har Kett	Deposited in Central Farmers Trust Co., Dec. 26, 1930 §	82.000.00
(The exhibit was marked "Respondent's Exhibit	19" and	Distribution:	2, 000.00
is as follows:)	Lo , and	J. W. Salisbury, legal	750.00
	The last of	Cash, personal	19.00

A. L. RANKIN—continued	A. L. RANKIN—continued
Distribution of check transfer of funds from First National Bank	Distribution, by check—Continued.
at Miami, Fla., to Central Farmers Trust Co. of West Palm Beach,	Central Farmers Trust Co., transfer—Continued.
Dec. 26, 1930—Continued Distribution—Continued.	Distribution by check of above \$15,000 through Central Farmers
City of Andalusia, Ala., paving \$246.65	Trust Co., deposited Central Farm-
Draft, books 23.00	ers Apr. 7, 1931—Continued. R. A. Gray, legal\$198.00
J. B. Powell, Jr., insurance 94.83 Cash, personal 10.00	R. A. Gray, legal
C. F. Rankin, father 20.00	Southern Bell, telephone 31.70
Cash, personal 5.00 Dry cleaners, personal 8.50	J. W. Salisbury, legal 250.00 Flo Cann, stenographer 25.00
Cash, personal 15.00	Gas Co., personal 8,40
County judge, expense 8.00 Palm Beach Mercantile, expense 1.50	Susan, personal 5.00 R. C. Prescott, stenographer 5.00
J. C. Harris Clothing, personal 7.90	Banks:
East Coast Motors, auto 8.60	Books 23.00
Hatch's Clothing, personal 127. 67 W. W. Burgess, rent 100. 00	Charge 5.00 Do 3.48
Cash, personal 45.00	Do 2.00
Church, donation	Books 23.00
J. B. Powell, pay loan 250.00 Water Co., personal 6.47	Cash, personal 40.00 Old Dominion: Interest, \$388;
Halsey & Griffiths, expense 13.75	principal, \$300; home West
Church, donation 15.00 Flo Cann, stenographer 25.00	Palm Beach 688.00 R. C. Prescott, stenographer 22.50
Cash, personal 40.00	Flo Cann, stenographer 25.00
R. C. Prescott, stenographer 22.50	J. W. Salisbury, legal 250.00
Pictorial News, expense 20.00 Public utilities, personal 7.80	J. B. Powell, loan 500.00 Mrs. A. L. Rankin, wife 225.00
Cash, personal 25.00	Florida Power, personal 10.00
Total1,920.17	Cash, personal 15.00
	J. W. Salisbury, legal 37.50 Cash, personal 20.00
Mr. WALSH (of counsel). We also offer in evidence an	W. W. Burgess, rent, residence 100.00
additional list appearing upon pages 847 and 848, and ask	Hatch's, personal 98.97 Cash, personal 105.00
that it be marked "Respondent's Exhibit 22."	Florida Power Co., personal 6.44
(The exhibit was marked "Respondent's Exhibit 22", and is as follows:)	Cash, personal 30.00
RESPONDENT'S EXHIBIT 22	Postal Telegraph, telegrams 9.65 Seaview Bath Club, personal 15.00
A. L. RANKIN	United Body Co., automobile 35.00
Apr. 6, 1931, balance of \$75,000 fee, foreclosure of White-	Jessup, Inc., furniture 369.40 Western Union, telegrams 1.77
hall, deposited in First National Bank of Miami \$45,000.00	Western Union, telegrams 1.77 Cash, Palm Beach bus service 35.00
Distribution, by check:	Flo G. Cann, stenographer 25.00
Central Farmers Trust Co., transfer 15,000.00 Distribution by check of above	R. C. Prescott, stenographer 22.50 Hershel Auxier, furniture 150.00
\$15,000 through Central Farmers	J. P. Cochrane, personal 100.00
Trust Co., deposited Central Farm-	Total14, 775, 93
ers Apr. 7, 1931: Kiwanis Club, dues \$5.00	Cash, personal \$25.00
O. F. Dodd, legal 5.00	J. B. Powell, loan
Curtis Printing Co., office 7.18 R. C. Fleenor, insurance 17.00	Henry A. Pohl, personal
Cash, personal 30.00	West Palm Beach Atlantic National Bank, note 1,000.00
W. W. Burgess, house rent 100.00 Dry cleaners, personal 6.75	Debit memorandum, service charge 2.00 Shutts & Bowen, attorneys 12.500.00
R. C. Prescott, stenographer 22.50	Ernest Metcalf, attorney 10,000.00
C. F. Rankin, personal 20.00	Walter S. Richardson, attorney 2,000.00
Daily Democrat, personal 1.00 Flo Cann, stenographer 25.00	Cash, H. L. Ritter1,000.00
L. D. Spears, personal 20.00	Total44,902.00
Bank, purchase of home in West Palm Beach from Judge Rob-	Mr. KING. Mr. President, will the President inquire of
bins 6,800.00	the managers on the part of the House whether the exhibits
J. W. Salisbury, legal 500.00 F. E. Fenno, legal 8.05	appearing on the pages referred to are accepted, and are to
F. E. Fenno, legal 8.05 Hatch's, personal 16.28	be incorporated in the RECORD?
Mrs. Rankin, wife 800.00	The PRESIDING OFFICER. They were admitted upon
General Motors Acceptance Corporation, in full, Buick 575.11	stipulation.
Southern Bell, office 25.45	Mr. Manager HOBBS. May I ask counsel whether he does
Interstate Credit Bureau, inter- est and mortgage, Alabama 425.15	not intend to put in what appears on page 849? Mr. WALSH (of counsel). We put in all we wished to
Marsh Pastroff, personal 24.78	put in. If there is anything relevant, you can put it in.
Church, contribution 10.00	Mr. Manager HOBBS. We understand it is a part of the
R. C. Prescott, stenographer 22.50 Flo Cann, stenographer 25.00	same letter.
Cash, personal 35.00	Mr. WALSH (of counsel). Then, of course, we want it in.
Branch & Powell, insurance 163.91 Cash, personal 15.00	[After consultation among counsel.] We have introduced
Cash, personal 15.00 F. E. Fenno, office 3.30	from this record all that we wish to introduce.
Bank, books 104,50	Mr. Manager HOBBS. We wish it clearly understood that
Cash, H. L. Ritter 1,000.00 P. A. Gray, legal 112.50	we are stipulating that these matters may be introduced in
Water Co., personal 6, 66	evidence without any a vouchment of variety.
Electric Co., personal 10.00	The PRESIDING OFFICER. Let the stipulation appear
Office 1.25 Bar association, dues 12.00	in the RECORD.
F. E. Fenno, legal 84.75	Mr. Manager SUMNERS. I believe there is a stipulation
Cash, personal 50.00 R. C. Prescott, stenographer 22.50	in the Record to that effect. The PRESIDING OFFICER. Very well.
Flo Cann, stenographer 25.00	Mr. Manager SUMNERS. Each item is subject to chal-
General Motors Acceptance Cor-	lenge.
poration, interest 4.25 Anthony's personal 19.75	The PRESIDING OFFICER. The stipulation will speak
J. W. Salisbury, legal 75.00	for itself.

Mr. WALSH (of counsel). We have the correspondence from the Sweeny files. As I understand, we can stipulate this far, that the correspondence is the correspondence from the Sweeny files, that there will be no necessity for identifying it as such, and the direction of the letter and the signature may be taken as true. Is that correct?

The PRESIDING OFFICER. What do the managers say to that? What is the designation of the correspondence?

Mr. WALSH (of counsel). The Sweeny correspondence. The PRESIDING OFFICER. It will be admitted.

Mr. Manager HOBBS. I beg Your Honor's pardon.

The PRESIDING OFFICER. I made inquiry, and I understood the managers agreed. What do the managers say?

Mr. Manager HOBBS. We agree that no proof need be made as to the identity of these letters, that copies may be exhibited from that file just as though they were the originals, and that we will raise no point as to the identity; but we do not agree to the introduction of any one of the letters.

The PRESIDING OFFICER. You reserve your right to object to the admission of any particular letter?

Mr. Manager HOBBS. Yes.

The PRESIDING OFFICER. That is the understanding

of counsel for the respondent?

Mr. WALSH (of counsel). Yes. The managers have not had a chance to look at them, and I will be glad to sit up with any of the gentlemen tonight and check over the correspondence, and I am hopeful that then we can agree on the full stipulation which we offered earlier in the day; namely, that they go in the record without being read.

The PRESIDING OFFICER. Then the order is made according to the statement just made by one of the managers and also by counsel for the respondent.

Is there further evidence?

Mr. WALSH (of counsel). We have only 10 minutes left. Mr. ROBINSON. I assume that counsel for the respondent would not desire to proceed this evening, and the managers have closed their case, so, unless there is objection, I shall move that the Senate take a recess.

Mr. BARKLEY. Mr. President, would it be agreeable to the Senator from Arkansas for me to ask leave to have an article printed in the RECORD?

Mr. ROBINSON. I should prefer that the Senator wait until we have a legislative session.

Mr. BARKLEY. Very well.

ADJOURNMENT OF IMPEACHMENT TRIAL

Mr. ROBINSON. Mr. President, I move that the Senate sitting for the trial of the articles of impeachment stand in adjournment until the hour fixed in the order heretofore entered.

The motion was agreed to; and (at 5 o'clock and 18 minutes, p. m.) the Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, adjourned, the adjournment being under the order heretofore entered until tomorrow, Friday, April 10, 1936, at 12 o'clock meridian.

RECESS

Mr. ROBINSON. Mr. President, I move that the Senate take a recess.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess, to meet for the trial of the articles of impeachment against Halsted L. Ritter tomorrow, Friday, April 10, 1936, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 9, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

The Lord our God is clothed with majesty and power! Heavenly Father, take from us that which hinders the full disclosure of the sweetness, the sacrifice, and symmetry of the Lord of glory. Have mercy on our unworthiness and let us look through the darkness and behold the Light of the

coming morning. We would follow in His path with muffled tread and with sad and solemn thought. Teach us what it is that defeats our higher attainment; help us to break through the barriers, where we shall see Thee no more through a glass darkly. Bestow blessings of rest and comfort upon our President, the Speaker, and the entire Congress. Grant that the lowly life of the humble Galilean may inspire us and lift us out of our own. As we approach the tomb in the garden, we pray that more and more abundant Thy Holy Spirit may guide us in the ways of all truth. In the name of our glorified Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 9997. An act granting a leave of absence to settlers of homestead lands during the year 1936; and

H. R. 11968. An act relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concur-

rence of the House is requested:

S. J. Res. 248. Joint resolution to provide for participation by the United States in an inter-American conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 1362) entitled "An act for the relief of Ramey Bros., of El Paso, Tex., disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Bailey, Mr. Logan, and Mr. Townsend to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3806) entitled "An act to establish a commercial airport for the District of Columbia."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1824. An act for the relief of Abraham Green;

S. 2042. An act for the relief of Grace Park;

S. 2524. An act amending section 112 of the United States Code, Annotated (title 28, subtitle "Civil suits; where to be brought");

S. 2697. An act for the relief of the United Pocahontas Coal Co., Crumpler, W. Va.;

S. 3777. An act to authorize the Secretary of the Treasury to execute an agreement of indemnity to the First Granite National Bank, Augusta, Maine; and

S. 4232. An act to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects.

AMENDMENT OF FEDERAL HIGHWAY ACT

Mr. DRIVER, from the Committee on Rules, reported the following resolution (Rept. No. 2389), which was referred to the House Calendar and ordered to be printed:

House Resolution 484

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11687, a bill to amend the Federal Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Roads, the bill shall be read for amendment under the 5-minute. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

COOSA RIVER. GA.

Mr. TARVER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill, H. R. 11617, to authorize a preliminary examination of the Coosa River, Ga., and its tributaries with a view to the control of their floods.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, has this bill been reported regularly out of the committee?

Mr. TARVER. It was favorably reported by the committee, favorably recommended by the Department, and is on the Consent Calendar.

Mr. MARTIN of Massachusetts. What is the reason for taking it up out of order?

Mr. TARVER. Very serious flood conditions now exist on the Coosa River, particularly in my district in Georgia, and it is very necessary that this survey be expedited as much as possible.

Mr. MARTIN of Massachusetts. It provides just a preliminary survey by the War Department?

Mr. TARVER. That is right; by the Board of Engineers. Mr. WOLCOTT. Mr. Speaker, reserving the right to object, does this bill provide for a preliminary survey or a preliminary examination?

Mr. TARVER. It provides for a preliminary examination; that is the language used.

Mr. MARTIN of Massachusetts. Is the gentleman a member of the committee?

Mr. TARVER. I am not.

Mr. MARTIN of Massachusetts. The gentleman would not know how many of these bills are coming along?

Mr. TARVER. No; I have no information on the subject. The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby author-Be it enacted, etc., That the Secretary of War is hereby authorized and directed to cause a preliminary examination to be made of the Coosa River and its tributaries in the State of Georgia, with a view to the control of their floods, in accordance with the provisions of section 3 of an act entitled "An act to provide for control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors. cies of rivers and harbors.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE NATIONAL RESOURCES BOARD BILL

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio speech which I shall make tonight over the Columbia Broadcasting System at 8:45 o'clock on the subject of natural

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAVERICK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address which I will deliver over the Columbia Broadcasting System, station WJSV, Washington, D. C.:

PRESERVATION OF OUR NATIONAL RESOURCES MOST IMPORTANT SUBJECT FACING AMERICA

Fellow Americans, tonight I am going to talk to you about something that does not concern partisan politics, but concerns your very life. You know of the great floods lately and the teryour very life. You know of the great floods lately and the terrific damage to life and property; you know of the great dust storms; you know about the loss of our land, our trees, and our water. This is very serious—these losses have been caused by us—and can be checked by us. Now, I have introduced a bill before Congress known as the national resources board bill, which, if adopted, will lead to the saving of our resources, protect our lands and forests, give us jobs to the extent of 3,000,000 men, increase property values, and permanently benefit commerce, agriculture, and industry. I repeat, there is no politics in this; this is a question of fundamental economics—or, to use a plain word, of common sense, good business, and grave necessity. And I'm talking to urge your cooperation, and likewise that we all work together to save what we have.

Now, the destruction of national resources—our capital assets—has been going on in many forms and on all sides at an appalling rate. The need of action is urgent, for we are progressively becoming poorer, and the specter of national disaster appears on the horizon. As the land and other resources are ravished, national bankruptcy becomes more threatening.

FIGHT FOR NATIONAL RESOURCES BOARD NONPARTISAN

So I'm talking to you tonight about our natural resources—that is, yours and mine—our rivers, forests, land, water in the air, on the surface of the earth, and in the ground. And I am talking in the interest of this National Resources Board bill, which will in the interest of this National Resources Board bill, which will provide a permanent Government policy to coordinate efforts to promote conservation—wise use—of the resources of the United States. I want no personal credit for it; neither does my party. We want it to be a bill of the people of the United States. I want all of you to join in insisting on a policy—and action—for conservation of natural resources. Write your Congressman about it—not to put pressure on him, for whoever he is, he is a pretty good fellow and resents things like pressure—tell him what you think about the problem of conservation of resources and ask him to vote for the Maverick bill for the establishment of a National Resources Board.

to vote for the Maverick bill for the establishment of a National Resources Board.

But let me try to convince you.

A particular natural resource may belong to a particular individual, but all the resources put together belong to all of us. Our existence depends on them. Their conservation is a concern of every one of us—of you industrial workers and employers, of you merchants and bankers, as well as of you who live upon the land. The basic reality is that Nature's gifts are the foundation of all economic activity and individual incomes. No matter if you live in the finest apartment on earth and have all that money can buy, everything comes out of the ground or the air; we are absorbered. buy, everything comes out of the ground or the air; we are abso-

lutely dependent on our natural resources.

Natural resources are quite the most important things in our lives. As you listen to me, realize that although my thoughts and lives. As you listen to me, realize that although my thoughts and voice are human resources everything that serves to bring my voice to you is made possible by a natural resource. This transmitter and your receiving set are made chiefly of wood and minerals; the electricity that transmits the vibrations comes from coal being burned underneath a boiler, or water rushing through a turbine. The house in which you live, the plaster, wallpaper, and trim in the room in which you sit, come from natural resources—from the ground, directly or by way of trees and vegetables. Everything you wear, from the soles of your shoes to the clothes on your back, everything you eat, comes from a natural resource. Cities, and, of course, our whole Nation, will be destroyed unless we preserve what we have.

EARLY ECONOMIC WRITINGS PROPHETIC

Seventy years ago a writer named Marsh, raising the question of whether the United States would be a permanent country, said that most countries of hilly or rolling surface and seasonal rains gradually lost their fertile soils and in the course of time became nonproductive and like deserts. No one in the United States paid any attention to his question. We went on cutting down our for-ests, turning under our sods, letting rains wash topsoils into the rivers and oceans, letting crops and erosion sap the fertility of our soils. Seventy years later we awaken to the fact that Marsh was a prophet, and that destruction of resources has gone so far that if we are to save ourselves we must act promptly and vigorously.

NATURAL ASSETS HAVE BEEN WASTED

Thinking that there would be plenty of new land for everybody, we have robbed instead of conserved the fertility of our soils. Now there is no more free land; we must preserve what is left and restore what we can. We have cut the best accessible timber, and have carelessly permitted fires and overgrazing to destroy the seedlings that would have reestablished it in Nature's way. By cutting the forests and turning under the sods we have exposed and abused our soils, and have permitted waters to rush more quickly to the seas unused. In their course they have washed the fertile top soils out of reach and use by man, and have increased the horrors and destruction of floods. We have rushed them to the sea so fast that they have not had time to soak into the ground. In that way in some areas the store of water in the ground has been depleted, so that now there is a shortage for farm, factory, and household use.

LARGE FARM AREAS ECCOMING BARREN WASTES

LARGE FARM AREAS BECOMING BARREN WASTES

Let us consider just a few of the high spots of the loss from erosion. The Soil Conservation Service in the Department of Agriculture tells us that 100,000,000 acres of fertile land have already been destroyed for profitable farming—that is an area equivalent to the whole States of Illinois, Ohio, Maryland, and North Carolina combined. They tell us that another 125,000,000 acres are on their way to destruction; and still another 100,000,000 acres are threatened.

WIND AND WATER EROSION-A CONSPIRACY OF RUIN

In 1 year the Mississippi River washes away 400,000,000 tons of soil into the Gulf of Mexico because we do not conserve and protect our lands. A great dust storm in 1 day sweeps 300,000,000 tons of our lands. A great dust storm in 1 day sweeps 300,000,000 tons or rich topsoil off the great wheat plains, again because our lands have not been protected. Wind and water erosion together each year remove 3,000,000,000 tons of soil beyond use, equivalent to the entire average topsoil of the 37,000 farms of the highest type and of 80 acres each. There are gigantic dust bowls over the Nation, and we are now threatened with the creation of great deserts. The money loss of farmers from erosion is estimated at from \$400,000,000 a year to \$500,000,000 a year. This is all dead loss forever, not like the loss of a bookkeeper's profit, but a permanent loss of life, property, human and natural resources.

EXPENSIVE FLOODS

From the point of view of the destruction caused by floods it is estimated that the loss from the recent floods in the eastern part of the United States is in the neighborhood of \$300,000,000.

Let us turn from soils to other resources. Practically half of our forest area has been cleared. I'm told by authorities that it will take only 40 years at the present rate of use to exhaust the high-grade iron ore remaining, that in 20 years it will be hard to find lead and zinc. Our method of exploiting oil and gas is such that gigantic proportions are going to waste. In one field in the United States a billion and a half cubic feet of natural gas is being blown into the air each day just to get a few by-products. Just think, that is about 60 percent more than the average domestic and commercial consumption of natural gas in the United States.

LITTLE WATERS-A LARGE FACTOR

These problems are discussed fully in three of the most important and interesting reports ever published by the Government. In the order of their appearance they are the report of the Mississippi Valley Committee, the report of the National Resources Board, and a recent fascinating report entitled "Little Waters" gotten out by the Soil Conservation Service, Resettlement Administration, and Rural Electrification Administration. Every citizen should read these reports, beginning perhaps with Little Waters, which is short and as interesting as a novel.

THE SOLUTION-PLANNED ECONOMY

What shall we do about the problem indicated by the appalling

What shall we do about the problem indicated by the appalling figures which I gave you a moment ago?

The bill to which I have referred—for the establishment of a national resources board—is one answer to the question. Such a board of five competent full-time men, with a small staff, would devote all its time and ability, first, to gathering all the essential facts from the various scientific departments of the Federal and State governments, from professional groups like the civil and mining engineers, and from the agricultural colleges and experiment stations. These facts it would bring together to get an accurate picture of the situation in perspective. Second, this board would make annual reports to the administration and to the Congress—yes; also to the public—which would include specific recommendations for a program of action with respect to every conservation problem and to every natural area. In these ways legislation by the Congress and execution by the various departments of the administration would be coordinated. The plans and activities of Federal, State, and local governments—units in which you have direct part and influence—could be brought into voluntary interrelation, and the efforts of each would reenforce the efforts of the others. Even individual owners of resources could be shown how to bring their efforts into the program. By such means, and such means only, can a policy of conservation be defined, a program of action carried through, and all be done with maximum results at a minimum expense. results at a minimum expense.

GREAT BENEFITS FROM CONSERVATION PROGRAM

What would be the benefits of a program of conservation? The possibility is so great that it defies calculation in figures. But it does not require much imagination to foresee what kinds of benefits would result and that they would be great.

In the first place, there would be great gain from the prevention of losses and waste, such as those caused by floods and erosion, and by letting oil and gas escape unused. This would amount to billions annually—that much in addition to the national income.

DIRECT BENEFITS OF CONSERVATION

In the second place, there would be direct benefits: The addition of other billions of social income from the use of the assets that now go to waste, the use of the rich soils for agricultural production, the use of the waters for generating hydroelectric power and other services, the use of oil and gas in the numerous profitable ways in which we know how to use them.

Agriculture would benefit; industry would benefit; transporta-tion would benefit; commerce and business would benefit.

These would be progressive benefits as time passes, for each increase in national income would make easier other increases in national income. The results would be widely diffused and affect every one of us favorably. Those who possess properties now declining in value would find them increasing and on the way to restoration, for nothing makes capital values so much as an active, prosperous people on good, safe, fertile land.

New values, incidental to a conservation program would be

New values, incidental to a conservation program, would be created; restoration of streams for recreation, as well as other use; restoration of fish and fowl and other wildlife.

SOLUTION-A NATIONAL RESOURCES BOARD

The first step is to attack the problem firmly with programs that reflect understanding. The best way to take that step is the creation of a national resources board. Fellow Americans, if you are concerned, write a nice letter to your Congressman telling him what you think about the need of such a resources board. Talk it over with your friends and discuss soil erosion, waste of lands and waters, and our forests. Think of it in terms of I ment, prosperity, and the future of our children. Of fight to save our natural resources which God gave us. Think of it in terms of life, employ-Organize and

NATIONAL RESOURCES

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection? There was no objection.

ESTABLISHMENT OF NATURAL RESOURCES BOARD IS IMPORTANT

Mr. MAVERICK. Mr. Speaker, the conservation of our natural resources is the most important subject before the American people. This is now being recognized all over the United States of America, and the national resource board bill, which I introduced January 16 of this year, H. R. 10303, is receiving widespread support all over the Nation. The President, in a personal letter to me, but which was intended to be given to the public, stated that he-

Entirely approved of the establishment of a National Resources

And said that-

Definite legislation would provide for the continuance of the effective work already done by the present National Resources Committee and its predecessors.

Besides that, the bill has been approved by hundreds of organizations representing, I believe, the interests of practically the whole of America. Let me name a few: The American Society of Planning Officials; Conference on City, Regional, State, and National Planning; American Library Association; American Farm Bureau Federation; American Forestry Association; American Institute of Architects-and dozens of other organizations of all the various professions. I specifically refer you to the hearings before the Committee on Public Lands of the House of Representatives.

In connection with this character of work, the story "Little Waters" is receiving a great deal of favorable comment all over the United States. Among those favorably commenting on it is the San Antonio Evening News, a newspaper printed in my district. The editor of the paper, Hon. M. M. Harris, has written an editorial, which is as follows:

EDITORIAL FROM SAN ANTONIO EVENING NEWS, APRIL 2, 1936, ENTITLED "PROBLEM OF SOIL CONSERVATION"

Basic problem facing the American farmer today is, How cultivate the soil and keep it, too? Toward the solution of that prob-lem, the Federal Government's new agricultural program—em-bodied in the Soil Conservation Act—mainly is directed. To be sure, the landowner must work out his own solution for the most part; about the best the Government can expect to do is to stimulate him to put forth the necessary effort.

Heretofore—as explained in the official publication, "Little Waters"—the average farmer has been robbing the land. He will cultivate a virgin tract until the soil is no longer productive—washed away, rather than exhausted—and then will abandon the old field, or even the entire farm, for a new one.

That process has been going on in Texas for a hundred years and in the older States for two or three times as long. As the Government's experts point out, the people cannot continue indefinitely living on their capital: "We have 125,000,000 consumers definitely fiving on their capital: We have 125,000,000 consumers to feed and clothe. We have been doing the job by using up the sources of materials. Next generation of consumers—possibly 15,000,000 more than we are—must look to this same soil for food and clothing."

Apparently that thought never occurred to the old-fashioned

American farmer. By contrast, the European farmer consistently builds up the soil so that his children may receive it from him as productive as it was when he had it from his father. The Old World farm remains in the family; heretofore the second-generation Americans have moved somewhere else. The trouble now is that there are not enough new places to go.

AMERICAN PEOPLE MUST PLAN CONSERVATION OF RESOURCES

I have talked to you about the national resources board bill and about the book Little Waters, and my purpose in mentioning this is that the American people must and shall have a coordinated plan for the conservation of our resources. If we do not, as has been said over and over again-and as I say again and will continue to say until we do something about it-vast areas will be blown and washed away and our standard of living will sink to that of China. Already, because of soil erosion, in many parts of the United States farm tenantry and share-cropping has been reduced to a much lower standard of living than the peasants of even Central Europe. Some persons who have lived for long periods of time in Japan and China say that there are even

now certain sections of our country who have as low a standard as in those countries already. I do not believe this, but the mere statement is alarming. Certainly, it should at least be a warning.

Mr. Speaker, I urge that consideration be given to the establishment of a national resources board at once.

IMMIGRATION

The SPEAKER. Under the special order of the House, the gentleman from Alabama [Mr. STARNES] is recognized for 20 minutes.

Mr. STARNES. Mr. Speaker, I rise at this time to discuss one of the most important questions that confronts the American people today—the proper solution of our immigra-

Mr. Speaker, I realize that during the past month or so Members of Congress have received numerous inquiries with reference to the status of certain immigration bills now

pending in the House or in the Senate.

Particular reference is had, of course, to the two bills presenting the two schools of thought with reference to immigration in this country. Those two bills are the Kerr-Coolidge bill, so-called, and the Starnes-Reynolds bill, so-called. The Members of the House will recall that in the closing days of the first session of the Seventy-fourth Congress a resolution was passed, which, in effect, attempted to condone an open violation of the law by certain administrative officers of this country with reference to the lack of enforcement of the immigration laws of this Nation. The resolution requested the Secretary of Labor to furnish to the Congress on or before January 15, 1936, a list of the names, together with the full and complete file of each name and case and all facts pertaining to the same, with reference to the so-called hardship cases to be cared for or provided for under the Kerr-Coolidge bill if that bill should become a law.

The House has taken no action in reference to the socalled Kerr-Coolidge bill. It is being considered at the present time in the Senate. Your attention is invited to the remarks made by Senator REYNOLDS in the Senate on last Friday and Saturday with reference to the so-called hardship cases. The Kerr bill was introduced in the House by the gentleman from North Carolina [Mr. KERR], who is an upright, conscientious, able, and hard-working legislator and one of the most highly respected men in this body. None of the remarks which I shall make today in criticism of the provisions of that bill are in anywise directed in a personal vein toward that very fine gentleman, whom I love and respect very much. My objections are going to be confined to the merits of the bill, and my discussion this morning will be confined to the merits of the bill and also to a discussion of a few of the so-called hardship cases which have been presented to us for study for the purpose of enacting whatever legislation we may deem necessary to remedy the situation.

The Secretary of Labor, under date of January 15, in a letter to the Speaker of the House, said:

MY DEAR MR. SPEAKER: In accordance with the resolution of the House of Representatives on August 23, 1935, I have the honor to submit:

(a) A list of all cases by number and name in which deporta-tion has been stayed up to and including December 31, 1935; (b) Complete file in each case; (c) Summary of file and report on each case; (d) Report of the Commissioner of Immigration and Naturalization.

Very truly yours,

FRANCES PERKINS Secretary of Labor.

Then follows a 10-page brief by the Commissioner of Immigration and Naturalization urging the Congress to enact the Kerr-Coolidge bill in order to take care of the so-called hardship cases. This bill has been presented to the country as one which will strengthen our deportation laws, provide relief for hardship cases, and provide against the separation of families.

To the contrary, this bill does not strengthen the deportation laws and is objectionable because it attempts to place in the hands of a departmental committee the right and authority to nullify an act of Congress and the plain mandatory provisions of the law with reference to deportation of criminal aliens and undesirable aliens in this country. Instead of strengthening the law and providing for the removal

of 20,000 aliens in this country, as the Commissioner of Immigration and Naturalization said in his remarks before the Senate Immigration Committee during the past month, it expressly provides for keeping in this country the 2,862 cases which are now mandatorily deportable and which he has refused to deport over a period of almost 3 years.

Mr. SISSON. Will the gentleman yield?

Mr. STARNES. I prefer to conclude my statement; then I will be glad to yield to the gentleman from New York.

Mr. Speaker, the Kerr-Coolidge bill would legalize illegal entries. It would permit aliens who are not now eligible for citizenship to become eligible for citizenship. It would condone the violation of our immigration laws and reward that violation by conferring the right of American citizenship upon aliens who are not now entitled to that consideration. It is my view that the immigration question is one that should be solved primarily for the benefit of the country at large; and such laws should be enacted to protect the working standards, the social and living conditions, the economic life, and the political structure of the country passing the law. That is my conception of an immigration law and the purpose for which it should be enacted. It should not be enacted for the benefit of a criminal class, nor the benefit of an alien group, nor the benefit of alien thought, nor those who are alien in character and alien in life to our standards of moral and economic life.

Mrs. O'DAY. Will the gentleman yield?

Mr. STARNES. In just a moment.

Mr. Speaker, I want it expressly understood that in my remarks I make no reflection upon any Member of this House. I cast no reflection upon any immigrant coming to our shores for the purpose of becoming an American citizen. I take this view of the question: That so long as we are able to restrict immigration and select the proper seed for immigration, we shall always have room in this country, at least for the next century, for the right type and class of immigration. I want that clearly understood. I want it understood also that I am not an alien baiter. But I do stand first, last, and always for the protection of American life, American institutions, and American working conditions. [Applause.]

The Commissioner of Immigration and Naturalization told the members of a committee in the House and the members of a committee in the Senate that not one single one of these so-called hardship cases involved any crime or involved moral turpitude. He said they have been gone over time and time again in his department with a fine-tooth comb and that there was not a taint in a single case. I want to make the statement here that not one single solitary file has been sent to the House committee nor to the House of Representatives. as was ordered by the O'Day resolution which was passed in the closing days of the first session.

Mrs. O'DAY. Mr. Speaker, will the gentleman yield? Mr. STARNES. I would prefer to finish my statement, and then I shall be happy to yield.

A brief summary of each case has been sent to us, but the actual files are physically in the Department of Labor, where they have been since the beginning, and I make the statement here that these summaries do not contain the whole truth with reference to these cases. They do not set out the entire facts.

I make the further statement, after a personal examination during the past 2 days of the files of the cases in the Department of Labor, that the files I examined down there do not contain all the papers or all the facts pertaining to these particular cases.

Let me cite just a few of these cases, because the time I have is very brief and I think you are entitled to the information. You are entitled to see whether the social life of America is affected, whether the moral conditions of living in America are affected, whether or not the wage earner and the relief burden are affected by any of these so-called hardship cases.

I shall not call the names. I shall not embarrass the people involved by calling any names, but I have here a brief summary of each of the cases I shall discuss. This summary was filed with the House Committee on Immigration and Naturalization by the Commissioner of Immigration and Naturalization for the use of the committee as requested by the O'Day resolution.

In this particular case I will consider the two parties involved together, because they have been going sweetly along the primrose way through the years, and let you decide for yourselves in this particular case whether or not the summary speaks decisively on this question:

Date of entry: December 28, 1926.

Whether previously in the United States: No.

Total period in United States to December 1935: Approximately 10 years.

The address is given and the names of the dependent relatives in this country are given.

Is there any public charge: No.

Self-supporting: Supported by paramour.

Period on relief: Never on relief.

Grounds for deportation: Not in possession of unexpired immigration visa at time of entry into the United States.

Unfavorable factors of reports: Living out of wedlock with paramour; * * * father of her three illegitimate children.

Now, what do we find when we go to the Department of Labor and look into the files on Gabriel and Romana? It was almost a Romeo and Juliet affair, and as we go into it I want to show you the philosophy of this so-called hardship case, their philosophy of life, their living conditions and social conditions, and see whether you agree with Mr. MacCormack when he states that no crime involving moral turpitude is involved and that it would be to the benefit of America and her citizenship to admit for permanent entry and citizenship in this country this Romeo and Juliet.

Here are the additional facts I found in the Department of Labor.

These aliens entered the United States of America illegally. They were not in possession of an unexpired immigration visa and were not inspected.

The male in the case, Gabriel, claims to have lived in the United States from 1921 to 1923, when he returned to Mexico. He again entered the United States in 1926.

Now listen to this—this is in the record:

He entered the United States for an immoral purpose and admits he has been guilty of perjury.

He brought with him his Romana, who also entered the country illegally for an immoral purpose.

When asked why he had not married Romana, listen to this—I do not know whether the Commissioner wants him in here because he wants this philosophy of social living to predominate in this country or not, but I want you to listen to this philosophy of Gabriel:

When two people who are not married live together, it is because they like to do so. When they are married, it is because they have to do so. If they are not married and do not like each other, then they can quit.

Two illegitimate children have been born to Romana and Gabriel down where the cactus grow and where the winds sweep over the deserts from the high places. This is one of the so-called hardship cases.

Mrs. O'DAY. Mr. Speaker, will the gentleman yield? Mr. STARNES. I shall be happy to yield.

Mrs. O'DAY. May I ask where this poetical quotation comes from?

Mr. STARNES. It is in the Department of Labor.

Mrs. O'DAY. Is it the Secretary's record or is it the record that comes with the case?

Mr. STARNES. It is the record that comes with the case in the file in the Secretary's office.

Mrs. O'DAY. All the records that come with a case have to be filed. The gentleman is not holding Miss Perkins or Mr. MacCormack responsible for this bit of poetry?

Mr. STARNES. May I say to the gentlewoman from New York that I asked the Assistant Commissioner of Immigration and Naturalization for information as to how these cases were apprehended, and he stated that we do not have all the papers in the cases, because for certain reasons of state some of the matters would likely lead to drastic action or illegal action on the part of the alien affected. We are trying to protect the citizens who gave us the reports on the cases.

Mr. BLANTON. Mr. Speaker, will the gentleman yield? Mr. STARNES. I yield.

Mr. BLANTON. I think the good people of the United States owe the distinguished and able gentleman from Alabama [Mr. Starnes] a debt of gratitude for the splendid work he has done and is doing on immigration problems. I want to ask the gentleman if it is not a fact that if we had in the Immigration Service a Commissioner, or in the Department of Labor a Secretary, who was not in favor of deportation, that under the Kerr-Coolidge bill they could keep from deporting almost anyone?

Mr. STARNES. Certainly.

Mr. BLANTON. They would be the ones to decide the cases, would they not?

Mr. STARNES. Yes.

Mr. BLANTON. And is it not a fact that for the last 2 or 3 years the number of cases deported have materially decreased every year?

Mr. STARNES. Certainly.

Mr. CURLEY. Mr. Speaker, will the gentleman yield?

Mr. STARNES. I yield.

Mr. CURLEY. Is it not a fact that of these 2,860 cases the gentleman speaks of most of them are now on relief?

Mr. STARNES. There is a certain percentage of them receiving relief. According to the report filed by the Commissioner of Immigration and Naturalization, there are now 13 percent, or 360 cases, on relief.

Mr. CURLEY. Is it not a fact that the American Federation of Labor, the American Legion, the Veterans of Foreign Wars, the Disabled War Veterans of the World War, the Daughters of the American Revolution, the Sons of the American Revolution, the Junior Order of United American Mechanics, the Patriotic Order of the Sons of America, and 110 other patriotic American organizations are opposed to the Kerr-Coolidge bill?

Mr. STARNES. Yes.

Mr. BLANTON. Will the gentleman yield for one more question?

Mr. STARNES. For just one more question.

Mr. BLANTON. Did I understand the gentleman to say that some of these aliens are supported by their paramour and some are on relief?

Mr. STARNES. Some of them are. Now, let me read from two other cases.

Mr. SISSON. Will the gentleman yield for one question?
Mr. STARNES. Not just now. I will yield later. Here is another case. I want the House to see whether these facts furnished by the Immigration Commissioner warrant the retention of this particular person and whether it would add to the moral life of the American Nation.

This woman entered the United States from Mexico in 1915 and lived in the United States until August 1931, when she returned to Mexico. On her attempted return to the United States some time later she was excluded because she admitted commission of a crime involving moral turpitude. She admitted having lived with a man not her husband in an open, notorious, and illicit relationship in 1930. She was excluded from entering the United States in 1932 and 1933. The father of this woman, at the time of his alleged marriage to her mother, was the husband of another woman. Her mother is an alien. She is an illegitimate. At the present time she is at large on her own recognizance.

The SPEAKER. The time of the gentleman has expired. Mr. HILL of Alabama. Mr. Speaker, this is a very important matter upon which the gentleman is speaking, and I ask unanimous consent that his time may be extended 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. SISSON. Mr. Speaker, I reserve the right to object. I want to know whether the gentleman from Alabama [Mr. Starnes] will answer a question from some one other than the gentleman from Texas [Mr. Blanton]?

Mr. STARNES. I shall yield to the gentleman from New York in a moment.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. STARNES. Mr. Speaker, this woman admits that she has been guilty of open, notorious, and illegal cohabitation prior to her entry. The grounds of deportation in her case were given correctly in the report sent to us. She has been convicted of bootlegging, and has three children, two legitimate and one illegitimate, and here is where certain details from the files are missing. She was questioned on examination, on her hearing before the immigration authorities at the border. She was confronted with certain affidavits made by people who knew her, who accused her of running a disorderly house, and of having illicit relationship with negroes and Chinese. The Members of Congress are entitled to the facts in this case, and the country is entitled to the facts, before we pass upon it.

Mr. CONNERY. Mr. Speaker, will the gentleman yield? Mr. STARNES. Yes.

Mr. CONNERY. I am sure that my friend wants the record to be correct with reference to the American Federation of Labor. I read those hearings on the Coolidge bill. The American Federation of Labor turned this question of the Coolidge bill over to a committee of the federation, and that committee reported back, and Mr. Hushing told the Coolidge committee just what the position of the federation They are in favor of the bill with the exception of one section, which I think is section 4.

Mr. STARNES. When Mr. Hushing and others appeared before the House committee they were absolutely opposed to the bill. Mr. MacCormack has lobbied consistently and persistently with the American Federation of Labor for a period of a year or a year and a half.

Mr. CONNERY. In reference to this particular bill?

Mr. SISSON. Mr. Speaker, I demand that the words be taken down.

Mr. CONNERY. Mr. Speaker, will the gentleman yield further?

Mr. STARNES. Yes. Mr. CONNERY. The American Federation of Labor, as the gentleman states, appeared before the House committee and opposed the bill. We have had the Coolidge hearing since that time. The American Federation of Labor turned it over to a committee of the Federation to look into the bill, and then Mr. Hushing gave the report of the Federation before the Coolidge committee.

Mr. STARNES. The committee was appointed at Miami, Fla., I understand, and the Commissioner of Immigration and Naturalization last summer went to Atlantic City to lobby for this bill with the American Federation of Labor. He performed the same function at Miami, Fla. Not only that, but he has been all over the United States of America making speeches for the Kerr-Coolidge bill. He has refused to deport aliens from this country who are mandatorily deportable under the present law, saying to the people of this country and to the Congress that the present laws are cruel, harsh, barbarous, inhumane, and unworthy of American civilization.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. STARNES. I yield to the gentleman from New York. Mr. SISSON. I ask the gentleman whether he objects to either or any of sections 1, 3, 4, and 5 of the Kerr bill; and if so, with what, if anything, he would replace it?

Mr. STARNES. The minority views which I prepared for the members of the Immigration and Naturalization Committee of the House in opposition to the Kerr-Coolidge bill set out specifically my objections to those sections, and I refer the gentleman to those, and if he will read the Reynolds-Starnes bill, he will find how I would treat that very

Mr. SISSON. I have read them both and fail to find what the gentleman says. Will the gentleman yield for another question?

Mr. STARNES. Yes.

Mr. SISSON. We all appreciate, I think, that there must be cases where there ought to be deportation, but does the gentleman take the position that all of the so-called twothousand-six-hundred-and-odd cases are to be mandatorily deported, and does the gentleman suspect or fail to trust the good faith, patriotism, and good judgment of the heads of the Department of Labor, the Department of State, and

the Department of Justice, who would create an interdepartmental commission under which this act, as a comprehensive act, would be administered?

Mr. STARNES. In reply to that, I have never taken the position that we should mandatorily deport innocent children or cases where there is a genuine hardship involved, on the floor of the House, in the committee, or elsewhere. I do not question the patriotism and the sound judgment of the heads of those various departments, but I do question the wisdom and the judgment of a policy that will substitute personal and indefinite administration and personal government for positive, written law, with guaranties provided by the Constitution and by the acts of Congress. [Applause.]

Mr. SISSON. Mr. Speaker, will the gentleman yield further?

Mr. STARNES. Now, I have answered a half a dozen questions for the gentleman. Let me give you two more

Mr. SISSON. Will the gentleman allow me to ask him one more question, and I shall not bother him any further? Mr. STARNES. Very well.

Mr. SISSON. Does the gentleman not appreciate the great difficulty of legislating by means of what would affect the private files of thousands and thousands of cases? Does not the gentleman make a distinction between legislative functions and administrative functions? Has not our party consistently recognized that distinction in other legislation as well as this? Does not the gentleman appreciate the enormous difficulty that would devolve upon either a committee of the Congress or upon Congress if every individual case had to be taken up in the manner which the gentleman's legislation would require?

Mr. STARNES. I think if these files had been brought here where they could have been handled by a subcommittee of the Committee on Immigration and Naturalization of this Congress, they could possibly have reviewed every one of those cases, and could have separated the wheat from the chaff and we could have had remedial legislation.

Now, I do not wish to yield further.

There has been an air of secrecy surrounding these cases. That is unfortunate. It is unfortunate for the alien, it is unfortunate for the Department, and unfortunate for the country. Now, let me give you two more cases.

Mr. SISSON. The gentleman refuses to yield further?

Mr. STARNES. The gentleman has asked me to yield for two questions. I have answered half a dozen for him. I cannot give the gentleman all of my time. Now, I want to give you a mental case.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. STARNES. My time is so limited—
Mr. CONNERY. I just want to suggest to the gentleman that he get a statement from President Green, of the American Federation of Labor, giving the position of the American Federation of Labor on this matter.

Mr. STARNES. May I say to the gentleman that the representatives of that group have appeared both before the House and the Senate Immigration Committee. I am satisfied to take their statements. If they are making a change, that is their prerogative; but when they appeared before the House committee they appeared in opposition to this bill, and I have their written statements to that effect.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 10 minutes.

The SPEAKER. The time of the gentleman has not yet expired.

Mr. ZIONCHECK. Then I ask unanimous consent that when the gentleman's time does expire that it may be extended for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. RAYBURN. Mr. Speaker, we want to get along with another bill here today. We cannot take too much time on this matter. I shall have to object for the present.

Mr. STARNES. Now, I want to give you a case of one who entered this country last on August 12, 1929. She had never been previously in the United States; never on relief; no public charge. The grounds for deportation were that she was a person likely to become a public charge at the time of entry, and she had one or more attacks of insanity prior to her entry. The records of the case disclose that in less than 2 years after she entered this country she was in one of the institutions for treatment of the insane in the State of California. Evidently the Commissioner of Immigration and Naturalization thinks it would improve the mental status of the citizens of California to permit this alien to remain in the country.

What are some of the facts as disclosed by the files in the Department of Labor upon examination there? This woman has an alien husband. He has attempted to become an American citizen and has taken out his first papers since deportation proceedings were started against her, in order to hold her in this country. The superintendent of the hospital where she has been confined has this to say about her, and I quote:

Her mental upset was the form of insanity known as manic depressive. She had one attack in Germany prior to her coming to this country. She will undoubtedly continue to have attacks from time to time throughout her life. As she grows older these attacks will be more frequent, and the usual result is that eventually they become cases that require continuous hospitalization.

The SPEAKER. The time of the gentleman from Alabama [Mr. STARNES] has expired.

RURAL ELECTRIFICATION

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 477.

The Clerk read as follows:

House Resolution 477

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3483, an act to provide for rural electrification, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment and any other amendments recommended by the Committee on Interstate and Foreign Commerce, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. Ransley].

Mr. Speaker, this is an open rule, providing 2 hours of general debate for the consideration of the rural electrification bill, a subject with which all Members are familiar, and a matter which has been considered during the past 2 years.

As I understand, the bill provides for a 10-year program for bringing electricity to the rural communities of America. Of the 6,800,000 farms, only about 800,000 have electrical facilities. This bill would provide for loans to furnish those facilities to at least a million farmers. It would put a great number of people to work and increase business and industry in the materials used.

Mr. Speaker, I now yield 5 minutes to the gentleman from Arkansas [Mr. Miller].

Mr. MILLER. Mr. Speaker, in my opinion the enactment of this bill will probably do more to raise the standard of living and to abolish the difference in the standards of life between urban and rural people in this Nation than any other legislation that can be enacted.

We are facing a situation in this Nation in which the condition of life in our rural communities has been neglected. The public utilities, particularly the electric utilities of this Nation, have been allowed to take the cream of the resources at the expense of the American people, at the expense of the people to whom these public resources belong.

The bill which is made in order by the rule now under consideration does nothing except to provide a means

whereby rural electrification may be made possible. We still have the question of rates to deal with, we still have the question of the public interest in the communities to deal with. The thing I am most interested in is seeing money provided whereby these rural communities through cooperative effort, through cooperative organizations, or municipalities through cooperative organizations may have an opportunity to obtain the money to furnish electricity to these communities and people. That is all the bill does. There is no grant or subsidy in the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MILLER. I yield.

Mr. MARTIN of Massachusetts. Why is it necessary to have a 10-year program? Why carry it over such a long period of time?

Mr. MILLER. I am rather of the opinion, I may say to the gentleman from Massachusetts, that any program dealing with a question as great as this particular question cannot be tested under 10 years. I concede, of course, that this is a matter of opinion, and I say to the gentlemen very frankly that if these facilities are made available, and the people of this Nation do not utilize them, do not take advantage of them, there is no reason why the law should not be amended. As I have stated, we are not offering anybody a grant, we are not offering anybody a subsidy; by this bill we are simply offering the people who live on farms, who live in rural communities, a chance to obtain this service. [Applause.]

The plan incorporated in this bill is its cornerstone. Other nations have provided for the electrification of their farm homes largely because those nations adopted and followed a plan. There is no reason why the farm homes of our Nation cannot be electrified the same as has been done in Holland, Germany, Sweden, Denmark, and other foreign countries. Ninety percent of the farm homes of Japan are electrified and France will have 90 to 95 percent of her farm homes electrified by 1940. This has only been possible because those governments had the courage to adopt a plan.

Heretofore our Government has given very little attention to the promotion of the welfare of the rank and file of our people. We have been content to sit idly by and permit our public resources to be exploited by individuals with the result that the cream of those resources have been developed at the expense of the American people in general.

There is no reason why the farmers of America should not have the conveniences, accommodations, and comforts which are a part of the modern electrified home. The present administration's power program has done more to reduce electric light and power rates than has ever been done by any administration in the history of our Nation. The average citizen is entitled to enjoy a more liberal use of electricity, and the wives and children on our farms are entitled to the use of electrical appliances in order that drudgery may be lifted from their lives.

Our people are demanding a further and fuller development of the power program of this administration. A yardstick has been established by the operations of the Tennessee Valley Authority to measure the cost of electric service in the farm homes. This cost is within the reach of all.

Gentlemen who are opposing this bill argue that the Government should not engage in business. No one wants to place the Government in business in opposition to the citizen, and I am just as much opposed to the Government being in business as is anyone, but there are certain kinds of business in which the Government must engage in order that the general welfare of our people may be promoted.

A most important business is that of the production and sale of electric energy. Individuals have formed great corporations during the last few years and have exploited the natural resources which belong to all our people in such a way that the average citizen is being denied the ordinary comforts of living insofar as being able to enjoy the use of electricity in his home is concerned. The citizens of my own State are paying a yearly tribute to the Power Trust of \$4,157,000 a year in excess of what they should be required to pay for the same service.

On January 1, 1935, there were 253,013 farms in Arkansas. Only 2,943 were using electric energy. Thus, a percentage of 1.2 percent of the farms in Arkansas were supplied with electric energy, notwithstanding the fact that the State is the home of the Arkansas Power & Light Co., and notwithstanding the further fact that that corporation and corporations connected with it have built dams on the streams in Arkansas and are producing electric energy at a cost to it which would enable it to sell the power to our people at such rates as would enable them to enjoy these comforts of life.

Over 5,000,000 farms in our Nation are entirely without electric service. Less than 6 percent of the farms in the Mississippi Valley have electricity, and unless the Federal Government assumes active leadership, assisted by State and local agencies, the situation cannot, and will not, be remedied.

White River flows through the district which I have the honor of representing. The Mississippi Valley committee, in discussing the development of the White River Basin, says:

Power development is highly important on White River. There are numerous valuable hydroelectric sites in the mountains which could be developed to meet future demands. It has been estimated approximately three-quarters of a million horsepower can ultimately be developed.

In the report of the Secretary of War, House Document 102, Seventy-third Congress, first session, it is said:

Investigation of the water-power possibilities of the White River and tributaries shows that a total of 249,622 kilowatts (332,743 horsepower), of which 226,100 kilowatts (303,200 horsepower) is available 90 percent of the time, can be economically developed on a basis of a sale value of 8 mills for 90 percent time power, and 2 mills for 60 percent of a secondary power, providing a market, which is not at present available, can be obtained.

The reason why a market for electric energy is not available is because of the prohibitive rates charged by private corporations. The Mississippi Valley Committee, in discussing this very question, said:

Several reasons might be advanced to explain why only 10 percent of the Nation's farms (less than 6 percent in the Mississippi Valley) purchase electricity. These are the lack of interest by operating or the Nation's farms (less than 6 percent in the Mississippi variety) purchase electricity. These are the lack of interest by operating companies in rural electrification, high cost of line construction because of the unnecessarily expensive type of line used, onerous restrictions governing rural line extensions, and high rates.

The investigation already made by the Rural Electrification Administration shows that rural distribution lines may be built at an average of \$1,000 per mile, and to amortize this cost in 20 years involves a cost to each of three consumers on a mile of line of about \$1 per month.

I know the people of my district. I know that they are industrious and progressive. I know that they are anxious to improve their living conditions and that they want to use electric energy in their homes, but they are not able to use it under conditions that exist at present. I do not want my people to continue to pay a tribute to the Power Trust of this Nation. I want to see our Government enter this field and give to our people an opportunity to buy electric energy at rates which they can afford to pay. If the operating companies will not voluntarily reduce their rates in accordance with the T. V. A. yardstick, then the Government has no other alternative except to build plants for the creation of electric energy. This can be done in my district, and enough energy can be produced there to supply not only the State of Arkansas but portions of Missouri and Oklahoma.

It seems to me that this is the only feasible way for our Government to free our people of the monthly tribute that we are paying to the Power Trust. If this policy is carried out, instead of 1 farm out of every 100 being served with electricity, we will soon have at least 90 percent of the farms in Arkansas electrified.

This bill is one that should have the support of everyone who is interested in the preservation to our people of the natural resources of our Nation and in the development of those resources for the benefit of the people.

Mr. RANSLEY. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. Knurson] such time as he may desire.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, under permission, very graciously given me by the House, I herewith insert an address delivered by me before the John Ericsson Club of Elgin, Ill., on the evening of April 1:

JOHN ERICSSON

Mr. Chairman and fellow Americans, to me it is a very great indeed, to have received, as I have, an invitation to be you and to say a few words upon this happy occasion when we have assembled to pay a deserved tribute to one of Svea's greatest sons, John Ericsson, inventor, patriot, and one of the savers of our American Union.

I am particularly pleased over the fact that I am in the district of my good friend Chauncy Reed, who so ably represents you in Congress. In the comparatively short time that Mr. Reed has been a Member of the Nation's lawmaking body he has, by zeal and industry, gained for himself substantial and well-earned recognition from the leaders in the House of Representatives in Wash-

tion from the leaders in the House of Representatives in Washington.

There is another reason, and a personal one, why I am happy to be here this evening: My father's people settled in the Fox River Valley in the early days, and while it so happens that he was born in a foreign land, he had the honor and privilege of casting his first vote for Gen. U. S. Grant, as the Republican candidate for the Presidency of the United States. Since my early boyhood days I have heard my father tell how, back in the period following the Civil War, he hauled wood into Aurora. It is my recollection that the family post office was Naperville.

But let us pay a word of tribute to the great man in honor of whose memory we are assembled here this evening. Sweden, the birthplace of John Ericsson, has produced many men and women who rank high in the sciences, the arts, in industry, and agriculture. Sons of Svea have written their names in letters that are imperishable, but of all the sons of the northland I know of none

ture. Sons of Svea have written their names in letters that are imperishable, but of all the sons of the northland I know of none who has contributed more to the cause of human progress than did John Ericsson, that modest genius whom we honor today. I think we are aware of the fact that every great emergency brings forth its own leader. Gustavus Adolphus, Washington, Lincoln, Grant, and Logan were such men, and among that great galaxy the name of John Ericsson stands out in letters of living light. So long as the American heart beats true to the rhythm of patriotism, the name of this great inventor and patriot shall never be forgotten. It has been so in our lifetime, and it will so continue in the future. It was my privilege and pleasure a few years ago to attend the dedication ceremonies of the beautiful statute erected in Washington to the memory of John Ericsson.

years ago to attend the dedication ceremonies of the beautiful statute erected in Washington to the memory of John Ericsson. The speakers on that impressive occasion were President Coolidge and Crown Prince Gustaf Adolph, who had come to our country as the representative of King Gustaf and the Swedish Government. The chairman of the occasion was my good friend, former Congressman Carl R. Chindblom, of Chicago. I shall never forget the memorable address of President Coolidge and his marvelous tribute to Americans of Swedish ancestry, and especially to the memory of that distinguished citizen whom we have gathered

memory of that distinguished citizen whom we have gathered here this evening to honor.

It was John Ericsson's inventive feat that saved the Union. This great Swedish-American stands out as one of the foremost engineers and inventors of all time. At the age of 26, while the engineers and inventors of all time. At the age of 26, while in England, he constructed a steam locomotive which attained the speed of 28 miles an hour in successful competition with Stevenson's Rocket. There Ericsson also invented the screw propeller, which was destined to revolutionize commerce by sea. It has been well said that this invention drew the four corners of the earth closer together. Through the use of the screw propeller, journeys that had taken weeks were reduced to days.

that had taken weeks were reduced to days.

But it was in his new home, America, when the clouds of civil strife had settled over the land, and the very Union seemed in danger of dissolution, that John Ericsson was to perform his greatest inventive feat, one which brought needed assistance and new hope to the Nation in one of its darkest hours.

It was in the winter of 1861-62 that the Confederates had captured the navy yard at Norfolk and the frigate Merrimac, whose sides and deck they covered with iron to make her the first armored cruiser in history.

Early in the spring of 1862, the Merrimac attacked the Union fleet of wooden vessels, in Hampton Roads, sank the Cumberland, and compelled the Congress to strike its flag in surrender.

The North was appalled. The harbor of New York, and even the Capital city of Washington, it seemed, were at the mercy of this new iron monster. The Union blockade of Confederate ports, so essential to ultimate victory, was threatened by this new dreadnaught, and the situation was rendered less comfortable because the Union armies had met with serious reverses on land.

It was in this dark hour that John Ericsson came forward with his Monitor, that doughty little vessel which changed the trend

his Monitor, that doughty little vessel which changed the trend of the war and made new naval history. Sometime previously, Mr. Ericsson had written to President Lincoln, offering to construct "a vessel for the destruction of the hostile fleet at Norfolk, and for scouring southern rivers and inlets protected by southern and for scouring southern rivers and inlets protected by southern batteries." He declared further, in his letter, that "attachment to the Union alone impels me to offer my services at this frightful crisis—my life if need be—in the great cause which Providence has caused you to defend. It is not for me, sir, to remind you of the immense moral effect that will result. Nor need I allude to the effect in Europe, if you demonstrate that you can effectively drive hostile fleets away from our shores."

Captain Ericsson was commissioned to build the Monitor, a turreted iron-clad that should carry one gun of great caliber. She

sat low in the water. Her hull was arched at the top and pointed at each end, while the turret rose in the center and rotated on ball bearings. The one gun could thus be brought to bear on any

object.

While guns were roaring around Norfolk and the Union fleet seemed doomed, Lt. John L. Worden sailed in the tiny Monitor for the scene of action. When the vessel reached Hampton Roads and was sighted by the Confederates they greeted her with jeers, and called her "A Yankee cheese box on a raft." The Merrimac sailed proudly forth to complete her work of destruction. But the Confederate Goliath was met by a new David. The Monitor proved more than a match for the towering Merrimac which fled for cover and was finally run sehors and destroyed. Shouts of proved more than a match for the towering Merrimac which fied for cover, and was finally run ashore and destroyed. Shouts of exultation rose in the North, for the ports and shipping of the Union were saved. From this small but all important beginning began the modern American Navy. It is John Ericsson and his Monitor to whom the people of the United States owe a lasting debt of gratitude, and they have not forgotten it. Indeed, if the perpetuity of American institutions and of constitutional government remains the greatest achievement in the history of civilization, then no one can properly estimate the debt we owe to that tion, then no one can properly estimate the debt we owe to that great man.

And for the moment let us note that Capt. John Ericsson's modesty and unselfishness were as great as his genius and his patriotism. In his later years he wrote to one of our United States Senators: "Nothing could induce me to accept any remuneration from the United States for the Monitor, once presented by me as my contribution to the glorious Union cause, the triumph of which freed 4,000,000 bondsmen."

of which freed 4,000,000 bondsmen."

In order to suitably commemorate the outstanding services of John Ericsson to his adopted country, I introduced a bill in Congress to name the bridge over the Potomac which connects the Lincoln Memorial, erected to perpetuate the memory of that great son of Illinois, Abraham Lincoln, and the Arlington National Cemetery where are interred the remains of our Nation's heroes, the John Ericsson Memorial Bridge. While I did not succeed in my attempt, I at least had the satisfaction of reminding the American people of the great debt that they owe to that outstanding character, John Ericsson, whose memory will live on so long as the human race endures.

standing character, John Ericsson, whose memory will live on so long as the human race endures.

Let me pause for a moment to tell you that it would not be fair to say that Sweden's claim upon this country began and ended with John Ericsson, great as his achievements turned out to be. There are the services of other sturdy men and women of the European northland, to America; their contribution to its development and growth date from the beginning of our history. It was back in 1638 that the Swedish colony of Delaware was established, and an early historian tells us that the colonists of this settlement built America's first flour mill, its first brick-yard, its first ships, and our first roads. History records that the sons of Delaware did their full part in the War of Independence, and in the establishment of the Union. One of the signers of the Declaration of Independence was John Morton, or Mortonson, nor should it be forgotten that the first President of the United States, when Congress assembled in 1781, was John Hanson, who afterward installed George Washington as first President to be chosen under the Constitution. under the Constitution.

When restriction on emigration was removed by Sweden in

When restriction on emigration was removed by Sweden in 1843, a tidal wave of immigrants from that country set in, and it is estimated that the Swedish people and their descendents in our country now exceed 2,000,000. They are numbered among our finest and sturdiest citizens. Moving over the eastern mountains they penetrated our Northern and Central States, cleared the forests and cultivated the land until it blossomed as the rose. With an implicit faith in the Almighty, with dauntless courage, and a determination that knew neither fear nor questioning, they conquered an inland wilderness and made of it the bread-and-butter basket of the world.

I could go on and on naming outstanding men and women who

I could go on and on naming outstanding men and women who participated in this great work of making midland America what it is today, but time will not permit my doing so. I may say in passing, however, that these citizens from the European northland ever been true and loyal to America, and have occupied with credit and distinction places in both Houses of Congress, and the executive chairs in some of our finest States. They have attained outstanding success in agriculture, in business, the sciences, and in the arts. Wherever these fair-naired sons and daughters have gathered, they have founded communities of faith, of loyalty, of industry, and of honor. With them the church, the home, and the school have been tenets of their supreme faith in God and in humanity.

But times have changed, my friends. No longer, as in Ericsson's day, is this great Union of ours in danger of dissolution. The North and the South, the East and the West have become one great

We are confronted, however, with new problems. The question no longer one of union or disunion, but whether there shall be is no longer one of union or disunion, but whether there shall be perpetuated in Washington a giant bureaucracy, whose tentacles shall reach beyond State lines, drawing all enterprise and all wealth under the control of a huge Federal autocracy. Is regimentation to take the place of initial enterprise? Are thrift and native ability to be succeeded by a vast paternalism, the like of which has never been known on this continent?

As I look into your faces tonight, I am convinced that the answer is going to be a thunderous "No" that can be heard even to the banks of the Potomac, where there is no longer a host of the defenders of our liberty but an army of officeholders which seeks to give us paternalism in the place of liberty.

Let me add that a great number of our Swedish immigrants came here during and immediately after the great Civil War. Believing, as they did, in the sacred cause of freedom, it was only natural that they should affiliate themselves with the Republican Party. Their love for liberty was inherent. Even today, while the mother country is in theory a monarchy, its government is in every meaning of the word a democracy where the people still enjoy all the blessings of constitutional government.

Since this is true, it is but natural that our citizens of Swedish birth and ancestry view with misgivings the present trend toward autocratic government. They yet believe in the blessed privileges of a balanced constitutional government, which, in the short space of a century and a half, has brought America from a fringe of 13 struggling colonies on the Atlantic coast to the richest and potentially the most powerful nation on the globe. They realize that the Constitution is the greatest bill of rights ever contrived by the mind of man. They appreciate the broad principles on which it was founded and, while admitting, as we all do, that it is a growing document which may be modified from time to time to suit the growth and needs of the Nation, they will be the first to denounce as an infamous falsehood any suggestion that it has served its purpose and outlived its usefulness.

It is true, my friends, that our Government is not perfect—nothing human ever is But our present deville are due not to

It is true, my friends, that our Government is not perfect—nothing human ever is. But our present-day ills are due, not to the Constitution, which has served us long and well, but rather to human imperfections. It is true also that we are in the midst of a depression, that we have been in one since 1929, one so great that the expenditure of eight or nine billions of the taxpayers money each year has not shown us the way out.

This depression, however, came not from constitutional government, but from the false expansions and dislocations caused by the World War—the very war which the Democrats promised to keep us out of in 1916. Thus depression fell on all nations alike, on autocracy as well as democracy.

In the days of feverich prosperity, during and following the

autocracy as well as democracy.

In the days of feverish prosperity during and following the World War too many of us foolishly thought that there would be no end to the prosperity we then enjoyed. Wages of a dollar or a dollar and a half an hour were not uncommon. Nor was it a rarity to hear a workingman boast that he had paid \$20 for a silk shirt. We forgot the lessons of thrift, of self-abstinence handed down to us by the fathers who made America great. We failed to put aside for a rainy day and when the storm broke it found far too many of us unprepared.

It is only human that man refuse to shoulder the blame for his own folly but rather cry out against someone else. Many

his own folly but rather cry out against someone else. Many of those who were caught in the storm now blame the Constitution and the capitalistic system for their misfortunes. But let us assure you, my friends, that the remedy lies not in quack med-icines and crackpot theories, but in the application of time-tried

principles of sound judgment.

We have heard of late the slogans "America is at the crossroads" and "America must choose." But let us not be influenced or impressed with these catch phrases. Let us not submerge our inde-pendent judgment in a wave of mob psychology calculated to put over another 4-year plan of the New Deal.

Some of the professorial philosophers tell us that the "old rder" is to blame for our economic ills, and that we must deorder" is to blame for our economic ills, and that we must destroy that old order and build anew some sort of socialistic state so that the "forgotten man" may enter into the more "abundant life." They neglect to state that this great country of ours was built under the old order, the order of constitutional government; they fail to say that as Americans we have more comforts for the average man, a wider distribution of wealth than any other nation on earth has had at any time in the world's history. But to enjoy these comforts, these privileges of being an American, we must earn them. They cannot be given to us free of effort by a paternalistic government, controlled by semisocialistic university professors or demagogic politicians.

We hear much said too, about the necessity for destroying the

We hear much said, too, about the necessity for destroying the capitalistic system. But what is capital? It is crystalized human perspiration; it embraces the right to work for profit; to own

perspiration; it embraces the right to work for profit; to own property, to work one's way from employee to boss. Show me a better way, my friends, and I will embrace it, but I can assure you that the road to progress does not lead to Moscow.

We are at the beginning of another important political campaign. As I said a few moments ago we are faced with the choice of continuing our balanced system of constitutional government, with its individual initiative or choosing a Federal bureaucracy which shall cover the whole Nation with its blighting hand.

In 1932, suffering the keen pangs of the greatest depression of the century, the American voters elected Franklin D. Roosevelt on a Democratic platform. This platform, reinforced by the words of the candidate. promised to the American people retrenchment

of the candidate, promised to the American people retrenchment in the interest of a returning prosperity. Governmental boards and commissions were to be abolished until the cry of bureaucracy and commissions were to be abolished until the cry of bureaucracy was to be heard no more in the land. A new era of economy was to be ushered in. Federal employees were to be decreased in number, the Federal Budget was to be balanced, and a sound fiscal program was to restore prosperity because of its appeal to the business interests of the country. The gold standard was to remain sacred and untouched. And last, but by no means least in importance, the farmer was to be carefully guarded by a wall of protection, to be raised rather than lowered, in order that there might be no flood of agricultural imports raised on alien farms. might be no flood of agricultural imports raised on alien farms,

with peon labor.

My friends, it is hardly necessary for me to tell you that every one of those pledges has been violated. And yet Mr. Roosevelt

with his New Deal, unheard of until after his election to office,

with his New Deal, unheard of until after his election to office, goes smilingly on, showing his generosity by spending other people's money with a lavish hand never equaled in all history. Turning its official back squarely on every platform pledge and verbal promise made in the campaign of 1932 the New Deal program, as carried out, has been a mass of contradictions that have succeeded only in plunging us further into debt, without compensating gains in employment, only in regimenting business and agriculture in America. The consummation of which would substitute old world paternalism for American democracy, had it not been for the fine sense of intelligence and devotion to duty of the Supreme Court of the United States. Thank God for those nine patriots at Washington and for the balanced Government which brought them into being to protect the rights of the individual against the encroachment of autocracy.

To conceive the mass of cross purposes which the New Deal has

against the encroachment of autocracy.

To conceive the mass of cross purposes which the New Deal has given us we have only to remember that the "brain trust" sought to restore business confidence by extravagance, unbalanced budgets, and the threat of higher taxes and currency inflation; it sought to stimulate long-term planning in private industry by debasing the currency to the point where no man knows what the dollar will be worth this year or the next; it sought to restrict production through payments for crop reductions on the one hand and the spending of millions of dollars for irrigation projects on the other, projects that will bring millions of new acres into production; it sought to encourage private industry by spending millions of your money to put the Government further into business; it sought and is still seeking through tariff treaties to find a foreign market for American farm produce, and ther into business; it sought and is still seeking through tarin treaties to find a foreign market for American farm produce, and at the same time doing everything possible to see that there is no surplus of farm commodities to export.

You good people within the sound of my voice have been bred to thrift and industry for generations. I know that you strongly disapprove of the spending of the taxpayers' money in a vain hope to prime the number of preservity.

disapprove of the spending of the taxpayers' money in a vain hope to prime the pump of prosperity.

Let us look at the record. According to a recent Treasury statement at a date in the middle of March, the total expenditures of the Federal Government since the beginning of the fiscal year July 1, last, had mounted to \$5,082,000,000. We have entered into the spending of our sixth billion since last Independence Day. Furthermore, on this same date the deficit for the fiscal year was given as \$2,285,000,000, which was \$21,000,000 more than the deficit on the same date the year before. But that is not all. In spite of bland smiles and soft statements, the crisis is not over. is not over.

According to a recent estimate of the conservative and accurate Associated Press the recasting of the Government's figures indicates an expenditure for the next fiscal year, beginning July 1, 1936, of \$9,000,000,000. And it is estimated that the expenditures for the present fiscal year will be around \$7,645,000,000. Next year

will be worse.

for the present fiscal year will be around \$7,645,000,000. Next year will be worse.

It is estimated further that the borrowing for the next fiscal year will be something like three and a half billion dollars, so that the total gross national debt bids fair to grow to something like \$35,000,000,000,000. Yet Mr. Roosevelt promised economy and balanced budgets, and the end is not yet.

The next question which naturally arises is how is the money being spent? It is hardly necessary for me to answer this question for you here and now. Boondoggling has become one of the principal outdoor and indoor sports of the day. From Maine to California and from Key West to Puget Sound, so-called Government projects are under way which passeth all human understanding. No phase of human activity has been neglected. Fan dancing, Federal circuses, taking tree census, beautifying bridle paths, building bird houses, and comfort stations for dogs, selecting reading matter for the public, improving race tracks, making maps showing the movements of the Mediterranean peoples in the second millenium—nothing has been neglected in the effort to spend your money and mine. Truly, the taxpayer has now become the forgotten man.

Perhaps, bad as it is, we might find some consolation if this vast orey of expenditure was really restoring prosperity and ushering in the "abundant life" for our people. But despite the wasting of money, the New Deal has made no appreciable progress in ending unemployment. This is evidenced by the fact that the American Federation of Labor reports that in January we had 12,626,000 idle men and women in the United States and that the number had increased 1,229,000 from December to January. While it is true that unemployment always increases in January, the increase this year was twice what it was a year ago. There are 20,000,000 on relief.

The "brain trust" sensing the failure of its spending program and the need for even greater appropriations next year, cries out that private industry is making no determined effort

The "brain trust" sensing the failure of its spending program and the need for even greater appropriations next year, cries out that private industry is making no determined effort to put the unemployed to work. I ask you, my friends, what incentive is there for industry to expand its operations when the tax gatherer takes away from it practically all it earns, when, because of mounting Federal indebtedness, and the threat of inflation, it knows not what lies ahead of it in the way of new barriers and new restrictions. new restrictions.

new restrictions.

If the administration would cut out needless expenditures, give private business some faith in the future, and the assurance that it would not be burdened with new taxes, if President Roosevelt would keep the pledge he made in his speech at Pittsburgh in 1932, to balance the Budget, cut needless Federal employment and expenditures, then there would indeed be some inducement for private business to look ahead.

I recognize there is a certain fixed relief load the Government must carry at this time. But it must be remembered that while

must carry at this time. But it must be remembered that while

we cannot and will not let our people starve, we do protest most we cannot and will not let our people starte, we do protest incommended the protest incommendation of the people starte, we do protest incommendation of the people starte, we do protest incommendation of the people starte, we do protest incommendation of the people started in the people started country. The time has come to lay aside partisanship and to think of the future unborn generations who will have to carry the crushing tax load which must result from the New Deal program.

American industry is now in pretty much the same situation as are the sons and daughters of a family who work all week and bring their earnings home on Saturday night, only to have the money taken by the father who goes up town and spends it in a glorious spree. Uncle Sam is now on a spending spree. He is spending our income much faster than we can earn it. He is throwing it away in boondoggling, in unnecessary projects, many of which will cost millions of dollars and will never liquidate a single penny. It may be pertinent to remind you that the exsingle penny. It may be pertinent to remind you that the expenditures of the Federal Government exceed the total income of our farms by more than a billion dollars annually. Yet unemployment does not decrease, and bigger relief budgets loom for the

Federal extravagance, with its threat of higher taxes and ultimate inflation, threatens the welfare of every citizen of the United States. I would be lax in my duty if I were not to call your attention to some of the mistakes of the New Deal administration which have a direct effect upon every man and woman within the sound of my voice. I refer to the reciprocal-tariff program of the President as administered by Secretary of State Hull, a program through which the Secretary tells us that he hopes, by lowering protection on the products of the American worker in the shop and in the field, to widen the foreign market for the surplus of the American farmer, a surplus which does not exist. Let us consider for a moment the effect of this program which violates some of the solemn pledges made by Candidate Roosevelt in his 1932 campaign. campaign.

campaign.

The Fox River Valley was largely settled by hardy Scandinavians. Here you have laid out fine cities, built homes, schools, churches, and factories. It is a garden spot dotted by thousands of farms with substantial buildings and dairy herds. You will, therefore, be virtually affected by President Roosevelt's reciprocal-trade policy, which is slowly turning over to the foreigner the great American market. Practically everything that is produced in the Fox River Valley has been adversely affected by these trade agreements, every one of which violates the best interest of American agriculture and industry. ture and industry.

ture and industry.

You have here in Elgin the largest watch factory in the world. Let us see what the Swiss trade treaty is doing to the American watch industry. But let me, at this point first state that Congressman Reed worked in season and out of season to prevent this injustice being done to your leading industry, upon which the welfare of hundreds of your families, directly and indirectly rests. The watch industry is of the greatest importance to Elgin and vicinity and the pay roll therefrom in normal times must be an impressive one which contributes materially to the welfare and well-being of this community. Like all other industries, the watch people have suffered severely from foreign competition. Notwithstanding this, President Roosevelt negotiated a trade treaty with Switzerland which made substantial reductions in the import duties on Swiss watches and parts, some running as high as 50 percent. as 50 percent.

You know as well as I do, my friends, that these rates, by You know as well as I do, my friends, that these rates, by opening the American market to more Swiss watches, means more jobs and steadier employment in Switzerland at the expense of the watchmakers here in Elgin, which is reflected in smaller pay rolls and less buying power, and that in turn injures the local merchant. I am happy to inform you that Congressman Reen vigorously fought the passage of the iniquitous reciprocaltariff bill under which the Swiss treaty was negotiated and he was equally active in his efforts to prevent the adoption of the treaty itself. treaty itself.

Other industries also are suffering. Up in Minnesota, five print-paper mills have shut down the manufacture of print paper print-paper mills have shut down the manufacture of print paper because they cannot compete with Canada and the Baltic countries of Europe. In the same State thousands of iron miners are out of work because we are importing iron ores from South America, Russia, and the Orient. Several large match factories have been obliged to close because they could not compete with Japanese matches, where wages are about only one-fifth as high as they are in this country. Then we wonder why we have unemployment; why our farmers are not receiving reasonable returns for their products. Last year, 1935, under President Roosevelt and the New Deal, imports to the United States increased 24 percent, while for the same period exports increased but 7 percent. Briefly, that tells what Mr. Roosevelt's farm and trade policies have accomplished. accomplished.

But Secretary Hull tells us that he is asking the watch makers and other American workers to make sacrifices so that our farmers may have a foreign market for their surplus. Let us see how this works. Through his policies of curtailment, Secretary Wallace has seen to it that the farmers have no surplus to export. On the other hand, New Deal scarcity has compelled us to buy farm commodities from abroad so that millions of dollars, which should have gone to our farmers are now in the pockets of the corn growers of Argentina and the dairymen of New Zealand.

The Fox River Valley is one of the greatest dairying sections of the whole country. As I recall, Elgin at one time, fixed the world butter price. You have in this valley thousands of farmers engaged in dairying. Their well-being depends upon the prosperity But Secretary Hull tells us that he is asking the watch makers

of that industry. The same is true of Wisconsin, Minnesota, New York, and other dairy States. Last year we permitted 22,000,000 pounds of butter to be shipped into this country, which was just enough to turn the dairyman's selling market into a buying market.

Last year we imported nearly 46,000,000 pounds of cheese and nearly 88,000,000 pounds of meats. Dairy cows and other cattle valued at \$8,497,117 were bought in foreign markets in 1935 as against \$616,000 in 1934.

In 1932, we exported Wheat is no longer on an export basis. 60,000,000 bushels of wheat in grain and flour. In 1935, our exports were less than 5,000,000 bushels. In 1932, we imported 56,000 bushels of wheat. In 1935, we imported 27,438,870 bushels. The same is true of corn. In 1932, we imported 344,000 bushels of corn; in 1935, 43,200,000 bushels. The 1935 figure was an increase of 1,361 percent over 1934.

Outstanding in its adverse effect on American agriculture is the trade treaty with Canada. In effect about 18 months, it is already visiting distress upon our great dairy interests. Reductions were made on cream from 56.6 cents a gallon to 35 cents a gallon. On Cheddar cheese the duty was reduced from 7 to 5 cents a pound. On Canadian cattle weighing more than 700 pounds the duty was reduced from 2 to 5 cents a pound. the duty was reduced from 3 to 2 cents a pound. On dairy cattle weighing more than 700 pounds, the duty was reduced from 3 to $1\frac{1}{2}$ cents a pound, with that on calves weighing less than 175 pounds, reduced from $2\frac{1}{2}$ to $1\frac{1}{2}$ cents a pound. The tariff on Canadian live poultry was reduced from 8 to 4 cents per pound and protection was lowered on alfalfa, sweet clover, timothy seed, and seed potatoes.

But this is not the worst feature of the Canadian treaty. In these reciprocal-trade agreements there is a most-favored-nation clause which is one of the strongest objections to the agreements. Leading nations, except Germany, which has no favored-nation treaty with us, received practically the same tariff concessions under its provisions as were made to Canada. It is true that Canada made concessions to some American manufactures, but other countries, making no concessions to the United States, now enjoy the benefits of the concessions on farm products which the

United States gave to Canada.

How have these trade agreements worked toward increasing our foreign trade? We have one of those Hull agreements with Cuba and our exports to the island increased \$21,000,000 in the first 12 months of the operation of the trade agreement with that

first 12 months of the operation of the trade agreement with that country. But our imports from Cuba, in the same period, increased \$103,000,000; practically five to one. The first 6 months of the operation of the Belgium treaty showed a three to one increase in imports over exports. This is the more abundant life, which the President talks about, but it is more abundant for the Cubans and Belgians, at the expense of the American producer.

I could go on citing instances in which the American worker and farmer have been penalized for the benefit of the peon and coolie, until milking time in Canada, but the hour forbids. To sum it all up, Mr. Roosevelt has saved the Canadian farmer, at the expense of the American farmer. His reciprocal-trade policy has robbed our farmer of his domestic market as well as of the markets abroad and has compelled the United States to buy elsemarkets abroad and has compelled the United States to buy elsewhere foodstuffs which once were more than plentiful enough to supply the home and foreign markets. The policy has crippled the country's great dairy industry, dealt a severe blow to other industries, has crippled our fruit, grain, and hay producers, and transferred thousands from jobs in private industry to the Federal

It has delivered a blow to the American beet-sugar industry. The reduction of the tariff on Cuban sugar from 2 cents a pound to nine-tenths of 1 cent a pound constitutes an outright gift to the Cuban sugar interests, which are owned largely by the City National Bank, Chase National Bank, and Vincent Astor, the man with the yacht, all of New York. The gift amounts, roughly, to \$42,000,000 a year, but another result of Mr. Roosevelt's sugar policy has been to close down American beet-sugar factories because they cannot meet Cuban competition. And there has been no appreciable reduction in the price of sugar to the American housewife.

Then you may ask what is the remedy? Some of the New Dealers tell us we have no right to criticize them unless we offer substitute policies. We may question the logic of this assertion. When a man's house is burning the thing to do is to put out the fire before we enter into a discussion as to how the repairs are to be made. we enter into a discussion as to how the repairs are to be made. But there is a substitute program. It could be invoked by President Roosevelt himself, if he were to turn away from the visionary schemes of college professors who have deserted the campus for Pennsylvania Avenue. He should breathe the spirit of political life into the defunct Democratic platform of 1932. If broken planks could be mended and broken promises made whole, then there would be hope in the New Deal. Unfortunately, however, the maze of the New Deal has now gone beyond the point of untangling. What we need is to substitute sane economy and a balanced budget for reckless extravagance and boondoggling, with the ever-present threat of higher taxes and possible inflation.

We need to reestablish sound money in the place of "baloney"

We need to reestablish sound money in the place of "baloney" We need to reestablish sound money in the place of "baloney" dollars, and, last but not least, we need a return to the sound policy of adequate protection for the American worker, whether he be in the mill or on the farm, so that America may produce what it needs, so far as it can, without looking to foreign lands for the things which can and should be grown and manufactured at home. In short, we need a return to sound constitutional government, with the encouragement of private enterprise and of individual effort, rather than the setting up of an autocratic octopus which, in seeking to aid all, the worthy and unworthy

alike, will end by reducing everything to the deadly and enervating

level of state socialism.

When this is done, public confidence will return and private enterprise will forge ahead, providing jobs for the workers, because it sees security and prosperity in the future.

to me a source of consolation, and it must be to you a cause for pride, that our hardy and sane Americans of Scandinavian stock, have in the great majority always stood with the Republican Party, because it had advocated the sound principles of government which have grown out of the American Constitution, handed down to us by the founding fathers. That these principles have been right is proved for us by a glance at the record of our national achievement during the past three-quarters of the century.

In a few short months the descendents of that sturdy people who gave us John Ericsson at a time when the Nation sorely needed him, will have another opportunity to express their preference for the sane and orderly principles of sound economy. When that day arrives, I feel sure that they will no more fail the Nation than did that belowed nothing the product of the Monther than the product of the Monther than the product of the Nation than the Nation than the product of the Nation than the N Nation than did that beloved patriot, who gave us the Monitor in the darkest hour of the Union.

Mr. RANSLEY. Mr. Speaker, I yield 15 minutes to the gentleman from Connecticut [Mr. MERRITT].

Mr. MERRITT of Connecticut. Mr. Speaker, I think if Members of the House from their experience in the last two Congresses had not been made shock proof this bill would give them quite a shock, particularly if they considered it judicially and thoroughly.

In the most general terms, the bill provides for the expenditure of \$425,000,000 and an undetermined but large additional amount to which I shall allude later. It provides, furthermore, for this expenditure solely under the authority of one man without any check whatever, so far as I can see, except the provision that with regard to a certain part of it not more than 10 percent may be granted to any one State. To show the enormous amount of power put in the hands of one man I read the first section of the bill:

That there is hereby created and established an agency of the United States to be known as the Rural Electrification Administration, all of the powers of which shall be exercised by an administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of 10 years, and who shall receive a salary of \$10,000 per year.

It is at least undemocratic to give one man unlimited control over this enormous sum of money to be used throughout the entire United States. I think it also indicates one of the results of our previous legislative efforts, namely, that having given to our Chief Executive unlimited power over \$5,000,000,-000 it is a very easy thing to make permanent the various agencies he established as emergency activities and to continue in charge of them some one man or bureau.

Referring to the bill more in detail it provides for an appropriation for the first year of \$50,000,000 which shall be lent by the Reconstruction Finance Corporation. After that and for 9 years more there is provided an appropriation of \$40,-000,000 a year. You will see that in the end this makes a total sum of \$425,000,000.

This Rural Electrification Administration was first established by Executive order and this bill will continue that emergency operation created by the President and make it into a permanent organization with a single and permanent head.

Mr. THOM. Will the gentleman yield?

Mr. MERRITT of Connecticut. I yield to the gentleman from Ohio.

Mr. THOM. I would like to know what became of the \$200,000,000 which was allocated under the works-relief bill or public-works bill, either one or the other, for electrification purposes?

Mr. MERRITT of Connecticut. This has been partially used. The \$50,000,000 which is now proposed to be lent by the Reconstruction Finance Corporation will be under the jurisdiction of the same man who has carried out the use of that \$200,000,000.

Mr. THOM. I understand the \$200,000,000 is not nearly exhausted. Has the gentleman any information on that?

Mr. MERRITT of Connecticut. Not accurately; no; but my understanding is the power to use that appropriation expires within the year. This first appropriation of \$50,-000,000 for the first year is all that is now available for

allocation. The rest may be used, but there is no more to be allocated except this \$50,000,000.

Mr. THOM. The rest of it will go back to the fund?

Mr. MERRITT of Connecticut. The bill provides that of this first \$50,000,000 and the subsequent allowances of \$40,000,000 a year, 50 percent must be allocated to the various States in proportion that their unelectrified farms bear to the unelectrified farms of other States. But here is a provision which I think the House ought to know about. There is no compulsion on this autocrat to make any grants at all. He may allocate, but any money that is not expended in any one year goes into a general fund which has no limitations whatever. The other 50 percent is without any limitation to start with. The only provision is that not over 10 percent shall be allowed to be used in any one State.

I do not say that the Administrator will do this, but it is possible under this bill for him not to use any money, if he wants to build up a fund. This will go over to the next year and will not be subject to any restrictions at all. Then he may use all of his fund if he wants to in only 10 States. I do not say he will do that, but he may.

I think perhaps I ought to say that the fund referred to by the gentleman, which has been used for rural electrification, has been administered by Mr. Cook, and, so far as the committee knows and so far as I know, he has used it conservatively and with great skill. But that does not alter the principle of the thing. It is a risky matter and an unwise procedure to create these enormous funds and allow them to be used without definite instructions or any supervision.

I do not see anything in the bill that puts this Administrator under the jurisdiction of any of the departments of the Government. There is a provision about making reports, but there is no limitation on what he does with the money. The R. F. C. has made its loans on an 85-percent basis. They would not make loans for more than 85 percent of the value of the project when completed, but this bill takes out that limitation and allows the Administrator to make loans for the full amount, with the sole proviso that he must be satisfied the amount will ultimately be repaid. That is true of loans for fitting up the houses with appliances, with plumbing, and all that sort of thing.

Mr. Speaker, I think the Members of the House ought to pay careful attention to section 10. We all know from experience how every Government bureau and every Government department wants to grow. Every departmental and bureau chief—and properly so, I think—feels that his work is the most important work in the Government. That is how he should feel, and he ought to attend to his work on that basis. But these bureau chiefs feel that there are very few men wiser than they are—certainly in their own line. The result is they want to continue their work and increase it. There is a constant tendency to do that.

Section 10 provides that to carry out the provisions of the act the Administrator may accept and utilize such volunteer services as he may obtain—and please note this on page 17 of the bill—

and he may without regard to the provisions of civil-service laws applicable to officers and employees of the United States appoint and fix the compensation of attorneys, engineers, and experts; and he may, subject to the civil-service laws, appoint such other officers and employees as he may find necessary and prescribe their duties.

I think it will be seen that while there is a civil-service limitation on the second class of employees, there is no limitation whatever on the number to be employed. This is an unlimited appropriation for the expansion of this organization until it is large enough to organize and rule rural electrification throughout the United States.

The gentleman from Arkansas [Mr. MILLER] painted a picture which I think appeals to the sympathies of all of us of the hardship of these people who are settling in countries which have no electrical service. It is only fair to point out, I think, that electric service anywhere is quite new. All the States of this Nation practically were built up before there was any electrical service whatever.

Mr. RANKIN. Will the gentleman yield?

Mr. MERRITT of Connecticut. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman says that electric service anywhere is new. Of course, it is no more new in this country than in Europe. I wonder if the gentleman knows that we are far behind any country in Europe so far as rural electrification is concerned?

Mr. MERRITT of Connecticut. I do not think we are far behind in those sections of the country where the population is on a comparable basis. Of course, taking the countries of Europe, you might fairly compare them with the Eastern States and perhaps California, and I think the results will be just as satisfactory here as they are there.

Mr. RANKIN. I wonder if the gentleman knows that in New Zealand, a new country, two-thirds of their farms are electrified, whereas in the United States only about 10 percent or less are electrified?

Mr. MERRITT of Connecticut. In New Zealand they deal with enormous tracts of land and call that one farm. Also in New Zealand they have a socialistic state.

Mr. RANKIN. I wonder if the gentleman knows that in France and Germany 90 percent of their farms are electrified? Those are not socialistic states.

Mr. MERRITT of Connecticut. No; they are not socialistic, but they are imperialistic.

Mr. RANKIN. I wonder if the gentleman knew that Holland and Switzerland are practically 100 percent electrified?

Mr. MERRITT of Connecticut. But they are no larger

than our own New England.

Mr. RANKIN. I understand, but there is no State in New England that even has 25 percent of its rural homes elec-

England that even has 25 percent of its rural homes electrified.

Mr. MERRITT of Connecticut. On the contrary, I think there are several States with that percentage.

Mr. RANKIN. I have been unable to find them. Sweden and Norway are rather sparsely settled. I wonder if the gentleman knew that they run about 85 percent, and also that Denmark has about 85 percent of the farms electrified.

Mr. MERRITT of Connecticut. I do not care to give the gentleman any more time.

Mr. RANKIN. The gentleman said this was new. Of course, it originated in this country, and I wonder if the gentleman is familiar with the fact that they are almost thoroughly electrified rurally and we are electrified rurally to a very small extent.

Mr. MERRITT of Connecticut. I hope the gentleman will get his own time.

Of course, the general answer is that we are dealing with an enormous territory as compared with any European state, and the whole basis of our civilization is different.

Mr. FULMER. Mr. Speaker, will the gentleman yield right there?

Mr. MERRITT of Connecticut. Yes.

Mr. FULMER. Does not the gentleman think it is time we should go into this line of endeavor with the hope we might give to this class of citizens of the United States the benefits that are being received in the industrial section and in the large communities, cities, and so forth?

Mr. MERRITT of Connecticut. Yes; I think that is desirable, but I think we ought to pay attention to the means we adopt.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the gentleman 5 minutes more.

Mr. MERRITT of Connecticut. I do not think to help these citizens we ought to endanger the structure of our Government, which I think we are doing by putting the Federal Government into all sorts of things that the States ought to attend to themselves. You must bear in mind that where our States are more fully electrified today, this has been done without any help from the Federal Government. The underlying fear I have about this whole business is the increasing interference of the Federal Government, and this is going on all over the United States. Every individual, every municipality, or every State that gets into any trouble immediately comes to Washington to get help. I think if you will look back on the history of this country you will find

that all of the States were built up under great hardship and by hard work; and I think everybody will agree, when he considers the matter conscientiously and not in an election year, that hard work and hardships build a sturdy citizenship, such as has been the foundation of this country and which, I am afraid, is now being undermined.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. MERRITT of Connecticut. Yes.

Mr. COLDEN. Has the gentleman ever experienced any of the drudgery of the farm, such as sawing wood and doing other chores that light and power would relieve on the farm?

Mr. MERRITT of Connecticut. No; I have not. I sympathize with that and I think I appreciate it, and I should like to have such people helped; and, as a matter of fact, the work that is proposed here is going on now under existing companies, and will go on faster if the Congress and the administration will remove from these companies the fear of being murdered.

Mr. FULMER. Mr. Speaker, will the gentleman yield at that point?

Mr. MERRITT of Connecticut. Yes.

Mr. FULMER. The gentleman states that the reason a great many industries and businesses and utilities are not proceeding is because they are hesitating on account of a fear of what the Government may do.

Mr. MERRITT of Connecticut. Yes.

Mr. FULMER. Will the gentleman explain why, prior to 1933, they not only hesitated but they stopped at a time when the Government was not interfering with anybody? What caused them to stop at that time?

Mr. MERRITT of Connecticut. I do not think that is in accordance with the facts.

To give an admirable illustration of how these organizations extend their power we may refer to the T. V. A. I need not go into particulars, but you know what they have undertaken to do in the way of building townships and power dams and all sorts of things to interfere with existing lines and to wipe out existing companies. I do not know how accurate my information is, but I understand that when they started they thought \$150,000,000 would be the limit of the amount of money they would want. My understanding is now they are before one of the appropriating committees seeking to increase their capitalization or their authorization to \$600.000.000.

Mr. PEARSON. Mr. Speaker, will the gentleman yield for a question?

Mr. MERRITT of Connecticut. Yes.

Mr. PEARSON. The gentleman makes the statement that the Tennessee Valley Authority is destroying existing lines. I wonder if the gentleman knows it is the policy of the Tennessee Valley Authority not to extend its lines nor to erect lines where they will compete with lines owned by private companies?

Mr. MERRITT of Connecticut. Yes; I believe that is said to be their policy, but I think there have been at least some cases where they have offered to buy a competing line, with the statement that if the owner would not sell at their price they would build a line themselves.

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield the gentleman 2 more minutes.

Mr. PEARSON. Mr. Speaker, will the gentleman yield to let me finish my statement?

Mr. MERRITT of Connecticut. I do not want the gentleman to take all my time. I am sure the gentleman can get time later.

Mr. Speaker, to sum up my objections to this organization, I think it is not possible for these emergency Federal organizations to become permanent without producing in this country a bureaucratic and socialistic state; and all these autocratic bureaus will finally merge and come under control of an individual autocrat.

The history of all nations shows that a bureaucratic state must end in a dictatorship.

I hope and believe that our country is more concerned 50 percent of the entire agricultural area of Sweden is elecin maintaining the freedom and enterprise of its constituent trifled, that in Japan 90 percent of the homes are connected

States and of all our citizens than in endeavoring by unconstitutional means to help a certain class who can and will be helped by other means.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin.

The SPEAKER. The gentleman from Wisconsin is recognized for 10 minutes.

Mr. WITHROW. Mr. Speaker, I know of no activity of the Federal Government that has met with greater public approval than has the rural electrification program. Especially is this true in the State of Wisconsin.

The bill under consideration today is substantially the same as S. 3483, sponsored by Senator Norris, which recently passed the Senate. This legislation, if enacted into law, would establish an agency known as the Rural Electrification Administration, under the direction of an administrator, who would be appointed by the President and approved by the Senate. The administrator would be authorized and empowered to make loans for rural electrification and the furnishing of electric energy to persons in rural areas who are not now receiving service and to make studies, investigations, and reports concerning the condition and progress of the electrification of rural areas. The measure provides for two types of loans. First, for generating plants and electric transmission and distribution lines, and, second, for the wiring of consumers' premises and the acquisition and installation of electrical and plumbing appliances. The first type of loan may be made to persons, corporations, cooperative or other nonprofit or limited-dividend associations, States, municipalities, and other public bodies. It provides that such loans shall be self-liquidating, within a period of not to exceed 25 years, and shall bear interest at a rate not less than 3 percent per annum.

The Reconstruction Finance Corporation is authorized and directed to make loans to the administrator upon his request, approved by the President, for the fiscal year ending June 30, 1937, not exceeding the amount of \$50,000,000. For the fiscal year ending June 30, 1938, and for the following 8 years the bill authorizes an annual appropriation of \$40,000,000. It also provides that 50 percent of the annual sums be made available to the several States in proportion to the number of their farms not then receiving electric service. The remaining 50 percent of such annual sums to be allocated without regard to this proportion, but in no event shall more than 10 percent of such unallocated annual sums be used in any one State. Therefore, under the provisions of this act, the present temporary rural electrification is extended for a period of 10 years.

It must be clearly understood that this bill provides for no grant or subsidy. All of the money loaned for any of the purposes specified will be recaptured by the Government with interest. Experience of other agencies engaged in making this type of loan has demonstrated that these loans are perfectly safe. No one will question the value of electric service to the farm, for its use and the services obtained through it constitute one of the basic necessities to our farm life.

The 1935 census shows that there are 6,800,000 farms in the United States. Of those, more than 6,000,000 are now without electric service of any kind. The testimony before the Interstate and Foreign Commerce Committee of the House on this measure discloses that more than 1,000,000 of these farms could be served through this program on a self-liquidating basis.

I was particularly interested in the testimony of Morris L. Cook, Administrator of Rural Electrification, and the figures he gave in comparing rural electrification in the United States to similar activities in a number of foreign countries. His undisputed testimony disclosed that 10 percent of the farms in the United States have electricity available to them, while in Holland practically all of the farms have electricity, 90 percent of the German farms have electricity, more than 50 percent of the entire agricultural area of Sweden is electrified, that in Japan 90 percent of the homes are connected

with electricity, that in France more than 90 percent of the | is that the farm organizations in my State of Wisconsin are farms are served with electricity. There is no comparison between these activities in the United States and similar activities in foreign countries. Under private leadership our rural electrification program has bogged down terribly.

It is also interesting to note that foreign countries, in recognizing the need for rural electrification, have in some instances made outright grants and subsidies in order to

accomplish their objective.

Great credit is due Senator George W. Norris, of Nebraska, and Representative John E. Rankin, of Mississippi, for having for years kept up a persistent fight for rural electrification. Many years ago, when they initiated the movement, they were in a hopeless minority, with very little prospect that they would ever succeed. The day, however, is not far distant when at least a portion of their objective will have been accomplished. However, in the years to come practically every farm home in the United States will have electric lights and utilize electric power for a great deal of farm and household work that is now done by hand. When that time comes much of the labor that is exhausted and that now constitutes drudgery will be done electrically. There will be no occasion for leaving the farm and moving to the city in order to enjoy the advantages of electricity.

Mr. RANDOLPH. Will the gentleman yield? Mr. WITHROW. I yield.

Mr. RANDOLPH. The gentleman from Wisconsin is well acquainted with the increasing farm population at the present time, and does he not think that it is on account of the electric improvements on the farm?

Mr. WITHROW. I think so.
Mr. RANDOLPH. And if my colleague will permit me this further statement, may I say that this legislation is of vital importance to my district and the State of West Virginia. You have explained that in the United States only about 10 percent of the farm homes are equipped with electricity, but in West Virginia there is only approximately 5 percent of our farms provided with this electrical modernization. There are 10 percent of the homes with water piped into the house, 10 percent with radios, 35 percent with telephones, and 40 percent with automobiles. This presents a graphic picture of the relationship between rural electrification in my State and other forms of improvements thereon. The Federal Government will be repaid for loans made under this act and I am pleased to support the provisions of such a helpful and beneficial measure.

Mr. WITHROW. I agree with you.

In addition, there is every reason the farmer should become a much larger consumer of electricity than the dweller in the city. The farmer has use for all the household and electrical appliances which can be used by the city dweller, and in addition is a large user of power in his business. Water pumps, feed grinders, milking machines, small motors for many uses, and refrigeration are among the many uses he has for electricity. Another important feature of this Government program is that for every dollar invested in line construction, at least another dollar will in all probability be spent by the consumers for wiring their homes and for electric appliances. These loans would, therefore, benefit industry and labor directly. In the past electrical appliances have sold at such prices as to make them almost prohibitive in the average farm home. However, the temporary Rural Electrification Administration has already demonstrated that these costs can be materially reduced and these appliances purchased at prices that will make it possible for them to be owned and used by the average farmer.

I was astonished to learn that less than 20 percent of the farms in the great State of Wisconsin have electricity, that twice as many homes have radios as have electricity, and that three times as many homes have telephones as have electricity, which further brings out in bold relief the fact that the electrification program under the policy of the past has been an utter economic failure.

There is every indication that we have entered a new era in equitably distributing the benefits to be obtained from the

intent on taking advantage of the benefit made possible through Rural Electrification Administration and are receiving the wholehearted support of Governor Philip La Follette, of Wisconsin. In December 1935 the office of State rural electrification coordinator was created and former State Senator Orland S. Loomis appointed to fill the post. A committee of eight representing the farm organizations of the State was immediately formed. The necessary preliminary surveys and estimates have been made in more than 25 areas in the State, and hundreds of local committeemen have signed up their fellow farmers on more than 50 projects. Of these, 26 have been recommended to the Rural Electrification Administration by Coordinator Loomis and are now under consideration at Washington. The committee and the Governor have set as their objective the electrification of at least 30,000 Wisconsin farms, which to date have been unable to get electric service.

Pursuing the same short-sighted policy of the past, the private power companies are fighting the formation of these cooperative companies. The farm executives charge that as soon as their own enterprise is under way and likely to succeed, the companies start competing lines in order to break up the farmers' movements. I understand that in Wisconsin a temporary truce has been arrived at, the power companies pledging themselves to keep out of at least six farm districts already organized.

Mr. HAINES. Will the gentleman yield?

Mr. WITHROW. I yield.

Mr. HAINES. The gentleman from Wisconsin has made a very illuminating statement. I have a warm personal affection for him and recognize him as being one of the most valuable Members of the House. I hope this statement or message will get back to the people of Wisconsin and that they will send him back here. [Applause.] I was interested in the statement the gentleman made, in which I understood him to say that 90 percent of the farms in Japan had electricity and only 15 percent in the United States.

Mr. WITHROW. No; I said 10 percent in the United States and 90 percent in Japan, and less than 20 percent in Wisconsin.

There has been much criticism of other Government activities because they have spent huge sums of money. This spending has often been referred to as "boondoggling", and

The charge of waste, excessive spending, cannot be associated with Rural Electrification Administration, because the Government will get back every cent of money loaned and in addition, will have created a taxable valuation. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I move the previous ques-

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was agreed to.

Mr. RAYBURN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 3483) to provide for rural electrification, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. SUTPHIN in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

The CHAIRMAN. The gentleman from Texas [Mr. RAY-BURN] is recognized for 1 hour.

Mr. RAYBURN. Mr. Chairman, I yield myself 20 minutes. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAYBURN. Mr. Chairman, it is a pleasure to me to extensive use of electricity. The most encouraging feature | be able once more to present a bill about which there is not so much controversy, and several Members of the House, since the Securities Act of 1933, the Stock Exchange Act of 1934, and the Utility Holding Company Act of 1935, have also expressed great gratification that the Committee on Interstate and Foreign Commerce could bring in a bill about which there was no seething controversy.

Mr. Chairman, on January 6, 1935, Senator Norris introduced in the Senate, S. 3483, and on the same day I introduced in the House, H. R. 9681. In their essentials, they were the same. There were some provisions in the Senate bill which were not in the House bill and some provisions in the House bill that were not in the Senate bill. After the bill passed the Senate in the essential form that it was introduced in the House, we took up in the committee and considered the Senate bill. We made several rather important amendments, and, therefore, instead of putting these amendments into the Senate draft, we struck out all after the enacting clause in the bill and inserted as an amendment the result of the work of the House. I shall discuss the bill in general if I may and those changes in particular. It will be remembered that last year, on May 11, 1935, the President of the United States issued an Executive order which established the Rural Electrification Administration, which Executive order reads as follows:

EXECUTIVE ORDER 7037

ESTABLISHMENT OF THE BURAL ELECTRIFICATION ADMINISTRATION

By virtue of and pursuant to the authority vested in me under the Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (Public Res. No. 11, 74th Cong.), I hereby establish an agency within the Government to be known as the Rural Electrification Administration, the head thereof to be known as the Administrator.

within the Government to be known as the Rural Electrification Administration, the head thereof to be known as the Administrator. I hereby prescribe the following duties and functions of the said Rural Electrification Administration to be exercised and performed by the Administrator thereof to be hereafter appointed:

To initiate, formulate, administer, and supervise a program of approved projects with respect to the generation, transmission, and distribution of electric energy in rural areas.

In the performance of such duties and functions, expenditures are hereby authorized for necessary supplies and equipment; lawbooks and books of reference, directories, periodicals, newspapers, and press clippings; travel expenses, including the expense of attendance at meetings when specifically authorized by the Administrator; rental at the seat of Government and elsewhere; purchase, operation, and maintenance of passenger-carrying vehicles; printing and binding; and incidental expenses; and I hereby authorize the Administrator to accept and utilize such voluntary and uncompensated services and, with the consent of the State, such State and local officers and employees, and appoint, without regard to the provisions of the civil-service laws, such officers and employees as may be necessary, prescribe their duties and responsibilities, and, without regard to the Classification Act of 1923, as amended, fix their compensation: Provided, That insofar as practicable the persons employed under the authority of this Executive order shall be selected from those receiving relief.

To the extent necessary to carry out the provisions of this Executive order, the Administrator is authorized to acquire, by pur-

To the extent necessary to carry out the provisions of this Executive order, the Administrator is authorized to acquire, by purchase or by the power of eminent domain, any real property or any interest therein and improve, develop, grant, sell, lease (with or without the privilege of purchasing), or otherwise dispose of any such property or interest therein.

For the administrative expenses of the Rural Electrification Electrification Administrative expenses of the Rural Electrification Elec

ministration there is hereby allocated to the Administration from the appropriation made by the Emergency Relief Appropriation Act of 1935 the sum of \$75,000. Allocations will be made hereafter for authorized projects.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, May 11, 1935.

It should be stated here that at that time the President allotted to the Rural Electrification Administration \$100,-000,000, to be loaned to cooperatives and to corporations, and so forth, for the purpose of bringing about rural electrification. It was later determined that some of that money would be taken away, and \$90,000,000 was withdrawn from the Rural Electrification Administration, so that they have had only \$10,000,000 with which to deal. Five million dollars of that has actually been loaned, \$9,000,000 being in process of projects which have been approved, but it might be of interest to know that there are applications pending in the Rural Electrification Administration at the present time for more than ninety millions in loans to these private concerns.

The bill as originally introduced in the Senate and in the House provided for a 10-year program of \$100,000,000 a year. After some consultation it was determined that that amount should be reduced to \$420,000,000. The first \$100,000,000-\$50,000,000 for the first year and \$50,000,000 for the second

year-was to come from the Reconstruction Finance Corporation, and after that for the remaining 8 years, \$40,000,000 a year was to be appropriated by the Congress. The bill passed the Senate in that form, and when it came to the House committee we found that the Reconstruction Finance Corporation, after January 30, 1937, did not have authority to make loans, so that it would have been an indirect way of amending the Reconstruction Finance Corporation Act. Therefore, we dropped the latter \$50,000,000 and provided for the first year that the Reconstruction Finance Corporation should, at 3 percent, loan to the Rural Electrification Administration \$50,000,000, and that the \$40,000,000 should begin the second year and should extend through that year and for 8 years thereafter.

The gentleman from Connecticut [Mr. Merritt] remarked about the bill and the great power that was given to the Administrator. Well, the power must be lodged somewhere, and, as far as I am concerned, with a man like Morris Cooke at the head of it, I am satisfied to have the power lodged there. I hope that he will remain at the head of this Administration for many years to come. He is sane, honest, patriotic. We might as well lodge this power in one man's hands as to lodge it in the hands of a commission, because in many instances that just brings about a debating society that is not in the interest of expedition of business.

Mr. WADSWORTH. Mr. Chairman, will the gentleman

Mr. RAYBURN. Yes.

Mr. WADSWORTH. Has the gentleman given any consideration to the provision which gives this official a 10-year tenure of office? With the exception of the Comptroller General, I think that will be the longest tenure of office in the administrative branch of the Government—and I am not asking that question in hostility to Mr. Cooke.

Mr. RAYBURN. I understand. That is a long tenure of office, if he remains there, but sometimes we do not get men like Mr. Cooke to remain in the Government for 10 years.

Mr. WADSWORTH. It goes through two Presidential administrations.

Mr. RAYBURN. That is true. Now, allow me to refer for a moment to another statement made by the gentleman from Connecticut [Mr. MERRITT] in which he thinks we are going to socialize things by such measures as this. I do not believe in socializing this industry. I think the industry should remain in private hands, and Mr. Cooke, the Administrator, believes the same thing. Of course, the gentleman from Connecticut [Mr. Merritt] cannot understand things like that because he does not live in a section of the country circumstanced like a vast majority of the people of the United States. His section of the country is today rurally electrified more than 30 percent. In the great State of Texas there are a bare 2 percent of the farms electrified.

I think nobody from the industrial centers this year or last year or back in the Hoover administration, when the Reconstruction Finance Corporation was set up, objected to appropriating vast sums of money to the Reconstruction Finance Corporation to loan to business. I certainly had no objection to it, and I think under the leadership which the Reconstruction Finance Corporation has had, it has been one of the greatest agencies for good in the Government. But why endorse loans to a certain class of people under the Reconstruction Finance Corporation and not to others? That is not socialism; that is not socializing industry to loan to one class; but when we appropriate a sum of money to make the burden of the people on the farms a little lighter and bring to their doors some of the conveniences and some of the comforts of life, then some of our very dear friends argue that we are going to try to socialize the industry and that we are plunging the United States so deeply into debt that it can never get out.

As I said, this bill provides for this loan. The Senate bill provided that these matters should be self-liquidating in 25 years, but set no standard. The House committee put in the bill a provision which provided that the Rural Electrification Administrator must affirmatively find that in his best judgment these loans will be self-liquidating within 25 years. Allow me to say this about farmers' loans: I live in a farming section of the country. The bankers there and the attorneys for the banks there tell me that the largest percentage of collections they ever made in a year came from people engaged in agriculture.

Now, there is no grant in this. There is no subsidy in this. There is no revolving fund in this. The Government takes as security all of the assets of the corporation, association, or cooperative that sets up the line to furnish electrification for rural communities. Further than that, the Senate bill provided that these loans should be made at not exceeding 3 percent. The House committee amended the bill to read "at not less than 3 percent." I thought the argument for that amendment was very good for the simple reason that times may get better. We hope they will, and that money will be more in demand and interest rates will go up. We do not want the Federal Government to lend money to any organization, to any corporation, or to any agency of the Government at a less figure than the Government can go out and borrow the money itself. In times like these, of course, I think the interest will be 3 percent, which is a very, very reasonable sum to pay.

We amended the bill in some other respects.

First, let me say the gentleman from Connecticut also asked—

If the Reconstruction Finance Corporation demands 15-percent assurance by the corporation that is getting the loan, why not this? Why loan 100 percent to one of these rural electrification organizations?

The reason is simply this: If you demand 15 percent of this money to be put up by the farmers, as I said in the committee, I think you might just as well strike out the enacting clause of this bill, because they could not borrow on any such figure as that. About all these farmers can do is to provide for connecting up with the rural electrification and buy their own electrical appliances. We do provide in this bill that for fixtures and for wiring, the rural electrification may make a loan. That loan will usually be made to a business concern which, in turn, will take the obligation of the consumers for the return of that money.

Mr. CAVICCHIA. Mr. Chairman, will the gentleman yield for a question?

Mr. RAYBURN. I yield.

Mr. CAVICCHIA. Only about 2 weeks ago we had before the House a bill presented by the Committee on Banking and Currency that practically permits another administration to perform the same duties that you want to give under this.

Mr. RAYBURN. It extended it only for 1 year.

Mr. CAVICCHIA. Why should that not have gone into this administration?

Mr. RAYBURN. Well, I did not handle that bill.

Mr. CAVICCHIA. But we do have a duplication, do we not?

Mr. RAYBURN. No. I am told there is no duplication. Gentlemen who deal with the Committee on Banking and Currency discussed that with me and they said there was not any duplication. Further than that, it continues for only 1 year anyway.

Mr. JOHNSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. JOHNSON of Texas. Will the gentleman state how this organization will be set up? Will a unit be confined to some particular locality or county, or in just what way is it contemplated the units will be set up?

Mr. RAYBURN. The House committee made another very important amendment to the Senate bill. The Senate bill made no provision for loaning this money to utility companies. It made no provision for loaning any of this money to an individual. The House bill provides that this money may be loaned to an individual as well as to these cooperatives, and so forth, and also to utility companies where they cannot finance matters. We did that for this reason, and I am coming to the answer to the gentleman's question: There are many sections of the country in which the utili-

ties have reasonably well covered the country. There are communities, in which they could build lines if they had the money, that are so small that it would not be proper to try to set up an independent rural electrification administration. So we provide that this money may be loaned.

What our committee was interested in was rural electrification. We want it brought to the rural communities of this country by anybody who can bring it there and bring it there in the most economical way. What will happen will be that a community wanting rural electrification will form under State law a cooperative or a corporation as the case may be. When they have formed this organization and their engineers have worked out a plan, it will be sent to the Rural Electrification Administration and they will come into the picture sending their engineers into the field to look into the feasibility of the project. Then the engineers' report and the application will go to the Rural Electrification Administration. If it is determined by the Rural Electrification Administration that the project is sufficiently large and the use of electricity will be sufficient to liquidate the cost in 25 years they go about the business of making a loan to this cooperative, private corporation.

Mr. CRAWFORD. Mr. Chairman, will the gentleman

yield?

Mr. RAYBURN. I yield.

Mr. CRAWFORD. The gentleman speaks of a project having to be sufficiently large to warrant a loan. Is any limitation made of \$10,000, \$15,000, or \$50,000?

Mr. RAYBURN. No limitation is made at all.

The CHAIRMAN. The gentleman from Texas has consumed 20 minutes.

Mr. RAYBURN. Mr. Chairman, I yield myself 10 additional minutes.

What I meant was that the set-up was such that it would reasonably be expected to liquidate the cost in 25 years. To illustrate, 250 farm families in sparsely settled country might want to establish a project, but they would be so far apart, the lines would be so long, the expense of building the transmission system would be so great that in the judgment of the Rural Electrification Administration it would never be self-liquidating. In an instance like this the Administrator, under this bill, is charged with the duty of not making a loan.

Mr. CRAWFORD. Is the initial expense to which the gentleman referred, in connection with the formation of cooperatives or corporations, to be put up by the farmers' association?

Mr. RAYBURN. I do not see any other way in which it can be done. Certainly some organizations who apply are not going to get loans. There could be no reason for the Government expending any money in connection with loans that are turned down; so I see no reason why the Government should put up any money to finance the organizational work in those cases where loans are granted.

Mr. CRAWFORD. To use a definite illustration, I have in mind a spot in the gentleman's own State which is more than 17 miles from any kind of electrical connection whatsoever, a thickly settled farming country in which the people are interested in such a proposition, and where there will probably be from 100 to 250 farm families. As I understand it, the purpose of this bill is to take care of such a situation after the project is approved by the engineers?

Mr. RAYBURN. The gentleman is correct.

Let me say to those who fear this legislation may hurt private industry that, in my opinion, it will be one of the greatest helps to private industry. In the first place, in every situation where a rural electrification set-up is made they are going to take the power from an already established power company if they can get it at a reasonable rate. Furthermore, in a community such as the gentleman speaks of, if no power company desires to go into the community, they can set up a diesel engine and generate power very much cheaper than we buy it in our section of the country.

Mr. MITCHELL of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. MITCHELL of Tennessee. Is it not a fact that in Tennessee and that section of the country the consumption of electricity has increased 300 percent in the past 12 months?

Mr. RAYBURN. I do not know. The gentleman probably knows more about that than I; but in Tennessee or elsewhere, in the case of electrical energy, transportation, or anything else, consumption goes up as price comes down.

Another factor to be borne in mind in this matter of rural electrification is that the farmer is a much greater potential user of electricity than the town man. The town or city dweller has lights, fans, possibly an iron and refrigerator, but on most of the farms where there is electrical energy available the farm wife has an electric washer; she does her own ironing and has an electric iron; she wants an electric sweeper; the dairyman wants a milking machine operated by electricity, a feed grinder, a water pump, and motors for other power uses.

The history of rural electrification is that the rural patron uses much more electricity than the average town dweller. Many communities, therefore, which today do not look like they could support one of these set-ups, as the thing develops and the power is used, will make such a project self-liquidating. In my opiinon, if the law is judiciously administered, every one of these propositions can be made 100 percent selfliquidating.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. COLDEN. Does this bill provide for the making of loans for the purpose of enabling municipalities of, say, 3,000 people owning their own municipal power plant, to extend their lines into the outlying districts?

Mr. RAYBURN. Yes: it could lend to a separate concern which may be set up and which would take its current from a municipally owned plant. But this bill defines "rural area", and no area is defined as a rural area which has more than 1,500 people.

Mr. COLDEN. What are the requirements for these cooperatives in order to secure this Government assistance?

Mr. RAYBURN. Well, first they go out and form a corporation under the State law, a cooperative or whatever it may be. In some States a cooperative cannot be formed, and in this event another little corporation will have to be incorporated. They have to go out and get as many signers to use electricity as they can. When they get that set-up and their little corporation organized, then they invite the representatives of the Rural Electrification Administration to come in and look the situation over and determine whether or not in years to come the thing will take care of itself.

Mr. GILCHRIST. Will the gentleman yield? Mr. RAYBURN. I yield to the gentleman from Iowa.

Mr. GILCHRIST. The gentleman spoke of the rural area and its definition. He said it is limited so that no city or village may be included within that definition if it has more than 1,500 inhabitants.

Mr. RAYBURN. That is correct.

Mr. GILCHRIST. I have in mind certain villages that have in the neighborhood of 2,000 population. I wonder what led the committee or the gentleman to fix that at 1,500?

Mr. RAYBURN. I think that is the definition of rural area given by the Department of Agriculture. We tried to reach the same definition as the Department of Agriculture. The gentleman from New York and the gentleman from Michigan, I think, will bear me out when I say that we took from the Department of Agriculture their definition of "rural area."

Mr. GILCHRIST. Well, manifestly the fact that they define a rural area for other reasons and for other activities would not necessarily make it applicable here.

Mr. RAYBURN. I do not know of a town of 2,000 population that does not have electrification of some sort.

Mr. GILCHRIST. They might want to go into this new scheme.

Mr. RAYBURN. May I say to the gentleman that we are not, in this bill, intending to go out and compete with anybody. By this bill we hope to bring electrification to people who do not now have it. This bill was not written on the theory that we were going to punish somebody or parallel |

their lines or enter into competition with them. It was our thought that in the States where electricity is now generated and distributed the laws of that State would control the rates. May I say further that the Rural Electrification Administration will have nothing whatever to do with the rates that may be fixed in these communities, for the simple reason that matter will be controlled by State law.

Mr. PEARSON. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Ten-

Mr. PEARSON. May I ask if it is not a fact that one of the requirements for the organization of these cooperative associations or corporations is that a certain number of kilowatt-hours of current must be consumed per month and sufficient to make it self-sustaining before these loans are made available?

Mr. RAYBURN. In the judgment of the Administrator there must be such consumption as to make it self-liquidating within a certain period of time.

Mr. PEARSON. Then the Government is protected in making these loans.

Mr. BANKHEAD. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Alabama.

Mr. BANKHEAD. It seems to me that one of the important features of this proposition is the only possibility that it offers to rural sections of the country, on a cooperative basis, the opportunity to operate these plants and get all the benefit without the profit motive being involved.

Mr. RAYBURN. Precisely so.

Mr. BANKHEAD. In other words, no dividends are to be distributed, and the fact such is the case will allow them to more economically provide for the amortization of the debt. It seems to me that is one of the important things to be considered.

Mr. RAYBURN. I was coming to that.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, may I say that these cooperatives or these corporations are supposed to be set up absolutely upon a nonprofit basis, so that everything will be used to bring to the rural community electricity and plenty of it at the cheapest possible price.

Mr. COLDEN. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from California.

Mr. COLDEN. In California we have many small cities that include large areas surrounding them because of the use of irrigation. Will this provision which was discussed a moment ago eliminate farmers that live within the incorporated limits of a city?

Mr. RAYBURN. Does the gentleman mean the farmer lives within the city?

Mr. COLDEN. Within the city limits.

Mr. RAYBURN. And his farm is on the outside of the city limits?

Mr. COLDEN. No. The city is incorporated, and it includes a large area of surrounding country which is supplied by the same source of water for irrigation purposes.

Mr. RAYBURN. I think so. I would not endorse going out and taking in areas in order to set up some value that would sustain a city government; but if it is a rural area, it comes under this bill.

Mr. COLDEN. It is of necessity, because the irrigation proposition comes in.

Mr. RAYBURN. The gentleman does not mean an incorporated city. He means it is a corporation?

Mr. COLDEN. It is an incorporated city. The city of Los Angeles, for instance, includes thousands of farms.

Mr. RAYBURN. Anything that is defined as a rural area would be included.

Mr. CONNERY. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Massachusetts.

Mr. CONNERY. I am in favor of the principle of rural electrification of the farms, but is there not a danger if we lend to the Power Trust organizations we are going to defeat the very purposes of the bill by strangling the effort

Mr. RAYBURN. Let me repeat that what we are interested in is rural electrification, and I think that the Rural Electrification Administration, with the money in their pockets, will be able to make a pretty fair trade with the private company that wants to borrow money to go into this thing.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I yield myself 2 additional minutes.

A great many communities that will not sustain a rural electrification set-up are being told by some of the power companies today that if they could borrow the money they would build out into these small villages and give them electrification.

Furthermore, I think the motive will not be questioned and I think we will not have as much fight upon these rural electrification set-ups by the power companies, and I know pretty well the wiles of the power companies. I have been dealing with them in legislation and now I am dealing with them in politics up to my neck and am going to be from now until the 24th of July; but I do not think that with the Rural Electrification Administration, alert and vigilant, we are going to have much trouble about injustices being done to communities by a loan to a private company, and I do think it will enhance very greatly the rural electrification of the country and bring a little more ease, a little more comfort, and a little more happiness to those people out there on the farm.

Let me also say this to the gentleman, and I know he is in sympathy with the statement. Since we have laborsaving machinery the problem of unemployment in the great centers is permanent. Something must be done out there on the farm where people can live quietly and make their bread and their meat. This will induce those who are there now to stay and will probably attract a few others, who can never have a job in a town, to move out there and stay there and make a living. [Applause.]

There is little or no rural electrification in many of the richest farming sections of the country. Take the district which I represent, for example: There is no richer farming land in any country than in the counties that comprise the Fourth Congressional District of Texas, yet there are practically no farm homes that have the conveniences and comforts of electricity.

In Collin County there are 6,069 farms, and only 83 have electricity; in Fannin County 5,894 farms and 94 electrified; in Grayson 5,169 farms, 101 electrified; in Hunt 5,905 farms, 219 electrified; in Kaufman 5,131 farms, 88 electrified; in Rains, 1.691 farms, 4 electrified; in Rockwall 1,031 farms, 32 electrified.

You see from these figures how little rural-electrification minded they are. In other words, out of 30,490 farms only 621 have electricity.

With the farm program of this administration, that has brought increased prices for everything raised on the farm, has brought a degree of prosperity to the farmers, and, we hope and believe, more to come, we intend to bring electric lights to these people at a reasonable price, and with all of the conveniences and comforts that it brings to make the farms of the whole country more comfortable and easy for the farmer and his wife.

Electricity at a proper price is cheaper than oil and lamps. We want to make the farmer and his wife and family believe and know that they are no longer the forgotten people, but make them know that they are remembered as part of-yea, they are the bulwark of the Government.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, I can confirm what the gentleman from Texas said with respect to this measure and the differences of opinion which may exist about it as compared with the turmoil and storm that characterized the discussions of the public utility holding company bill of last

of small cooperatives to start plans and to get what they | year. I think we shall not be in for any such performance as featured that occasion.

> I want to call the attention of the members of the Committee to some strictly business considerations in connection with this bill. Before doing so, let me say that in large measure I sympathize with the viewpoint of the gentleman from Connecticut [Mr. MERRITT] in that, in part at least, this measure, coupled with many, many other measures which the Congress has been passing in the last 3 years, brings up a fundamental issue of government, but I shall not discuss that side of it. The gentleman from Connecticut has already done

> Something has been said about the policy pursued by R. F. C. in the making of loans, and an attempt has been made to justify the loans to be made by the Administrator of Rural Electrification by citing R. F. C. loans as an example. It has been said, for example, that there should be no complaint against loans to be made by the Rural Electrification Administrator to rural communities, in view of the fact that R. F. C. has made giant loans to the industrial element of the country. The difference is this: While it is true that R. F. C. has made very large and helpful loans to industry, it has followed a strict policy of demanding security in an amount in excess, according to their appraisal, of the amount of the loan. In other words, the collateral demanded by R. F. C. has been on the average 120 percent.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. WADSWORTH. I cannot yield, as I have only 15

So, generally speaking, in the R. F. C. loans the Government-if you denominate R. F. C. as the Government, and it is, practically speaking-has had a cushion to fall back on in the event of difficulty being encountered by the borrower. You will note that in this bill R. F. C. is authorized and directed to finance the first year's operations of the Rural Electrification Administration, and is confined to making Ioans to that Administration to the extent only of 85 percent of the security to be supplied by that Administration as collateral. In other words, this bill is perfectly consistent in its treatment of R. F. C. loans, and to that extent it is sound.

Now, the Government, in its other lending agencies which have been in operation 2 or 3 years, has followed a very similar practice. The Home Owners' Loan Corporation would not think of lending 100 percent of the value of a home. It is limited by statute, as I recollect it, and it is certainly limited by its own practice to making loans up to a certain percentage of the value of the property which is put up as collateral for the loan. The same thing is true of the Federal Farm Loan Board, which operates through the Federal land banks. I think it is not within the statutory power of that agricultural lending agency to lend more than 50 or 60 percent-I forget the exact figure—of the value of the property which is to be put up as security for the loan.

So both in rural lines and urban lines and in industrial lines, it has been the wise policy of the Government to reserve for its own protection, the protection of the taxpayer, and, indeed, the credit of the Government of the United States some degree of additional security which we are pleased to call the cushion.

This bill violates that principle. Perhaps the House desires to violate it, but we might just as well look it straight in the face and admit it when we are doing it, for the bill provides that after the first year, which is to be financed by the R. F. C., \$40,000,000 may be loaned annually by the Administrator, with no provision whatever for a Government cushion.

In the hearings Mr. Cooper is frank enough to say that in making the loans the security that the Administrator would receive would be the transmission line itself. In other words, the Government, through the Administrator, is making a 100-percent loan in every one of these cases.

Now, I think they have in the back of their heads some little hesitancy about having the Government embark on that lending policy and have done their best to write into the bill words which it is hoped will guide the judgment of the Administrator.

The chairman of the committee has explained that he must state affirmatively—perhaps I am not quoting the exact language—he must state his affirmative belief that the loan he is about to make is reasonably secure, although it is a 100-percent loan.

When a banker makes a commercial loan he tries to make up his mind whether or not it is reasonably secured. He will never make a 100-percent loan on that basis. There is no reasonable security for a 100-percent loan.

It may be that if the Administrator is conscientious—and I assume that Mr. Cook is—his conscientious judgment will lead him to turn down more loans than he approves. Unless the prospect of the earning power of the line is extraordinarily favorable he will have to turn them down.

If by an act of God the line is severely injured inevitably the Government must take the loss.

I have just returned from a visit to my own home town. I witnessed a scene there which astounded me. Ten days ago we had what we call in western New York an ice storm. By some freak of nature a drizzling rain froze as it fell and covered every twig, every branch, every tree, with an inch of ice. Every telephone wire, every power-line wire, was likewise coated, together with the brackets and poles. There was a shower of splitting trees and branches all over that country. The roads were blocked with rubbish-every wire was down. There was no telephone communication for 5 days. There was no electric power furnished out in the country along these roads to these farms for an equal length of time. The companies which operate those lines mobilized their repairmen, their linemen. Their staffs resident in western New York were not sufficient. They sent to neighboring States to get more linemen, and spent thousands and thousands of dollars repairing that damage. I can remember a similar storm about 10 years ago happening in the same country, where literally the power companies of western New York imported linemen, to help in the repair, all the way from the State of North Carolina. Millions of dollars had to be spent. Now, what becomes of a 100-percent loan in the face of such a thing as that?

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. WADSWORTH. Yes.

Mr. RANKIN. We have advanced considerably since those lines were built. A great many of these rural lines will be underground, and if they had that protection in the State of New York they would be free from the evil of these ice storms that seem to be tearing things to pieces up there.

Mr. WADSWORTH. If they put these lines underground, they will treble the capital investment to begin with and treble their loans.

Mr. RANKIN. Oh, the gentleman is wrong there.

Mr. WADSWORTH. I am not going to get into an argument about overhead and underground equipment. I am stating what has happened thus far.

Mr. RANKIN. But the gentleman's statement about the cost of putting them underground is wrong.

Mr. WADSWORTH. And so it happens with respect to destructive floods. We have only to remember the description of the floods which injured so seriously many of the valleys of this country 2 weeks ago. I happened to take a train that carried me along the Potomac Valley above Harpers Ferry the other day, and from the train window witnessed the destruction wrought by that flood in that valley. It is almost unbelievable. Of course, those things are repaired quickly. The human race is resilient and has extraordinary recuperative powers, but it costs money. You are organizing from a business standpoint on a mighty thin basis when you make a 100-percent loan. I anticipate that if any act of God, such as I have described, hits one of these installations provided for in this bill, the Government will have to take it over. The loan will go to default, the interest cannot be paid unless the Administrator in making the 100-percent loan is assured in advance that the rates to be paid by these farmers will be large enough to build a cushion in the hands of the local company, and if the rates are large enough to do that the rates will be prohibitive and they will not be accepted by the farmer.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOLVERTON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WADSWORTH. Mr. Chairman, please do not get the impression that I take no interest in this matter. It would be very strange if I were indifferent to it. I live in the country and my business is farming.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield? Mr. WADSWORTH. Yes.

Mr. RAYBURN. Does not the gentleman think that usually these corporations that do this kind of business have some kind of insurance, such as we do on our houses, against storms and hail, and so forth. Does he not think that the average corporation set up under this, even though a private corporation, would have some kind of insurance and charge a rate to take care of the insurance cost?

Mr. WADSWORTH. I do not know much about insurance, but I imagine the rate charged by insurance companies for a small concern of this kind, which already owes 100 percent of the value of its own property, would be pretty high, and would have to be added to the charge made to the consumer.

Mr. RAYBURN. The rate is high on farmhouses, but those of us who have them try to protect them, nevertheless.

Mr. WADSWORTH. Indeed, my interest in this thing is deep. My dread is that we are starting out in an unbusiness-like way, and there is going to be a lot of disillusionment. If the members of the committee will permit me to say so, I am tired, tired sick, of the disillusionment handed out annually by the Congress to the farmers of the United States. They are disillusioned too often. I am not going to enter into a lengthy discussion of that, however. I think from a sound business basis—and we ought not to do it in any other way—that the local people in all regions should be asked to put in a little of the money, say 15 percent.

put in a little of the money, say 15 percent.

I think you will have a healthier condition if you do it.
Could anybody object? The chairman of the committee says if you ask the local people to put in a cent, the whole thing

if you ask the local people to put in a cent, the whole thing will fall down; they will not put it in. That is a confession that the thing is unsound. Let us not do an unsound thing. Let us build this thing on correct foundations if we build it at all. I regret to see the Government going into the business of loaning money for commercial purposes, but I suppose we are in for it. We have been in it for 3 or 4 or 5 years now, but if we are going into it in this field, let us do it on a sound basis. We will get much further by going on a sound basis than by going on an unsound basis which, for the time being, seems attractive. We always pay the penalty for our economic errors. My judgment is that this bill, if passed, will not only bring disappointment with respect to the frequency with which its provisions are taken advantage of but it will also bring disappointment with respect to the number of local companies that the Government will have to take over, because they will be carrying a debt equal to 100 percent of their assets.

Mr. LUCKEY. Mr. Chairman, will the gentleman yield? Mr. WADSWORTH. I yield.

Mr. LUCKEY. Is the gentleman not familiar with the fact that we have been subsidizing the merchant marine, where we have been trying to build an institution for the benefit of our foreign trade and putting in a lot of money? Suppose we should lose some of these loans; would it not be a good asset to get this thing developed and put people back to work, and so forth?

Mr. WADSWORTH. I am not thoroughly familiar with the merchant-marine subsidy law, so called, but I do not believe we loan a shipbuilding company 100 percent of the cost of building the ship.

Mr. LUCKEY. I might call attention to the Dollar Steamship Line.

Mr. WADSWORTH. I do not know anything about it. Now, just one other matter before I conclude. I believe the tenure of office of the Administrator should be reduced from 10 to 5 years at least as a matter of public policy. The CHAIRMAN. The time of the gentleman from New

York [Mr. Wadsworth] has again expired.

Mr. RAYBURN. Mr. Chairman, I yield myself one-half

May I say to the gentleman from New York [Mr. Wadsworth], with reference to this 100-percent loan, that each month after the loan is made, the loan will become smaller and smaller, and the amount that it is reduced will go into the Treasury of the United States.

I now yield 10 minutes to the gentleman from Texas [Mr. Maverick].

Mr. MAVERICK. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include certain tables, excerpts, and a radio speech by the Rural Electrification Administrator. Hon. Morris L. Cooke.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

ELECTRIFICATION DIFFERENCE BETWEEN MISERABLE EXISTENCE AND DECENT STANDARD

Mr. MAVERICK. Mr. Chairman, I want first to discuss some of the social aspects in the matter of rural electrification. On account of modern conditions, electricity can make the difference between the most primitive and miserable existence and acceptable standards of real and decent American living. Too many farm women are slaves of the water pump, or even have to use water hauled for many miles in barrels. They are likewise the slaves of the scrubboard in the back yard. Too many people who live on farms are barely scratching out an existence, and they need rural electrification. There are too many young people wanting to get away from the farms, so we ought to help make the farms livable, instead of making speeches about the wickedness of youth. We have electricity in all of the industrial and congested centers, and we need it for the farms. Instead of this being for 10 years, I think it ought to be made permanent.

I think it ought to be as long as we have a nation. Rural electrification means so much to every phase of rural life that it is our duty and responsibility to see that its progress is unimpeded. Rural electrification is a matter of concern to all of us. It is an eminently proper field for the Federal Government.

MORRIS L. COOKE ONE OF ABLEST ADMINISTRATORS IN AMERICA

I want to say about Administrator Mr. Morris L. Cooke—I have heard he was a Republican, and he may be one now, but he is one of the ablest men in the United States Government. I know of no more able administrator in the United States than Mr. Morris L. Cooke; he has had long, successful experience and he is the kind of faithful and intelligent man we need in Government service. He has done and is doing a good job. He has long recognized the vital necessity of a planned development and utilization of our facilities and resources, including rural electrification.

(For a full statement of his views, and the program of REA, see I, speech of Morris L. Cooke, Rural Electrification, p. 5288.)

This movement to take power to the farm is not just an effort to do something for the farmer, but it is an effort to do something for the whole United States. It is a vital thing for the preservation of our natural resources. If one lives in a city he has to exist off natural resources, and unless we conserve those resources, unless we use our natural resources in a wise and proper way, cities cannot exist.

Another thing, we cannot let our people in the rural sections go on living, deprived, through no fault of their own, of the ordinary decencies and amenities of life. I live in a city district. I do not live in a farming district. I live in one of the biggest cities in Texas, and as far as my voters are concerned, I think only something like 3 percent of them are farmers, so I am not appealing to any great farm vote when I say that I will do everything I can to get those farmers, and all others in America, electricity. But to go on, our cities are largely electrified. All of our major industries are electrified. In this country only one farm in nine has electrification.

(For further facts about farm life, see II, Farm Statistics and Four Ways to Get Electricity, p. 5290.)

Power companies have built farm lines solely to provide private profits. This is not in criticism of the companies,

but a statement of fact. The only reason the farmers have not built the lines is because they have not had the opportunity.

FOREIGN COUNTRIES HAVE MORE RURAL ELECTRIFICATION THAN AMERICA

I have read several books on rural electrification, and I want you to hear me when I say that the farms in Holland, Germany, and Sweden, all are better electrified and have a greater percentage of electrification than those in the United States of America. Even Japan has electrified its farms—Japan 90 percent electrified; the United States 10 or 11 percent.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. MAVERICK. I yield to the distinguished gentleman from Mississippi, one of the greatest advocates in America of cheap power to the people.

Mr. RANKIN. Those countries are better electrified than they are in any State of the American Union.

Mr. MAVERICK. Yes; that is unfortunately true; and I shall mention some of the States as I go along.

(For more data on States see III, Rural Electrification in the States, p. 5290.)

We can have rural electrification in this country. This is proved by the fact that Ontario with conditions similar to ours enjoys rural electrification; and I do not believe the Canadians are any more capable of self-government than we.

I stated these foreign countries all had more rural electrification than the United States. Now as to States: I am not here to make a confession or to say embarrassing things about my own State. We from Texas are always prone to brag about our scenery and the size of our State. We have more farmers than any other State, but we rank forty-fifth in the scale of farm electrification. There are, however, States in the North, in the Dakotas, the Middle West, the West, and even some in the East in a bad condition, so far as rural electrification is concerned, but all of them are worse off in this respect than the European countries.

RURAL ELECTRIFICATION MATTER OF PUBLIC SERVICE, NOT GREED AND PROFIT

So long as we look at the matter of rural electrification in the light of economic greed, private profit, and speculation, nothing will ever be done for the farmer. We cannot do this on the basis of immediate dividends and immediate profits. We cannot rely on the private utility industry alone, we must look at the subject from a viewpoint of public service.

UTILITY COMPANY SAYS DEVELOPMENT IS FEAR OF GOVERNMENT COMPETITION—REAL REASON IS POSSIBLE ORGANIZATION OF FARMER

As I stated, I have been doing some research on this problem. I want to read to you the attitude of certain private utility people as reflected in the publication called the San Antonio Light, issued on January 30 of this year. This statement is made:

Facing possible competition from the Government in supplying electric energy to rural communities and farms near Bexar County, the San Antonio Public Service Co. has launched an extensive development of its south Texas department.

N. Bernard Gussett, general superintendent of the south Texas department, Thursday pointed out that during 1935 the company strung almost 30 miles of extensions. In 1936 an additional 44 miles of wiring is contemplated. At present the company serves approximately 1,092 rural customers with lines totaling 182 miles.

Until only recently, C. N. Chubb, company president, admitted SAPSCO and other utility interests ran high lines into communities only where a profit was assured.

Now, however, Chubb said, utility companies intend to blanket their territories with lines to avoid Government competition.

Rural residents pay a slight premium for their power as compared with the city dweller, however. The first 35 kilowatt-hours cost 7 cents on the farm, compared with the city rate of 3% cents for the first 35 hours.

Since the appearance of radios, electric refrigerators, and electric ranges the profits on farm service have increased, Gussett said.

Mr. Chairman, I deny that it is on account of Government competition. We can say all we please, but there is no Government competition in this particular bill. The fine gentleman who made these statements, managing a company

which operates in my own State, and from whom I myself buy power were not afraid of the Government of the United States, because the utilities pretty well run the State of Texas. They are unrestrained; we have not even got a utility commission in the State of Texas. So far as utility legislation is concerned, we are probably the most primitive State in the United States of America. But what this company and all utility companies are afraid of is that the farmers will get together under this act and get enough money to form their own organizations and bring electricity to their own homes. So they are preparing to give this service over southwest Texas. That is fine. But the Government is not in the power business in Texas even though it is in Tennessee; so these companies cannot claim they are actuated by fear of Government competition. They are afraid the farmers will organize and get the service for themselves.

SPITE LINES AND COURTS—INJUNCTIONS AND DILATORY TACTICS

Mr. McFARLANE. Mr. Chairman, will the gentleman

Mr. MAVERICK. I yield to my good friend from Texas.

Mr. McFARLANE. The gentleman might add that the power companies in Texas have taken due precaution to block this as long as they could by filing injunction suits on every water project that could be used to develop electrical energy.

Mr. MAVERICK. I am not criticizing the power people for using the courts. I would use the courts, too, if I were a power lawyer; your statement of fact, however, is correct. Let me tell you, however, of another practice. One thing some companies did was to build fake lines. They would go out and set up a few poles and string a slack wire to keep the farmers from organizing. In other words, the utility companies, in building these fake lines, were asserting their monopolistic rights under the utility commissions. This is not true in my own congressional district, but it is true in other parts of Texas, and in other places over the Nation.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman

Mr. MAVERICK. I yield for a brief question. Mr. ZIONCHECK. I just wanted to make the observation that the utility companies are not primarily interested in putting up lines and getting electricity to consumers in rural communities; they are primarily interested in selling stocks and bonds, and nothing but soap wrappers at that.

Mr. MAVERICK. That is right. Their chief interest, of course, is in private profit. That is all they are interested in. That, necessarily, is the attitude of private power com-

panies.

But let me mention specifically the electric situation in my own district, which I think is about like any other in the United States: The utility company is very rightfully in business for profit, and I presume that that motive alone dominates its policies. Concerning 182 miles of lines, they report 1,092 users; that is, 6 users to 1 mile. The Rural Electrification Administration, or REA, state that farm lines can have as small a number as three to a line; therefore, the figures given by the San Antonio company are more suburban than farm. The point is that the farmers of this country ought to have electrification, even though high profits are not made. Farmers should demand this. just as any group of our citizenship should demand a decent standard of living for themselves and posterity.

READ MARQUIS CHILDS' BOOK ABOUT SWEDEN

In the first part of my speech I mentioned the fact that the United States is behind other countries in rural electrification, and the country which is probably more like us in race and temperament among those mentioned is Sweden. Everyone should read Marquis Childs' illuminating book on Sweden, which he aptly terms "The Middle Way." Sweden is no socialistic or communistic country; the people are not violent radicals, nor are they reactionary; they do not incline toward forcible regimentation, but they have brains enough to use public ownership where necessary and voluntary cooperatives when found beneficial to the people.

It seems to be that the philosophy in Sweden is to stay out of war, to be peaceful with their neighbors, and build up their country for the benefit of the people who live in it, instead of having big dividends for a few of the people. is true that Sweden is a foreign country, but I should like to see electricity provided for our rural residents in the same way; that is, on a cooperative basis, and for the effect it will have on the farmers themselves and not for the effect it will have on Power Trust dividends; and, as in Sweden, it will probably be found that business is in no way diminished and that publicly produced power can exist side by side with privately produced power. But let me make this plain.

THIS BILL DOES NOT MEAN GOVERNMENT OWNERSHIP

The enactment of this bill does not mean Federal Government ownership and operation of rural lines. It means that the farmers themselves should own and operate the systems which bring them electricity. Lines which would never return a profit to a private utility can be, and are, entirely self-supporting when profit considerations are eliminated. Cooperatives, nonprofit and mutual companies, public power districts, municipalities wishing to extend their service into the surrounding rural area—all these are proper vehicles for taking power to the farm.

In the past farmers have often been required to pay the entire cost or a large part of the cost of the electric line to serve them. Then they had to buy enough electricity to pay the cost of the lines again. They were paying the power company interest on the farmers' own investment. So let us give the farmer a break.

Since the farmers have so frequently paid for the lines anyway, there is every reason to believe they can afford to own them. Right now, when the Federal Government has shown the way to successful low-cost line building, it seems improper for us to discontinue our efforts.

It will not do to drift in the presence of such rare opportunity. We must accord the farmer justice-which is all our rural people are asking. We must continue the path we have started to follow, since we can see it leads to our goal of wide availability of electricity.

ELECTRICITY IS A SOCIAL NECESSITY

Electricity is a social necessity. We have the natural resources for its manufacture, so why not do it? Illumination by electricity is just as necessary now as was illumination by candles, lanterns, and whale oil lamps in the past. Electricity is necessary to protect our waters in its many phases, including irrigation in practically one-third or one-half of the farming territories of the United States. We should have electricity for refrigeration, radio, power, and heat. Why not?

The aim of those who favor this bill is to take electricity to as many farms as possible in the shortest possible time. and to have it used there in quantities sufficient to affect rural life. The reluctance of the utility industry to make any concerted approach to that objective on its own initiative has been amply demonstrated. Our choice is between action and inaction, between haphazard, planless rural lines, and complete coverage.

The program contemplated in the legislation pending before this House would harm no person or legitimate interest and would help the whole Nation. Even the private power industry will be helped by providing an outlet for surplus power at wholesale rates. (See IV, statement of John T. Flynn, p. 5645.) The stimulus to production and sales of line materials, plumbing supplies, electrical appliances, and electrical farm equipment can scarcely be conjectured. By eliminating waste and increasing efficiency, greater farm income can be obtained without burdening the consumers. The farm will once more be as attractive to the young people as the town, and farm drudgery will be lifted from the backs of our men and women.

YES, WE AMERICANS CAN AFFORD ELECTRICITY IF SWEDEN, GERMANY, HOLLAND, AND JAPAN CAN HAVE IT FOR THEIR FARMS

Mr. Chairman, I have already heard on this floor that we who live in the richest nation on earth cannot afford this. That the farmer has not got any money now and is just scratching through and has such a low standard of living that there is nothing we can do about it. And yet, I must say, that in Sweden-yes; even in Japan-that the people, through their governments, have had sense enough to provide themselves with electricity and have increased their standard of living. Sweden, as I said, is a fair comparison. In a cold climate, with short seasons, they have given their people a much higher standard of living through encouragement of private business and, at the same time, cooperatives by citizens and farmers. Also, as I have said before, Canada has proceeded to give their farms electrification and their farming population a better standard of living, and I believe that we are capable of doing quite as much as the Canadians. I believe that this will prove in all cases practical, businesslike, sensible-not profitable in the sense of producing huge gains in money for a few, but that it will pay for itself financially and give huge gains in human life.

RURAL ELECTRIFICATION

(The following is a speech delivered by Hon. Morris L. Cooke, head of the Rural Electrification Administration, delivered October 21, 1935, under the auspices of the Evening Star, Washington, D. C. Since he delivered this speech considerable progress has been made. See other tables for information.)

In order that you may have a better understanding of the aims and objectives of the Government rural-electrification program, let me explain why it appeared necessary to take some action to change the rate of progress of rural electrification in this country.

About half a century ago the French novelist, Emile Zola, wrote:

"The day will come when electricity will be for everyone as the waters of the rivers and the wind of heaven. It should not merely be supplied, but lavished, that men may use it at their will as the air they breathe."

And the late Charles P. Steinmetz, one of our greatest authorities on electricity, foretold the time when electricity will be so plentiful that for retail use it would not pay to meter it.

ONLY 10 PERCENT OF AMERICAN FARMS ELECTRIFIED

In many of our industries and in many modern city homes the day foretold by Zola seems to be approaching. In some foreign countries electricity has been made available to almost every resident, urban or rural. But when we survey the situation in our own countries electricity has been made available to almost every resident, urban or rural. But when we survey the situation in our own great Nation we find that only a little over 10 percent of the farms in the United States have been electrified, although the electric light and power industry recently celebrated its fiftieth anniversary. During the depression years and in the early stages of the recovery the business of extending rural lines had come almost to a standstill. As a matter of fact, the number of unelectrified farms actually increased by more than 350,000 in the 5-year period 1930 to 1934 because in that period new farms were added faster than electrification was extended to farms.

RURAL ELECTRIFICATION DELAYED; UTILITY INTERESTS SLOW TO COOPERATE

Many factors delayed the extension of rural electrification. To overcome them a strong national effort was required. Among these hampering conditions were charges for energy in rural areas that were prohibitive and out of line with charges to urban consumers. were prohibitive and out of line with charges to urban consumers. Then, too, burdensome conditions were imposed upon the extension of rural lines which penalized the hard-pressed farmer and discouraged his efforts to become a customer. And then there was the lack of facilities to finance home and farm electrical equipment which was needed if rural consumption was to increase and

ment which was needed if rural consumption was to increase and the benefits of real rural electrification were to be available to the farmers. In addition, some utilities that desired to extend rural lines were unable to borrow money privately on reasonable terms. When to all this was added the inertia of many units of the utility industry, their traditional policy of extending their monopolistic franchises as widely as possible while extending their services only to those areas which were most profitable, the outlook for rural electrification was indeed unpromising.

DROP IN UTILITY CONSTRUCTION INCREASES UNEMPLOYMENT

Because of these and other adverse conditions, utility construction shrank from approximately \$920,000,000 in 1930 to \$100,000,000 in 1934. This threw out of employment and onto the relief rolls a vast reservoir of skilled labor which was anxious to return to its old tasks. Those manufacturing industries whose products are required for rural-line extensions were for the most part work-

are required for rural-line extensions were for the most part working only part time.

You can well imagine that such conditions were of particular interest to an administration pledged to improve the living conditions of our rural areas and interested in extending to the farmer as many as possible of the benefits of urban life. One of the many modern conveniences which we take for granted in the city—without which, indeed, life in our cities would be impossible—is running water. Yet we found the percentage of farmhouses with running water was almost identical with the ratio

having electricity. That is not a coincidence, for electric power is the most satisfactory method of providing running water on the farm.

About 60 percent of our farms have automobiles, and over a third of them have telephones. In every area where electricity has been made available to them, the farmers have demonstrated not only ability but ardent willingness to utilize it. It is certainly not a fact that only 1 farmer in 10 wants electric power. Such, then, were the conditions existing when the Government

launched its rural electrification program.

CONGRESS EARMARKS \$100,000,000 FOR EURAL ELECTRIFICATION

CONGRESS EARMARKS \$100,000,000 FOR RURAL ELECTRIFICATION

The Congress took the first step in this program when it earmarked \$100,000,000 of the work-relief funds to be used in increasing the degree of rural electrification in this country. President Roosevelt last May created the Rural Electrification Administration to put that money to work and to supervise a program to bring about greater utilization of electric energy in rural areas.

REA is trying to bring electric power to the greatest possible number of farms in the shortest possible time. It is strongly urging that in the construction of rural lines entire areas be served, thus taking "the skimmed milk with the cream"—a policy that many utilities have in the past been reluctant to follow.

Loans at an interest rate of 3 percent, to be amortized over a period of 20 years, are to be made to the public as well as private bodies on approved self-liquidating projects. No grants will be given.

be given.

Normally the construction of 25 or more miles of rural lines where customers average three or more to a mile will be considered a project. Construction cost would be approximately \$1,000 per mile, and there should be a prospect of building up consumption of current to exceed an average of 100 kilowatt-hours monthly per customer.

NEW METHODS IN BUILDING FARM LINES

In order to achieve these objectives new and inexpensive standards of rural line construction, lower rates, and a new type of service contract, free from the burdensome conditions heretofore prevailing, must be established. Rural lines must be "tailored" to the farmers' needs and the use of expensive urban construction eliminated. In conjunction with the approval of projects REA is insisting that rate schedules be adopted which will encourage the generous use of electricity. A special effort is being directed toward breaking down antiquated systems of high minimum monthly charges and of requiring consumer cash contributions before lines are extended. before lines are extended.

At least 25 percent of the money lent is to be expended for labor under each particular project carried on by a public body, and preference in the employment of workers will be given to persons from public relief rolls. Wages will be determined by REA, but in accordance with local wage conditions.

REA has sought to find the best method by which all interested agencies might cooperate in the rural electrification program. In this effort agencies of all types have been consulted. At the outset REA called conferences of the private utilities, the municipal utilities, and cooperatives. These took the form of round-table discussions, in which REA participated. There was a mutual exchange of points of view, resulting in a much more efficient approach to the problem on the part of all.

COOPERATION WITH OTHER GOVERNMENT UNITS AND FARMERS' ORGANIZATIONS

Liaison has been established with all Government departments and agencies which have an interest in the farmers' welfare or the electric industry. State agencies, such as the public service commissions, State rural electrification authorities, and the State departments of agriculture, have been consulted. Splendid cooperation has developed between REA and national farmers' associations. ciations, such as the American Farm Bureau Federation, the National Grange, and the Farmers' Union. Almost daily we are receiving reports from private companies containing their 1935–36 line-construction programs, accompanied in some instances by revised rate schedules and rules for extending lines.

The lethargy in which rural electrification has rested up to the present makes it necessary for REA to undertake extensive initiatory work before the rural electrification program can attain its fullest development.

MONTHLY BULLETINS AND PAMPHLETS

To that end we have prepared and distributed small printed To that end we have prepared and distributed small printed pamphlets announcing and explaining the Government rural electrification program. We are distributing a monthly bulletin to serve as a central clearing house for information on all rural electrification activities—Federal, State, and private. (This monthly bulletin, Rural Electrification News, will be sent each month on request.) Through the medium of that bulletin, and otherwise, we are collecting statistics of rural electrification and effecting an interchange of plans, progress, and technical developments. There has been an extreme dearth of accurate statistical information on rural electrification. For example, even now we have no way of rural electrification. For example, even now we have no way of telling precisely how many miles of rural lines there are in this country, and even as to the number of farms receiving electric service there is a marked difference in the statistics issued by recognized authorities.

This information service has progressed quietly, without any fanfare of trumpets nor beating of drums. It has consisted largely of keeping those who are, or who may become leaders and

active participants in our program currently informed of our activities, and seeing that pertinent information from one part of the country is called to the attention of interested persons in other

LEGAL AND ENGINEERING SERVICE AVAILABLE TO PUBLIC AND PRIVATE GROUPS

To be effective, an information service must be supplemented by

To be effective, an information service must be supplemented by more direct contacts. Hearty cooperation has been assured by the private-utility industry. The cooperative movement, already well established as an aid to the farmer in both production and consumption, is anxious to play a significant part in the REA proprogram and has requested contacts by REA representatives. To these, as to all other enterprises participating, we make available, in an advisory capacity, our legal and engineering services.

REA engineers have drawn up standard specifications for a type of line construction most suitable to rural needs. These standards are now in the hands of national authorities in electrical engineering for final checking. (These suggested construction methods have been printed and may be purchased from the Superintendent of Documents, Government Printing Office, Washington, for 20 cents a copy.) The effect of such a service is to reduce costs to a minimum consistent with satisfactory operation; this in turn means a lower cost of electricity to the consumer. Model bylaws and standard forms for incorporation suitable for electric cooperatives have been prepared. cooperatives have been prepared.

COOPERATIVES IN MANY AREAS

Cooperatives in many areas have already done a thorough job of organizing farmers who are asking for rural electrification, and they have submitted many applications for loans. Electric cooperatives which have been operating for years almost unknown to the industry at large are preparing to expand their activities.

Certain national farmers' associations—the American Farm Bureau Federation and the National Grange, among others—have created special sections and committees to aid the farmer in procuring electric service. Part of the activity of these national associations is being carried on in conjunction with State departments of agriculture. State agricultural colleges are continuing and in some cases expanding their activities relating to rural electrification.

Despite the inertia which has beset the rural electrification situation, REA has already docketed potential projects from 46 States. While some of these may not now, or even after amendment, satisfy the several requirements laid down by the President, many of them undoubtedly will. And where a project proves too weak, there is always the possibility of combining it with another and stronger one.

Many of the projects which were submitted early have met our many of the projects which were stabilited early have her our engineering, legal, and economic tests. Right now, loan contracts are awaiting signature on 11 rural-electrification projects in seven different States. Action on many more projects is rapidly approaching completion, and loan contracts for them will probably be completed soon.

REA SMALL UNIT OF TRAINED PEOPLE

The Rural Electrification Administration itself is a small, intimate group of specialists and near specialists. There are only about 200 names on our pay roll. We depend very largely on the initiative of farm leaders to organize projects, to make vocal the demand of farmers in their communities for electricity. We are all located here in Washington, and in our few short months of life we have been presty busy.

all located here in Washington, and in our few short months of life we have kept pretty busy.

In the meantime, in response to the stimulus given by the Government program, thousands of miles of rural lines are being built throughout the country with private financing. Power companies have reduced their rural rates and liberalized their rural extension terms, and utility commissions have revised their regulations to conform with the new spirit evident everywhere.

This burst of speed in rural line construction is highly gratifying in itself, and especially so when compared with the actifying this field prior to 1935. The number of new rural customers to be added in the State of New York alone as a result of the program recently announced by private utilities in that State may easily exceed the increase for the entire country in the year 1934.

PROGRAM SUBSTANTIAL CONTRIBUTION TO AGRICULTURAL WELFARE

When it is considered that in spite of the fact that the most When it is considered that in spite of the fact that the most profitable customers have already been connected by utility companies, the number of new lines constructed in 1935 will, in all probability, exceed by several times the construction of 1934, and that definite evidence points to 1936 as the year in which rural line construction will exceed even the most prosperous years of the industry, the Federal Government may be confident that its rural electrification activity is one of the really substantial contributions to the agricultural welfare of the Nation.

The Government rural electrification program is based entirely on the principle that the time has come to abandon practices generally admitted to be outworn and to adopt forward-looking policies made possible by the favorable 1935 conditions. What we need in this program, as in any other new activity, is the inquiring

cies made possible by the favorable 1935 conditions. What we need in this program, as in any other new activity, is the inquiring mind and a fresh and untrammeled point of view. It would be a capital blunder to spend millions of dollars for rural electrification using standards which have produced such unsatisfactory results in the past, and leave America as it is today, a backward country in furnishing its rural population with the comforts and necessities of electrical power.

FARMERS SHOULD GET RETTER CONDITIONS

We believe that the electricity from the lines should be sold under entirely different conditions than are now customary in rural areas. For example, we feel that any sort of service charge which does not include some current should be avoided in billing farm customers. Room and area charges are not suitable to ordi-

we recommend a simple system of block rates, with a promotional rate schedule. Higher use is induced by having the price per kilowatt-hour drop sharply in the second and following blocks

The minimum monthly bill for the rural customer should not exceed \$3 or \$3.50, and this sum should include enough current—40 or 50 kilowatt-hours—for ordinary lighting and minor house hold appliances

hold appliances.

Customer contracts for rural service which provide for a monthly minimum guaranty should have a definite termination for such guaranties, normally in about 3 years.

In areas where farms average between three and four to the mile, rural extensions should normally be built without customer contributions. The rules governing extensions should be phrased so the prospective customer can understand them without an interpreter. Some contracts in the past haven't been understood even by the companies themselves, I think.

Such principles as these, we feel, must be adopted before satisfactory progress is made in rural electrification in this country.

PLANNING IS IMPORTANT

PLANNING IS IMPORTANT

The most important requirement of present and future rural electrification in the United States is planning. We must have a great national plan which is the sum of many smaller local plans. Each group concerned with rural electrification must have its own plan, and each of these must be coordinated into an integrated whole. These plans may very well be in the form of quotas, self-allotted goals reasonably capable of attainment. There must be a quota for all of rural America, and a quota for each State, and a quota for each county, each community.

Each appliance maker must have a quota, each public and private utility organization must determine its share in the rural electrification program. Private utilities now operating in rural territories should as a rule at least double the amount of current sold. Let me repeat that and emphasize it: The total kilowatthours of electricity consumed in the homes and on the farms of

hours of electricity consumed in the homes and on the farms of the United States can and will be doubled in the next few years.

the United States can and will be doubled in the next few years. Naturally, even the attainment of that quota will be only the first step in our long-range plan. But right now we are concerned with a condition that amounts to an emergency. We have two things to do, as I see it. We have to prepare a sound, forward-looking program leading ultimately to very general rural electrification, and we have to get that program started and a lot of progress made in the months and years just ahead.

NATION AS A WHOLE BENEFITS

The benefits to the country as a whole from the acceleration of this program are, first, the direct employment in the construction of lines of thousands of men now on relief rolls; and, second, the stimulation of the copper, glass, and lumber industry and electrical equipment fabricators with resulting increases in employ-

ment, pay rolls, and profits.

Additional benefits will arise from the stimulation given industrial recovery by the increased demand for electrical appliances and plumbing equipment which rural electrification make it possible for the farmer to use.

ELECTRICITY RAISES FARMERS' STANDARD OF LIVING

It is impossible to overestimate the true significance of rural electrification in the stabilization of farm life and the reconelectrification in the stabilization of farm life and the reconstruction of agriculture. The use of electricity for the pumping of irrigation water and its relation to soil erosion make rural electrification an indispensable factor in the new era of agriculture. Electricity will remove the drudgery from farm life, and the cultural benefits that arise from its abundant use will lift the plane of the farmer's standard of living. This will help to stabilize our rural population and keep our best young people on the farm. The program under way promises results satisfactory, not only to the Federal Government and to farm communities, but to the power companies as well. REA has diligently cultivated friendly rural organizations, equipment manufacturers, cooperatives, mu

rural organizations, equipment manufacturers, cooperatives, mu-nicipalities, privately owned utilities—and it is to the united exertions of these groups that credit will be due for the success

of its program.

In this period of stress and shifting standards in American life one master problem stands out. This is rural rehabilitation. But, of course, the problem can be made to sound more simple than or course, the problem can be made to sound more simple than it really is. In any plan for rehabilitating American agriculture one must include the salvation of our soils from erosion, the building up of farm incomes and a general improvement in the levels of living to the end that the gap which now exists between urban and country life may be closed. And in any such planning for the economic and cultural betterment of life in rural America, electrification must play an increasingly important part electrification must play an increasingly important part.

Mr. Chairman, this speech was broadcast last October, before a single REA loan contract had been executed. Let us look at the record and see what has been accomplished during the winter.

Federal funds have been loaned or finally earmarked for Number of farms and farms served by electric central stations in 44 REA projects in 20 States, including 3 in Texas; the total amount allotted is \$8,265,912. Definite loan contracts, binding the Government to advance funds as construction advances, according to approved specifications, have been executed for 26 of these projects.

These projects extend literally from Canada to the Gulf of Mexico and from Virginia to Idaho. They are being built by cooperatives, municipalities, rural public power districts, private utilities, State government agencies, and nonprofit and mutual companies.

An interesting project, illustrating how this rural-electrification program can help utilize our present facilities, is the one sponsored by a utility company in Oklahoma. The company has an ice plant with diesel-powered generators four times as powerful as the ice machinery needs, even in the summer. The company is now building, with money borrowed from REA, a 30-mile system of rural lines to use this surplus capacity. With the installation of household refrigerators and milk coolers on the farms the lines reach, the company will be selling ice by wire. All the drip and dirt and mess will be left in the ice plant, not carried into the farm kitchen.

Mr. Cooke predicted, in the speech above, that rural-line construction would probably show a great increase in 1935 over 1934. Figures compiled recently prove the accuracy of that prediction: 175 percent more new customers—almost three times as many—were added to rural electric lines in 1935 as in the preceding year.

FARM STATISTICS AND FOUR WAYS TO GET ELECTRICITY

The Rural Electrification Administration offers some very interesting information of the primitive condition of our farms. In pamphlet recently printed, Light and Power for the Farm, it said:

Lack of electricity shuts out the electric pump, denying to most farmers the sanitation and living comforts that go with household and farm water systems. National surveys disclose that of the

32,700,000 persons in this country living on farms:
Seventy-three percent must carry water from wells or other sources of supply.

Seventy-seven percent must put up with unsanitary, inconvenient outdoor toilets.

Ninety-three percent have neither bathtub nor shower.

Seventy-six percent must depend upon kerosene or gasoline lamps; apparently about 10 percent use candles or are entirely

without light.

Thirty-three percent heat their homes partially or entirely with fireplaces; and 54 percent with stoves.

Forty-eight percent are compelled to do their laundry work out

In its desire to relieve the hardships which these figures re-flect, Congress decided that the farmers of the country can and should have electricity and the benefits that go with it.

I quote this pamphlet further:

FOUR WAYS TO GET ELECTRICITY

If you live in an area where self-supporting electric power and light lines are feasible, and if you and your neighbors can start a sound project that will satisfy REA conditions, electricity for the farm may be obtained:

(1) Through your nearest private power company.

(2) Through a nearby city-owned electric plant, which perhaps can and will extend its electric distributing lines to serve you and your neighbors, or a public-utility district, or some other form of public body now existing or which perhaps may be formed under the law of your State. the laws of your State.

(3) Through a farmers' cooperative association or other local corporation which may be created under the laws of your State with power to operate an electric line.

TIT

RURAL ELECTRIFICATION IN THE STATES

Mr. Chairman, the question of rural electrification in the various States is worthy of our study. As stated by Mr. RANKIN, the distinguished gentleman from Mississippi, the United States as a whole has less rural electrification than many foreign countries, and besides that, even New Hampshire and California, which have more rural electrification than any other State, still have less rural electrification than the foreign countries mentioned. The statistics on States are as follows:

	Number of farms Jan. 1, 1935 ¹		Number of served De 1935	e. 31,	Percent of farms served		
		Rank	and a spirit	Rank	outsovella	Rank	
United States	3 6, 812, 669	100000	788, 795	1000	11.6		
Alabama	273, 455	7	11, 442	23	4.2	34	
Arizona	18, 824	43	5, 921	33	31.5	12	
Arkansas	253, 013	9	3, 847	38	1.5	47	
California	150, 360	24	81, 100	1	53. 9	2000	
Colorado	63, 644	32	7, 236	31	11.4	2	
Connecticut	32, 157	39	10, 488	25	32.6	11	
Delaware	10, 381	46	1,865	45	18.0	21	
Florida		30	5, 686	35	7.8	28	
Georgia	250, 857	10	7, 128	32	2.8	42	
Idaho	45, 113	34	14, 872	16	33.0	10	
Illinois	231, 312	11	29, 485	9	12.7	23	
Indiana	200, 835	15	25, 390	10	12.6	24	
Iowa	221, 986	12	32, 916	8	14.8	22	
Kansas	174, 589	21	13, 997	20	8.0	27	
Kentucky	278, 298	5	8, 991	28	3.2	39	
Louisiana	170, 216	22	3, 296	39	1.9	46	
Maine	41, 907	36	14, 349	18	34. 2	20	
Maryland	44, 412	35	8,003	30	18.0	20	
Massachusetts	35, 094	38	14, 690	17	41.9	7	
Michigan	196, 517	18	50, 876	4	25. 9	16	
Minnesota	203, 302	14	14, 190	19	7.0	30	
Mississippi	311, 683	2	3, 130	40	1.0	48	
Missouri	278, 454	4	18, 643	12	6.7	31	
Montana	50, 564	33	2, 899	42	5.7	32	
Nebraska			9, 946				
	133, 616	25 48	976	27	7.4	25	
Nevada New Hampshire	3, 696 17, 695			26	26. 4 57. 6	18	
New Hampshire		44	10, 186				
New Jersey	29, 375	41	15, 356	15	52.3	4	
New Mexico New York	41, 369	37	1,400	46	3.4	38	
	177, 025	20	61,506	2	34.7	8	
North Carolina	300, 967	3	11,558	22	3.8	36	
North Dakota	84, 606	27	1,988	43	2.3	45	
Ohio	255, 146	8	52, 913	3	20. 7	18	
Oklahoma	213, 325	13	5, 854	34	2.7	43	
Oregon	64, 826	31	19, 284	11	29.7	14	
Pennsylvania	191, 284	19	47, 584	5	24.9	17	
Rhode Island	4, 327	47	1,975	44	45.6	6	
South Carolina	165, 504	23	4, 763	37	2.9	41	
South Dakota	83, 303	29	2, 928	41	3.5	37	
Tennassee	273, 783	6	10, 922	24	4.0	35	
Texas	501, 058	1	12, 039	21	24	44	
Utah	30, 695	40	16, 554	13	53. 9	3	
Vermont	27,061	42	8, 116	29	30.0	13	
Virginia	197, 632	17	16,088	14	8.1	26	
Washington	84, 381	28	40, 454	6	47.9	5	
West Virginia	104, 747	26	5,005	36	4.8	33	
Wisconsin	199, 877	16	40, 413	7	20. 2	19	
Wyoming	17, 487	45	547	48	3.1	40	

1935 Census of Agriculture.
 Edison Electric Industry Bulletin, March 1936.
 Preliminary and subject to revision. Includes 89 farms for the District of Colum-

JOHN T. FLYNN, OF NEW YORK WORLD-TELEGRAM, EXPLAINS BENEFIT. RURAL ELECTRIFICATION

John T. Flynn, who contributes to the Scripps-Howard newspapers, recently wrote a penetrating article on the purposes of the R. E. A. and dispelled some current illusions. He said, in part, as reported in the New York World-Telegram:

Comments lately on the plans of the Rural Electrification Administration indicate that its objectives are pretty well misunderstood. Because of the Government's attack on holding companies in the utility field there is a notion that the REA is some sort of reinforcement for the Government's designs against the utilities—a kind of third member of a trinity consisting of TVA, SEC, and the REA.

This is in no sense true. It is the one arm of the Government which aims to act in friendly cooperation with the utility interests. Its plan is to extend electric power to as many American farms as possible. This it proposes to do by asking utility companies to utilize its resources. * *

Where the utility company is not willing, not disposed to take the risk, then REA encourages farmers to form themselves into cooperative groups to buy power wholesale from the utility. * * *

This enables the farmers to get power, the utility company to get customers, the electrical construction industry to get a contract, the electrical supply industry to sell equipment.

Mr. WOLVERTON. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. Holmes].

Mr. HOLMES. Mr. Chairman, in relation to the legislation now pending before the Committee, I feel very much like my two colleagues who just preceded me and who spoke against the bill S. 3483. Very little has been said about the burden that this administration by its extension of rural lines is going to shoulder onto the individual farmers before they may take advantage of rural electrification. I think it is the intent of the Administrator of this act to deal only

with large cooperative units. I do not believe it is their | intention to touch or extend any of this electrification to communities unless there is involved somewhere between 75 and 100 or more miles in the project. This will mean that many of the territories and States in the United States are going to be left out in the cold and get no advantage whatsoever. All you have to do is to read the Administrator's testimony as given before the committee, which pretty well defines their policy in extending or carrying out this legislation which is now pending before the House.

Let us assume an area up in New England or in my own State, comprising about 25 square miles, in which 75 farmers could be accommodated. They form a cooperative group to take advantage of this legislation and expect to receive help under this act. The Administrator figures it will cost approximately \$25,000 to build the main lines which carry the energy to this cooperative group of 75 people. In addition to that, the Rural Electrification Administration is permitted and allowed to finance the wiring of the house, the purchase of certain appliances that may be necessary, as well as the purchase of electric pumps, electric stoves, and any other appliances which the farmer feels he may need for his convenience in the utilization of this electricity. It is estimated it will cost the individual farmer approximately \$700 as his share of the expense in order to secure this electricity. In other words, if there are three farmers to a mile of line and it cost \$1,000 a mile, this means approximately \$350 for each farmer's share of the line. This has to be amortized over a period of 25 years. The Administrator submitted figures himself which showed it would cost about \$350 to wire the house, buy the cook stove, put in the bathrooms, tubs, and many other conveniences on the farm, and the Administrator may lend the money for these purposes. Therefore, the farmer has to assume a burden or liability of approximately \$700 or \$800 before he can take advantage of this rural electrification program.

At 3 percent, interest on this \$50,000 will cost this group of farmers \$1,500 a year. That is the first obligation. Then they have to amortize the \$50,000 investment over a period of 25 years. He therefore assumes another burden of \$2,000 a year in order to meet his obligation at the time of maturity. This obligates him practically for \$4.33 or \$4.50 a month as an initial charge before he can utilize or consume any

electric energy.

The Administrator estimates that in all probability, through education and through utilizing to the full advantage the electrical equipment, each farmer will use approximately 1,200 kilowatt-hours of energy a year. We will assume that 5 cents per kilowatt-hour is a fair average for this energy. He therefore obligates himself to pay another \$60 a year, to say nothing at all about the liability which he as a cooperative to assume for the maintenance of the line and the maintenance of any equipment which he has installed, and which is financed by the Government.

Mr. WHITE. Will the gentleman yield?

Mr. HOLMES. I yield to the gentleman from Idaho. Mr. WHITE. The gentleman is making a very interesting discourse with reference to the cost to the farmer. But does he take into consideration that the cost is no greater for the appliances which the farmer buys for the farm than in the city? Does he take into consideration further the fact that the utilization of the power to do the work around the farm will result in a saving to the farmer by doing this work by electricity?

Mr. HOLMES. I think I am far ahead of the gentleman. The farmer should buy his equipment, these stoves and appliances, cheaper than the average person in the city may buy them. I am taking Commissioner Cook's own figure.

Mr. WHITE. He is put to no more expense in doing that and his charges are amortized. Is he not therefore at a better advantage than the city person?

[Here the gavel fell.]

Mr. WOLVERTON. Mr. Chairman, I yield 5 additional minutes to the gentleman.

Mr. HOLMES. Mr. Chairman, I fully agree with my colleague, the chairman of the committee, that there is a great about the cost of the installation of these fixtures I looked

deal of need for this sort of legislation. I am interested myself in farming, and I have several of them up in New Hampshire. They are located in a community in which it is hard to get electricity. Many of my neighbors do not now have electricity, and while I think this is a mighty fine thing, the question is, with all of our expenses at the present time, can we afford the expenditure at this time?

Mr. Chairman, I am not opposing this measure because I am opposed to extending electrification to the farmers who have not got it at the present time. I know they are suffering, if we can believe what various gentlemen have stated to the House. We have passed a great deal of legislation during the past 3 years to relieve and help the farmer because he is overburdened. He is not getting enough out of his activities on the farm. As some of my colleagues stated, he is working hard and barely scratching a living out of his farm. If we are going to believe that is so, we must assume by the passage of this bill that we will put another burden on him in addition to all the existing mortgages and in addition to all his other expenses to the tune of \$700 before he will receive the advantage of electricity.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. HOLMES. I yield.

Mr. MAVERICK. In Sweden, for instance, they had a lower standard of living on the farm, but they now have a higher one and this has been accomplished through electrification. This is my theory and I think I am right about it.

Mr. HOLMES. I think the gentleman is somewhat correct about that. I shall not dispute the matter with the gentleman, because we are living in America and I do not think America should take a back seat for any country.

Mr. MAVERICK. That is right.

Mr. HOLMES. When it comes to the question of the people and their advancement in science, industry, and every other phase of our national life.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. HOLMES. I yield to my colleague.

Mr. RANKIN. Let me say to the gentleman he is entirely wrong about the effect on the farmers of this country. I probably have had as much experience in this work as any man in Congress or out of it or in public life, and my experience is, and I have ocular proof from the farmers themselves, it has raised their standards of living and has not imposed the additional burdens on them that the gentleman refers to.

Mr. HOLMES. In my opinion, many of these farms no doubt could have had electricity if the farmers had wanted to spend the money for it. The gentleman has a chart from Commissioner Cooke which shows the ratio of automobiles, for instance, owned by individuals in the various States and in Iowa, for instance, 90 percent of the farmers have automobiles, trucks, and tractors, but still that State is only electrified to the extent of 15 percent.

Mr. RANKIN. Which is a tragedy in itself.

Mr. WEARIN. Mr. Chairman, will the gentleman yield? Mr. HOLMES. Not now.

Many other States are similarly situated, having 90, 85, or 75 percent owning automobiles, trucks, and tractors, and many other things, but still they are only electrified to the extent of 10 or 15 or 20 percent.

Mr. RANKIN. Under this bill, for a small portion of what it costs to run those automobiles and pay for them, they can electrify their homes, relieve themselves and their families of the burdens of the drudgery they have encountered, and make their homes more livable and more pleasant.

Mr. HOLMES. I appreciate that is true, but at the same time I think this legislation, as it is now, is not in proper form.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. TERRY].

Mr. TERRY. Mr. Chairman, while my good colleague, the gentleman from Massachusetts [Mr. Holmes], was talking Committee for me to read briefly from them.

The Rural Electrification Administrator, Mr. Cooke, stated:

My colleague advises me it would be \$50 up, according to the number of outlets you would require.

In other words, the cost of wiring a small house would be about \$50. The distinguished chairman of the committee said that he had a 10-room farmhouse down in Texas wired

Mr. Cooke, the Administrator, in reference to prices for installation, said:

We are working now with the Electrical Contractors Association, We are working now with the Electrical Contractors Association, trying to standardize house wiring so that we can advertise 100 homes to be wired at the same time. We are doing exactly the same thing with plumbing. The plumbing industry has for the first time taken the position that simply because every farmhouse is different every bathroom does not have to be different, and so we are standardizing the bathrooms, and it will surprise you gentlemen to know that I have a price for a bathtub, washstand, and toilet, in quantity, of \$25 for the three pieces.

Mr. Chairman, in my opinion this bill will do more for the farmers of this country than any one piece of legislation the Congress has passed.

We have 6,800,000 farms, of which 6,000,000 are without

We have heard very much of the principle of going back to the farms. It is said that we cannot solve the problems now confronting this country unless we take out of the cities that large portion of the population that came off of the farms during the World War, and which has not, up to this time, gone back to the farms; and I may say that this bill will do more toward taking the excess population from the cities back to the farms than anything I can imagine.

It has been said, Mr. Chairman, that there are more suicides among the farmers' wives than any other group in the country, and I may say to you that the result of this legislation will be to bring a ray of sunshine and happiness to the farmers' wives of this country that up to this time has been denied them.

Mr. RANKIN. Will the gentleman yield?

Mr. TERRY. I yield to the gentleman.

Mr. RANKIN. If the farmers of Arkansas and Mississippi have to pay the rates now charged by the Arkansas Light & Power Co. and the Mississippi Light & Power Co., they will not be any better off when this bill passes. If the private corporations are allowed to run their lines, the chances are that it will paralyze the development that you now have.

Mr. TERRY. I will say in answer to the gentleman from Mississippi that the Arkansas Power & Light Co. in my State is doing what it can to bring rural electrification. Mr. Couch, president of the power and light company, in my opinion, is a very broad-minded man, and under his administration the public utility is trying to extend its lines as far as possible into the country. I know a number of communities where the power and light company has extended its lines, but to extend the benefit of electricity generally over the rural sections of the country it is necessary that the assistance of this legislation be given. [Applause.]

[Here the gavel fell.]

Mr. WOLVERTON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I am supposed to be the ranking Republican member of the Committee on Expenditures. I seldom take the floor to oppose small matters. We are hoping to have some larger matters brought before the committee later on, which will be worth while to present to the House for real consideration.

I suggested to the chairman of the committee that we might like to amend the title of this bill to read "An act to encourage the farmer to take upon himself greater indebtedness by purchasing electrical equipment."

I was amused when the chairman said he was rather proud that the people now approved of the bills heretofore presented by his committee, especially the formation of the Securities and Exchange Commission.

I desire to tell the chairman something about the Securities and Exchange Commission. I have a letter from its as well as those that are only recipients,

through the hearings, and it might be of interest to the | Chairman, which says that of all the issues the Securities and Exchange Commission has approved, only 2 percent were for new business. At a time when new business was so greatly to be desired, it was apparently frightened to proceed.

> Were not you amused yesterday to read in the paper that former Chairman Kennedy received a fee of \$150,000 for telling one concern how to frame a proposition that would be satisfactory to this particular Commission? His advice seems to be regarded as worth a goodly sum.

> It is foolish to believe that Mr. Cooke-if he is the man you say he is-will allow 25 or 50 farmers to get together, with a Government 100-percent liability, as shown so clearly by the gentleman from New York, and that he would not demand that those farmers agree that they will use electricity enough to pay the expenses and amortization of the proposition. And if that is not getting the farmer plenty into debt, I am much mistaken. After all the pictures you have drawn us of the plight of the farmer, and his already huge indebtedness, why encourage him to go deeper at this time?

> Your intentions may be good, but in the light of present conditions I shall probably vote against this bill, as I wish to keep the Government out of the business of continually lending its credit for such a multiplicity of operations, so many of which are in direct competition with private industry. We have gone much too far already, and must stop further activities of this nature. I sympathize with the representatives of the great State of Texas. They are making the strongest plea here for this legislation. But I want them to sympathize with me for a minute as well. I represent a State that put up \$114,000,000 last year to help run this Government, and received only about \$77,000,000. The State of Texas received nearly \$220,000,000, counting the A. A. A. payments in full to date, and put up only about seventy-seven million. Yet you boast about the great State of Texas.

> Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

> Mr. GIFFORD. Not now. The gentleman should boast about it in his own time. Oh, I have read a lot about Texas and the marvelously fertile fields you have there. God gave you great fertility of soil and other natural advantages. Come to Massachusetts and look at the New England sandy shores and rocky hills. Then you will wonder how in the world we made the money to loan, and to give, to Texas. However, I have read about some parts of Texas which must be a very dry and arid country and perhaps contains some of the farms that you want to electrify.

> The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

> Mr. WOLVERTON. Mr. Chairman, I yield the gentleman 2 minutes more.

> Mr. GIFFORD. I read about someone who went down there and remarked to a native, "It looks like rain." The native replied, "I wish it would rain, for I would like for my boy to see it. I myself have seen it rain." [Laughter.] The great State of Texas that we read so much about has received so much from us in Massachusetts and New England that I want to remind you of it. Now, you want to lend the Government credit further, but if money is lost you are not going to pay for it. Oh, no. We know the States that will pay for it. You have parceled out gifts and guaranties to a great mass of voters, and have a watchword, "Vote for Roosevelt; see what he has done for me." You will probably get plenty of votes as a result of these proceedings, but some time our people will awaken to the realization that they are going to have to pay for them. You have distributed relief and largesses widely. However, you have also merely distributed debt, and distributed it very unevenly. I represent a section that will pay a large share of that debt year in and year out for the next many years to come. These wonderfully fertile States desire that the Central Government assume the bill, well aware that only seven or eight States of the Union will eventually pay it. I believe we should consider the States that must pay the bill

Mr. JONES. Does not the gentleman know that Massachusetts had a hundred years "the jump" on us under the tariff system?

Mr. GIFFORD. Oh, I hear about that tariff system very often.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. GIFFORD. I desire a minute to answer that ques-

Mr. WOLVERTON. Mr. Chairman, I give the gentleman 1 minute more.

Mr. McFARLANE. But the gentleman cannot answer that in 1 minute. He had better take 10.

Mr. GIFFORD. If there is any one class of people to which we have tried to give the benefits of the tariff, it is the farmer. You say that it does not work, but we will give you an even higher tariff wall if you need it. In those hundred years which the gentleman from Texas talks about we in New England have been able to save some money, but for most of those hundred years we have had to do without all these improvements. We managed to save by being industrious and careful, and then to loan you folks enough to get started. Now we hope that you will get going on your own pretty soon. You still depend so largely on the earnings of our people of New England and a few other States.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. MAPES. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. Wolverton].

Mr. WOLVERTON. Mr. Chairman and members of the Committee, the bill now under consideration, S. 3483, is the result of a study made by the House Committee on Interstate and Foreign Commerce of the bill introduced in the Senate by Senator Norris, and passed by that body, and the companion bill introduced in the House by Mr. Rayburn, chairman of the Committee on Interstate and Foreign Commerce.

The purpose of the proposed legislation is to establish a permanent and comprehensive national policy for rural electrification and to create an agency of the United States to be known as the Rural Electrification Administration to promote the electrification of rural areas not now receiving electric light and power service.

The need for a service such as this Government agency will provide is evidenced by the fact that, notwithstanding the high degree of perfection now reached in the distribution and use of electric current, but comparatively few American farmers have electric power and light service. In the hearings before the committee it appeared that of the 6,800,000 farms in the United States about 6,000,000 are not receiving any service from existing power stations. Lack of electricity shuts out the electric pump, denying to most farmers the sanitation and living comforts that should be enjoyed by every household. A national survey has disclosed that of the 32,700,000 persons in this country living on farms, 73 percent must carry water from wells or other sources of supply; 77 percent must put up with inconvenient sanitary facilities; 93 percent have no modern bathroom facilities; and 76 percent depend upon kerosene or gasoline lamps. The enactment of this legislation provides a means of relief from these hardships. It will clearly evidence upon the part of Congress an intention that the farmers of the country can and shall have electricity and the benefits that go with it.

Heretofore utility companies have been slow to extend power and light service to rural districts because of the high cost and small return. It has been only in the more densely settled farming country that the private power and light companies have been willing to provide electric service. While it is true that there is farming country which is too thinly settled to support the cost of erecting lines, yet, in between the territory in which the utility companies have been willing to extend lines and the territory in which no one is able to do so, there are vast areas where rural electrification is needed and feasible but has not yet been.

undertaken and will not be without aid from the Government in financing such projects as provided for in this bill. These great areas present new fields for electric power and light, to serve farms which have heretofore been denied such facilities. Power and light, with its tremendous possibilities for better living and more effective farming, should be used at least as generally as the automobile and the telephone.

The widespread interest in rural communities for the rural electrification program indicates that few things will add more to the comfort, satisfaction, and happiness of the rural population than the electrification of farm homes. Furthermore, the farmer should become a much better consumer of electricity than the dweller in the city. The farmer has use for all the household electrical appliances which can be used by the city dweller, but, in addition, he is a large user of power in his business. Water pumps, feed grinders, milking machines, small motors for many uses, refrigeration are among the many uses of electricity which mean a saving of money and a relief of the drudgery of farm work.

An additional and valuable feature of rural electrification is the fact that for every dollar spent upon line construction at least another dollar probably will be spent by the consumer for wiring and appliances. Thus it will benefit industry engaged in manufacturing and distributing such appliances. Labor is doubly benefited in that direct labor employed in line construction is augmented by the increased work made possible in the manufacture of materials for line construction and in the manufacture of appliances and equipment used by consumers.

Consumers who desire the benefit of Government loans for the installation of wiring and appliances can obtain the benefit of such loans under the provisions of this bill. The facilities afforded by the temporary Rural Electrification Administration has already made it possible to purchase electrical appliances upon terms that make it possible for such to be utilized by the average farmer. Manufacturers of such appliances are now cooperating in this regard.

Rural electrification means more than providing mere lighting facilities for the houses of our farmers. It means not only the substitution of electric lights for unsatisfactory oil lamps and the use of the electric pump in place of carrying water in pails, but it will also mean the use of electric appliances which will end much of the drudgery of the farm wife and the operation of machinery that will enable the farmer to perform much of the heavy work of the farm at a substantial saving.

City dwellers, accustomed to the innumerable services performed each day by electric energy, have difficulty in visualizing the inconveniences experienced by those who live on farms untouched by power lines. All the helps and conveniences that electric current now brings to city and town dwellers can by the provisions of this bill be made available to those who reside on the farms of America and who do not enjoy at the present time the conveniences and comforts that follow the introduction of electric current into a community.

The bill has been carefully drawn, it does not impose any financial obligation upon the Government. It does, however, provide an effectual means of extending governmental aid to persons, corporations, States, subdivisions and agencies thereof, municipalities, peoples' utility districts, and cooperative nonprofit or limited-dividend associations upon a self-liquidating basis of long-term repayment with a low-interest rate.

The program for rural electrification, as provided for in this bill, has been endorsed by the National Grange, Farmers' Union, and other farm organizations, and also by the American Federation of Labor through its affiliated bodies having jurisdiction in the subject matter.

There is no reason why the farmers of America should not have the conveniences, economies, and comforts which are a part of the modern electrified home. I hope that this bill now before the House to accomplish this worth-while purpose will receive the full support of the Membership of the House. [Applause.]

Mr. RAYBURN. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. LUCKEY].

Mr. LUCKEY. Mr. Chairman, without wasting words or allowing any false impressions to be made, I want to state that I am wholeheartedly in support of the Norris rural electrification bill. This bill which we have before us is a bill to provide money for use by the Rural Electrification Administration to promote the development of rural electric distribution systems. It is a works-relief bill of great magnitude, and it is a program that builds for tomorrow as well as it takes care of a very urgent need for increased employment today. Briefly, I want to analyze the motives and arguments of the opposition forces who have rallied to attempt a defeat of this bill. This opposition is not confined to political parties, and I do not make my criticism on a partisan basis. Instead, I appeal to the members of both parties for their

Last session, when we considered the holding-company bill. the largest and most extravagant lobby in history was organized to defeat that measure. That lobby, which so lavishly spent its investors' money, is essentially the same as that which now opposes the rural-electrification bill.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. LUCKEY. Yes.

Mr. WADSWORTH. Is the gentleman aware of the fact that no opposition from the public-utility companies has been evidenced against this bill whatsoever?

Mr. LUCKEY. I am inclined to think there has been.

Mr. WADSWORTH. There has been no request for time before our committee and no effort on their part to be heard. Is not the gentleman aware that they do not fear this legislation at all?

Mr. LUCKEY. They have blocked it in some instances. They are not in sympathy with it.

Mr. WADSWORTH. This legislation?

Mr. LUCKEY. Yes; in principle.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. LUCKEY. Yes. Mr. PIERCE. Has not rural electrification up to this point amounted to practically nothing for the farmer?

Mr. LUCKEY. That is true; and the farmers in my district were practically unable to get electrification.

Mr. PIERCE. Even now?

Mr. LUCKEY. Yes; even now.

Mr. McFARLANE. Are the power companies attempting to block this program?

Mr. LUCKEY. They are already doing that in some dis-They are extending the lines for the purpose of gaining the territory and keeping the rural cooperatives out.

Mr. McFARLANE. So that probably accounts for the reason why they are not opposing this bill and why they are in favor of it as it is drawn?

Mr. LUCKEY. It would seem that way.

Mr. PIERCE. Mr. Chairman, will the gentleman yield for a question?

Mr. LUCKEY. I cannot yield further. I only have a few minutes. Last year the battle cry of the lobby was, "Pass the bill and you will destroy the life savings of millions of investors." The tactics have been changed, and now the cry is that the proposed rural electrification bill is socialistic and that it brings Government into competition with private business.

Last Saturday I received a letter from a businessman who is prominently identified with one of the semipolitical organizations whose objective is to promote liberty. The writer bitterly criticized me for voting for the so-called death sentence. He stated that my vote destroyed the equity and investment of millions of investors. Now that, mind you, was not a statement of possibility or of what might happen, but it was assertedly a statement based upon what had happened. In plain words my correspondent stated that the Public Utility Act had ruined those investments. That letter from one identified with the Liberty League raised some doubts in my mind, and I decided to investigate what truth ing-company bill was introduced. The stocks in those com-

there was in his statement. Was it more power-company propaganda or was it a fact?

Let me examine the charges to show how specious is the reasoning by which the propagandists spread misinformation and falsehoods in the minds of American citizens, for I believe that my correspondent was sincere. I show this because it is the same type of propaganda and equally as false as is being used in opposition to the rural electrification bill. The holding-company bill was introduced on May 9, 1935. Prior to that time there had been no agitation on the subject that would produce any adverse effect upon the price of holding-company stocks. The latter part of August last year the bill became law. Between May and August the propaganda campaign was carried on, and the process of educating the American people to help intimidate Congress reached its full bloom. Literally millions of people were led to believe that the bill menaced their savings. The holding-company abuses in the past were well known, and it was equally well known that it was a situation with which the various sovereign States could not cope effectively because of the limitations placed upon the States under our form of government. The holding companies, with their semipolitical organized henchmen, attacked the bill and spent millions in an effort to defeat it. While they were staging the "widows and orplans" campaign decrying the lost investments, those investments, instead of decreasing in value, were actually increasing. Not only did they increase during the period before enactment of the law, but they have been increasing since the act became effective. Let us take a look at the record. I have prepared a chart to show the fluctuations in the value of the stocks of the principal holding companies since 1929 and in particular to show the values of those stocks at the time the holding-company bill was proposed, when it was enacted, and as they appear today. I ask unanimous consent to include the chart at this point in my remarks.

	Au- gust 1929	Au- gust 1932	Au- gust 1933	Au- gust 1934	May 1935	Au- gust 1935	April 1936
American Gas & Electric	2123/4 147 615/8	313/8 101/8 43/8	303/6 121/4 5	25 5¾ 2½	263/8 31/2 1	36 7½ 2½	383/8 12 23/4
tric. Associated Gas & Electric A. Associated Gas & Electric. Cities Service. Columbia Gas & Electric. Commonwealth & Southern. Electric Bond & Share. Electric Power & Light. International Utilities B. International Utilities B. International Hydro-Electric. Middle West Utilities.	145 625/8 124 481/4 93 24 1535/8 761/4 431/2 175/8 481/8	251/2 41/8 33/4 51/8 143/8 225/8 97/8 41/2 17/8 71/8	24 156 11/2 31/8 191/8 31/2 243/4 87/8 81/2 2 9	1778 58 1/16 2 1014 1238 458 2 1/2 51/2	113/8 3/8 13/8 61/2 1 7 23/8 15/8 5/16,	16 11/8 13/8 21/8 21/8 21/8 21/8 43/4 43/4 33/4 33/4	2234 134 135 514 2014 2334 2334 1414 13 378
National Power & Light North American Light & Power	69%	1614	141/4	834	81/8	111/8	111/6
Power. Public Service Corporation of New Jersey. Standard Gas & Electric. Standard Power & Light. Stone & Webster. United Corporation. United Gas Improvement. United Light & Power A. United Light & Power B. Utilities Power & Light.	181/4 1187/5 1371/2 1101/4 166 677/6 555/6 511/2 100 331/4	1 4834 21 9 13 101/8 19 81/4 101/4 23/8	1 151/4 81/4 123/4 85/6 193/8 5 6 13/6	3476 914 2 7 436 1536 214 214 214	29 334 114 456 234 1314 1 116 38	33% 42 7 21/6 81/6 51/4 161/2 23/4 51/2 13/8	4016 836 315 1918 714 16 7 816 2

The 23 holding companies listed in the chart show that in every instance their stocks are now higher than they were the day the holding-company bill was proposed. The widows, the orphans, and the millions of investors have not experienced a loss, but instead they have received a very material gain. American Gas & Electric has increased 50 percent in value. American Superpower has trebled in value. American Power & Light has quadrupled in value. Cities Service stock has more than trebled in value, as have the stocks in Columbia Gas & Electric, Commonwealth & Southern, Electric Bond & Share, and others. Stock values have multiplied five times in Electric Power & Light, six times in North American Light & Power, and nearly five times in Stone & Webster. The A and B shares of United Light & Power have nearly eight times greater value today than they did on the day before the holdpanies gained in value during the months Congress spent in | consideration of the bill, and they have continued to increase in value since the legislation became law. The widow's mite has not been destroyed-it has been multiplied!

Thus far I have dealt with the tactics of the power lobby upon the holding-company bill. Let me now turn to the arguments advanced against the rural-electrification bill. Opposition has been based upon the grounds that the measure is socialistic, that it puts the Government into competition with private enterprise, and that it adds another burden upon an already overtaxed Treasury.

Let us examine the socialistic angle of this legislation. When a group of businessmen band together to start a new enterprise for its private profit, that is cooperation. When a group pools its resources to exploit its fellow men, that is business. When farmers unite to erect an electric-distribution system for their own needs on a nonprofit basis, that is socialism. The element of profit seems to be the deciding line between socialism and business. Do we regard the citizens of a community who organize to provide for police, water systems, sewage systems, and other advantages as Socialists who are destroying the existing order? Rural public power districts are no more socialistic than are the organizations of urban dwellers who seek to provide better conditions in which to live. It is a cooperative movement to provide benefits tangible benefits, which are otherwise inaccessible.

The question arises as to whether rural electrification, as proposed in the present bill, places the Government in competition with private enterprise. Such an assumption is too foolish to merit lengthy discussion. Do these farms have electric power available? If not, where does the element of competition enter into the picture? Under the provisions of this bill the Government loans money to cooperative groups to build electric distribution systems. The builders pay interest on the money they borrow and amortize the principle in orderly fashion. The Government does not own and does not operate the distribution systems any more than it owns and operates the various public buildings and other projects which have been built with money loaned to political subdivisions by the Public Works Administration. The Government does not any more own and operate these systems than it owns and operates the banks and railroads to which it has made huge loans through the Reconstruction Finance Corporation.

The third objection is that of the added expense to the Federal Government and the additional increase in the public deficit. Let me say that this money is not to be spent in outright grants. The Rural Electrification Administration is not giving away money. This money is loaned at interest, and the Treasury collects the interest and the principle in due course. Actually the Government does not have to pay a dime, and it even gains on the interest rate. Our national debt, over a long period, is not increased. We have heard much about retrenchment and economy in Government expenditures. This bill offers a means of retrenchment in that it helps take care of the work-relief problem by placing workers on projects which are self-liquidating.

Personally I am utterly opposed to "made work" projects. I believe that there are plenty of projects which can be undertaken which will provide some lasting improvements—which will give us something for our money. I believe that there are many self-liquidating projects which can be developed to take care of much of the present unemployment. The present bill offers a good means of taking care of many of our unemployed. It provides work and brings about a real public development and does not cost the Government a cent. It is a recoverable expenditure. In the past I have felt it my duty to vote against many appropriation bills which I believed to be excessive. There is a real need for us to conserve our financial resources, and if we are to do this and at the same time take care of the unemployment situation we must find projects which are self-liquidating. All of you who believe in real economy in expenditures as well as unemployment relief will vote for this measure.

There are few congressional districts which offer a more fertile field than does my own First District of Nebraska. prises is that they cut costs and overhead charges and permit

The farmers in my district are no different from the farmers in all other districts. They know the advantages which they may gain through rural electrification. They fully realize the economic and social values which may be obtained, and they want rural electrification at a price they can afford to pay. They are ready and waiting for the opportunity this measure extends.

To bring economic and social advantages to rural America, to provide work for the unemployed, and to bring about permanent public improvement I urge the passage of the Norris rural-electrification bill. The advantages extend beyond partisan political lines and the benefits will endure for years to come.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. RAYBURN. Mr. Chairman, I yield the remainder of my time to the gentleman from Maine [Mr. MORAN].

Mr. MORAN. Mr. Chairman, as has been emphasized repeatedly on this floor, a great section of the United States has been denied the opportunity to share in the ever-increasing convenience and comfort of living that follow the widespread use of electricity. Whatever may be the reasons for this neglect-and many explanations have been given—the fact remains, that the rural areas of this country are grievously handicapped, culturally and economically, because of the lack of electric power.

Of course, there have been and are now difficulties in the way. If there had not been difficulties the farm population would have had electricity long since. Unless there were difficulties there would be no call upon the Federal Government to concern itself with the problem.

In brief, the problem may be stated this way: First, in order to reach and maintain the high standard of living in which 120,000,000 Americans believe, it is necessary, among other things, that electricity be brought to the farm and used there in quantities sufficient to affect rural life. Second, present methods of extending rural lines have proved inadequate to carry out this program. Third, it is, therefore, only right that the Government should stand back of its citizens in a determined effort to secure these benefits for themselves.

The suggested plan by which the Government will lend its resources to the fulfillment of the program is the most feasible and practical that has been devised. It has the sanction of farmers and farm associations in all parts of the country. And already the response and cooperation received by the present temporary Rural Electrification Administration indicate that the venture will be overwhelmingly successful.

Good government has been defined as one that helps people to help themselves. R. E. A. is based on that principle. R. E. A. does not, and would not, under this bill, give anything away. It is a financing organization that lends money to agencies in a position to carry through a power-line construction project rapidly and adequately.

Provision is made to see to it that every dollar the Government lends for building rural lines is returned. Nor is this a mere idle boast. Projects submitted to R. E. A. are thoroughly and rigorously examined. Only after a project passes strict engineering, legal, and economic tests is it given final approval. The project must bear evidence of being able to pay all operating costs, including interest, any taxes, and maintenance, and of ability to repay the Government loan.

Projects are not lumped together in the hope that, taken as a whole, most of them will come out all right. Instead, each project is studied individually for its individual merits and for its individual defects.

Considerable criticism has been leveled at the plan on the grounds of supposed injury to present operating private utility companies. This criticism is unwarranted. R. E. A. lines will not compete with existing facilities. In fact, construction of lines by cooperative associations will be to the advantage of the utility companies. With probably very few exceptions power will be purchased from present generating plants, increasing the revenues of the utilities.

But the best argument in favor of nonprofit utility enter-

their customers to purchase electricity at lower rates. It is increasingly recognized that electricity is indispensable to acceptable standards of living, especially in rural areas, and legislative bodies have considered the supply of electric current as a matter of public concern. Even when power distribution is almost wholly a private business, profits from its sale are becoming more and more strictly regulated.

The rural-electrification program which was started a year ago as an emergency measure has already had a salutary effect on costs and rates. Before R. E. A. undertook its program, rural lines often cost from \$1,500 to \$2,000 and more per mile. Utilities—except for a group of decidedly progressive companies—accepted such costs as more or less inevitable. R. E. A. maintained that, as some utilities already were demonstrating, satisfactory lines could be built for about \$1,000 per mile. They prepared suggested specifications for low-cost construction. Following the more advanced practices and methods, contractors and utilities are building lines for \$1,000, \$900, and even less per mile.

State and local regulatory bodies often hold that 7 percent is a fair return on the investment, and rates are based on that figure. If a line costs \$500 a mile less than formerly, that means a saving of \$35 a year in the charge against the line. If there are three customers to the mile, the bill of each one of them can be a dollar less each month for the same amount of electricity.

But pursuing that same point a little further: If the line is operated by a mutual, cooperative, or similar organization, with the profit eliminated, the amount of revenue needed to support the line is much further reduced.

Often this reduction in the amount of revenues needed will make rural lines feasible, where otherwise they would not be feasible. It tends also, through the reduction of unit costs, to enable the users to buy more electricity and more electric equipment to put it to work. This equipment in turn lightens the farm drudgery, increases farm income, and makes rural life more attractive so that the young folks are likely to stay on the land instead of migrating to the cities.

Such benefits as these we can now confer on a great number of our people. It is right and just that we should do so. To undertake this program will cost little and benefit practically every part of our Nation. We cannot afford to miss such an opportunity [Applause]

such an opportunity. [Applause.]

The CHAIRMAN. The time of the gentleman from Maine has expired.

All time has expired. The Clerk will read the first paragraph of the amendment, under the rule.

The Clerk read as follows:

Be it enacted, etc., That there is hereby created and established an agency of the United States to be known as the "Rural Electrification Administration", all of the powers of which shall be exercised by an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of 10 years, and who shall receive a salary of \$10,000 per year. This act may be cited as the "Rural Electrification Act of 1936."

Mr. WADSWORTH. Mr. Chairman, I offer an amend-

The Clerk read as follows:

Amendment offered by Mr. Wadsworth: On page 10, line 23, strike out the word "ten" and insert in lieu thereof the word "five."

Mr. WADSWORTH. Mr. Chairman, it will not require 5 minutes to explain the amendment. As the members of the Committee know, this bill as drafted and reported by the Committee on Interstate and Foreign Commerce provides that the Administrator of this act shall serve for a term of 10 years. If you will look over the structure of the Federal Government, I think you will find there is only one exception to a very general rule. That exception is the case of the Comptroller General, who is elected by the Congress of the United States, not appointed by the President, and who serves, as I recollect, for 15 years. All the members of the Interstate Commerce Commission, of the Federal Communications Commission, of the Securities and Exchange Commission, and of the Federal Trade Commission are appointed by the President and serve for 5 years.

Mr. RAYBURN. Will the gentleman yield? I know the members of the Interstate Commerce Commission serve for 7 years, and I think some of the others also.

Mr. WADSWORTH. Well, generally it is from 5 to 7 years. I think the term of 10 years is excessive. I have no reflection to make on Mr. Cooke. He is an excellent gentleman, but we are not dealing with individuals. We are dealing with the structure of the Federal Government. Ten years is too long a period to be appointed to wield this immense power. My proposal is to make it 5 years. There is nothing partisan in it. It is merely a question of good policy.

I yield back the balance of my time.

Mr. RAYBURN. Mr. Chairman, I may say in reply to the gentleman from New York that this is a 10-year program. Mr. WADSWORTH. But he can be reappointed.

Mr. RAYBURN. I cannot see any reason why this administrator should not be appointed for that length of time. Five years and then someone else is appointed; someone who may not be in sympathy with the program that has been inaugurated or not in sympathy with the policy at all. It would seem to me to simply split the program wide open. Frankly I cannot see any reason, except the fundamental one that the gentleman has, or a political reason, for making the administrator's term a shorter length of time than the life of the act.

I therefore hope the amendment will be rejected and that the Committee will stay with the bill as it has been reported by the committee.

[Here the gavel fell.]

Mr. PIERCE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is with very great regret that I vote for this bill as it is now written. I agree with our colleague from New York [Mr. Wadsworth] that 10 years is decidedly too long for the term of the Administrator; I shall vote for the bill if we cannot change it by amendment, but I would have much preferred the bill as drawn by Senator Norris. If I am not mistaken, we are going to be greatly disappointed in the effects of this legislation as now drawn. It seems to me it is too much in the interest of the utility companies who want to get 3-percent money. I live on a farm; for 40 years it has been my home practically all the time. My farm is completely electrified. I know the value of rural electrification. The farms of many of my close neighbors are also electrified. For several years I owned the larger part of a power company. When I owned the company I did my very best to push lines out into the country. Rural electrification should have been long ago carried out by the utility companies themselves. The private companies could have constructed rural lines very cheaply and given their services to the rural communities. The R. E. A. so far has not accomplished very much for rural electrification.

Every time I have appealed for a small community in my country, to extend a line a mile or two to help a dozen or two dozen farmers, there has always been some obstruction found. If the line was possible, it was built by the utility companies. So far as I know, there has been no general lowering of rates in rural communities. I am supporting the gentleman's amendment most heartily.

I am sorry the bill carries any provision permitting the lending of money to private utility companies at rates lower than those given for farm loans. Encouragement should be given to lines owned by the people. This activity seems chiefly concerned with extending governmental benefits to private power companies.

Mr. Chairman, I hope the amendment of the gentleman from New York is adopted.

[Here the gavel fell.]

Mr. MITCHELL of Tennessee. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it was not my intention to discuss this bill. I have great respect for my colleague the gentleman from Oregon [Mr. Pierce], who has just spoken to the Committee. I do not know the Administrator in charge of this work, but I must say to my colleague that the gentleman's comments

so far as Tennessee and my section of the South is concerned do the present Administrator a very great injustice. Throughout middle Tennessee farm homes are receiving, for the first time, the benefits of electric light and electric

Mr. PIERCE. Mr. Chairman, will the gentleman yield? Mr. MITCHELL of Tennessee. Gladly.

Mr. PIERCE. Is not that because the power companies

themselves have been pushed into the field?

Mr. MITCHELL of Tennessee. Oh, no. The development that is coming most rapidly in the best farming section of my district, which is composed of 18 counties and, I think, the very best farming section in all the southland, is coming as a result of the Tennessee Valley Authority and rural electrification program, which has enabled the farmers to buy the necessary equipment to light their residences, outbuildings, and to drive their machinery.

Mr. MORAN. Mr. Chairman, will the gentleman yield?

Mr. MITCHELL of Tennessee. Gladly.

Mr. MORAN. In answer to what the R. E. A. has accomplished so far—the gentleman perhaps has the information-46 projects have been allocated for a total of \$8,265,-912, a new mileage of 7,600, and 28,000 new customers. That was the showing of the R. E. A., the existing organization, as of March 25. As of today, there are 57 allocations for \$9,198,812, of which 27 are loan contracts; applications now under consideration amount to \$93,000,000.

Mr. MITCHELL of Tennessee. I am very grateful for this most valuable information, as I know each Member of the

House is.

We hear loose criticism to the effect that the Government has gone into the business of lending money recklessly and indiscriminately. I have had a small experience in the banking business. This act carries \$50,000,000 for the next year and \$40,000,000 annually thereafter. This, necessarily, is to be used by small borrowers.

THEY ARE THE ONES WHO PAY MOST PROMPTLY

The bill authorizes loans in the sum of \$50,000,000 for the year 1937 and \$40,000,000 for each year thereafter for 8 consecutive years, thus making available the sum of \$370,-000,000 for rural electrification in the United States. The interest rate is fixed at 3 percent. I am greatly interested in this measure, for it means much to the farmers of my district and to people in all sections of the country. The value to the farm of electric service and the ability to buy the appliances for electric use is invaluable. The use of electricity is one of the basic necessities of farm life. It adds to the comfort of the home. It adds to the health of the family. It removes the drudgery of the faithful housewife and lessens her burdens. Of the 6,800,000 farms in the United States, I regret to say that 6,000,000 of them are without electric service at this time. This bill should make available electric current for at least 1,000,000 farm homes in America. These loans will be promptly repaid. In my district some of the best and most responsible farmers are using the money heretofore provided for this purpose to electrify their residences and outbuildings. It is the beginning of a new day for the people of the rural districts, and especially have the farmers of Middle Tennessee, in my congressional district, been benefited by rural electrification and by the development of the T. V. A. The farmer will receive added public satisfaction and happiness as a result of owning a home that is served by electricity. He will become a greater consumer of electric current than his neighbor in the city or town. He will use the current to drive the water pumps, to chop feeds in his grinder, for milking machines, and small motors for many uses. Refrigeration, of course, will mean a great saving in money and relief of the drudgery on the farm. Only those of us who have been deprived of its use in the past on the farm can appreciate what a great benefaction and blessing it is. Any citizen who has had occasion so many times to go to the barns to look after his livestock in the nighttime or to bridle and saddle the faithful saddle horse to seek a physician because of illness in the family can appreciate the convenience in having the modern barn lighted with electricity or the garage so equipped. It lengthens the days and prolongs the

life of the producers of the wealth of America. Nothing is so essential as having a happy and contented farm population. The young men and women who are raised on the farms will be content to continue on them if they are provided the conveniences that their city neighbors have. longer will we witness our young people drifting away from the farm, but many of them will be induced to return and purchase a home when it can be equipped with the modern conveniences. The radio is now in common usage and is a great blessing to the people. It is a source of needed information and entertainment for the people. It is but one of the many conveniences that follows in the wake of the electric current.

The farmers of America are entitled to the conveniences, economies, and comforts which are a part of the modern electrified home. It is fitting and proper that the Reconstruction Finance Corporation, a branch of the Federal Government, should be made available to furnish credit at a cheap rate of interest to encourage the farmers in their efforts to have added and needed comforts. All too long has the Treasury been made available to those in the cities and in more favored circumstances of life at the expense of the farmers in this country. I know of nothing which has meant so much to the people in my State and district as the money appropriated for the construction of the Norris Dam and the completion of Muscle Shoals. A number of counties in my district are now organizing companies under the provisions of the rural-electrification program so as to have the benefit of electricity for the first time in their homes. And this, too, is in a section where the land is most fertile and the people are and have always been most progressive. It was simply not available to them under previous administrations. A great reduction has been had in the price of electricity to the citizens in the towns in every part of my district as a result of the T. V. A. development. The private power companies have seen the "handwriting on the wall" and are now undertaking to forestall further development or the building of additional power dams by reducing their rates on electricity. It is a case of deathbed repentance and eleventh-hour conversion, but I presume that the old adage will apply—that "it is better late than never." We are reminded of the familiar hymn which states, "While the light holds out to burn, the vilest of the vile may return." The reduction in the rates and the saving to the people has all come about because of the Democratic program here in Washington, which has made possible these great improvements. More power to the New Deal, and may its usefulness be continued in the service of a deserving and grateful people.

Let us pass this bill and make this added contribution to good government. It will return a tenfold dividend to the Treasury and to the people in the long stretch of years ahead. The bill is endorsed by farm bureaus and farmers of the country and when we add to the value of the homes we add to the value of the Treasury in more ways than in dollars and cents. I can see no possible objection to this bill, and I hope it will receive, as I believe it should, the unanimous approval of every Member of the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. RAYBURN) there were-ayes 31, noes 33.

So the amendment was rejected.

Mr. GRAY of Indiana. Mr. Chairman, I offer an amend-

The Clerk read as follows:

Amendment by Mr. Gray of Indiana: After line 25, page 10, in-

sert the following as a new and additional section:
"SEC. 1-A. Said Administration is hereby authorized and empowered to create and establish electrical districts of certain defined limits, conforming with civil divisions of the States and Territories, or otherwise, and to provide for the exclusive genera-tion, transmission, and distribution of electric current within such district, under one system, and to coordinate the different exist-ing systems therein under one general, unified management, with authority and power to provide for the construction of generating plants, transmission and distributing lines, or to acquire such existing plants, transmission and distributing lines as may be found most economical to effect such unified and coordinated system within such district."

THE FIRST REQUIREMENT TO CARRY ELECTRICITY TO THE FARMERS

Mr. GRAY of Indiana. Mr. Chairman, this is a bill to organize a system and to provide means and facilities to carry electricity to the farmers whom the private electric companies have ignored, disregarded, and failed to serve, and left groping in the mud and darkness of primitive or medieval life.

In providing for a farm electric program it must be realized and understood that farmers as a class of people in industry are compelled to rely upon low cash and unreliable income for the payment of their monthly bills and from which they must pay their electric charges. For this reason the first requirement for such farm electric program is low and reasonable charges for service, and without such low and reasonable charges any program to bring electricity to farmers would prove a vain and fruitless gesture, a humiliation, disappointment, and failure.

The building of electric distributing lines will not alone bring electricity to the farmers, nor will the construction of transmission and distributing lines bring such service to them, nor will the construction of generating, transmission, and distributing lines all together bring electricity to the farmers unless low and reasonable charges are provided.

RURAL ELECTRIFICATION IS A PROBLEM OF COSTS

The farm electric problem is a problem of costs, a problem of low and reasonable costs, a problem of the elimination of loss and waste, a problem of economy and efficiency, a problem of bringing down electrical costs and charges within the reach of all the farmers.

It has been high and excessive electrical charges which have denied electricity to the farmers. But I believe such low and reasonable rates are feasible, possible, and practicable, and that electricity in ample and sufficient volume to meet the farmers' wants and needs can be brought to them almost as low as pumping and distributing water.

SOME OF THE CAUSES OF HIGH ELECTRIC CHARGES

Some of the causes which have made charges high and excessive are shown by the Federal trade report investigating holding-company activities. One of the charges included was excessive salaries paid to private-company officers, sometimes as high as \$300,000 annually paid to one officer of private holding companies. Another reason shown in this report was dividends paid on watered stock and to stockholders, sometimes of many companies, for one and the same service.

Other causes shown by the Federal trade report contributing to high and excessive charges are vast sums expended by private electric companies for newspaper and other propaganda, including paid articles to be published as editorials prepared by the local editors, amounting to hundreds of millions of dollars annually. These with other excessive expenditures charged up as operating and administrative costs have been added to the electric rates and collected from the consumers, making the cost of electric service high and extortionate to town and city consumers and prohibitive to farmers.

WHY NINE-TENTHS OF FARMERS ARE WITHOUT ELECTRICITY

These are some of the facts and reasons why only one-tenth of the farmers of the country have been able to secure electricity and why more than nine-tenths of the farmers have been deprived of its advantages, why of the 6,812,049 farmers in the United States only 743,954 have had electricity made available to them and 6,068,095 have been left without electricity. These are some of the causes which have withheld electricity from the farmers of the State of Indiana, why of the 200,835 farms in Indiana only 23,476 enjoy the use of electricity and why 177,359 farmers in Indiana are still groping in the mud and darkness, without electricity for light, heat, or power.

ANOTHER CAUSE WHICH THIS BILL WILL NOT REMEDY

These evils and abuses in the electric service contributing to high and excessive costs and to make electricity prohibitive to farmers may be eliminated and overcome under this bill through the provisions granting loans to farm cooperative associations operating for use and service and without profit or gain. But there is another and equal cause existing

to make and hold electric charges high and beyond the means of farmers to pay which this bill will not reach and remedy and, without which remedy provided, low and reasonable rates to farmers will still hold electricity from them.

THE ECONOMIC LAW OF COSTS

It is an accepted and recognized economic law that the cost of a service is determined by the scale of operations under which provided or the cost of any product or commodity is determined by the volume of production under which produced. Under this economic law the larger the scale of operations the lower will be the cost of the service or the larger the volume of production the lower will be the costs of the production. Under this economic law it is only by a large scale of operation that will assure low cost of service or a large volume of production that will insure a low cost of product. This is the economic principle of mass production. Under this economic law small scale of operations or a small volume of production will make low and reasonable costs impossible.

FARMERS CANNOT BE SERVED SEPARATELY

It is for this reason that farmers or rural areas cannot be served separately and apart from the towns and cities therein located. But all consumers of any certain district must be served with electricity together. The farmers of the rural areas cannot be served at low and reasonable rates under a limited service or small volume of production. This is especially true of electric service. The generation, transmission, and distribution of electricity must be in large mass or volume to bring down the unit cost of electricity provided.

THE ELECTRICAL DISTRICT THE REMEDY

There is a remedy for this duplication and overlapping service, this piecemeal extension of distributing lines, this operation of separate and different systems of generating plants, transmission and distributing lines, and the different and separate service provided for towns, cities, and rural communities within the same territory or district. It is the organization of the county or electrical district under one unified or coordinated system for the generation of electric power or current for the whole territory, or all the consumers of such district, which is necessary to lower the powerunit cost by increasing the volume of electricity produced, and by combining town, city, and rural territories under one central power plant for all. The entire territory of the county unit or electrical district, the farm, urban, and city population and all individual consumers and industries served within the specified territory included, must be held for the exclusive market and consumption of such unified system and coordinative facilities to bring electricity within the reach of the farmers.

Under the county unit or electrical district, all existing plants would be coordinated or organized under one unified system for the elimination of loss and waste resulting from duplication and overlapping service necessary for economic and efficient operations. Or the cooperative associations and municipalities may acquire and take over the existing electrical means and facilities under the laws of the State where located for unification or coordination of such plants under one system of operation and management. Or if there is a municipally owned plant within the county territory or electrical district without sufficient generating capacity to produce electrical current or power for all the individual consumers and industry included in such county unit or electrical district, then the municipality owning such plant may apply to the Rural Electrification Administration for a loan to enlarge such municipal plant to provide the farm electric membership association with such increased power or current in addition to the amount required by the city consumers.

THERE IS NO ROYAL ROAD TO RURAL ELECTRIC SERVICE

There is no royal road or highway to bring electricity within reach of all the farmers in sufficient amount for proper use and service. The added charges to pay high-salaried officers, the dividends on watered, fictitious stock, and to pay the repeating holding-company stockholders and the haphazard, piecemeal line extensions made in frenzied

haste in quest of increased profits, the duplicating and overlapping service, and all the evils of private-company operations must be eliminated, overcome, and excluded, and electricity carried to the farmers under a system operated for use and service and free from profits and selfish gain and at actual costs, economically and efficiently operated.

THE PURPOSE OF THE AMENDMENT OFFERED

I am offering this amendment as a new section to this bill to create such unified system and to effect such economy and efficiency. This is section 5 of a bill which I have prepared to carry out such plan. If this amendment is not adopted, it is my intention to file my bill, which includes the provision I am offering, creating a county unit or electrical district, and to urge its consideration and adoption as the only solution of the problem of providing low and reasonable rates to farmers.

Without such unified, central system a few more of the farmers with ample means and those more favorably located may be able to take and maintain service. But the great mass of the farmers, the farmers of limited means and income and those more isolated in location, will still be left groping in the mud and darkness of primitive or medieval life.

WILL REDUCE ALL RATES TO TOWN AND CITY AS WELL AS FARM CONSUMERS

Such county or electrical district will not only reduce the rate of electricity to the lowest possible minimum to farmers, but the economy of large-scale production in reducing the unit cost of electric power will bring down the rates to the town and city consumers as well, variously estimated at one-third to one-half below piecemeal, overlapping operations, with benefits and advantages to all.

SOCIAL AND CIVIC ADVANTAGES OF DISTRICT SYSTEM

There is another advantage resulting from the organization of such electrical districts bringing together towns, cities, and rural areas to be served as one body of consumers. Such other advantage is incidental but is a very substantial consideration in the social and civic development of the district community.

The organization of the electric county or district with the power or generating plant located in the county seat or center city will bring the business people of such city and the farmers of the surrounding community in close business and social relationship for mutual benefit and advantage. Such county unit or district will prompt civic pride and enthusiasm of the town, urban, and city dweller in common with the rural residents included in the organized district to the social and civic advantages to all.

ANOTHER VITAL AMENDMENT REQUIRED

There is another vital amendment which I am assured will be offered to this bill by the gentleman from Mississippi [Mr. Rankin]. The amendment will be to strike out from line 6, page 14 of the bill, the innocently appearing words, "person, corporation." This bill was prepared and filed by Senator Norris, considered and reported by the Senate committee, further considered, debated, and passed by the Senate and brought to the House without these two words included and which first appeared in the bill as reported to the House by the Committee on Interstate and Foreign Commerce.

The farm electric program was organized to carry electricity to farmers where private companies had failed, neglected, or refused to serve them at reasonable rates, or rates within their means to pay. The effect of this seemingly trivial amendment will be to give the private companies an opportunity to take advantage of their own faults and failures by taking the money intended for the farm cooperatives.

By these two seemingly unimportant words inserted the private companies can defeat the whole object and purpose of the bill. Being already organized and ready they can act before the cooperatives, reduce their rates temporarily, and extend their lines to take on a sufficient number of farmers to prevent the farm cooperative membership required.

With these two words inserted the private electric companies, which had failed, neglected, and refused to provide the farmers with electricity could now receive this money provided for the farmers, serve a few more of the "cream" of the consumers and stop the farm cooperative movement. With these two words left in the bill the farm cooperative membership movement organized to carry electricity to all the farmers at low rates can be defeated in two ways; first, by extending their lines just far enough to take on a sufficient number of farmers to prevent the farm cooperatives from securing the required membership, and second, by absorbing and taking up the funds appropriated for the farmers and thereby leaving the farm cooperatives without money to build their lines as intended.

These two words inserted in the bill will transfer this legislation from a farm-cooperative measure to a Federal agency or administration to finance the private electric companies without any obligation to serve the farmers or to provide electricity at low or reasonable rates.

With no reflection upon the able committee membership, and while maintaining full and absolute confidence in their ability, integrity, and good faith, the quiet and unheralded insertion of these two words is significant of secret lobby methods long resorted to before legislative committees to defeat or frustrate legislative measures or to evade their force and effect if enacted.

THE REMEDY OF PUBLIC OR COOPERATIVE OPERATIONS

And the remedy for the burdensome and excessive rates to pay high salaries of private-company officials and to pay dividends on watered stock and dividends to stockholders of many private or overhead or holding companies for one and the same service, is public or cooperative ownership of the power of generating plants as well as the transmission and distribution systems, operated and carried on for use and service economically and effectively administered at actual cost to the consumers and free from profit and gain.

Public or cooperative ownership and operations generating, transmitting, and distributing electricity at wholesale will bring electricity down to a cost within the reach of every resident of every town, city, hamlet, and farmer in the land.

A NECESSITY TOO VITAL FOR PRIVATE MONOPOLY

Electricity for light, heat, and power has come to be a vital, indispensable necessity in our system of industrial production on the farm and in the rural homes as well as in the factory, mill, and workshop of the towns and great cities of the country. For this reason electricity should no more be left subject to private monopoly than air, light, and water should be allowed to be controlled for private and selfish gain.

The people are entitled to be served with electricity for light, heat, and power and electrical operations carried on for use and service to them without the burdens of profit or gain and at the actual cost of production and distribution and under economical and effective operations.

MEANS AND FACILITIES MUST BE PROVIDED AT COST

The distributing lines to be built for the farmers must be held from profits in construction. They must be contracted for and built upon the basis of actual cost of poles, wires, and equipment and the cost of labor actually performed and only the further cost of proper and expert supervision, with all speculative profits barred and excluded.

Under the system of public and cooperative ownership the farmers of the State of Washington have found by employing their own engineers that they could construct their own lines at not to exceed \$600 per mile where they can also buy their electric current from publicly owned generating plants at one-half cent per kilowatt-hour. This same economy and low rate can be taken advantage of in Indiana by the electric cooperative associations under direct construction operations with the aid of an electrical engineer furnished by the State-wide cooperative organization or by the Federal Rural Electrification Administration and by buying current generated under public ownership.

PUBLIC OWNERSHIP AND COOPERATIVE OPERATIONS ARE NOT AN EXPERIMENT

Public or cooperative ownership is not a sentimental experiment; it is a practical reality of the times, an economic necessity under industrial conditions to make available to the people the use and benefit of a great natural force which is the property and inheritance of all the people and which they are entitled to enjoy as free as water, light, and the air they breathe. The merits of public or cooperative ownership are based upon the natural principle that men will not act for others as they will act in the interest of themselves. And first to conserve their own welfare they must assume control of their own affairs. And this has become the basis alone upon which to ground a system of public service, whether for providing water for the people or generating electric power for transmission and distribution to them.

A COMPARISON OF PUBLIC OR COOPERATIVE RATES WITH PRIVATE CHARGES

Under such county or electrical district the farmers of Alcorn County, Miss., are being supplied with electricity and for a certain amount, 20 kilowatt-hours, for which they are paying only \$1. The farmers, under private-company ownership, in Arkansas, are paying for the same amount of power \$4.50. In Iowa they are paying for a like amount the sum of \$4, and in New York they are paying as high as \$6 for the same amount.

The Virginia, Minn., municipally owned plant is furnishing 40 kilowatt-hours for 80 cents. At Minneapolis the privately owned plant is charging for the same amount of current \$2.18, and in Mankato, Minn., a privately owned plant is charging for the same amount \$2.97. At St. Cloud, Minn., a privately owned plant is charging for the same amount of current \$2.38.

In Tupelo, Miss., under public ownership and cooperative distributing systems, the farmers are paying for 1,000 kilowatt-hours \$8.90, while under private ownership in Kentucky they are paying for the same amount \$34, in Maine \$41, and in Illinois \$30.70, in New York \$19, in Pennsylvania \$28, in Virginia \$45, and in Arkansas \$35.90.

THE COMPARISON IN INDIANA

The lower rates under public or cooperative ownership is shown and illustrated in Indiana by the different rates or charges between the Washington, Ind., municipally owned plant, and the Madison, Ind., privately owned plant. Where in Washington, Ind., under public ownership the charge for 25 kilowatt-hours is \$5.50, while the Madison, Ind., rate under private ownership is \$10.25 for the same amount, 25 kilowatt-hours, or 83 percent higher than charged by the publicly owned plant.

The Frankfort municipally owned plant sells 25 kilowatthours of current for \$1.25, while the Lakeport privately owned plant sells the same amount for \$2.12, or 69 percent higher than the municipally owned plant. The Crawfords-ville municipally owned plant sells 25 kilowatt-hours of current for \$6.10, while the Insull private plant at Huntington, Ind., sells the same kilowatt-hours at \$10.80, or at a rate 77 percent higher than the public plant.

WHEN THE FARMERS WILL COME INTO THEIR OWN

When the county or electrical district is organized and systematized for efficient operation and the loss and waste of duplicating overlapping service has been overcome and eliminated and the users of electric power have been relieved of these burdens added to their charges, and when the cooperative producing plants are made to furnish electricity at the lower cost under larger volume, under economical and efficient operations and at the actual cost of production and cooperative transmission and distributing lines are made to carry current without extortion, then the farmers of the country will come into their own and enjoy the comforts and blessings, the use, benefits, and advantages of electricity equal with the other parts of the population.

SERVING THE ISOLATED FARMERS

Instead of only serving the cream of the farmers and those least expensive to reach, as has been the policy of private companies, not only the great mass of the farmers will be served but the costs of the service will be spread to serve isolated farmers and those living in the sparsely or thinly settled territory. All the farmers will be served with electricity and at far lower rates than the cream and with the cost spread and made equal to all, like the mail or parcel-

post service delivering to patrons at a greater distance at the same rate patrons nearer are served under the public-mail or post-office system.

PRIVATE ELECTRIC COMPANIES CANNOT SERVE FARMERS

Private electric companies with high-salaried officials to pay, with dividends to collect from consumers sometimes for stockholders of many holding or overhead companies, can no more and will no more carry electricity to all the farmers at low and reasonable rates than a private-company mail service or a private express company could have or would have brought the rural free delivery and the parcel post to the farmers. This rural service for the farmers calls for a public or cooperative agency operated for use and service only and economically and efficiently carried on at the actual cost of service and production, and free from the burdens of profit and gain.

PRIVATE COMPANY OBJECTIONS

The objection will be urged that public ownership and cooperative operations are invading the rights of private business and taking away individual enterprise and individual initiative and incentive. The answer to this objection is that public ownership comes in to perform a service only where private ownership fails. Private ownership has failed to bring electricity to the farmers and has left them in the mud and darkness, except the "cream" or the few most profitably to be served.

When private ownership fails to function, the people are not compelled to sit idly by and suffer for want of necessary service. They have a right to act and serve themselves either by their own cooperative efforts or by calling upon the Government to act for them. When private business failed to provide employment and the people were without earnings and income, starving, freezing, and suffering, the public comes in to provide employment and bring earnings and income to them and thereby provide the people relief.

OTHER OBJECTIONS URGED

The objection will also be urged that the service of valuable administrators or executive officials would be dispensed with. But this only applies to such high officials who are drawing salaries far in excess of any substantial services rendered to consumers, sometimes as high as \$300,000 annually. Public or cooperative ownerhip and operations do not bar the employment of necessary and efficient officers. These are retained and paid higher than under private ownership. Nor will corporation operations dispense with the employment of necessary laborers to carry on the operations of the system. Laborers are paid higher wages than under private ownership, which is made possible by eliminating the salaries of the high officials performing trivial service and who are drawing excessive salaries or pay.

Another argument generally used against public ownership is that its operations are carried on with loss, waste, and inefficiency, and subject to the evils of political influence. With the free common-school system and the mail and parcel-post system, neither of these great services are impaired by political influence and are rendering such satisfactory service that no consideration of the people would induce them to give up the school system or Postal Service for private operation and control.

PRIVATE COMPANIES HAVE FAILED THE FARMERS

Then there are some services so vital and necessary to the welfare of the people that the service of the public is required to safeguard their rights and interests, such as the common-school system and the parcel-post system referred to. Private utility companies have failed the farmers. They have left the farmers out in the mud and darkness without light for their homes and barns, without power for their machinery; and on such failure the farmers have a natural right to organize under cooperative associations and invoke the aid of the Government for relief.

The tragedy of it all is that the farmers are not only left unserved but the private electric companies are opposing all efforts for their relief and condemning them to darkness, refusing to serve them themselves and objecting to their being served by others or organizing to serve themselves.

PRIVATE COMPANIES LOSING NOTHING

Nothing is being taken away from the complaining private companies. They have not been and are not now serving the farmers. They have never held or served the individual farmers of the country. They will be losing nothing by the public or cooperative ownership coming in to rescue the deserted farmers. The complaint is not because the private companies are losing the business, but because they do not want to see a comparison of cooperative with private service and a practical object lesson held before the people. They will not serve the farmers or allow others to serve them.

THE INTEREST CHARGE

Another relief which must be granted to farm electrical cooperative organizations is the excessive interest charge which has gone to increase the rates to the farmers. It has been shown by the report of the Federal Trade Commission that under private holding companies, monopolizing and holding control of electric service for exorbitant and excessive rate charges, the holding or overhead company has charged the under or operating company 8-percent interest, compounded semiannually, and compelled its collection from the consumer in the form of higher and excessive electric charges.

The interest for the money loaned under this Rural Electrification Administration is the lowest rate for money which has ever been furnished the farmers. But the farmers are entitled to money, interest at a nominal lower rate.

PAYING INTEREST TO FINANCIERS ON GOVERNMENT MONEY

The Government is furnishing this money to the bond and investing financiers at less than one-third of 1 percent as cost to them. And in fairness there is no reason why the money should not be loaned to the farm cooperatives at a rate at least as low as the money furnished to the financiers. The farmers borrowing this money should know that they are not paying this 3-percent interest to the Government. They are paying it to the bond investing bankers who obtain the money from the Government for practically no charge to them. Farmers should realize and understand that they are toiling through the winter's wind and through the burning summer's sun to pay tribute levied upon them through the jugglery and mysteries of money and are paying millions to lending financiers for the use of the people's money.

THE PRIVATE-COMPANY OVERCHARGE

Hon. John E. Rankin, Member of Congress from Mississippi, has prepared a comprehensive statement showing a comparison of rates and charges for electric service in the different States under private electric company operations and public or cooperative ownership, and gives these charges for each State separately. The T. V. A. rates compared by him refer to the charges for electricity by the Government-owned generating plant operated at the Muscle Shoals Dam, and the comparison is with the charges of privately owned electrical plants obtained from their regular rates. The statement is based upon facts, authorities, and data presented to him by Congress, and is as follows:

MAINE

Under the T. V. A. rates the people of the State of Maine would save \$5,087,000 a year.

NEW HAMPSHIRE

Under the T. V. A. rates the people of the State of New Hampshire would save \$3,443,000 a year.

VERMONT AND RHODE ISLAND

Under the T. V. A. rates the people of the States of Vermont and Rhode Island together would save \$8,222,000 a year.

MASSACHUSETTS

Under the T. V. A. rates the people of the State of Massachusetts would save \$37,184,000 a year.

CONNECTICUT

Under the T. V. A. rates the people of the State of Connecticut would save \$14,451,000 a year.

NEW YORK

Under the T. V. A. rates the people of the State of New York would save \$125,699,000 a year.

NEW JERSEY

Under the T. V. A. rates the people of the State of New Jersey would save \$39,123,000 a year.

PENNSYLVANIA

Under the T. V. A. rates the people of the State of Pennsylvania would save \$71,169,000 a year.

OHIO

Under the T. V. A. rates the people of the State of Ohio would save \$46,843,000 a year.

INDIANA

Under the T. V. A. rates the people of the State of Indiana would save \$19,184,000 a year.

ILLINOIS

Under the T. V. A. rates the people of the State of Illinois would save \$58,474,000 a year.

MICHIGAN

Under the T. V. A. rates the people of the State of Michigan would save \$34,025,000 a year.

WISCONSIN

Under the T. V. A. rates the people of the State of Wisconsin would save \$17,893,000 a year.

MINNESOTA

Under the T. V. A. rates the people of the State of Minnesota would save \$14,460,000 a year.

IOWA

Under the T. V. A. rates the people of the State of Iowa would save \$12,480,000 a year.

MISSOURI

Under the T. V. A. rates the people of the State of Missouri would save \$21,068,000 a year.

NORTH DAKOTA

Under the T. V. A. rates the people of the State of North Dakota would save \$2,184,000 a year.

SOUTH DAKOTA

Under the T. V. A. rates the people of the State of South Dakota would save \$2,480,000 a year.

NEBRASKA

Under the T. V. A. rates the people of the State of Nebraska would save \$7,156,000 a year.

KANSAS

Under the T. V. A. rates the people of the State of Kansas would save \$9,174,000 a year.

DELAWARE, DISTRICT OF COLUMBIA, MARYLAND, AND WEST VIRGINIA

Under the T. V. A. rates the people of the States of Delaware, Maryland, and West Virginia, and the District of Columbia together would save \$24,870,000 a year.

VIRGINIA

Under the T. V. A. rates the people of the State of Virginia would save \$9,600,000 a year.

NORTH CAROLINA

Under the T. V. A. rates the people of the State of North Carolina would save \$10,642,000 a year.

SOUTH CAROLINA

Under the T. V. A. rates the people of the State of South Carolina would save \$5,567,000 a year.

GEORGIA

Under the T. V. A. rates the people of the State of Georgia would save \$9,666,000 a year.

FLORIDA

Under the T. V. A. rates the people of the State of Florida would save \$9,141,000 a year.

KENTUCKY

Under the T. V. A. rates the people of the State of Kentucky would save \$8,227,000 a year.

TENNESSEE

Under the T. V. A. rates the people of the State of Tennessee would save \$9,852,000 a year.

ALABAMA

Under the T. V. A. rates the people of the State of Alabama would save \$6,163,000 a year.

MISSISSIPPI

Under the T. V. A. rates the people of the State of Mississippi would save \$3,981,000 a year.

ARKANSAS

Under the T. V. A. rates the people of the State of Arkansas would save \$4,157,000 a year.

LOUISIANA

Under the T. V. A. rates the people of the State of Louisiana would save \$7,401,000 a year.

TEXAS

Under the T. V. A. rates the people of the State of Texas would save \$24,912,000 a year.

OKLAHOMA

Under the T. V. A. rates the people of the State of Oklahoma would save \$8,639,000 a year.

MONTANA AND UTAH

Under the T. V. A. rates the people of the States of Montana and Utah together would save \$6,546,000 a year.

IDAHO

Under the T. V. A. rates the people of the State of Idaho would save \$2.761,000 a year.

WYOMING

Under the T. V. A. rates the people of the State of Wyoming would save \$1.318,000 a year.

COLORADO

Under the T. V. A. rates the people of the State of Colorado would save \$6.405.000 a year.

ARIZONA AND NEW MEXICO

Under the T. V. A. rates the people of the States of Arizona and New Mexico together would save \$4,287,000 a year.

NEVADA

Under the T. V. A. rates the people of the State of Nevada would save \$1,034,000 a year.

WASHINGTON

Under the T. V. A. rates the people of the State of Washington would save \$12,188,000 a year.

OREGON

Under the T. V. A. rates the people of the State of Oregon would save \$6,929,000 a year.

CALIFORNIA

Under the T. V. A. rates the people of the State of California would save \$53,503,000 a year.

THE OVERCHARGE IN INDIANA

Now coming to the overcharge in my own State of Indiana, we find that the people of the State of Indiana are paying annually over 19 millions of dollars more than the fair and reasonable cost of electricity as provided under public and cooperative ownership. The people of the State of Indiana used 1,209,459,000 kilowatt-hours of electric energy last year for which they paid the sum of \$39,861,716. Under the T. V. A. rates, the cost would have been \$20,677,716, a saving of \$19,184,000 a year. Under the Tacoma rates, the cost would have been \$20,672,716, a saving of \$19,189,000 a year. Under the Ontario rates, the cost would have been \$16,219,967, a saving of \$23,641,749 a year. Under the Winnipeg rates, the cost would have been \$13,351.716, a saving of \$21.510.000 a year.

This 19 millions of dollars is being collected from the people of the State of Indiana to pay high salaries of presidents and other head officials of the private electrical companies doing business in the State and for dividends on watered stock and for dividends to stockholders of many private electric holding companies for one and the same service rendered the people. The local and operating companies furnishing or providing the people with electricity are being compelled by the foreign, overhead companies to collect this amount for salaries and dividends in the form of increased charges and are powerless to safeguard their consumers against the high and extortionate charges resulting.

SOME OF THE USES OF ELECTRICITY IN THE FARM HOME

The following are some of the many uses which electricity can be made to serve to relieve from the irksome drudgery

of woman's work on the farm and the many comforts, conveniences, and pleasures which electricity brings to the farm home:

For churning, corn popper, door bell, hair dryer, hair clipper, bottle heaters, water heaters, curling irons, flatirons, lighting dwelling and premises, radio sets, ranges, refrigerators, sewing machines, sausage grinders, toasters, vacuum cleaner, waffle iron, washing machine, water cooler, water pump, and dish washer.

SOME OF THE USES OF ELECTRICITY IN FARM OPERATIONS

And these are some of the tasks performed by electricity on the farm to relieve from the burdens of farm work and which is today revolutionizing farm operations and life in the country:

For cooling milk, pasteurizing milk, bottling milk, operating brooders, charging batteries, making cheese, cleaning grain, clipping horses, for cold storage, concrete mixer, for shelling corn, for cream separator, cutting ensilage and feed, running frost-preventer fans, grinding feed and grain, heating poultry water and stock tank water, hoisting hay, making ice, operating incubators, milking cows, mixing feed, operating machinery for repair shop, running grindstones, sawing wood, shearing sheep, pumping water and washing bottles for dairy, lighting barn, stables, and dairy, garage, walks, and driveways.

COSTS TO INDIVIDUAL FARMERS UNDER COOPERATIVE OPERATION

Under public and cooperative ownership and operations, Mr. R. L. Burns, Guys, Tenn., uses lights in his barn, stables, and garage, a radio, refrigerator, and electric iron, vacuum cleaner, washing machine, sewing machine, and electric water pump, and battery charger. He reports that in February last he used 57 kilowatt-hours at a cost for electricity and amortized payment of \$2.21, or at a cost for electricity alone of \$1.64.

THE MACHINE AGE

We are living under the machine age, and under which all industry and production is dependent upon power for machine operations. This has become true with farmers as well as other classes in industry and without equal power available to them agriculture must suffer great disadvantage. Farmers, in fact, have greater need for machine power than other individuals, necessary to relieve them from the irksome drudgery of the many different farm operations.

But notwithstanding these greater needs of farmers for light as well as machine power, electricity has been brought or furnished to every other producing class for use in their business operations, while the farmer has been left unprovided and floundering in the darkness. There is nothing that can be brought to the farm nor to the farm homes of the country which will bring like or equal advantage or can be used for as many different purposes as electricity for light, heat, and power. Electricity is revolutionizing farm life.

PARITY OF OPPORTUNITY AND EQUAL ADVANTAGE

The farmers have long suffered for want of parity of prices; that is, for want of being able to buy their supplies for farm operations as low as they are compelled to sell their crops, and under which they are forced to sell at a low price and buy at a high price. But they are suffering the same or more for want of parity of equal advantages in farm production. While other producers are using machines and enjoying the use of electric power most of the farmers are compelled to produce without such economic parity. Parity of advantages and opportunities in production and the conduct of operations are just as necessary to the farmer for his equality with other producing classes as parity of prices of what they have to sell and buy.

ANSWER TO OBJECTION THAT ELECTRICITY IS A STATE AND NOT A NATIONAL PROBLEM

The production or generation of electricity, and incidentally the transmission and distribution thereof, involves a national problem, and, with the inauguration of a farmelectric program, the foundation must be concurrently laid on a basis of interstate service and concern. And this is more especially true with the farm or rural electric service.

Providing electricity to the farmers in rural areas is not a local state question in Sweden. It is not a local or state question in Denmark. It is not a local or state problem in England. It is not a local or state problem in France, nor in many other great countries of Europe, where nine-tenths of the farmers are provided with electric power. It is a national problem in those countries, where nine-tenths of the farmers are provided with electricity, whereas in this country, where private electric companies are holding electricity under divided State jurisdictions, only one-tenth of the farmers are provided electric power and nine-tenths are left out in the mud and darkness.

Under divided State jurisdiction in Indiana, of the 200,835 farms in that State only 23,476 enjoy the use of electricity, and these are compelled to pay a high and burdensome rate, and under such divided State jurisdiction, of the 6,812,049 farmers in all the States, only 743,954 are provided the advantages of electricity.

MUST DEVELOP SYSTEM LOOKING TO THE FUTURE

The falling waters of the great streams and rivers of the Ohio and Mississippi Rivers and of other great streams and water courses of the country, which are located in and intersect many States, will furnish the electric power for the future sufficient to light every street and highway and every private dwelling and every public building in the land and to furnish power for every mill, factory, workshop, and to operate every machine on the farm and industry. And some day these great onward-flowing streams will be improved for flood control, and for irrigation or water transportation or for all. And with these great valuable uses power will be developed over and over again from every stream to its mouth to its source, and the light can be made to rival the sunshine and the power developed to equal the forces of nature.

In the meantime we cannot wait until these great water-power facilities are planned, entered upon, and completed. We must act now and provide electricity for the present by the construction of smaller scale generating plants or producing facilities of smaller volume production. But while providing and using such present available means these great water power forces must be developed under a system looking to their future and ultimate coordination and their coordination with transmission and distributing lines which we must provide for and build now by observing a well considered and mature plan for such unified means and facilities.

Mr. WADSWORTH. Mr. Chairman, a parliamentary in-

The CHAIRMAN. The gentleman will state it.

Mr. WADSWORTH. Is it too late now to make a point of order against this amendment on the ground it is not germane?

The CHAIRMAN. It is. The amendment has been debated.

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment goes exactly in the face of what we are trying to do, and if enacted our money would not go very far. It would be used up at one step. I therefore trust the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. Gray].

The amendment was rejected.

The Clerk read as follows:

SEC. 2. The Administrator is authorized and empowered to make loans in the several States and Territories of the United States for rural electrification and the furnishing of electric energy to persons in rural areas who are not receiving central-station service, as hereinafter provided; to make, or cause to be made, studies, investigations, and reports concerning the condition and progress of the electrification of rural areas in the several States and Territories; and to publish and disseminate information with respect thereto.

Mr. ROGERS of New Hampshire. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I read in the report of this bill entitled "An act to provide for rural electrification, and for other purposes", this statement made by the committee:

There is no reason why the farmers of America should not have the conveniences, economies, and comforts which are a part of the modern electrified home. It is believed that the 10-year program provided by this bill will aid greatly in establishing the much-needed balances between urban and rural standards of life."

Realizing full well what the committee meant to say in that paragraph, I want to suggest an amendment that instead of saying, "There is no reason why the farmers of America * * *" should not enjoy these benefits, we say, "There is every reason why the farmers of the country should enjoy the benefits of rural electrification." [Applause.]

Mr. Chairman, I had the honor to be born and brought up on a farm which is still my home. When I was a child we had no electricity. We had kerosene lights, lanterns, and old windmill to pump water—no electricity of any kind—and I lived there for years; my mother still lives there and it is my home today. I have now seen the advantages of electricity brought to that home and farm and I believe that by the enactment of this legislation, going as far as it does, that we will be rendering a great service to the people of New Hampshire, New England, and every State of this Union, and that there will be happiness, contentment, and prosperity which they could never so fully enjoy under the old system which has been in effect so many years in this country.

This bill on which we are to vote today provides for two kinds of loans—first, for generating plants, distribution lines, and electric transmission; and, second, for the wiring of consumers' premises and the acquisition and installation of electrical and plumbing appliances.

The Government is fully protected, because no grant or subsidy is provided for in the bill. Money loaned for rural electrification must be returned to the Government with a reasonably low rate of interest. In the testimony before the committee which favorably reported this bill it was shown that of the 6,800,000 farms in the United States, approximately 6,000,000 do not receive central-station service. Under this bill approximately 1,000,000 of this number may be helped, and this number of farms is well within the number that can be served on a self-liquidating basis. The value to the farm of electric service is such that the service obtained is continued as one of the basic necessities of farm life.

It is most interesting to note that the bill now before us has been endorsed and recommended by the Secretary of Agriculture, the Secretary of the Interior, the Administrator of the present Rural Electrification Administration, and the leading farm organizations of the United States, including the New Hampshire Farm Bureau from whose president, George M. Putnam, I received a letter of approval several weeks ago.

The great interest manifest throughout the Nation for the rural electrification program shows how much the passage of the bill now before us will add to the comfort, satisfaction,

and happiness of our farmers. Another strong argument for the passage of this bill is the realization that a valuable feature of rural electrification is the fact that for every dollar spent upon line construction, at least another dollar will probably be spent by consumers for wiring and appliances. These matters are well emphasized in the committee report as well as the fact that labor will be doubly benefited, because direct labor employed in the construction of electric lines will be greatly helped by the increased work made possible in the manufacture of materials for line construction and in the making of appliances and equipment used by consumers. Consumers who desire the benefit of Government loans for wiring and appliances can obtain the benefit of such loans under the terms of this bill, whereas in the past they have been sold at such prices as to make it practically impossible for the ordinary farmer to get them. In conclusion, I agree thoroughly with the statement of the Administrator of the Rural Electrification Administration made on March 14, 1936, that "it is within the power of the Congress to make possible the electrification of rural America within our generation.'

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. FLETCHER. Mr. Chairman, insofar as I have been able to ascertain, the people of my district are practically unanimous in the hope that Congress will immediately pass this rural electrification bill providing for the electrification of the farm homes of America.

Like many of you, my earlier years were spent on the farm. The profitless toil and drudgery of those monotonous years are unforgettable. Tallow candles and oil lamps provided the only illumination available to those of us living on the farm at that time.

My earliest recollections of hearing electricity discussed in relation to the farm was when racketeering lightning-rod peddlers passed through certain rural communities swindling credulous farmers out of their hard-earned cash.

In those days we could not even imagine having electric illumination and electric power on the farm. Today the farmer not only imagines himself the beneficiary of electric illumination and electric power, he is demanding that he have the same privilege of enjoying the benefits of electricity as are enjoyed by those living in the cities.

When the need for a given type of legislation becomes so obvious as is the need for this legislation we are considering here today, then delay is inexcusable.

NEED OF ELECTRIFICATION IN MY OWN STATE-OHIO

Permit me to present briefly these interesting facts, proving conclusively that this legislation providing for rural electrification is greatly needed by the farmers of my own State—Ohio—and the Nation:

In Ohio 80 percent of our farms are without any electrical service whatever. Seventy percent of our Ohio farms are without facilities for piping the water into the house. Sixty-five percent are without radios. Forty-five percent are without telephones, and 20 percent of Ohio farm homes have no automobiles.

Now let us compare the need for rural electrification in Ohio with the need throughout the other States of the Union, as indicated by the following facts:

While 80 percent of the Ohio farms are without electric lights or electric service of any kind, the farmers without this service in the other States of the Union are in excess of 90 percent.

In the rest of the Nation farmers without telephones aggregate 85 percent.

Seventy percent of the Nation's farms have no radios. Sixty-five percent of the farmers have no telephones.

Forty percent of the farmers do not even have automobiles. In the face of these amazing facts, is it surprising that millions of young people are anxious to leave the farm?

You can see at once that this matter of rural electrification involves a social as well as an economic problem.

When erosion washes the rich top soil away from the farms we become deeply concerned in contemplation of the vast waste of wealth, but when discontent, drudgery, and monotonous living conditions force the boys and girls off the farm and into the city, some Tory-minded reactionaries seem to be less concerned.

THE REMEDY IS OBVIOUS

It is an outrageous situation when nearly one-fourth of our American citizens are compelled to endure primitive living conditions and primitive working tools.

Nearly 30,000,000 people in our rural districts are compelled to get along with flickering candles or dirty oil lamps for illumination; they are denied the safety and convenience of running water and must constantly pump and carry water in pails for household and farm use; they must use manual labor for chores which easily could be mechanized if they had cheap, dependable electric power.

Our farmers do not endure these hardships from choice. Neither, in many cases, do they endure such hardships from any inability or unwillingness to pay a reasonable price to end them. These inexcusable backward conditions come from the fact that electric power is not generally available in rural areas.

REDUCE FARM DRUDGERY

Today this Congress has an opportunity to correct these deplorable conditions and with the opportunity goes the responsibility for immediate action. By supporting this measure we help to rescue farm women from drudgery, improve rural living standards, equalize farm and city cultural advantages, and strike a great blow for general economic betterment throughout the land.

No truly statesman-minded legislator can justify his hesitation in the presence of such a great opportunity to serve the people of America.

Without subsidizing one branch of our national structure at the expense of another without competing in any way with established business, and at negligible cost to the Government, we can, by our votes here today, make it possible for our farmers in large areas over the country to enjoy the blessings of central station electric service.

TEN-YEAR PROGRAM

This great service to the farmer can be accomplished by approving legislation permitting the lending of Federal funds for rural electrification in a 10-year program.

This legislation would make what is now only a temporary emergency effort in this line, a permanent function of our Government.

A year ago, when we passed the Emergency Relief Act, we earmarked a portion of the money to be used to extend electrical benefits into new regions and localities.

A Federal rural electrification program was launched, centered principally in the Rural Electrification Administration, an independent agency established by President Roosevelt.

Let me show you what success we may expect if we extend this work in the future.

ACTIVITY REVIVED

At the beginning of 1935, only 1 farm in 9 had electricity of any kind. Although the electric utility industry was more than 50 years old, and although the rural field was almost the only field not extensively and intensively cultivated by the utility companies, building of new lines had been falling off rapidly and in 1934 had almost stopped.

The Rural Electrification Administration was organized in May 1935 and immediately undertook a twofold effort to revive activity in rural line extensions.

The direct method was by lending money on rather liberal terms to finance the building of noncompetitive lines; the indirect method was to encourage the use of private capital for such construction on reasonable terms.

The first few months were taken up in gathering together a small organization—Rural Electrification Administration has only about 250 workers—in stimulating applications for loans, in examining them for soundness, and in formulating policies. All these things had to be done before sound loans could be made.

SPEEDED UP ELECTRIFICATION

But the other side of the program did not need to wait. No sooner was the Rural Electrification Administration established than the speeding up of rural electrification began in earnest.

There was a great stir all over the country. Agencies which had never paid much attention to rural electrification began to investigate the possibilities.

As soon as the Rural Electrification Administration began receiving application for loans and it was obvious that the Government's program was a serious effort vigorously prosecuted, then new-line construction was started.

Many progressive utility companies liberalized their antiquated farm policies, especially during the late summer and through the fall, and line building went ahead at a pace unequalled for several years back.

In New York State alone reports indicate that more new lines were built in 1935 than were built in all the 48 States in 1934.

MOVEMENT POPULAR

For the country at large, reports to the Rural Electrification Administration show that nearly three times as many new farm customers were added to electric-distribution sysbe the greatest rural-electrification year we have ever known.

These facts are vouched for by the rush of orders going to makers of rural transformers, to the wire mills, to the manufacturers of meters, through line hardware factories, through the railroads which transported this material.

Farm papers, metropolitan journals, electrical trade papers, rural newspapers; all are full of rural electrification news and

I shall return to this activity a little later. Now, let us see how the direct Government program—that of lending money for line construction—progressed.

BUILD 7,500 MILES OF RURAL LINES

The first loan contracts were executed between the Government and the project sponsors in November 1935.

Since then Federal funds have been finally earmarked or expended for 43 projects in 20 States.

These projects call for loans of little more than \$8,000,-000 to be used for building about 7,500 miles of rural lines, taking electricity, for the first time, to more than 27,000 farm

About half of that activity took place in February, when the lending program went into full stride.

These projects are widely scattered. Five of them are in my own State of Ohio; others are located literally from Canada to the Gulf; from the Atlantic to the Rockies. Their sponsors range from newly organized farmers' cooperatives to private utility companies of long experience.

The rural electrification program, which we are considering in this legislation, can be undertaken without straining the Federal purse.

The only permanent expense the Federal Government is asked to assume is the cost of administering the program.

Every dollar used for building a rural line, for wiring a farm, for purchasing electrical appliances, for installing electrical farm machinery and equipment will be a loan-on liberal terms, to be sure, but a loan to be repaid with interest. The Government will have reasonable security for each loan it makes.

ELECTRIFICATION WILL REDUCE WASTE

We are asked to assume only the cost of administering the program of rural electrification. This is a legitimate use of Federal funds. We cannot ask the farmer to assume it; we might as well ask the railroads to pay the expenses of the Interstate Commerce Commission.

The economic plight of the farmer previous to this administration was a nightmare of poverty, bankruptcy, low prices, and insecurity which all farmers want to forget.

The average farm incomes have increased greatly.

As everyone knows, the Roosevelt administration has brought to the farmers of America the first real prosperity they have enjoyed in many years. This added service to the farmer in the form of rural electrification will be appreciated by every farmer from coast to coast.

As everybody knows, under the Roosevelt administration farmers are now able to enjoy more of the luxuries of life. Electricity on the farm, however, is not a luxury. Over and over it has been proved that electricity is an absolute necessity which a modern farm cannot afford to be without, and we of the Roosevelt administration are determined that the farmer shall enjoy this necessity without delay.

PREFER ELECTRIC SERVICE TO AUTOMOBILE

Farm families on partial relief have kept their light bills paid and so preserved the continuity of electric service.

Instances have been recorded of farmers letting their automobiles be repossessed before allowing their electric-light service to be discontinued.

During the darkest days of the depression farmers fortunate enough to have electric-light service not only kept their electric service but even added new electrical equipment in many cases.

The farmers found that electric operation of farm motors, electric refrigeration of milk, and electric installations in poultry raising made possible savings in cost, reduction in waste, and increase in income which went far to offset, and lending of Government funds.

tems in 1935 as in 1934, and that 1936 will probably prove to | in some instances more than offset, the bill for electric energy and the cost of the equipment.

FARMERS GOOD CREDIT RISKS

Farmers have never been backward about spending their money for the things they really need.

That farmers are good credit risks is conceded by all. A new light on the ability of farmers to pay for electricity is shown in this chart to which I call your attention. It shows the extent of farm modernization as measured by several factors.

Taking those with central-station electrical service, as well as those with their little individual lighting plants, less than 15 percent of our farms had electric lights in 1935.

Running water, which American tourists abroad so quickly use as a measure of superior civilization—and rightly—comes into just about as many farmhouses as have electric lights. That is not a mere coincidence; electric pumping is the best and most economical way yet found for providing running water on the farm.

In many cases the saving on lamp chimneys and kerosene and gasoline and ice and spoilage will more than pay the electric-current bill.

I do not think we need to worry about the self-supporting character of the rural electric system.

ELECTRIFICATION WILL PAY FOR ITSELF

Without implying any criticism of the private utility companies which joined this great movement for rural electrification last year and this spring, they are not generally building their lines as a philanthropic measure. They are building them because they expect the lines not only to pay their own way but to return a profit.

These lines are being built into much more sparsely settled country than the utilities companies would consider some time ago. Why are these lines considered profitable now when, a short time ago, they would not have been undertaken for fear of loss?

A principal reason is the cost of lines has been reduced.

Rural electric lines cost formerly one thousand five hundred or even as much as two thousand dollars per mile. They were built planlessly, each little extension line being forced to stand on its own.

Now, however, the Rural Electrification Administration engineers and the more progressive utility companies have found and proved that large areas can be electrified almost completely as a unit at low cost.

Line costs have fallen greatly and technique has advanced. Lines can be built under most conditions for about \$1,000 per mile to serve three customers to the mile.

PROJECTS IN MY OWN STATE-OHIO

In my home State-Ohio-projects furnish an interesting example of the extent to which line costs have come down recently.

Estimates carefully prepared by the sponsors indicated the lines would cost \$1,316 in one county; \$1,296 in another

Rates were tentatively set to return enough revenue to cover all expenses and repay the loan with interest.

The engineers' specifications were examined by the Rural Electrification Administration and approved.

They were submitted to electrical contractors, and bids for line construction were invited according to the specifications provided.

The bids were open, private concerns were awarded contracts at figures averaging \$1,044 and \$903 a mile, respec-

FACTS FOR PESSIMISTS ON SECURITY

Some have been reluctant to approve a proposal to lend the entire cost of the line construction as was indicated by the remarks of the gentleman from New York [Mr. Wadsworth] a few moments ago.

In reply to those who seem to fear and tremble at the thought of a so-called 100-percent loan and who doubt that a mortgage only on the lines themselves will be adequate security, permit me to call attention to precedent for such Loans of this type are authorized in the act creating the Reconstruction Finance Corporation in 1932, during the administration of President Hoover. The Public Works Administration more recently has made outright grants of a portion of the money and loaned all of the rest.

ALL MONEY SPENT FOR LINES

When the Government lends money for the rural electrification system, it lends the actual cost of building these systems.

The Government does not pay for such intangible, but readily appraisable, factors as rights-of-way or franchises.

The Government does not pay for any promoters' service. Every penny loaned by the Government goes to buy line construction, materials, and to assemble them in their proper places.

When the system is done the Government has a first mortgage on repossessable property, worth not only the amount which has been invested, but also a considerable additional sum, the going-concern value of a complete system.

WHY THE SYSTEM WILL INCREASE IN VALUE

As a going concern, a rural electrification distribution system is extremely apt to increase in value during the first few years, even though some small depreciation may occur to the physical property.

This is due to the fact that when the line opens up it rarely serves every customer within its territory.

At first many of the possible customers are often a little hesitant. They do not want to sign up for service until they are sure the line is actually going to materialize and until they find from their neighbors' experiences just how much electricity can do for them.

News travels fast in rural communities. As soon as these nonsubscribers find out that electricity saves money for their neighbors and brings so much of the convenience, safety, and pleasure which they have lacked so long, they clamor to be connected to the power line.

The more customers there are among whom the fixed expenses of operating can be divided the more profitable and the more valuable the line becomes.

LOANS PAID IN INSTALLMENTS

Moreover, the Rural Electrification Administration contracts call for repayment of the loan in installments; in other words, as the system attains this "going-concern" value the amount of the Government mortgage is constantly diminishing.

But there is another reason why loans to cover the entire construction costs are not only reasonable but necessary to the success of the entire program.

Lending Government funds for the entire construction cost of the distribution lines releases the cash resources of the lines' customers for the purchase of house wiring, plumbing, electrical appliances, equipment, and all the other things a farm needs to enjoy and make available electric service.

With such equipment a line becomes economically feasible, when otherwise it would not be feasible. The revenue becomes sufficient to enable the line to pay its way.

WILL IMPROVE LIVING CONDITIONS

Rural electrification means much more than a light or so in the farmhouse. Steady, safe, brilliant electric light is one of the greatest single boons which electric service can bring to any farm. There are so many other uses that house illumination is only a minor part of the whole.

The success of rural electrification efforts depends entirely upon having electricity used on the farm in quantities sufficient to affect rural life.

For many years the young people have been leaving the farm for the city and its conveniences.

The automobile and the telephone did a great deal to end the isolation of the farm but did very little to improve living conditions there.

The city still had its social and cultural advantages and living was much more comfortable there. Electric power alone can bring about acceptable standards of rural life.

IN ELECTRICITY THE FARMER HAS A TIRELESS SERVANT

Electricity must be used for every socially and economically desirable purpose.

After lighting, probably the most important use is pumping water, making possible an inside bathroom and a modern kitchen sink.

Electric energy must be used for a great many of the farm chores now taking up a great toll of human energy—sawing wood, for example, and milking cows and keeping the farm machinery in good repair.

Electric energy is a tireless servant, both in the farmhouse and in the farm production processes. It sweeps the floors and beats the rugs; it takes the manual labor out of sewing for the farm family; it forever banishes washboards and sadirons; it cooks the farm meals with clean, odorless heat, and when the cooking is done no scrubbing of sooty pots or pans is necessary.

With automatic controls, the modern electric range oven cooks a meal without attention.

The housewife just gets things ready and puts the whole meal in the oven of the modern electric stove, plugs in the socket, and goes off to call on the neighbors or attend a meeting of the parent-teacher association. When she returns home dinner is all ready to serve.

WIDE VARIETY OF USES

The farmer can and should use electric energy for a multitude of farm tasks.

Electricity hatches chickens and broods them better than the clucking hen; it guards them from rickets and other diseases as they grow, and with lights it keeps them laying eggs through the winter after they have taken their place as income producers.

The modern dairy farm can hardly operate without electric power for milking, for pumping water, for quick and continued cooling of milk, for ventilating and illuminating the dairy barns, for grinding feed, for cutting and elevating ensilage and hay.

Electricity makes orchard and garden spraying much easier, it prevents and kills insect pests, and it cleans fruit and vegetables.

These are only a few of the many farm uses for electricity. Every use requires some special equipment. Of course, a portable or electric motor can be carried from one task to another, changing without complaining or tiring. But there must be wiring, plumbing, appliances, equipment, and electrical machinery. All these things cost money—more money than a farmer can generally afford to spend in cash at one time.

REASON FOR 100-PERCENT LOAN

The financial success of a rural distribution system depends largely upon having a great amount of electricity used and paid for by the customers. It is imperative, therefore, that some way be found to make it possible for farmers to purchase all the necessary equipment right at the start.

One way to accomplish this end is to make 100-percent loans for the lines, thus saving the contribution which might be required from the customer for use as a down payment on his wiring, plumbing, and equipment purchases.

The legislation we are discussing in Congress here today provides that Federal funds may be loaned on very liberal terms so as to ease the financial burden of the equipment purchases made by the farmers.

This means that for the same down payment and the same monthly payment the farmer can purchase a great deal more electrical goods than he would be able to afford under any other plan so far advanced.

DOES NOT PUT GOVERNMENT IN BUSINESS

This bill does not put the Government into the electrical contracting business. Purchases will be made through regular channels, meaning a great deal more business for local merchants, but the financial burden will be taken away.

Since the paper the Government will buy is two-name paper, the chances of loss are greatly diminished.

The rural electrification effort which this pending legislation proposes is one of the many important related features in the vital struggle against soil erosion—a struggle with our national existence at stake.

One of the most spectacular aspects of this struggle is the recurrence of such calamities and disasters as the catastrophic floods, which have affected so much of our land and saddened the whole country during these past few months.

ELECTRIFICATION WILL HELP CONTROL FLOODS

Unfortunately, these floods are merely a very visible but comparatively minor symptom of a national disease.

Floods can and must be controlled. More important, the control must include proper measures to preserve the soil upon which our national wealth is founded and on which our national life depends.

If we do not take decisive steps within 25 years, it will be too late.

These control measures must go beyond the big waters which so majestically and formidibly roll on, sweeping cattle and houses and even human beings before them like corks.

They must extend to the little waters which make up the big waters.

We must control these little waters—the creeks, ponds, tiny streams.

We must encourage individual farmers to impound surface water; to keep the valuable topsoil from washing away.

Proper use of land and water will restore the delicate balance which Nature so carefully and patiently built up through the centuries but which impatient man has destroyed in little more than a generation.

Rural communities, even individual farmers, must be taught and must practice proper measures of saving the soil and impounding the water.

HOW ELECTRIC POWER WILL MAKE MONEY FOR FARMERS

In soil conservation, rural electrification plays an important part.

With dependable, low-cost electric power available for pumping, water storage on the farm assumes a practical, dollars-and-cents value to that individual farm, immediately measurable in farm income.

By irrigating his fields, at the proper stage of the crop's maturity, the farmer can attain almost incredible increases in both the quantity and the quality of his agricultural products. Rural electrification will put more money in the pockets of those who live on the farm.

Even in sections of abundant rainfall, irrigation gives a control and a steadiness of supply which nature does not provide. Rural electrification will make it possible for the farmer to exercise this necessary control of water supply.

These control measures which we must undertake if we are to survive, will make our rural sections much pleasanter places in which to live, and will make the cities along our rivers sofer.

Small rural industries will serve the dual purposes of decentralizing production activities, with consequent protection from monopolists, and supporting and fostering community life, cooperative refrigeration plants, for example, are already knitting together many of our rural communities into a common interest as well as increasing the aggregate income of the participant.

WILL PUT MEN TO WORK

I have presented to you some of the many financial and social benefits which rural electrification will bring to agriculture.

The results of the program to our business and commercial structure are also highly important.

It is estimated that for every dollar spent for rural-line building, \$2 will go for wiring, appliances, and plumbing.

This means renewed activity in electrical-supply factories, and more trade for distributors of line materials.

Lumberjacks on the Pacific coast and in the Carolinas will have more work, and so will the copper miners in Arizona and Minnesota.

Workers in electrical goods plants, throughout the industrial East, will make more light bulbs, radios, ranges, and refrigerators to supply the new demand.

Farm-equipment manufacturers will devise and sell new lines.

The trading centers of the rural-electrification projects will benefit by the sale and the servicing of this new equipment.

Local plumbers will install a vast amount of new equipment which the farmers will demand.

Local electricians will get contracts for wiring literally hundreds of farms in each community. These things all add up to more business, more sales, more wages, and more prosperous communities.

WHO ARE THE OBJECTORS?

But what is the other side of this question? What are the objections to the bill? Well, this bill was introduced in both Houses of Congress more than 2 months ago. It was widely publicized in the daily and trade press. The activities of the Rural Electrification Administration have quietly become known, by their own merit, to the people of the entire Nation.

The Committee on Interstate and Foreign Commerce announced it would hold public hearings to discuss the merits of the proposal. Full and free debate occurred in the Senate, after which that body approved the bill without a record vote.

So far I have not learned of any person having appeared to disapprove of the main purposes of this bill. The closest to disapproval has been a short statement made by an official of a big-business organization objecting to what he felt might eventually develop into competition with private enterprise, but, as the facts show, there is no intention that the Rural Electrification Administration will sponsor competition with private enterprise.

BENEFITS GREATLY EXCEED COST

As I have shown, this program does not contemplate nor permit competition with existing public utilities, and the ultimate cost will be infinitesimal in comparison with the great benefits conferred.

Another mimeograph circular claiming this bill to be impracticable and unnecessary was circulated to Members of Congress by a committee of utility executives. Although the two gentlemen responsible more than any others for the activities of that committee were careful and attentive listeners throughout the hearings before the Commerce Committee of this body, I am informed that neither one of them uttered a single word to substantiate or elaborate upon the mimeographed circular.

To test the practicability of the program proposed, all we have to do is to look at the record of the scores of successful undertakings of this type.

To find out whether such a program is necessary, or whether the private public-utility industry can be depended upon to electrify our rural areas without any Federal activity, we have only to see how the vast rural field was so inexcusably, and I may say criminally, neglected over such a long period of time, and with what alacrity private publicutility industry proceeded to erect their lines and otherwise preempted the cream of the rural areas just as soon as word reached them that the Roosevelt Rural Electrification Administration was really going to operate.

APPROVED BY MOST BUSINESSMEN

These few objectors do not represent the rank and file of American business or even any slight important percentage of any branch of business.

It is impossible for me to believe that the rank and file of intelligent, patriotic businessmen are opposed either to American farmers obtaining the benefits of power and light service or, as a means to this end, to the modest measure of Federal aid which is involved in 3-percent loans that must be paid back to the Government.

Indeed, I know that great sections of American business are in favor of this movement, and they advocate it as a means that can contribute generously to recovery.

From the very outset of the very limited and temporary program of rural electrification, manufacturers of electrical ranges, electrical refrigerators, water pumps, and other types of equipment have cooperated closely in furthering the program. I am not talking now about the little businessman alone.

I mean the big fellows, too, like General Electric and
Westinghouse.

Businessmen who make and sell plumbing equipment, and whose rural market is dependent so largely upon the extension of the rural power and light lines without which there will be little pumping of water and hence few running-water systems in the home and about the farm, are enthusiastically in favor of rural electrification. The manufacturers of wire and the contractors who make the wire installations are alert in cooperating in every way possible.

A NEW STANDARD OF LIVING FOR FARMERS

With the stimulus to rural electrification afforded by the R. E. A. and the recent marked increase in power production and sales, the merchandizing of electrical equipment has become an outstanding factor in recovery.

As for businessmen who are less directly affected, in the towns adjacent to rural territory, they know that the wiring of homes, the installation of running-water systems, and the introduction of electrical appliance and electrical farm machinery mean the modernization of homes, a new and lively interest in nonelectrical household equipment and furnishings, and a new standard of living for the American farmer, with all that these things entail in the way of increased sales and enlarged opportunity for financial profit.

DANGERS MERELY IMAGINARY

Actually, even if we were to consider the public-utility industry alone, I think we should have to conclude that it is afraid of injuries and dangers which are nonexistent. There are several ways in which the rural-electrification program is likely to affect it favorably.

First, the farm cooperatives and public bodies of various kinds will provide electric service in some regions which the industry may look on as containing potential business for the future.

But this is business which most of the power companies have neglected for years, which they are not developing today, and which, unless a far more progressive attitude grows in industry than is now manifest, they probably never will develop.

RURAL RATES REDUCED TO FARMERS

Second. Increasing rural electrification induces lower rates, in rural territory at least. This has happened already. In State after State, since the Rural Electrification Administration was created, rural rates, which had stood unchanged for years, have been scaled down sharply, and the charges imposed upon the farmer for line extensions have been so reduced as to make them in some instances almost unrecognizable.

Admittedly many power companies have resented and resisted and will continue to resent and resist this reduction of rates and charges. Indeed, it is easy enough to see that this is one of the chief reasons why the Power Trust people have made feeble attempts to block this bill designed in the interest of the American farmer.

But here I wish to call to the attention of the Members of Congress the fact that these reductions in rates have come about without any regulatory actions or any attempted regulatory action by the Rural Electrification Administration.

These rate reductions represent an abandonment of practices long outworn and a dawning awareness that lower rates are needed, not merely because they remove an insurmountable barrier to rural electrical service but because ultimately the lower rates will prove to be more profitable.

It is scarcely necessary to labor this point, when we have before us the examples of the private companies operating in the T. V. A. territory, the municipal plants in Seattle, Winnipeg, and other cities, and the Potomac Power Co. right here in Washington.

WILL AID PRIVATE POWER INDUSTRY

A third way in which the private Power Trust is affected by the rural-electrification program has to do with its bearing upon the capacity of the country's power plants to produce electricity and with their markets for it. Here the results, actual and prospective, seem wholly favorable to the power

industry. The Rural Electrification Administration is not generating more power. It is taking part of the present power off the market; putting it to work in the most effective way. And a great part of this power is being bought, and more will be bought, from the present power companies at prices which are not merely altogether compensatory, but, I am informed, decidedly profitable.

In short, the whole purpose of the rural-electrification program, present and proposed, is to develop, not the electric service that the private industry has cultivated, but the electric service which lies just beyond, and which the private industry has scorned as not immediately and alluringly profitable. There is no desire to provide loans either where service exists or where, legitimately and in truth, the power companies are about to provide service.

NEW HOPE, HAPPINESS, AND PROSPERITY

What the Rural Electrification Administration wants, what I want, and what I believe the Roosevelt administration and the Congress want is to take power and light to the hundreds of thousands of farmers to whom the power industry has said, in effect, all through the last dozen years: "We want nothing so much as to bring you the incalculable benefit of power and light service, but try and get it!"

That has been the real attitude of many of the Power Trust people. However cleverly their attitude may have been rigged out and glossed over with "two-dollar", smoke-screen words, such as "uneconomic costs", "deficient loan factors", "the asserted need for increased consumption to precede lower rates", and so forth, we may as well say what these ingenious and resounding answers actually do mean. The farmer has not been fooled by these smoke-screen words of the Power Trust. He has known all along what they mean. The farmer knows they mean just what I have said, "Try and get it."

And this dilly-dally business we propose to change right now, once and for all. In this bill the Roosevelt Rural Electrification Administration is today saying to the farmers of the United States, "You want electricity, you need electricity, the Roosevelt administration is determined that you shall have electricity. Here it is."

The enacting of this rural-electrification bill into law this afternoon will be good news to farmers everywhere. It will mean new hope, added happiness, and increased prosperity to the farm families of America.

Mr. RANKIN. Mr. Chairman, as everyone knows, this bill was prepared by Senator Norris, of Nebraska. It provides \$410,000,000 for rural electrification during the next 10 years.

As it passed the Senate, it was one of the greatest farm-relief measures I have ever known. I regret very much that it was not reported to the House just as it passed the Senate. Some very bad amendments were added by the House Committee on Interstate and Foreign Commerce, which ought to be eliminated by all means.

At the proper time I propose to offer amendments to restore the provisions of the Senate bill. One of them would eliminate politics in selecting personnel and one would restore the provision of the Senate bill fixing the interest rate at not more than 3 percent. The House Committee on Interstate and Foreign Commerce changed it to read "not less than 3 percent." Some Members seem to think that farmers are never entitled to borrow money at low rates of interest.

The other amendment would eliminate the provision inserted by the House committee to make loans to private power companies. Private power companies were not included in the bill as it passed the Senate, and, in my opinion, that provision will have a tendency to wreck the whole rural electrification program, if it is not eliminated.

This bill should never have been referred to the Committee on Interstate and Foreign Commerce, but should have gone to the Committee on Agriculture.

As I have said before, the power question is one of the greatest issues now confronting us, or that will confront us for the next 25 years. The American people cannot stand, and will not stand, the enormous overcharges they are now paying in electric light and power rates.

While present consumers in the United States are being overcharged \$1,000,000,000 a year for lights and power, 9 farmers out of 10 are denied the use of any electricity at all; and the few who are served by private power companies find the rates so high they cannot afford to pay them.

The best thing we can do for the farmers of this country is to provide cheap electricity for every farm home and give the people in the rural districts the benefit of the great wealth of hydroelectric energy in our navigable streams. It is theirs, it is public property, belongs to all the American people, and should be used for their benefit.

Nothing on earth would do this country more good than to put cheap electricity in every farm home. I know whereof I speak; I have had some practical experience in dealing with this subject.

A few years ago I started a movement to electrify the farm homes in my own district. It was new to us and we had no example to go by. We were entirely at sea. I called meetings in the various counties of the district and organized county electric-power associations, which we later had chartered under the laws of the State.

We purchase our power from the T. V. A. at about 6 mills a kilowatt-hour and supply it to the farmers at the following rate:

kilowatt-h	
First 50 kilowatt-hours a month	4
Next 50 kilowatt-hours a month	3
Next 100 kilowatt-hours a month	2
Next 200 kilowatt-hours a month	1
Next 1,000 kilowatt-hours a month	0.4

With a minimum bill of \$1 a month.

This not only pays for the power and for the overhead expenses, but will also amortize the lines and pay for them in less than 20 years. This is all the farmers will ever have to pay for their power or their lines, and we hope to get these rates reduced as the years go by.

I know it will be charged by the opposition that we are buying power from the T. V. A. below the cost of production, when, as a matter of fact, we are paying an ample profit. Before the creation of the T. V. A. private power interests were buying power at Muscle Shoals at 2 mills a kilowatthour and selling it to us at 10 cents a kilowatthour—or a difference of 4,800 percent.

If the T. V. A. could sell all of its power, or even 80 percent of it, at the same price these county power associations pay, at the same distance from the dams, they would pay back every dollar spent on the T. V. A. in less than 20 years, and probably in less than 10 years.

Let me call your attention to the fact that with the greatest wealth of hydroelectric power on earth, the United States is lagging behind practically every other civilized country in the world in rural electrification, and she always will lag behind if she depends on private power companies.

While we have less than 10 percent of our farms electrified, France and Germany have 90 percent, Norway 90 percent, Holland and Switzerland 100 percent. Even Japan runs as high as 90 percent. New Zealand, a sparsely settled country, has 65 percent of her farms electrified, and Canada is so far ahead of us that there is no comparison.

This work of rural electrification is now going forward in 7 of the 10 counties I represent, and surveys are being made in the other 3, with a view to electrifying the whole district as rapidly as possible and ultimately reaching every farm home in the district.

My objective is to electrify every farm home in America at the T. V. A. rates. I am beginning at home, and I am glad to report that the results are most gratifying.

I sent out a questionnaire recently to see what these farmers were using and I have returns from 152 in my hand. Of these 152 farmers who are using T. V. A. power, 149 of them have radios. One hundred and thirty-eight out of the one hundred and fifty-two have electric irons, 74 of them have electric refrigerators, 34 of them have lights in their barns, 33 of them have electric ranges or stoves on which to cook the family meal, 23 of them have electric water pumps, and 28 of them have electric washing machines to relieve their

women of the drudgery, the back-breaking, the youth-destroying, soul-killing drudgery that the women of this country have had to undergo since the dawn of time.

At this point I want to call your attention to the appliances used by some of these farmers, to the amount of electricity each one consumed during the month of March 1936, and the amount each consumer had to pay. I am going to number each of them so that they can be identified in my files, if necessary.

	Appliances used	Electric- ity con- sumed in March 1936	Cost
- 12		Kilowatt- hours	
2	Lights in home and barn; radio, refrigerator, iron, fans, water pump, and range. Lights in home, barn, and garage; radio, refrigerator, iron,	111	\$3.72
7	vacuum cleaner, fans, heater, heating pad, mixing ma- chine, and range.	183	5. 16
3	Lights in home; radio, refrigerator, iron, range, fans, and water pump	259	6.09
4	Lights in home; radio, refrigerator, iron, fans, percolator, and range	55	2.15
5	Lights in home; radio, refrigerator, iron, fans, washing ma- chine, and water pump	38	1. 52
6	Lights in home and barn; radio, refrigerator, iron, fans, automatic water system	95	3. 35
7	Lights in home, barn, and garage; radio, refrigerator, iron, fans, vacuum cleaner, churn, water pump, washing machine, sewing machine, battery charger	57	2. 21
8	Lights in home, barn, and garage; radio, refrigerator, iron, fans, vacuum cleaner, water pump, water heater, range,		
9	fans, vacuum cleaner, water pump, water heater, range, percolator, reflector, and small stove. Lights in home and barn; radio, refrigerator, iron, fans,	265	6. 15
10	vacuum cleaner, 3 electric brooders, and brooder house Lights in home; radio, washing machine, iron	46 16	1.84
11	Lights in home; radio, iron, fans, washing machine Lights in home; refrigerator, iron, washing machine, sewing	40	1. 60
13 14	machine Lights in home and barn; radio, iron, water pump Lights in home; garage, radio, refrigerator, iron, vacuum cleaner, fans, air conditioner, toaster, heater, hot plates,	57 42	2, 21 1, 68
15	water pump, bed pads. Lights in home; radio, iron, washing machine.	443 34	7.67 1.36
16	Lights in home; radio, iron, fans, washing machine, water pump, and range	83	2,99
17	Lights in home; 2 radios, iron, fans, washing machine, water pump	65	2.45
18	Lights in home, barn, and garage; radio, refrigerator, iron,	64	
19	fans, water pump, and churn. Lights in home, barn, and garage; radio, refrigerator, iron,		2.42
20	Ights in home, barn, and garage; radio, refrigerator, iron,	45 277	1.80
21 22	pump for refrigerating plant, water pump, compressor Lights in home; radio, iron	37	1.48
23	Lights in home; radio, refrigerator, iron Lights in home; radio, iron, fans, chicken brooder	59 31	2. 27 1 24
24 25	Lights in home; radio, iron, fans, washing machine Lights in home and garage; radio, refrigerator, iron, range	50 218	2. 00 5. 68
26 27	Lights in home, barn, and garage; radio, refrigerator, iron, fans, vacuum cleaner, range, bathroom heater. Lights in home; iron, 3 poultry houses, incubator, and	95	3. 35
	brooder	273	6. 23
28 29	Lights in home; radio, refrigerator, iron	24 34	1.00 1.36
30	Lights in home, barn, and garage; radio, refrigerator, iron, fans, sewing machine, range	100	3. 50
31	Lights in home; 2 radios, 2 irons, fans, grill, and toaster Lights in home; radio, iron, fans, range	50	1. 64 2. 00
33 34	Lights in home, barn, and garage; radio, iron, water pump	29 25	1. 16
35	Lights in home; iron, sewing machine, washing machine Lights in home; radio, iron, fans, range	214	1. 00 5. 64
36	Lights in home; radio, refrigerator, iron, fans, stove	57	2. 21 4. 80
38 39	Lights in home; radio, refrigerator, iron, tans, range. Lights in home; radio, iron, fans, washing machine. Lights in home; radio, refrigerator, iron, hot plate, chicken brooder.	25 54	1.00
40 41	Lights in home; iron, fans, washing machine	36 78	1. 44 2. 84
42	fans, water pump Lights in home; radio, refrigerator, fron, heater, range,	DIST TO	
43	Lights in home and garage; radio, refrigerator, iron, vacuum	124 252	3. 98
44	cleaner, fans, range, water pump Lights in home, barn, and garage; radio, iron, soldering iron	49	5. 02 1. 96
45 46	Lights in home; iron. Lights in home; radio, iron, fans.	31 51	1. 24 2. 03
47	Lights in home; radio, refrigerator, water pump, range	146	4. 42
48 49	Lights in home; radio, iron, washing machine	46	1.84
50	room heater, clock, and waffle irons. Lights in home and barn; radio, refrigerator, iron, fans,	316	6, 66
13.9	water pump	58	2. 24

Many of you will, no doubt, be surprised to note the small amount of electricity used to operate these appliances. Some of these farmers still have the old wood stove in the kitchen and use it when the weather is cold. An electric range throws out very little heat and is, therefore, a great

comfort in hot weather. Then, too, many of these farmers conserved electricity by cutting off the refrigerator in cold

Radios, washing machines, and water pumps use very little electricity—so little, in fact, that in the Province of Ontario, Canada, the Ontario Power Commission has announced that for 3 years beginning November 1, 1934, electricity would be furnished free to farmers to operate their radios, washing machines, and water pumps to provide water under pressure for household sanitary systems.

The electricity necessary to operate a modern washing machine for a family of five people will cost less than \$1 a year at the T. V. A. rates, or the Canadian rates. Nothing that has ever been invented seems to save so much drudgery at such little cost.

I have before me a large number of letters from farmers expressing their gratitude for this service. I do not wish to bore the House, but I am going to read extracts from one or two of them.

Here is one from a woman who is a widow and who has a helpless son—a disabled World War veteran—and an aged, feeble aunt to care for. Her number is 14 in the list I have just submitted, and you will note that she has practically all the conveniences that electricity can furnish to a farm home. It is a little difficult to quote from her letter and at the same time eliminate the personal references. She says:

This gives me an opportunity of expressing to you my apprecia-This gives me an opportunity of expressing to you my appreciation of the service you are rendering to the rural people. As to the T. V. A., words cannot express "how I like it." I think it the greatest boon that has ever come to our country, and if you never did anything else to glorify your service, your name would go down in history for this one thing—bringing T. V. A. to our rural people. Our last month's bill was the heaviest we have ever had, as the extreme cold weather caused my take son to rural bis electric bester. extreme cold weather caused my sick son to run his electric heater.

The month to which she refers was February instead of March, as shown in the list. February is the coldest month in the year, and yet her bill amounted to only \$7.67.

One man writes as follows:

In my judgment, the coming of T. V. A. power and lights into this territory is the greatest blessing in its history. Like the pioneers opened the wilderness and blazed the trail, so does T. V. A. light the way for the rural districts and make possible happier homes and a more contented people. The exodus from the country to the town should stop—it is not now necessary to move to town to secure conveniences. The rates are so reasonable and the possibilities so great that everyone should take advantage its opportunities. Instead of adding an extra expense, it enables one to make money and at the same time enjoy life. Never again should we even consider going back into the dark ages. Thanks to you and those other far-seeing men, and our great President, for the greatest forward step in the history of our rural communitie

Here is a letter from a prominent physician whom I know quite well, and who does a great deal of practice in the rural sections. Among other things, he says:

It seems to remove one from the past considerably to drive the roads at night and see the country homes all lighted up. You may be sure it is not a bad experience for me, as a physician, to go into one of these homes at night and be able to see my patient. Another noticeable thing is to travel through the country during the day and observe the signs of cleaned-up premises, painted houses, and the general improvement all around. In fact, it makes one feel that he has been transported to a new

These are just a few of the communications that come to me daily from people who are enjoying the benefits of cheap electric lights and power which we hope to place within reach of every farm home in America.

There is nothing on earth that goes into a farm homeeven a city home, for that matter-that relieves so much drudgery, brings so much comfort, or such a sense of security as do these electrical appliances, where electricity is supplied at rates the people can afford to pay.

This abundant supply of cheap electricity will double the value of every farm it touches. This \$410,000,000, if properly used to build these rural power lines and supply our farmers with electric energy at T. V. A. rates, will add billions of dollars to farm values throughout the United States.

Electrification of a farmer's home makes him want to stay there. It makes his children want to remain at home. It affords them wholesome entertainment, wholesome surroundings, keeps them in touch with the world, and does away with the monotonous drudgery that has driven so many of our young people from the farms to the cities in the years gone by.

In 1928, when farm homes were being sold under the hammer, while millionaires were made on the stock exchange, and certain leaders were pointing to the feverish speculations as indications of prosperity, one farmer drew a picture for me of the conditions in his old home community that I shall never forget as long as I live. He said he was passing down the highway through the old community in which he had been reared, and saw the once beautiful farm homes abandoned. He said he paused in front of the one in which he had lived as a boy, and saw a picture of what Shakespeare once called "unfenced desolation." He said the fields were laid waste, the fences were gone, the barn was falling down, the roof of the house was caving in, and the doorsteps were gone. The yard and garden were grown up in weeds and bramble. He said he wandered in through what had once been an open gate and peered through the paneless window into a room that once contained a happy fireside, and saw the rats and mice chasing each other across the vacant floor, while from the dying top of a shade tree in the yard, in which the birds once sang, and beneath which the children had played, a lonely crow looked out over the desolate landscape and solemnly croaked his mournful message to his mate.

He was simply drawing a picture of thousands of farm homes in America at that time.

I thought of Goldsmith's immortal lines-

Ill fares the land, to hastening ills a prey, Where wealth accumulates, and men decay, Princes and lords may flourish or may fade,
A breath can make them, as a breath has made;
But a bold peasantry, their country's pride,
When once destroy'd, can never be supplied.

What I want to do, and what we are doing in the T. V. A. area, is to reverse that picture and rehabilitate those homes. We want to rebuild those fences, conserve that soil, electrify that house, and make it an attractive and profitable place in which to live.

We not only want to light every room in those homes as well as the barns and other outhouses but we want to supply the electricity to pump the water, operate the radio, the electric iron, the vacuum cleaner, the refrigerator, the range, the washing machine, and all the other necessary electrical appliances at the lowest possible rates. It is the greatest opportunity that has ever confronted the farmers of the Nation.

If we would make our country strong and prosperous, and its rural homes happy and contented, we can do so by carrying out this program of electrifying every farm home in America at the T. V. A. rates-or rates the farmers can afford to pay. [Applause.]

Mr. CONNERY. Mr. Chairman, I rise in opposition to the pro-forma amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered. Mr. CONNERY. Mr. Chairman, I am in sympathy with the purpose of this bill, but I see that it is different from the Senate bill, in that it permits loans to what we might call standard corporations—the Power Trust corporations. I think that if that is left in the House bill we are going to defeat the very purposes of the bill, because the ones who will get the loans at the start will be the Power Trust companies that will go into the rural areas, and you will not get the fair rates on the electricity that you will with your cooperative organizations.

My distinguished friend from Texas, Mr. RAYBURN, the chairman, said that in this bill we were not going into competition or put anyone into competition with anyone else. I think that is just what we ought to do, to have all the competition with the Power Trust that we can for the benefit of the American people—to have new companies formed that will force down the rates, not only for the farmer alone but for the city dweller.

I heard my friend from Mississippi, Mr. Rankin, refer to the farmers, but there are thousands of people living in the cities who have not as many comforts as the farmer;

people who have not the radios which the gentleman referred to. I want to take care of them and see that their rates on gas and electricity come down. The only way to bring this about is to bring about competition that will force the rates down on gas and electricity.

Mr. RANKIN. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. RANKIN. I agree with the gentleman thoroughly. Where we organized cooperative associations immediately the rates began to drop.

Mr. CONNERY. I understand the gentleman from Mississippi [Mr. Rankin] is going to offer an amendment to prevent the Power Trust from obtaining these loans, and I will support that amendment.

Now I know something about this power situation.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I ask for 5 minutes more. The CHAIRMAN. Is there objection?

There was no objection.

Mr. CONNERY. I repeat, I know something about this power situation. I made a speech 2 years ago in this House along similar lines to this plan in which I condemned the Power Trust. As I left the floor after making that speech I said to a colleague, "I have just financed my next opponent's campaign." He said, "What do you mean?" I said: "In the city of Lynn, where I was born, my father was mayor in 1912. He knew how the Power Trust controlled the city politically, and that he was taking his political life in his hands in attacking the trust. Nevertheless, he brought to Lynn an engineering expert from the Massachusetts Institute of Technology to survey the entire electrical situation of the city of Lynn. The expert made a thorough investigation and then reported that the Lynn Gas & Electric Co., which has a monopoly in Lynn and its surroundings, was making a profit of over 300 percent on the rates on electricity and gas charged to the people of Lynn. He fought hard but was unsuccessful in his fight to obtain fair rates for the people. When election time came around Mayor Connery was defeated, because he had dared to fight for the cause of the people against big money. No mayor of Lynn before him or since his term as mayor has ever had the nerve to attack the Lynn Gas & Electric Co. I attacked them and other members of the Power Trust on the floor of this House, so I knew what to expect in my last election. It came. The Power Trust used every method at their disposal to defeat me, but evidently times have changed since my father's day, and the people of my district showed plainly that they cannot be controlled by the Power Trust, and returned me to Congress, for which I thank them."

So, as I say, I know something about this situation. These gas and electric companies are gold mines, exorbitant profits are made by them. Now we have a bill before us to help the farmer in rural electrification, and we want the small home owners in the cities as well to be taken care of, whether in Boston, New York, Chicago, San Francisco, New Orleans, the smaller cities, or anywhere else, but this little proposition in the House bill will stop that. It now provides that the money can go to the standard companies and Power Trust who are in power now, and they will get the money and your high rates will stay as they are, high, and if the farmer gets his electrification, he will pay the same high rate that the city dweller pays today. We want to stop that, and I do not think the membership of this House wants to play into the hands of the Power Trust by this provision in this bill. It is not in the Senate bill, and I hope it will be stricken from the House bill. There is no reason why the farmer and the small wage earner in the city should not get cheaper electricity, and cheap gas, and I hope when the gentleman from Mississippi offers his amendment that it will be agreed to by the Committee of the Whole.

Mr. McFARLANE. Mr. Chairman, I move to strike out the last two words. I ask unanimous consent to extend my remarks and to include certain excerpts.

The CHAIRMAN. Is there objection? There was no objection.

Mr. McFARLANE. Mr. Chairman, I am in hearty sympathy with the remarks of the two gentlemen who have just preceded me. I hope when we reach section 4 that provision, page 14, line 6, that "persons, corporations" shall be allowed to come in and perhaps get most of this money that we are providing, that we will strike out those two words, so that the farmers back home who want to organize and come in and really get the benefit and electrify the rural communities will get the benefit of the legislation. That is the provision in the Norris bill, as it came to us from the the Senate, and this particular section was practically rewritten, and regardless of good intentions—the world is filled with them-I think we ought to strike out these two words and also approve other amendments that will be offered to this section, because I believe that gray-headed statesman in the Senate, Senator Norris, and those gentlemen who wrote that bill, knew what they were doing. The experience we have had with the Power Trust, I think, is sufficient reason for not taking any chances, and we ought not to take any chances or tempt them; we ought to place all of the safeguards around this legislation that we can to see to it that the farmer gets the benefit rather than the Power Trust. Let us not close our eyes to the fact that if we really want to electrify the farms we should write a law under which we can do it, and under such legislation leave no loopholes through which the enemy may block our efforts to really provide the farmers with electricity they can afford to buy. There is in the hearings an interesting chart showing that Holland and Germany and Sweden have electrified a large majority of their farms. They did not do it with the help and with the cooperation of the Power Trust. They did it under public ownership.

We might as well call a spade a spade and not fool ourselves about these things. If we are going to electrify these farms and if we are going to give the people in the cities in the United States cheap power, the only answer is municipal ownership for the cities, and to organize your own communities through a farmer set-up, so that the slick Power Trust crowd will have no opportunity to control the set-up and through such nonprofit cooperatives get your rural electrification from your own company. The gentleman from Mississippi [Mr. Rankin] has just vividly called to our attention what the T. V. A. has done in that area. Similar organizations, Nation-wide, will mean the same thing for your community if we write the proper kind of legislation, which will guarantee that for your community, so that your community can organize and get the benefit of the legislation rather than the Power Trust. Have you ever heard of the Power Trust extending its lines into a rural community? The Power Trust has only skimmed the cream of the business in the thickly populated farm areas, and they have not electrified the farms otherwise, and they do not intend to unless we make them do it; and the only way that we can make them do it is through competition, and the only way any city has ever received lower rates is through competition. It has been repeatedly called to the attention of the Congress how futile our so-called State regulatory commissioners have been in securing for the consumers of electricity and gas reasonable rates based upon actual investment. Under court decisions and the many loopholes the utilities have always, through manipulation and chicanery, been able to control the situation and continue to charge unreasonably high rates for the services rendered.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. Yes; I yield.

Mr. FORD of California. What provision is it that the gentleman is interested in having stricken out?

Mr. McFARLANE. It is, on page 14, line 6, of section 4, to strike out the words "persons, corporations." Then, with a few more amendments, you have the bill as it came from the Senate in that respect.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. McFARLANE. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

Mr. RAYBURN. Mr. Chairman, of course, I am going to reply to all of these speeches when we get to the section of the bill to which they refer. I think we ought to confine ourselves to the section under consideration. I shall not object to this, but I shall object to any other speeches out of order on this section.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield.

Mr. McFARLANE. Yes. I yield.

Mr. ANDREWS of New York. Who does the gentleman

think will extend these power lines?

Mr. McFARLANE. The corporations that are organized under this bill will extend the power lines. The hearings are very complete on that. The gentleman from Mississippi [Mr. RANKIN] has very clearly gone into that, as to who has extended quite a number of them down in his area. For instance, under this bill, in answer to the gentleman, it will leave these authorities to extend these power lines: States, Territories, subdivisions, agencies, municipalities, peoples' utilities, and district cooperatives, and such nonprofit organizations. They will extend the power lines in that way, under this bill, through the cheap interest rates. Through these organizations they can extend these power lines so that the people rather than the Power Trust will get the benefit of lower rates. We are not going to be able to give these farmers any lower electric rates if we do not give it to them on a basis so that they can have these modern facilities and so that they can really get the benefits of it.

Mr. ANDREWS of New York. Does the gentleman feel there are any private individuals in such a position financially as to take advantage of this act and extend power lines

over long distances?

Mr. McFARLANE. In answer to the gentleman, I would say that the world is full of good intentions. There are plenty of the 4 percent Power Trust crowd who own 90 percent of the Nation's wealth, who have ample money to do that, but try and get them to do it. The answer is they have not done it. As long as we give them a natural monopoly on these utilities, as long as they have the power to exploit, there is no power under the sun that can keep them from exploiting the people. How can we keep them from doing it? The answer is we have not up to this time. We are not going to do it under this legislation unless we specifically write very clear provisions into same and unless we put this means within the reach of the people and allow them to set up their own organization so that they can have the benefit of it, such as they have done in all the European countries and such as they have done in Ontario where they have a 2-cent top power rate—the cheapest power rate on the North American continent for the power consumed.

Mr. MORAN. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. MORAN. Perhaps the answer is not a theory but a matter of practice. The R. E. A. has been in business for a while. The answer to the question as to who is going to borrow this money is that 57 applications have already been made to the R. E. A. Probably some of the cooperatives.

Mr. McFARLANE, I think that partially answers the

Mr. McFARLANE. I think that partially answers the question.

In conclusion let me say that I hope that we make this legislation sufficiently clear so that the farmers of the Nation will actually get the benefit of this modern utility at low cost. The records show that about 15 percent of the farms of this Nation have electricity and water piped in the houses; 30 percent, radios; 35 percent, telephones; and 60 percent, automobiles. While in Texas we find that the farms have only 2.2 percent served with electricity, and rank forty-fifth among the States of the Nation. And in Texas on our farms only about 7 percent have radios; 15 percent, water piped into houses; 20 percent have telephones, and 55 percent have automobiles. So if we are to do justice to our farmers we have a long way to go toward providing them these modern facilities at prices they are able to afford. This legislation should go a long way toward providing the

greatest modern utility, electricity, and at a reasonable rate. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas [Mr. McFarlane] has expired.

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, of course we have electricity where I come from, St. Louis. I am not only interested in seeing the people on the farm get electricity, but in St. Louis and in the other large cities of the country we are going to manufacture all the equipment that will be used by the farmers when they do get electricity.

I had a little experience along this line which makes me realize the necessity for legislation of this character. A friend of mine had a little shack about 50 miles from St. Louis, along a river-nothing but a playhouse. We used to go there, cook our own meals, wash the dishes—no ladies being present-and we would also keep the place clean. Among the jobs, we had to clean the oil-burning lamps. That is a rather delicate work, if you have lived in a city and never had to clean lamps. I would rather wash dishes than clean lamps, because I generally break the globe and then must go to town and buy another. So we got together, interviewed the farmers in the vicinity, and decided we would string some wires about 3 miles from a town so that we could get electricity. There were about 25 or 30 people there who wanted electricity. They did not have the money to pay their share to put up the poles and string the wires. As I recall it, the cost was somewhere around \$2,000. The electric company was willing to put up the poles and string the wire, but they insisted the monthly bill of those using the current would contain a charge until the entire cost of installing the service was covered. As I understand this bill, it will be very helpful to people in such a position, to be able to get some money so that they can put up poles and string wires and get a service that we in the cities receive; but the point I want to emphasize, speaking from the standpoint of the interest of the cities in legislation of this character, is that our people are going to be employed manufacturing the equipment that will be used by the farmers. It is legislation of this kind that I think we should pass, where the Government is going to get its money back, and give service to the housewives in the country to which they are just as much entitled as we in the cities are. At the same time, we are helping those who are unemployed. The electrical workers in the cities, who manufacture this equipment, are a class of people where many are unemployed at the present time.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. COCHRAN. I yield.

Mr. RANKIN. Let me say to the gentleman from Missouri this will also help reduce the rates in the cities all over the State of Missouri. In the State of Missouri at the present time the people are being overcharged \$20,000,000 a year for electric light and power.

Mr. COCHRAN. I realize the situation in Missouri, but right now I am thinking about helping these poor people in the country get something that they are entitled to that we have, and as I said at the same time helping unemployed electrical workers.

Mr. RANKIN. Yes; and not 1 farmer out of 10 in Missouri has electricity at the present time. This is the only way he is ever going to get it at reasonable rates.

Mr. COCHRAN. I cannot confirm the gentleman's statement, who generally knows what he is talking about, but I do hope that those from the cities will realize it is going to be helpful to us by putting people to work manufacturing the equipment they will use when they do provide electricity in the country.

Mr. RANKIN. I was not guessing at what I said. I have investigated the matter.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. Cochraw] has expired.

Mr. RAYBURN. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes. The motion was agreed to.

Mr. WEARIN. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, perhaps it is because I come from a rural section of Iowa that I am very much interested in the passage of this bill providing for additional rural-electrification programs, because I know how badly farm homes need the advantages of the commodity.

The question has been raised in this debate of how much the farmer can afford to invest in this particular program when he is at present overborrowed. The point of that debate to me, of course, is the fact that the farmer is not going to be forced to accept this project. It is a cooperative movement which, if he feels he cannot afford, he need not take, but if he feels he is going to secure enough benefit and enough profit as a result of this investment he will go into it; and thereby hangs the tale, so to speak, of this particular argument. For example, under existing rates in Iowa-I checked up on my electric-light bills a few days ago when I was back there for a brief period-under the excessive rates I am paying, the excessive rates my father is paying on his farm, our cost for pumping water for livestock is a very minimum figure, for example, about \$1 per month for 200 head. This in itself when compared with the cost of pumping water with a combustion engine was considerably less. I impress upon your minds, however, that it is higher than it should be as a result of the excessive rates being charged for electric current in the State of Iowa.

My particular State has been brought into this discussion by one or two Members as being an example of a commonwealth that is not very extensively electrified in its rural sections, and this is true. The reason it is not very extensively electrified is because under present rates of 4, 6, and 8 cents per kilowatt-hour many farmers would have to pay from \$12 to \$14 a month for 125 to 150 kilowatt-hours of electric energy, and they cannot afford to electrify their farms on the basis of such charges. It simply cannot be done, and especially when such charges for current are coupled up with high-priced equipment and transmission lines and no way of financing either on a reasonable basis. As I understand this bill, it is intended to correct that situation in part.

Of course, in my judgment, we are going to have to go much further than it will be possible to do under the legislation we are now considering. We must eventually set up a power-development program similar to the T. V. A. in the great Mississippi Valley, where it will not be necessary to cultivate a market for cheap electricity. The farmers in that territory are thoroughly familiar with its advantages, but they must have it at a price they can afford to pay. It is impossible for them to buy current at 4, 6, and 8 cents per kilowatt-hour. This is not the first time, nor will it be the last time that I will call this situation to the attention of the Congress and the country.

I have had a bill before the House for many months providing for a Missouri Valley Authority, and I will be delighted to cooperate with the senior Senator from Nebraska in enlarging it into a Mississippi Valley Authority, as provided in his recent proposal. Within the next few weeks I will submit to this body some valuable information indicating the necessity of such a program in the great Middle West.

If we can provide the farmers of this Nation with cheap power and get it to them from the source of its production, we will have effected the most noteworthy and lasting farm relief ever extended to the producers of agricultural products.

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am in favor of this piece of legislation, and I want to give a little illustration showing how it will benefit people living in rural communities. I have had some dealings with the power corporation in our territory. I may say that at one time I was a member of the official body of the town of Wakefield, Mich. Their contract with the power interests expired. Another town in the same county, Ironwood, had a contract that had not expired. We were paying about 6 cents per kilowatt-hour for electricity in the city of Wakefield at the time. When we threatened to build our say that at one time I was a member of the official body of

own municipal plant they cut the rate approximately in half, but still held the rate in the city of Ironwood at about 9 cents per kilowatt-hour, which rate was reduced to about 7 cents per kilowatt-hour for releasing the power company from the terms of a franchise with regard to certain street railway owned and operated by the power company.

This same power company built lines into certain rural districts and furnished power to the rural districts, but only after forcing the township officials to accept a franchise from this power company which places such a burden on the farmers that it practically prohibits them from using electric energy. Several hundred farmers in one district wish to connect up, but cannot afford to under these burdensome rates. I would like to have legislation that will break the monopoly that this power company has in this area and permit the farmers to enjoy the benefits of rural electrification. The charges are prohibitive, as is shown by the following schedule, showing rates as high as \$6 per month service charge. Let us give the farmers some help by real, honest-to-goodness legislation on our part. The gentleman from Mississippi is correct in the remarks he has made, and I congratulate him.

RURAL RATE

3	Service charge: Monthly
1	Transformer capacity required: service charge
٩	Not more than 11/2 kilovolt-amperes\$2
	Over 1½ kilovolt-amperes and not more than 3 kilo- volt-amperes 3
	Over 3 kilovolt-amperes and not more than 5 kilovolt-amperes4
	Over 5 kilovolt-amperes and not more than 7½ kilovolt-amperes 5
	Over 7½ kilovolt-amperes and not more than 10 kilo- volt-amperes6
4	Energy charge: Kilowatt-hour
	For first 60 kilowatt-hours used per monthcents 7
	For all over 100 kilowatt-hours used per month_do 21/2
	%c per kilowatt-hour will be added to the energy portion of any bill not paid within 16 days from the date of the bill.
	Minimum monthly bill shall be the monthly service charge.

Mr. PIERCE. Mr. Chairman, will the gentleman yield? Mr. HOOK. I yield.

Mr. PIERCE. Does the gentleman think this bill carries any relief for such people?

Mr. HOOK. I do.

Mr. PIERCE. I hope it does.

Mr. HOOK. It does if they will be allowed to install their own generating plant and extend their own lines.

Mr. PIERCE. Yes, but Cooke says there shall be no competing lines. He does not want to build a line or do anything where a company is already on the ground. He will tell the gentleman so when the gentleman appeals to him on behalf of a rural community.

Mr. HOOK. As I understand it, the amendment that will be offered by the gentleman from Mississippi [Mr. RANKIN] will extend this right to such communities.

Mr. PIERCE. Mr. Chairman, will the gentleman yield further?

Mr. HOOK. I yield.

Mr. PIERCE. Do not misunderstand, I am going to vote for this bill: but I do regret that some of these things are not written in different language.

Mr. HOOK. I trust that the bill as amended by the gentleman from Mississippi will take care of the situation by allowing the extension of cooperative lines.

Mr. PIERCE. We will not be able to take care of it until we have public ownership of lines over the country.

Mr. HOOK. I agree with the gentleman on that.

Mr. PIERCE. When we have this country divided into six or eight districts with the public owning the power plants, we will be able to do it.

[Here the gavel fell.]

The Clerk read as follows:

Electrification Administration established by Executive Order No. 7037: Provided, That no such loan shall be in an amount exceeding 85 percent of the principal amount outstanding of the obligations constituting the security therefor: And provided further, That such obligations incurred for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines, or systems shall be fully amortized over a period not to exceed 25 years, and that the maturity of such obligations incurred for the purpose of financing the wiring of premises and the acquisition and installation of electrical and plumbing appliances and equipment shall not exceed two-thirds premises and the acquisition and installation of electrical and plumbing appliances and equipment shall not exceed two-thirds of the assured life thereof and not more than 5 years. The Administrator is hereby authorized to make all such endorsements, to execute all such instruments, and to do all such acts and things as shall be necessary to effect the valid transfer and assignment to the Reconstruction Finance Corporation of all such obligations.

(b) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1938, and for each of the 8 years thereafter, the sum of \$40,000,000 for the purposes of this act as hereinafter provided.

provided.

(c) Fifty percent of the annual sums herein made available or appropriated for the purposes of this act shall be allotted yearly by the Administrator for loans in the several States in the proportion which the number of their farms not then receiving central station electric service bears to the total number of farms of the United States not then receiving such service. The Administrator shall, within 90 days after the beginning of each fiscal year, determine for each State and for the United States the number of farms not then receiving such service.

(d) The remaining 50 percent of such annual sums shall be available for loans in the several States and in the Territories, without allotment as hereinabove provided, in such amounts for

available for loans in the several States and in the Territories, without allotment as hereinabove provided, in such amounts for each State and Territory as, in the opinion of the Administrator, may be effectively employed for the purposes of this act, and to carry out the provisions of section 7: Provided, however, That not more than 10 percent of said unallotted annual sums may be employed in any one State, or in all of the Territories.

(e) If any part of the annual sums made available for the purposes of this act shall not be loaned or obligated during the fiscal year for which such sums are made available, such unexpended or

poses of this act shall not be loaned or obligated during the fiscal year for which such sums are made available, such unexpended or unobligated sums shall be available for loans by the Administrator in the following year or years without allotment: Provided, however, That not more than 10 percent of said sums may be employed in any one State or in all of the Territories: And provided further, That no loans shall be made by the Reconstruction Finance Corporation to the Administrator after June 30, 1937.

(1) All moneys representing payments of principal and interest on loans made by the Administrator under this act shall be covered into the Treasury as miscellaneous receipts excent that any

ered into the Treasury as miscellaneous receipts, except that any such moneys representing payments of principal and interest on obligations constituting the security for loans made by the Reconstruction Finance Corporation to the Administrator shall be paid to the Reconstruction Finance Corporation in payment of such

loans.

SEC. 4. The Administrator is authorized and empowered, from the sums hereinbefore authorized, to make loans to persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines or systems for the furnishing of electric energy to persons in rural areas who are not receiving central-station service. Such loans shall be on such terms and conditions relating to the expenditure of the moneys loaned and the security therefor as the Administrator shall determine and may be made payable in whole or in part out of income: Provided, however, That all such loans shall be self-liquidating within a period of not to exceed 25 years, and shall bear interest at a rate not less than 3 percent per annum: Provided further, That no loan for the construction, operation, or shall bear interest at a rate not less than a percent per amum: Provided further, That no loan for the construction, operation, or enlargement of any generating plant shall be made unless the consent of the State authority having jurisdiction in the premises is first obtained. Loans under this section and section 5 shall not be made unless the Administrator finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Wadsworth: Page 14, line 14, after the word "loans", insert the words "shall not in any case exceed 85 percent of the actual construction cost of the project and."

Mr. WADSWORTH. Mr. Chairman, if the amendment I have just offered is adopted the sentence will read:

Such loans shall not in any case exceed 85 percent of the actual construction cost of the shipment and shall be on such terms and

And so forth.

The amendment is offered in conformity with my suggestion made during general debate on the bill. It is offered in the interest of sound business practice. It is consistent with the provisions relating to the loans which the R. F. C. may

make under this same bill. The R. F. C. may lend up to 85 percent of the face value of the security offered by the Administrator to the R. F. C., and the amendment which I have offered would conform with that and provide that the Administrator, in making a loan for the building of a transmission line, shall be restricted to 85 percent of the cost of the line. This is what we do in all other Government lending activities. This leaves the same cushion for the Government in case of loss; otherwise there is no cushion whatever, and such loss as may be sustained must be borne by the Government.

Mr. Chairman, I think this is unfair to the Government, and I think it is not unfair to the prospective customers and these smaller cooperatives or other concerns which

build lines.

Mr. FORD of California. Will the gentleman yield? Mr. WADSWORTH. I yield to the gentleman from California.

Mr. FORD of California. That would not apply in a case where the borrowing authority had other assets that the Government could come back on. It would be just where it was, a raw plan to build a line with no assets whatever behind it.

Mr. WADSWORTH. That is my understanding; and, of course, I base the understanding on the testimony of Mr. Cooke before the Committee on Interstate and Foreign Commerce, in which he repeatedly stated that the sole security of the Government in these transactions would be the line itself, making it perfectly obvious that if anything happened to the line or if the project lost money and could not pay interest to the Administrator, much less the amortization payment, the Government would stand the loss. This should be entitled "A bill to guarantee everybody against loss except Uncle Sam."

Mr. RANKIN. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Mis-

Mr. RANKIN. Does not the gentleman think his amendment should be entitled "An amendment to kill the bill"?

Mr. WADSWORTH. No; I do not.

Mr. RANKIN. Is it not a fact that Mr. Cooke stated before the committee that such an amendment would simply mean killing the bill? If he did not say that, I think the chairman stated it in his presence.

Mr. WADSWORTH. To tell the honest truth, I do not recall that Mr. Cooke said anything of that kind. He may have. If he did express such sentiment, it is purely an opinion. My opinion is, if this service is so attractive to rural communities, and I think it is, they should be willing to pay a part of the cost. I live in a rural community myself and use it in part.

Mr. RANKIN. What rate does the gentleman pay? Mr. WADSWORTH. I cannot remember now, but I am satisfied

Mr. RANKIN. Are the gentleman's neighbors satisfied?

Mr. WADSWORTH. I am. If this thing is so attractive to rural communities and, as the gentleman from Mississippi says, is going to double the value of farm property, then I think the people would be willing to put in 15 percent of the cost.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as I stated in my opening remarks this morning, I think we might as well strike the enacting clause out of this bill as to adopt the amendment just offered.

In these 85-percent loans made by the Reconstruction Finance Corporation they are lent on a going business. In the situation we are approaching by this bill you cannot get the farmers to put up \$15 out of every \$100 to start this business, and under State laws and under good business practice, if these people are as wise as we think they will be, they will certainly make provision for the hazard that the gentleman from New York talked about earlier in the day and talks about at this time.

Mr. Chairman, I am of the opinion that the loans made on the sort of set-up which will be approved by the Rural Electrification Administrator will in 95 percent of the cases

pay out. Of course, there is no class of business in the world that is successful 100 percent, and in which there are not some losses.

I want to say to the House now-and I believe this fullybelieve the expenditure of this money will change the horizon for these people. It will pull them out of the darkness into the light. I think it would be money well spent by the United States Government to electrify a million homes in this country if they never got back one dollar. [Applause.] I do not make this statement, however, as begging the question, but I make it because I believe it is a fair statement and one that can be justified. I also believe these rural electrification districts will be as self-liquidating and as self-sustaining as any other business organization in the country; therefore I trust the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. WADSWORTH) there were-ayes 14, noes 61.

So the amendment was rejected.

Mr. RANKIN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. RANKIN: Page 14, line 6, after the word "to", strike out the words "persons, corporations,"

Mr. RANKIN. Mr. Chairman, this amendment simply restores the language of the Norris bill as it passed the Senate, and I submit that the amendment ought to be adopted.

There ought to be no doubt as to whom this money is going. If you begin lending to private corporations, they will do with it just what they are doing with their own money now, and that is building a few scattering lines out through the rural sections and paralyzing and preventing real rural electrification. They are doing it in Tennessee; they are doing it in Alabama and all down through that country. They call them "spite" lines, the object of which is to paralyze rural electri-

Down in Mississippi they have gone out and told them, "We have the power; we are going to get this money that has been appropriated and we will build your lines", and wherever they have gone with that poisonous propaganda they have failed to get any rural electrification at all. They have demoralized the people and misled them to such an extent that they could not organize or did not organize, and therefore they have been shut out up to the present time. We are now fighting to overcome that influence.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. PIERCE. Have they not done that right along?

Mr. RANKIN. Yes; as I say, they are doing it now and they are today using the courts of the country in every State of the Union, rushing into the Federal courts and trumping up every conceivable scheme to enjoin and prevent any kind of electrical development that does not bring money into their pockets.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. MAVERICK. Would not these farmers' organizations be corporations just like a utility company?

Mr. RANKIN. I understand they would be corporations, but not private corporations. They would be non-profitsharing corporations.

This amendment is simply restoring the language in the Norris bill, and it cannot hurt anything because it will expedite the passage of the bill through conference.

Now, they say here, "loans to persons".

Mr. WADSWORTH. Mr. Chairman, will the gentleman vield?

Mr. RANKIN. In just a moment.

I have gone through this fight from one end to the other. I have gone into many of these rural districts and fought this battle out, and if you were to leave the word "person" in here, it would give one man in a community an opportunity to get the money to build a line to his house and leave his neighbors out, and the power companies will go to this man and tell him to do that and say, "Why should in New England to create a cooperative organizati you help to carry these poor fellows along", which would to take advantage of these rules and regulations.

put them in the same position as the neighbors of the gentleman from New York, who gets no power at all, while the gentleman enjoys such power, even though he does not know what the rates are. This would tend to block this program in every State of the Union, and I want to tell you gentlemen that you have a battle, every one of you. The gentleman from New York does not have a battle because he is not interested, it seems, in whether his neighbors get electricity or not. He is not enough interested to even know what rates he pays.

Mr. WADSWORTH. Mr. Chairman, will the gentleman vield?

Mr. RANKIN. I will yield to the gentleman if he will tell me what 40 kilowatt-hours a month cost him in his own

Mr. WADSWORTH. I am not going to have any condition placed upon me. I just beg of the gentleman to be accurate in his observations concerning the gentleman from New York. I said nothing of the kind.

Mr. RANKIN. I did not say the gentleman said it.

[Here the gavel fell.]

Mr. RAYBURN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is one matter that in the committee was considered long and considered well. I think that every member of the committee finally came to the conclusion that this is a wise and fair provision to put in the bill.

As I tried to point out earlier in the day, there are so many rural communities in the country that cannot possibly qualify, that cannot possibly convince any sane director of rural electrification in this country, that they have enough to bring into existence a cooperative or a corporation that can live, much less ever pay itself out and make itself a self-liquidating proposition, that these words should stay in the bill.

Many of the sparsely settled communities within 5 or 10 miles of a community in which there is a private power plant can, with this loan from the Government, get rural electrification, whereas they never would get it otherwise.

What we are after here is to bring about electrification of the rural districts of the country and not because somebody passed a bill in the Senate to follow that language. I have as much respect for the Senator from Nebraska [Mr. NORRIS] as anybody on the floor of this House, but we are here to legislate as a House of Representatives and not to follow the Committee on Agriculture of the Senate or the Senate or any one man in the Senate.

I think I can state that those who will be in charge of this activity believe that this provision will bring about as much rural electrification or more than the original provisions of the bill so far as that is concerned.

I therefore trust, in the interest of rural electrification of the country, in the interest of fair play, in the interest of orderly procedure of rural electrification, in the interest of nonprofit corporations and power companies, that this amendment will be voted down. I ask for a vote.

Mr. CONNERY. Mr. Chairman, I rise in support of the amendment. My friend from Texas [Mr. RAYBURN] I always listen to with great attention. He always makes a strong argument. It seems to me today, however, he is off on the wrong foot, because the farmers of the United States under the present situation in this country will never get electricity from the power companies, and if you allow and encourage the Power Trust companies to build their lines into the rural communities, the only result will be that they will continue to charge exorbitant rates to the city dwellers and force the farmers to pay those same high rates.

Mr. HOLMES. Will the gentleman yield?

Mr. CONNERY. I yield to my friend from Massachusetts. Mr. HOLMES. I want to ask my friend a question, and that is, if he studies the bill as we have who have served on the committee, you will realize that if this amendment is adopted there is only one thing that will come of it, and that will be that the farmers will get no relief whatever.

They will get no relief because there is not mileage enough in New England to create a cooperative organization sufficient

Mr. CONNERY. I think the gentleman is in error there. Plenty of cooperatives will spring up to challenge the Power Trust if given a fair opportunity. The gentleman knows from his experience with the power companies in our section that if these companies go out into the farming districts, into the rural communities, they will continue to charge their exorbitant profits. So I believe that the passage of this amendment is vital if we are to get decent rates on electricity for all of the people.

Mr. RANKIN. Will the gentleman yield? Mr. CONNERY. I yield to the gentleman.

Mr. RANKIN. Let me say to the gentleman that there was a community served by a private corporation in my county in Mississippi, and what did they do? They built a little line out into a small community and they charged \$3 to \$4.75 for 25 kilowatt-hours a month, where the T. V. A. rates for the same amount would be \$1.

[Here the gavel fell.]

Mr. LEA of California. Mr. Chairman, I support the commendable purposes of this bill. I oppose the pending

amendment as detrimental to its purposes.

Let us look at the practical situation we face. Under the terms of this bill, the farmer has two options to get rural electrification. One is through financing him by the Government. The Government will furnish the money to build the rural lines but on condition that the farmer will pay back to the Government the total investment, with interest, assume the hazards of ownership, management, and of the investment, and also pay the operating cost of the business.

The construction cost to the average farmer will be about \$330. If we can give the farmer the service he needs and save him the necessity of that capital investment, he is

better off.

The bill as it now stands also provides another way for farmers to secure rural electrification. The Government may loan the necessary money to a private company to provide the rural line. In that case it will be the company that becomes responsible for repayment of the loan, the hazards of ownership, and management. The farmer will become responsible only for his monthly service bill. In many cases this method of financing will be to the economic advantage of the farmer, rather than the other method. Many farmers will be in position to assume responsibility for their monthly service bills who cannot see their way to assume the 100-percent debt and responsibility of ownership.

Those who support this amendment are trying to deny the farmer one of the two methods this bill offers for his relief. The bill does not propose to force either method on the farmer. We want him to have a chance to use either method that he decides will best serve his needs. Why deny a farmer a right to decide for himself whether he prefers to invest \$330 in a local company, besides paying operating expenses, or whether he prefers to get electric current simply

by paying monthly charges.

This talk about excessive charges by the private companies is irrelevant. The utility commissions in the States will fix the rates the farmer will pay on either kind of line. The same authority is going to fix the rate in either case. All this amendment will accomplish will be to deny many farmers of the country rural electrification.

Look at the background behind the situation. The investments in these rural extensions are on the border line of safety. The private companies have not built the lines because they did not see enough profit to pay them to go. In this bill we offer the inducement of long-time loans at cheap interest. If that is sufficient inducement for a cooperative company to go in, it may also induce the private corporation to go in and save the farmer from the necessity of becoming part owner in a business he must finance on a 100-percent loan basis and in which he is inexperienced.

The proposal is that men shall organize their own little company, perhaps 50 or 100 users on the line, possibly with only \$25,000 of capital. They are inexperienced in the business. In many cases they will find much grief. They will have to employ men of skill to carry on the work or pay for their own inexperience. The overhead may be high in proportion to their investment. Suppose they select a 3 percent. That is the whole story of this proposition.

manager of the company that has 100 users and the manager's salary is only \$100 a month. That will make a charge of \$1 a month against every user on that line. Ordinarily the private company owns the central station and financing a small branch line is simple for it. The private company gets wholesale prices on its supplies. It has experienced engineers, construction and operating crews. If the private company will do the right thing it can do the job better and cheaper than the cooperative.

What are we going to do? Insist on that high overhead charge being imposed on the farmer whether he wants it or not, or are we going to leave it an open choice for him to decide? The bill proposes to force nothing upon farmers. This amendment, offered in the name of the farmer, will simply deny rural electrification to many farmers without

conferring benefits on anyone.

Many of these small lines will, within a few years, be swallowed up as links in larger lines. Some will be unduly expensive, others will become antiquated. Many of these small independent lines are temporarily necessary, but when final liquidation time comes, in some instances at least, if not in many, the users on private lines will be at an advantage. It will then also be easier for the Government to collect its bill and depart.

Cooperative or public ownership is frequently desirable, but only where for the best interest of the users.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. RANKIN) there were-ayes 41, noes 53.

Mr. RANKIN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. RAY-BURN and Mr. RANKIN to act as tellers.

The Committee again divided, and the tellers reported ayes 49, noes 60.

So the amendment was rejected.

Mr. RANKIN. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 14, line 20, after the word "not", strike out the words "less than" and insert in lieu thereof the word "exceeding."

Mr. RANKIN. Mr. Chairman, this merely restores the language of the Senate bill, which provides that this money shall be loaned to these rural power lines at not more than 3 percent. In the Committee on Interstate and Foreign Commerce it was changed to read "not less" than 3 percent. My amendment would restore the Senate language. You will observe that on page 15 the committee left the Senate language in section 15 where it provides that on these appliances the money is to be loaned at a rate not exceeding 3 percent.

Mr. RAYBURN. That was an oversight, and the gentleman from Massachusetts [Mr. Holmes], who offered the original amendment, understood that it extended to the other.

Mr. RANKIN. I think the oversight was the other way around.

Mr. RAYBURN. No; it was not.

Mr. RANKIN. What I am trying to do is to correct what I say was an oversight.

Mr. HOLMES. That change was made in both sections 4 and 5.

Mr. RANKIN. Then I will say that it was an error on the part of the committee. The gentleman who put this bill through the Senate has been intensely interested and insistent on this proposition, and I think he is right about it, and this rate ought to be limited to not more than 3 percent, so that we will know what these farmers will have to pay.

Mr. RAYBURN. Mr. Chairman, the committee has a very good reason for changing the Senate language. Under present conditions we think that 3 percent is all that will be charged, but we do not want to put the Government in the position where it will have to pay more than 3 percent for money which it will compel them to lend out at less than

Mr. WHITE. Did this Congress put in that same kind of | a limitation in the R. F. C. bill that we passed the other day?

Mr. RAYBURN. I do not know about that. I am operating on this bill only at the present time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was rejected.

The Clerk read as follows:

SEC. 5. The Administrator is authorized and empowered, from the sums hereinbefore authorized, to make loans for the purpose of financing the wiring of the premises of persons in rural areas and the acquisition and installation of electrical and plumbing appliances and equipment. Such loans may be made to any of the borrowers of funds loaned under the provisions of section 4, or to any person, firm, or corporation supplying or installing the said wiring, appliances, or equipment. Such loans shall be for such terms, subject to such conditions, and so secured as reasonably to assure repayment thereof, and shall be at a rate of interest not exceeding 3 percent per annum. interest not exceeding 3 percent per annum.

Mr. HOLMES. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Holmes: Page 15, line 15, after the word "not", strike out the word "exceeding" and insert in lieu thereof the words "less than."

Mr. RAYBURN. Mr. Chairman, I will say the committee accepts the amendment, in order to save time.

Mr. RANKIN. Mr. Chairman, we do not accept it. I propose to vote against it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Holmes].

The amendment was agreed to.

The Clerk read as follows:

SEC. 6. For the purpose of administering this act and for the

SEC. 6. For the purpose of administering this act and for the purpose of making the studies, investigations, publications, and reports herein provided for, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as shall be necessary.

SEC. 7. The Administrator is authorized and empowered to bid for and purchase at any foreclosure or other sale, or otherwise to acquire, property pledged or mortgaged to secure any loan made pursuant to this act; to pay the purchase price and any costs and expenses incurred in connection therewith from the sums authorized in section 3 of this act; to accept title to any property so purchased or acquired in the name of the United States of America; to operate or lease such property for such period as may be deemed necessary or advisable to protect the investment therein, but not to exceed 5 years after the acquisition thereof; and to sell such property so purchased or acquired, upon such terms and for such consideration as the Administrator shall determine to be reasonable.

reasonable.

No borrower of funds under section 4 shall, without the approval

No borrower of funds under section 4 shall, without the approval of the Administrator, sell or dispose of its property, rights, or franchises, acquired under the provisions of this act, until any loan obtained from the Rural Electrification Administration, including all interest and charges, shall have been repaid.

Sec. 8. The administration of loans and contracts entered into by the Rural Electrification Administration established by Executive Order No. 7037, dated May 11, 1935, may be vested by the President in the Administrator authorized to be appointed by this act; and in such event the provisions of this act shall apply to said loans and contracts to the extent that said provisions are not inconsistent therewith. The President may transfer to the Rural Electrification Administration created by this act the jurisdiction and control of the records, property (including office equipment), and personnel used or employed in the exercise and performance of the functions of the Rural Electrification Administration established by such Executive order. lished by such Executive order.

Mr. RANKIN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. Rankin: Page 17, line 4, after the word "order", insert a new section to read as follows:

"Sec. 9. This act shall be administered entirely on a nonpartisan basis, and in the appointment of officials, the selection of employees, and in the promotion of any such officials or employees, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. If the Administrator herein provided for is found by the President of the United States to be guilty of a violation of this section, he shall be removed from office by the President, and any appointee or selection of officials or employees made by the Administrator who is found guilty of a violation of this act shall be removed by the Administrator."

creating the Tennessee Valley Authority. The Tennessee Valley Authority is the most effective and the most valuable organization, so far as the people are concerned, connected with this Government. It has been more free from politics and has selected the most capable men. The Senator from Nebraska [Mr. Norris] wrote that provision in the Tennessee Valley Authority law. That is where it came from, because it worked so well there. We discussed this proposition, and he said he was going to put it in the bill, and I agreed to support it, because I think it will free this organization from certain political patronage that would do it more harm than good.

I hope the amendment will be agreed to.

Mr. RAYBURN. Mr. Chairman, I do not wish to delay the proceedings, but I do think, in all deference to my friend from Mississippi [Mr. RANKIN] and the distinguished Member of the other body, that this is the most ridiculous provision I ever saw written into any bill. If this provision is adopted, every time anybody is appointed to any position in the Rural Electrification Administration, whether it be under civil service or out, some constituent of some Member of the House, Republican or Democrat, would always be coming and laying the charge that it was a political appointment. There could not possibly be one, in my opinion, where that charge would not lie against the man who was appointed and against the people who may have recommended him.

I do not know anything about this proposition about the Tennessee Valley Authority. I did not know there was any such provision as this in the bill. I know that the Senator from Nebraska had been talking about it for a good while, but I did not think either the House or the Senate had ever adopted the proposition.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. Yes; I yield.

Mr. RANKIN. It will be much more injurious for them to make charges and be able to prove them than if they should make them when there is no truth in them. They have made such charges with reference to appointments in the Tennessee Valley Authority and they have been able to disprove it in every instance.

Mr. RAYBURN. I have had very little cooperation from those in authority as far as jobs are concerned in Tennessee Valley Authority, and I do not like them myself as far as I am concerned.

Mr. RANKIN. I have had wonderful cooperation from the T. V. A. in getting cheap power to the people in the Muscle Shoals area, and I like them very much. They have done a wonderful job and, in my opinion, their organization is as free from politics as any I have ever known.

If you fill this organization with political appointees, I fear the farmers who need this rural electrification will suffer the

consequences.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Mississippi [Mr.

The question was taken; and on a division (demanded by Mr. RANKIN) there were ayes 56 and noes 59.

Mr. RANKIN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. RAYBURN and Mr. RANKIN.

The Committee again divided; and the tellers reported that there were-ayes 60, noes 60.

So the amendment was rejected.

(Mr. Holmes asked and was given permission to revise and extend his remarks.)

The Clerk read as follows:

SEC. 9. The Administrator shall present annually to the Congress not later than the 20th day of January in each year a full report of his activities under this act.

SEC. 10. In order to carry out the provisions of this act the Administrator may accept and utilize such voluntary and uncompensated services of Federal, State, and local officers and employees as are available, and he may without regard to the provisions of civil-service laws applicable to officers and employees of the United States appoint and fix the compensation of attorneys, engineers, and experts, and he may, subject to the civil-service laws, appoint such other officers and employees as he may find necessary and prescribe their duties. The Administrator is authorized from sums. by the Administrator."

Mr. RANKIN. Mr. Chairman, this is merely restoring the language of the Senate bill. This provision is in the bill lawbooks and books of reference; directories and periodicals; travel

expenses; rental at the seat of government and elsewhere; the purchase, operation, or maintenance of passenger-carrying vehicles; and printing and binding) as are appropriate and necessary to carry out the provisions of this act.

and printing and binding) as are appropriate and necessary to carry out the provisions of this act.

SEC. 11. The Administrator is authorized and empowered to extend the time of payment of interest or principal of any loans made by the Administrator pursuant to this act: Provided, however, That with respect to any loan made under section 4, the payment of interest or principal shall not be extended more than 5 years after such payment shall have become due, and with respect to any loan made under section 5, the payment of principal or interest shall not be extended more than 2 years after such payment shall have become due: And provided further, That the provisions of this section shall not apply to any obligations or the security therefor which may be held by the Reconstruction Finance Corporation under the provisions of section 3.

SEC. 12. As used in this act the term "rural area" shall be deemed to mean any area of the United States not included within the boundaries of any city, village, or borough having a population in excess of 1,500 inhabitants, and such term shall be deemed to include both the farm and nonfarm population thereof; the term "farm" shall be deemed to mean a farm as defined in the publications of the Bureau of the Census; the term "person" shall be deemed to mean any natural person, firm, corporation, or association; the term "Territory" shall be deemed to include any insular possession of the United States.

SEC. 13. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of

Sec. 13. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

The CHAIRMAN. The question is on the adoption of the committee amendment.

The committee amendment was agreed to.

Under the rule the Committee rose; and the Speaker having resumed the chair, Mr. SUTPHIN, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill (S. 3483) to provide for rural electrification, and for other purposes, pursuant to House Resolution 447, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is considered as ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, and was read the third time.

Mr. WADSWORTH. Mr. Speaker, I offer a motion to

The Clerk read as follows:

Mr. Wadsworth moves to recommit the bill to the Committee on Interstate and Foreign Commerce with instructions to report the same back forthwith with the following amendment:
On page 10, line 23, strike out "10" and insert "5."

Mr. RAYBURN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to re-

The question was taken; and on a division (demanded by Mr. Wadsworth) there were—ayes 44, noes 92.

So the motion was rejected.

The SPEAKER. The question is on the passage of the bill. The bill was passed.

On motion of Mr. RAYBURN, a motion to reconsider the vote by which the bill was passed was laid on the table.

ADJOURNMENT OVER

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER. The gentleman from Alabama asks unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next. Is there objection?

Mr. BIERMANN. Mr. Speaker, reserving the right to object, does not the majority leader think it would be well to use some of these extra days to consider omnibus bills on the Private Calendar? We are in the fourth month of our session and have passed but one omnibus private bill.

Mr. BANKHEAD. I agree, of course, that Members are interested in the consideration of the omnibus private bills, but the gentleman knows such bills can be called only on certain days under the rules of the House, and there has been no delay this session of Congress. We have been working here busily practically every day except Saturday and have adjourned then only for the convenience of the Members.

The rules provide that on the third Tuesday of each month this calendar shall be called, and I assure the gentleman I shall exercise every power I may have to see that it is not interfered with and that the full day may be devoted to this calendar.

I may say further to the gentleman that if we can find opportunity, although it will take unanimous consent or a special rule, to have an extra day for the consideration of omnibus private bills I would be glad to lend my efforts in that direction. This is the only assurance I can give the gentleman.

Mr. BIERMANN. The point I want to make is that on the third Tuesday of the first month we passed over the Omnibus Private Bill Calendar because of the death of a

Mr. BANKHEAD. I hope we are not going to have any more dead kings this session.

Mr. BIERMANN. On the third Tuesday of the second month the whole day was devoted to some personal matters; and on the third Tuesday of the third month we passed upon precisely one omnibus private bill and that was defeated. There are many important matters in these private bills. Unless we can get some extra days to consider them we shall pass on these bills so late that the other body cannot act on them.

Mr. BANKHEAD. I assure the gentleman I am in the fullest sympathy with the provisions of the new rule which seeks to afford the opportunity of passing on these private bills. I assure the gentleman further that I shall exercise my best judgment and discretion to see if we cannot get an extra day or two for it.

I want to say to the gentleman that the only reason we are adjourning over tomorrow is out of deference to the request of many Members of Congress. Tomorrow is Good Friday, an important religious anniversary, and many of the Members want to go to their homes. This is the only reason I am asking unanimous consent to adjourn over tomorrow and Saturday. Of course, the gentleman would not have a right to call up these omnibus bills tomorrow under the rules, anyway.

Mr. BIERMANN. The majority leader then will, if it is convenient, give us an extra day on these omnibus bills?

Mr. BANKHEAD. I will, because I am in sympathy with the Members on that proposition, and I want all of those bills cleared up before we adjourn.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. BANKHEAD]?

Mr. RANKIN. Mr. Speaker, reserving the right to object, may I say to the gentleman from Alabama that a bill carrying funds for storm and flood sufferers has just come over from the Senate-

Mr. BANKHEAD. I know what the gentleman has in mind, and before I make the motion to adjourn, the Speaker. I am sure, will recognize the gentleman from Maryland to make a unanimous-consent request in reference to that bill.

Mr. RANKIN. The gentleman knows I am intensely interested in that bill. The people of Tupelo, my home town, have suffered from a tornado and are badly in need of this assistance to help rebuild their homes. I have remained here to try to get this measure through before we adjourn for the week end. I should like to ask the gentleman from Alabama [Mr. BANKHEAD], the majority leader, if it is not possible to get that bill up tomorrow in some way?

Mr. BANKHEAD. I do not see how it is possible. The only way it can be brought up for consideration is for the bill to go to conference. It will take some time for the conferees to agree on a bill, because there are sharp differences between the House and the Senate on some features of the bill. May I give the gentleman from Mississippi [Mr. RANKIN] the assurance that I am just as much interested in that bill as he is. I had a visitation in my own district. not nearly as bad as in the gentleman's district, and I want to do everything I can. I am sure the conferees will try to reach an agreement on the bill, so that we may get to a vote on it some time next week.

Mr. RANKIN. May I say to the gentleman from Alabama that in order for the bill to go to conference and be ready to report back to the House by the first of the week, a unanimous-consent request will have to be propounded? May I request the gentleman from Alabama to withhold his request to adjourn over until the gentleman from Maryland [Mr. GOLDSBOROUGH] submits the unanimous-consent request to send the bill to conference?

Mr. BANKHEAD. I gave the gentleman the assurance that the gentleman from Maryland [Mr. Goldsborough] would have an opportunity to propound his unanimousconsent request.

Mr. RANKIN. But if the gentleman insists on submitting his unanimous-consent request to adjourn in advance, and then someone should object to this bill going to conference, we would have no assurance that the bill would be read for a vote the first of the week. It will take but a moment to submit the request.

Mr. MARTIN of Massachusetts. I may say there is no disposition over here to object to either request.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. BOILEAU. Mr. Speaker, reserving the right to object, and I shall not object, may I say to the gentleman from Alabama that I have a very urgent resolution which I would like to present this afternoon. May I ask him not to move to adjourn until I may have the opportunity to present the resolution?

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

COMMERCIAL AIRPORT FOR THE DISTRICT OF COLUMBIA

Mr. PALMISANO submitted further conference report on the bill (H. R. 3806) to establish a commercial airport for the District of Columbia.

EXTENSION OF REMARKS

Mr. RAYBURN. Mr. Speaker, several Members want to extend their remarks on the rural electrification bill. I therefore ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this bill.

The SPEAKER. Is there objection to the remarks of the gentleman from Texas?

There was no objection.

RECONSTRUCTION FINANCE CORPORATION

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table H. R. 11968, relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. CONNERY. Mr. Speaker, reserving the right to object, is this the bill which the Senate raised from \$25,000,000 to \$50,000,000?

Mr. GOLDSBOROUGH. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. GOLDSBOROUGH, Mr. REILLY, Mr. HANCOCK of North Carolina, Mr. Hollister, and Mr. Wolcott.

BARBARA BLACKSTROM

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4387) for the relief of Barbara Blackstrom, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert

"That jurisdiction is hereby conferred upon the United States District Court for the Western District of Michigan to hear, determine, and render judgment, as if the United States were suable in tort, upon the claim of Barbara Blackstrom, of Muskegon, Mich., for damages resulting from injuries sustained in falling from an

for damages resulting from injuries sustained in falling from an unguarded spot on the lighthouse maintained by the Government at the entrance of the channel leading from Lake Michigan into the Muskegon Lake Harbor on July 7, 1934: Provided, That the judgment, if any, shall not exceed the sum of \$5,000.

"Sec. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction, under the provisions of paragraph 20 of section 24 of the Judicial Code, as amended."

Amend the title so as to read: "An act conferring jurisdiction upon the United States District Court for the Western District of Michigan to hear, determine, and render judgment upon the claim of Barbara Blackstrom."

The Senate amendment was concurred in.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Haines, for 3 days, on account of important business.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 248. Joint resolution to provide for participation by the United States in an inter-American conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936; to the Committee on Foreign

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 11053. An act authorizing the President to present the Distinguished Service Medal to Commander Percy Todd, British Navy, and the Navy Cross to Lt. Comdr. Charles A. deW. Kitcat, British Navy.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 536. An act for the relief of Ada Mary Tornau;

S. 754. An act to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States;

S. 903. An act for the relief of the Holyoke Ice Co.;

S. 1152. An act relating to the carriage of goods by sea;

S. 1824. An act for the relief of Abraham Green;

S. 2021. An act to recognize the service of Brig. Gen. Edward R. Chrisman:

S. 2042. An act for the relief of Grace Park, a minor, the Westerly Hospital, and Dr. H. M. Scanlon;

S. 2336. An act granting compensation to Mary Weller;

S. 2682. An act for the relief of Chief Carpenter William F. Twitchell, United States Navy;

S. 2697. An act for the relief of the United Pocahontas Coal Co., Crumpler, W. Va.;

S. 2922. An act for the relief of Rose Stratton;

S. 2942. An act for the relief of John Hoffman;

S. 2943. An act for the relief of John Morris;

S. 3125. An act for the relief of J. A. Hammond;

S. 3367. An act for the relief of James Gaynor;

S. 3445. An act to authorize the Secretary of Agriculture to release the claim of the United States to certain land within the Ouachita National Forest, Ark.;

S. 3655. An act for the relief of the Vermont Transit Co., Inc.:

S. 3684. An act to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War;

S. 3777. An act to authorize the Secretary of the Treasury to execute an agreement of indemnity to the First Granite National Bank, Augusta, Maine;

S. 3872. An act for the relief of the present leader of the Army band; and

S. 4232. An act to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 6297. An act for the relief of Leon Frederick Ruggles: and

H. R. 6982. An act to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898.

Mr. TABER. Mr. Speaker, I make the point of no quorum.
Mr. BOILEAU. Mr. Speaker, will the gentleman withhold
that a moment?

Mr. TABER. I cannot withhold it.

Mr. PATMAN. Will not the gentleman let us get permission to extend our remarks?

Mr. TABER. The gentleman from Texas obtained permission for all Members to extend their remarks on the bill just passed.

Mr. BOILEAU. May I ask the gentleman from New York to withhold that a moment in order that I may present a resolution?

Mr. MARCANTONIO. We have an emergency matter

Mr. BOILEAU. I do not know whether the gentleman knows what I have in mind or not, but I did not object to the unanimous-consent request to adjourn over until Monday because I thought I would have an opportunity to present this resolution.

Mr. BANKHEAD. Let us have the regular order, Mr.

The SPEAKER. The gentleman from New York makes the point of order there is not a quorum present. [After counting.] Ninety-three Members are present, not a quorum.

Mr. BOILEAU. Mr. Speaker, I move a call of the House.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p. m.) the House adjourned to meet, in accordance with its previous order, on Monday, April 13, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

769. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, House of Representatives, for the fiscal year 1936, in the sum of \$5,000 (H. Doc. No. 441); to the Committee on Appropriations and ordered to be printed.

770. A communication from the President of the United States, transmitting for the consideration of Congress deficiency estimates of appropriations for the District of Columbia for the fiscal year 1935 and prior fiscal years in the amount of \$71,846.05, and supplemental estimates of appropriation for the fiscal years 1936 and 1937 in the amount of \$823,682.72, in all \$895,428.77, together with a draft of a proposed provision pertaining to an existing appropriation (H. Doc. No. 442); to the Committee on Appropriations and ordered to be printed.

771. A communication from the President of the United States, transmitting for the consideration of Congress supplemental estimates of appropriations for the Department of Labor for the fiscal year 1936, amounting to \$53,287, together with a draft of a proposed provision pertaining to an existing appropriation (H. Doc. No. 443); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. DRIVER: Committee on Rules. House Resolution 484. Resolution providing for the consideration of H. R. 11687; without amendment (Rept. No. 2389). Referred to the House Calendar.

Mr. SMITH of West Virginia: Committee on Mines and Mining. H. R. 10633. A bill to authorize the Bureau of Mines to conduct certain studies, investigations, and experiments with respect to sub-bituminous and lignite coal, and for other purposes; with amendment (Rept. No. 2390). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Georgia: Committee on the Public Lands. H. R. 12220. A bill to authorize the adjustment of the boundary of the Fort Marion National Monument, Fla., in the vicinity of Fort Marion Circle, and for other purposes; without amendment (Rept. No. 2391). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARTER: Committee on Military Affairs. H. R. 8874. A bill to increase the efficiency of the Medical Corps of the Regular Army; without amendment (Rept. 2393). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. AYERS: Committee on the Public Lands. S. 3460. An act to authorize the Secretary of the Interior to ascertain the persons entitled to compensation on account of Private Claim 111, Parcel 1, Nambe Pueblo grant; without amendment (Rept. No. 2392). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 12130) granting a pension to Frank W. Carpenter; Committee on Pensions discharged, and referred to the Committee on Claims.

A bill (H. R. 11124) granting a pension to Zella Martell Brasel; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 12227) granting a pension to Lawrence A. Golden; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 10837) to provide for the sale of certain land in Crow Wing County, Minn.; Committee on Military Affairs discharged, and referred to the Committee on Rivers and Harbors.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GRAY of Pennsylvania: A bill (H. R. 12240) to authorize a preliminary examination and survey of the tributaries, sources, and headwaters of the Allegheny and Susquehanna Rivers in the State of Pennsylvania where no examination and survey has heretofore been made, with a view to the adoption of a comprehensive and systematic plan for regulating the flow of water, conserving the soil and water for beneficial uses and controlling and preventing

floods, and for other purposes; to the Committee on Flood

By Mr. McSWAIN: A bill (H. R. 12241) to promote the national defense by strengthening the Air Reserve; to the Committee on Military Affairs.

By Mrs. NORTON (by request): A bill (H. R. 12242) to provide for lunacy proceedings in the District of Columbia; to the Committee on the District of Columbia.

By Mr. RABAUT: A bill (H. R. 12243) to release political subdivisions of States from the obligation to repay relief funds received under section 1, subsection E, of title 1 of the Emergency Relief and Construction Act of 1932, and to eliminate discrimination in the case of certain loans made under that act, and for other purposes; to the Committee on Banking and Currency.

By Mr. SCHULTE: A bill (H. R. 12244) to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes; to the Committee on

Immigration and Naturalization.

By Mr. SCRUGHAM: A bill (H. R. 12245) to amend the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933; to the Committee on Labor.

By Mr. ZIONCHECK: Joint resolution (H. J. Res. 565) proposing an amendment to the Constitution of the United States providing that any law held unconstitutional by the Supreme Court shall be valid if approved by the electorate or reenacted by Congress; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New York, regarding the New York canal system; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BIERMANN: A bill (H. R. 12246) granting a pension to Carrie M. Schriver; to the Committee on Invalid

By Mr. DIES: A bill (H. R. 12247) granting a pension to James P. Stone; to the Committee on Pensions.

By Mr. FULMER: A bill (H. R. 12248) for the relief of Olin C. Risinger; to the Committee on Claims.

Also, a bill (H. R. 12249) for the relief of Stein-King Beer Co., Columbia, S. C.; to the Committee on Claims.

By Mr. KINZER: A bill (H. R. 12250) granting an increase of pension to Mary G. Nohrenhold; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 12251) granting a pension to Belle Cannon; to the Committee on Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 12252) granting a pension to Nancy S. Oldham; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10701. By Mr. BEITER: Petition of the Common Council of the City of Buffalo, urging allocation of Federal funds for the city of Buffalo for slum clearance; to the Committee on Appropriations.

10702. Also, petition of the Assembly of the State of New York, memorializing the Congress to appropriate annually to the use of the State of New York the sum of \$2,500,000 for the maintenance and operating expenses of the New York State canal system; to the Committee on Appropriations.

10703. By Mr. GOODWIN: Petition of the New York State Legislature, memorializing Congress to appropriate annually to the use of the State \$2,500,000 for maintenance and operating expenses of the New York canal system; to the Committee on Appropriations.

10704. By Mr. JOHNSON of Texas: Memorial of Earl Strauss, secretary, Thorndale Mercantile Co., Thorndale, Tex., favoring payment of 1935 cotton-exemption certificates; to the Committee on Agriculture.

10705. By Mr. MASSINGALE: Petition of the Farmers Union Exchange of Mangum, Okla.; to the Committee on

10706. By Mr. PATMAN: Petition presented by William L. Walters, of Texarkana, Tex., containing the names of J. M. Cash, 1224 West Fourth Street, Texarkana, Tex., and 318 others, endorsing 100 percent the Townsend pension plan; to the Committee on Ways and Means.

10707. Also, petition presented by William L. Walters, of Texarkana, Tex., containing the names of Joe Smithe, 806 Oak Street, Texarkana, Tex., and 263 others, endorsing 100 percent the Townsend pension plan; to the Committee on

Ways and Means.

10708. Also, petition presented by William L. Walters, of Texarkana, Tex., containing the names of Leona Perry, 317 Spruce Street, Texarkana, Tex., and 203 others, endorsing 100 percent the Townsend pension plan; to the Committee on Ways and Means.

10709. By Mr. PFEIFER: Petition of the Assembly of the State of New York, Albany, urging annual appropriation to the use of the State of New York the sum of \$2,500,000 for the maintenance and operating expenses of the New York State Canal system; to the Committee on Approprations.

10710. By the SPEAKER: Petition of the Nebraska Home Owners' Association; to the Committee on Agriculture.

SENATE

FRIDAY, APRIL 10, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian, in accordance with the order adopted on the 6th instant prescribing the hours of the daily sessions.

The managers on the part of the House, Hon. HATTON W. SUMNERS, of Texas; Hon. RANDOLPH PERKINS, of New Jersey, and Hon. Sam Hobbs, of Alabama, accompanied by the clerk of the Committee on the Judiciary of the House of Representatives, Elmore Whitehurst, and by Thomas M. Mulherin, special agent, Federal Bureau of Investigation, Department of Justice, appeared in the seats provided for them.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., and R. O. Cullen, Esq., of Miami, Fla., associated with Mr. Hoffman, appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms by proclamation will open the proceedings of the Senate sitting for the trial of the articles of impeachment.

The Sergeant at Arms made the usual proclamation.

On request of Mr. ASHURST, and by unanimous consent, the reading of the Journal of the proceedings of the Senate, sitting for the trial of the articles of impeachment, for Thursday, April 9, 1936, was dispensed with, and the Journal was approved.

Mr. LEWIS. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Capper	Hale	Metcalf
Ashurst	Caraway	Harrison	Minton
Austin	Carey	Hastings	Murphy
Bachman	Clark	Hatch	Murray
Bailey	Connally	Hayden	Neely
Barbour	Coolidge	Johnson	Norris
Barkley	Couzens	Keyes	Nye
Benson	Davis	King	O'Mahoney
Black	Donahey	La Follette	Overton
Bone	Duffy	Lewis	Pittman
Brown	Fletcher	Logan	Pope
Bulkley	Frazier	Lonergan	Radcliffe
Bulow	George	McGill	Reynolds
Burke	Gerry	McKellar	Robinson
Byrd	Gibson	McNary	Russell
Byrnes	Guffey	Maloney	Schwellenbach

Sheppard Shipstead Smith

Thomas, Okla. Thomas, Utah Townsend

Vandenberg Van Nuvs

Wheeler White

Mr. LEWIS. I announce that the Senator from Alabama [Mr. Bankheap], the Senator from Colorado [Mr. Costigan], the Senator from California [Mr. McADOO], the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL] are absent from the Senate because of illness; that the Senator from New Mexico [Mr. Chavez] is absent because of illness in his family; and that the Senator from Mississippi [Mr. Bilbo], the Senator from Oklahoma [Mr. GORE], the Senator from New York [Mr. COPELAND], my colleague the junior Senator from Illinois [Mr. DIETERICH], the Senator from West Virginia [Mr. Holf], the Senator from Louisiana [Mrs. Long], the Senator from Virginia [Mr. GLASS], and the Senator from New Jersey [Mr. Moore] are necessarily detained from the Senate. I ask that this announcement stand of record for the day.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson] is necessarily absent.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

Are counsel on the part of the respondent prepared to proceed?

Mr. WALSH (of counsel). Mr. President, the managers, I understand, have something to put in.

Mr. Manager SUMNERS. Mr. President, I am asking per mission that there be incorporated in the RECORD, for the convenience of the members of the Court, title 28 of the United States Code, which has to do with Federal judges practicing law. It is very brief and will serve the convenience of the Senate.

The VICE PRESIDENT. Is there objection?

Mr. WALSH (of counsel). There is no objection on our part.

The VICE PRESIDENT. The matter will be printed in the RECORD.

The matter referred to is as follows:

United States Code, title 28

SEC. 373 (Judicial Code, sec. 258). Practice of law by United States judges: It shall not be lawful for any judge appointed under the authority of the United States to exercise the profession or employment of counsel or attorney, or to be engaged in the practice of the law. Any person offending against the prohibition of this section shall be deemed guilty of a high misdemeanor (R. S., sec. 713; Mar. 3, 1911, c. 231, sec. 258; 36 Stat. 1161).

Mr. WALSH (of counsel). I now wish to call Mr. Sweeny for further cross-examination.

The VICE PRESIDENT. The Chair understands that the witness is in the gallery not expecting to be called. He will be here in a moment.

Mr. Manager HOBBS. Mr. President, as I understand, there is a stipulation that the carbon copy of a letter which I hold in my hand, in the absence of the original letter, may be introduced. It is signed by Mr. Bert E. Holland.

We introduce this copy in evidence as the original letter. It reads as follows:

MANAGERS' EXHIBIT A-23

DECEMBER 23, 1929.

A. L. RANKIN, Esq.

Comeau Building, West Palm Beach, Fla.

DEAR MR. RANKIN: I have been recently informed that you have filed an answer in behalf of myself and my cotrustees, Whitfield W. Johnson and Catherine Sugden, to the counterclaim of Harold A. Moore in the Whitehall foreclosure matter.

I am at a loss to understand your action in this respect, inasmuch as it seemed clear to me that we had a definite understanding before the hearing opened at Miami on October 28 last that you were no longer to represent me or my cotrustee in this matter.

However, in order that there may be no further misunderstanding as to whether or not you are to continue to represent us, please be advised that you are not to represent us in any way whatsoever in the above matter.

Under these circumstances, I feel that you will desire to with-draw your answer filed in our behalf to the counterclaim of Harold A. Moore and that you will wish to advise us that this has been done.

Yours very truly,

For Self and Cotrustee.

We introduce also the receipt for registered article no. 211029 and also the return receipt. We ask that the letter and receipts be introduced in evidence and given an appropriate exhibit number.

The VICE PRESIDENT. The paper will be admitted and appropriately marked.

(The document was marked "Managers' Exhibit A-23.")

FURTHER CROSS-EXAMINATION OF MARTIN SWEENY

By Mr. WALSH (of counsel):

Q. I will hand you, Mr. Sweeny, a telegram dated March 24, 1928, addressed to you at the Whitehall and signed by W. J. Moore. It is a copy of that telegram.

Mr. Manager SUMNERS. Mr. President, I think, under the rules that have been observed, the managers should have an opportunity to examine the documents before they are offered in evidence.

Mr. WALSH (of counsel). These are the ones that were in the files, Mr. Manager, which I presume you looked over last night.

Mr. Manager SUMNERS. But we cannot tell by looking at the back of the telegram what is written in it.

Mr. WALSH (of counsel). Pardon me, please. I should have handed it to you.

Mr. Manager SUMNERS. Mr. President, I am not as familiar with the file as are my associates, but it seems to me, from this telegram and from what I understand counsel for the respondent proposes to offer, it might be just as well to settle now the scope of the inquiry.

This telegram, as I construe it and from what I understand to be the contents of the other documents which counsel for the respondent proposes to offer, tends to extend the scope of the inquiry into the bankruptcy matter and probably into the question of the management and policy and conduct of the Moores, who financed the construction of the Whitehall Hotel.

It is now noted that the witness who is now before the Court, Mr. Martin Sweeny, is most familiar with the reasons which prompted him in whatever he had to do with the initiation of the proceedings with which Mr. Rankin was associated and out of which the Whitehall matter has arisen; that the introduction of documents now tending to go beyond the scope of the Whitehall receivership would at least go beyond any necessity in the situation for the introduction of documents which lead back into the management of the Moores.

We have endeavored, and I say this in no spirit of criticism, to cut as nearly to the bone as we could the presentation of facts before the Court. It does not seem to me that it would be helpful to the Court to go into the realm into which we believe this testimony proposes to lead. As I said, we might as well determine now the scope of the inquiry which the Court desires to have.

Mr. WALSH (of counsel). I thoroughly agree with the suggestion about the procedure that we should take up and dispose of the matter now. I also agree and have agreed and have attempted to conserve the time that we have been given here so as to do everything we possibly could to hasten the trial along, and that at the sacrifice of substantial interests of Judge Ritter.

Judge Ritter is charged here with a conspiracy. He is charged with conspiring with the gentleman now in the witness box, with Mr. Richardson and others, to maintain and have brought into court a champertous suit. If this were in an ordinary court, and if we were hewing to the line, I would be entitled to a demurrer on that count because there has not been one syllable of evidence that connected Judge Ritter with anything this gentleman did or any efforts that he made to get into court to conserve the property or for some unworthy object, such as has been charged to the witness now in the box, and others.

This is not going into anything about the former bankruptcy. The first telegram merely is coincident with some other matters connected with that matter. We are not going into that matter for the reason that a great deal of this article was devoted to charges against Judge Ritter about that bankruptcy, and there has not been a syllable of

evidence produced here to warrant the going into it, so we have allowed our witnesses to separate on the proposition. But what I claim I have a right to do is to introduce these papers in evidence. If I am not allowed to do that, as we have introduced such evidence heretofore, then I respectfully urge upon the Court that on a vital matter, which is still in the case, Judge Ritter is to be deprived of the benefit of this testimony.

These letters I have taken out of a great file. Some of them are referred to in the letters introduced by the honorable managers. Others of them are correspondence between this gentlemen now in the witness box and Mr. Bemis, whom the managers brought into the case. I have taken from the file only those things which bear directly upon the fact that there was nothing champertous in this and nobody did anything that he was not entitled to do. I have taken out of the file enough of the letters to show the facts when they are read with the letters which have been introduced in evidence and which, unexplained, might lead to an inference that there was something wrong about the evi-

I have taken out of the file these letters that bear directly upon the matter. I have not only submitted them to the other side, but I have submitted the entire file to the other side. Still it is said the gentleman now in the witness box knows all about it. If the letters are admissible themselves to tell the story, I can do it in half the time I otherwise could. We have the letters and other correspondence taken from the file, beginning with this telegram. This telegram shows that on March 24, 1928, Mr. Moore himself, controlling all these mortgages, had this concern put into bankruptcy. It follows the story that has already been told by certain witnesses. It comes down to the time when the bankruptcy was over, and the letters from him and the letters between the parties show that the efforts were to subject the property to the second mortgage with the first mortgage still being out.

It all goes to the very heart of the matter of the alleged conspiracy, but that is not on the part of Mr. Sweeny. It is not on the part of any person named in this article, but it is to prevent the entire loss of that property. I think this correspondence will show it. I think in common fairness these letters ought to go in with the other telegrams and letters which have been introduced without objection on our part, assuming that these would be allowed to go into evidence.

That is all I can say. I say most sincerely and earnestly if this is not permitted to come in evidence, the managers will have the advantage of the small amount of that correspondence with no explanation.

The VICE PRESIDENT. May the Chair ask the managers on the part of the House, aside from the time which may be taken on cross-examination of the witness, what harm these letters would do if admitted in evidence?

Mr. Manager SUMNERS. Mr. President, we have seen the other letters and documents which counsel for the respondent proposes to offer. Under the statement of counsel, especially with regard to the telegram which has just been offered, we would not insist upon the objection, but the managers are under the impression, to be candid with the Court-and I do not know how far these other documents attempt to gothat we were going into the conduct of the Moores, to try the whole question of the conduct of the Moores, whereas in the view of the managers and in the light of the evidence which has been introduced, it has seemed to us that the whole question turns upon whether or not there was, in the institution of the suit before Judge Ritter, with regard to the testimony which has been offered, champertous conduct and whether or not there was collusion or cooperation by Judge Ritter in connection with the conspiracy which we allege.

The witness is on the witness stand who knows what were the motives that prompted him to attempt to have the suit initiated by Mr. Rankin. He can testify to those facts; and we had hoped to avoid any confusion that would arise with reference to the transaction of the Moores in financing this hotel.

In other words, it is our position that regardless of what was done by the Moore's, whether right or wrong, in financing this hotel, that could not be material in the determination of whether or not Judge Ritter participated in a conspiracy under which the suit was brought in his court, under which Holland was not permitted to withdraw, and under which these fees were paid, in which we charge Judge Ritter to have participated.

If the Court would like to have the testimony, we have not any objection to it. I just had the notion that it would take us into a field into which this inquiry would necessarily lead and it would not throw any light upon the question at

The VICE PRESIDENT. The Chair understands that the objection of the managers on the part of the House is that the evidence is immaterial, outside the issue, and would unnecessarily prolong the trial.

Mr. Manager SUMNERS. Substantially that, sir.

The VICE PRESIDENT. The present occupant of the Chair has once before expressed himself with reference to the jury that is trying this case. If you desire to put this evidence in the record, the jury will be able to determine whether or not it is necessary.

Mr. Manager SUMNERS. I think so. We have no concern about the attitude of the Senate; but if testimony should be offered, and it should seem to raise a question, it might be necessary for the managers on the part of the House also to go into that field; that is all. We do not insist on any other ground. We are not afraid to have the testimony go in.

The VICE PRESIDENT. The Chair will submit to the Senate the question of whether or not they wish to go into this matter, in view of the statements of the managers on the part of the House and counsel for the respondent.

Mr. Manager SUMNERS. Mr. President, for the present we will not insist upon the objection, in view of the statement of counsel.

The VICE PRESIDENT. Very well; read the telegram. (The telegram was marked "Respondent's Exhibit 23.") Mr. WALSH (of counsel). The telegram is dated March 24, 1928, and is as follows:

RESPONDENT'S EXHIBIT 23

NEW YORK, N. Y., March 24, 1928.

MARTIN SWEENY, The Whitehall:

Thanks for signing extension agreement on first-mortgage bonds. Thanks for signing extension agreement on first-mortgage bonds. Stop. After thoughtful consideration of all aspects of the White-hall situation, on the urgent advice of Roberts, Fordham and Shutts, and Bowman, we have instructed Shutts and Bowman to at once file suit to foreclose third mortgage and to ask to have Bemis appointed receiver for property. Stop. I think you should at once telephone Cramer of this suit and also advise him of Nelson's judgment and the exact situation with reference to the Reison's Judgment and the exact situation with reference to the garnishment suits so that he can take such action as he sees fit. Stop. Please show this telegram to Bemis in order that he may be advised in the matter. Stop. Please advice me by telephone what action Cramer says he is going to take.

The VICE PRESIDENT. Is there any other evidence from this witness?

Mr. WALSH (of counsel). I desire to read these letters as we go along. Do you wish to look at them?

Mr. Manager SUMNERS. Go ahead, Judge. Mr. WALSH (of counsel). Of course, these are conceded. These were included in the stipulation upon yesterday, Mr. President, so I shall not stop and ask the witness about each

(Mr. Walsh, of counsel, then offered in evidence and read the following letters, which were received in evidence and marked with exhibit numbers, as indicated:)

> RESPONDENT'S EXHIBIT 24 [Western Union telegram]

MARCH 26, 1928.

Mr. Wm. J. Moore,
President, American Bond & Mortgage Co.,
345 Madison Avenue, New York City:

wire of the 24th regarding for Mr. Sweeny has shown me your wire of the 24th regarding foreclosure and request to have me appointed receiver of property. The officers of the Florida East Coast Hotel Co. request and advise me to remain outside of any receivership or other matters pertaining to Whitehall until it is definitely understood and agreed what the future status of Messrs. Sweeny and myself is to be.

H. E. BEMIS

RESPONDENT'S EXHIBIT 25

FLORIDA EAST COAST HOTEL CO., Palm Beach, Fla., July 1, 1929.

MARTIN C. SWEENY, Esq.,

% The New Worden Hotel,
Saratoga Springs, N. Y.

Dear Martin: I am enclosing my check for \$1,000, which is 66% percent of the money that I have received personally for services rendered for Whitehall since April 1, as I have been charging \$500 a month for my services; and as you and Ed are partners, you are entitled to your share without any arguments.

Also enclosing copy of other letters for your information.

I am not coming to New York for any conference with Mr. Moore. I, of course, am glad to have any conferences you wish, but before I argue any question with him I would like to have something before me in some form as to what he proposed to do, and then I can accept it or reject it. I am not "cocky" or "quarrelsome", but I do not propose to be led into any new game where we do not have control, at least, of the operation and where it will not be necessary for us to put up a single dollar.

Up to the present time I have heard nothing of the checks we were supposed to get. Glad you are having a vacation this week. Please let me know how things are coming along.

Sincerely (Signed) H. E. Bemis.

Regards.

Sincerely.

(Signed) H. E. BEMIS.

Mr. WALSH (of counsel). This paper, dated July 9, 1929, is a copy of an announcement made to the holders of firstmortgage bonds. This comes, now, right to July 9, 1929. Without reading all of it, I will read the following:

An opportunity will now be given to the holders of the second-mortgage bonds to take over the property, providing they are able to offer a basis for doing so which will be accepted by the

able to olier a basis for doing so which will be accepted by the first-mortgage bondholders.

In the meantime I will direct my best efforts toward securing a tenant who will lease and operate the hotel for the coming season. The net income derived from such a lease, after payment of taxes and insurance, will be paid to the holders of the first-mortgage bonds on amounts now due them.

I should like to have that marked as an exhibit.

(The document was marked "Respondent's Exhibit No. 27 "

(Mr. Walsh, of counsel, then offered in evidence and read the following letter, which was received in evidence and marked "Respondent's Exhibit No. 26.")

JULY 5, 1929.

Franklin P. Smith, Esq.,

Lake Forest, Ill.

Dear Mr. Smith: I wish to thank you for yours of the 1st instant with enclosure of A. B. & M. Co.'s circulars, etc., and I have thought for some time, if all the bond business that these people have been handling along the lines of Whitehall proposition, that Mr. Moore and his cutfit would be marvels in order to make the continuous period desired to their creek. to make a success and continue paying dividends to their stock-holders.

As I stated to you and also to others, I feel that Moore's outfit are in every way responsible for the present Whitehall conditions from the fact that they did the financing for the building, dictated the operation to the extent of interference in good, recognized principals of operating a hotel, as well as to dispose of

nized principals of operating a hotel, as well as to dispose of operating moneys.

If Whitehall had been conservatively financed, constructed, and operated, it could pay not only interest but amortization and show a profit to the stockholders on \$2,500,000. This has been demonstrated by our receipts. If the bond people from date would wipe out the second mortgage, which they are directly responsible for, and turn the property over to Mr. Sweeny and myself to manage, we can pay to the first-mortgage bondholders their interest and their amortization, and I am personally convinced that there should be a first-mortgage bondholders' committee formed and the receivership brought about so that the first-mortgage bonds can be protected.

I have people who would undertake this matter, providing there

mortgage bonds can be protected.

I have people who would undertake this matter, providing there was any possible way for us to get hold of the list of the first-mortgage bondholders. Perhaps with your connections in Chicago, you may have some way of getting hold of this list; if so, I am prepared to go ahead with the proposition. I wish you would consider this letter personal and confidential.

Mrs. Bemis and I anticipate getting away to Europe on August 3, returning October 1, and we hope to have a good vacation.

Kind regards to you and your family, beg to remain,
Sincerely yours,

(Signed) H. E. Bemis.

(Signed) H. E. BEMIS.

Blind copy to Mr. Martin C. Sweeny.

Mr. Manager SUMNERS. Mr. President, I ask counsel for the respondent if he will not consent to the entire letter of July 9 going into the RECORD?

Mr. WALSH (of counsel). I shall be very glad to have that done. I thought I would save time, because I was confining it to the mortgage proposition.

(Mr. Walsh, of counsel, then read the entire letter, as follows:)

RESPONDENT'S EXHIBIT 27

[Copy]

JULY 9, 1929.

To the Holders of First-Mortgage Bonds Secured by Whitehall Hotel, Palm Beach, Fla.:

On June 3, 1929, the Whitehall Hotel property was sold by order of the United States District Court, and at the solicitation of the American Bond & Mortgage Co. was bid in by one of its officers. As trustee for the holders of the first-mortgage bonds, I have now taken possession of the property and am holding it for their benefit and protection.

In order to get this property out of the bankruptcy court and thereby save the bondholders the heavy fees, which the trustee in bankruptcy and his attorneys were charging, as well as to save the fees of counsel representing me as trustee for the bondholders, it was necessary to arrange a settlement with the trustee in bankruptcy, which provided for the payment of 10 percent of the amounts due the unsecured creditors, and for the payment of the fees of the trustee in bankruptcy and his attorneys. Now, however, all claims against the property other than those due under the first- and second-mortgage bond issues and taxes for 1928 have been wiped out.

I am informed that the hotel had a successful season during the past winter. A final accounting by the trustee in bankruptcy has not been made, but I am advised that the earnings were sufficient to pay the cost of repairing the damage done by the tornado in September 1928, the expenses of the administration of the trustee in bankruptcy, who has now been dismissed, and his attorney fees, the fees of the attorneys representing the trustee for the first-mortgage bondholders during this litigation, the 10-percent settlement with the unsecured creditors as above referred to and to pay a very substantial sum on the past-due interest on the first-mortgage bonds which accrued prior to November 15, 1928.

An opportunity will now be given to the holders of the second-

An opportunity will now be given to the holders of the second-mortgage bonds to take over the property, providing they are able to offer a basis for doing so which will be accepted by the first-mortgage bondholders.

In the meantime, I will direct my best efforts toward securing a tenant who will lease and operate the hotel for the coming season. The net income derived from such a lease, after payment of taxes and insurance, will be paid to the holders of the first-mortgage bonds on amounts now due them.

Yours very truly,

(Signed) HAROLD A. MOORE,
Individual Trustee Under Trust Deed Securing
the First-Mortgage Bond Issue on Whitehall.

(Mr. Walsh, of counsel, then offered in evidence and read the following letter, which was received in evidence and marked "Respondent's Exhibit 28.")

RESPONDENT'S EXHIBIT 28

[Construction and maintenance department. H. E. Bemis, vice-president; M. H. C. Brombacher, chief engineer]

FLORIDA EAST COAST HOTEL Co., FLAGLER SYSTEM, Palm Beach, Fla., July 18, 1929.

Palm Beach, Fla., July 18, 1929.

MARTIN C. SWEENY, Esq.,

The Berkshire, 21 East 52nd St., New York City.

Dear Martin: Just in receipt of yours of the 16th regarding Whitehall matters. I do not think it is necessary for me to go into any discussion with Mr. Moore on the Whitehall matters, as I can readily see that there will be a lot of discussion that will be of no value whatever to me, and I expect to be very busy during the few days I am in New York and do not promise to attend any meeting, because my time will be taken up first with our hotel matters with Mr. Kenan and Mr. Haines.

I wish to make this suggestion regarding the handling of operation and maintenance of Whitehall for this coming season, which to my mind is less complicated and ought to be satisfactory to Mr. Moore and the present trustee. I would suggest that the trustee employ you, Ed and myself to operate and maintain Whitehall for the trustee until the end of the operating season until all the accounts are closed, etc., about May 15th, 1930, but we be employed on the same salaries as we received last winter and to receive at the end of the operating season, as a bonus, 10%

be employed on the same salaries as we received last winter and to receive at the end of the operating season, as a bonus, 10% over and above the operating expenses, operating expenses to be based on labor, provisions, and supplies and everything that is usually charged to regular operation.

With the above plan, it does not seem that the trustee would be criticized by the bondholders; there will be no occasion of forming any company or going to any unusual expenses, simply go ahead and operate the property under agreement with the trustee, the trustee to advance such moneys as necessary to maintain and open the hotel, and we could operate for the trustee in the same manner we did last winter. I wish you would suggest this plan to Mr. Moore, as I believe it will relieve the situation and certainly could not be any criticism by the bondholders or others, as the trustee should have perfect right to go ahead and employ

managers to get as much out of the property as possible for the bondholders, and I am sure we feel we would not only like to help the trustee and Mr. Moore but also do everything we can for

I wish to work along with you, Mr. Moore, and the trustee, but if we are going to work anything out of Whitehall we may be obliged to go back to the court later, and if so I believe my plan is the cleanest, fairest proposition for all concerned and could not be criticized by the court, and we will be operating the property in just the same manner as the court operated it this past

only under a different trustee.

season, only under a different trustee.

I think that every dollar that can possibly be earned on Whitehall should be returned to the trustee to protect the first and second mortgage bonds, and as I wrote you before, I am willing to give 100% service to such an end, although I feel that we should be well paid for our services on the basis I have suggested. I am perfectly willing you should talk this matter over with Mr. Moore and show him my letter, as you know there is no disposition on our part to think that Mr. Moore or anyone else "is trying to rob me." If we operate the property for the trustee, we should have a thorough understanding and complete agreement of just how we are to operate, and after this agreement has been once determined we should go ahead and operate without any interference. Please think this over and drop me a line before I leave here the 27th. here the 27th.

Kind regards. Sincerely,

(Signed) H. E. BEMIS.

Mr. WALSH (of counsel). The next letter I desire to offer is dated July 24, 1929.

(The letter was offered in evidence, marked "Respondent's Exhibit 29", and was read by Mr. Walsh, as follows:)

RESPONDENT'S EXHIBIT 29

JULY 24, 1929.

Mr. H. E. BEMIS,

Florida East Coast Hotel Co., Palm Beach, Fla.

DEAR MR. BEMIS: I did not have any chance yesterday to talk to

Dear Mr. Bemis: I did not have any chance yesterday to talk to Mr. Levy as at luncheon hour he had some people with him, but will try to contact him before you reach New York.

In the afternoon Mr. Moore called me up and gave me the enclosed schedule he had been working upon. As you will note from this set-up, he is not a director or an officer of the company in name, but has two directors representing him and also has Mr. Fordham in as an officer at \$5,000 per year, which, of course, goes to him; and then I see Mr. Bemis is only here for \$7,500. He said, "Yes; but this is only for a 6 months' season, and naturally he would get paid for looking after the property for the other 6 months." He also told me that he doubted very much whether he could be in New York next week. So when you get to New York you and I will sit down and decide just what we ought to do.

Very truly yours.

By Mr. WALSH (of counsel):

Q. There is no signature, but I observe "MS: BT", so I take that to be yours, Mr. Sweeny.—A. Yes, sir.

Mr. WALSH (of counsel). I now offer the letter dated July 31, 1929, and ask that it be appropriately marked.

(The letter was offered in evidence, marked "Respondent's Exhibit 30", and was read by Mr. Walsh, as follows:)

RESPONDENT'S EXHIBIT 30

JULY 31, 1929.

Mr. H. E. Bemis, 2 West Forty-fifth Street,

New York City.

New York City.

Dear Chief: I am enclosing herewith a schedule, and if this meets with your approval and you will write me a letter stressing the point that we are willing to operate Whitehall for the bondholders and give them the first \$200,000 earned to cover the interest on the mortgage and that we are willing to operate the property and take our chances of earning our salaries after this amount has been paid. And in consideration of this that we would want 50 percent as a bonus of any money earned after the \$200,000 and salaries have been paid. That you believe, in view of the fact that we have spent 5 years in building up a clientele and taking care of the property, that the stock should be divided as outlined. Furthermore, we are using our name in securing credit for all the renewals besides the goodwill which we have established in Florida. I will then send the letter immediately to Mr. Moore for his reaction.

reaction.

Yours very truly.

Mr. WALSH (of counsel). I believe we agreed in our stipulation that where there is no signature and these initials appear at the bottom, it is Mr. Martin Sweeny's.

Mr. Manager HOBBS. Yes.

Mr. WALSH (of counsel). The next letter I offer is dated August 1, 1929, on the letterhead of the Florida East Coast Hotel Co., Flagler System.

(The letter was offered in evidence, marked "Respondent's Exhibit 31", and was read by Mr. Walsh, as follows:)

LXXX-337

RESPONDENT'S EXHIBIT 31

FLORIDA EAST COAST HOTEL Co., FLAGLER SYSTEM, New York City, August 1, 1929.

Mr. MARTIN SWEENY,

Mr. Martin Sweent,

Managing Director, The Berkshire,

21 East Fifty-second Street, New York, N. Y.

Dear Martin: I have given a great deal of thought to the operation of the Whitehall property for the coming operating season, and I have considered as carefully as possible all the different propositions that have been suggested by you and Mr. Moore.

I am enclosing a plan which I think would be entirely fair to the first bond and mortgage holders, to the property, and to ourselves; and I am perfectly willing to join you, Ed, and Mr. Moore on this plan and the schedule which I am enclosing. While I do not wish to appear arbitrary in the matter, I am not willing to go ahead with any further connection with the operation of Whitehall, only on the basis of the schedule I am enclosing.

As I have already stated, I feel that this schedule is fair to all interested parties; and, further, the fact that the success in operation would be entirely due to you, Ed, and myself; and also the fact that we will not receive any moneys for services until after sufficient money has been earned and put aside; that is, \$200,000, to pay next year's interest on the first-mortgage bonds, taxes, and insurance.

and insurance.

I feel that this plan and schedule which I am submitting ought to be acceptable to the first bond and mortgage holders and to the trustees of the bonds; and if the first-mortgage holders, the trustees, and Mr. Moore, and yourselves are agreeable to my proposition, you are authorized, as far as I am concerned, to go ahead on the basis of the schedule I am submitting.

If the proposition is accepted, I am prepared to subscribe and pay for my one-third of the \$25,000 capital stock at any time after October 1st.

Yours very truly,

(Copy sent to Ed and Mr. Moore today.-H. E. B.)

Mr. Manager HOBBS subsequently said: Pardon me, Mr. Walsh. Are you not going to read the schedule set out in the letter you have just read?

Mr. WALSH (of counsel). I have not the schedule.

Mr. Manager HOBBS. It is right there.

"Respondent's Exhibit 31." It is as follows:

Mr. WALSH (of counsel). Mr. Hoffman says he thinks he can find it, and I will read it. I did not have it with the letter.

Mr. Manager HOBBS subsequently said: Mr. President, we had asked that the schedule attached to the Moore letter be read in connection with the letter so as to show what he was talking about when he spoke of the three high-priced properties. We ask that that go in as a part of the exhibit to which it was originally attached.

Mr. WALSH (of counsel). That is perfectly satisfactory. The PRESIDENT pro tempore. Without objection, the schedule will be read in connection with the letter.

Mr. WALSH (of counsel). I offer the following schedule in evidence, and ask that it be attached to the letter marked

> RESPONDENT'S EXHIBIT 31 (P. 2) WHITEHALL

Organize company with \$25,000 capital

Stock: Mr. Moore, 331/3 %; Martin and Edward Sweeny, 331/3 %;

H. E. Bemis, 331/3 %.
Directors: Martin Sweeny, Edward C. Sweeny, H. E. Bemis, A. C. Fordham, R. D. Kendall.

Officials: Martin Sweeny, president; H. E. Bemis, vice president; E. C. Sweeny, vice president and treasurer; A. C. Fordham, secretary and counsel.

Salaries to be paid as earned:

Martin Sweeny _ _ \$12,500 Edward C. Sweeny____ 7,500 H. E. Bemis_ 10,000 A. C. Fordham_

A. C. Fordham

2,500

The company will operate Whitehall from December 1 to May 1, pay all expenses of labor, supplies, transportation, advertising, publicity, and necessary replacements of china, glassware, linens, silverware, and furnishings for said operating period; also upkeep of building and grounds during operating period.

At the end of the operating season the company will pay to the bondholders the first \$200,000 of earnings. If there is a surplus above this, the salaries above then to be paid. The balance, if any, above this to be divided as follows: Fifty percent to the bondholders and 50 percent to the operating company.

Owner to pay all maintenance of buildings and grounds and put buildings and grounds in condition for operation. This will require \$15,000 on November 1 to paint old Whitehall and put in additional planting to replace trees and shrubbery lost in the storm of last year; also taxes, fire insurance, and all improvements that would be considered capital expenditure.

I now offer a letter on the paper of the American Bond & Mortgage Co. dated August 29, 1929.

(The letter was offered, marked "Respondent's Exhibit 32", and was read by Mr. Walsh, as follows:)

RESPONDENT'S EXHIBIT 32

AMERICAN BOND & MORTGAGE COMPANY,
AMERICAN BOND & MORTGAGE BUILDING,
Chicago, Ill., August Twenty-ninth, 1929.

Mr. MARTIN SWEENY

Berkshire Hotel, 21 E. 52nd Street, New York City, N. Y.

My Dear Martin: I expect to go to New York next week and will see you for a final conference before I do anything definite regarding Whitehall, although I must say I am not hopeful of accomplishing anything if Bemis is to remain in the picture, owing to his seeming indifference and the wide divergence in our views with reference to a working agreement.

According to Mr. Bemis' letter, it seems that he has the idea that under any other than his and your management, Whitehall cannot be made a success and this I believe accounts for his extraordinary demands. I do not agree with his idea in this regard at all, for I believe there are plenty of men available who can make a success

of Whitehall.

During the past five years we have had to take over ten hotels which we are now operating and with all of them we are meeting with much better success than their former owners and with some we have been quite successful under very adverse conditions, for nearly all of them, were very much run down at the time we took them over. To illustrate: Longwood Towers in Boston was turned over to us under a cloud from previous mismanagement, but it is now distinctly on the up-grade to such an extent that its future is assured. The Park Central in New York had a bad start under the management of the original owners, but under our supervision, notwithstanding the unfortunate Rothstein incident, it is making good. The Mayflower at Washington has been very successful, although local hotel men freely expressed the opinion before we opened it, that owing to the over-supply of hotel rooms and to other unfavorable conditions in Washington, that it was doomed to failure and that we could not keep it open for ninety days, but today we have the cream of the business in Washington and it has a world-wide reputation as being the best managed and best equipped hotel in the country.

equipped hotel in the country.

In the operation of these 10 hotels I have been brought into close contact with every phase of the hotel business and have had to make it a study and am therefore conversant with the general requirements for their successful management and the best meth-

ods for procuring business.

I feel that our present organization is qualified to take over any hotel proposition and that it can make as great a success of same

as anyone else can.

In conducting our hotels I have come in contact with a great In conducting our hotels I have come in contact with a great many hotel managers, and I have found that nine out of ten of them think and claim that people come to the hotels under their management owing to their personal magnetism or because of personal friendship for them, but which I have found by experience is true to only a very limited extent. My own experience has demonstrated that what the public wants from a hotel is efficient management reflected in courteous treatment and good service and are not very much concerned as to the personnel that supplies it.

I did not ask you and Mr Bemis to join with me in a new com-

I did not ask you and Mr. Bemis to join with me in a new com-pany to lease Whitehall because of a feeling on my part that it could not be made a success without you, but for the following

First, that owing to the fact that you boys had invested a large sum of money in the hotel and had lost same thru the bankruptcy and foreclosure proceedings, I thought that all of you would appreciate an opportunity to make some of your money back.

Second, I did not want Bemis or you to be able to claim that I had frozen you out of the proposition, although I believe nine out of ten men would have done so under all the circumstances of the case, and in offering you a participation in the new proposition I feel I have done a fair and decent thing by all of you.

If eel I have done a fair and decent thing by all of you.

If what I have offered does not appeal to you and Bemis as being sufficient remuneration for your services, of course, you are at liberty to reject it, but I feel that I have offered all the proposition will bear. The fact that what I offered has to be divided between three persons instead of one is unfortunate, for as I view it, a hotel as small as Whitehall does not require three high priced

men for its successful management.

In view of the fact that Mr. Bemis states in his letter that unless his proposition is accepted he is not willing to be further identified with the operation of Whitehall, I must govern my future actions accordingly, because I cannot wait until his return on October 1st to negotiate further with him, but before taking the matter up willing to give you and Ed. an one-returning to with others I am willing to give you and Ed an opportunity to join with me. Pending my arrival in New York I would like to have you and Ed consider doing so, and if you are willing I will make you a proposition which I hope you can entertain.

With kind regards, I remain,

Yours very truly,

WM. J. MOORE.

Mr. WALSH (of counsel). I offer in evidence copy of letter of September 5, 1929, from Martin Sweeny to W. J. Moore.

(The letter was marked "Respondent's Exhibit 23" and was read by Mr. Walsh, as follows:)

SEPTEMBER 5, 1929.

Mr. W. J. MOORE,

Mr. W. J. Moore,

American Bond & Mortgage Co.,

521 Fifth Avenue, New York City.

Dear Mr. Moore: Yours of the 29th ult. received. You need not arrange any time to see me, for the reason that I deeply resent your letter, which is impregnated with imputations that I should play false to a friend and a business associate. That may be a method that some people employ in business, but money does not now, and never has, meant enough to me to sell my honor, not alone to play false to an associate. alone to play false to an associate.

Very truly yours,

Mr. WALSH (of counsel). I offer in evidence letter dated September 5, 1929, to H. E. Bemis from Martin Sweeny.

(The letter was marked "Respondent's Exhibit 34" and was read by Mr. Walsh, as follows:)

SEPTEMBER 5, 1929.

September 5, 1929.

Mr. H. E. Bemis,

Care of Mr. Jack Hobby, Equitable Trust Co.,

39 Rue Cambon, Paris, France.

Dear Chief: I am enclosing herewith a letter received from Mr. Moore, together with my reply. After receiving his letter I took it down to Mr. Levy asking him to dictate for me a reply with as few words as possible, telling Mr. Moore that he could go to hell, and I think you will agree with me that the letter is pretty good. I am sending this letter to him by mail tonight, which he will get tomorrow, as I learn that he is due to arrive from Chicago today.

today

I have received your postals-

And so forth. That is purely personal. Shall I read it all? Mr. Manager HOBBS. It does not make a bit of difference.

Mr. WALSH (of counsel). That letter is signed by Martin Sweeny.

I next offer in evidence a cablegram dated September 17. 1929, from Bemis in Paris to Sweeny.

(The cablegram was marked "Respondent's Exhibit 35" and was read by Mr. Walsh, as follows:)

[Commercial Cables]

NLT Sweeny Fifty-second St., Berkshire Hotel, N. Y. Keep negotiations alive until I return. Regards.

Mr. WALSH (of counsel). I next offer in evidence letter

of October 3 from Martin Sweeny to Bert E. Holland. (The letter was marked "Respondent's Exhibit No. 36.") Mr. WALSH (of counsel). This letter has been read before by counsel on the other side.

Mr. Manager HOBBS. May I suggest that is already in evidence?

Mr. WALSH (of counsel). Very good, sir.

I next offer in evidence letter to Martin Sweeny from W. J. Moore, dated -

(The letter was marked "Respondent's Exhibit No. 37" and was read by Mr. Walsh, as follows:)

American Bond & Mortgage Co., Chicago, Ill., September 14, 1929.

Mr. Martin Sweeny,
Berkshire Hotel, 21 East Fifty-second Street,
New York City, N. Y. My Dear Martin: I desire to acknowledge receipt of your letter of September 5 and in reply will say that you have placed a construction upon my letter of August 29 that was never intended or thought of by me, namely, that you should play false to a friend and business associate.

friend and business associate.

In writing you as I did, I assumed that Bemis meant what he said in his letter to you that on any other basis than that stated therein, he would not be further interested. His letter, taken in connection with a statement that he made to me shortly before the bankruptcy proceedings were started, to the effect that he went into the Whitehall deal to help you and Ed, and that he was more concerned in seeing that you and Ed got your money out than he was in saving anything for himself, led me to infer from his letter that he was withdrawing either for the reason that financial returns were not interesting, or that he wanted to leave you and Ed free to act as you saw fit.

It is my understanding that Mr. Bemis is a well-to-do man and can afford to lose what he put into Whitehall, but you have told me that the situation with regard to yourself and Ed is quite different and that you cannot afford to take a loss. It has always been my desire to have Mr. Bemis in on the proposition, but if he cannot see that it is worth while for him in a financial way, because your half under my proposition would have to be split three ways, does not make my proposition inequitable or

unfair, and especially so, in view of the fact that under our original set-up that was all you boys were to receive from the propo-

ition.

I hope the foregoing will make it clear that you have placed a wrong interpretation on my letter, and I would not have asked you and Ed to join me, if I had not considered that Mr. Bemis in writing you as he did, and then going away to Europe, had not definitely and deliberately withdrew himself from further participation in Whitehall if his proposition was not accepted by us. The unfortunate situation that has existed between you and Ed and Bemis and myself ever since I first mentioned to you in the spring of 1928 that, in my opinion, the Whitehall Building & Operating Co. could not pay its unsecured debts and would have to go into bankruptcy, has been, the unwarranted suspicion that in advising bankruptcy proceedings, I had an ulterior motive from which I would derive a personal benefit at the expense of yourself, Ed, and Mr. Bemis. The real facts are that I have been actuated only by a desire to do what I thought was best for all parties concerned. It has been a guiding principle in my business life to be loyal to my business associates, and no one who has been associated with me as a partner can point to a single act of mine that was not made in the belief on my part that it was for the best interest of my partners as well as myself. was for the best interest of my partners as well as myself.

In conclusion will say that I have been in New York only 1 day

In conclusion will say that I have been in New York only I day during the past 30 days, and I made no effort to see you for the reason that a contemplated change in our business may change the personnel of the parties with whom we will have to deal concerning Whitehall, and until this is determined and their wishes concerning the property has been ascertained, further negotiations will have to be suspended. Will see you as soon as I know anything definite regarding the property.

Yours very truly,

W. J. MOORE.

Mr. WALSH (of counsel). I next offer in evidence Western Union telegram from John P. Stokes to Sweeny.

(The telegram was marked "Respondent's Exhibit 38", and was read by Mr. Walsh (of counsel). The telegram is as

MARTIN SWEENY, Berkshire Hotel:

Whitehall hearing before Judge Ritter progressing fairly well, but upon application of Shutts & Bowen further hearing was postponed until October 28. Delay is to give opposing counsel an opportunity to file affidavit refuting affidavits of the bill of complaint. I attended hearing personally. JOHN P. STOKES.

Mr. WALSH (of counsel). There are two other letters here which I will introduce later.

That is all, Mr. Sweeny.

FURTHER REDIRECT EXAMINATION

By Mr. Manager SUMNERS:

Mr. Sweeny, the letter of August 29 contains a suggestion by Mr. Moore that in his judgment Whitehall Hotel was not large enough to require the services in a managerial capacity of three high-priced men. That would eliminate Mr. Bemis, as you understood?-A. Yes.

Q. And that you regarded as reason for the statement about having played false to your associates?-A. Yes.

- Q. Mr. Bemis was operating three other hotels in Florida at that time?-A. Operating the Royal Poinciana at Palm
- Q. Was that the only statement in the letter at which you took offense?-A. No: I took offense that he wanted to separate me from my chief.
 - Q. Mr. Bemis?-A. Yes.
- Q. You considered if you and your brother were employed to operate the hotel and Mr. Bemis was not employed that it would be some reflection upon you if he would agree to that arrangement?-A. No; but we started in together, and the three of us put our money in before Mr. Moore came along.
- Q. Well, your going in would not make it necessary to sacrifice any money that was put in by Mr. Bemis, would it?-A. Yes; it would, in my estimation.
- Q. I do not seem to be able to find the letter that I wanted to inquire about, but you remained in that hotel all the time, did you not?-A. Yes, sir.
- Q. The trustee that is referred to in this correspondence was Mr. Richardson, was it?-A. Yes, sir.
- Q. You served during the time that Mr. Richardson was trustee in bankruptcy, I believe?-A. I do not catch the
- Q. You served in a managerial capacity during the time Mr. Richardson was in charge of the hotel as trustee in bankruptcy?—A. Yes, sir.

- Q. I believe Mr. Moore was in charge for a while, and there was a trustee operating under that arrangement, was there not?-A. No. sir.
- Q. The arrangement which Mr. Moore wanted to effect was to set aside \$200,000 to pay the interest on the firstmortgage bonds, was it not?-A. I believe that was our arrangement, that we would set aside the first \$200,000 to pay the interest and taxes.
- Q. What was the arrangement with reference to the rest of the income?-A. As to the rest of the income, after we had taken \$200,000 and set it aside, we were then willing to divide up, not charging anything for salaries unless we earned \$200,000. After the first \$200,000 we were then to divide it 50-50.

Q. You were not to charge any salary but were to take 50 percent of all the hotel earned?-A. Above \$200,000.

- Q. And Mr. Bemis was insisting that there ought to come out of the additional earnings of the hotel the cost of maintenance and repairs, and so forth, was he not?-A. I do not recall.
- Q. Was not the difference between you and Mr. Moore rather a difference between what you and your brother and Mr. Bemis as managers were requiring to be taken from the assets of the hotel and the amount which Mr. Moore was insisting should remain unexpended in that direction and go to the bondholders?-A. No; we were further apart than that always.
- Q. What were you apart about? What was the matter with the arrangement?-A. On the question of salaries, management, and duration of the term.
- Q. What was the dispute with reference to the salary that you and your brother and Mr. Bemis were insisting upon and what Mr. Moore was willing to grant?-A. We made a proposition that we would not accept any salary unless we earned a certain amount of money.
- Q. What did he insist upon?—A. He insisted upon a different company where they would get 50 percent of stock and allocate to us 50 percent.
- Q. He wanted to organize an operating company?-A. Yes, sir.
- Q. What was to be done about the bond interest necessary to take care of the bonds?-A. Well, if they earned it they were to pay it. We were willing to do the other way. We were willing to pay the interest before we took any salary. if it was earned.
- Q. You would have had to pay the interest on the bonds in order to keep going, would you not?-A. If we kept going:
- Q. It was understood by you and Bemis and Moore and everybody that the interest on the bonds would have to be paid out of the earnings of the hotel?-A. Yes, sir.

RECROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. I hand you a document that came in your files and ask you to state what it is.—A. This is a statement showing our operating profits from Whitehall before interest, depreciation, and taxes received in 1926, 1927, 1928, and 1929.

Mr. WALSH (of counsel). I will hand the paper to the managers before I offer it.

(The paper was handed to the managers.)

Mr. Manager SUMNERS. We think it is immaterial, but make no objection.

Mr. WALSH (of counsel). I am just going to read the

The PRESIDING OFFICER (Mr. NEELY in the chair). Let the document be marked first.

(The statement was marked "Respondent's Exhibit No.

Mr. WALSH (of counsel). This is a statement by years, beginning with the season of 1925-26, showing the total profits before interest, depreciation, taxes, repairs, maintenance, and insurance, \$264,843.20.

For the season 1926-27, for the same items, \$182,535.31.

For the season 1927-28, same items, \$284,534.68.

For the season 1928-29, total estimated profits before same items, \$316,599.15.

That is all; thank you, Mr. Sweeny.

FURTHER REDIRECT EXAMINATION

By Mr. Manager HOBBS:

Q. This letter of September 14, 1929, written by you to Mr. Walter Richardson is one of the letters in this file, is it not?— A. (After examining letter.) It is.

Mr. Manager HOBBS. We would like to offer this letter in evidence.

Mr. WALSH (of counsel). Has it not been read in evidence once?

Mr. Manager HOBBS. No, sir. Mr. WALSH (of counsel). Very good; but let me see if it has not been read in evidence.

Mr. Manager SUMNERS. I should like permission to ask the witness a question while counsel for the respondent is examining the letter.

The PRESIDING OFFICER. Proceed.

By Mr. Manager SUMNERS:

Q. I notice for the season 1928-29 the estimate of net income from operations was \$316,000. That represents considerably the highest receipts during the period covered by the inventory, does it not?-A. May I see the statement, please

Q. Yes.

(The statement was handed to the witness.)

A. That statement was made out the 23d of May 1929 and it was after our operation of that year. Our estimated income was practically about what the statement shows.

Q. That was the high or peak of the Florida boom and Florida patronage, was it not?-A. That was a very good year.

Q. It "busted" right at the end of that year, did it not?-A. Yes, sir.

Q. When you started back there in 1928 you did not have the same condition?-A. Yes, sir.

Q. That was the peak?—A. We have not had as good a year since that time.

Mr. Manager SUMNERS. That is all.

Mr. Manager HOBBS. I desire to read this letter in evidence, it being manager's exhibit A-24:

SEPTEMBER 14, 1929.

Mr. WALTER RICHARDSON.

Mr. Walter Richardson,

Murray Building, Palm Beach, Fla.

Dear Walter: As I wired you yesterday, I think it preferable to wait until Mr. Bemis returns before taking any action. However, I wish to call your attention to one thing, and that is that Mr. Bemis and I own \$34,000 worth of the second mortgage bonds.

Would it not be possible to bring a bankruptcy proceedings through the second-mortgage bonds? If so, we could give some other person \$1,000 worth of these bonds and the three of us file a petition. This is just for you to think over until you arrive in New York, for you say you will be here when Mr. Bemis arrives. With kind regards. With kind regards.

Sincerely yours,

By Mr. Manager HOBBS:

Q. You signed that letter, did you not?—A. Yes, sir.

Q. What you were seeking to do, as I understand, was to get out from under the operation of the court—either the bankrupt court or any other court-and allow you and Mr. Bemis to manage the hotel under the trustee named in the bond-issue mortgage or deed of trust, and that was your proposition as outlined in these several letters, was it not?-

Q. What was it?-A. My proposition was to try to protect the people who invested their money on our reputation.

Q. I understand that, sir. Your idea was that the way to do that was to permit you and Mr. Bemis and your brother Ed to continue to manage the hotel under the guaranty that you set up without any court proceedings; was it not?-A. No. We had spent 5 years building up the clientele, and we thought we could make more money than any other

Mr. Manager HOBBS. And I agree with you. I am not saying that you could not.

Mr. CONNALLY. Mr. President, I submit several inquiries. The PRESIDING OFFICER. The clerk will read the questions propounded by the Senator from Texas.

The legislative clerk read the first question propounded by Mr. Connally, as follows:

Did you recommend Mr. Rankin to Mr. Holland as attorney to foreclose the mortgage?

A. Yes.

The legislative clerk read the next question propounded by Mr. CONNALLY, as follows:

If you did recommend him, had you had any prior conference or agreement with Mr. Rankin to do so?

A. No, sir.

The legislative clerk read the next question propounded by Mr. CONNALLY, as follows:

If you recommended him, why did you do so?

A. I recommended him because he was the attorney of my chief, Mr. Bemis.

By Mr. Manager HOBBS:

Q. Did you not also have in mind that he was recommended to you by Mr. Walter S. Richardson, who asked you to do so?-A. No, sir.

Q. Mr. Sweeny, you were seeking to operate the hotel because you knew that you could produce more business through it, and more net money to the operation, than anyone else; and you were seeking to do that for the benefit of the first bondholders and the others, whose money had been invested largely upon faith in you?-A. Yes, sir.

Q. As a means to that end, was it or not your idea that the operation should not be under a court proceeding, but should be independent of that, by agreement?-A. Well, I cannot answer that question. It was largely through Mr. Bemis that this was handled, and I did not do it.

Q. You knew that court proceedings would be costly, did you not?-A. I knew it; yes, sir.

Q. And was it not your idea, when you stated in these letters that you would operate under the trustee, and made this proposition to Mr. Moore, that you would do it without any connection with a court proceeding or court supervision?-A. Do you want me to answer that question?

Q. Yes, sir.-A. Mr. Bemis thought it would be less costly operating under a court than under the Moores.

Q. But you stated in these letters that you wanted to operate without a court proceeding and under the trustees named in the bonds, did you not?—A. If we could. Mr. Manager HOBBS. Yes, sir. That is all, sir.

FURTHER RECROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. What was Moore to do, according to his proposition, for which he was to get 50 percent of the capital stock as reorganized?-A. Give us advice.

Q. That is all; do nothing at all in Florida?-A. No. sir. The PRESIDING OFFICER. Who is the next witness? Mr. WALSH (of counsel). I will call Mr. Brodek if I may. please, Mr. President.

DIRECT EXAMINATION OF CHARLES A. BRODEK

Charles A. Brodek, having been duly sworn, was examined, and testified as follows:

By Mr. WALSH (of counsel):

Q. Please state your name to the Court.-A. Charles A. Brodek.

Q. What is your profession, please?—A. I am a practicing attorney in New York.

Q. Are you a member of a law firm there? If so, state the name and address of the law firm .-- A. I am the senior partner in the firm of Brodek & Eisner, 72 Wall Street, New York City.

Q. You are the Mr. Brodek who has been mentioned in the letters that were produced here, I take it, in regard to the Brazilian Court litigation in Florida?—A. Yes, sir.

Q. You brought these letters here under a subpena from the Government, did you?-A. Yes, sir.

Q. You also testified, did you not, in the investigation by the House committee?-A. Yes, sir.

Q. Mr. Brodek, for the purpose of saving time, please state in your own way the character of the litigation, the amounts involved in it, and the change, if any, that took place during the progress of the litigation, if it is a fact that it did so, changing the services to be performed .- A. In the summer of 1927, as secretary and attorney for the Mulford Realty Corporation, I purchased an issue of bonds on the Brazilian Court Hotel at Palm Beach. The total issue was \$270,000, and the price I paid was 50 cents on the dollar, plus an arbitrary figure of, I think, fourteen or fifteen thousand dollars, which I assume was to pay counsel for the committee. Our purchase was made from a committee, headed by Mr. Roosevelt, which had been organized to accept the deposit of these bonds. The committee delivered to us practically the entire issue, and we paid them \$149,500. We then retained the law firm of Ritter & Rankin to prosecute a foreclosure of the mortgage in connection with which the bonds were given.

A retainer agreement was made with that firm, acting by Mr. Ritter, in the early part of September 1927, and the agreed fee was \$4,000. The original agreement was limited to a foreclosure of those bonds.

A foreclosure was instituted by Mr. Ritter about the middle of September 1927, and I then was informed that the foreclosure had been preceded by another foreclosure on behalf of a man named D'Esterre, who claimed that he held a \$70,000 mcrtgage which was prior in effect to the \$270,000, because his action alleged the deed to the property and the trust deed under which these bonds were issued had been delivered in escrow, and that the deed and the \$270,000 mortgage had been released from this escrow through fraud, and with the knowledge of the original trustee under our mortgage, Miller & Co. He therefore alleged in this separate action that our mortgage was subordinated to his \$70,000. That was an entirely new development.

Furthermore, in our foreclosure D'Esterre intervened and filed an answer, in which he set forth, in substance, the same claim of priority to his \$70,000 mortgage as against our \$270,000 mortgage that he had based his independent action on.

In the D'Esterre action Ritter & Rankin appeared and made motions under the practice there to strike out the complaint, or to set it aside or to dismiss it as by demurrer, and after rather lengthy proceedings, and elaborate ones, the D'Esterre action failed on demurrer.

But D'Esterre then continued in our foreclosure action, and Mr. Ritter made various motions to strike out that cause of action; the motions were granted and D'Esterre amended—granted, amended, and so forth—and ultimately the court, perhaps being tired, permitted the answer to stand, and then Mr. Ritter had to go through a trial on the facts, to wit, whether in fact the mortgage we bought had been released from escrow by fraud to the knowledge of the old trustee.

On a trial of that issue the court found that our mortgage had been released in 1925, long before we had anything to do with it, had been released in violation of the escrow, and that the original trustee, Miller, or Miller & Co., had had knowledge of that release. But the court held, on a sort of supplemental pleading which Mr. Ritter interposed in our behalf, that notwithstanding those facts our mortgage stood up as a first lien because D'Esterre was estopped from asserting his lien as against ours.

Q. That explains that, I think, fully, down to the time before the appeal was taken, and before the judge went on the bench.

I will ask you whether or not all of the proceedings in that case, court appearances and everything else, were or were not attended to by Judge Ritter before he went on the bench?—A. So far as I know, the case was exclusively in his charge, and we looked upon him as our attorney.

- Q. Your client was whom?—A. The Mulford Realty Co., the purchaser of the bonds.
- Q. And the president of that is who?—A. Vincent S. Mulford.
- Q. Subsequently was there an additional fee agreed upon and paid in addition to your original fee? After this new suit developed and the case went through, was there an agreement for a further fee?—A. Yes, sir; an agreement, in a sense, that a further fee was asked for and allowed by us.

Mr. McKELLAR. Mr. President, I send forward a question at that point.

The PRESIDING OFFICER. The clerk will read the question.

The legislative clerk read the question propounded by Mr. McKellar, as follows:

How much was your mortgage, and what was the fee charged by and paid to Ritter & Rankin?

A. Our mortgage was \$270,000, and the court foreclosure fee was \$4.000.

By Mr. WALSH (of counsel):

- Q. And was there an increase made in that afterward and agreed upon?—A. Yes, sir.
- Q. Do you recall the circumstances of Judge Ritter being paid \$2,000 in addition by Mr. Mulford?—A. Yes, sir. The payment was made by me.
- Q. And how much was that?—A. Two thousand dollars in March 1929.
- Q. Was an additional allowance made thereafter by Judge Chillingworth, bringing that fee to \$8,000—that is, \$4,000 for Judge Ritter and \$4,000 for Mr. Rankin?—A. Yes. I think in one of the subsequent proceedings in that foreclosure case there was an allowance for attorneys' fees of \$8,000.
- Q. That was for the disposition of the case in the lower court, was it not?—A. I believe so; yes, sir.
- Q. Was an appeal taken in that case?—A. There was an appeal taken by D'Esterre.
- Q. And who handled that appeal on your behalf?—A. Mr. Rankin.
- Q. Did Judge Ritter have anything whatsoever to do with that case after he went upon the bench?—A. Not at all.
 - Q. That you know?

Mr. Manager HOBBS. We object. We object to that as calling for an unwarranted conclusion and opinion of the witness, and as being highly leading and suggestive.

By Mr. WALSH (of counsel):

Q. To your knowledge?

Mr. WALSH (of counsel). I think that is proper.

The PRESIDING OFFICER. The witness may answer so far as he personally knows.

A. I know of no further services rendered in that case by Judge Ritter after his elevation to the bench.

By Mr. WALSH (of counsel):

Q. I will get you to state whether or not a fee was paid to Mr. Rankin for attending to the case throughout the appeal.—A. There was; yes, sir.

Q. And when the case was finally adjusted, how much of a fee was paid him for the appeal?—A. \$2,500.

Mr. WALSH (of counsel). You may take the witness, gentlemen.

CROSS-EXAMINATION

By Mr. Manager PERKINS:

Q. Mr. Brodek, you are the gentleman to whom the letter I now hand you, which has been marked "Managers' Exhibit H-1", was addressed by Judge Ritter?—A. Yes, sir.

MESSAGE FROM THE HOUSE-RECESS

Mr. ROBINSON. Mr. President, I inquire if it is convenient for counsel to suspend now? Only 2 minutes remain until 1:30 o'clock.

Mr. WALSH (of counsel). It is perfectly convenient.

Mr. ROBINSON. I ask that the Senate, sitting for the trial of the articles of impeachment, suspend its session under the order, and that the Senate proceed to the consideration of legislative business, in order that a message may be received from the House of Representatives.

Thereupon, the Senate, sitting for the trial of the articles of impeachment, suspended its session to meet, under the order, as modified, prescribing the hours of the daily sessions, at 2 o'clock and 15 minutes p. m., and the Senate, in legislative session, received a message from the House of Representatives and transacted other legislative business, which appears elsewhere in the Record of today's legislative proceedings.

IMPEACHMENT OF HALSTED L. RITTER

At 2 o'clock and 15 minutes p. m., the Senate, sitting for the trial of the articles of impeachment against Halstead L. Ritter, United States district judge for the southern district of Florida, reassembled.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Revnolds
Ashurst	Coolidge	Lewis	Robinson
Austin	Couzens	Logan	Russell
Bachman	Davis	Lonergan	Schwellenbach
Bailey	Donahey	McGill	Sheppard
Barbour	Duffy	McKellar	Shipstead
Barkley	Fletcher	McNary	Smith
Benson	Frazier	Maloney	Steiwer
Black	George	Metcalf	Thomas, Okla.
Bone	Gerry	Minton	Thomas, Utah
Brown	Gibson	Murphy	Townsend
Bulkley	Guffey	Murray	Truman
Bulow	Hale	Neely	Vandenberg
Burke	Harrison	Norris	Van Nuys
Byrd	Hastings	Nye	Wagner
Byrnes	Hatch	O'Mahoney	Walsh
Capper	Hayden	Overton	Wheeler
Caraway	Johnson	Pittman	White
Carey	Keyes	Pope	
Clark	King	Radcliffe	

Mr. LEWIS. I reannounce the absence of certain Senators and the reasons therefor as given by me upon a pre-

The PRESIDING OFFICER (Mr. Robinson in the chair). Seventy-eight Senators have answered to their names. A quorum is present. Counsel may proceed.

Mr. WALSH (of counsel). We will recall Mr. Brodek. CROSS-EXAMINATION OF CHARLES A. BRODEK (CONTINUED)

By Mr. Manager PERKINS:

Q. Were you a witness before the subcommittee of the House Judiciary Committee in the investigation of this matter?-A. Yes, sir.

Q. Did you testify as follows in response to the following question by Mr. TARVER?-

Do you know of any reason why this payment of \$2,000 was made to Judge Ritter individually instead of to the firm of Ritter & Rankin, and why Mr. Rankin was not issued a similar check for the amount of \$2,000 to take care of his interest in the fee which had been earned by the firm?

Mr. Brodek. So far as my knowledge goes, all of the proceedings in those two cases which I have briefly outlined were taken care of by Mr. Ritter. It was a case in which he was individually and solely in charge of the litigation, and I believe that in his firm, and it so happens in my firm also, certain cases are allocated to a partner who is entitled to the entire fee in the case.

Did you so testify?-A. Yes, sir.

Q. Is it true that Mr. Ritter had taken charge individually and solely of the litigation?-A. So far as I know, that was a fact; yes, sir.

Q. I show you what purports to be a copy of a letter dated March 13, 1929, addressed to Hon. Halsted L. Ritter, and ask if you wrote that letter and sent it to Judge Ritter?-A. I did.

Mr. Manager PERKINS. I offer the letter in evidence and ask that it be marked as an exhibit.

The PRESIDING OFFICER. Is there objection? If not, the letter will be admitted and appropriately marked.

(The letter was marked "Managers' Exhibit A-25.")

By Mr. Manager PERKINS:

Q. It was you who sent Judge Ritter the \$2,000 referred to in the correspondence here in evidence, was it not?-A. Yes, sir.

Q. It was a check of your firm, was it not?-A. Yes, sir. Q. What was the name of your firm?-A. Brodek, Raphael & Eisner.

Mr. Manager PERKINS. I desire to read the exhibit which has just been marked "Managers' Exhibit A-25."

Mr. Manager PERKINS proceeded to read the letter. During the reading of the letter-

Mr. WALSH (of counsel). Pardon me for interrupting. I do not think any of that letter should be read that throws no light on the subject, but only that part which refers to this matter.

Mr. Manager SUMNERS. You mean the middle paragraph?

Mr. WALSH (of counsel). I do not think any of it ought to be read except the part relating to this matter.

The PRESIDING OFFICER. The Chair has no means of passing on the matter because he has not seen the letter.

Mr. WALSH (of counsel). I thought the managers might decide which part of the letter is proper.

Mr. Manager PERKINS. I shall try to skip the part that counsel does not like.

Mr. WALSH (of counsel). It is not because I do not like it, but because it is not material.

Mr. Manager PERKINS. Well, the part that is not ma-

Mr. McKELLAR. Mr. President, why cannot the whole letter be read?

Mr. WALSH (of counsel). If anyone wants it read it may be read.

The PRESIDING OFFICER. You may proceed.

(Mr. Manager Perkins resumed and concluded the reading of the letter, which, in full, is as follows:)

EXHIBIT A-25

MARCH 13, 1929.

Hon. HALSTED L. RITTER

United States District Judge, Miami, Fla.

DEAR JUDGE RITTER: First let me convey my heartlest congratulations on your elevation to the Federal bench. I had not noticed any reference to the appointment in the New York papers nor had I heard of it through any other source, so I trust you will accept

I heard of it through any other source, so I trust you will accept my belated good wishes.

As you know, there are four vacancies on the Federal bench here. The appointments by President Coolidge were all pretty good, but are apparently unacceptable to President Hoover. I hope that New York will be as fortunate in the appointments by President Hoover as Florida was in your appointment.

I believe that Mr. Mulford will be back in a few days. While he has a gay habit of turning things over to me, at heart he feels better satisfied if I confer with him, and I hope it will be agreeable to you to let this matter rest for a few days until I can see him.

I know that you did an immense amount of extra work and that

I know that you did an immense amount of extra work and that it was all well done and with most satisfactory results, so that you can be assured that there will be no difficulty about compensation insofar as I am concerned.

With best wishes for a distinguished career on the bench, I remain, Sincerely yours,

By Mr. Manager PERKINS:

Q. You sent that letter to Judge Ritter?-A. Yes, sir.

Q. Mr. Brodek, was that letter written in response to the one in which the judge asked for an extra fee of \$2,000?-A. I believe it was; yes, sir.

Q. Did you later have some correspondence with Judge Ritter? I show you what purports to be a copy of a telegram taken from your files, dated April 10, 1929, and ask you if you sent Judge Ritter that telegram?—A. No, sir; that is a misprint for "Rankin." Albert L. Rankin, that should have been. That telegram was sent to Mr. Rankin. That is a misprint. I find that in several of my letters at that time, by reason of the rather similar names, I called Mr. Rankin "Albert L. Ritter."

Q. The telegram was sent as shown on the copy; was it not?-A. Yes, sir; to the Comeau Building, which is Mr. Rankin's office in West Palm Beach; and this telegram was received by Mr. Rankin.

Q. Mr. Brodek, what I wanted to get an answer to was the telegram which was sent addressed to "Albert L. Ritter, Comeau Building, West Palm Beach, Fla."?—A. Yes, sir. Q. And signed "Charles A. Brodek"?—A. Yes, sir.

Mr. Manager PERKINS. Mr. President, I offer this in evidence.

Mr. WALSH (of counsel). I do not think it is admissible with that explanation; but let it go in.

(The document was market "Exhibit A-26.")

The WITNESS. That is an obvious misprint by my secretary.

Mr. Manager PERKINS. Mr. President, the witness is volunteering.

The PRESIDING OFFICER. The Chair thinks the witness has a right and should be given the privilege of explaining if there was an error.

By Mr. Manager PERKINS:

Q. Mr. Brodek, I show you a copy of a letter on the letterhead of Brodek & Eisner, dated April 10, 1929, addressed to Mr. Albert L. Ritter, Comeau Building, West Palm Beach, Fla., in re Brazilian Court, beginning "Dear Mr. Ritter", and ask you if you the sent the original of that letter?-A. I sent that letter.

Q. Has that the same explanation?—A. Exactly the same. At the time of the retirement of Judge Ritter from the case in March 1929 I evidently, in dictating, inadvertently dictated the old name, "Ritter", with whom I was accustomed to correspond in this case, and it slipped through in that way. Those are simply inadvertences. Those letters and telegrams were intended for and were received by Mr.

Mr. Manager PERKINS. Mr. President, in view of the explanation, I will not offer this letter.

By Mr. Manager PERKINS:

- Q. Mr. Brodek, you are secretary and attorney for the Mulford Realty Co.?-A. Yes, sir.
 - Q. And also a director of that company?-A. Yes, sir.
- Q. That company was a holder of quite a good deal of property in Florida, was it not?-A. No, sir.
- Q. Did you not testify in the proceedings before the subcommittee as follows:

Mr. Brodek. I happen to be a director of the Mulford Realty Corporation. I should know more about its investments than perhaps I do, but my recollection is, Mr. Chairman, that in 1927, which is the time you are referring to, the Mulford Realty Corporation owned some real estate in Palm Beach, which included or a citrus grove. It also had a large amount of securities of the Olympia Improvement Corporation, which was a company organized to develop and promote Olympia. It also owned the largest stock interests in the E. Day Co., an Indian River citrus grove, but outside of those items its securities were almost entirely New York Stock Exchange securities.

Is that correct?-A. That was my testimony from recollection; and I think further on in my testimony I referred to it as guesswork. Since that time I have refreshed my recollection, and I find that in 1929 and 1928 the Mulford Realty Corporation had very insignificant holdings in

- Q. Have they not owned the Brazilian Court Hotel?-Yes, sir.
- Q. That is the hotel on which the \$270,000 mortgage was?-A. Yes, sir. I thought you were referring to other holdings than that hotel; and in 1929 they did not own the hotel
- Q. Well, did the Mulford Realty Corporation have a \$270,-000 mortgage on the hotel which was in contest?-A. Yes, sir.
- Q. And it also owned an interest in the Palm Beach Bus Service Co.?-A. No, sir; no, sir.
- Q. It had no interest whatever in that company?—A. It had a loan to a Mrs. Paschal for ten or eleven thousand dollars, and as collateral it had some stock in the bus company and in a ferry company, both of them very insignificant companies, which have since, I think, passed out of existence.
- Q. Did it own a citrus grove, or have an interest in a citrus grove?—A. They had about a 10-percent interest in one citrus grove, the E. Day Co., and owned no other citrus grove or interest in any citrus grove.
- Q. What was the Olympia Improvement Corporation?-A. It had stock in the Olympia Improvement Co., or association, of a face value, I think, of fifty or sixty thousand dollars, which was practically worthless, and shortly thereafter was written off as worthless.
- Q. When was it written off as worthless?-A. I do not know the exact time, but I should say a year or two after 1929
- Q. Mr. Brodek, I show you exhibit 44, being minutes of a special meeting of the stockholders and directors of the Palm Beach Bus Service Co. held on the 17th of February 1930, and ask you to examine it and see if that does not refresh your memory as to the holding of the Mulford Realty Co. in that corporation.

(The document was exhibited to Mr. Walsh, of counsel.) The PRESIDING OFFICER. The witness may examine

the paper and answer.

(The witness examined the document.)

Mr. KING. Mr. President, if it is not improper, I venture an inquiry as to the materiality of this testimony.

The PRESIDING OFFICER. The Chair is unable to answer the question. He has not seen the paper, and no objection has been made to the materiality of it.

Mr. KING. I understand; but it is an inquiry into the Mulford Holding Co. and whether or not it had any large

interests in Florida.

Mr. Manager PERKINS. One of the charges in the impeachment accusation is that the Mulford Holding Co., which gave the \$2,000 check to Judge Ritter at that time, had large interests in Florida which were in the same jurisdiction as

The PRESIDING OFFICER. Very well; the witness may

answer the question.

The WITNESS. May I have the question read?

The PRESIDING OFFICER. The reporter will read the question.

The Official Reporter read the question, as follows:

Q. Mr. Brodek, I show you exhibit 44, being minutes of a special meeting of the stockholders and directors of the Palm Beach Bus Service Co. held on the 17th of February 1930, and ask you to examine it and see if that does not refresh your memory as to the holding of the Mulford Realty Co. in that corporation.

A. It does not, because I have in my possession, at least outside, the certificate of stock in the name of Mrs. Paschal, endorsed in blank and attached as collateral to a note for ten or eleven thousand dollars. This stock never appeared on the balance sheet of the Mulford Realty Corporation.

Mr. WALSH (of counsel). Mr. President, at this point I am going to object to all of this as going into a collateral matter. It has nothing whatever to do with the body of the

accusation here.

Mr. Manager PERKINS. Mr. President, it is not my intention to pursue the matter further.

The PRESIDING OFFICER. The Chair respectfully suggests to the House managers that mere collateral matters should not be permitted to take up the time of the Senate.

By Mr. Manager PERKINS:

Q. Mr. Brodek, I show you what purports to be a copy of a letter written by you to Mr. Rankin, and which has been marked "Managers' Exhibit A-22." Will you please see if you wrote such a letter to Mr. Rankin?

The PRESIDING OFFICER. Has that letter been ex-

hibited to counsel?

Mr. Manager PERKINS. It has been exhibited to counsel, and has been marked in evidence as an exhibit.

A. That is a copy of a letter I sent on the date mentioned to Mr. Rankin; yes, sir.

By Mr. Manager PERKINS:

- Q. I call your attention to the concluding paragraphs of the letter, which are as follows:
- I may consider it advisable for you to come to New York to discuss this matter after Mr. Mulford returns. I do not think it necessary for you to come here in his absence.

Before I see Judge Ritter I will familiarize myself with the authorities cited in your letter, so as to be posted as to the strength of D'Esterre's legal position.

Mr. WALSH (of counsel). I object to that as in no way binding upon Judge Ritter.

Mr. Manager PERKINS. I expect to follow that by another question.

Mr. WALSH (of counsel). If you are going to follow it by a question which will make it admissible, of course, I shall wait until you do.

Mr. Manager PERKINS. I think counsel is under a misapprehension. This is a letter which is already in evidence.

The PRESIDING OFFICER. Does the manager on the part of the House state that he expects to connect the letter with Judge Ritter?

Mr. Manager PERKINS. I do.

The PRESIDING OFFICER. Very well; you may proceed. By Mr. Manager PERKINS:

Q. Mr. Brodek, this letter says that before you saw Judge Ritter you would familiarize yourself with the authorities cited in Mr. Rankin's letter, "so as to be posted as to the strength of D'Esterre's legal position." Did you later see Judge Ritter in New York? When I say "later", I mean after August 28, 1931.-A. I did.

Q. On how many occasions did you see him there?-A. ! After the date of that letter?

Q. After August 28, 1931.—A. Once; when he was sitting in the Federal court in the southern district in the place of Judge Mack. That was in the month of September 1931.

Q. Did you not see him at your office? Did he not call at your office once?-A. He called at my office once, but that may have been long before this letter.

Q. After this letter did you not meet with Judge Ritter and your client, Mr. Mulford, together in New York?-A. Yes; I invited Judge Ritter and Mr. Mulford to lunch at the Bankers' Club, and we had a brief little lunch there.

Mr. Manager PERKINS. Take the witness.

Mr. WALSH (of counsel). May I see the letter, please? I have been trying to carry it in my mind, but I should like to see it.

(A letter was handed to Mr. Walsh.)

Mr. Manager PERKINS. I have one more question to ask. By Mr. Manager PERKINS:

Q. Mr. Brodek, did you or did you not know that Judge Chillingworth, sitting in the circuit court of the fifteenth judicial circuit of the State of Florida, made an order, dated June 8, 1929, allowing to Ritter & Rankin, attorneys for the complainants "in the above styled case", the case being Trust Co. of Georgia v. Brazilian Court, for the payment of the sum of \$2,500 to be credited upon the sum heretofore decreed and allowed as attorneys' fees?-A. I do not remember receiving a copy of that order. I received some of the papers in that suit, but comparatively few.

Mr. Manager PERKINS. Take the witness.

REDIRECT EXAMINATION

By Mr. WALSH (of counsel):

Q. Mr. Brodek, did the letter which was just shown you refer to the matter of settling that case? Can you carry it in your mind, or do you?-A. Yes; I remember that letter quite distinctly, Mr. Walsh.

Q. What called it forth? What was the meeting to be about?-A. In the latter part of August 1929-no; 1931-I received a letter from Mr. Rankin in which he said, in substance, that D'Esterre's attorneys on the appeal had cited four cases on the question of estoppel.

Q. Then it was about a proposed compromise, was it?

Mr. Manager SUMNERS. Mr. President, we think the witness ought to be allowed to answer.

Mr. WALSH (of counsel). Very good. I will let him go ahead. What I wanted to find out was whether it was about a compromise.

The PRESIDING OFFICER. As the Chair understands. the question submitted to the witness was what the conference was about. In the view of the present occupant of the chair, it is not necessary, in order to answer that, to give the history of the controversy. It seems to the Chair that the witness could say what the subject matter of the conference was. Then, if counsel wish to develop it further, they may do so.

A. The answer to that question is that there was no conference.

By Mr. WALSH (of counsel):

Q. That is what I am asking; was it to talk about a proposed settlement?-A. It was intended to be, but by reason of the fact that I examined those cases, which had terrified Mr. Rankin, I felt there could be no settlement; we were just as sure of our victory after reading those cases as we were before, and I did not discuss the propriety or advisability of settlement with Judge Ritter at that time.

Q. So that there was no meeting, such as is suggested there, at all?-A. No, sir.

Mr. Manager PERKINS. I object to the leading character of the question. The witness is highly intelligent, and there is no necessity to lead him.

By Mr. WALSH (of counsel):

Q. Was there any such meeting?-A. No, sir; there was a lunch, that is all.

Q. Was there a conference about a settlement?—A. No. sir. I think I may have said to Judge Ritter something to

any reason for being scared. We are just as strong as we were before." The only thing was to have the appeal disposed of quickly, I think I told him, because it had been hanging fire over 4 years.

Q. Very well. It was not discussed, was it?—A. No.

Q. Did Judge Ritter give you any counsel or advice about it at all?-A. After he was on the bench?

Q. Yes .- A. Never.

RECROSS-EXAMINATION

By Mr. Manager PERKINS:

Q. Mr. Brodek, it is true that you met with Judge Ritter, and then you later called in the client, Mr. Mulford. Is not that true?-A. No. I had Judge Ritter and Mr. Mulford at lunch at the Bankers Club on two occasions-in September 1929 and September 1931-and one of those luncheons-I am frank to say I do not remember which one-was preceded by a momentary meeting in my office. I think it was the 1929 one, because he was sitting in Brooklyn, and he blew in one day to say "Hello", and I said, "You will have to have lunch with Mulford and me some day", and that took place in my office, and then a few weeks thereafter we actually did have lunch, in 1929, and again we had a lunch in 1931. Those are the facts.

Q. When you say "we", you mean Judge Ritter, Mr. Mulford, and yourself?—A. Correct.

The PRESIDING OFFICER. May the witness be excused from further attendance?

Mr. Manager PERKINS. Mr. President, so far as the managers on the part of the House are concerned, the witness may be excused.

Mr. WALSH (of counsel). He may be excused.

The PRESIDING OFFICER. Very well. The witness is excused.

DIRECT EXAMINATION OF VINCENT S. MULFORD

Vincent S. Mulford, having been duly sworn, was examined and testified as follows:

By Mr. WALSH (of counsel):

Q. You are the Mr. Mulford who has been mentioned here in the Brazilian Court case?-A. Yes, sir.

Q. The owner of the bonds?-A. Yes, sir.

Q. I am going to bring you right to the time when you saw Judge Ritter and had a discussion, or had a talk, about the payment of some money. Were you in Miami shortly after the time he went upon the bench?-A. No. sir.

Q. Were you there prior to the time when he went upon the bench?-A. I never saw him in Miami.

Q. In Palm Beach?—A. West Palm Beach.

Q. At what date did you see him in West Palm Beach?-A. The latter part of March, I think. I have the date here.

Q. Give us the date, please.—A. It is on the check I drew. It was in March 1929. I have forgotten the date. The check you have.

Q. At that time did you make him a payment on some account?-A. Yes, sir.

Q. What was the payment you made him?-A. It was a complete settlement of the original agreement to pay him \$4,000 for acting as attorney in the foreclosure of certain bonds of the Mulford Realty Corporation.

Q. Had all of that work been performed prior to the day you saw him?-A. Yes, sir.

Q. For how much was the check?-A. Nineteen-hundredand-some-odd dollars.

Q. How was it divided? Was it partly for fee and partly for expenses?-A. There was an account rendered to me showing that amount due for the original \$4,000 agreed upon, plus disbursements.

Q. What arrangement did you make with him about that, if any?-A. I just got a complete-

Q. Did you pay it?—A. Yes; he gave me a statement of the account and I gave him-drew a check on the Park Bank.

Q. Did you have a talk with him about a further additional fee in the Brazilian Court matter?-A. Yes, sir,

Q. As a result of that, did you agree to pay him any additional fee?—A. No, sir. He outlined the unusual work that had been entailed in the additional court action which was the effect that "Rankin seems to be scared, but I do not see | never anticipated when the original agreement was made,

litigation, to a further payment.

Q. Did he so state to you?-A. Yes, sir.

Q. What did you say about it?—A. I told him that I was not competent to judge legal services, that any compensation he was properly entitled to that would be agreed to by my New York counsel I would acquiesce in, and suggested that he outline his work and write direct to Charles A. Brodek and state his case.

Q. Was \$2,000 additional paid him?-A. Yes, sir.

Q. Was it paid him for any service of any character performed after he went upon the bench?-A. No, sir.

Q. Did it all refer to the Brazilian Court caseservices which were rendered in that by the firm of Ritter & Rankin prior to his assumption of the bench?—A. Yes, sir. I might add, however, that the firm was Ritter & Rankin, but I only recognized Judge Ritter as acting for us.

Q. He did the work in the case?—A. As far as I know;

I was never there.

Q. And it was carried in the name of Ritter & Rankin, was it not?—A. That was the firm name; yes, sir.

Q. And that was the account of Ritter & Rankin?-Mr. WALSH (of counsel). You may take the witness.

CROSS-EXAMINATION

By Mr. Manager PERKINS:

Q. Mr. Mulford, when you spoke of an original agreement did you not refer to the fact that you had an agreement to pay Ritter & Rankin \$4,000 for foreclosing the mortgage?-A. Yes.

Q. So that at the time you saw Judge Ritter at West Palm Beach the understanding was that the \$4,000 would be the complete fee they would receive for the services rendered in that case; is that not true?—A. That was the original agreement; yes.

Q. And so at the time of the writing of the letter by Judge Ritter, in which he requested an additional \$2,000, he had no legal claim against you, or the Mulford Realty Co., for the money, did he?

Mr. WALSH (of counsel). I object to that as calling for

an improper conclusion of the witness.

The PRESIDING OFFICER. The Chair thinks that calls for a conclusion. It is for the Court to decide.

By Mr. Manager PERKINS:

Q. Upon the sending to Judge Ritter of the check for \$19,000, did that completely discharge your obligation to him for his services in that connection?

Mr. WALSH (of counsel). I object to that for the same reason. Let the witness state what it was. He has stated it, and let the Court draw its conclusion.

The PRESIDING OFFICER. The Chair thinks the witness may say whether he did.

A. At the time I was under the impression that that was all the legal obligation, but I finally recognized an obligation that he was entitled to more money, because when the original agreement was made it was only our idea that it would be an ordinary foreclosure. We never anticipated 2 years of litigation, which is, from an ultimate point of view, very astonishing.

By Mr. Manager PERKINS:

Q. At the time you authorized the payment of the additional \$2,000 to Judge Ritter did you know that on March 11, 1929, he had written Mr. Brodek saying, "I will, however, be consulted about matters by him until it is all closed up"?

Mr. WALSH (of counsel). I object to that. The letter is in evidence. It shows for itself.

The PRESIDING OFFICER. He may answer that, whether he knew at the time he paid the additional \$2,000. Mr. WALSH (of counsel). Very good.

The PRESIDING OFFICER. If the inquiry is material it is proper for him to answer.

A. Why, I have no recollection of it distinctly, but I take it for granted that my attorney would call it to my attention. Is that the letter that Judge Ritter wrote?

By Mr. Manager PERKINS:

Q. It is, Mr. Mulford; yes .- A. Well, on that particular

and felt that he was entitled, because of this long-drawn | I had been in the habit of doing once or twice a week for twenty-odd years, and I have no recollection of the letter.

Q. You have no recollection of having seen the letter before you made the payment or authorized the payment?-A. I have no recollection of that. I know I lunched with him, and he told me that he received the letter, and that it was his belief that the request for the additional \$2,000 was not only fair but modest, and I told him we would send him a check. Now, I do recall-I am pretty positive I never saw the letter, because I asked him if he would answer the letter and send his own check, which I would reimburse him, or send the Mulford check the next day. I have no clear recollection of what happened to the letter except what I am trying to remember now.

Q. Do you recall meeting with Mr. Brodek and Judge Ritter in New York on two occasions after the judge went on the bench?-A. Well, I have forgotten one. It has been called to my attention that it was twice I met him for lunch.

Q. Do you know as a matter of fact that the firm of "Ritter & Rankin" appeared on the record in the case of Trust Co. of Georgia, complainant, against Brazilian Corporation until the conclusion of the proceedings?-A. I know nothing about it.

Mr. Manager PERKINS. That is all.

A. All the legal matters were handled by Brodek, and I never followed them.

Mr. Manager PERKINS. You may be excused.

The PRESIDING OFFICER. Call the next witness.

Mr. WALSH (of counsel). I desire to submit a letter and a statement to these gentlemen that we have been having testimony about. I should like to introduce it at this point. It is Judge Chillingworth's letter to Mr. Rankin stating that the suit had been settled. I mean that his decision was ready.

The PRESIDING OFFICER. Do you desire to read it or just state the substance?

Mr. WALSH (of counsel). I desire to read it. It is a

The PRESIDING OFFICER. Very well; proceed.

Mr. WALSH (of counsel). I have reason for it, which will develop.

(The letter was marked "Respondent's Exhibit 40.") Mr. WALSH (of counsel). I read the letter as follows:

> C. E. CHILLINGWORTH, CIRCUIT JUDGE, West Palm Beach, Fla., March 2, 1929.

A. L. RANKIN, ESQ.,
Messrs. Winters, Foskett & Wilcox,
Morey Dunn, Esq.,
J. W. Salisbury, Esq.,
West Palm Beach, Fla.
Gentlemen: With reference to the ease of Trust Co. of Georgia
of all v. Brazilian Court Building Corporation et al., I enclose

GENTLEMEN: With reference to the ease of Trust Co. of Georgia et al. v. Brazilian Court Building Corporation et al., I enclose herewith copy of finding that I desire entered in the final decree. You may leave the spaces blank for the insertion of the various amounts as I am not yet satisfied as to the exact amount which will be fixed in a few of the instances. The receivership should be continued until further order of the court, with the funds derived from the receivership to be applied as the court may hereafter direct. The usual provision may be inserted to permit the bondholders to apply bonds on their bid at the sale.

Will you prepare a final decree and serve notice on all course!

Will you prepare a final decree and serve notice on all counsel as to the time of its presentation, so that any other matters to be determined in connection herewith may be disposed of at that time?

Very truly yours,

(Signed) C. E. CHILLINGWORTH.

Mr. WALSH (of counsel). Attached to this letter is a proposed order by the court. I am introducing that for the reason that the date is significant—March 2—because the final order was not made until several days after that time. I should like to call Judge Donnell.

DIRECT EXAMINATION OF E. B. DONNELL

E. B. Donnell, having been duly sworn, was examined and testified as follows:

By Mr. WALSH (of counsel):

Q. State your name, please.—A. E. B. Donnell.

Q. And your profession?—A. Lawyer.

Q. Have you held any judicial office in the State of Floroccasion I met Mr. Brodek at lunch at the Bankers' Club, as | ida?—A. I was circuit judge at one time.

- Q. Of what district?—A. Fifteenth judicial circuit of Florida.
- Q. Does that include West Palm Beach and Palm Beach?—A. It does.
- Q. Does it also include Miami?—A. It did not. It had just been taken away from that just before I was appointed.
- Q. To bring you to the question: You were one of the attorneys who signed the affidavit that was filed when the final decree was made in what we have been calling the Whitehall case?—A. I am.
- Q. I will get you to state whether or not before you signed that affidavit you made a careful investigation as to the work that had been done in the case, the property involved, and all other matters which were necessary for you to give your attention as an attorney at law, as to the reasonableness or unreasonableness of that fee?—A. I had gone over the record and had talked to Judge Rankin and investigated the case some.
 - Q. Did you go through Judge Rankin's file?-A. Yes.
- Q. I am going to ask you this question first, please. Has it been the custom, or is it the custom down there and the practice in foreclosure cases to allow a fee for conserving the assets and bringing them into the jurisdiction or purview of the court in which the proceeding is pending?—A. I do not think that is generally the custom; no.
- Q. You do not think that is generally the custom?—A. No; I do not.
- Q. I will go now to the reasonableness of the fee, or unreasonableness of it. After you made that investigation, did you come to a conclusion as to what would be a reasonable fee?—A. I did.
 - Q. What was your conclusion?-A. \$75,000.
 - Q. Are you still of that opinion?-A. I am.
 - Mr. WALSH (of counsel). You may take the witness.

CROSS-EXAMINATION

By Mr. Manager HOBBS:

- Q. Judge, did you or not base your opinion to some extent upon the statement made to you by Judge A. L. Rankin as to the voluminousness of his labors?—A. Naturally, I suspect I did. I talked with him.
- Q. Of course, and, Judge, naturally you were influenced in your opinion, were you not, by the statement Judge Rankin made to you that this fee of \$75,000, which he suggested the amount of to you, was agreed upon, and agreeable to all of the other attorneys in the case?—A. I fancy I was somewhat influenced that way, because I think he said that.
 - Q. He told you the amount of it, did he not?—A. Yes.
- Q. And he told you it had been agreed upon?—A. I am pretty sure he did.
- Q. Yes. Now, then, Judge, I want to ask you this question: Did he tell you that he had solicited one of the interveners in that case to intervene?—A. He did not.
- Q. Did he tell you that one of the interveners was his brother-in-law, and owned no bonds, though Rankin, in verifying the petition for intervention, swore that he did own bonds?
- Mr. WALSH (of counsel). I object. That is no basis for fixing the fee, if Your Honor please.
- The PRESIDING OFFICER. The Chair thinks that the object of the question is to test the facts and circumstances upon which this witness reached his conclusion. The Chair thinks the manager has a right to ask the witness that question.
- A. I do not think I ever heard of just what you stated to me before you stated it.
- Q. Did he tell you that Mr. Bert E. Holland, the client that you originally were supposed to represent, had been solicited to employ him by Walter S. Richardson?—A. No, sir.
- Q. Did he tell you that Mr. Bert E. Holland had discharged him and asked him to stop the suit and to proceed no further?—A. No, sir; he did not.
- Q. Did he tell you that he had wired Mr. Holland that he would not ask for a receivership in his name?—A. How is that?

- Q. Did he tell you that he had wired Mr. Bert E. Holland that he would not ask for a receivership in his name; that is, in the name of Mr. Holland?—A. No, sir.
- Q. Did he tell you that the purpose of the intervention was to thwart the will of his alleged client, Mr. Bert E. Holland, and prevent him from dismissing the suit?
- Mr. WALSH (of counsel). I object to that as mere argument.
- The PRESIDING OFFICER. The Chair thinks that the manager's question is argumentative in form.
- Mr. Manager HOBBS. I beg the Chair's pardon. I did not intend it to be so.
- Q. And so that was the basis of the affidavit that you signed largely on information that was given to you by Mr. H. L. Rankin, and none of these other things that have been hypothesized were stated to you?
- Mr. WALSH (of counsel). I object to that as being involved and argumentative.
- The PRESIDING OFFICER. The Chair thinks the question is not argumentative. The witness may answer.
- A. The basis on which I made the affidavit was stated to the defense counsel. I will go over it if you wish.
- Q. I would a little prefer, if you do not mind—and I will be glad to let you answer in your own way—to ask you another question.
- The PRESIDING OFFICER. The witness has had the opportunity of answering questions as to what facts he bases his opinion upon. The manager has asked him as to whether certain alleged facts were communicated to him at the time, and the Chair thinks that the witness has supplied the information.
- Mr. Manager HOBBS. I beg the President's pardon. I was simply saying that I did not care to have him rehash that.
- Q. Judge, there is one other question I should like to ask you. The affidavit which was presented to you was drawn by Judge A. L. Rankin, was it not?—A. It was drawn before it was brought to my office.
- Q. Then you simply inserted the amount after you had reached the conclusion that, in view of the facts you have stated and the investigation that you made, it was a fair fee?—A. I think I must have inserted it. I agreed to it, anyway. I do not know whether it is in my handwriting or not.
- Mr. Manager HOBBS. Thank you very much. You may stand aside.
- Mr. BONE. Mr. President, I should like to submit a
- The PRESIDING OFFICER. The Senator from Washington submits a question which the Secretary will read.
- The Chief Clerk read the question propounded by Mr. Bone, as follows:
- Upon what did you base your conclusion that the services rendered were actually worth \$75,000? I am referring to the actual labor performed by the attorneys.
- A. Upon the amount involved, the results obtained, and the actual time put into it. That would be the main basis. There might have been other things in my mind at the same time.
- The PRESIDING OFFICER. If there be no further questions, the witness is excused.
- Mr. McGILL. Mr. President, I desire to propound a question.
- The PRESIDING OFFICER. The Senator from Kansas submits a question which will be read.
- The Chief Clerk read the question propounded by Mr. McGill, as follows:
- In your judgment, in such a case would a fee of \$90,000 have been excessive or unreasonable?
- A. In answering that question I would say that probably at the time I made the affidavit I might have thought it excessive. At the present time I doubt if I would, owing to the ramifications that have been gone through with this thing. [Laughter in the galleries.]
- The PRESIDING OFFICER. Occupants of the galleries will preserve order.

REDIRECT EXAMINATION

By Mr. WALSH (of counsel):

Q. Mr. Donnell, I wish to ask you a question. In computing this fee, did you consult the fee schedule of the Palm Beach Bar Association?—A. Yes. We have a schedule that is followed sometimes, and I did look at it at that time.

Mr. WALSH (of counsel). That is all.

Call Mr. Fleming.

DIRECT EXAMINATION OF FRANCIS P. FLEMING

Francis P. Fleming, having been duly sworn, was examined, and testified as follows:

By Mr. WALSH (of counsel):

Q. State your name, please.—A. F. P. Fleming.

Q. Where do you reside?—A. Jacksonville, Fla.

Q. What is your profession?—A. I am an attorney at law.

Q. How long have you practiced that profession?—A.

Something more than 40 years.

- Q. I should like to ask you as to whether or not there is a custom founded in law in your jurisdiction where an allowance is made to an attorney for what is called a "conservation fee", that is, for bringing the property into court, including real estate and cash or any other property?—A. That is general. It has happened several times in my own experience.
- Q. Did you go through the files in this present case, Mr. Fleming?—A. The case of the United States against Judge Ritter?
- Q. No, sir. I mean in the Whitehall case.—A. No, sir; I have never examined those files.
- Q. Where did you get the information as to what was done in the case? I am going to ask you about the reasonableness or unreasonableness of the fee.—A. I obtained that mostly from the public press and partly through the impeachment articles. I have been reading the impeachment articles.
- Q. I will have to put my next question in a hypothetical form. The mortgage which secured the bonds amounted to \$2,500,000, and in the final decree there was an upset price of \$1,500,000. There has been introduced in evidence, Mr. Fleming, a list showing the papers that were filed by counsel for the complainant, the papers that were filed by all others, the entire proceedings in the case. I wish you would look that over before I ask you the hypothetical question.

(The list was handed to the witness and examined by

A. I have looked over the sheets, Mr. Walsh.

Q. Has the bar association any rule as to the percentages of fees with reference to the amounts of property involved?—A. Well, there has been a sort of understanding for many years that 10 percent is the fee. Of course that is not true of large amounts, Mr. Walsh.

- Q. Having stated to you the value of the property and the amount of the mortgage on it and everything which was done in connection with it, that is, as expressed by the list which I handed you, and the result of the case, I will ask you to state whether or not you believe \$75,000 was a reasonable fee?—A. It would seem to me that the work covered a considerable period of time, involved the actual management of the hotel property, the filing of the foreclosure, the sale and the consummation of the sale of the property, and I do not regard \$75,000 as an unreasonable fee.
- Q. In passing upon a fee of that kind would the fact that the parties, all of the parties, to the proceedings agreed upon a fee be a moving element in the allowance by the court?—A. I should think that would be almost controlling. If the lawyers on both sides agree on a fee and they are lawyers of standing in the community and at the bar at which they practice, it would seem to me in the very nature of it that the judge signing the decree would fix the fee as agreed upon.

Q. Have you been acquainted with Judge Ritter since he has been on the bench down there?—A. Yes, sir; I have.

Q. What is his reputation for integrity and being a fair and honorable jurist?—A. I think his reputation for integrity is excellent. I think he is believed to possess three qualities which, to my mind, go to make an excellent judge.

He is honest. He has common sense. He has courage. In a case of any importance there are almost certain to be lawyers on each side who will present the law accurately, carefully, and fully to the judge. If the judge is honest, if the judge has common sense, and if the judge is fearless, he will make a fine jurist.

Q. Is or is not that the sort of judge that Judge Ritter has been?—A. That is my opinion of Judge Ritter.

Mr. WALSH (of counsel). You may cross-examine.

CROSS-EXAMINATION

By Mr. Manager HOBBS:

Q. Do you consider A. L. Rankin a \$90,000-a-year man?—
A. It is difficult for me to answer that question. I have
met him only once or twice and I am not familiar with his
practice nor the value and extent of his clientele.

Q. Is it not true that under the Miami fee bill, which I presume is the one you were referring to—is that right?—A. No; not exactly. There has been a general understanding in Florida that somewhere around 10 percent is a reasonable fee, but not in cases involving large amounts.

Q. Has not it been the history of the first \$5,000 that the fee is somewhere around 5 percent?—A. Oh, certainly; when we get into the millions 10 percent is not the percentage.

- Q. I am asking you, to test your familiarity with the fee bill, if it does not provide 10 percent on the first \$5,000, 5 percent on the next \$10,000, 3 percent on the next \$20,000, 2 percent on the next \$40,000, and 1 percent on the balance?—A. I am entirely unfamiliar with the Miami fee bill. While I try some cases before the Miami bar and practice in the Miami division of the Federal court, I have never been a member of the Miami bar. I live nearly 400 miles from there.
- Q. Where do you live?—A. Jacksonville, Fla., in the northern end of the State.
- Q. The testimony you give is as to fees at Jacksonville?—A. I am somewhat familiar, generally speaking, with fees throughout the State of Florida. I practice in nearly all parts of the State of Florida, not so much, of course, as I have in my home city of Jacksonville.
- Q. Do you know what the fee bill is at West Palm Beach?—A. No, sir; I do not.
- Q. Do you know what the fee bill is at Palm Beach?—A.
- Q. You say you do not know the fee bill in vogue at Miami?—A. I do not.

Mr. SCHWELLENBACH. Mr. President, I submit a question for the witness.

The PRESIDING OFFICER. The Senator from Washington submits a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. Schwellenbach, as follows:

Would the fact that other lawyers, who may approve the amount of a fee, are to share a part of the fee be taken into consideration in the weight to be given to their approval of the fee?

A. That it seems to me would be entitled to some consideration provided the judge knew it. If the judge was unaware of any such fact, it seems to me it would have no weight with him at all.

By Mr. Manager HOBBS:

- Q. But supposing he did know and knew the fee was to be split with at least two or three other lawyers in the case?—
 A. If it were proper to allow a fee to be split with two or three other lawyers in the case, that, in my opinion, would increase the size of the fee. I think two lawyers usually get more than one lawyer gets.
- Q. If \$75,000 was a proper allowance for A. L. Rankin's services, you think the fact that he was going to give a large part of it to other lawyers in the case would increase his fee?—A. It might. These are very difficult questions to answer unless you have the complete record before you and know why it was going to be split.

Q. If his services were worth \$75,000, that should have been the allowance, should it not?—A. Yes; it seems to me it should have been.

Q. Ought the fact that he was going to give away a part of that fee increase that amount?—A. If other lawyers are entitled to some of the fee allowed for payment to Rankin,

certainly the fee should be increased if the court approves payment of part of that money to other lawyers.

Q. Let us go to the conservation fee. You say in your experience you have known conservation fees to be allowed?—

Q. Do you mean to say you have known them to be allowed in mortgage-foreclosure cases?—A. Yes; where the proceeding was taken by a creditor's bill and afterward converted into a foreclosure proceeding, I have known of such allowances.

Q. In every single case where that was allowed there was a recovery of concealed assets or assets which were being dissipated by waste, which were recovered by the efforts of the creditors' bill or the attorney for the petitioner?—A. No; I do not think so, because sometimes a conservation bill is filed and the assets or property or funds are brought into the possession of the court where I have heard of no effort to conceal or hide that property or assets.

Q. Can you cite a single case in any appellate court dealing with the Florida locus in quo in which such a fee was allowed in a foreclosure case?—A. Not in an appellate court; no.

Mr. SCHWELLENBACH. Mr. President, I would like that the witness have reread to him my question, and particularly have called to his attention the latter part of my question, in view of his testimony that the controlling thing with reference to the fee was the fact that it was approved by all lawyers in the case.

The PRESIDING OFFICER. The question submitted by the junior Senator from Washington will be read again to the witness.

The legislative clerk again read the question propounded by Mr. Schwellenbach, as follows:

Would the fact that other lawyers, who may approve the amount of a fee, are to share a part of the fee be taken into consideration in the weight to be given to their approval of the fee?

A. Answering particularly the latter part of the question, I should say "yes."

Mr. BONE. Mr. President, I send to the desk a question, which I desire propounded to the witness.

The PRESIDING OFFICER. The question submitted by the senior Senator from Washington will be read.

The legislative clerk read the question propounded by Mr. Bone, as follows:

Would the value of the work performed be your test of the size of the fee, or would the number of attorneys also influence your views as to the size of the fee?

A. It seems to me in fixing a fee there should be considered the amount of time involved, the value of the services of the lawyer or lawyers, the number of lawyers, and the results obtained for the fund or for the clients. All those things go, in my mind, to make up what should be the amount of the fee allowed.

Mr. McKELLAR. Mr. President, I send to the desk a question.

The PRESIDING OFFICER. The clerk will read the question submitted by the Senator from Tennessee.

The legislative clerk read the question propounded by Mr. McKellar, as follows:

Do you give it as your opinion that a fee should be increased because all the lawyers in the case participate in it?

A. It seems to me that the more lawyers there are in a case, provided a fee is to be allowed to them, the larger the fee should be. I do not undertake to say that the lawyers in this case should have been allowed a fee out of the fund in court. I have not made a sufficient examination of the records to express an opinion on that,

Mr. CONNALLY. Mr. President, I send to the desk a question which I wish read to the witness.

The PRESIDING OFFICER. The clerk will read the question submitted by the Senator from Texas.

The legislative clerk read the question propounded by Mr. Connally, as follows:

Have you ever served as receiver or attorney for receiver, master, or referee, or other position under appointment or approval by Judge Ritter?

A. I have not served in any of those capacities.

By Mr. Manager HOBBS:

Q. Mr. Fleming, I would like to resume my cross-examination and suggest to you, as an element, whether your opinion as to whether or not a conservation fee might be allowed with propriety in any given case is dependent upon whether or not there was any conservation of assets. Is not that true?—A. When a property or assets or funds are brought into court, that, to my mind, carries with it a conservation of the property. The mere fact that the court has taken possession of it through a receiver, to my mind, indicates that the fund or property will be conserved, and the services should be paid for.

Q. Conservation for whom?—A. For whomever the court may determine later on is entitled to it or the income from it.

Q. Then in a mortgage foreclosure case the beneficiaries of the mortgage, or, in other words, the bondholders, are the ones for whose benefit the property is alleged to be conserved, are they not?—A. Not entirely so at all, because in almost any property there are persons other than the bondholders who have an interest. The laborers, employees, and officers almost always have claims. There are tax claims to be asserted. There is the question of operating the property to be considered. The bondholders, of course, have a primary lien at the time the court takes possession. That lien is often supplanted by the issuance of receiver's certificates to serve some purpose which the court may determine is of more importance than the primary lien.

Q. So you think that the operators of the hotel, and the laborers around the grounds, and everybody of that sort, should be considered as the beneficiaries of the conservation?—A. They are always considered as the beneficiaries of the conservation.

Q. Do you think that the lawyers involved are?—A. Are what?

Q. Are beneficiaries of the conservation, or should be so considered?—A. Why, no; not at all.

Q. All right, sir. Then I am asking you in this particular case if it be a fact, as shown by the evidence in this case, that not one dime of any of the money that was taken in by Walter S. Richardson as receiver of the Whitehall property ever reached a single bondholder, would that make any difference to you?—A. That is not necessarily controlling. The court may determine what should be done with those moneys. I have been involved in receiverships where not any money ever went to the bondholders.

Q. Now I will ask you, please, sir, if the fact that the upset price fixed in this case was a million and a half dollars, to be paid either by the surrender of the bonds or cash, would make any difference in your calculation as to the amount of the fees to be awarded?—A. It does not matter to my mind whether it is to be paid by surrender of the bonds or to be paid in money. I see very little difference. As a matter of fact, it was paid in bonds. The bondholders did get the property.

Q. Certainly; but they had a mortgage on it to start with; did they not?—A. Quite true.

Q. They had a right, under their trust deed, to take possession of it; did they not?—A. I doubt that. They had a right to have a receiver appointed; but an old-style foreclosure is unknown at the Florida bar.

Q. Suppose, though, sir, that by agreement the property had been turned over to and was in the possession of the trustee under the first-mortgage bond issue?—A. That is not recognized in Florida. In the Florida courts that has not been recognized. When it has been done in a foreclosure proceeding, or a conservation bill has been brought, invariably the property has been taken away from the trustee and possessed by the court.

Q. So although the bonds were worth or might have been selling for 1 cent on the dollar, or 2 cents, or 3 cents, all that the bondholder had to do was to surrender his bonds at par, although they were selling at 1; it would make no difference in the amount of the fee to be allowed, in your opinion?—A. I am sorry; I cannot follow that. I understand that there was a foreclosure proceeding had and an upset price of a million and a half dollars was fixed. The property was sold for that price and the sale was confirmed.

Q. But the upset price was fixed in that decree at bonds surrendered or cash. Now, I am asking you if the fact that those bonds were greatly depressed in value, and were selling at 3 or 4 cents on the dollar, would make any difference in your calculation as to the amount of the fee to be allowed?—A. Well, if the bonds had no value at all, and simply a million and a half dollars of face value of worthless paper was to be turned in, of course, it would.

Q. Suppose they were selling at 3 or 4 cents on the dollar. Would that reduction of the amount of the upset price influence you?—A. The fact that the court fixed an upset price of a million and a half dollars in cash, or a million and a half dollars of bonds, would lead me to believe that the bonds were not selling at 3 or 4 cents on the dollar, or, if they were, that they had a far greater value. I know something about the Whitehall property; I have known it for some years; and certainly it is worth, I should think, around a million and a half dollars.

Q. But, I am asking, would the fact that that upset price was payable in cash or by the surrender of bonds have any influence in the amount of the fee, in your judgment?—A. It would.

Q. One other question, please, sir; and that is as regards the solicitation of a client by one attorney, and that the trustee in bankruptcy, to be permitted to institute a suit in his name, and the suggestion of Mr. A. L. Rankin as one of his attorneys. If that be the fact, would that influence your decision with regard to the allowance of a fee to A. L. Rankin?—A. Who solicited it?

Q. I am asking a hypothetical question. If the evidence shows that Walter S. Richardson, the trustee in bankruptcy, while such trustee in bankruptcy, schemed to find a plan and a client, and recommended the employment of A. L. Rankin, would that make any difference in your testimony as to what fee he was allowed?—A. Well, it is very difficult for me to follow you in your question. I do not see what what Richardson does has to do with the amount of the fee to be allowed Rankin.

Q. I am asking you, sir, if A. L. Rankin himself is shown by the evidence in this case, after his client, Bert E. Holland, as trustee, had discharged him and had telegraphed him not to file the suit, and had asked in open court that the suit be stopped or withdrawn—if, after that or before, in anticipation of it, A. L. Rankin himself intervened, swearing to the bills for intervention himself in behalf of a man who owned no bonds, but who Rankin swore did own bonds, for the purpose of thwarting the will of his client, Bert E. Holland, would that make any difference in your opinion as to whether or not he was entitled to a fee?

Mr. WALSH (of counsel). I object to that question on the ground that it is a pure argument.

The PRESIDING OFFICER. The Chair thinks the question is argumentative in form. The manager must be familiar with the rule. He may state a hypothetical case to the witness and ask his opinion on it. The witness has answered. There is no occasion for argument between the witness and the manager. Will the manager state his hypothetical case?

By Mr. Manager HOBBS:

Q. I am simply asking, sir, if Mr. A. L. Rankin himself solicited an intervener to intervene, and if that intervener authorized Mr. A. L. Rankin to file an intervention in his behalf, which intervention was sworn to by Mr. Rankin for the purpose of holding in court a case which the client in chief had stated in open court he desired stopped or withdrawn, would that, in your opinion, make any difference as to the allowance of a fee to Mr. A. L. Rankin?—A. It might or it might not. After a property is brought into court the complainant alone has no right to go into court and insist upon dismissal. That property is in the hands of the court. It is up to the court to determine whether the property shall be released or not. If an intervener comes in, the intervener has something to say about it. It is not solely at the discretion of some individual as to when he will start a case and persuade a court to take possession of property and then go into court and say, "Now, Judge, turn it loose; I am through." That cannot be done.

Mr. Manager HOBBS. You may take the witness.

Mr. WALSH (of counsel). That is all.

Mr. MINTON. Mr. President, I have one question which I should like to submit.

The PRESIDING OFFICER. The Senator from Indiana propounds a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. Minton, as follows:

Would there, in your opinion, be anything objectionable to attorneys for a bill and cross-bill sharing a total fee where they were seeking the same result by different courses, and the main objective was reached by agreement and the fixing of one fee which they shared?

A. In my opinion, that is not objectionable.

Mr. BONE. Mr. President, I submit a question.

The PRESIDING OFFICER. The Senator from Washington submits a question, which will be read by the clerk.

The legislative clerk read the question propounded by Mr. Bone, as follows:

If you have not thoroughly familiarized yourself with the record and the extent of services rendered, upon what do you base your conclusions as to the fairness of the fee of \$90,000?

A. This statement of what was done in regard to the file indicates to my mind that there was a great deal of work in the case. The initial work was done on October 11, 1929. The concluding entry is February 5, 1935. It would seem to me that covering that period of years, there being something more than nine sheets of documents filed, indicating that a great deal of work was done, and having in consideration the value of the property, and realizing that the bondholders did obtain the property by foreclosure, it seems to me that the fee was a proper fee.

Mr. BONE. Mr. President, I call the witness' attention to the fact that, as I read the charge, the \$75,000 fee was allowed in December 1930, and the witness is referring to work done in 1935. They certainly could not look ahead 5 years and anticipate the work.

The WITNESS. Apparently the final decree in the case was dated December 24, 1930. The order for confirmation was dated April 7, 1931. It would seem to me that that would be about the conclusion of the work. That order of confirmation occurs about half way down on page 7. Nearly all of the work indicated by these sheets was done before that order of confirmation was obtained.

Mr. WALSH (of counsel). I will ask you just one other question.

By Mr. WALSH (of counsel):

Q. Put in the hypothesis that those services were required to be performed by the attorney for the plaintiff as they appear there, and before the matter was closed: Was it or was it not something that can reasonably be anticipated in all those cases?—A. Mr. Walsh, that may be true. Usually, when the decree of confirmation is obtained, you have to wind up your receiver's account, and that is usually the only thing to do in a foreclosure.

Mr. WALSH (of counsel). I am just giving you the testimony in the case; that is all.

The PRESIDING OFFICER. The Senator from Washington [Mr. Bone] submitted two questions. By inadvertence only one of them was read. The clerk will read the second question submitted by the Senator from Washington.

The legislative clerk read the second question propounded by Mr. Bone, as follows:

When the bankruptcy proceedings are concluded, and there remain assets in cash which are merely sufficient in amount to pay counsel fees of the size you approve, do you think a Federal court is justified in awarding these entire remaining assets to counsel?

A. It may or may not be. I have known foreclosures in which it was necessary for the bondholders who purchased at the foreclosure sale not only to turn in their bonds for cancelation but also to provide a very considerable amount of cash out of their pockets to pay the expenses of foreclosure, which include counsel fees. In large foreclosures that is usually the rule.

Mr. WALSH (of counsel). That is all; thank you. The PRESIDING OFFICER. Call the next witness.

DIRECT EXAMINATION OF SIMON P. ROBINEAU

Simon P. Robineau, having been first duly sworn, was examined, and testified as follows:

By Mr. WALSH (of counsel):

Q. Your name is S. P. Robineau?-A. Yes, sir.

Q. And your profession?—A. Lawyer.

Q. Where do you practice your profession?—A. Miami, Fla.

Q. How long have you been at the Florida bar?—A. Twenty-one or twenty-two years.

Q. Are you familiar with the property known as the Whitehall property?—A. I am.

Q. How long have you been familiar with that property?—
A. Ever since I have been in Florida.

Q. Are you familiar with the fees usually paid in foreclosure proceedings?—A. I am.

Q. I will ask you whether or not you have gone through the entire file in this case from beginning to end as produced by the clerk here.—A. I looked through the file. I have not scrutinized every paper in it, but I know what is there.

Q. I will not go all over this, if you know it, but do you know the upset price that was placed on that property?—A. A million and a half dollars.

Q. And the amount of the bonds secured by the first mort-gage?—A. Two and a half million.

Q. Taking into consideration all of the facts in connection with this case, the value of the property, the amount of work performed, and the upset price, all these elements, I will ask you to state whether or not, in your opinion, \$75,000 was a reasonable fee in that case?—A. Considering the fact that it also involved some other attorneys' fees, I think it was.

Q. You looked into it, did you not, and saw that an answer and cross-bill were filed in the case by other parties?—A. I understand, for a substantial part of the litigation, it was a

controverted case; yes.

Q. Have you looked at the papers enough to know just what the contest was between the parties?—A. Yes; it was a contest between the trustee claiming the right of possession and a bondholder claiming the right of foreclosure irrespective of the trustee.

Q. Are you familiar with other fees which have been paid in foreclosure proceedings in the State of Florida; I mean that have been allowed by the court in the State of Florida?—A. Familiar rather from hearsay than from definite personal knowledge, general statements about the bar that such and such a fee had been allowed in such and such a matter.

Q. So that you know in that way about the amount of fees that are usually paid in foreclosure cases in Florida?—A. Yes.

Q. I will ask you about the conservation fee. Is there such a thing known to your practice as a conservation fee as distinguished from other work being done in the case; and if so, state what the conservation fee is?—A. There is a thing that is known as a fee given to counsel for bringing property into the jurisdiction of the court, and set aside for distribution among a class of litigants, all who share in the particular fund, and if that is to alter the original aspect of the case, it is considered a special service, or additional service, for which fees are allowed.

Q. Suppose that in a case, in addition to the real property involved and the personal property located within the building, upon the real property, we would say that there was brought into the fund the sum of \$203,000 as assets to be administered by the court; would you or would you not say that \$15,000 was a reasonable conservation fee in such a case?—A. I did not quite catch the sum that had been brought in.

Q. Two hundred and three thousand dollars in cash.—
A. I would say approximately 5 percent would not be unreasonable. That is about that, I think.

Mr. WALSH (of counsel). You may take the witness.

CROSS-EXAMINATION

By Mr. Manager SUMNERS:

Q. Mr. Robineau, you understand, do you not, or is it A. Only frotrue, that the lien held by the bondholders on a piece of proceeding.

property attaches itself also to money received as a revenue from that property?—A. I think there is a provision in this particular trust deed that entitles the trustee in possession, or the trustee of the rents and profits, if and when he comes into possession, he has a lien on it; yes.

Q. As a matter of fact, what service—actual service—does a lawyer render who brings a suit to foreclose on a hotel property, if at the time of that suit there happens to be in the bank \$250,000 upon which that hotel property is checking? What extra service does he render, what extra work does he do to bring in the money that he does not do to bring the property itself, the corpus of the property, the real estate, under the jurisdiction of the court?—A. It all depends on who has the right to the money. If the

Q. I am asking, What does the lawyer do in addition? What work does he do that entitles him to take money away from the bondholders, as conservation service? What does he conserve?—A. In this particular case there was a question of the right of possession, as I understand it; the man who had foreclosed under the third mortgage was in possession of this property and claimed the immediate right to usufructs and rents and profits of the property. If I interpret the file I have studied and the bill of complaint properly, this was an effort to take it away from that particular person and to place it so that the court could bestow it on the first bondholders and not leave it in the hands of the men who had foreclosed under the third mortgage.

Q. Did not the money follow the property in possession and in foreclosure?—A. You mean as a result of this case?

Q. As a matter of fact, in this case.—A. I think in this case, as a result of the litigation, it eventually did come into the possession of the first bondholders. Had the case not been brought, and brought through a receivership, it would have remained with the people who had the title and the right of possession and operation of the hotel.

Q. If a suit had not been brought, there would not have been anything done about it, would there?—A. Quite right; and if the suit had not been brought in a particular way it would not have ended with the man in possession retaining the money.

Q. Was that matter litigated in Judge Ritter's court in the sense of having any lawsuit or trial in the court?—A. I understand that there was a receiver appointed, who immediately took possession of the property and thereby made the funds available that were yielded through the operation into his possession for distribution among the first bondholders. I understand that occurred.

Q. As a matter of fact, the things that were done in that case were the filing of a bill, the filing of a final decree, preparation of the bill, filing it, and preparation and filing of the final decree. The rest of the papers you looked at were incidental, were they not?—A. As I recall it, there was an original bill filed, motion for receiver, intervener's bills, adopting the allegations of the main bill of complaint, various other actions taken by the defendants, then the receivership came on, and a lot of papers filed in connection with it. I would suppose that an attorney who was representing the complainants would pay attention to every piece of paper that was filed in that case and pursue it, and if it jeopardized in anywise his theory, or the theory of the case, or the rights of his clients, he would interpose objections, or even his tacit acquiescence would certainly have involved some legal service.

Q. In that particular case there was a receiver, was there not?—A. I think so.

Q. And the receiver had his own counsel, did he not?—A. Yes. I understand he had counsel appointed representing the two contending factions in the case.

Q. They were paid for, of course, out of the assets of the business?—A. I think so.

Q. Do you know Mr. Rankin?—A. I know him now. I never knew him until I was subpensed here in this matter.

Q. Do you know how much he received for his own part?—A. Only from what I have read in connection with this proceeding.

- Q. How much was that?—A. I understand something less than \$50,000. Twenty-five thousand dollars went to counsel for defendant, I think. The \$50,000 that remained, I think he divided it with various other people, like Mr. Metcalf and, I think, with the receiver and one or two other people. I do not know. I believe that somewhere in the neighborhood of thirty-some-odd-thousand dollars plus the \$15,000 that had been awarded theretofore.
- Q. Do you think that \$50,000 was a reasonable amount of money for the court to take away from the assets of the corporation and turn over to Judge Rankin for the services he rendered?—A. Let me say to you, in my judgment, the matter of attorney's fees in foreclosure proceedings is not a matter of law at all, nor is it a matter within the judgment of the court as such. The matter of attorney's fees are allowed entirely based upon a contract, and when a contract says it shall be a reasonable fee it means just what it says. The only people who need to determine the reasonableness of that fee, in my judgment, are the people parties to the contract; and when they all get together and say, "This is agreeable to us", I do not think the judge had anything to do about determining the reasonableness of it, because there is no contest on reasonableness.
- Q. I did not ask you about the judge's opinion. I am asking you whether or not you think \$50,000 was a reasonable amount of money to take away from the bondholders and turn over to Judge Rankin for his services rendered in this case.—A. As I understand it, the committee of the bondholders representing every bondholder, the trustee, and everybody in the case agreed to it; but, irrespective of that, I think \$50,000 would be a reasonable fee.
- Q. For Mr. Rankin in this case?—A. For the attorney for complainant, whether it be—
- Q. I asked you the question, for Mr. Rankin in this case?—A. Whether it be Mr. Rankin or not. Mr. Rankin means nothing to me. I am merely discussing it as the attorney for complainant.
- Q. You will not answer my question?—A. Yes. I think it is all right for Mr. Rankin if he is the attorney for the complainant.
- Q. Very well. You testified, I believe, that it is not an unusual custom in the Florida jurisdiction for separate fees to be allowed for conservation in foreclosure suits?—A. I do not know about the frequency. I say that those circumstances arise unusually, but they have arisen; and, when so arisen, such fees have been allowed, and there are precedents for it.
- Q. In what case that you know of has the fee been allowed and approved by any appellate court in Florida—allowed for conservation in a foreclosure suit?—A. I am mindful of the Supreme Court case in which the trustees of the Internal Improvement Fund of Florida were involved, in which it was said there was a fee allowable for having brought certain funds into the custody of the court. I think there is a ruling by Judge Call, of the Federal court of our district, in which he sustained that principle. I think there are other precedents with which I am not familiar. I have not briefed the point specially, except casually looked through one or two cases that have been cited since I have been here.
- Q. Have you fully examined the files in this case?—A. I said I looked through the file. I did not scrutinize everything there; no, sir.
- Q. Are you one of the attorneys connected with the Trust Co. of Florida?—A. No.
- Q. You were the attorney for Eaton & Sterns?—A. I was appointed by Eaton & Sterns to do a special job on tax matters; yes.
- Q. You received a fee in that case?—A. I did. I think it was \$2,100.
 - Q. Not \$11,000?-A. No.
 - Mr. Manager SUMNERS. That is all.
 - Mr. WALSH (of counsel). That is all; thank you. Call Mr. Bert Winters.

DIRECT EXAMINATION OF REST WINTERS

Bert Winters, having been duly sworn, was examined and testified as follows:

By Mr. WALSH (of counsel):

- Q. Your name, please?-A. Bert Winters.
- Q. And where do you reside?—A. West Palm Beach, Fla.
- Q. And your profession?—A. Attorney at law.
- Q. Were you one of the attorneys who made affidavit to the reasonableness of this fee in the Whitehall case which was filed at the time the final decree was taken or under consideration by Judge Ritter?—A. Yes, sir.
- Q. Are you familiar with this case? Where did you live, did you say?—A. West Palm Beach.
- Q. Are you familiar with the property known as the White-hall Hotel?—A. Yes, sir.
- Q. How long have you known it?—A. Fifteen or sixteen years.
- Q. Are you acquainted with the mortgages that were on it at the time of this proceeding?—A. Yes, sir.
- Q. Are you acquainted with the price that was fixed as an upset price?—A. Yes, sir.
- Q. Are you familiar with the work that was done in that case by the attorneys?—A. Yes, sir.
- Q. Are you familiar with the contentions that appear in the pleadings—that is, the bill that was filed by the plaintiff, and the answer, and the cross-bill that was filed by certain others of the defendants, and the interventions that were had in that case?—A. Yes, sir.
- Q. Were you afterward the master in that case?—A. Yes, sir.
- Q. I will now ask you, with the knowledge that you have of the elements which I have submitted to you, whether or not in your opinion \$75,000 was a reasonable fee in that case.— A. It was.
- Q. Are you acquainted with the custom or practice or law in that jurisdiction for allowing fees to attorneys for conserving assets and bringing them into litigation?—A. I know there is such a procedure or such a practice occasionally. It is not the usual practice.
- Q. It is not universal. A case has been mentioned here called the Highland Glades drainage district case; and it is a case—I suppose I may detail enough of the evidence to draw the witness' attention to it—in which an order was made by Judge Ritter in Brooklyn in September of 1929. Are you familiar with that case?—A. Yes, sir.
- Q. In what way did you become familiar with it, Mr. Winters?—A. We represented a client that owned \$145,000 of bonds of the district, and we intervened in the proceedings that were instituted against the district by other bondholders.
- Q. Did you see the application that was being made to Judge Ritter for an order?—A. Yes, sir.
- Q. It was for the settlement, was it not, of certain taxes against that property by the drainage district?—A. It was.
- Q. And whom did you represent in the case?—A. Spitzer Rorick Trust & Savings Bank, Toledo, Ohio.
- Q. What was their interest? Were they tax-bill holders?—A. They held \$145,000 par value of the drainage district bonds.
- Q. Were you familiar with the order that was made in that case by Judge Ritter in Brooklyn?—A. I was.
 - Q. Was the order carried out?-A. It was not.
- Q. I do not desire to go into details, but somebody involved in the controversy objected to the settlement, did they not?—A. Yes, sir.
- Q. That is, somebody on the tax-bill side of the case—what you would call the plaintiff's side?—A. No.
- Q. Bondholders?—A. No; the defendant objected to the settlement, and our client objected to the settlement.
- Q. And the settlement did not go through?—A. It did not go through.
- Q. And the defendant became insolvent, I understand, and none of this was collected. Is that correct?—A. I do not understand.
- Q. I say, did or did not the defendant—that is my information, and I wish to verify it if it is within your knowledge—

afterward did the corporation become solvent so that nothing at all was collected?—A. The corporation that was proposing to buy the lands upon which the taxes were to be compromised and paid became insolvent and were not able to go through with the purchase of the land, is my understanding.

Q. Why was it necessary to go to Judge Ritter in Brooklyn for that purpose?-A. The Highland Glades case had extended over a considerable length of time. There were one, if not two, other interveners besides our client. The plaintiffs in the case were insisting that the bonds held by themwhich were of a first issue; our bonds were of the second issue-were insisting that their bonds of the first issue were prior to our bonds and were entitled to receive all of the tax payments that were made until their bonds had been paid.

Q. How long had this been under the jurisdiction of Judge Ritter?—A. For several months, at least; possibly more than a vear.

Q. It has been said here that there were two other judges in that district; and a certain conclusion was drawn or imputation placed upon the fact that this was done by Judge Ritter outside of his district; and the parties went there, or did not go there necessarily, on account of the other two judges. What are the facts about that?-A. I do not recall of my independent recollection at the time whether other judges were in the district or not.

Q. Assume that they were.-A. It is immaterial, for the reason that we stipulated with the attorneys for the trustee of the district that the order might be presented to the

judge outside of the district.

Q. And what was the reason for that agreement, briefly?-A. Primarily, we doubted if any other judge would have entered an order authorizing the compromise of taxes on a drainage district without going into all of the details of the organization of the district, and the parties, and the suit, and the questions that were involved in the suit that was pending before the court.

Q. So that it was on account of the length of time it had been in court and the information gained by Judge Ritter that another judge would not have had?-A. Yes; that was our idea at the time; and also we thought that Judge Ritter understood the case well enough to know that the order would be entered promptly authorizing the settlement of the taxes. We appreciated the element of time as entering into the bringing about of the settlement.

Q. In your opinion, was it a sort of order that another judge, a stranger to that case, would have signed if you had asked him to do so?-A. I do not think another judge would have entered the order except upon an extended hearing, and possibly not then.

Mr. WALSH (of counsel). The managers may take the witness.

CROSS-EXAMINATION

By Mr. Manager HOBBS:

Q. Mr. Winters, your firm did not think it was the kind of order that should have been entered by any judge, did it?-A. Yes, sir.

Q. You took an appeal from it, did you not?-A. Over my protest.

- Q. I am asking you about your firm .- A. I am simply giving you the idea, our firm's idea, but our client, unfortunately, did not agree with us as to what was the thing
- Q. And after you had filed your assignment of errors and got the consent of Judge Ritter to take an appeal, he vacated his order, did he not?—A. Yes, sir; upon the stipulation of the parties that it should be done.
- Q. Your firm entered a motion to vacate that order, did it not?-A. Yes, sir.
- Q. And Judge Ritter twice made orders denying it?-A. Yes, sir.
- Q. And then you filed exceptions, and another party filed exceptions and assignments of error and got permission to appeal, and then he vacated his order, did he not?

Mr. WALSH (of counsel). I object to that. Q. On the stipulation of the parties that it should be

Mr. WALSH (of counsel). I object to that now as going into a collateral matter. This is only introduced, as I understand, for the purpose of showing that Judge Ritter was in Brooklyn.

The PRESIDING OFFICER. The witness has already answered the question.

Mr. WALSH (of counsel). I thought that the objection might be a warning.

Mr. Manager HOBBS. Mr. President, I rise to a question of personal privilege and inquire if my conduct has been unseemly?

The PRESIDING OFFICER. Oh, no; the Chair thinks not. Proceed with the witness.

Mr. Manager HOBBS. I will be very happy to have some other manager on the part of the House conduct the examination if any such insinuations as that are going to be cast. or the Chair agrees with them.

The PRESIDING OFFICER. The Chair inquires of the manager of whom he is complaining?

Mr. Manager HOBBS. Of the insinuation cast by opposing counsel.

Mr. WALSH (of counsel). I do not recall any insinuation. I did not intend to insinuate anything, Mr. Manager. If I did, it was far from my thought to do so, and I apologize for it.

Mr. Manager HOBBS. I beg pardon, sir.

The PRESIDING OFFICER. The remark to which, the Chair assumes, the manager is referring was the allusion of the counsel of a warning to the managers.

Mr. WALSH (of counsel). Mr. President, perhaps I should not have said that.

The PRESIDING OFFICER. The Chair understood the remark to be humorous.

Mr. WALSH (of counsel). I should not have said it.

The PRESIDING OFFICER. The Chair suggests to the manager that he proceed.

Mr. Manager HOBBS. Thank you, sir.

Q. Mr. Winters, in the Highland Glades Drainage case the order which was signed was a reduction in behalf of four taxpayers on over 12,000 acres of land which they owned and against which taxes for many years had been duly and legally assessed in the sum of twenty-seven-thousand-andsome-odd-hundred dollars, which they actually owed under this valid assessment, to \$16,000, was it not?-A. That is right, Mr. Hobbs, except the conclusion that the taxes were validly assessed. The taxpayers were questioning the validity of some of those taxes. The issue had not been raised in that case; but the properties had been sought to be sold for the payment of the taxes, and the landowners were threatening to raise that issue in the event an effort was made to sell their property for those taxes.

Q. Mr. Winters, at the time you signed this affidavit which was presented to you by Judge A. L. Rankin, in which affidavit you stated that you thought \$75,000 was a reasonable fee to be paid him for his services in the Whitehall case, you were not told, and neither did you know, that an allowance of \$15,000 had already been made, did you?-A. No, sir.

Q. You were totally ignorant of that fact?—A. I was.

Q. And you thought that \$75,000 was to be his total fee?-A. I thought \$75,000 was the fee to be allowed for the foreclosure of the mortgage.

Q. Mr. Winters, you were the special master appointed in this case?-A. Yes, sir.

Q. You did a whole lot of work?-A. Yes, sir.

Q. You became quite familiar with it?-A. Yes, sir.

Q. I ask you, Mr. Winters, if it is a fact or not that not one dime of the money which was taken in by Walter S. Richardson ever went into the coffers of any of the firstmortgage bondholders?-A. Some \$19,000 was paid over to me by Mr. Richardson.

Q. Paid over to you?-A. Yes, sir.

Q. I will ask you whether or not that was afterward added to the \$300,000 first mortgage which was put on the Whitehall Hotel property by the bondholders' committee and distributed, not to the bondholders, but to the bondholders' committee and their attorneys?-A. No, sir; it was not.

Q. And to a noncontributing-A. It was not. That | money that was paid to me was distributed by me to the bondholders—the nondepositing bondholders.

Q. Oh, to the nondepositing bondholders; yes; and one of those participants was Mr. Walter S. Richardson, was he

Mr. WALSH (of counsel). I object to that as being entirely immaterial and in no way binding upon Judge Ritter, unless it was shown that he had some knowledge of it.

The PRESIDING OFFICER. Does the manager insist upon the question?

Mr. Manager HOBBS. I think it is very material, if the Presiding Officer please.

The PRESIDING OFFICER. What is its materiality?

Mr. Manager HOBBS. The materiality is that Walter S. Richardson, while trustee in bankruptcy of the Whitehall property, bought, either in his own name or in his wife's name or the names of other close relatives, some of these bonds, to wit, \$38,300 or \$48,300-I forget which. He bought them in at varying prices at less than 10 cents on the dollar, and then, on the upset price being fixed, he got 60 cents on the dollar.

The PRESIDING OFFICER. May the Chair inquire of the manager whether he expects to connect these transactions with Judge Ritter?

Mr. Manager HOBBS. In the second article of impeachment in this case we aver that there was a conspiracy between Walter S. Richardson and-

The PRESIDING OFFICER. Very well; go ahead.

By Mr. Manager HOBBS:

Q. Is that a fact?—A. I am afraid my memory is poor.

Q. Thank you, Mr. Winters. I beg your pardon. Was or was not Walter S. Richardson, or his wife, either or both, a beneficiary of this distribution to the noncontributing bondholders?-A. They were; yes.

Q. Do you know of the price Walter Richardson paid for

those bonds?-A. I have no idea.

Q. He was the owner of \$48,300 worth, or his wife was, or relatives were-

Mr. WALSH (of counsel). I object to that, and I must insist upon that objection, if the Presiding Officer please.

The PRESIDING OFFICER. The Chair holds, in view of the statement just made by the manager that the question is relative to the charge of conspiracy.

Mr. Manager HOBBS. We would also like to have it held relevant on the issue of the validity of the upset price.

The PRESIDING OFFICER. The Chair holds that the witness may answer the question.

A. \$48,700, I think, was the total amount of the bonds.

By Mr. Manager HOBBS:

Q. Mr. Winters, would it make any difference in your opinion as to the fee Mr. A. L. Rankin was entitled to in this case, if any, that Walter S. Richardson solicited a client for Mr. Rankin to start this case and then solicited the employment of A. L. Rankin?-A. I have not been able to see anything improper in Mr. Richardson bringing business to Mr. Rankin.

Q. Would it change your opinion any as to the champertous nature of this proceeding if it be a fact that Mr. A. L. Rankin himself solicited an intervener, to wit, his own brother-in-law, who did not own any bonds, to prevent the dismissal or withdrawal or stopping of the Whitehall foreclosure suit by the order of his client Mr. Bert E. Holland?-A. I would think that Mr. Rankin would have considerable latitude in assisting his clients in the protection of their investments.

Q. But suppose his client was Mr. Bert E. Holland, and suppose that Mr. Holland had told him that he no longer desired him to represent him, and asked him for a bill for his services?-A. In that event, I would regard Mr. Holland as no longer his client.

Q. If that were the only client he had except the interveners, and if he solicited his brother-in-law to act as one of the interveners, Rankin stipulating and swearing in an affidavit to the bill of the intervener that he owned \$3,800 worth of bonds when he, Rankin, knew he had never paid

one cent for them, and that they were deposited in Rankin's hands simply for the purpose of intervention, would you think that smacked of champerty?

Mr. WALSH (of counsel). I object. Champerty is well understood as to its meaning, and it has been charged. It is not charged that it "smacked of champerty." I object for that reason.

The PRESIDING OFFICER. The question should go to the reasonableness or unreasonableness of the fee. The Chair suggests that the testimony be confined to that point.

Mr. Manager HOBBS. I was asking, if these facts were true, if that would make any difference in his opinion as to the fee; at least, I meant to ask that.

The PRESIDING OFFICER. There is no objection to that.

By Mr. Manager HOBBS:

Q. What is your answer?-A. I would say that if Mr. Rankin was guilty of champerty in the case he would not be entitled to any fee at all.

Mr. Manager HOBBS. That is all.

REDIRECT EXAMINATION

By Mr. WALSH (of counsel):

Q. If he was guilty of champerty, the law provides a proper proceeding, does it not, to dismiss him from the case and the professional organization provides disciplinary action upon the matter?—A. That is my understanding; yes, sir.

Mr. WALSH (of counsel). The document I hold in my hand is the order signed in Brooklyn on the 24th of September in the drainage district case. I hand it to the managers for their inspection.

Mr. KING. Mr. President, may I make inquiry as to whether or not counsel desires the order printed in the

Mr. WALSH (of counsel). All this is about is that on that day the order was signed, and it shows or tends to show the reason for that visit and contradicts the claim of the managers.

The PRESIDING OFFICER. If there is no objection on the part of the managers, the document will be printed in the RECORD. Does counsel desire an exhibit number for the document?

Mr. WALSH (of counsel). Yes; we offer it in evidence and ask that it be given an exhibit number.

(The document was marked "Respondent's Exhibit No.

Mr. BONE. Mr. President, may I inquire of the Chair if all the exhibits counsel are introducing are to be printed in the daily RECORD?

The PRESIDING OFFICER. The Chair thinks not.

Mr. BONE. I am wondering how we may later scrutinize them if counsel are going to rely on them.

The PRESIDING OFFICER. Some of the exhibits are being ordered printed and others are merely introduced in evidence for the use of counsel upon argument and consideration of the court.

Mr. WALSH (of counsel). I had supposed that all correspondence would be printed in full in the RECORD.

The PRESIDING OFFICER. The Chair assumes that all documents and correspondence which have been read or which have been ordered printed have been or will be printed in the RECORD.

Mr. WALSH (of counsel). I think perhaps a mere reference to this order would be sufficient to advise those of the Senators who have not heard it. However, as to this particular order, I will ask that it be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the document, marked "Respondent's Exhibit No. 41", was ordered to be printed in the RECORD, as follows:

RESPONDENT'S EXHIBIT 41

In the United States District Court for the Southern District of Florida in chancery. C. O. Kuehne, Arthur H. Zellar, and T. J. Grace, complainants, v. Highland Glades Drainage District, a Public Corporation Organized and Existing Under the Laws of the State of Florida, defendant. Order authorizing receiver to settle taxes of Geer, Malcolm, and Chillingworth

This cause coming on to be heard upon the petition of S. J. Tucker, as receiver of Highland Glades Drainage District, defendant

in the above-styled cause, for an order authorizing him as such receiver to accept the offer of H. O. Geer, F. B. Malcolm, and C. C. Chillingworth of the sum of sixteen thousand (\$16,000.00) dollars in full settlement of the due and unpaid drainage taxes legally levied against the lands owned by them in said district, and it appearing to the court that it is to the best interest of all concerned that the said offer of Geer, Malcolm, and Chillingworth of the sum of \$16,000.00 as a settlement of said taxes be accepted, and the same petition and the matters set out therein being duly considered by the court, and the court being fully advised in the premises: It is therefore

therefore
Ordered, adjourned, and decreed, That the said petition be granted, and that the said S. J. Tucker as such receiver be, and he is hereby, authorized and empowered to accept the offer of the sum of \$16,000.00 cash made by the said Geer, Malcolm, and Chillingworth in full settlement of all of the drainage taxes legally levied against the lands owned by Geer and Chillingworth, H. G. Geer, H. G. Geer, and F. B. Malcolm, amounting to 12,247.64 acres, up to and including the drainage taxes for the year 1928, and upon the receipt by the said S. J. Tucker of the said sum in cash, that he be and is hereby authorized to have such receipts issue to them as may be necessary to carry out this order.

Done and ordered this 24th day of September, A. D. 1929.

(Signed) Halsted L. Ritter, Judge.

[Endorsed on back:] "Filed, Miami, Fla., October 8, 1929, Edwin R. Williams, clerk; Palmer Rosemond, deputy clerk."

Mr. Manager HOBBS. We doubt if this particular order taken out of its context would be admissible. We should like to have the entire series of documents relating to it noted, with the privilege of referring to them by counsel or any Senator.

The PRESIDING OFFICER. Counsel or the managers will have to present the documents and have them identified; otherwise the Court and the Chair will have no means of knowing what is presented.

Mr. WALSH (of counsel). My point is that the contents of any other documents are not material. This order is offered merely for the purpose of showing the visit to Brooklyn, and having the date upon it and the signature of Judge Ritter shown, that it may throw some light on the occasion or the reason for the visit. To go into the elements of controversy between the parties or the pleadings, I think, is entirely immaterial.

The PRESIDING OFFICER. If counsel will submit a request to the Chair, the Chair will refer it to the Court. What is the request?

Mr. Manager SUMNERS. May I make a suggestion? The PRESIDING OFFICER. Certainly.

Mr. Manager SUMNERS. If counsel will state and will agree that the total amount of taxes assessed is \$27,000, and that this was an order entered dealing with that assessment, I think that will answer the purpose.

Mr. WALSH (of counsel). To shorten the matter, I still maintain it is wholly material; but let it go.

The PRESIDING OFFICER. The managers are submitting a statement in the nature of a stipulation. What the Chair is interested in is whether counsel agree to the statement made by the managers?

Mr. WALSH (of counsel). I agree that the documents may go in. I do not agree to the verity of anything in them.

The PRESIDING OFFICER. The documents may be received with the statement agreed upon and with the statement of counsel.

The witness is excused.

DIRECT EXAMINATION OF SYDNOR J. TUCKER

Sydnor J. Tucker, having been duly sworn, was examined and testified as follows:

By Mr. WALSH (of counsel):

Q. State your name, please.—A. Sydnor J. Tucker.

- Q. Where do you reside, Mr. Tucker?-A. West Palm Beach, Fla.
- Q. And your profession?—A. I am at present general manager of the Everglades Club at Palm Beach.
- Q. Have you been engaged in the practice of law?-A. I have not.
- Q. We have here an order which shows upon its face that it was granted by Judge Ritter on the 24th day of September 1929. Were you present at the time the order was signed?-A. I was.
 - Q. Where was it signed?—A. Brooklyn, N. Y.

- Q. At what place in Brooklyn, N. Y.?-A. The Federal courthouse.
- Q. Who accompanied you, if anyone, to the Federal courthouse when this order was signed?-A. A. L. Rankin, my
- Q. Did you hear the conversation that took place between the judge and Mr. Rankin while you were there?—A. I did.
- Q. Were you there during the entire time covering the visit made to Judge Ritter?-A. I was.
 - Q. And did you see him sign the order?-A. I did.
- Q. I will ask you whether there was any conversation between Mr. Rankin and Judge Ritter referring to a suit over the Whitehall property.-A. There was not.

Mr. WALSH (of counsel). That is all. Take the witness.

CROSS-EXAMINATION

By Mr. Manager PERKINS:

- Q. Mr. Tucker, were you with Judge Rankin during the entire time he was in New York or Brooklyn?-A. No; I was there with him the entire first day and part of the
- Q. What you mean to tell the Court is that you were present in the courtroom at the time the order was signed?— A. I was.
- Q. Did you go with Judge Rankin at a later time on a visit to Judge Ritter?—A. Judge Ritter, Mrs. Ritter, and Mr. Rankin had dinner with me that night, the same night on which the order was signed.
- Q. Who went with you and Judge Rankin to New York?— A. When I got on the train I found Walter Richardson was on the train. I did not know, before that, that he was going.
- Q. Did Mr. Rankin and Mr. Richardson confer about the Whitehall matter on the way to New York?—A. Not in my presence.
- Q. Did they confer in New York about the Whitehall matter?-A. Not in my presence.
- Q. And your testimony is that Judge Rankin did not confer with Judge Ritter about that matter while you were with him in New York?-A. That is right, sir.

Mr. Manager PERKINS. That is all.

Mr. WALSH (of counsel). That is all; thank you.

The PRESIDING OFFICER. Are you through with this witness?

Mr. WALSH (of counsel). Yes; you are excused, Mr. Tucker.

Call Mr. George W. Coleman.

DIRECT EXAMINATION OF GEORGE W. COLEMAN

George W. Coleman, having been duly sworn, was examined and testified as follows:

By Mr. WALSH (of counsel):

- Q. What is your name, please?—A. George W. Coleman.
- Q. And your profession?-A. Lawyer.
- Q. Where do you practice law, Mr. Coleman?-A. West Palm Beach, Fla.
- Q. How long have you been engaged in the practice of law at Palm Beach?-A. Since 1916.
- Q. You are one of the attorneys who made an affidavit as to the reasonableness of a preliminary fee in this case, or a
- fee in this case of \$15,000, are you not?—A. I am.
 Q. Are you acquainted with the practice or the custom of the law of allowing a conservation fee in your territory down there?-A. I am.
- Q. Before you made that affidavit were you familiar with the law governing this matter?-A. I think so.
- Q. I will get you to state whether or not, in your opinion, \$15,000 was a reasonable conservation fee.-A. I think it was a reasonable fee.

Mr. WALSH (of counsel). You may take the witness.

CROSS-EXAMINATION

By Mr. Manager SUMNERS:

- Q. Mr. Coleman, under the procedure in Florida a receivership in connection with foreclosures is the usual thing, is it not?-A. It is.
- Q. Is it the usual thing in foreclosure suits for the attorney to be allowed a conservation fee?-A. No; I would not say it is the usual thing; no.

- Q. How frequently have you known it to occur in your immediate jurisdiction?-A. Within my knowledge, in four or five cases.
- Q. Are those ordinary foreclosure suits?—A. Usually not; usually where there is foreclosure of a trust deed, and some circumstance entering into it that would require or allow for a conservation fee.
- Q. In a foreclosure suit where there are some money assets that belong to the property sought to be foreclosed, and no other thing is done with reference to the money by the attorney bringing the foreclosure suit except to bring the suit, under the Florida practice would he be entitled to a conservation fee?-A. Well, that would depend on the circumstances.
- Q. I have given you the circumstances.—A. You recited some of them; yes. I do not think, under some conditions, that a conservation fee would be warranted.
- Q. Would it be warranted under any circumstances such as I have stated?-A. I think so.
- Q. What circumstances?—A. Where bondholders would come into court and conserve assets, and bring the assets into the jurisdiction of the court; where a trustee is not acting properly, or there are allegations against a trustee.
- Q. Now can you answer my question? I will put it again: Where a foreclosure suit is brought, a bill is filed, and nothing further is done by the attorney filing the bill other than to file the bill, is any conservation fee to be allowed in that circumstance?-A. There might be, under those circumstances; yes.

Q. You are familiar with the circumstances under which Judge Rankin made his application?-A. Yes, sir.

Q. What were the circumstances in that case that entitled him to a conservation fee?—A. As I recall the circumstances in that case, there was a bill filed by a group of bondholders. They got the jurisdiction of the Federal court and brought into the corpus of that estate a considerable sum of money. I examined the copies of the court files, not the originals themselves, and examined the petition of the solicitor for the complainant, setting forth the services that he had performed up to the time that I made the affidavit.

Mr. BONE. Mr. President, I desire to submit a question at this point.

The PRESIDING OFFICER. The Senator from Washington submits a question, which the clerk will read.

The legislative clerk read the question propounded by Mr. BONEl, as follows:

What do the records in this case show as to the basis for the allowance of the preliminary fee of \$15,000? Is there a reference in the order indicating that it was allowed for "conservation" of

A. The records in this case show that at the time the affidavit was made, there had been some one-hundred-odd papers filed in the cause—a bill of complaint, one or two amendments to the complaint, petitions for interventions, and several papers in connection with the appointment of a receiver. The petition filed by the solicitor for the plaintiff alleged the bringing into the corpus of that estate of some \$237,000 besides the physical property itself; and the petition and the order set forth clearly that it was a conservation fee, a preliminary fee for conserving the assets of the estate.

Mr. BONE. Mr. President, I again ask the witness if he will recite the language of the order indicating that this was a conservation fee. He has stated a conclusion. I desired to know what language was in the order indicating that it was a conservation fee.

The WITNESS. I do not recall the wording of the order. The PRESIDING OFFICER. The Chair will state that the order has been read and introduced in evidence, and is in the RECORD.

Mr. WALSH (of counsel). Mr. President, at this point may I let the witness read the order, so that we may all have an understanding about it? You have no objection, I know. You do not want to have any misunderstanding.

Mr. Manager SUMNERS. Do you want the witness to read it aloud, or to read it for his own information?

Mr. WALSH (of counsel). To read it aloud, in answer to the inquiry.

The PRESIDING OFFICER. Does the Senator from Washington ask that the order be read?

Mr. BONE. I do not ask for the reading of the entire order, but merely that particular language which identifies it as an authorization of payment for conservation.

Mr. McKELLAR. Mr. President, I understand that the order is not long; and, if it is not, I should like to hear it. The PRESIDING OFFICER. Very well; let the witness

read the order, unless there is objection.

(The witness read as follows:)

In the United States District Court for the Southern District of Florida in and for Miami Division. No. 678-M Eq. Bert E. Holland, Catherine Suyden, a Widow, and Whitfield W. Johnson, as Trustees, plaintiffs, v. Whitehall Building & Operating Co., a Florida Corporation, et al., defendants; A. H. Hill, Eugenia J. Schopps, and A. W. Kirkland, interveners. Order authorizing Walter S. Richardson, as receiver, to pay fees to A. L. Rankin, as attorney for plaintiffs and interveners.

Upon petition of plaintiffs and interveners in the above-styled cause for an order fixing a reasonable compensation for their attorney, A. L. Rankin, for services rendered plaintiffs, interveners, and all first-mortgage bondholders of Whitehall Building & Operating Co., in conserving, bringing into court, and creating assets for benefit of all said first-mortgage bondholders, and the same being duly considered by the court, and the court being fully advised in the premises: It is therefore

the premises: It is therefore Ordered, adjudged, and decreed, That the said petition be, and the same is hereby, granted, and that the sum of fifteen thousand dollars (\$15,000) is hereby fixed as a reasonable compensation for the services rendered in the said receivership matter for conserving the property, bringing the same into court, and creating the fund in the hands of the receiver, and the said Walter S. Richardson, as such receiver, be and is hereby, authorized and directed to pay to the said A. L. Rankin, as such attorney, out of the funds in his hands as such receiver, the said sum of fifteen thousand dollars (\$15,000), which is herein fixed and allowed.

Done and ordered at Tampa, Fia., this the 5th day of July A. D.

Done and ordered at Tampa, Fla., this the 5th day of July, A. D.

ALEXANDER AKERMAN United States District Judge.

By Mr. Manager SUMNERS:

- Q. From what source did the attorney, Mr. Rankin, bring this money into the custody of the court?-A. As I recall it now, from the operation of the hotel during the season just ended. The affidavit that I signed I think was in May.
- Q. Did not that money come into the custody of the court along with the hotel from the operation of which it was earned? Did Mr. Rankin do any particular and additional thing to bring that money in?-A. I do not know what he did. I went over the files and I discussed the matter-
- Q. If you did not know what he did to bring it in, how do you know it was worth \$15,000 to do it?—A. I say, I was basing my affidavit on the files and records themselves, and what he told me had been done in connection with it.
- Q. I am trying to find out what you know Mr. Rankin did, other than to file the bill that brought the money into the custody of the court, to entitle him to \$15,000?—A. It is my recollection that just at the time, or prior to the filing of the bill an inferior mortgage, a third mortgage, had been foreclosed, and the property was in the hands of a trustee who had bid in under that foreclosure. It was then operated for that season, and at the end of that time these funds had accumulated and were in the hands of the receiver. I think he was appointed under this suit and took possession thereof.
- Q. But the question I ask is, Did not the money follow the hotel into the custody of the court?—A. In this case?
 - Q. Yes.-A. Yes. sir.
- Q. Then what, in addition to filing the suit, did Mr. Rankin do to bring this money in that entitled him to have \$15,000 out of the property?-A. Nothing except to file the suit, have a receiver appointed, contest the intervention or aid in it, whichever was necessary.
- Q. You did not make a statement in regard to the reasonableness of the final fee that was allowed, did you?-A. I did not.
- Q. Do you know how much that amount was?-A. As I recall, it was \$75,000.
 - Q. Making a total of \$90,000?-A. Yes.

Q. The facts in the case should show that the suit was initiated by Mr. Rankin, representing, or claiming to represent, Mr. Bert E. Holland; that he and his associates became uneasy with reference to the regaining of jurisdiction because Mr. Holland was trying to get out of the suit, and they began to look about to find some additional bondholders for whom they could intervene, and whom they solicited for the privilege of representing them in that court in order to prevent the dismissal of the suit that had been brought in the name of Mr. Holland in the first instance, would you consider that Mr. Rankin and his associates were entitled to be allowed one single cent by the court if the court knew those facts or had reason to believe them?-A. I would not.

Mr. Manager SUMNERS. That is all.

Mr. WALSH (of counsel). That is all.

The PRESIDING OFFICER. This witness is excused for the term?

Mr. WALSH (of counsel). So far as we are concerned. DIRECT EXAMINATION OF JOHN P. STOKES

Mr. John P. Stokes, having been first duly sworn, was examined and testified as follows:

By Mr. WALSH (of counsel):

- Q. Your name, please.—A. John P. Stokes.
- Q. Are you a practicing lawyer?-A. I am.
- Q. In Miami?—A. Yes, sir.
- Q. What is the name of your firm?-A. Loftin, Stokes & Calkins.
- Q. Is it a fact or not that this firm for many years has represented the Flagler estate and the Florida East Coast Hotel Co., of which Mr. Bemis in his lifetime was general manager and vice president?-A. Yes, sir.
- Q. In 1929, Mr. Stokes, and prior to October 1929, were Messrs. Bemis and Sweeny engaged in a controversy with the Moore interests to gain control of the Whitehall Hotel?-A. Yes, sir.
- Q. Did you or did you not have many conferences with Mr. Bemis on the subject?-A. Not many, but some.
- Q. Did your firm act as attorneys for the Whitehall Building & Operating Co. at the time of these proceedings?-A. Yes.
- Q. Had you done any business with them in that particular line prior to that time?-A. Not for that company.
- Q. Did anyone wire you to attend the hearing in Judge Ritter's court on the appointment of a receiver?-A. Yes.
 - Q. Did you so attend?—A. I did.
- Q. Did your firm file an answer to the bill of complaint admitting the charges of fraud and concurring in the appointment of a receiver?—A. Yes.
- Q. Did you report to Mr. Bemis from time to time on the subject?-A. I did.
- Q. I will ask you whether or not during the year 1929, and up to December 1930, notices of hearings, motions, and other papers were served on your firm in connection with this case?-A. Yes.
 - Q. Were there few or many?-A. Many.
- Q. I will get you to state whether or not the final decree was sent to the firm of Loftin, Stokes & Calkins before it was presented to the court.—A. It was.
- Q. Did you read that decree, and did you discuss it with Mr. Bemis?-A. I did.
- Q. Was it signed by a member of your firm at the final meeting in Judge Ritter's chambers on the day it was signed. December 24, 1930, if that is within your knowledge?-A. I was not present, but I understand it was by B. R. Coleman, of our firm, who was present on that occasion.
- Q. Did he have particular charge of that matter?-A. He did.
- Q. You have known Judge Ritter ever since he has been on the bench down there?-A. I met him shortly after he was appointed. I had no acquaintance with him prior to that time.
- Q. What is his reputation for honesty, integrity, and as a jurist in that neighborhood?—A. Well, I have heard reports both ways about him since this case came up.

- Q. Prior to this time?—A. Prior to that time I had never heard his reputation for integrity brought in question. When I say "this case" I mean the activities that resulted in this case.
- Q. The first hearings were in 1933, were they not?—A. No; I think it was prior to that time, but it was a result of this Whitehall matter. I think the suit was filed to upset that decree, and that is the first time I ever heard his reputation questioned.
- Q. The Kirkland case: You knew that in the Kirkland case it was expressly stated in the bill that the judge was entirely blameless in the matter?-A. No, sir; I do not recall that I read that bill.
 - Q. You did not read the bill?-A. No.
 - Mr. WALSH (of counsel). That is all.
 - Mr. Manager HOBBS. No questions.
 - The WITNESS. May I be excused permanently?
- Mr. WALSH (of counsel). I think so; yes. You may be, so far as we are concerned.
 - Call Palmer Rosemond, please.

DIRECT EXAMINATION OF PALMER ROSEMOND

Palmer Rosemond, having been duly sworn, was examined, and testified as follows:

- By Mr. WALSH (of counsel):
- Q. What is your name, please?—A. Palmer Rosemond.
- Q. And where do you reside, Mr. Rosemond?-A. Miami, Fla.
- Q. Do you hold any official position down there?-A. Deputy clerk, Miami Division, United States District Court, Southern District of Florida.
- Q. How long have you held that position?—A. Since 1927, July.
- Q. I will get you to state whether or not you received the bill of complaint in the case entitled "Bert E. Holland et al. v. Whitehall Building and Operating Co."?-A. I did.
- Q. I will get you to look at the paper which I now hand you and state what it is, first handing it to the gentlemen on the other side.—A. This is a photostatic copy of progress docket of the case of Bert E. Holland et al. v. Whitehall Building and Operating Co. et al.
- Mr. WALSH (of counsel). I now offer that in evidence, and ask that it be given the appropriate number as an exhibit for the respondent.

(The document was marked "Respondent's Exhibit 43.")

Mr. WALSH (of counsel). It will not be necessary, I believe, Mr. President, to print this in full in the RECORD; merely the title of the case, the identifying title, and the first entry on the right-hand side of the document under the heading "Filings—Proceedings."

The PRESIDING OFFICER. Is that satisfactory?

Mr. Manager SUMNERS. Yes.

The PRESIDING OFFICER. Very well. The Chair is informed that the exhibit number is 43. The Chair understands that only the portion which was read by counsel is to be incorporated in the RECORD.

Mr. WALSH (of counsel). I have not read it yet, Mr. President. It is the first line. I want him to read it.

The PRESIDING OFFICER. You want the witness to

read it?

- Mr. WALSH (of counsel). Yes. I only read the heading. Mr. President.
 - A. Do you mean the first line of the progress side?
 - By Mr. WALSH (of counsel):
- Q. The filing, please. Go ahead and read.—A. (Reading:) October 11, 1929. Bill of complaint for foreclosure, appointment of receiver and other relief.
 - Q. When did you receive that bill?-A. October 11, 1929. Q. And did you or did you not immediately file it?-A.
- Yes. Q. Put it on the calendar?-A. Yes, sir; put it on the
- docket. Q. Put it on the docket, I should say. How did it come to
- you?-A. By mail-morning's mail.
 - Mr. WALSH (of counsel). You may take the witness.

Cross-examination by Mr. Manager SUMNERS:

- Q. Mr. Rosemond, when you received this bill of complaint, from whom did you receive it?-A. Mr. Rankin.
- Q. Was there any communication which accompanied that bill?-A. Yes, sir.
- Q. Will you state its substance? I believe it is already in the record.—A. I have recently read the letter, and he requested that I suppress publication.
- Q. Is that a usual thing to happen in your court?—A. Not
- Mr. WALSH (of counsel). May I ask the manager a question?

Mr. Manager SUMNERS. Yes.

- Mr. WALSH (of counsel). Has that letter been introduced?
- Mr. Manager SUMNERS. Yes. It is in the record, I am advised.

Mr. WALSH (of counsel). I thought it was.

By Mr. Manager SUMNERS:

- Q. He asked you to suppress publication as of when? To refresh your memory-we have sent for the letter-to refresh your memory, did not that letter request that you immediately lock up the bill?—A. I think he did.
- Q. And to keep it there until Judge Ritter returned?-A. Yes, sir.
- Q. Do you know when Judge Ritter got back?-A. No, sir; I do not recall.
- Q. Did you have any further communication from Mr. Rankin with regard to this bill?—A. I do not think I did; not for the next several days.
- Q. I will ask you if this is the letter to which you refer. The letter is addressed to you:

WEST PALM BEACH, FLA., October 10, 1929.

Hon. PALMER ROSEMOND,

Clerk, United States District Court, Miami, Fla.

DEAR Mr. ROSEMOND: Enclosed I am herewith sending you bill of complaint for foreclosure of a mortgage on property in Palm Beach,

complaint for foreclosure of a mortgage on property in Paim Beach, which you will please file.

It is very important that we have a receiver appointed for this property immediately upon Judge Ritter's return next Tuesday. If you can possibly do so, it will be greatly appreciated by us if you will lock up this bill as soon as it is filed and hold it until Judge Ritter's return, so that we will not have any newspaper publicity before our application is heard by the judge for the appointment of

Enclosed you will find check for \$15 to cover filing fee.

If you will prevent any publicity concerning this bill before Judge Ritter returns, it will be very greatly appreciated.

Yours very truly,

(Signed) A. L. RANKIN.

Mr. KING. Mr. President, I send to the desk two interrogatories which I ask to have read.

The PRESIDING OFFICER. The clerk will read the first interrogatory.

The Chief Clerk read the first question propounded by Mr. KING, as follows:

Was it the custom of the clerk to lock up complaints or proceedings at the request of attorneys?

A. No, sir.

The Chief Clerk read the second question propounded by Mr. King, as follows:

Who appointed you as deputy clerk?

- A. I was appointed through the recommendation of Mr. Edmund R. Williams, clerk of the United States Court, Southern District of Florida, at Jacksonville, who recommended me to Judge Call and Judge Jones.
 - By Mr. Manager SUMNERS:
- Q. Mr. Rosemond, did you reply to Judge Rankin's letter?-A. Yes, sir.
- Q. What was the substance of your reply?-A. I acknowledged receipt of the bill, as I recall, and said something about publication would be avoided.
- Mr. WALSH (of counsel). Did you introduce that letter, may I ask, Mr. Manager?
- Mr. Manager SUMNERS. I do not know, sir. I have been trying to get it now. It is numbered A-19. May I suggest that we read the letter as soon as we can get it, and have it follow the letter just read in the making up of the record?

Mr. WALSH (of counsel). That is perfectly satisfactory.

Mr. Manager SUMNERS. Have you any further questions of the witness?

Mr. WALSH (of counsel). Yes; I have a question or two when you get through.

Mr. Manager SUMNERS. Here is the letter. This letter is dated Miami, Fla., October 11, 1929, addressed to A. L. Rankin, West Palm Beach. It says:

MIAMI, FLA., October 11, 1929.

A. L. RANKIN,

West Palm Beach, Fla.

DEAR SIR: Receipt is acknowledged of yours of the 10th, containing bill of complaint in re Bert E. Holland et al. v. Whitehall Building & Operating Co. et al., together with your check in the sum of \$15 to cover filing fee.

As requested, I will file this bill and will see that publicity is avoided pending the arrival of Judge Ritter.

Yours very truly,

PALMER ROSEMOND, Deputy Clerk in Charge.

By Mr. Manager SUMNERS:

- Q. This is signed by yourself. Is that the letter?—A. Yes. sir; that is the letter.
 - Mr. Manager SUMNERS. That is all.

REDIRECT EXAMINATION

By Mr. WALSH (of counsel):

Q. Did you lock up the bill?-A. No, sir.

RECROSS-EXAMINATION

By Mr. Manager SUMNERS:

- Q. What did you do with it?-A. It was put in the file for that purpose.
 - Q. For what purpose?—A. Where we file all equity matters.

Q. Did you keep it out of sight?-A. No. sir.

- Q. You told Judge Rankin you were going to do it?-A. I told him that to suppress any argument.
- Q. Did you let anybody see it?-A. Anyone who might ask for it could have seen it.
- Q. You were requested by Judge Rankin to do a thing, and you wrote him that you would do that thing?-A. Yes, sir.
- Q. Then you say you did not do that thing, and you wrote him you would do that thing in order to suppress an argument .- A. I did not tell him I would lock it up.
 - Q. Let us see what you did say:

As requested, I will file this bill and will see that publicity is avoided pending the arrival of Judge Ritter.

How were you going to prevent publicity with reference to this bill if it was out where folks could look at it?

- A. When a paper is spread on the record I am powerless as to whether it shall become public or not.
- Q. What I am trying to find out is how you could assure Judge Rankin that you would see to it that publicity was avoided pending the arrival of Judge Ritter unless you locked the bill up and kept it away from people who might want to see something about it?-A. I could not keep it away from them.

Mr. WALSH. Mr. President, I submit two questions.

The PRESIDING OFFICER. The first question submitted by the Senator from Massachusetts will be read.

The legislative clerk read the first question propounded by Mr. Walsh, as follows:

Where was Judge Ritter, if you knew, when the bill was filed?

A. I think he was in New York.

The legislative clerk read the second question propounded by Mr. Walsh, as follows:

What date did Judge Ritter return after the bill was filed, if

A. I do not recall.

Mr. McKELLAR. Mr. President, I have a question I desire

The PRESIDING OFFICER. The clerk will read the question submitted by the Senator from Tennessee.

The legislative clerk read the question propounded by Mr. McKellar, as follows:

Was the bill actually published before Judge Ritter's return?

A. I do not know.

By Mr. Manager SUMNERS:

Q. I would like to ask you one more question. Is this the first time you ever told anybody that you did not do as you promised to do with reference to avoiding publicity?—A. The local attorneys have asked me to try to suppress publication. I would tell them I would do the best I could; but after it was spread on the record-

Q. I am asking about this particular matter. You testified in Miami with regard to this matter, did you not?-

A. Yes, sir.

Q. Did you at that time indicate that you had not locked the bill up?-A. I do not think I was asked the question. I am not certain, but I do not think so.

Q. If you had been asked the question, you would have

said that you locked it up?-A. No, sir.

Mr. WALSH (of counsel). I have a certificate which I desire to introduce in evidence, but I am sorry to say the gentlemen object. It is a certificate from the clerk giving the amount of business and the number of cases pending and disposed of in Judge Ritter's court.

Mr. Manager HOBBS. We object. We do not see that it

has any relevancy or bearing whatsoever.

The PRESIDING OFFICER. The present occupant of the chair cannot see the relevancy of it to any issue.

Mr. WALSH (of counsel). It is for the purpose of showing there is a large volume of business in that court. As the case has been presented here, it seems like an isolated case. I want to show it was a court crowded with business all the

The PRESIDING OFFICER. There is no allegation, so far as the present occupant of the chair can recall, that involves an issue of that sort. It is purely collateral. The Chair does not think it is competent. If counsel desires, he will submit the question to the Senate.

Mr. WALSH (of counsel). I should like to have the question submitted. I think the entire matter should be known.

The PRESIDING OFFICER. Very well. The question is, Shall the statement be admitted as evidence? [Putting the question.] The noes seem to have it. The noes have it, and the ruling of the Chair is sustained.

Mr. WALSH (of counsel). Very well. Let it be filed with the clerk.

Mr. Manager HOBBS. Did I understand counsel to say he wished it filed with the clerk?

Mr. WALSH (of counsel). Yes. I am just filing it with the clerk as an offer to prove.

Mr. Manager HOBBS. In other words, it is not to go into the RECORD?

Mr. WALSH (of counsel). Whatever is the custom.

Mr. Manager HOBBS. I do not understand counsel has any right to offer that to the clerk after it has been ruled out of evidence.

Mr. WALSH (of counsel). I will withdraw it.

Mr. Manager HOBBS. I thank you, sir.

Mr. WALSH (of counsel). I had no intention of having it printed in the RECORD. I supposed it was the custom to file such papers with the clerk.

The PRESIDING OFFICER. Counsel may proceed.

Mr. WALSH (of counsel). I now offer another certificate, which I submit to counsel.

Mr. Manager SUMNERS. We offer the same objection to this certificate which counsel has offered. It contains a statement of how business was conducted in the court.

Mr. WALSH (of counsel). It does not contain that kind of statement and is not offered for that purpose. There has been some reference to the Mulford fee and the reasons or imputed reasons why that fee was paid. I want to show by this affidavit that neither the Mulford Realty Corporation nor Vincent S. Mulford, nor J. R. Francis, nor Charles A. Brodek, nor either of them, has ever been party plaintiff or defendant in the court of Judge Ritter.

Mr. Manager SUMNERS. I misunderstood the statement. I withdraw the objection.

The PRESIDING OFFICER. Let it be admitted.

Mr. WALSH (of counsel). The affidavit reads as follows:

I hereby certify that an examination of the records of my office as of March 23, 1936, revealed no docket record of the filing or pendency of any case in the Miami division of the southern district of Florida, in which the Mulford Realty Corporation or Vincent S. Mulford or J. R. Francis or Charles A. Brodek, or either of them, as party plaintiff or defendant; nor does the records of this office reveal any litigation instituted or pending in said division of said district in which Charles A. Brodek, or the firm of Revolet Raphael & Figure or either of them, appear as coursel of Brodek, Raphael & Eisner, or either of them, appear as counsel of record.

In witness whereof I have hereunto set my hand and official seal this 10th day of April, A. D. 1936.

EDWIN R. WILLIAMS Clerk, United States District Court. By PALMER ROSEMOND Deputy Clerk, in Charge.

The PRESIDING OFFICER. Is this witness the clerk of the court making the certificate?

Mr. WALSH (of counsel). He puts it in the form of a certificate.

The PRESIDING OFFICER. Very well. Let the certificate be given an exhibit number.

(The certificate was marked "Respondent's Exhibit No. 44.")

Mr. BACHMAN. Mr. President, I desire to submit a question.

The PRESIDING OFFICER. The Senator from Tennessee submits a question, which will be read by the clerk.

The legislative clerk read the question propounded by Mr. BACHMAN, as follows:

What argument did you seek to suppress by writing the letter to Mr. Rankin? From wrom did you expect argument?

A. From Mr. Rankin.

Mr. WALSH (of counsel). Is there anything else? If not, you may be excused.

The PRESIDING OFFICER. You are excused.

Mr. WALSH (of counsel). Call Mr. J. W. Salisbury.

DIRECT EXAMINATION OF J. W. SALISBURY

J. W. Salisbury, having been duly sworn, was examined and testified as follows:

By Mr. Walsh (of counsel):

Q. State your name, please.—A. J. W. Salisbury.

Q. Where do you reside, Mr. Salisbury?-A. West Palm Beach, Fla.

Q. And your profession?—A. Attorney at law.

Q. How long have you been practising there in Florida?-A. A little over 10 years.

Q. Do you hold any official position in the State of Florida?-A. I do.

Q. What is it?—A. State attorney for the fifteenth judicial circuit

Q. What counties in Florida are included in that district?-A. At this time?

Q. Yes, sir.-A. One.

Q. That is Palm Beach?—A. Yes, sir. Pardon me-there are two again; two counties in that circuit now.

Q. Palm Beach and what else?-A. And Broward.

Q. I desire to bring your attention to the time that Judge Ritter went upon the bench. Did you at that time go into the office of Mr. Rankin?—A. Yes, sir.

Q. Did you hear the conversation between Mr. Rankin and Judge Ritter with respect to your entering that firm?-A. Yes, sir.

Q. Just state in your own way, please, what took place there.-A. Judge Ritter called me on the telephone and told me that Judge Rankin needed someone in his office and he had recommended me. At the time I had my own practice in West Palm Beach. He said that Judge Rankin had agreed to pay me 15 percent of his gross business if I would come into his office, and Judge Rankin was a little hard of hearing, and that I would probably have to conduct most of the cases in court and take care of most of the pleadings.

I had that talk with Judge Ritter before I saw Rankin. After that talk I had a talk then with Judge Ritter and Judge Rankin in the office in the Comeau Building, and Judge Rankin agreed to the 15 percent.

At that time there were several cases excepted from my arrangement. In other words, I was to share 15 percent of the gross fees collected from the business in the office, with the exception of several cases. Of those cases I can remember two very distinctly—the Brazilian Court fore-closure, and Matusek v. Palm Beach Bank & Trust Co. There were several others. Judge Ritter made the statement to me that the work had been substantially completed in those cases, and that he was to receive his share of the fee. On everything else I was to receive 15 percent of Judge Rankin's gross income.

Q. Did you enter into that agreement?-A. I did.

Q. And did you go into the office?-A. Yes, sir.

Q. Did you go into the office before Judge Ritter went on the bench?—A. Yes, sir; I moved my things in before Judge Ritter moved his out.

Q. I should like for you to look at a statement that I have been endeavoring to put in evidence here, and state whether or not you had anything to do with the preparation of the statement.—A. I did.

Q. Were you present during the time that the data were assembled for that statement?—A. No; I was not present when all of it was assembled. Mr. Callaway got together as much as he could. He called me. I met with Mr. Callaway and went through the old docket sheets that were available in Mr. Rankin's office. I went through the old files that were available, and I know that these cases were pending or in progress at the time I went into the office.

Q. I will ask you to look at the files which I hand you, docket sheets, the first one being marked on the back of Cases closed. What is that?—A. That is some of the old docket sheets taken out of the docket books when a case is closed or dismissed or disposed of.

Mr. WALSH (of counsel). I should like to have that marked as an exhibit.

Mr. Manager HOBBS. We object, may it please the Court, unless it is properly identified. We submit that the proper predicate has not been laid.

By Mr. WALSH (of counsel):

Q. Are those the old docket sheets that were in that office when you were there?—A. I cannot testify as to all of them. I can testify as to the ones I am familiar with.

Mr. WALSH (of counsel). That is all I am offering, Mr. Manager.

Mr. Manager HOBBS. May it please the Court, as I understand, the witness has never even sworn that these were sheets from books kept by Ritter & Rankin.

The WITNESS. I do now.

Mr. Manager HOBBS. We will ask the privilege of cross-examination on that point.

By Mr. Manager HOBBS:

Q. Do you mean to say that Ritter & Rankin kept a docket?—A. Absolutely.

Q. And they kept a set of books?—A. I did not say a set of books; I said a docket of the cases, the progress of each

Q. They kept a docket such as is indicated by those loose leaves that you have there?—A. Yes, sir; and you will see my handwriting on most of the ones I will tell you about.

Q. And they kept another book. Was that kept in book form?—A. I do not quite follow you. Another book?

Q. Was that kept in book form?—A. These sheets—at the time I went into the office there were two leather-bound docket books, loose-leaf docket books, one chancery and one common law; and the docket sheets that I am familiar with, that are here, and I imagine in the other one, were in those two books; yes, sir.

Q. Only two?—A. Well, that is all I remember. I remember two docket books that I took charge of.

Q. I understood that these sheets were from the finishedcase book.—A. These docket sheets were taken out of the docket books. These are disposed of, and were taken out of the active docket books, showing active cases, when the case was wound up, and put in here.

Q. By whom?—A. By me in some instances; by the stenographer in other instances, and I do not know who else.

Mr. Manager HOBBS. With that understanding, may it please the Court, we have no further objection to the intro-

duction of those sheets that may hereafter be identified by his own personal knowledge.

The PRESIDING OFFICER. Very well.

By Mr. WALSH (of counsel):

Q. I will ask you please to examine the bundle of papers I now hand you and state what they are.—A. These appear to be old docket sheets. I am probably familiar with some of them, but some of them I am not.

Q. I will get you to state whether or not you took from those docket sheets, or had taken under your direction, the cases that were in the office at the time of the dissolution of the partnership.—A. Yes, sir. Mr. Callaway got up a sheet similar to this one. I met with Mr. Callaway, went over the record that he got up, I struck out a good many he had down and added a good many he did not have; and this is the result.

Q. I will get you to state, without going into the particular pages of these two docket packages, whether or not the cases that appear on that paper were in the office at the time of the dissolution of the partnership, when you went in there.—A. Yes; with this explanation: There are several of these cases that were started after I went in; but in each instance, from my personal inspection just before coming up here this time, I can testify that the correspondence and negotiations on those cases had started prior to the time I came into the office and prior to the time Judge Ritter left. In other words, many of these cases were started in 1928 and were still pending. Other cases were started in March or April of 1929; but there had been correspondence and negotiations in the office prior to that time with those clients, although suit had not been filed until after Judge Ritter left.

Q. Did you take part in the final suits? I think it would be better for you just to state what you did with reference to that business, to state the cases that were left in the office.— A. With the exception of a very few cases, I conducted them

entirely myself.

Q. That is, as to correspondence, as to the preparation of pleadings, and as to appearances in court?—A. I might say this, that in these old cases the appearances in court continued to be in the name of Ritter & Rankin. On all new business, as the records will show, all appearances were in the name of A. L. Rankin. My name did not appear. I was working for Judge Rankin on his cases, and my name did not appear.

Q. But in those cases which had already been started and in which pleadings had been filed, the designation of them was continued in the name of Ritter & Rankin?—A. In many, many instances. In other words, the praecipe for withdrawal of Ritter & Rankin and the appearance of A. L. Rankin personally was overlooked in a good many of those cases.

Mr. WALSH (of counsel). I would like to have this statement marked for identification.

Mr. Manager HOBBS. You mean you are offering it?

Mr. WALSH (of counsel). No; I said "marked for identification." To make it perfectly clear to you, Mr. Manager, I propose to draw from his statement what he knows about it. I was not present when you tried to agree last night; I understand there was an attempt to agree; but I will not offer anything, since I understand you are going to object, without giving you a full opportunity to make your objection.

Mr. Manager HOBBS. I thank you.

Mr. WALSH (of counsel). I should now like to read into the Record those cases about which the witness has testified, under the headings "Court No. —", "Date filed or appeared", "Style of case", "Representing", "Nature", "Amount involved."

Mr. Manager HOBBS. I did not understand that he had testified that every case on that list he knew to be pending, of his own knowledge.

Mr. WALSH (of counsel). I will ask him again. I understood that he did. Perhaps I am mistaken.

By Mr. WALSH (of counsel):

Q. Were all of the cases which now appear on this statement, which you say you checked up with Mr. Callaway, in the office at the time of the dissolution, or did they have correspondence or moving papers showing that there was

going to be litigation?—A. I would have to make an explanation on some of them to show you how they were in the office, and why; but with that explanation I could make, they were.

Q. Have you a copy of this list?-A. I have a copy.

Q. Could you suggest any way in which I could shorten the matter? I am compelled to get all of these in evidence. The first case that appears is *Indianapolis Life Insurance Co.* v. Cherry. Was that in the office?—A. That case was in the office when Judge Ritter left and I came in.

Mr. Manager SUMNERS. May I be pardoned for asking a question for the purpose of clarifying, with the consent of

counsel?.

Mr. WALSH (of counsel). Certainly.

By Mr. Manager SUMNERS:

Q. Does the witness, when he speaks of cases in the office, mean that the case had been filed and was pending in court, or that there was correspondence in the office which afterward led to litigation?—A. In that particular case, it was actually filed in court and pending.

By Mr. WALSH (of counsel):

Q. As I read them, you can indicate.—A. That was a mortgage foreclosure.

Q. I will just read it across here, and that will save time. Mr. Manager HOBBS. He has not testified to anything except that they were in the office, as I understand it.

Mr. WALSH (of counsel). That is what I am now having him testify to. I want to show what cases were in the office. By Mr. WALSH (of counsel):

Q. I read:

Date filed or appeared: 11/28.

Style of case: Indianapolis Life Insurance Co. v. Cherry. Representing: Plaintiff.

Representing: Plaintiff.
Nature: Mortgage foreclosure.
Amount involved: \$3,700.

Is that correct?-A. That is correct.

Q. I will take you to the next case. Was that one that was in the office and upon which suit had already been filed at the time you went into the office?—A. I do not think suit had been filed. I think I prepared that bill. However, the business was in the office, waiting to be put into court. That bill was filed March 25, 1929.

Q. Very good. I will read this into evidence, then. "Indianapolis Life Insurance Co. v. Alma Gates." Representing "Plaintiff. Mortgage foreclosure." Amount involved, "\$3,500."

Is that correct?—A. That is correct.

Q. The next case I see here is Indianapolis Life Insurance Co. v. E. A. Coates. I wish you would please say whether or not that was in suit or in preparation for suit.—
A. That never did go into suit. That was settled in this way: That was pending at the time Judge Ritter left. We filed, that is, for Mr. Rankin I filed probate proceedings on the estate of a Mr. Anadale, and in that way cleared the title up and a quitclaim deed, as I recall, was accepted from one of the parties in interest to the Indianapolis Life Insurance Co. that avoided or did away with the necessity for a mortgage foreclosure.

Mr. KING. Mr. President, I ask the indulgence of the Court and appeal to the Chair to make the suggestion that counsel get together. This is a very long statement, it seems, and in the light of the preliminary statement made by the witness, there should not be any difficulty in counsel agreeing upon those matters which were in court, or were so related to the court that they may be considered as a part of the statement made by the witness. I ask counsel whether they have not some other witness so that they can withdraw this witness and see if they cannot agree upon that matter.

Mr. WALSH (of counsel). Not at the present time.

Mr. Manager HOBBS. May it please the Court, as I understood it, and as the managers now understand it, we did agree, and we are perfectly willing to live up to that agreement, just as we told the gentlemen last night.

The PRESIDING OFFICER. This is the first time the attention of the Chair has been called to the fact that an agreement had been made. Of course, the Chair cannot determine whether an agreement has been made or not. It

must be stated by the counsel representing the respective parties in the hearings.

Mr. KING. Mr. President, I again venture to claim the indulgence of the Court. Counsel states an agreement has been made. I suggest that he state the agreement, and see if there is any controversy between the managers and those representing the respondent.

Mr. WALSH (of counsel). I wish the managers would

state what the agreement is, in the RECORD.

Mr. Manager HOBBS. With pleasure. I told your associate, the distinguished and honorable Carl Hoffman, last night in our conference in the Judiciary Committee room, in the presence of these other gentlemen and this witness and Mr. Callaway, that as to any case which he would swear on his own knowledge was in the office at that time, all he had to do was to initial it or indicate it in any other way, I do not believe I used the word "initial", and we would agree that that was his testimony.

Mr. WALSH (of counsel). Was there a distinction between cases that were in suit and cases which were not in

suit:

Mr. Manager HOBBS. We understood that he would indicate that.

The PRESIDING OFFICER. If the Chair may make a suggestion to counsel without impropriety, the witness might, under that agreement, take the list of cases from which the counsel is reading and say whether the case to which he is immediately referring was in the office or whether it was not.

Mr. WALSH (of counsel). I should like to take it and do that.

Mr. McKELLAR. In the meantime, I desire to ask the witness a question.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. McKellar, as follows:

As I understand, you said you received 15 percent of the fees coming to Ritter & Rankin as your part of the business. To whom did you pay the remaining 85 percent?

A. I did not collect any of the money due Judge Rankin under any of the cases, either the old ones pending or the new ones that came in. In other words, if, as, and when he collected the money, I was supposed to get my 15 percent of those fees.

By Mr. WALSH (of counsel):

Q. Did you collect anything at all?—A. Yes, sir.

Q. Then I do not quite understand your answer.—A. I was supposed to receive 15 percent.

Q. And who got the other 85 percent?—A. Judge Rankin, Q. I do not know whether I helped any or not there.

I will get you to look at the paper which I now hand you, and ask you whether you made an inventory of the books that were in the library at the time of the dissolution of the partnership, and whether that is a correct statement of those books.-A. I went over this list with Mr. Callaway. I questioned several of the books that are down on this list. I questioned particularly Ruling Case Law; but since being up here we have wired the Cooperative Publishing Co., and I find that was purchased and in the office at the time I went in. I can say this: That when I went in that office there was one complete private office lined with bookcases to the ceiling, full of books, and to the best of my knowledge this is a statement of those books. Some of them down here might not have been there; I could not swear to that; but I know there was one complete room full of books.

Q. Did you take them off, to the best of your knowledge and recollection, and was there only put down on that list the books that were in the office at the time of the dissolution of the firm?—A. To the best of my knowledge.

Mr. WALSH (of counsel). I should like to offer that list in evidence.

The PRESIDING OFFICER. Very well; it may be received.

(The list was marked "Respondent's Exhibit 45.")

Mr. WALSH (of counsel). I offer that in evidence. We do not have to print it. I will give the total number of volumes. I will let the managers see it first.

By Mr. WALSH (of counsel):

Q. Did you add these up?—A. No; I did not add them up. Mr. WALSH (of counsel). I will have these added up and simply state the number of the volumes. I thought they were added up. Meanwhile I will ask a question.

By Mr. WALSH (of counsel):

Q. Did you identify and check over for Mr. Callaway the furniture that was in those offices at the time you went into them?-A. I did.

Q. Have you a memorandum of that?—A. I have. There is only one thing that I am not sure of-whether it was in there when I went in, or whether it came in shortly thereafter-but at least there was something in its place if it was not there, and that is one safe cabinet. The rest, I am sure, were all there.

Mr. WALSH (of counsel). I should like to have that marked as an exhibit, and show it to the gentlemen on the

other side

(The document was marked "Respondent's Exhibit 46.") Mr. WALSH (of counsel). I will read this inventory in evidence, if Your Honor please:

INVENTORY OF OFFICE FURNITURE OF RITTER & RANKIN AT TIME OF DISSOLUTION OF PARTNERSHIP

chairs, straight, heavy oak.

chairs, arm, walnut. chair, arm, heavy walnut. chair, swivel, heavy walnut.

chair, straight, mahogany. chair, swivel, mahogany. chair, stenographer's, swivel, mahogany.

chair, stenographer's, swivel, manogany, chair, stenographer's, swivel, oak.
chair, straight, oak.
desk, walnut, Gunn lino. top.
desk, all steel, mahogany finish,
desk, stenographer's, oak.
desk, stenographer's, metal, mahogany finish,
set reception-room furniture: 1 davenport, 2 chairs.

1 safe cabinet, all steel.
1 Underwood standard typewriter.
Bookcases: 2 all-steel units, 7 sections; 3 Wernicke units, 6 sections; 5 open wood units.

1 book cabinet, mahogany, glass enclosed, 3 sections.

3 file cabinets, metal, legal size.

By Mr. WALSH (of counsel):

Q. I will get you to state whether or not you had any information, from conversations with Mr. Rankin or Mr. Ritter, with reference to whether or not there was a sale of that business at the time of the dissolution?—A. Yes, sir.

Q. With whom did you have the conversation?-A. When I went into the office I had my conversation with Judge Ritter and Judge Rankin about the cases I would share in, and what percentage I would get. As I say, there were several cases that were designated by Judge Ritter that he retained, would get his fee in those cases—"they had been substantially completed", I think were the words he used. The other cases, they were to stay in the business. He said at that time and in my presence and to me, he said, "Jack, I have sold out lock, stock, and barrel to Judge Rankin, with the exception of that picture of Chief Justice Marshall, and I will give that to you"; and I still have it. I did not hear any price mentioned at that time, but I did hear that conversation.

Q. Did you hear the price mentioned later?—A. Yes, sir. Q. When, and under what circumstances?-A. After I had been with Judge Rankin for quite some time, about a year and a half, I became a little dissatisfied. I came to the conclusion that I had money due me that I was not collecting. I talked it over with my wife and a friend of mine-a client and a friend. The reason I talked with him, I borrowed a little money from him to pay on the mortgage on my house, and I happened to mention to him at that time that the collections, as far as I was concerned, were slow. That was Mr. Hugh Dillman. He advised me to sue for an accounting, which I hesitated in doing until I talked with Judge Ritter. Mrs. Salisbury and I made a special trip to see Judge Ritter either the next day or the day after. I walked in and talked with Judge Ritter. I told him that I was having difficulty collecting money, and that I did not service man of the World War to the office of postmaster at

think I was being paid what was due me. During the course of that conversation I remember that Judge Ritter told me, "I think Judge Rankin is honest; he is slow pay; I know that; but it is bad for a young lawyer to sue an older one, and my advice to you is not to sue him. Keep after him and you will eventually get everything that is coming to you." He said, "As a matter of fact, he has not as yet paid me what he owed me from our dissolution."

I came back from Miami to West Palm Beach. The same friend, Mr. Dillman, happened to be at my house for dinner that night, and I related to him the conversation that I had with Judge Ritter that day; and I determined not to

ADJOURNMENT

The PRESIDING OFFICER. The hour of 5 o'clock and 30 minutes p. m. having arrived, under the order heretofore entered, the Senate, sitting for the trial of the articles of impeachment, stands adjourned until 12 o'clock noon tomorrow.

LEGISLATIVE SESSION

At 1 o'clock and 27 minutes p. m., the Senate sitting for the trial of the articles of impeachment, suspended its proceedings, when, on motion of Mr. Robinson, it proceeded to the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed the bill (S. 3483) to provide for rural electrification, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Golds-BOROUGH, Mr. REILLY, Mr. HANCOCK of North Carolina, Mr. HOLLISTER, and Mr. Wolcott were appointed managers on the part of the House.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4387) for the relief of Barbara Backstrom.

The message also announced that the House had passed a bill (H. R. 11617) to authorize a preliminary examination of the Coosa River, Ga., and its tributaries, with a view to the control of their floods, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2042. An act for the relief of Grace Park, a minor, the Westerly Hospital, and Dr. H. M. Scanlon; and

H.R. 11053. An act authorizing the President to present the Distinguished Service Medal to Commander Percy Todd. British Navy, and the Navy Cross to Lt. Comdr. Charles A. deW. Kitcat, British Navy.

AMENDMENT OF SETTLEMENT OF WAR CLAIMS ACT, 1928

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation extending for 2 years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928. of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10. 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter, which, with the accompanying paper, was referred to the Committee on Finance.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by Lloyd Spetz Post, No. 1, the American Legion, of Bismarck, N. Dak., favoring the appointment of an exBismarck, N. Dak., which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a resolution adopted by La Societe Des 40 Hommes Et 8 Chevaux, of Bismarck, N. Dak., endorsing J. F. Fortenberry, a member of that society, for appointment as postmaster at Bismarck, N. Dak., which was referred to the Committee on Post Offices and

Mr. CAPPER presented a petition of 814 citizens, being railroad employees, of the State of Kansas, praying for the enactment of legislation to repeal section 4 of the Interstate Commerce Act, which was referred to the Committee on Interstate Commerce.

Mr. COOLIDGE presented a resolution of Lodge No. 662, International Association of Machinists of Dorchester, Mass., favoring the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which was referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a petition from Paul Revere Chapter, No. 46, of the Military Order of the Purple Heart, Boston, Mass., praying for the enactment of the bill (H. R. 11334) to incorporate the Military Order of the Purple Heart, which was referred to the Committee on the Judiciary.

He also presented a letter in the nature of a petition from the president of the Boothby Fibre Can Co., of Boston (Roxbury), Mass., praying for the enactment of the so-called Robinson-Patman anti-price-discrimination bill, which was ordered to lie on the table.

He also presented a letter in the nature of a memorial from Grace A. Garaway, of Waltham, Mass., remonstrating against the enactment of the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishments for violation of this act, and for other purposes, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. BENSON, from the Committee on Claims, to which was referred the bill (S. 4416) for the relief of Josephine Russell, reported it with an amendment and submitted a report (No. 1810) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 3191) for the relief of John C. Crossman, reported it with an amendment and submitted a report (No. 1811) thereon.

Mr. BURKE, from the Committee on Claims, to which was referred the bill (H. R. 11573) to amend the act entitled "An act for the relief of certain purchasers of lands in the borough of Brooklawn, State of New Jersey", approved August 19, 1935, reported it without amendment and submitted a report (No. 1812) thereon.

He also, from the same committee, to which was referred the bill (S. 3441) for the relief of C. T. Hird, reported it with amendments and submitted a report (No. 1813)

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H.R. 11476. A bill to revive and reenact the act entitled "An act granting the consent of Congress to the Lamar Lumber Co. to construct, maintain, and operate a railroad bridge across the West Pearl River at or near Talisheek, La.", approved June 17, 1930 (Rept. No. 1814);

H. R. 11685. A bill to extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Ind. (Rept. No. 1815); and

H.R. 11738. A bill granting the consent of Congress to the State Highway Commission of Mississippi to construct, maintain, and operate a free highway bridge across Pearl River at or near Monticello, Miss. (Rept. No. 1816).

Mr. SHEPPARD also, from the Committee on Military Affairs, to which was referred the bill (S. 4391) authorizing certain officers and enlisted men of the United States Army to accept such medals, orders, diplomas, decorations, and photographs as have been tendered them by foreign governments in appreciation of services rendered, reported it with an amendment and submitted a report (No. 1823) thereon.

Mr. JOHNSON, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 10583. A bill to authorize a preliminary examination of the San Diego River and its tributaries in the State of California with a view to the control of its floods (Rept. No. 1817): and

H.R. 11793. A bill to authorize a preliminary examination of various creeks in the State of California with a view to the control of their floods (Rept. No. 1818).

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (S. 3762) to authorize the Reconstruction Finance Corporation to make loans secured by receipts on account of national-forest reserves, and for other purposes, reported it with an amendment and submitted a report (No. 1820) thereon.

Mr. DUFFY, from the Committee on Interoceanic Canals, to which were referred the following bill and joint resolution, reported them each without amendment and submitted reports thereon:

H. R. 6719. A bill to amend the Canal Zone Code (Rept. No. 1821); and

H. J. Res. 412. Joint resolution to authorize an investigation of the means of increasing capacity of the Panama Canal for future needs of interoceanic shipping, and for other purposes (Rept. No. 1822).

INVESTIGATION OF THE DOMESTIC POTASH INDUSTRY

Mr. PITTMAN, from the Committee on Public Lands and Surveys, to which was referred the resolution (S. Res. 274) authorizing the Committee on Public Lands and Surveys to investigate and report on the domestic potash industry and laws and other matters relating thereto (submitted by Mr. PITTMAN on the 1st instant), reported it without amendment, and the resolution was ordered to be referred to the Committee to Audit and Control the Contingent Expenses of

EXPENDITURES FOR COTTON COOPERATIVES

Mr. McKELLAR, from the Committee on Appropriations, submitted a report (No. 1819), pursuant to Senate Resolution 185 (submitted by Mr. McKellar and agreed to Aug. 24, 1935), concerning expenditures by the Federal Government for cotton cooperatives, which was ordered to be printed in the RECORD, as follows:

Your subcommittee heretofore appointed under authority of Senate Resolution 185, which is as follows:

"[S. Res. 185]

"[S. Res. 185]

"Resolved, That the Committee on Appropriations, or any duly authorized subcommittee thereof, is authorized and directed to investigate the expenditures by the Federal Government for cotton cooperatives and their losses heretofore sustained. The committee shall report to the Senate at the earliest practicable date the result of its investigations, together with its recommendations.

"For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ clerical and other assistants, to require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents, to administer oaths, to take testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report hearings shall not be in excess of 25 cents per hundred words, and the expenses of the committee, which shall not exceed \$1,500, shall be paid from the contingent fund of the

nundred words, and the expenses of the committee, which shall not exceed \$1,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman."

Met in the city of Memphis, Tenn., on Monday, October 28, 1935, where it proceeded to take the testimony of some eighty-odd witnesses concerning the expenditures of the cotton cooperatives and the losses of such cooperatives and other matters allied, connected with, and pertaining to such cooperatives and their losses, and having considered the same, beg leave to report to the full committee as follows: ORGANIZATION

The American Cotton Cooperative Association is a Delaware corporation and was incorporated January 11, 1930, with an authorized capital stock of \$30,000,000, of which \$76,950 was paid in, \$40,600

of which was capital stock, this being afterward withdrawn and returned to the marketing associations, leaving an actual net capital of \$36,350 (vol. II, exhibit 25). The capital was supposed to be paid in by the cotton cooperative marketing associations under the Capper-Volstead Act (vol. I, pp. 33-38).

Prior to that time the cooperative marketing associations had been exhibited under a precise set of Cooperative marketing associations.

been established under a previous act of Congress. In the 1929-30 season the A. C. C. A. handled no current cotton; it merely looked after cotton that the Government had previously acquired. The Federal Farm Board, with a \$500,000,000 revolving fund created by Congress in the Agricultural Marketing Act, approved June 15, 1929, authorized the establishment of this cotton cooperative association (vol. I, p. 34).

ciation (vol. I, p. 34).

Mr. Creekmore became associated with the American Cotton Cooperative Association in April or May 1930 (vol. I, p. 6). Previous to that time the head of the cotton cooperatives was C. O. Moser, who acted prior thereto in a similar capacity to Mr. Creekmore (vol. I, p. 402). The plan of organization was that the several marketing associations, amounting to some 14 or 15 in number, or State or regional associations, or affiliates, as they have sometimes been called, became stockholders in the A. C. C. A. (vol. I, p. 34). These marketing associations, like the Mid-South at Memphis, were rather loosely formed organizations, but each one under the practical control of its managing officer. In additional control of the managing officer. one under the practical control of its managing officer. In addition to that, the managing officer was usually a member of the board of directors of the American Cotton Cooperative Association. These other cooperative associations, some 15 in number, were all more or less insolvent when the Farm Board began making loans to them at nominal rates of interest (vol. I, pp. 303-305; vol. II, exhibit 26). The names of these several State or regional marketing associations are as follows: Alabama Cotton Cooperative Association; Brazos Valley Cotton Cooperative Association; California Cotton Cooperative Association, Louisiana Cotton Cooperative Association; Mid-South Cotton Growers Association (Memphis); Mississippi Cooperative Cotton Association; North Carolina Cotton Growers Cooperative Cotton Association; Oklahoma Cotton Growers Association; South Carolina Cotton Cooperative Association; South Texas Cotton Cooperative Association; Texas Cotton Growers Association; Texas Cotton Growers Association; Texas Cotton Growers Association; Texas Cotton Growers Association.

In exhibit G to Mr. Creekmore's deposition the common stock of these several associations, owned by the several State or regional associations, was shown as \$100 each of \$1,500 in all, and this indicates, in the absence of proof, that all of the \$76,950 had been returned, and in lieu thereof 1 share of common stock had been allotted to each constituent association; to may have been \$36,350, more or less insolvent when the Farm Board began making loans

invested in the A. C. C. A. is concerned, it may have been \$36,350, or it may have been \$1,500, or it may have been at all. It is true that afterward preferred stock was issued, but that will be considered later. Suffice it to say that this mammoth concern had no substantial capital paid in by those who controlled it and only a nominal capital, if any.

A. C. C. A. NOT A COTTON COOPERATIVE ASSOCIATION

The A. C. C. A. and its affiliates above named are not cotton cooperatives within the spirit and letter of the Capper-Volstead Act, or in any other sense cotton cooperatives, for the following

The commonly accepted definition of cotton cooperatives, as dis-closed by the undisputed evidence, is that it is an organization of cotton farmers for the purpose of selling their cotton for better prices and at a lower handling cost, and of otherwise marketing their cotton to mutual advantage, in which organization, where

their cotton to mutual advantage, in which organization, where there are profits all the members shall share in them, and where there are losses each member will be assessed for its or his respective share of the losses. This definition is in keeping with that stated by the National Cooperative Council, of which President Williamson, of the A. C. C. A., is a member:

"Business cooperatives are created by farmers as agencies through which they collectively sell their products or purchase their supplies. Such cooperatives, being owned and controlled by the members, should at all times have the whole-hearted participation of those members in the risks, gains, and losses of the business operations. Therefore the members, in building such cooperatives, should invest therein substantial amounts of their own funds commensurate with the needs of the business (vol. I, p. 166)."

Now, under this definition and under the proof taken by your committee, it is perfectly clear that the American Cotton Cooperative Association is in no sense, except in name, a cotton cooperative association at all. This is apparent by applying the following facts to this definition:

1. The profits are not divided equally or proportionally, even assuming that there have been profits, and this is a doubtful assumption (Henry, vol. I, pp. 204-205; vol. II, exhibit 6).

2. The losses are not made good by the so-called member (Creekmore, vol. I, pp. 18, 47, 159, 282; Williamson, vol. I, p. 330).

3. The so-called members do not invest therein substantial

3. The so-called members do not invest therein substantial amounts of their own funds and have never done so (membership fee only, Cannon, vol. I, p. 458; Smith, vol. I, p. 624; Stewart, vol. I, p. 336).

4. The so-called members have not the slightest control over the marketing of their cotton (Henry, vol. I, p. 228).

5. The so-called members take no risks. The only risk taken in the hysiness at all is the risk taken by the Construct (Henry

the business at all is the risk taken by the Government (Henry, vol. I, p. 191).

6. They do not sell collectively (vol. II, exhibit 20; Henry, vol. I, p. 205; Creekmore, vol. I, p. 157).
7. The A. C. C. A. is not owned or controlled by its so-called

members (Creekmore, vol. I, pp. 155-156).

8. It is owned and controlled by its officers (Creekmore, vol. I, pp. 155-156).

9. The members are not directly responsible for losses which

pp. 155-156).

9. The members are not directly responsible for losses which the cotton cooperatives may incur as a result of operations (House, vol. I, p. 492; Creekmore, vol. I, p. 47).

10. Profits, if any, have not been distributed to the individual producer members except in one instance, and even then not to the members of all of the affiliated associations, during an existence of 5 years (Creekmore, vol. I, p. 26).

11. The methods of securing members are of doubtful legality and oftentimes of plain duress (Baker, vol. I, pp. 530-533; Waddell, vol. I, p. 537; Lattimer, vol. I, p. 552; Salvo, vol. I, p. 547).

12. Operating on Government money, which forms the basis of its credit, the A. C. C. A. makes loans to its affiliated associations, which have gone through an evolution as its officers claim (Hutchinson, vol. I, p. 374), whereby all cooperative features have been eliminated and the cotton cooperatives are simply operating as cotton merchants (Thompson, vol. I, p. 542; Valentine, vol. I, p. 478; Reed, vol. I, p. 483; Mitchell, vol. I, p. 544; Everett, vol. I, p. 479).

13. In dealing with its so-called members, the organization frequently resorts to what may be called duress in padding its so-called membership rolls (Creekmore, vol. I, p. 14).

14. The prices paid by the A. C. C. A. to its so-called members are not higher than those paid by private cotton merchants (Gibson, vol. I, p. 545).

are not higher than those paid by private cotton merchants (Chisson, vol. I, p. 545).

15. The cost of handling is greater than when sold by private cotton merchants (Salvo, vol. I, p. 548; Henry, vol. I, p. 196).

16. The A. C. C. A. is not cooperative in fact but is composed of a closely knit organization with an interlocking directorate largely composed of its affiliates, all of which makes it simply a cotton merchant, buying from substantially any seller at the cheapest price possible and charging the farmer a very high cost for handling his cotton (Creekmore, vol. I, pp. 155-156; Valentine, vol. I, p. 478). p. 478).

17. It has no county or local organization which meets and passes on their problems and since the organization of the A. C. C. A. has not had (Everett, vol. I, p. 481).

18. It violates the Capper-Volstead Act in that it has bought more bales of "futures" than it has bought actual cotton, and "futures" were not bought from the so-called members (Creekmore,

vol. I, pp. 107-109).

19. It violates the Capper-Volstead Act in that it has formed a closely knit corporation with its affiliates by which a minority of the members completely controls and dominates the other members of the association, and this is contrary to the first requirement that no member shall have more than one vote (Creekmore, vol. I,

20. It is of no more value to the farmer than is Weil & Co., McFadden & Co., Anderson-Clayton & Co., or any other large cotton merchant (Reed, vol. I, p. 483; Sanders, vol I, p. 486; Hermes,

vol. I, p. 489).

21. Finally, in essence, it is simply the Government, acting through a few favored persons, engaging in the cotton business, competing with other private cotton merchants, sometimes putting such other merchants out of business and reducing many of them to penury and want, the Government taking continued, drastic, and almost inconceivable losses, due in many instances to gambling in cotton, without the slightest benefit to the farmer or to the Government, the only benefits going to the small coterie of officers and agents of the A. C. C. A. and its affiliates.

It is true that it was claimed that the so-called members were indirectly assessable for losses in that the American Cotton Co-operative Association and its subsidiaries had accumulated reserves which belonged to the farmer-members, one-half of which was put in a reserve fund to be used to pay such losses if such reserve fund was sufficient. In the opinion of the committee, there were no reserves and are not now any reserves and have not

been any at any time.

It was undisputed that the Government had saved these cotton cooperatives in 1929 at a cost of \$79,286,384.13 and had saved them again in 1933 to the extent of \$27,376,998.06, and Mr. Creekthem again in 1933 to the extent of \$27,376,998.06, and Mr. Creekmore, the vice president and general manager, and the dominating official of that organization, testified that if the Government withdrew its support now, all operations would practically cease. His exact testimony is as follows: "I don't see how the cooperatives could continue." Under these circumstances, the reserves can at best be called, in formal banking parlance, "window dressing."

dressing."

The same is even more true of the affiliated associations.

It is quite clear that the American Cotton Cooperative Association and its affiliates are not cotton cooperates, but with the practically unlimited backing of the Federal Government constitute simply another great cotton buyer or merchant.

It may be said in closing this paragraph that the business and operation of the American Cotton Cooperative Association not only violates the definition of cotton cooperatives heretofore stated, but it is in no sense such a cooperative association as is provided for in the Capper-Volstead Act under which it was organized. organized.

INTERLOCKING DIRECTORATES

Six of the managing directors of six of the State organizations are also directors of the American Cotton Cooperative Association. Half of the salaries of these six directors are paid by the

central organization of the A. C. C. A. These are: C. C. Selden, California association; W. R. Squires, Southwestern Irrigated Association; P. E. Harrill, Oklahoma association; A. D. Stewart, Mississippi association; J. A. Beatty, Alabama association; J. S. Hathecek, South Carolina association.

To these six must be added M. N. C. Williams

To these six must be added Mr. N. C. Williamson, of the Louisiana association, who receives no salary but a per diem of \$25 is paid him, also Mr. Charles G. Henry, of the Mid-South Association at Memphis, who does not draw a salary from the A. C. C. A., but who is one of the directors, and it is easy to see from his testimony and from Mr. Creekmore's testimony the close cooperation between them (vol. I, p. 155).

The other six directors seem to be beyond the pale and certainly have no potential vote, as they receive no salary either from the central association or their own organizations (vol. I, p. 156).

It thus appears that the American Cotton Cooperative Association constitutes, with its affiliates, a close corporation managed solely for the benefit of the central association and the officers and employees of the favored members of its directorate.

MEMBERSHIP

The officers of the cotton cooperatives claim that their membership in the United States in these 15 associations numbers 259,000.

ship in the United States in these 15 associations numbers 259,000. A list of the members was requested by the committee, but the same was refused unless the committee would keep it confidential. Although the committee called for a complete list, it was furnished with a list of only two associations—that of the Mid-South and the Mississippi Cotton Cooperative Associations. The list of the two associations was accepted, but has not been opened (Creekmore, vol. I, p. 172). However, there was much evidence concerning membership. That evidence is practically undisputed.

undisputed.

Through the fiction of the immediate fixation pool, which is in effect an outright purchase of cotton by the cotton cooperatives, they sign up as a member every individual who sells them a bale or more of cotton and the bulk of their deliveries are secured through this immediate fixation pool.

Many years before the organization of the A. C. C. A. it seems there were associations formed in various cotton localities of the United States. Since the A. C. C. A. came into existence, there have been few members obtained except under what may be termed substantial duress. Since the organization of the A. C. C. A., they have come to adopt the following methods in obtaining members: Whenever a bale or a number of bales of cotton were delivered to the cotton cooperatives, there was included in the bill of sale, and whenever a base of a number of bases of cotton were derivered to the cotton cooperatives, there was included in the bill of sale, and afterward in the check by which the cotton was paid for, a state-ment to the effect that the seller or deliverer, by reason of his bill of sale, and of his receipt of the money, became a member of the cooperative association (Baker, vol. I, pp. 530-531; Black, vol. I,

p. 437).

To put it in the language of one of the witnesses, after the purchase was made and everything completed except the delivery of the money, the seller would be informed by the cotton cooperatives' agent that he would be paid only by the statement in writing that he was a member, and if he dealt for others, that by the signing of the draft, he made his principals members of the cooperative association.

of the draft, he made his principals members of the cooperative association.

A membership obtained in this way, in the opinion of the committee, is substantial coercion, and it is exceedingly doubtful if by any such proceeding membership in the organization could be legally or morally brought about. In the absence of local organizations where members met, and in the absence of any meeting for consideration of the cotton cooperatives' problems, it is perfectly apparent that such a membership is not real in any sense and doesn't make the seller of the cotton a member at all, although he states in his bill of sale or check that he becomes a member.

The fact is, however, that the undisputed evidence shows that with a few exceptions in certain counties in Mississippi and Greer County, Okla., and perhaps one or two more, there are no local organizations of cotton cooperatives anywhere, and even in Mississippi, judging from the testimony of the head of the A. C. C. A. in that State, whatever organizations there are were controlled by the same cotton cooperative association (Windle, vol. I, p. 367; Orr, vol. I, p. 592; Garner, vol. I, p. 604).

The proof shows that the actual membership of the organization is largely confined to those in the employ of the A. C. C. A. and its affiliates. While the membership was challenged time and again, the cotton cooperatives made no effort to show an actual membership except in the way above stated, and while the record is not at all clear, your subcommittee believes that the actual membership in the association amounts to only a few interested people.

interested people.

FINANCIAL STRUCTURE

The original financial structure of the American Cotton Cooperative Association is exceedingly interesting. The evidence of the cotton cooperatives was that \$30,000,000 was the authorized capital, of which \$800,000 was subscribed, and of this amount only \$79,950 was actually paid in, as stated. Of the \$76,950 paid in cash, the A. C. C. A. refunded in cash payments of the Oklahoma and other of the affiliated associations in the aggregate sum of \$40,600, so the actual paid-in capital was \$36,350; however, the revolving fund of \$500,000,000 had been set up by the Hoover administration to be loaned the farmers, and it seems that a capital of \$36,350 was ample to get a Government loan.

When the A. C. C. A. was organized and put under the direction of Mr. Creekmore, all of the cooperatives were in financial straits, and the most of them were in actual bankruptcy, as testified to by Mr. Legge, the then chairman of the Farm Board, in January of 1931. The original financial structure of the American Cotton Coop-

The first operation of the A. C. C. A. after its organization in 1930, was the Cotton Stabilization Corporation. By this operation 1,300,000 bales, in round numbers, of cotton owned by the A. C. C. A. and its affiliates were sold to the Cotton Stabilization Corporation, and that corporation agreed to hold the cotton at its original cost, plus charges, for the purpose of holding it off the market and to keep the various cotton cooperatives out of bankruptcy (Creekmore, vol. I, p. 34).

This Stabilization Corporation was a Delaware corporation, but its officers, agents, and offices were the same officers, agents, and offices as those of the American Cotton Cooperative Association. This was a matter of bookkeeping and of high finance, and in a short time about \$80,000,000 was lost (Creekmore, vol. I, pp. 34-36).

34-36).

Your committee will now consider these several losing operations of the American Cotton Cooperative Association.

THE STABILIZATION CORPORATION AND THE 16-CENT LOAN

The first major operation with regard to cotton after the Agricultural Marketing Act was passed on May 15, 1929, was the formation of the Stabilization Corporation and the 16-cent loan, taken together.

together.

The Stabilization Corporation was organized in May of 1930, with an authorized capital stock of \$15,000,000, all of which was advanced from the revolving fund of the Farm Board (Creekmore, vol. I, p. 35). The first major operation with regard to cotton was announced by the Federal Farm Board on October 21, 1929. Exactly 10 days before this announcement, Mr. C. O. Moser, the then president and general manager of the American Cotton Growers Exchange (the central cotton-cooperative organization which preceded the American Cotton Cooperative Association), wrote a long letter to Mr. Carl Williams, cotton member of the Federal Farm Board, in which Mr. Moser urged the adoption of 16-cent loan as the "joint policy of the cotton cooperatives and the Farm Board."

The price of cotton steadily declined, and by the early spring of

The price of cotton steadily declined, and by the early spring of 1930 the cotton cooperatives were again confronted with bank-ruptcy. The losses, according to Mr. Creekmore's estimate, of the A. C. C. A. in its Stabilization Corporation and 16-cent loan, amounted to the enormous sum of \$79,286,384.13. The Stabilization Corporation not only had this 1,300,000 bales of actual cotton, but it also had a large number of bales of "futures" which had been acquired from time to time.

THE DOLLAR-AND-A-HALF-PER-BALE LOANS

Although the Stabilization Corporation took over the 16-cent discovered that liens of private banks and balances due farmer members had to be paid before the Government could acquire title to the cotton. In order to do this, the Stabilization Corporation assumed \$2,462,351.81 as an added cost of the cotton and the Farm Board loaned the cotton cooperatives \$1.50 per bale, in the aggregate sum of \$1,704,047.46.

Incidentally, the funds loaned under the \$1.50-per-bale plan were lost by the Government in making compromise settlements of indebtedness with the Oklahoma, South Carolina, and Alabama cooperatives. Thus, for the second time within a few weeks the Government produced funds to save the cotton cooperatives from bankruptcy.

THE 90-PERCENT ADVANCE

Despite the efforts of the cotton cooperatives and the Farm Board, the price of cotton continued to decline; whereupon in August 1930 the cotton cooperatives and the Farm Board entered into an agreement whereby the members of the cotton cooperatives would be advanced 90 percent of the market price of cotton at the time of delivery (Creekmore, vol. I, p. 37). Although Mr. Creekmore testified at the agricultural conference and Farm Board inquiry in 1931 that he entered into the plan with a full realization of its hazards, he stated that he was optimistic as to its ultimate outcome (Creekmore, agricultural conference and Farm Board inquiry, p. 310).

The facts are that this operation again rendered the cotton cooperatives bankrupt, and in order to rescue them, the Government in 1933 had to assume another loss, which Mr. Creekmore testified amounted to \$27,376,998.04 (Creekmore, vol. I, p. 37). According to Mr. Creekmore, he estimates that the losses on the two transactions (the 16-cent loan of 1929–30 and the 90-percent advance of 1930–31) aggregated \$107,113,441.54 (Creekmore, vol. I, p. 37). However, Mr. Despite the efforts of the cotton cooperatives and the Farm Board.

aggregated \$107.113.441.54 (Creekmore, vol. I, p. 37). However, Mr. Creekmore's estimate is based on his exception to the statutory allowances made for the cotton donated to the Red Cross. The actual loss sustained by the Government on the two transactions has been approximately \$140,000,000.

THE PRAZIER BULL

Senate Joint Resolution 38, introduced by Senator Lynn Frazier, of North Dakota, proposes a reopening of the settlements made by the Farm Board with the wheat and cotton cooperatives on the theory that the various stabilization operations were done on the authority of the Farm Board which made the cooperatives, both wheat and cotton, its unwilling agents in carrying out these opera-

As far as the cotton cooperatives are concerned, such an argument is not sound, because the 16-cent loan was made at the earnest solicitation of and on the basis suggested by the cotton cooperatives; and by Mr. Creekmore's own admission he entered into the 90-percent loan with a full realization of its hazards, but with the hope

the real with a full realization of its hazards, but with the hope it would work out eventually.

Now, it must be remembered that Mr. C. O. Moser was the predecessor of Mr. Creekmore, he being president of the American Cotton Growers Exchange. The evidence discloses an announcement by the Farm Board on October 21, 1929, as follows:

"The Federal Farm Board believes that the prevailing prices for tton are too low * * *. The Board will make supplemental cotton are too low to the cooperatives in amounts sufficient to make the average

loan total 16 cents per pound."

Just 10 days prior to this announcement Mr. C. O. Moser, pres dent of the American Cotton Growers Exchange (which was the predecessor of the A. C. C. A.), wrote a long letter to Mr. Carl Williams, the cotton member of the Federal Farm Board, setting out the conditions as he saw them in reference to cotton, and strongly urging the Farm Board order just set out above. Among other things, Mr. Moser said:

"* * It is therefore at a time like this that it is possible for us to advance nearer the market price than it would have been earlier in the season, when the size of the crop is less a calculable thing than it is now. I believe the cotton cooperatives, with the aid of the Farm Board, may with safety, and they should immediately, advance 16 cents a pound, or \$80 a bale, on unfixed cotton, basis \(\frac{7}{6}\)-inch Middling; and that wide publicity to such advance should be given as being the joint program of the cotton cooperatives and the Farm Board, and that the difference between 65 percent advanced at the time of delivery and the \$80 a bale should be paid as soon as weight and grade of the cotton is established" (Creekmore, vol. I, p. 34; Williams, vol. I, pp. 399 through to 402).

The evidence discloses that the cotton cooperatives and the Federal Farm Board order, and no person who was then connected with either the Farm Board or the cotton cooperatives has testified to the contrary. It is therefore at a time like this that it is possible for

with either the Farm Board of the cotton cooperatives has testined to the contrary.

Mr. Stone, the tobacco member of the Farm Board, who was put on the stand by the cotton cooperatives, testified that there were daily conferences. It is apparent from the evidence that this order of the Board, if not directly secured by the cotton cooperatives, was issued with the full knowledge, consent, and approval of the cotton cooperatives (Stone, vol. I, p. 570). Copy of this Moser letter was sent to all members of the regional or State cotton cooperatives (Creekmore, vol. I, p. 522).

Shortly after this operation began the price of cotton began to go down. Within 6 months it had dropped from 18.23 cents per pound to 12.41 cents per pound and continued to drop. The cotton cooperatives' loss on this cotton was something like \$79,000,000 on the 16-cent loan (Creekmore, vol. I, p. 35).

In view of the Moser letter, relating to the 16-cent loan, and Mr. Creekmore's statements at the agricultural conference and Farm Board inquiry, and his letter to Mr. Carl Williams, under date of November 16, 1932, with regard to the 90-percent loan, the Frazier bill must fail as far as cotton cooperatives are concerned.

It will thus be seen that every attempt of the cotton cooperatives the farme the second of the cotton cooperatives are concerned.

It will thus be seen that every attempt of the cotton coopera-tives backed by the Farm Board to benefit the farmers by in-creasing their prices in these various ways was a failure; however, each one, it was developed, was advertised to the whole country as a panacea for the low price of cotton, with the result that not only were the cotton cooperatives, then controlling about 15 percent of the cotton, rendered backrupt, but the mills and the dealers and the farmers were all affected in the same way and their losses were tremendous.

These outside farmers and outside dealers and mills handled 85 percent of the cotton, and, of course, 85 percent of the loss fell on them, and neither the old Farm Board nor the cotton cooperatives was of any value or aid in the stabilization of the price of cotton, notwithstanding the enormous sums of money that were used in the various operations.

A year or two ago a bill was introduced by Senator Frazier, of North Dakota, which provided that the settlement of the Farm Board with wheat cooperatives be reopened for the purpose of giving the wheat farmers an opportunity of showing that their cooperative losses were the result of the action of the Farm

Board and not of the cooperatives.

Later on another bill was introduced in which cotton was added, and that bill has been pending in Congress for some time.

The bill provided as follows:

"[S. J. Res. 38, Apr. 15, 1935]

"Joint resolution for the adjustment and settlement of losses sustained by the cooperative-marketing associations

"Resolved, etc., That for the purpose of adjustment and settlement of losses sustained by the cooperative-marketing associations dealing in grain during the stabilization operations of the Federal Farm Board in the years 1929 and 1930 when such cooperative-marketing associations were induced and requested by the erative-marketing associations were induced and requested by the Federal Farm Board to withhold grain and/or cotton from the market and to make advances to their members in order to stabilize prices, the Federal Farm Credit Administration is hereby authorized and directed to make such adjustments and settlements in accordance with the understanding that such cooperative-marketing associations had with the Federal Farm Board, and on the basis of a price or a sum equal to the amount directly loaned or advanced to such associations plus carrying charges and operation costs in connection with such grain and/or cotton from the date of the loans or advances to the date that such grain and/or cotton was finally taken over by the Federal Farm Board or delivered pursuant to its instructions."

This bill has delayed in the Senate from time to time.

It is perfectly apparent from the facts brought out in the investigation that the cotton cooperatives, through Mr. Moser, the

predecessor of Mr. Creekmore, recommended this loan and urged the Farm Board to adopt it, and after they had urged such adoption they cannot now be heard to say that further losses by them should be paid by the Farm Board or by the Government.

It was also developed in the hearings that this claim for a reopening of the settlements heretofore made by the Farm Board with the cotton cooperatives was first made by Mr. Creekmore on the 16th day of November 1932, when he wrote Mr. Carl Williams, cotton member of the Farm Board, making the claim that the cotton cooperatives were entitled to certain losses which they sustained on the 16-cent cotton (Stone, vol. I, p. 573).

It is perfectly apparent, therefore, that Mr. Moser, the predecessor of Mr. Creekmore, acting for the cotton cooperatives, having in like manner recommended the settlement between the Government and the cotton cooperatives on the 16-cent loan, the cotton cooperatives are now bound by the action taken by Mr. Moser as

cooperatives are now bound by the action taken by Mr. Moser as set out in his letter. The letter of Mr. Moser was sent to all of the cotton cooperatives (Creekmore, vol. I, p. 522).

Besides, in the memorandum put in the record by Mr. Creekmore

Besides, in the memorandum put in the record by Mr. Creekmore he states:

"After many conferences regarding a settlement, a compromise agreement was reached in May 1930 by a representative of the cooperatives with the Chairman of the Farm Board, in the presence of the Vice Chairman, the cotton member, and the general counsel of the Board, whereby the cooperatives were to be reimbursed by a stabilization corporation, to be later organized, on the basis of the loan value on all cotton on hand, plus carrying charges, plus \$1 per bale overhead on deliveries received during the 1929 season (Stone, vol. I, p. 578)."

This agreement was disapproved by the Attorney General, and later on a settlement was made as follows:

later on a settlement was made as follows:
"The general basis of settlement, as finally worked out by the Farm Board, resulted in the Cotton Stabilization Corporation tak-Farm Board, resulted in the Cotton Stabilization Corporation car-ing over the cooperatives' cotton on the basis of the loan value, with an allowance of not to exceed \$2.50 per bale for carrying charges, payable only to the extent necessary to meet the obliga-tions of the cooperatives after borrowing from the Farm Board \$1.50 per bale listed on prior seasons' deliveries. This loan was to be repaid by deductions of 50 cents per bale from the members' proceeds on deliveries in future years (Stone, vol. I, p. 578)."

UNDER THE NEW ADMINISTRATION

UNDER THE NEW ADMINISTRATION

The foregoing is a history of the operations of the cotton coperatives with the Farm Board up until March 4, 1933. The Congress meeting that year repealed the Farm Board Act and passed what is known as the Agricultural Adjustment Act, which set up the Farm Credit Administration in place of the Farm Board. At that time the cotton cooperatives owed the Government \$207,418,246.48. (See McNary report, p. 35.)

At that time cotton was worth somewhere around 5 or 6 cents a pound, and the Farm Board, which had had appropriations to be used as a revolving fund of \$500,000,000, and the A. C. C. A. had been financed by the Farm Board, were all in a state of bank-ruptcy, and their debts had to be assumed by the Government, amounting to \$27,376,998.06, as outlined in the 90-percent loan loss. Also the State associations benefited under the terms of the A. A. A. adjustment by additional payments authorized by Congress in connection with the settlement of the 1930-31 operations. Seven hundred and thirty-two thousand four hundred and fifty-six dollars and eighty-seven cents were paid in this adjustment.

tions. Seven hundred and thirty-two thousand four hundred and fifty-six dollars and eighty-seven cents were paid in this adjustment (S. Rept. No. 1456, p. 22).

In other words, the new administration of Mr. Roosevelt started off by wiping the slate clean and taking over all the cotton into what was known as the Oscar Johnson pool. Thus the cotton cooperatives were again saved from bankruptcy, and the Government, through Mr. Johnson, took over about 1,300,000 bales of actual cotton and approximately another million bales of futures which the A. C. C. A. had gathered in during the years of their reculation.

AGRICULTURAL ADJUSTMENT ADMINISTRATION

The Government continued to loan money to the cotton cooperatives, but under the provisions of the A. A. A., acreage was reduced, through voluntary action, and Government rentals on land not cultivated in cotton was established.

Then the Bankhead Act was passed to regulate the number of bales produced.

bales produced.

Also the processing tax was put on to pay the cotton farmer for

Also the processing tax was put on to pay the cotton farmer for the rentals on land not used in producing cotton.

The above three enactments, passed in 1933, did what the Farm Board and the cotton cooperatives had tried in vain to accomplish since July 1929, namely, the price of cotton began to rise and the general trend has been upward ever since.

In March 1933 cotton was selling at between 5 and 6 cents a pound. By July 1933 cotton had risen to 9½ cents. By September 1933 it was 10 cents. By January 1934 it was 11½ cents, and by March 1934 it was 12½ cents. In July 1934 it was 13.15 cents.

In the fall of 1933, under the Agricultural Adjustment Act, Secretary Wallace announced a Government loan of 10 cents a pound on cotton, and this operated throughout the year 1933-34.

In August 1934 that loan was increased to 12 cents. The 10-cent loan did not seem to interfere with the movement of cotton. Indeed, it was under that loan that the price went from 10 to 13 cents, and it was thought that if the Government made a loan of 12 cents it would still further increase the price, but it did not have that effect and cotton went down some in 1934 and 1935, and in the

summer of 1935 the loan offered by the Government was reduced again to 10 cents. Cotton is now selling at figures ranging from 11½ cents to 12½ cents.

11½ cents to 12½ cents.
This is the history of what has been done under the Agricultural

Adjustment Act.

THE A. C. C. A. UNDER THE A. A. A.

Under the Agricultural Adjustment Act the A. C. C. A. has continued to borrow money from the Government; however, it and its affiliates have from time to time discarded practically all of their cooperative features until now, through their central organization, the cotton cooperatives have become one of the largest cotton dealers in the country.

dealers in the country.

It will be remembered that Mr. Creekmore testified that the cotton cooperatives and affiliates would have failed in 1929 and 1930 and that they would have been bankrupt if the Government had not assumed their debts. He testified that again in 1933 the A. C. C. A. and its affiliates were bankrupt and would have gone into bankruptcy if the Government had not assumed their debts (Creekmore, vol. I, p. 16).

He also testified that at the present time without Government subsidies and bounties they could not continue to operate (Creekmore, vol. I, pp. 120–121).

THE A. C. C. A. UNDER THE ROOSEVELT ADMINISTRATION

The cotton cooperatives, under the present administration, have The cotton cooperatives, under the present administration, have undergone what one witness described as an "evolution." No longer do they advance money to their producer members on his cotton which is pooled with other cotton of like description and character. By means of the immediate fixation pool, the cotton cooperatives buy cotton just as any other merchant does, and the immediate fixation pool is simply a fiction whereby they can make outright purchases.

Under the present administration the A. C. C. A. has made or claims to have made approximately \$2,500,000 from the handling of cotton owned or controlled by the Government, but during the same period it has lost about \$1,500,000 on its operations for its own account.

own account.

INTEREST RATES AND PROFITS

But the Government continued to lend money to the coopera-But the Government continued to lend money to the cooperatives in 1933 and 1934 at ridiculously low rates of interest, and they were relending the money to their affiliates at a much higher rate of interest and making great profits thereby (Creekmore, vol. I, pp. 52-53). They also made profits from the handling of the old stabilization corporation cotton, and in the 10-cent loan and in the 12-cent loan, and also on what is known as the Oscar Johnson pool cotton, which was the cotton accumulated by the A. C. C. A. under the 90-percent advance in 1930-31. They now claim to have made very substantial profits in 1933-34, that they had losses in 1934-35, and for the present it isn't clear whether they are making money now or not. they are making money now or not,

The American Cotton Cooperative Association borrowed money from the Government under a "joker" statute—that is to say, at rates of interest ranging from one-eighth of 1 percent to 1% percent. A statute had been passed by the Congress allowing money to be loaned to farmers at the same rate of interest that

the Government paid for money.

the Government paid for money.

The purpose of this statute was this: At the time of its passage the Government was borrowing money on its bonds at from one-eighth of 1 percent to 1% percent and the Congress did not wish to have the farmer charged any more for the money than the Government was paying for it; however, Mr. Andrew Mellon was Secretary of the Treasury at the time and he gave this statute a different construction from that intended by the Congress. He held that the lowest rate of interest meant any low rate, and he had been borrowing money on some classes of temporary certificates at as low as one-eighth of 1 percent; therefore, the farmers got some of their money at rates of interest as low as one-eighth of 1 percent. This was never intended by the Congress, and when the matter came out an act was promptly passed allowing the of I percent. This was never intended by the Congress, and when the matter came out an act was promptly passed allowing the cooperatives to borrow money at 3 percent. As long as this statute was on the books, however, it seems that the American Cotton Cooperative Association borrowed money from the Government, of course, but when the new statute of 3 percent was passed, Mr. Creekmore looked about to see if he couldn't get the money at a small rate, and he made an agreement with the Chase National and other banks in New York to borrow the money at 11th percent (Creekmore, vol. 1, p. 53).

PINANCIAL OPERATIONS

Mr. Creekmore testified that the cotton cooperatives had a line Mr. Creekmore testified that the cotton cooperatives had a line of credit with the Farm Credit Administration of about fifteen and one-half millions of dollars and that he had a line of credit with private banks of something like \$75,000,000 and that he had actually borrowed in 1 year \$55,000,000. This Government credit, coupled with a practice by the Washington office of subordinating the Government loans to private loans brought about an immense change in the cotton cooperatives' business.

the cotton cooperatives the member would later receive what was called a "patronage dividend." It developed that only one patronage dividend had been declared in 5 years and that patronage dividend was 56 cents per bale in some districts, notably in Mississippi.

In one district, notably in Tennessee and Arkansas, the patronage

dividend was credited on a debt due by the Mid-South (Henry, vol.

dividend was credited on a debt due by the Mid-South (Henry, vol. I, p. 205).

It is very clear that when the farmer sold his cotton and when the cooperatives purchased his cotton under the so-called immediate fixation pool, the farmer regarded it as a sale and the cotton cooperatives regarded it as a purchase, and the American Cotton Cooperative Association and its affiliates became nothing but a huge cotton-buying concern with Government aid.

The so-called patronage dividend might well be likened to a transaction by which when a person enters a drug store or any other store and buys an article, he is frequently given a coupon with his purchase, with the statement on the coupon that when the purchaser gets a million coupons he will be entitled to a prize box of candy.

box of candy.

This patronage dividend did not deceive the farmers at all, as appears from the proof, because they never expected to get anything further, but apparently it has deceived the executives in charge of the Farm Credit Administration up to this time.

ALADDIN'S LAMP

The Federal Government has been a veritable financial Aladdin's lamp to the American Cotton Cooperative Association. When the amp to the American Cotton Cooperative Association. When the cotton cooperatives could borrow money from the Government at from one-half of 1 percent to 1 percent interest and lend it out to their subordinates at from 5 to 6 percent, this was pretty easy financial picking. When the Congress passed the 3-percent loan, however, it was necessary to do some refinancing, and then the plan was adopted to borrow from private banks at 1½ percent with the Government at Washington subordinating its liens to those of the private banks. By what right the Government at Washington subordinating its liens to those of the private banks. By what right the Government at Washington did this has not been disclosed, but it was done, and the cooperatives borrowed as much as \$55,000,000 in 1 year, with the Government's liens on the cotton made subordinate to those of the private banks.

Even with all this money the American Cotton Cooperative A Even with all this money the American Cotton Cooperative Association had to have working capital—and how to get it was the next problem. The private banks would not lend to them at 1½ percent unless the Government subordinated its liens. The Government, in the second year, decided it would not subordinate its liens, and thereupon the following plan was adopted: The A. C. C. A. in some manner that has not been fully explained, caused its State associations, each one individually, to borrow from the Farm Credit Administration sums aggregating \$5,000,000, to be turned over to the American Cotton Cooperative Association, and the State associations to receive preferred stock in the American Cotton Cooperative Association for the money (Daley, vol. I, p. 93). In other words, the American Cotton Cooperative Association

In other words, the American Cotton Cooperative Association did not borrow the money, and, remarkable to tell, the individual State associations borrowed this money and took stock in the American Cotton Cooperative Association for it.

Exhibit C to Mr. Creekmore's testimony shows that the following companies borrowed from the Farm Credit Administration the \$5,000,000 and turned it over to the A. C. C. A.:

ı	Alabama Cotton Cooperative Association	\$400,000
ı	Brazos Valley Cotton Cooperative Association	425,000
ı	California Cotton Cooperative Association	175,000
ı	Louisiana Cotton Cooperative Association	
ı	Mid-South Cotton Growers' Association	800,000
ı	Mississippi Cooperative Cotton Association	800,000
ı	Oklahoma Cotton Growers' Association	500,000
ı	South Carolina Cotton Growers' Association	200,000
ı	South Texas Cotton Cooperative Association	200,000
ı	Southwestern Irrigated Cotton Growers	200,000
ı	West Texas Cotton Growers' Association	500,000

Now, let's analyze these transactions.

The Alabama Cotton Cooperative Association had been wound

up in receivership, and, of course, it is inconceivable that the Government would lend to this bankrupt concern \$400,000.

The Brazos Valley Cotton Cooperative Association had no assets of any kind and this was admitted by its officers (McCrary, vol. I, p. 356).

The California Cotton Cooperative Association, Ltd., there was no proof about.

The Georgia Cotton Cooperative Association is now being wound up through a receivership (Creekmore, vol. I, p. 9, Williams, vol.

The Louisiana Cotton Cooperative Association, there was no evidence concerning (\$365,000 stock in A. C. C. A.; Williams, vol. I,

ordinating the Government loans to private loans brought about an immense change in the cotton cooperatives' business.

The cotton cooperatives gave up their seasonal pools and their optional pools and their long-time holding of cotton and began what Mr. Creekmore termed the "immediate fixation pool", and the proof clearly shows that the immediate fixation pool is nothing in the world but a purchase of the cotton from the farmer by the cotton cooperatives.

It is true that it was claimed that they held out to the farmer when they bought his cotton that if there was any profit made by

The Mississippi Cotton Cooperative Association is supposed to be a going concern, but its assets were not disclosed (about \$360,000; Stewart, vol. I, p. 342).

The Oklahoma Cotton Growers' Association had recently been sold by the Government, lock, stock, and barrel, to the A. C. C. A. itself, and the Government had lost something like half a million dollars by it, and yet this bankrupt concern was allowed by the Commodity Credit Corporation to borrow \$500,000 and invest it in the stock of the A. C. C. A. (Creekmore, vol. I, pp. 27-29).

The South Carolina Association had likewise had to compromise its affairs at a great loss to the Government (McCutcheon, vol. I.

its affairs at a great loss to the Government (McCutcheon, vol. I,

p. 152).
The South Texas Association; its assets were not disclosed.

The Texas Cotton Cooperative Association; its assets were not disclosed.

The West Texas Cotton Growers' Association admitted that they had no assets of any kind (Lee, vol. I, p. 361).

Thus we see that the enormous sum of \$5,000,000 was loaned by the Government to the several associations, none of which were able to borrow any such sums with any expectation of paying them back, and none of which borrowed for themselves, but for the benefit of the A. C. C. A.

The whole transaction, in the opinion of your subcommittee, was a fraud upon the Government.

What was the purpose of this transaction? Although the A. C. C. A. had failed twice, costing the Government something like \$140,000,000, and although it admits that it is now insolvent unless \$140,000,000, and although it admits that it is now insolvent unless the Government continues its aid, yet it claims to have put some \$4,000,000 in reserve and issued stock therefor, and that it has a line of credit, as testified to by Mr. Creekmore, of \$15,500,000 with the Farm Credit Administration, and \$75,000,000 with private banks; and under these circumstances the question naturally arises: Why did the A. C. C. A. have to erect this amazingly peculiar financial structure in order to obtain working capital?

It is the opinion of your subcommittee that these loans are virtually worthless and the Government will be unable to collect them.

THE COOPERATIVES AND THE SEED-LOAN BORROWERS

The Congress having passed a law that cooperatives should be encouraged in every way possible, the Federal Farm Credit Administration recommended that the seed-loan cotton should be turned over as far as possible to the cotton cooperatives, and this was done.

was done.

And look at the charges that were made: \$1.30 per bale other than seasonal charges. What they were nobody knows; \$5 for membership fee; 50 cents for a newspaper publication (Henry, vol. I, p. 197 through 202).

These charges were unconscionable and indefensible. Take the poor seed-loan borrower who can get credit nowhere else to make a crop, who was the poorest of the poor, and who in order to maintain himself and family had to borrow the pitifully small sum that he was allowed to borrow from the seed-loan office; and think of charges other than storage, insurance, and interest, mounting up to him of more than \$11 per bale—more than 13 percent of the value of the cotton—taken out of the cotton for this enormous trust in the cotton-buying business known as the American Cotton Cooperative Association (Henry, vol. I, p. 232).

To my mind the most condemning fact brought out was the treatment of the seed-loan borrower by the A. C. C. A. and its affiliates.

GOVERNMENT BOUNTY AND FAVORITISM

Remember that the American Cotton Cooperative Association has been in existence for 5 years.

The following sums have been paid to the American Cotton Cooperative Association by the Government on Government-controlled cotton as services and expenses, by years:

1930-31	\$531, 710.32
1931-32	907, 909. 87
1932-33	883, 032, 84
1933-34	789, 060. 65
1934-35	724, 499, 33
totaling \$3,836,213.01, or an average per year of \$767,4	99.33.

All of this is obtained from Mr. Creekmore's exhibit Q and his testimony.

testimony.

It is true that expenses apportioned to the Stabilization Corporation out of the above, amounted to \$1,278,967.43, but since that corporation was officered and serviced by exactly the same people as the American Cotton Cooperative Association, that was a mere matter of bookkeeping (Creekmore, vol. 2, p. 215).

Over and above this income the A. C. C. A. made enormous sums out of interest annually by charging the member associations more than they paid the Government for the money. The interest sheets have not yet been furnished, but Mr. Creekmore says he will furnish them and the amount that the Government gave them under interest transactions will be shown and made a part of this paragraph. Over and above the income which the American Cotton Cooperative Association made, the affiliated associations made additional interest on the loans made by them to individual members (Creekmore, vol. I, p. 57).

In other words, the farmer paid the bill, except when there was a loss, and kindly Congress assumed these enormous losses.

RECONCENTRATION OF COTTON

Much of the \$3,836,213.01 was for reconcentrating and otherwise handling Government cotton. But last spring or early sum-

mer another reconcentration of cotton was ordered. Announcements were made by the Federal Farm Credit Administration that bids would be received for reconcentration of cotton on which the Government had a lien, for the purpose of making room for the new cotton crop of 1935-36. It was estimated that it would be necessary to reconcentrate some three millions of bales. Bids were put in to do this handling by the A. C. C. A. by John M. Parker & Co., of New Orleans, and others.

Mr. Parker testified that they put in a bid to reconcentrate this cotton for 40 cents per bale flat (Parker, vol. I, p. 495).

The A. C. C. A. put in a bid for reconcentrating the first 500,000 bales at 48 cents, the second 500,000 at 45 cents, the third 500,000 at 40 cents, and any additional bales for 35 cents (Parker, vol. I, pp. 498-499).

pp. 498-499)

pp. 498-499).

Up to the time of the hearing only 1,600,000 bales had been reconcentrated. Whether there would have been any more was not known. But it must be remembered that the A. C. C. A. had received 48 cents a bale on the first 500,000 bales, 45 cents on the second 500,000 bales, and 40 cents on the third 500,000 bales—and then they handled very little more. So that the average price of handling the cotton was more than 43 cents per bale, while Mr. Parker offered to reconcentrate the cotton for 40 cents per bale, and if the Parker bid had been accepted—and he represented a and if the Parker bid had been accepted—and he represented a responsible firm—the Government would have saved some fifty to seventy thousand dollars by giving the bid to him. But the A. C. C. A. got the job.

Some question was raised as to whether the Department had the right to let this contract without advertising for bids. No bids

were advertised for.

In connection with this reconcentration of cotton, Mr. R. L.
Taylor, president of the Federal Compress Co., which warehouses the cotton in the Memphis district, or a large part of it, stated that he offered to reconcentrate all of the cotton in his district necessary to be reconcentrated without charge. The bid to do it for nothing was declined (Taylor, vol. I, p. 420).

Mr. Parker testified that the reconcentration of this cotton was very expensive to the farmer, and this testimony was not in any

way denied (Parker, vol. I, p. 502).

When the cotton goes in the warehouse it is sampled, and when it was reconcentrated the Government required it to be sampled again, and by regulation these second samples were destroyed so far as the use of them was concerned, but it was said that the A. C. C. A. credited the value of them to the Federal Farm Credit Administration. However, Mr. Parker testified that when the cotton is sold it must again be sampled.

Now, the amount taken out at each one of these sampling oper-

Now, the amount taken out at each one of these sampling operations ranges from three-quarters of a pound to a pound, and thus the farmer is deprived of these three samples, at the present price of cotton, or 3 to 35 cents per bale (Parker, vol. I, p. 501). In addition to that, when the cotton is sold under the third sampling the cost of that sample is from 35 to 50 cents. It will thus be seen that the reconcentration movement cost the farmer something like 65 to 75 cents per bale. But what is the poor farmer if he is not to be mulcted in this way? Who cares for him anybow?

poor farmer if he is not to be mulcted in this way? Who cares for him anyhow?

In addition to that, quite frequently the cotton was moved from warehouse to other points hundreds of miles away without the consent of the farmer, without the knowledge of the farmer, and how much delay and expense he may be put to to find his cotton in some far off warehouse is yet to be seen.

In connection with this last reconcentration of cotton southern Senators, almost to a Senator, and many southern cotton Congressmen, protested as vigorously as they knew how against this reconcentration of cotton. There was in their opinion no reason for it. It is doubtful if there was any reason for it, and the only ones to benefit by it was the cotton cooperatives, and the only ones to lose by it will be the farmers—unless the loss is so great that the Government will have to come forward for a third time and assume it.

The committee has tried very zealously to obtain figures on the total number of bales of futures that were bought or sold during the existence of the cotton cooperatives. Mr. Creekmore said it was very difficult to get these figures, but exhibits H and I of his deposition indicate the amount that he paid the futures brokers for 2 years, namely, for 1931–32 and 1932–33. For these 2 years commissions alone amounted to \$1,246,815.24 (Creekmore, vol. I, pp. 109,109) pp. 108-109).

Each year shows futures brokers' total commissions, being separated into two divisions, namely, "brokers' commissions" an "brokers' commissions earned." What is meant is not shown.

The figure of \$1,246,815.24 shown above constitutes commissions on some 8,000,000, plus bales of futures based on the brokerage as testified to, of 15 cents a bale. In other words, the cotton futures dealt in by the cotton cooperatives must have been many times the number of bales of spot cotton dealt in by them. Speculation at one time was freely admitted and, of course, cannot be denied.

COMPARISON OF CHARGES

It is undeniable, and for a large part undisputed, that the charges for handling cotton, and collected out of the cotton by the cooperatives, are considerably larger than similar charges made by private merchants and buyers. No better illustration of these charges can be given than the following typical statement from the seed-loan office:

Résumé of typical settlements made on 1931 loans by Mid-South Cotton Growers' Association (Henry, vol. I, pp. 192-203)

	Mid- South contract no.	Date of payment	Num- ber of bales	Gross proceeds	Previous cash advance	Interest on cash advance	Deductions		Charges	Wam	Associa-	Interest on cash paid		
Our loan no.							Light bale	Insur- ance	Stor- age	than regular seasonal charges	Mem- bership fee	tion news sub- scription	out for freight, storage, etc.	Gross deduc- tions
21733 74769 63420 64006 62420 64006 226770 30362 8898 130299 14228 333849 62219 68771 308672 98745 10828 3006 128313 91063 989077 17402 59817 18171 4073 18171 4073	7603700 3117500 3117500 3117500 3117500 6165800 2378200 5917200 5917200 5021000 21326200 590100 2136200 5915100 5915300 2352400 2331800 0104000 5728700 6116000 6154400 6116000 6158800	Feb. 27, 1934 Feb. 2, 1934 Feb. 1, 1934 Feb. 1, 1934 Feb. 1, 1934 Feb. 16, 1934 Feb. 16, 1934 Feb. 10, 1934 Feb. 13, 1934 Feb. 13, 1934 Feb. 13, 1934 Jan. 23, 1934 Feb. 16, 1934 Jan. 23, 1934 Feb. 16, 1934 Jan. 23, 1934 Feb. 16, 1934 Jan. 23, 1934 Feb. 10, 1933 Feb. 10, 1934	111211111123222222235534	\$51. 31 53. 97 54. 75 94. 91 48. 44 98. 53. 95 45. 30 59. 65 42. 63 64. 36 142. 77 98. 16 154. 40 101. 20 82. 28 114. 15 149. 43 247. 39 144. 17	\$5. 59 5. 88 5. 30 42. 52 5. 00 4. 00 16. 81 5. 65 4. 68 7. 50 4. 56 6. 60 31. 12 8. 45 75. 44 14. 00 8. 30 10. 00 11. 97 8. 90 11. 60 9. 72. 51	\$0.60 .65 .52 4.57 .52 .42 1.84 .62 .50 .83 .52 .62 .88 8.05 1.46 .85 1.04 .94 1.25 2.08 8.67 .789	\$2	\$1.30 1.30 2.65 1.30 1.35 1.35 1.25 2.10 8.90 2.60 4.00 2.60 2.60 2.60 2.50 2.50 2.50 2.50 2.50 2.50 2.50 2.5	\$4.55 4.55 9.25 4.55 4.55 4.55 4.55 4.40 4.40 7.60 13.65 9.10 9.10 9.10 8.80 9.10 9.10 8.80 13.85 9.10 9.10 9.10 9.10 9.10 8.80 9.13 9.13 9.14 9.15 9.16 9.16 9.16 9.16 9.16 9.16 9.16 9.16	\$1. 40 1. 47 1. 33 2. 54 1. 28 1. 00 1. 23 1. 39 1. 17 1. 52 1. 14 1. 65 3. 90 2. 56 3. 90 2. 63 2. 07 2. 30 5. 30	***************************************	\$0.50 .50 .50 .50 .50 .50 .50 .50 .50 .50	\$0.40 .40 .40 .80 .40 .40 .40 .40 .40 .40 .80 .1.20 .80 .80 .80 .80 .80 .80 .80 .80 .80	\$19. 3 19. 7 18. 9 67. 8 18. 55 17. 17 31. 85 19. 4 17. 9 26. 8 62. 4 29. 88 112. 0 36. 0 30. 0 33. 2 34. 2 34. 2 34. 11. 9 34. 11. 9 34. 11. 9
Total			49	2, 332. 97	454.16	48. 13	3	62. 65	219.80	63. 79	125	12.50	19. 60	1, 008. 63

KENNETH MCKELLAR. JOHN G. TOWNSEND, Jr.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters, which were ordered to be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON:

A bill (S. 4464) to authorize the coinage of 50-cent pieces in celebration of the opening of the San Francisco-Oakland Bay Bridge; to the Committee on Banking and Currency.

By Mr. CAPPER:

A bill (S. 4465) granting an increase of pension to Amanda J. Branch (with accompanying papers); to the Committee on Pensions

A bill (S. 4466) declaring an emergency in the housing condition in the District of Columbia; creating a rent commission for the District of Columbia; prescribing powers and duties of the commission, and for other purposes; to the Committee on the District of Columbia.

By Mr. FLETCHER:

A bill (S. 4467) for the relief of James B. McDonald; and A bill (S. 4468) for the relief of James B. McDonald; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 4469) to authorize a preliminary examination of Buffalo Bayou, in Texas, and its tributaries with a view to the control of their floods; to the Committee on Commerce.

HOUSE BILL REFERRED

The bill (H. R. 11617) to authorize a preliminary examination of the Coosa River, Ga., and its tributaries, with a view to the control of their floods, was read twice by its title and referred to the Committee on Commerce.

INVESTIGATION OF UNEMPLOYMENT AND RELIEF-AMENDMENT

Mr. HATCH submitted an amendment intended to be proposed by him to the resolution (S. Res. 241) creating a special committee to investigate unemployment and relief (submitted by Mr. HATCH Mar. 2, 1936), which was referred to the Committee on the Judiciary and ordered to be printed.

AMENDMENT TO STATE, JUSTICE, ETC., DEPARTMENTS APPROPRIATION BILL

Mr. WHEELER submitted an amendment proposing to appropriate \$10,000, to be immediately available, for the

acquisition by the Bureau of Fisheries of a site for a fish hatchery at Jessup's Mill, near Glacier National Park, Mont., intended to be proposed by him to House bill 12098, the State, Justice, etc., Departments appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

REHABILITATION LOANS TO STORM-STRICKEN AREAS

The PRESIDING OFFICER (Mr. Neely in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. FLETCHER. I move that the Senate insist on its amendments, agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Fletcher, Mr. Wagner, Mr. Bulkley, Mr. Townsend, and Mr. Couzens conferees on the part of the Senate.

RURAL ELECTRIFICATION

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3483) to provide for rural electrification, and for other purposes.

Mr. NORRIS. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Smith, Mr. Wheeler, and Mr. Norris conferees on the part of the Senate.

ARMY DAY ADDRESS OF SECRETARY OF WAR AT CHICAGO

Mr. DUFFY. Mr. President, I ask unanimous consent to have printed in the Record an address by the Honorable George H. Dern, Secretary of War, at Chicago, Ill., in commemoration of Army Day, April 6, 1936.

There being no objection, the address was ordered to be printed in the Record, as follows:

Throughout the United States patriotic groups similar to this one are gathered to observe Army Day. This observance marks the nineteenth anniversary of our entry into the World War and

serves to remind us that war in any quarter of the world may sometimes involve even those nations remotely distant from the point where the struggle begins. Facility of transportation and communication has annihilated distance. All countries have be-come neighbors. Hence an international quarrel anywhere is a potential threat to world peace, and geographical remoteness no longer insures safety

Recent events which have caused grave concern to statesmen throughout the world shock us into the realization that there is as yet no assurance of permanent peace. We still live in a world of men, not of angels, and it is still much the same old world. Asia, Africa, and Europe are resounding with the clash of arms or are fearful of impending disaster. Only in the two Americas does there appear to be an accord that warrants the hope of international temporality.

tional tranquility.

In this deplorable situation the statesmen of leading countries have again turned to increased armament as a means of providing have again turned to increased armament as a means of providing national security. The dream of disarmament has been abandoned at least for the present. The efficacy of security through antiwar, nonaggression treaties seems now to be generally doubted, and military alliances are coming back. Pronouncements of international tribunals are no longer regarded by some of the countries as final and binding judgments. Reliance on arms has become a more definite policy in the past few weeks than at any time in recent years. We may regret this backward step, but we cannot deny the obvious facts

recent years. We may regret this backward step, but we cannot deny the obvious facts.

The concern that is felt by all Americans was forcefully expressed a few months ago by the President in his Armistice Day speech at Arlington when he said:

"I would not be frank with you if I did not tell you that the dangers that confront the future of mankind as a whole are greater to the world, and therefore to us, than the dangers which confront the people of the United States by and in themselves alone.

"Jealousies between nations continue; armaments increase; national ambitions that disturb the world's peace are thrust forward. Most serious of all, international confidence in the sacredness of international contracts is on the wane."

In America we are all hoping and praying that foreign nations

Most serious of all, international confidence in the sacredness of international contracts is on the wane."

In America we are all hoping and praying that foreign nations may compose their differences, and that the situation so alarming to the people of the world may be peacefully adjusted. We can point with pardonable pride to the policy of the good neighbor so happily inaugurated and so successfully carried on by President Roosevelt. This policy stands as a shining example of international amity. While we have had and will continue to have a sympathetic interest in the promotion of peace in every quarter of the globe, our first duty is to keep our own country at peace. Every action by the President and by the Congress in the field of international affairs has been undertaken primarily with this object in view. We are avoiding any step or commitment that might tend in any particular to involve us in any future conflict. This policy was stated with great clarity by President Roosevelt in the address to which I have alluded. He said:

"While, therefore, we cannot and must not hide our concern for grave world dangers, and while, at the same time, we cannot build walls around ourselves and hide our heads in the sand, we must go forward with all our strength to stress and to strive for international peace.

"Un this offert America must and will protect heavels. Under the same time, we have the same time the sam

go forward with all our strength to stress and to strive for international peace.

"In this effort America must and will protect herself. Under no circumstances will this policy go to lengths beyond self-protection. Aggression on the part of the United States is an impossibility insofar as the present administration of your Government is concerned. Defense against aggression by others—adequate defense on land, on sea, and in air—is our accepted policy; and the measure of that defense is and will be solely the amount necessary to safeguard us against the armament of others. The more greatly they decrease their armaments, the more quickly and surely shall we decrease ours."

That, in a word, is the American policy of national defense "adequate defense on land, on sea, and in air." It is a policy It is a policy of

"adequate defense on land, on sea, and in air." It is a policy of patriotism and common sense.

In declaring for adequate defense, the President is performing his constitutional duty. The Constitution states that one of the principal reasons for the formation of the Federal Union was "to provide for the common defense." It makes it the duty of Congress "to provide for the common defense and general welfare of the United States; to raise and support armies; to provide and maintain a Navy; to make rules for the government of the land and naval forces; to provide for calling forth the militia to execute the laws of the Union, suppress insurrections and repel invasions; to provide for organizing, arming, and disciplining the militia." It provide for organizing, arming, and disciplining the militia." It also declares that a well-regulated militia is necessary to the security of a free State. The Constitution makes the President the Commander in Chief of the Army and Navy. Those who advocate an adequate national defense establishment are obeying the mandate of the Constitution. date of the Constitution.

The observance of Army Day would seem to be an appropriate occasion for a brief review of the adequacy of our provision for the common defense. While we must have an efficient though small Regular Army as a nucleus to meet certain emergencies promptly Regular Army as a nucleus to meet certain emergencies promptly and for training purposes, yet under the clear implication of our fundamental law our main reliance is to be on our militia rather than on the standing Army. By militia we nowadays mean the National Guard and the Organized Reserves. This has been our settled policy in the past; it is our present policy and undoubtedly will always be our national policy.

There has never been any occasion for alarm lest our Army become dangerously large. On the contrary, there is ample justifi-

cation for the belief that in the past and probably at the present time it is dangerously small. Throughout the century and a half of our history as a nation we have had half a dozen major wars. We were not prepared for any of them. It is the considered opinion of many capable students of history that if we had been better prepared we might, in some instances, not have been forced to fight; and it is the practically unanimous belief that with a proper fighting force we would have attained the final victory in a much shorter time and at a tremendous saving in blood and treasure. Military cemeteries, maimed veterans, national debts, pensions, and bonuses are the penalty we have paid, and will long continue to pay, for our fil-founded fear of militarism and our false economy in whittling down our Army and Navy.

Nineteen years ago today we entered the World War. Our Army

false economy in whittling down our Army and Navy.

Nineteen years ago today we entered the World War. Our Army was small, widely scattered, and poorly equipped. One shudders to think what might have happened to us if we had suddenly and alone been pitted against a first-class nation prepared for war. It was many months before we were able to put an effective fighting force in the field. We were fortunate in that our Allies were holding the enemy while we prepared for war. It is not likely that we shall be so fortunate in the future. By the close of the war we had more than 4,000,000 men in the Army, and our industrial production had reached the point where these men could be supplied with all requisites from our own factories. But this was more than a year after we entered the war.

Following the war we possessed for a few years the most ade-

supplied with all requisites from our own factories. But this was more than a year after we entered the war.

Following the war we possessed for a few years the most adequate defense establishment this country has ever had in peacetime. There were in civil life millions of men who had recently served as soldiers and who had been trained in actual combat. Our warehouses were filled with weapons, ammunition, and war supplies of all kinds. Our factories were in a position to resume the manufacture of munitions on short notice. The National Defense Act of 1920—the best piece of military legislation in our history—had been enacted, embodying the recommendations of statesmen and soldiers who had just undergone the harrowing experience of the Great War. This act provided for a Regular Army of approximately 18,000 officers and 280,000 enlisted men and a National Guard of 425,000 enlisted men, and this was regarded as the proper size Army to be maintained by the United States. However, this strength was never attained. The bitter lessons of the war were soon forgotten. Budgetary limitations progressively reduced the authorized strength of the armed forces so much that less than a year ago the strength of the Regular Army was 12,000 officers and 118,750 enlisted men and the National Guard about 185,000 officers and enlisted men.

The veterans of the World War have now reached an age which

The veterans of the World War have now reached an age which males them unavailable in an emergency, so we have lost the great potential reserve of millions of men trained during the World War. The weapons and other war supplies which once constituted an enormous war reserve have been largely consumed through issues or lost through deterioration or obsolescence. Stocks of war

erves are now almost nonexistent.

reserves are now almost nonexistent.

Faced with the constitutional duty of providing for the common defense and the practical necessity of increasing the effectiveness of our small Regular Army and our National Guard and Organized Reserves, President Roosevelt, under the authorization of Congress, has caused certain definite advances to be made during the last few years. Today our Regular Army is composed of 12,000 officers and 147,000 enlisted men, still considerably short of the 14,000 officers and 165,000 enlisted men the War Department feels is immediately necessary, and scarcely more than half the number specified in the National Defense Act. Some increase in the strength of the National Guard has likewise been made. Provision has also been made to build up the Navy.

Coupled with these modest increases in numbers there has been a distinct advance in organization and training. Our military

a distinct advance in organization and training. Our military forces have been divided into four armies, each with a definite territorial assignment. A General Headquarters Air Force has been formed, comprising practically all of the combat elements of the Air Corps in continental United States. Training maneuvers on

formed, comprising practically all of the combat elements of the Air Corps in continental United States. Training maneuvers on a large scale are now held annually in different sections of the United States. These exercises involve considerable troop concentration, both of the Regular Army and the National Guard.

At last we are making progress in modernizing the equipment of our soldiers. We are still considerably behind the armies of other countries in this respect, but the results already accomplished have been highly satisfactory. Most of our airplanes are out of date, but we have in the process of production several hundred new planes which will be at least the equal of the best in use by other countries. Our old wartime tanks which we still have on hand are capable of about 4 miles per hour, whereas the few new ones we have recently acquired will have a speed of 40 miles per hour. We have converted nearly all of our National Guard and a considerable part of our Regular Army field artillery from horse-drawn to motor-drawn, with a tremendous increase in speed and efficiency. We are converting our field trains from wagons to motor trucks. The advantage of motor transportation over wagon transportation, particularly in areas served by great networks of fine highways, is readily apparent.

I do not need to tell my audience that these improvements in our national defense cost money. There has been some discussion as to the recent increases in War Department appropriations, with the assumption in some quarters that these increases meant a vast augmentation of our defense establishment. In the first place, there has been some confusion with reference to military

vast augmentation of our defense establishment. In the first place, there has been some confusion with reference to military and nonmilitary items, which are included in the same act. The War Department Appropriation Act for the coming fiscal year contains nonmilitary items aggregating in cost about \$200,000,000.

contains nonmilitary items aggregating in cost about \$200,000,000. These represent estimated expenditures for river and harbor improvements, flood control, and the operation of the Panama Canal, all very important but not related to national defense. There has been some increase in military items, principally due to the increased strength of the Army, the increased cost of food, clothing and shelter, and the procurement of new aircraft.

In comparing the cost of our Army with that of any other country it is worth while recalling that wage and price levels in the United States are very much greater than in any other country. For example, the basic monthly pay of the soldier in this country is \$21 per month, a small wage in comparison with that received by civilians, but several times that paid conscript soldiers in many other countries. The ration of our soldiers is more wholesome, more varied, more palatable, and much more expensive than that issued to any other army in the world. Items of clothing, equipment, and shelter are also much higher here.

Nevertheless, the per-capita cost of national defense in the United States is very much less than that of any other country of comparable importance. The last available figures, which are already out of date by reason of recent vast increase in armaments in foreign countries, showed that the annual per-capita cost of land, air, and sea forces in the United States was \$5.08, in Germany \$8.25, in Japan \$13.39, in Italy \$13.88, in Great Britain \$15.28, in France \$22.59, and in Russia \$33.26. Since these figures have been compiled material increases in military expenditures have been announced for practically all of the countries listed, except the United States, where only a modest increase is in prospect.

The cost of national defense—including land, air, and sea

except the United States, where only a modest increase is in prospect.

The cost of national defense—including land, air, and sea forces—amounts to about the cost of half a 3-cent postage stamp per day for each American. This is a very small premium to pay for insurance against national destruction, especially when we consider the territorial extent, the wealth of resources, and the liberties enjoyed by the people of the United States.

But we are told by a few individuals that our preparedness program is likely to lead to war, that the existence of defense forces is a potent cause of international conflict. History does not bear out this contention. We have had, as I have said, a half dozen major wars. Can anyone cite a single one of these that was caused by our Army? No; our Army has never started a war, but it has stopped all of them. It should be remembered that our Army and Navy are entirely under civilian control. The Commander in Chief is elected by the people. Wars can be declared only by the Congress, composed of the elected representatives of the people. We have never entered a war except with the overwhelming approval of the people of the United States. Our Army is thoroughly indoctrinated with the principal of subservience to the civil authorities of the Government.

Lovers of peace are very properly concerned at recent tremendous increases in armaments throughout the world. These armaments, however, I regard not as a probable cause of war, but rather as a symptom of international friction arising from other causes. It is oversimplifying the case, or putting the cart before the horse, to state that well-armed nations go to war and that therefore armaments cause war. Hostilities arise out of more deep-seated difficulties. Population pressure, the quest for raw materials, economic rivalries, old hates and jealousies engendered often by former wars, territorial aggrandizement, and racial and religious antagonisms have been among the causes of past wars. Overt acts that preparedness alone is a sure pre-

wars. Overt acts that precipitated conflicts were usually the explosions of emotions long suppressed.

I have never believed that preparedness alone is a sure preventive of war, although it is probably true that if we had been strongly prepared Germany would not have provoked us into the war by sinking our ships. There is a great deal more to this war business than the mere question of armament, but there can be no dispute about the proposition that if a prepared nation is forced into war she is less likely to be defeated than if she were unprepared.

were unprepared.

We of the United States are fortunate in that we bear no grudge We of the United States are fortunate in that we bear no grudge against any other country. We have no fundamental cause for armed conflict with another nation. The United States has no territorial ambitions anywhere. This is evident from our decision to withdraw from the Philippines and to assist the people of those islands in establishing a republic, absolutely independent in every sense of the word. America wants only to be a good neighbor, respecting the rights of every nation, weak or strong, and cooperating with all countries in the promotion of peace and progress. We are not likely to be involved in any disagreement with any other power unless that nation seeks to invade our territory or to impair our sovereign rights. We feel we are less likely to be forced into any war if we have a defense establishment of sufficient strength to warn potential aggressors of the unwisdom of attacking us.

In maintaining our Army we are doing so primarily to safe-

wisdom of attacking us.

In maintaining our Army we are doing so primarily to safe-guard our country against attack, but the Army is more than a defense agency. It is a vital, creative force that is closely identified with the growth and progress of our country. The Army opened up to settlement our vast domain. The hardy pioneers followed a trail from one frontier Army post to another, the soldiers providing protection and often food and shelter for the early settlers. Army engineers surveyed the routes of the early canals and the first railroads. They opened up our navigable streams and they built the Panama Canal. Army doctors pioneered in the field of preventive medicine, bringing under control the dread malaria and yellow fever. Army aviators led the way in the navigation of the air. Whenever disaster has visited

a community the Army has promptly arrived to bring order out of chaos, to minister to the afflicted, to feed the hungry, and to shelter the homeless.

Within the last few weeks the northeastern part of the United States was visited by a series of the most devastating floods in history. Raging waters isolated communities, destroying hundreds of lives and hundreds of millions of dollars in property. Before the flood waters had begun to recede the Army was moving to aid the sufferers. When rall and highway communication was cut off Army aviators established contact and dropped food and other supplies to the people of the stricken communities. Army trucks sped ahead of raging waters and removed families and their belongings from the path of the torrent. National Guardsmen called into service by State Governors policed cities and restored normal conditions. C. C. C. workers under capable Reserve officers worked day and night building levees, guarding bridges, engaging in rescue work, and aiding local authorities.

From every flooded area I have received scores of telegrams and letters from State governors, mayors of cities, Red Cross workers. Within the last few weeks the northeastern part of the United

day and night building levees, guarding bridges, engaging in rescue work, and aiding local authorities.

From every flooded area I have received scores of telegrams and letters from State governors, mayors of cities, Red Cross workers, and flood refugees, all expressing their deep gratitude for the splendid work of the Army personnel. It has often been said that governmental agencies are so bound up with red tape that it is impossible for them to act promptly. I wish you all might have seen the speed with which the Army cut red tape in the recent disaster. At the request of the President, I wired each corps area commander to take all steps necessary to cooperate with the local authorities in relieving distress. Further instructions were unnecessary. Army warehouses were opened and food and clothing issued without stint. Officers and soldiers were sped to every stricken community and emergency supply depots were established. Within a few hours every facility of the Army was utilized in the relief work. No appeal was disregarded. The speed and efficiency of the Army surprised even those of us who were intimately familiar with its work. The country is extremely fortunate in having an organized force ready for instant use not only against a foe but also in disasters that might otherwise overwhelm us. The Army has long been recognized as our Government's first-aid agency in great disasters, to act until the Red Cross can take over the task of relief and rehabilitation. The Army is capable of functioning just as effectively in the exigencies of peace as in the travalls of war. Its organization and operation of the C. C. C. camps is one of its brilliant peacetime achievements.

In paying tribute to the Army we must remember that the Army in the United States is ever the servant, never the master, of the people. The officers and men are under the civil authorities of the Government. Those who enter the Regular Army surrender many of the rights they possess as individuals. They forego the privilege of fixed abode, the o

While the soldier on entering his country's service voluntarily surrenders many of the rights and privileges of the civilian, he assumes a duty of which he is justly proud—that of being the guardian of his country. Statesmen make our foreign policy. Diplomats conduct our international relations. Officers of our executive and legislative branches may lose the peace, but to the soldier falls the task of regaining it.

Fach generation of our people has witnessed or participated in

Each generation of our people has witnessed or participated in one or more major wars. If we learn anything from history, we must regretfully acknowledge the probability that future generations will undergo the same experience. This being true, we erations will undergo the same experience. This being true, we must turn to our Army as our hope of preserving or restoring peace. The glorious achievements of our soldiers in the past are written large on the pages of our national history. Let us unite in honoring and maintaining our present Army that we may face the future with the assurance that we will have alert, efficient soldiers jealously guarding American liberties. Eternal vigilance is the price of freedom. Tonight, as we conclude the observance of Army Day, uniformed sentinels are at every military post in the country, guarding the flag that symbolizes our Republic, ready to give their lives to keep that banner flying over American institutions. Let us unite for peace, but let us always defend something tions. Let us unite for peace, but let us always defend something more precious than peace—our God-given freedom. For, as Leonard Wood said, "We must not forget that there is many a peace which is worse than war."

TRANS-FLORIDA CANAL-WATER TRANSPORTATION

Mr. FLETCHER. Mr. President, I ask leave to have printed in the Congressional Record an editorial from the Marine News for April 1936, under the heading "Do the People Really Want Water Transportation?" and also an editorial appearing in the same issue of the Marine News under the heading "The President's Finest Commercial Initiation—Starting the Trans-Florida Canal."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Marine News for April 1936]

DO THE PEOPLE REALLY WANT WATER TRANSPORTATION?-USEFUL, BOONDOGGLING OR DIGGING IMPORTANT WATERWAYS?

We have been given to understand by the highest authority in the land that if no way can be discovered to provide honest useful labor for the out-of-job workers, then resort will be made to ful labor for the out-of-job workers, then resort will be made to boondoggling. Boondoggling is a new word grafted unto our special brand of the English tongue to indicate futile, inept activities. If we care to learn from the wisdom of 2,000 years ago, we have the authority of the Roman Jew Paulus for the dictum that: "If a man will not work neither should he eat." The problem of unemployment has been with humanity since the dawn of time, and was even more acute in the days of the Carpenter of Nazareth than today, for there were no factories and no machines to tend; agriculture and the activities that are associated therewith constituted the sole opening for the world's workers; there were a few artisans, but oh so few in contrast with the myriads that toiled in such work as building the pyramids of Egypt. "Why stand ye here all the day idle?" "No man has hired us, Lord." That parable rings true as to labor conditions all the way down the ages. down the ages.

down the ages.

While it is perfectly true, that, in order to hold one's market every manufacturer must be alert to cheapen his product by reducing the number of hours' labor required to produce his goods, this process inevitably results in reducing the number of hands on the pay roll, while the cost of each hour's labor per individual steadily mounts. When the editor was learning the machinist's trade at the Rogers Locomotive Works, in Paterson, N. J., nearly 60 years ago, machinists were working 10 hours per day for \$1.35. Yes; believe it or not, that was all a lathe hand was getting at that time whose job was turning siderods. There are people alive today who can recall when each loom had but one attendant. Check up and find out how many looms are cared for by one attendant today. The process is an inevitable one—higher wages, shorter hours, fewer hands. And what about the displaced workers? Their sole and only choice is back to the land or the sea. Nature will give them a living, but Nature never has, and never will, promise to give them any more than a bare living. Why not face facts? It is no solution to play Robin Hood and "rob selected Peter to pay collective Paul."

The only individual who can initate new enterprises is one who has more money than he needs to satisfy his immediate physical requirements. Soaking the rich is one form of national suicide. But soaking the rich and handing out the plunder in the form of doles not only exterminates the sole source of jobs, but pauperizes the jobless. No country can long survive the process. Facile descensus averni.

There is, however, something better to do with the taxpayers' money than boondoggling. Take a United States Coast Survey map and learn how many miles of water hauling might be saved between, say, Savannah and Pensacola, Savannah and Mobile, Savannah and New Orleans, Savannah and Port Arthur, Savannah and Galveston by digging the canal across Florida. And similarly there are substantial savings in distance between the ports of the Gulf of Mexico and all the ports of the Atlantic coast. But distances saved do not alone tell the whole story; there is the Gulf stream to be bucked going south around Florida, while there is a reverse flow toward the south close to the Atlantic coast.

But far more important than all other transportation economic factors is the fact that with the completion of our intracoastal waterways and canals the self-unloader and the vessel that carries its cargo above the water line become possibilities. Think of what the goal toward which the completion of our intracoastal waterways aims means to the Nation! It means the possibility of transporting miscellaneous freight at a rate as low as 1 will not formulated by the designs and towards of complete the self-transporting miscellaneous freight at a rate as low as 1 will not formulate the possibility of transporting miscellaneous freight at a rate as low as 1 mill per ton-mile of haul free of the dangers and terrors of ocean navigation. About the best that the land transport agencies can profitably handle the same freight for is at least five times as much.

much.

The digging of the Panama Canal set 50,000 at work and proved a God-send to industry in general. The demand for shovels, picks, crowbars, rock drills, wheelbarrows, tractors, diggers, ditchers, dredges, barges, wagons, carts, and trailers was felt all over the country and its repercussions were highly beneficial. Now the Panama Canal was only one-quarter as long as the canal across Florida, though its difficulties were very much greater. If the need arose, more men might be set to work digging the Florida canal than were used at Panama. Digging this greater. If the need arose, more men might be set to work digging the Florida canal than were used at Panama. Digging this Florida canal would prove a great boon in more ways than one. It would take out of the city individuals who are now slowly but surely sinking into pauperism. As we remark above, which is better for the nation and the individual, that these thousands should be fed, housed, and clothed while boondoggling or while improving the transportation facilities of our coast line? The choice is squarely up to you, O people. You are going to feed these jobless whether they boondoggle or dig your canals. We refuse to believe that you are so stupid or wicked as to prefer to support them in idleness or in boondoggling. The President was everlastingly right in starting the Florida canal, and it is simply stupid to include it in the same category as the "Quoddy" Power

Dam. Which is it going to be, boundoggling and idleness or useful digging of intracoastal waterways? The President is going to spend your money feeding, housing, and clothing these jobless any way you decide.

[From the Marine News for April 1936]

TURNING LOVELY FLORIDA INTO A SALT-CAKED WASTE: WHAT A SHAME!
THE PRESIDENT'S FINEST COMMERCIAL INITIATION—STARTING THE TRANS-FLORIDA CANAL

THE PRESIDENT'S FINEST COMMERCIAL INITIATION—STARTING THE TRANS-FLORIDA CANAL

On the principle, we suppose, that an objection that has no foundation in fact is better than no objection at all, the friends of the railroads have attacked the trans-Florida canal on the specious ground that digging a canal from the salt-water ocean into the interior of a piece of land would most surely permeate its ground with salt water and, accordingly, kill off all vegetation that needs fresh water. "Listens good", to use a modern colloquialism, at first blush, but a moment's reflection should convince any well-informed intelligent individual that it is absurd. If any such physical result followed the washing of the shores of a country with salt water, only salt meadow could adjoin the shores of the ocean, which is far from being a fact. Florida itself gives the lie to any such statement, for there are plenty of places on the coasts of Florida where luxurious vegetation grows close to the beaches that form her shores. A much more precariously situated country is Holland. Take a good look at the map. A substantial part of Holland is below the level of the North Sea, and for centuries windmills have been pumping water from drains in those same "hollowlands." But do they pump up salt water that has seeped in from the salt-water North Sea? They do not. They have been pumping up fresh water. The reason is simple enough. Because of rainfall lands adjacent to the ocean or any of its coastal indentations are constantly exuding into the ocean streams of fresh water; the flow is outward, not inward.

A special board of geologists and engineers recently submitted a

is outward, not inward.

A special board of geologists and engineers recently submitted a report to the Ocala district engineer, in which occur the following conclusions:

conclusions:

"1. The Florida Peninsula is a nearly flat, very low-standing, wet plateau, having a 52-inch annual rainfall, which is equal to 900,000,000 gallons per square mile.

"4. The State is fashioned to absorb a large proportion of the rainfall. Much of the rain falling on the peninsula, therefore, percolates down into the rocks beneath. As a result, an immense underground reservoir of fresh water has been built up within both the upper and lower series of rocks.

"5. This fresh-water reservoir floats on salt water, which permeates the rock at the lower levels. The salt water has been depressed below sea level to depths depending upon the height of the fresh-water table above sea level. Thus a column of fresh water standing above sea level will be underlain by a much deeper column of fresh water above sea level, there will be about 38 feet of fresh water below sea level, there will be about 38 feet of fresh water below sea level.

fresh water above sea level, there will be about 38 feet of fresh water below sea level.

"6. Of the 195 miles of canal from deep water to deep water, excavation along only 14 percent, or 27 miles, will have any appreciable effect on the level of the ground-water table in the open reservoir, or on artesian conditions. The Ocala limestone will not be cut beyond the vicinity of Silver Springs. The artesian reservoir will not be cut anywhere."

Suppose we turn our attention to Holland for a moment. One-marker of the whole kingdom lies below the Ameterdam Zero, which

will not be cut anywhere."

Suppose we turn our attention to Holland for a moment. One-quarter of the whole kingdom lies below the Amsterdam Zero, which is the average high-water mark of that branch of the Zuider Zee; and altogether 38 percent of the entire country lies within 40 inches of that same level. Holland is a whole lot lower than Florida, and vast areas are superimposed upon a sea-clay stratum that extends way out into the North Sea. When one bears in mind that this rich sea-clay stratum lies from 11½ to 16½ feet below the Amsterdam Zero, it must be evident that falling rain sinking down to this clay stratum prevents the incoming percolation of the waters of the North Sea, for the water within the "polders" is fresh, and it is only by pumping that its level is kept down so that the soil will not be too wet.

"Impoldering" is the process by which large areas of highly fertile land have been added to the agricultural acreage of this country. Land covered by water is first surrounded completely by dykes, and then continuously pumped out so as to maintain a ground-water table whose upper surface is sufficiently below the ground level. As most school children know, the water in these "polders" has been kept at the proper level by wind-mill driven pumps, and that process has been going on for the last 400 years. Recently steam engines have taken the place of wind mills. The rainfall in Holland is such that it requires 12 horsepower of pumps for every 100 hectares of land (a hectare being slightly less than 2½ acres) for each 40 inches the water must be lifted. And, stated in another way, the pumps must be powerful enough to raise 9 pounds of water 1 yard per minute per acre. In polders devoted to pasturage the water level is kept down to from 1 to 1½ feet below ground level; in agricultural "polders" the water level must be kept down to from 2½ to 3½ feet below ground. Such results can only be brought about by more or less continuous pumping. These "polders" are criss-crossed by drains, which cover 12 perce can only be brought about by more or less continuous pumping. These "polders" are criss-crossed by drains, which cover 12 percent of the area of the polder and serve to lead the water to the pumps. Kindly note that this water is not salt water, though what is generally known in this country as its "hard pan", or stiff clay, runs in a continuous layer right out into the North Sea.

The foregoing should convince the most fearsome that digging salt-water canals into and through a country does not introduce salt water into the subsoil. The fresh water which came down on

the land in the form of rain, sinking down through the more or less porous soil, always forms an underground lake, which may carry in suspension plant food in the shape of salts of lime, but is never salt in the sense that salt water is salt. Even Florida might be proud to raise dairy products of as high grade as those raised in the "polders" of Holland; and the same goes for fruits, flowers bulbs and regetables. flowers, bulbs, and vegetables.

CEMENT PRICES AND CONTRACTS

Mr. WHEELER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me and released today regarding the matter of fixing cement prices.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

On April 2, in a letter addressed to the Secretary of the Interior, I called attention to the fact that an investigation before the Interstate Commerce Committee disclosed that four cement companies bidding on six different items submitted identical prices to the Government all the way through to the fourth decimal. These figures were furnished to the committee by the engineer for the Reclamation Service.

The testimony of witnesses called to explain this apparent collusion brought out the fact that they were the result of using what is commonly known as the basing-point system in figuring prices. This is nothing more nor less than a juggling of freight costs so that all cement mills would arrive at an identical price to charge the Government. This practice has been going on for many years, and up to the present time the Secretary of the Interior and other departments of the Government have evidently been helpless to combat it, even though hids have been thrown out because they

departments of the Government have evidently been helpless to combat it, even though bids have been thrown out because they appeared to be collusive.

On April 2 I called the Secretary's attention to the fact that the testimony of officers in some of the bidding companies disclosed their ability to make a good profit on this Government business at much less than the rate they were charging, but that they did not care to charge less, even though they sell to private consumers at a much lower rate of profit than that obtained from the Government. Government.

From the computation of my own staff I confidently believe the Republic Portland Cement Co., San Antonio, Tex., in this particular contract charged the Government a sum in excess of \$165,000 over and above a fair profit. This alone can be laid to the fact that cement companies are permitted to use the basing-point system in establishing delivered prices.

Another monopolistic practice which has been brought to light during the course of the hearings on the basing point bill by the Interstate Commerce Committee is that, although every other industry in the country allows a discount for quantity purchases, the cement industry, with its closely integrated control among its

cement industry, with its closely integrated control among its members, refuses to allow one penny discount on even a milliondollar order.

In other words, the Government must pay the same rate on an order involving half the output of a mill that a private individual pays when buying a single car. If the cement industry were to adopt even the rate of discount used by the steel industry (and no one will ever accuse the steel industry of being overgenerous in prices) this particular order which I am describing would save the taxpayers over \$50,000.

These delivered price contracts by the cement industry in the aggregate are costing the taxpayers million of dollars a year in excessive charges. If the industry will not correct them from within, then the Government will have to correct them as clearcut violations of the antitrust laws

I am informed that this particular contract upon which testimony was given before our committee in hearings on the basing point bill was awarded yesterday because the officials of the Department of the Interior felt it would be useless to throw out the bids and readvertise.

recently. Some of them are very clever and ingenious. They amount to this, however: That we price this way in order to discourage monopolistic practices and to preserve free competition, etc. This is sheer bunk and hypocrisy. The truth is, of course—and there can be no serious, respectable discussion of our case unless this is acknowledged—that ours is an industry above all others that cannot stand free competition, that must systematically restrain competition or be ruined.

others that cannot stand free competition, that must systematically restrain competition or be ruined. * * ""

From 1933 to 1935, 76,000,000 barrels of cement were used on projects financed either wholly or partly from the Public Works fund. These purchases were made in order to place at work thousands of the unemployed. I have not had an opportunity to examine the other contracts for cement; but if this present contract for 365,000 barrels is any criterion of the way the Government has been gouged, I would say the cement industry has penalized the taxpayers of this country in excess profits an unbelievable sum.

Other industries besides cement use the basing point system, steel most prominent of all; and when it is enforced against the Government in its relief and emergency construction work, these industries are directly and deliberately adding greatly to the burden public debt and are taking in excess profits the money Congress thought it was appropriating to take care of the unemployed.

RECESS

Mr. ROBINSON (at 1 o'clock and 33 minutes p. m.). I move that the Senate take a recess.

The motion was agreed to; and the Senate, in legislative session, took a recess.

SENATE

SATURDAY, APRIL 11, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian.

The managers on the part of the House, Hon. HATTON W. SUMNERS, of Texas; Hon. RANDOLPH PERKINS, of New Jersey; and Hon. Sam Hobbs, of Alabama, accompanied by the clerk of the Committee on the Judiciary of the House of Representatives, Elmore Whitehurst, and by Thomas M. Mulherin, special agent, Federal Bureau of Investigation, Department of Justice, appeared in the seats provided for them.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., and R. O. Cullen, Esq., of Miami, Fla., associated with Mr. Hoffman, appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms by proclamation will open the proceedings of the Senate sitting for the trial of the articles of impeachment.

The Sergeant at Arms made the usual proclamation.

On request of Mr. ASHURST, and by unanimous consent, the reading of the Journal of the proceedings of the Senate, sitting for the trial of the articles of impeachment, for Friday, April 10, 1936, was dispensed with, and the Journal was approved.

point bill was awarded yesterday because the ometals of the Department of the Interior felt it would be useless to throw out the bids and readvertise. I cannot share the Secretary's viewpoint. I do not believe this Government has so far lost its power that it must peacefully submit to exploitation at the hands of any industry, no matter how strong that industry may be.	The VICE P	IS. I suggest the absence of a quorum. PRESIDENT. The clerk will call the roll. Clerk called the roll, and the following Senators their names:				
Conditions in the cement industry have been so bad that even back in 1934 an official of a cement company protested against the	Adams Ashurst	Connally Coolidge	La Follette Lewis	Reynolds Robinson		
high-handed method used by the cement industry in dealing with	Austin	Couzens	Logan	Russell		
the Federal Government. I quote here paragraphs from that letter	Bachman	Davis	Lonergan	Schwellenbach		
which was introduced in the hearing before our committee:	Bailey	Donahey	McGill	Sheppard		
"Now, I would have conceded the mill price at once on Federal business and I would have indicated a very open-minded attitude	Barbour Barkley	Duffy Fletcher	McKellar McNary	Shipstead Smith		
toward the larger question; and this to create the impression, de-	Benson	Frazier	Maloney	Steiwer		
liberately, that something besides obstruction and short-range	Black	George	Metcalf	Thomas, Okla.		
trading can be had out of the cement industry. I would have	Bone	Gerry	Minton	Thomas, Utah		
taken advantage of this great opportunity to lay a telegram on	Brown Bulkley	Gibson Guffey	Murphy Murray	Townsend Truman		
the President's desk which he would have read. We know he is	Bulow	Hale	Neely	Vandenberg		
watching the cement question. I would have tried to strike a new	Burke	Harrison	Norris	Van Nuys		
note of cooperation and reasonableness, in contrast with what Ickes and the Federal Trade Commission tell him about us. This	Byrd	Hastings	Nye O'Mahoney	Wagner Walsh		
could have been the beginning of a real campaign for better public	Byrnes Capper	Hatch Hayden	Overton	Wheeler		
relations. I don't think this chance is yet lost—that is why I	Caraway	Johnson	Pittman	White		
am writing you. The only thing that I think has been lost is a	Carey	Keyes	Pope			
neat opportunity to score our point with the President himself."	Clark	King	Radcliffe			
"Do you think any of the arguments for the basing point sys- tem, which we have thus far advanced, will arouse anything but	Mr. LEWIS	. I announce,	and ask that	the announce-		
derision in and out of the Government? I have read them all	ment stand f	or the day, th	at the Senator	from Alabama		

[Mr. Bankhead], the Senator from Colorado [Mr. Costigan], | new statement certain matters were to be cut out which the Senator from California [Mr. McApoo], the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL] are absent from the Senate because of illness; that the Senator from New Mexico [Mr. Chavez] is absent because of illness in his family; and that the Senator from Mississippi [Mr. Bilbo], the Senator from Oklahoma [Mr. GORE], the Senator from New York [Mr. COPELAND], my colleague the junior Senator from Illinois [Mr. DIETERICH], the Senator from West Virginia [Mr. Holt], the Senator from Louisiana [Mrs. Long], the Senator from Virginia [Mr. GLASS], and the Senator from New Jersey [Mr. Moore] are necessarily detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson] is necessarily absent.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

DIRECT EXAMINATION OF J. W. SALISBURY (CONTINUED)

The VICE PRESIDENT. Counsel for the respondent will proceed.

Mr. WALSH (of counsel). I should like to recall Mr. Salisbury.

The VICE PRESIDENT. Call the witness.

Mr. Salisbury resumed the stand.

By Mr. WALSH (of counsel):

Q. Mr. Salisbury, when you left the stand you were asked to go over a statement which I offered you with the request that certain notations be made upon it by you. Did you do that?—A. Yes, sir.

Mr. WALSH (of counsel). I should like to say to the managers that I have taken off this statement certain matters that were objectionable and which we could not agree upon. I am going to offer it in evidence in its present form.

Mr. Manager PERKINS. We will object to it in its present form if it contains anything that is not admissible. I understand from the statement of counsel that it does contain matters that are not admissible.

Mr. WALSH (of counsel). You have misunderstood me. I did not say that. I said we cut off the objectionable matters, the matters that we could not agree upon, and now I think that everything in it is admissible.

Mr. Manager PERKINS. You mean to say that you prepared a new statement?

Mr. WALSH (of counsel). No; but you objected to certain items of money as hearsay, and it was hearsay, as we stated, so we cut that off of this statement and we now are going to introduce it in that form. I wanted to give you an opportunity to look it over.

Mr. Manager PERKINS. I do not know what counsel means when he says "he cut it off." Does he mean to say that there is anything in this statement that is not admissible?

Mr. WALSH (of counsel). We think everything in that statement now is admissible. What I meant when I said I "cut it off" was that the items to which you objected, and which we conceded were hearsay, were in the extreme righthand corner. So all we had to do was to cut it right through the center and leave that off; and we now believe that this is all admissible. Of course, you have an opportunity to object to any particular item.

Mr. Manager PERKINS. We do not concede that the statement contains only admissible evidence. There are certain figures here which cannot be within the knowledge of the witness, and there are other statements to which we

The VICE PRESIDENT. The Chair does not understand the situation exactly. Counsel for the respondent made a statement, as the Chair understood, that he had an agreement with the managers on the part of the House that a certain part of the statement was objectionable and that he cut out such portions as the House managers objected to.

Mr. WALSH (of counsel). Yes, Mr. President.

The VICE PRESIDENT. If that is the case, there is no disagreement about it.

Mr. Manager PERKINS. It is our understanding that there was to be prepared a new statement and that from the of the case were to be paid out of the \$300.

were not admissible under the rule.

The VICE PRESIDENT. The Chair thinks that the matter objected to by the managers on the part of the House is not admissible as evidence.

By Mr. WALSH (of counsel):

Q. Mr. Salisbury, have you a copy of this statement?-A. Yes, sir.

Q. I will ask you to take the case of the Indianapolis Life Insurance Co. and state whether or not you have an independent recollection of that case being in the office at the time of the dissolution of the partnership between Judge Ritter and Mr. Rankin.

Mr. Manager PERKINS. We object. If the witness is to testify from independent memory, he may not use anything to refresh his memory. The objection is that the statement is not his own and there are items in the statement not within his knowledge.

By Mr. WALSH (of counsel):

Q. I will ask you whether or not everything now left in the statement was not prepared under your direction and checked before you came here with Mr. Callaway, the accountant?-A. Yes, sir.

Mr. Manager PERKINS. I still press the objection. It is inadmissible for the witness to use a memorandum to refresh his memory if he has an independent knowledge of the matter.

The VICE PRESIDENT. The Chair thinks that is sound. By Mr. WALSH (of counsel):

Q. Then I inquire, without your using the memorandum, do you recall whether there was in the office formerly occupied by Rankin & Ritter, at the time of the dissolution of the firm, a case known as Indianapolis Life Insurance Co. against Cherry, in which the firm represented the plaintiff?— A. Yes. sir.

Q. What was the nature and character of that case?-A. That was a mortgage foreclosure.

Q. Do you know from memory the amount involved?-A. I think it was \$3,750, but I am not sure.

Q. Do you know of your own knowledge whether or not Judge Rankin collected any fee in that case?-A. Yes, sir; I know he collected a fee. I do not know how much.

Q. Did you look at a memorandum while you were in the office that indicated how much it was, and did you put it upon this sheet?-A. Yes, sir.

Mr. Manager PERKINS. We object. That is not testimony in a court of law. The witness now purports to testify from memory, and now it seems he is not testifying from memory. Counsel cannot bind the managers by that character of testimony.

Mr. WALSH (of counsel). I believe the law to be that if the statement is made under the direction of the witness he can testify to it with the same verity and with the same freedom as a witness as though he had made it himself.

Mr. Manager PERKINS. We do not think that is the rule of evidence by any means. Many statements may be made in the presence of a witness that are not admissible afterward in evidence. The question is whether this witness, who looked at a memorandum that he did not make and of which he has already stated he did not know the amount or the details, can then be asked to testify.

The VICE PRESIDENT. Let the witness testify to what was within his own knowledge.

By Mr. WALSH (of counsel):

Q. Can you give the amount of money that was collected in that case?

Mr. Manager PERKINS. We object unless it is within the witness' own knowledge.

The VICE PRESIDENT. The Chair just so stated. The Chair cannot determine whether it is within the knowledge of the witness.

A. I know what the agreement was. I do not know whether he collected that much money or not.

By Mr. WALSH (of counsel):

Q. What was the agreement?-A. That that case should be handled for \$300 less the costs; in other words, the costs

- Q. And was the case disposed of while you were in the office?—A. Yes, sir.
- Q. Was there any fee collected to your knowledge while you were in the office in that case?—A. Yes, sir.
- Q. I will call your attention to a case entitled "Indianapolis Life Insurance Co. against Alma Gates." Do you recall whether or not there was such a case as that in the office?—A. Yes. sir.
- Q. Do you recall which side the office represented?—A. The
- Q. What was that case, if you please?—A. A mortgage fore-closure.
- Q. Do you know the amount involved from your own recollection?—A. It would be impossible to remember that. It was around three or four thousand dollars; all of those cases were. They were loans.

Mr. Manager PERKINS. We object to the statement of the witness that all those cases were like that.

The VICE PRESIDENT. The witness is trying to testify to his own personal knowledge, and if he has none he cannot testify.

By Mr. WALSH (of counsel):

- Q. Answer the question.—A. That was a mortgage fore-closure, but I do not remember exactly the amount involved.
- Q. Do you know from your independent recollection whether Mr. Rankin collected a fee in that case?—A. I know he collected some fee. I do not know how much.
- Q. Do you recall a case entitled "Indianapolis Life Insurance Co. against E. A. Coates?"—A. That was not a case. That was a mortgage and was settled out of court by obtaining a quitclaim deed from one of the parties to the Indianapolis Life Insurance Co.
- Q. Do you or not, of your independent knowledge, know whether there was a fee collected in that case?—A. I know I made out a bill of \$200. I do not know whether he collected it or not.
- Q. That was the charge that was made?—A. Yes, sir. I am sure I made out the bill myself.
- Q. Take the case of Indianapolis Life Insurance Co. against Hutson. Do you recall that case?—A. That was not a case, as I recall. That was settled out of court.
- Q. Whom did the office represent?—A. The Indianapolis Life Insurance Co.
- Q. What was the disposition of it?—A. That was a case settled out of court I am sure. The memorandum will show. I cannot recall.
- Q. You cannot testify from the memorandum under the ruling of the Vice President.—A. That was a case either foreclosed in court or a quitclaim deed obtained and settled out of court, and I think it was the latter.
- Q. That is the Hutson case; Indianapolis Life Insurance Co. against Hutson?—A. I am sure that did not go into court.
- Q. Did or did not Mr. Rankin collect a fee in that case?—
 A. That is another one where there was a charge of \$200, and I do not know whether he collected it or not.
- Q. Did you make out a bill for the fee?—A. I do not know whether I made it out or whether I told him what I thought it was worth and he made it out.
- Q. Do you recall the case of Indianapolis Life Insurance Co. against H. J. Jury?—A. Yes, sir.
- Q. What kind of a case was that?—A. That was a fore-closure case.
 - Q. Did it go to final decree?-A. Yes, sir.
- Q. What was the fee in it?—A. I do not know of my own knowledge.
- Q. Do you know whether Mr. Rankin collected a cash fee in that case or not?—A. I know he collected a fee in all those Indianapolis Life Insurance Co. cases, but I do not know how much the fee was.
- Q. That was one of the Indianapolis Life Insurance Co. cases?—A. Yes, sir.
- Q. Do you recall the case of Lanfranchi, Inc., against Luckenbach?—A. Yes, sir.
- Q. What was the representation in that case?—A. We represented the plaintiff. In that case there was correspondence for several months before I came in the office, and a few Noel?—A. Yes, sir,

- months or weeks after I came in the office I prepared and filed a suit.
- Q. Was the suit disposed of while you were in the office?—A. Yes, sir.
- Q. I will ask you to state whether or not Mr. Rankin collected a cash fee in that case?—A. I do not know for sure.
- Q. Then do not state.—A. I know a charge was made. I do not know whether he collected.
- Q. What was the charge made in the case?—A. I cannot recall that now.
- Q. Do you recall another case entitled "Lanfranchi, Inc., against Long and Baker"?—A. Yes, sir.
- Q. What was the nature of that case?—A. That was a suit to quiet title.
- Q. Was it disposed of while you were in the office?—A. I am sure it was.
- Q. Do you remember the amount involved in it?—A. No particular amount. It was to quiet title.
- Q. Was there any further claim or demand in the case than to quiet title?—A. It is difficult for me to say. It would be impossible for me to remember back to 1929. I am trying my best, but that is my best recollection of the case.
- Q. Do you remember whether Mr. Rankin collected a fee in the Lanfranchi case to quiet title?—A. I do not know.
- Q. Do you recall a case that was in the office entitled "O. J. Myers, receiver, against Lockhart & Stapper"?—A. Yes, sir.
- Q. Whom did you represent in that case?—A. We represented Lockhart & Stapper. That was a suit on a promissory note in Dade County, I believe.
 - Q. Do you know the amounts involved?-A. No, sir.
- Q. Was it a large or small amount?—A. It was a large amount, but I cannot remember what it was,
- Q. Could I refresh your memory by suggesting an amount, do you think?—A. It might.
- Mr. Manager PERKINS. We submit that it is not proper for counsel to refresh the witness' recollection by suggesting an amount.
- The PRESIDENT pro tempore. The witness testified he does not remember the amount.
 - A. I think I do now. I think it was \$75,000 or \$125,000. By Mr. WALSH (of counsel):
- Q. Was that case disposed of while you were in the office?—
 A. I think Judge Rankin handled the settlement of that case.
 I had nothing to do with it, although the docket shows that it was in the office and was pending at that time.
- Q. You remember that, do you?—A. I remember the case and that is all.
- Q. Do you know whether or not Mr. Rankin collected the fee in that case?—A. I do not.
- Q. Do you know the case of Nichols against Brown?—A. Yes. There was a mortgage foreclosure and a suit on a note at the same time. There were two cases of Nichols against Brown.
- Q. Do you remember the amount involved?—A. No; I do not.
- Q. Do you remember whether it was a large or a small amount?—A. I cannot remember that. I just remember the case. I remember the caption and I remember the case.
- Q. Do you remember a case entitled Real Estate Building Co., Inc., against Stiles C. Hall?—A. Yes, sir.
- Q. What was the character of that case?—A. That was a suit on a stock subscription.
- Q. Do you remember how much was involved in it?—A. No; I do not.
- Q. Do you remember whether or not it was settled?—A. I am sure it was, but I do not know how.
- Q. Did you attend to any part of the settlement?—A. If I am not mistaken, I did, after judgment. I think I personally settled that case for a lesser amount than the judgment for cash.
- Q. Did you or did you not yourself collect some cash in that case?—A. Yes, sir; but I cannot remember what it was.
- Q. I will ask you, if you did collect cash, to whom did you turn it over, if anyone?—A. To Judge Rankin.
- Q. Are you acquainted with the case of Webb against Noel?—A Yes sir.

- Q. Whom did you represent in that case? When I say "you", I mean the office.—A. The office represented Mrs. Noel as a claimant, a third-party claimant, in that suit.
 - Q. Do you know the amount involved?—A. No; I do not.
 Q. Do you recollect whether or not a fee was collected in
- that case by Judge Rankin?—A. Yes; I know there was.
- Q. Do you know how much it was?—A. I recall I fixed the fee. I think it was \$50.
- Q. Do you recall a case entitled "Weatherby against Clayton"?—A. Yes, sir.
- Q. Which side did your office represent in that case?—A. Weatherby.
- Q. Do you remember the character and nature of that case?—A. I believe it was a suit for an accounting, or for fraud, or some—a suit for an accounting, I believe.
 - Q. How much was involved in it?-A. I cannot recall.
- Q. Do you know whether or not there was a fee collected in it?—A. No; I do not.
- Q. Do you remember a case entitled "Tucker against Taylor"?—A. Yes, sir.
- Q. Do you remember which side you represented?—A. We represented Tucker.
- Q. What was the nature of that suit?—A. There were two Tucker suits. That was either a suit against an officer of a defunct bank, or a suit on a promissory note; I forget which.
- Q. Do you remember the amount involved in Tucker against Taylor?—A. No; I do not.
- Q. Do you know whether or not Judge Rankin collected a fee in that case?—A. No; I do not.
- Q. Do you recall the case of Tucker against Addison Mizner and Paris Singer?—A. Yes, sir.
- Q. Whom did your office represent in that case?—A. We represented the plaintiff. There are about five or six of those suits. That was a suit against the directors of a corporation to recover payments made on a land contract with the Mizner Development Co.
- Q. Do you remember the amount involved in the first case, Addison Mizner against Paris Singer?—A. No; I do not.
- Q. Do you remember that they were large or small amounts?—A. I think all of them were fairly substantial amounts.
- Mr. Manager PERKINS. Mr. President, we may be able to curtail the proceeding and save some time. If counsel will submit to us just a list of the cases that he says were in the office, it being understood that this witness would testify that they were in the office, but not testifying as to the amount involved or the amount of fee received, that will shorten the proceeding a good deal.
- Mr. WALSH (of counsel). So far as I can do so by this witness, I am going to prove the amount of the fee received; so, of course, I could not stipulate that. I shall be glad to show you this statement.
- Mr. KING. Mr. President, I ask unanimous consent to transgress the rule for a moment to make a brief statement relative to the admissibility of this testimony.
- The PRESIDENT pro tempore. Is there objection? The Chair hears none.
- Mr. KING. Mr. President, the witness testified yester-day that when he came to the office there were books there and docket books, and in those books and the docket books a number of cases were shown as pending, more than 50; that he went over the docket and the books in the office, and from those books, plus additions which were made while he was in the office, in connection with another witness who has not been produced, the statement was prepared which counsel has produced here in evidence.
- It seems to me that the witness should be permitted to testify as to the statement, because it is a statement of facts which came to his knowledge from the books which had been kept in the due course of business, and which he found in the office at the time. He is subject, of course, to cross-examination as to his knowledge in regard to the matter. The memorandum was prepared under his direction and supervision. It seems to me counsel is entitled to offer the memorandum.
- Mr. Manager PERKINS. Mr. President, we did not object to the statement of the cases, but what we did object

- to was the amounts involved, and the fees; and that is the part that the former occupant of the chair ruled out, saying that it was not admissible.
- Mr. WALSH (of counsel). I did not understand that that was ruled out. Perhaps I am mistaken. I will apologize if I am.
- The PRESIDENT pro tempore. If the statement contains what purport to be the amounts involved or the amounts of fees received, it is evident from the testimony of the witness so far that the statement is incorrect in that particular. The Chair thinks the examination should proceed in the method in which it is being conducted.
- Mr. JOHNSON. Mr. President, it was difficult to hear what the President pro tempore said. Did the occupant of the chair rule upon the subject matter?
- The PRESIDENT pro tempore. The Chair did rule upon the subject matter. The Chair will attempt to repeat his ruling.
- The witness has testified that in many cases he does not know the amounts of the fees, the amounts involved, or the amounts collected. The Presiding Officer ruled that if the statement, which was made up apparently from some memorandum, contains the amounts of the fees, or the amounts involved, it is not an accurate representation of the testimony of this witness, and should not be admitted without identification of each item.
- Mr. WALSH (of counsel). Mr. President, the statement does not purport to contain the amounts of the fees received, or any thereof. I have to draw upon his recollection for that, as I understand.
- The PRESIDENT pro tempore. If the statement does not contain the facts which you are now asking the witness as to amounts of fees and amounts collected, and he identifies that as the memorandum which he prepared from the cases in the office, then, of course, it is subject to admission.
- Mr. WALSH (of counsel). I will show it to the President pro tempore if he would like to see it.
- Mr. Manager PERKINS. Mr. President, the managers on the part of the House would like to suggest that the papers offered to the witness contain other memoranda about which the witness has no knowledge; and upon that ground the former occupant of the chair ruled that the statement was not admissible in evidence.
- The PRESIDENT pro tempore. Then the whole instrument is not admissible in evidence, if it contains matter not within the knowledge of this witness.
- Mr. WALSH (of counsel). Would it be proper for me to ask the managers on the part of the House to look at this statement and say to which items that statement applies?
- Mr. Manager PERKINS. Mr. President, at a moment's notice we cannot sit down here and go over three or four sheets of paper and attempt to determine that; but I can easily see that in the right-hand column we have this: "Amount involved", and there follow, case by case, for some 30 cases, possibly—
 - Mr. WALSH (of counsel). Fifty cases.
- Mr. Manager PERKINS. There follow figures concerning which this witness has already said he has no knowledge; and it is on that ground that we ask that the paper be ruled out.
- In order to curtail this proceeding and save time, if counsel for the respondent will clip off the entire figures on the right-hand side of the sheet, we probably then can withdraw any objection to use of the paper, and it may go in without further testimony.
- Mr. WALSH (of counsel). But I must prove the amount involved if I can prove it by competent testimony. I have already taken out all statements as to fees collected; but I maintain that, as those are taken out, this entire statement is admissible, having been made under the direction of Mr. Salisbury. Would it be proper for me to submit this statement to the President?
- The PRESIDENT pro tempore. The matter that counsel for the respective parties here tried to stipulate were with regard to what this instrument contains. The Chair, of course, does not know what is in the instrument. If it carries the cases, with an estimate of values and fees, and

this witness has already testified in response to a number of questions that he does not know of his own knowledge these facts, then, of course, the instrument would not be properly identified for the purpose of those items.

Mr. WALSH (of counsel). It does not contain those items, Mr. President.

The PRESIDENT pro tempore. The Chair thinks, in that case, that time may be saved in this way:

No matter what the ruling of the Presiding Officer may be as to the materiality or competency of this instrument as evidence, it may be appealed to the Court. In other words, the Court will be the ultimate judge of the materiality and relevancy and competency of all this evidence. The Chair may submit that question. It is perfectly evident that a long document of that kind will have to be read and considered before the Court can pass on it. Therefore, the Chair rules that the instrument will be received, subject to any examination of this witness or any other witness that may be had on the subject.

Mr. WALSH (of counsel). I will ask to have the statement marked with an appropriate number as an exhibit of the respondent, and introduce it in evidence.

(The document was marked "Respondent's Exhibit 47.") Mr. Manager PERKINS. Mr. President, may I inquire of counsel for the respondent whether he has a copy of the statement that we may use?

The PRESIDENT pro tempore. Have counsel a copy? Mr. WALSH (of counsel). I have two copies, and I shall be glad to let the managers on the part of the House have one of them while I am reading from the other.

Mr. Manager PERKINS. Thank you.

(Mr. Walsh, of counsel, handed a paper to Mr. Manager PERKINS.)

By Mr. WALSH (of counsel):

Q. I notice upon respondent's exhibit no. 47 you have made the notations which you were called upon to make yesterday evening, and the notations are "O. K., J. W. S." Is that correct?-A. That is correct.

Q. At the extreme outside there are check marks, or asterisks. What does that mean?-A. That means that in some of those instances it shows a suit was not filed until after Judge Ritter left the firm, but that those cases were in progress at least in the office, correspondence on them.

Mr. Manager PERKINS. Mr. President, may I ask permission just for a moment to inspect the original exhibit?

The PRESIDENT pro tempore. Counsel may do that. (Mr. Walsh, of counsel, exhibited a paper to Mr. Manager

PERKINS.) Mr. WALSH (of counsel). Those being so distiguishedthat is what we stopped to do last night-I will now read into the RECORD the statement without asking the witness any questions. We left off, Mr. Managers, at the case of

4/23/28. Date filed or appeared.
Real Estate Building Company, Inc. vs. Stiles C. Hall. Judgment obtained 1/15/29. Collected 4/17/29. Represented the plaintiff. Amount involved, \$1,000. Stock subscription.

Q. I see you have marked in lead pencil here the figures "\$187." What does that mean?-A. That was the fee, as I recall, that was paid.

Q. Did you collect that fee yourself?-A. I do not remember whether it was paid to me or paid to Judge Rankin. But if I collected it, I thereafter turned it over to Judge Rankin.

Q. [Reading:]

Nichols v. Brown-

3/5/29. Webb. vs. Noel. Represented the defendant. Nature of case, claim. Amount involved, \$96.40. 12/14/26.

Those are the dates of filing or appearance. The various headings are "Style of case", "Nature", "Date filed or appeared", and "Amount involved." So I will not have to give them each time.

12/14/26. Weatherby vs. Clayton. Represented plaintiff. Recovery bank deposits.

Court No. 297, 3/31/28. Tucker vs. Taylor. Represented plaintiff. Damage suit.

One thousand eight hundred dollars is the amount involved. 5240. 12/3/28. Tucker vs. Addison Mizner and Paris Singer. Plaintiff. Recovery payment land contract. Amount involved,

Thomas vs. Addison Mizner and Paris Singer. 5241. 12/3/28

5241. 12/3/28. Thomas vs. Addison Mizner and Paris Singer. Recovery payment land contract. Amount involved, \$45,000. 5384. 2/8/29. Stine vs. Benston. Represented defendant. Contract damages. Amount involved, \$12,000. 7376. 12/22/28. Smith vs. Smith. Plaintiff. Divorce. 4846. 5/9/28. Ritter vs. Manning (for client). Plaintiff. Damages \$715. ages, \$3,715.

That says "Ritter v. Manning." Who was the Ritter in that case, and what do you recollect about it?—A. That was Judge Ritter, and the client, an out-of-State client, assigned to him an account, and the suit was filed in Judge Ritter's name for convenience.

Q. [Reading:]

4776. 4/23/28. Real Estate Building, Inc., vs. Cohen. Represented plaintiff. Stock subscription. Amount involved, \$3,750. 3515. 10/29/27. Pierce & Stevenson vs. N. J. Florida Land Company. Defendant. Commission. \$23,996.55.

No. 7096. 1/7/29. Palm Beach Co. vs. Benton. Represented defendants. Mortgage foreclosure. \$1,980. 6346. 2/25/28. Palm Beach Allapatah Company vs. Allapatah Land Company, Howard Cole, and Faith B. Cole. Represented defendant. Equity suit. \$183,000.

Was that settled while you were in the office?-A. No, sir; it was not settled while I was in the office.

Q. It was still pending when you left?—A. Still pending.

Q. [Reading:]

5460. 3/8/29. Noel vs. J. B. McDonald Co. Represented plaintiff. Nature of case, commission. Amount involved, \$1,500.

Do you recall that case?-A. Yes, sir.

Q. [Reading:]

1/9/28. Palms Ice Company matter. (Office client.) Owner. Sale of plant and dissolution corporation.

Do you recall that case?-A. That was not a case. I recall the transaction.

Q. What was the general nature of it?-A. That was the sale of the Palms Ice Co. to the City Ice & Fuel Co.

Q. Do you recall whether or not there was a fee collected in that case?-A. Yes, sir; I handled that transaction.

Q. Did you collect the money yourself?-A. No. I gave the figures to Judge Rankin, what I thought a reasonable fee.

Q. And did he or did he not collect the fee in it?-A. Yes. sir; he did.

Q. How much was it?-A. Eight hundred and some dollars.

Q. [Reading:]

County Court. 3/25/29. Malcolm vs. Pace. Represented plaintiff. Claim. Amount involved, \$200.

Was a fee collected in that case?-A. Yes, sir.

Q. Did you collect it, or did Mr. Rankin?-A. I might have collected it and turned it over to him, but I cannot recall.

Q. How much was the fee in that case?-A. I cannot recall that.

Q. [Reading:]

4555. 1/9/29. Linderman vs. Duncan. Represented defendant. Contract. \$1,000.

Was there a judgment in that case?—A. Yes, sir.

Q. Was a fee collected?—A. Yes, sir.

Q. Do you remember how much it was?-A. No; I cannot.

Q. [Reading:]

4446. 1/4/28. Johnson vs. Jett. Represented plaintiff. Dam-

ages. \$5,000.
4445. 1/4/28. Roberson vs. Jett. Plaintiff. Damages. \$5,000.
5533. 4/1/28. Hoover vs. Eckler. Represented plaintiff. Dam-

ages. \$800.
231. 5/14/27. (Okeechobee) Highsmith vs. Okeechobee Company. Plaintiff. Nature, collection judgment. Amount, \$10,000.

Do you recall that case?-A. Yes, sir.

Q. Do you recall the matter of the fee in that case?-A. Yes.

Q. What was the fee in it?—A. \$1,250.

Q. Was that shared with any other person?—A. That was Judge Rankin's share of the fee. The total fee was \$2,500.

Q. Was the total fee shared with any other lawyer?-A. With George Coleman.

Q. Mr. Coleman, a lawyer in Palm Beach?—A. Yes, sir.

Q. [Reading:]

5355. 1/23/29. Fernandez vs. Addison Mizner and Paris Singer, Plaintiff. Recover amount paid, land contract. Amount Involved, \$6,500.

(Indian River) Gulf Stream Investment Com-799, 5/15/28. pany vs. Harmon et al. Defendant. Mortgage foreclosure. 5620. 3/8/29. Phil Foster vs. L. Somos. Plaintiff. Distress rent.

Amount involved, \$700.

Do you recall that case?-A. Yes, sir.

Q. Was a fee collected in that case?—A. Yes, sir.

Q. Do you remember the amount of it?—A. I do not. That case was filed quite a while after Judge Ritter left the office, but the correspondence on it was going on for several months before suit was filed.

Q. That is one you marked with an asterisk .- A. Yes, sir.

Q. [Reading:]

4637. 4/2/28. Ingalls Iron Works vs. Von Behren et al. De-

fendant. Nature of case, damages. Amount involved, \$8,000.
5239. 12/3/28. Davis vs. Addison Mizner and Paris Singer.
Plaintiff. Recover amount paid land contract. \$65,000.

Calhoun vs. Addison Mizner and Paris Singer. 5354. 1/23/29. Represented plaintiff. Recover amount paid land contract. \$3,500, 7233. 10/24/28. Central Farmers Trust Company vs. Mortgage Finance Company. Represented plaintiff. Bill for receiver. Amount involved, trust deed.

4271. 5/19/28. Boynton Finance Company vs. Green. Represented Plaintiff. Mortgage foreclosure. \$3,500.

Do you remember any of the details about that case?-A. No: I cannot.

Q. Whether or not there was a fee collected?-A. I do not know whether there was a fee collected or not.

Q. Was it in the office?—A. Which foreclosure?

Q. The mortgage foreclosure of the Boynton Finance Company vs. Green .- A. That was in the office, but I do not recall whether a fee was collected.

Q. But it was one you marked with an asterisk as having been in the office when you came in, the work being done on it subsequently?-A. Yes, sir. That is the same situation. It had been sent in prior to that time, correspondence back and forth before the suit was actually filed.

Q. [Reading:]

8/16/27. Birchard vs. Florida Power & Light Company. Repre-

sented plaintiff. Damages. \$2,500.
5830. 10/4/29. Benston vs. Lake View Company. Represented plaintiff. Damages, \$6,000.

Do you recall that case?-A. Yes, sir.

Q. Was there or was there not a fee collected in that?-A. In land, part of the land.

Q. Do you know of what the land consisted, and the acreage of the land?-A. It consisted of lots.

Q. City lots: where?-A. City lots in Riviera, Fla., or near Riviera.

Q. Do you know the amount of the interest in the landthe proportional amount that Mr. Rankin received?-A. I am sure it was 25 percent.

Q. The total amount being \$6,000?-A. The land was recovered back. No money.

Q. No money. Was there or was there not a deed made to Mr. Rankin?-A. No. Not to my knowledge. I know there was supposed to be. Whether it was made or not I do not know.

Q. I see. [Reading:]

U. S. Ct. 7-18-28. Ernst & Ernst vs. Pine Wood Development Company. (Representing) Plaintiff. Claim. \$7,127.72.
5848. 7-29-29. John J. Hanson vs. Montgomery. Plaintiff. (Nature of action) Civil. \$1,866.50.

8427 Ch.

Numbers of cases.

1927. Everglades Club vs. A. Sherman Downs. (Representing) Defendant. Mortgage foreclosure. Suit on notes. \$50,000.

Is that correct?—A. That is correct. The first correspondence on that matter was in 1927 when Dr. Downs wrote Judge Ritter. The suit was not filed until 1930 against Dr. Downs, and they filed a suit to foreclose and a suit on the note at the same time.

Q. And was the foreclosure had?-A. No, sir. They have not wound it up yet.

Q. [Reading:]

9-20-28. Smith McDonald Ins. Co. Claim. (Representing) aintiff. Adjustment Ins. Co. \$2,257.88.

Plaintiff. Adjustment Ins. Co. \$2,257.36.
1929. Smith McDonald. Repairs. (Representing) Owner. Re-

pair building. \$850.

2-14-29. Moorman vs. Smart. (Representing) Plaintiff. Collection notes. \$6,000.

7777. 4-29-29. Oldham vs. Weatherby. Def. Accounting.

The next one I see is scratched out.

4/22/29. Thomas Amory vs. W. C. Rhodes. (Representing) Plaintiff. Damages. \$450. 1928. McCrea Refrigerating Sales. Plaintiff. Collection retian

Do you remember that case?-A. Yes, sir.

Q. Was there a fee collected in that?-A. I do not know whether the fee was actually collected or not.

Q. [Reading:]

4271. 8-10-27. Briar Holding Co. vs. Palm Beach Bank & Trust. (Representing) Plaintiff. Recover bank deposits. \$14,283.76. 6-11-28. Keller vs. Tucker. (Representing the) Defendant. Damages. \$2,000.

Jessup. Do you remember a case called Jessup, Inc.?-A. Well, that was not a case.

Q. Do you remember the matter?-A. Yes. I do not know when the corporation was formed.

Q. The ones I am now reading-I will ask you whether this list were office clients without litigation:

Jessup, Inc. Watt-Sinclair, Inc. Worth Avenue Corporation. Worth Avenue Investment Co. Mulford Realty Corporation. Jno. J. Hanson. Michael J. Jennings Lanfranchi & Allied corporations.

A. Yes, sir; they were all clients of the office.

Q. And was there business with each and every one of those clients in the office at the time you went in?—A. Yes, sir.

Q. I will ask you whether or not all those cases, or if not. what proportion of those cases, came into the office through Judge Rankin, as shown by the files?-A. Very few through Judge Rankin.

Q. I mean through Judge Ritter.—A. Practically all of that business came into that office through Judge Ritter.

Mr. Manager PERKINS. Mr. President, we object to this. It is quite obvious this witness is testifying to something entirely outside of his knowledge.

The PRESIDENT pro tempore. The witness was in the office at that time and was familiar with the correspondence. He had charge of the correspondence. The Chair thinks it is pertinent and material on that account.

By Mr. WALSH (of counsel):

Q. You have placed an asterisk at the left of the party that the office represented in each instance, and I understand that asterisk means that those are cases that the pleadings or the correspondence in the files shows came through Judge Ritter?-A. Yes, sir.

Q. You have been practicing law now for 10 years, I believe you stated on your direct examination?-A. A little longer than that.

Q. A little longer than that. You went into that office in '29. You had then been practicing how long?-A. A little over 3 years.

Q. A little over 3 years. I will ask you, from the knowledge you had at that time and from the knowledge you have today, what you would say was the reasonable value of a law business of that kind in February 1929?

Mr. Manager PERKINS. One minute. Mr. President, we object. This witness has not shown himself competent to testify to the value of a law business.

The PRESIDENT pro tempore. The Chair thinks the objection is well taken.

By Mr. WALSH (of counsel):

Q. Have you observed during the 10 years that you have practiced law the character of cases, the number that are litigated, and the character of office business, from which you could draw a fair deduction as to the reasonable value of such cases in a law office?

Mr. Manager PERKINS. Mr. President, we object. That is clearly not competent testimony, even under the interrogation now. To place a value on a law business would require someone who had knowledge of the purchase and sale of law businesses.

The PRESIDENT pro tempore. The Presiding Officer would not consider it very competent, particularly in view of the fact that the counsel for the respondent has in detail shown an interest on the part of the witness in the office during this witness' presence there, and has attempted to show the value and the character of litigation and the fees to be paid, or paid. The Chair would not consider the testimoney of the witness competent in the matter.

By Mr. WALSH (of counsel):

Q. Did you have a conversation with Mr. Rankin—first I am going to ask you, how long did you stay in that office with Mr. Rankin?—A. About 3 years.

Q. Did you have a conversation with Mr. Rankin later with reference to collecting some money that was due you?—A. I had several such conversations.

Q. I want to call your particular attention to one time that you talked to him, and that he gave you a reason why you had not been paid.—A. Yes, sir; I remember very well.

Q. When was that time? Fix it as definitely as you can.—A. Well, it was not very long before I left, and I left around the first of the year of 1933 or 1932. Of 1932 or 1933.

Q. Was that after this Whitehall fee was paid?—A. Yes.

Q. You had heard that he had received a fee from that source, had you?—A. Oh, yes.

Q. Just state the conversation that you had with him.—
A. My first conversation regarding that fee—he told me that under the circumstances, as I did not do any of the work in the case, that I should not receive my 15 percent.

Q. Weil, had you done any work in the case?—A. Not in that particular case. And as a result of that conversation I went to see Judge Ritter, who had heard—in fact, made my deal with Mr. Rankin—to get his idea of my arrangement, whether or not I was entitled to that 15 percent, and Judge Ritter thought the same way I did. After that I collected little payments—as many as I could.

Q. May I shorten this by saying that he was very slow in paying it, and you dunned him many times for it?—A. Very slow

Q. On that particular occasion, after you heard that he had collected this fee in the Whitehall case, did you have a conversation with him with respect to that incident?—A. Yes, sir.

Q. Please state the conversation.—A. I asked him for the money due me.

Q. That is, the money that was due you generally from the practice up to that time?—A. From the whole business.

Q. Not referring to this particular work he did?—A. No, no; my 15 percent under my arrangement—15 percent of everything we took in. And he told me he did not have it. And I asked him why he did not; that he was collecting money. He told me that he left a lot of bills in Alabama; that he paid those; and he would have to pay Judge Ritter \$5,000 he owed him.

Q. Did he state whether or not he had paid the \$5,000?—A. Yes; I am sure he told me he had paid it.

Q. Did he give you the details of any other payments which he had made as a reason for not paying you?—A. No; he just—his bills that he owed in Alabama.

Mr. WALSH (of counsel). You may take the witness.

CROSS-EXAMINATION

By Mr. Manager PERKINS:

Q. Mr. Salisbury, excepting so far as you have testified as to the amount of fees collected from the business enumerated, you have no knowledge, have you?—A. I have some knowledge of my recommendations to Judge Rankin of the fee that should be charged. I do not know whether he collected it.

Q. Are the lead-pencil emendations on the schedule just read from in your handwriting?—A. Yes, sir; all of them.

Q. And do they show your knowledge of the fees collected?—A. Those show my knowledge—

Q. Well——A. Just a minute. Those show my knowledge of those that I can testify under oath he did collect. As I tell you again, in practically all those cases that I handled, which was probably 90 percent, I recommended to Judge Rankin the fee that should be charged. Whether he collected it or not, I cannot tell you.

Q. Well, in the case of Highsmith against Okeechobee Co. have you not entered in a lead-pencil memorandum that the fee was \$500 or \$600?—A. You do not read that right. That is my writing; I remember it. I put that down there to show that, to my knowledge, it was either five or six hundred dollars in cash that he had collected in that case that I knew of. I do not know whether he got the balance of the \$1,250.

Q. Then it seems to me that I have read it correctly; that is to say, that your memorandum here indicates that, so far as your knowledge goes, he collected five or six hundred dollars?—A. That is right.

Q. And not \$1,250, as you testified?—A. I testified, if you will pardon me, that the office share of the \$2,500 fee was \$1,250.

Q. You are qualifying that by stating that you do not know whether the fee was fully collected or not?—A. That is right,

Q. Mr. Salisbury, in the right-hand column of this exhibit appear numerous numbers apparently expressing the amount involved in various suits?—A. That is right.

Q. That was not made from any knowledge of your own?— A. Yes. sir.

Q. By whom was it made up?—A. That was made up in connection with Mr. Callaway from the docket sheets, from the files in the office; it showed the amount and what was involved in the various suits.

Q. That was knowledge that came from examining other documents. Is that true?—A. Some of the documents I prepared myself; yes; the documents in the office and court records.

Mr. Manager PERKINS. Mr. President, so far as the further examination of the document is concerned, I am going to ask the indulgence of the Court to let our cross-examination of this paper be deferred, and ask Mr. Salisbury with reference to it a little later; and, if it meets with the approval of the Court, I will complete my ordinary cross-examination on the rest of his testimony.

The PRESIDENT pro tempore. Without objection, that course will be pursued.

By Mr. Manager PERKINS:

Q. Mr. Salisbury, you testified before the subcommittee of the Committee on the Judiciary in Florida?—A. Yes, sir; that is right.

Q. In that testimony you related your knowledge of the transactions between Judge Ritter and Mr. Rankin?—A. I will explain to you, if I may.

Q. Please answer my question. I am asking the question.—A. I am trying to explain it just like you want it answered. I did testify in that hearing, and the first conversation I had with Mr. Judge Ritter's attorney was about 2 minutes before they put me on the stand. If you will read that record, you can see they did not know what they were talking about when they examined me, because they did not know I was to be a witness.

Mr. Manager PERKINS. One minute. Mr. President, I object to the characterizations of the witness. They are voluntary, incompetent, immaterial, and irrelevant.

A. I am explaining to you.

The PRESIDENT pro tempore. The witness has a right, after answering, to explain, if he desires to do so.

Mr. Manager PERKINS. The only interrogation on the part of the managers was whether he testified as to transactions between Judge Ritter and Mr. Rankin.

The PRESIDENT pro tempore. This witness has said that he testified, has he not?

The WITNESS. Yes, sir.

By Mr. Manager PERKINS:

Q. You were examined and cross-examined in that investigation?—A. Yes, sir.

Q. To the extent of four or five pages?—A. No; to the extent of a few questions. You can see how many there are.

Q. You say there were not four or five pages but a few questions. Is that right?-A. If you will give me the book, I will tell you the number of pages. I cannot tell otherwise. [After examining document.] Three and a half pages.

Q. You were asked on that examination, were you not?-Question. Your name and occupation and place of business, Mr. Salisbury.

A. Yes, sir.

Q. And you answered-

J. W. Salisbury, attorney at law, West Palm Beach, Fla.

Q. You were asked, were you not?-

Are you engaged in the practice of law at this time?

A. Yes. sir.

Q. And you answered, "Yes, sir?"-A. Yes, sir.

Q. And you were asked, were you not, this question?-Do you hold any official position in your county at this time?

And you answered, did you not?-

I am State attorney for the circuit.

A. Yes, sir.

Q. You were also asked, Mr. Salisbury, were you not?-Do you know Judge Rankin and Judge Ritter?

And you answered, "Yes, sir?"-A. Yes, sir.

Q. And you were asked this question, were you not, and you made answer as follows:

Question. Did you know them at the time they were in partner-ship in the practice of law at West Palm Beach?

Answer. I have known Judge Ritter for quite a few years before that. I knew him in Colorado.

A. That is right.

Q. You were asked this question, were you not?-

Question. Did you know Judge Rankin at the time of the existence of the partnership?

And you answered, "Yes, sir?"-A. Yes, sir.

Q. You were also asked this question, were you not?-

Question. When the partnership of Ritter & Rankin was dissolved, did you go into the office of Judge Rankin in association with him in any way?

And you answered as follows, did you not?-

Answer. Yes, sir; under this arrangement. When Judge Ritter left he talked to me one day and said that Judge Rankin would have so much business he would not be able to handle it alone and that he wanted to get someone in his office that could handle trial work for him, as he was a little hard of hearing, and draw pleadings, and help him with the work, and in return for that Judge Rankin would pay, and that I could carry on my own practice, and in return for the work I would do in Judge Rankin's office that I would get 15 percent of his fees, and I at once took that proposition and moved in.

A. That is right.

Q. You were then asked this question, were you not?-Was that at the time of the dissolution of that partnership?

And you answered-

Yes, sir; I believe that was in February of 1929.

A. Yes, sir.

Q. You were then asked this question, were you not?-Did you make that arrangement with Rankin?

And you answered-

Yes; in the presence of Judge Ritter.

A. Yes, sir.

Q. Were you not also asked this question?—

After you went into the office of Judge Rankin was there considerable business there, or was there practically no business?

And you answered as follows, did you not?-

There was considerable business. At the time I went in there, in fact, I worked nights. I don't know how many cases there were, but there were quite a great many cases.

Q. You were also asked, were you not?-

Did you ever have occasion to discuss the indebtedness or did the indebtedness arise in your favor from your work with Judge Rankin that you discussed with Judge Ritter?

And you answered "Yes", did you not?-A. Yes, sir.

Q. Were you not also asked?-

Tell us about that; when and where and what happened?

And did you not answer as follows?-

Answer. At the time I went in the office there were certain cases that Judge Ritter and Judge Rankin talked about that Judge Ritter retained an interest in, and I was notified of that, and the arrangement was that on all other cases, whether pending or not; that is, all new cases, I would receive the full percentage on. All pending cases, with the exception of the ones that were named, I would be paid according to the amount of work done since I went into the office. That arrangement had been gained. into the office. That arrangement had been going on for about a year, I think, and I was down in Miami, and every time I was down here I took occasion to drop in and speak to Judge Ritter.

That was your answer?—A. That is right.

Q. You were also asked by Mr. Hoffman, or rather you were interrupted, and Mr. Hoffman said, "All right, go ahead", and you said-

Answer. I mentioned to him one time—he asked me how my association was, and I said, "All right; I am working hard." I remember one thing he said. He said, "Well, if you will work hard and speed Judge Rankin up and keep those clients," he said, "he has got some excellent clients, and if you can hold them your percentage will make you a nice little piece of money itself." I told him at that time that I was very well satisfied except the money that was coming to me came very slow; in other words, that I thought the fees were earned, and it was a long time afterward before I got my 15 percent, and I would have to ask for it. Not that I didn't get it; I don't mean I didn't get it, but I figured it was embarrassing to keep asking for it.

Is that correct?-A. That is correct. That was my testimony.

Q. You were also asked, were you not?-

You didn't get it as promptly as possible?

And you answered?-

I just made a statement to Judge Ritter.

Was that your answer?-A. Yes, sir.

Q. You were further asked, were you not:

Do you recall anything stated by Judge Ritter at that time in relation to any debt due to him?

And did you not answer as follows:

Answer. Yes, sir; very distinctly. He told me at that time that that was one of Judge Rankin's faults or failings. That he did not go out and collect money like he should, and that sometimes he was slow in turning it over. He told me he said, "Why, Jack, all this time he has never paid me what he owes me from our dissolution."

Is that correct?—A. That is correct.

Q. You were further asked, were you not:

Now, do you recall when that conversation took place, or about

And did you not answer as follows:

Answer. Yes, sir. That was around the first of the year of 1930. At least it was some time during the winter of 1930. He told me at that time he said, "However, I want you to know Judge Rankin is honest"; and he said, "He will eventually pay you"; and neither one of us said anything disparaging against Judge Rankin; and I am not insinuating anything now.

Is that correct?—A. That is right.

Q. On cross-examination by Mr. Hoffman, did you not sav--A. On cross-examination?

Q. I beg your pardon. Then Mr. Hoffman said, "Take the witness"; and the witness, yourself, volunteered this:

I have something else to say.

A. That is right.

Q. Mr. Hoffman said, "Go ahead"; and then you continued. did you not, as follows:

Later, after this famous Whitehall case was started, which I got a part of, I made a special trip to Miami to see Judge Ritter to ask him his advice as to whether or not he thought—he was the one who heard the arrangement I made with Judge Rankin—and whether or not he thought I would be expecting too much to expect 15 percent of that fee when I had not participated in the case; and I again made a slight complaint about getting my money in dribbles, but eventually getting them; and I remember that that was in the winter of 1931; and the reason I recall it distinctly is because night before last I sat with an old man that I had talked with just after I left Judge Ritter. Judge Ritter at that time told me again, he said, "Now, Judge Rankin is honest"; and from my association with him I knew that he was. "However, just

now he has paid me a part of what he owes me with all this money he has collected", I said. I was complaining with money coming in that I should have been paid promptly my percentage, which I have since been paid.

Then were you not cross-examined by Mr. Youmans, being asked this question:

In 1931, the date that you state Judge Ritter said he had just been paid part of his money, did Judge Ritter state then that he had been concerned about that very much?

And did you not answer:

No, sir.

A. Yes, sir.

Q. Were you not further questioned as follows:

Was there any indication, or did he give any indication that he had been concerned as to whether Rankin was going to pay him or not?

And did you not answer:

No. sir.

A. That is right.

Q. Were you not further questioned as follows:

Mr. Salisbury, you stated that you talked to Judge Ritter about the time of this dissolution, and he told you to come in there with Mr. Rankin and that Mr. Rankin was going to have lots of business and he needed help.

Is that correct?-A. Right.

Q. And you answered, did you not:

Yes, sir. In fact, I looked the books over myself and ascertained the business.

Is that correct?-A. That is right.

Q. Were you not further asked:

You stated you had to work very hard and you worked at night sometimes?

And you answered:

Some nights.

A. That is right.

Q. And were you not further asked:

Did the business begin coming in as you state Judge Ritter said it would?

And did you not reply:

Yes, sir; the business come in pretty well.

A. That is right.

Q. You were further questioned, were you not, as follows: Did you pay anything to get in with Judge Rankin?

And you answered.

No, sir.

A. That is right.

Q. You were further questioned:

Were you to participate in the law library when you went in there?

And you answered:

No, sir; I had my own.

A. That is right.

Q. Were you not further questioned as follows:

When you went in were you to participate in all the new and old business 15 percent?

And did you not answer:

I was to participate my full 15 percent on all new business, and get my percentage on the work done on the business in the office when I came in.

A. That is right.

Q. And were you not further questioned:

Did you and Mr. Rankin make any income-tax returns on your partnership business?

And did you not answer:

I am not in partners with Judge Rankin. I made my personal one; yes, sir.

A. That is right.

Q. Were you not further questioned by Mr. Hooper, a member of the subcommittee?—A. Yes, sir.

Q. Did he not question you as follows:

Are you still with Judge Rankin?

And did you not answer:

Yes, sir

And Mr. Hooper continued questioning you:

In the same capacity or are you a partner now?

And you answered:

No; the arrangement is slightly changed. I get my office space and telephone in return for the very little I do now.

A. Yes, sir

Q. And were you further questioned by Mr. Hooper, as follows:

But you don't have a partnership?

And you answered:

No, sir; never have had a partnership.

Then, being questioned by Mr. TARVER, one of the subcommittee, were you not asked this question:

How much did you get of the Whitehall fee from Judge Rankin?

And did you not reply:

I haven't got the figures with me, but it was either \$2,200 or \$2,600; around 15 percent. However, we made a blanket settlement at the last that was satisfactory to both of us. Now, I got a little more than that; that was what I got up to the time we made our settlement, and then I got an additional payment.

And then were you not further questioned by Mr. TARVER, as follows:

How much did you get in fees in cases which were pending at the time you became associated with Mr. Rankin?

And did you not answer:

You mean how much did my percentage amount to out of the cases that were on file in the office when I went over there?

Mr. TARVER said:

That's right.

And did you not answer:

Well, now, I couldn't tell you exactly. It was according to the amount of work done, for instance, if I would take care of a brief in a case—

And then you were interrupted by Mr. TARVER with this question:

We have gone over that before. I thought you might approximately recall the amount received from those cases. If you don't, all right.

And did you not answer:

No. sir: I do not recall that,

A. That is right.

Q. Is not that all of the testimony that you gave before the subcommittee?—A. Yes, sir; that is correct.

Q. You did not testify before the subcommittee the same as you have testified before this honorable Court, did you?—
A. I think I explained that to you. I did not have a chance to talk to Mr. Hoffman except about 2 minutes before I went on that stand.

Q. Please answer categorically.—A. You heard how I testified. That was my testimony before the subcommittee;

Q. You said nothing in the testimony before the subcommittee about the conversation with Judge Ritter that you testified about before this honorable Court, when you said this on yesterday:

He-

Meaning Judge Ritter-

said at that time and in my presence and to me, he said, "Jack, I have sold out lock, stock, and barrel to Judge Rankin, with the exception of that picture of Chief Justice Marshall, and I will give that to you."

You said nothing about that before the subcommittee, did you?—A. No; but that is my testimony and the truth.

Q. Yes?—A. That is right.

Q. When you were before the subcommittee you knew all the facts that you now know, did you not?—A. I did not recall everything I could testify to at that time; but I have very diligently attempted to truthfully tell it this time, which I am doing.

- Q. So that you have been very diligent in getting together the testimony that you have given before this honorable Court; is that correct?—A. Not getting together; refreshing my memory.
- Q. With whom did you refresh your memory on that subject?—A. I refreshed my memory on that subject through Mr. Callaway for one, who is here, on the sale. On what was said at the time I went in, I still have the picture of Chief Justice Marshall, and that recalled it to my mind when Judge—
- Q. But you had the picture of Chief Justice Marshall at the time you testified before the subcommittee, did you not?—A. That is right; yes, sir.
- Q. And Mr. Callaway was not present at that time, was he?—A. At which time?
- Q. At the time you testified before the subcommittee.—
 A. You said he was what—was not what?
- Q. Mr. Callaway was not present at the time of the conversation between you and Judge Ritter, was he?—A. This conversation—
- Q. Please answer my question.—A. I do not know which conversation you are referring to.
- Q. I am talking about the conversation that you stated, in this Court, took place between you and Judge Ritter.—A. And Judge Rankin. That is my—refresh your memory, and I will tell you. The conversation that I had when Judge Ritter said he had sold out to Judge Rankin was in Judge Rankin's office, Judge Rankin present and Judge Ritter present and myself present, and that is when I went into that office.
- Q. And you said not one word about that at the time you were interrogated before the subcommittee?—A. I told Mr. Hoffman—
- Q. Please answer my question.—A. Not on the stand; no, sir. The minute I got off I told Mr. Hoffman about it.
- Q. Mr. Salisbury, I perceive you are quite willing to volunteer. I am going to ask you to please answer my questions.—A. I am trying to.
- Q. Then answer them directly, and not volunteer.—Did you talk to Judge Ritter about that conversation since the investigation began?—A. At any time since to him?
 - Q. Yes .- A. Yes, sir.
- Q. So that you refreshed your memory by talking to Judge Ritter, did you not?—A. No, sir.
- Q. You did talk with him, did you not?—A. I talked with him and told him my recollection and refreshed his memory.
- Q. So that he did not remember it?—A. He remembered the conversation.
- Q. Did not Judge Ritter remember this conversation without your refreshing his memory?—A. He remembered the conversation; yes, sir; but I told him what I remembered of that conversation when I went into that office.
- Q. When did you first speak to Judge Ritter about this new piece of evidence you have given before the Court?—A. I think it was after I testified before the subcommittee at Miami, Fla.
- Q. How long afterward?—A. Immediately after I got off the stand I talked to Judge Ritter and Mr. Hoffman.
- Q. In the room there? Is that right?—A. In Judge Ritter's chambers, after the hearing before the subcommittee when I testified.
- Q. And after that the subcommittee had further hearings, did it not?—A. I think they did.
- Q. And after that Judge Ritter testified, did he not?—A. Yes, sir.
- Q. Before the subcommittee?—A. Yes, sir. I think it was after my testimony. I am not sure.
- Q. And did you talk to Judge Rankin about it later, too?—A. No, sir; I have not talked to Judge Rankin about that business since I left.
- Q. How many times since the subcommittee made this investigation did you talk to Judge Ritter about what the conversation was at the time of the dissolution?—A. I think that one time in his chambers, during the hearing of the subcommittee, and I think in Mr. Walsh's office yesterday or the day before.
- Q. So that during the hearings of the subcommittee you talked to Judge Ritter as to what this conversation was?—

- A. I do not remember exactly what I told him, but I talked to him about remembering when I went into the firm, what was said. I do not remember my words.
- Q. That was during the hearing of the subcommittee, was it not?—A. Yes, sir; right after I testified.
- Q. Yet you did not ask to go back on the stand and correct or amend your testimony, did you?—A. I did not ask to amend or correct it, either; no, sir.
- Q. You did not tell any of the subcommittee that you had further information which you had failed to testify, and ask to go back on the witness stand?—A. I told Mr. Hoffman, and he said he did not think it was necessary.
- Q. Mr. Salisbury, you received, under your agreement with Judge Rankin, 15 percent of the fees which he took in during the time you were with him, did you not?—A. You say that I received it?
- Q. Did you not?—A. No; I was supposed to receive 15 percent of the fees he collected.
- Q. Did you or did you not receive your 15 percent?—A. I do not believe I did; no, sir.
- Q. Did you ever sit down with Judge Rankin and have a calculation of what you claimed was 15 percent of the amount of fees he received?—A. Yes, sir.
- Q. Do you know what he did receive?—A. You mean the whole time I was with Judge Rankin?
 - Q. Your 15 percent?-A. No; I do not.
- Q. You have gone to great trouble to go through all of the dockets and all these figures and testify, and yet you have not found out what your 15 percent would be equal to?—A. I have a record of what my 15 percent was; yes, sir. I keep books myself.
- Q. Do you know how much your 15 percent was?—A. I could not tell you now; no, sir.
- Q. Have you any means of ascertaining it during the time of the session of this Court?—A. I think I could wire West Palm Beach and get it back here.
- Q. You came here prepared to testify more or less as to fees received by Judge Rankin?—A. No, no; I did not come prepared to testify as to anything collected by Judge Rankin.
- Q. Did you not know that if you knew 15 percent of the fees collected by Judge Rankin at that time that it would be very easy to ascertain 100 percent of those fees?—A. No, sir; I did not know that.
- Q. Why not?—A. Because I did not get my 15 percent of what was collected.
- Q. Please listen to the question. I asked you, if you knew what 15 percent of the collections made by Judge Rankin amounted to, that it would be easy to ascertain the total collections that he made?—A. No, it would not, because I said my 15 percent did not represent 15 percent of the amount collected.
- Q. You insisted that you were entitled to 15 percent of this \$75,000 fee?—A. No, sir; no, sir; not at all.
- Q. Was not that the purpose of your visit to Judge Rankin?—A. I was entitled to 15 percent of the actual money which Rankin got out of that fee.
 - Q. Do you know how much that was?
- Mr. BULKLEY. Mr. President, I desire to submit two questions.
- The PRESIDENT pro tempore. Counsel will continue this examination, and at the appropriate time the other questions will be asked.
- Mr. Manager PERKINS. I beg the Chair's pardon.
- The PRESIDENT pro tempore. If counsel is not ready, never mind. The Senator from Ohio sent forward two questions which will be read by the clerk.
- The legislative clerk read the first question propounded by Mr. Bulkley, as follows:
- What was your share of the \$15,000 which Judge Rankin got in the Whitehall case, and what was your share of the \$75,000 which he later got in the same case?
- A. My share was supposed to be 15 percent of all moneys collected by Judge Rankin, but I did not get 15 percent. As I say, as I recall, I got between \$2,000 and \$3,000 out of that case.

Mr. BULKLEY. Mr. President, I submit that that does not answer the question as to what was his share of that sir. \$75,000 fee.

A. I got out of that particular fee about \$2,600. Maybe \$3,000.

The PRESIDENT pro tempore. The clerk will read the next question.

The legislative clerk read the next question propounded by Mr. Bulkley, as follows:

How much of these two amounts was actually paid to you, and when?

A. About that much paid to me, off and on, over a period of quite a while. Well, it would not be paid to me in a lump sum. I mean, I would get \$500, or \$400, or \$50, or \$100.

Mr. PERKINS. Mr. President, it is now within 3 minutes of the time fixed by order of the Court for taking a recess, and we should like to examine the exhibits offered by the counsel for the respondent. We might recess now, and we would perhaps be prepared to continue at the opening of the afternoon session.

RECESS

The PRESIDENT pro tempore. Without objection, the Court will stand in recess until the hour of 2:15 p.m.

Thereupon (at 1 o'clock and 28 minutes p. m.) the Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, United States district judge for the southern district of Florida, took a recess until 2 o'clock and 15 minutes p. m., at which time it reassembled.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Reynolds
Ashurst	Coolidge	Lewis	Robinson
Austin	Couzens	Logan	Russell
Bachman	Davis	Lonergan	Schwellenbach
Bailey	Donahey	McGill	Sheppard
Barbour	Duffy	McKellar	Shipstead
Barkley	Fletcher	McNary	Smith
Benson	Frazier	Maloney	Steiwer
Black	George	Metcalf	Thomas, Okla.
Bone	Gerry	Minton	Thomas, Utah
Brown	Gibson	Murphy	Townsend
Bulkley	Guffey	Murray	Truman
Bulow	Hale	Neely	Vandenberg
Burke	Harrison	Norris	Van Nuys
Byrd	Hastings	Nye	Wagner
Byrnes	Hatch	O'Mahoney	Walsh
U(100) - (7/A TO 357) 1	Hayden	Overton	Wheeler
Capper	Johnson	Pittman	White
Caraway		Pope	WILLIAM
Carey	Keyes	Radcliffe	
Clark	King	Radcline	

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present. Counsel may proceed.

CROSS-EXAMINATION OF J. W. SALISBURY (CONTINUED)

By Mr. Manager PERKINS:

Q. Mr. Salisbury, how long have you known Judge Ritter?—A. I have known Judge Ritter since I was a small boy, probably 20 years or more.

Q. You are very good friends, are you not?—A. I have been very good friends with his son. I went to school with his son.

Q. You have from time to time sought Judge Ritter's advice about various matters?—A. Sought his advice?

Q. Yes .- A. I cannot remember any instances.

Q. Did Judge Ritter appoint you special master in various cases?—A. Yes, sir.

Q. In how many cases did he appoint you special master?—A. Quite a number; probably 20 or 25, maybe 30.

Q. Maybe more than 30?—A. No; I would not say more than 30.

Q. Beginning at what time?—A. From the time he went on the bench.

Q. Down to what time?—A. I do not imagine I have had a reference to me in probably the last year. The attorneys designate the lawyer they want the case referred to.

Q. Judge Ritter has also appointed you receiver at various times?—A. Not at various times; at one time.

Q. In what case were you receiver?—A. The Everglades Club of Palm Beach.

Q. Did you receive a substantial fee out of that?—A. Yes, sir.

Q. How much?-A. \$7,500.

Mr. Manager PERKINS. That is all.

Mr. WALSH (of counsel). That is all; thank you, Mr. Salisbury.

The VICE PRESIDENT. The witness may stand aside.

Mr. WALSH (of counsel). I will ask Judge Ritter to take the stand.

DIRECT EXAMINATION OF HALSTED L. RITTER

Halsted L. Ritter, having been duly sworn, was examined and testified as follows:

By Mr. WALSH (of counsel):

Q. Your name is Halsted L. Ritter?-A. It is.

Q. And you are judge of the United States District Court for the Southern District of Florida?—A. I am.

Q. How long have you been judge?—A. I took my oath of office on the 25th day of February 1929.

Q. At what date did you come to the State of Florida?—A. I arrived in Miami, Fla., I think it was the 4th day of December 1929. I had been—

Q. Wait a minute, Judge. "Nineteen hundred and twentynine", you said.—A. I beg your pardon; 1925. I had been here previous to that time, but that is—I have been down there ever since that date.

Q. Prior to moving to Florida, where did you live?—A. I lived for 30 years in Denver, Colo.

Q. I know that you expressed a desire not to go into it in detail. Were your law practice, and the positions you held in Denver, correctly stated by me in the opening statement which I made?—A. They were.

Q. I will not ask you to go over them again.—A. Thank you.

Q. How long did you practice law there, you say—35 years?—A. Thirty years.

Q. What was the nature or size of your practice there, generally speaking? Take the average of 15 or 20 years, and state, perhaps, what your income from legal fees was.—A. Well, I was in the general practice in Denver. What do you want—how much I made?

Q. Yes; how much you made. Say take an average for 15 or 20 years before you left Denver.—A. Well, it averaged—it was somewhere on an average between \$10,000, and one year I made \$75,000.

Q. What would it average up, say, for the last 10 or 15 years, if you can give it offhand?—A. Between twenty-five and thirty thousand dollars.

Q. Judge, I believe you stated that you desire to make your own statement and your own explanation regarding the matters that have been in the testimony here since this impeachment case started. Is that correct?—A. Well, I thought I would prefer to make my statement rather than to have you continue to ask questions.

Q. Very good, Judge; you may just go ahead now and make your own statement.—A. The first matter which seems to be presented here with a grievance is the Whitehall case.

Now, I emphatically deny that I knew anything about that Whitehall case until it came before me on the 16th day of October 1929. I had never talked with anybody about it. Nobody had ever mentioned it, or intimated to me that any such case was in my court; and I never knew any of the background of the Whitehall case until it was disclosed in the hearing in Miami in November 1933, and in more detailed fashion here before this honorable body.

It came before me for the first time, without any knowledge on my part, when, on the 16th day of October 1929, Mr. McPherson and Judge Rankin appeared before me in the matter, Judge Rankin asking an order permitting the intervention of some bondholders, and Mr. McPherson asking for time to file affidavits and an answer on the part of some of the defendants.

The intervention petitions were presented to me at that time in the presence of Mr. McPherson by Judge Rankin, and I signed the order permitting the intervention in the presence of Mr. McPherson, representing the defendants; and I granted Mr. McPherson time until the 28th day of October to present his affidavits in opposition to the prayer of the bill.

I knew nothing of the background of the interveners or of the petition presented by Judge Rankin. It was simply stated that they were bondholders. I noticed that the case had been brought by Holland for and on behalf of all the bondholders of the bonds; and any bondholder, therefore, had a perfect right at any time to intervene in the case in his own

The next proceeding in that case was on the 28th day of October, when the matter of a receivership application came before me. All the parties were present; due notice had been given; and the first thing that attracted my attention to that case was that the attorney for the defendant in the case arose and introduced the plaintiff, and said that the plaintiff desired to make some statement. The plaintiff's counsel, Rankin & Metcalf, had started to present the case when they were interrupted by the attorney for the defendant, who said that the plaintiff desired to make a statement.

That was a most astonishing situation. I had never had that experience in any case before, and at once it occurred to me that there might be something wrong about the case. Otherwise, why should the defendant's counsel introduce the plaintiff?

Now, while that is 6 years and more ago, I distinctly remember, because of the startling situation at the time, that Mr. Holland arose after his request being made by counsel for the defendant, and he said, "I am a lawyer. I reside in Boston. I am the plaintiff in this case, and I do not desire anything done in the case."

Now, that is all Mr. Holland said. I, being much surprised, said, "Well, have you been paid?" Naturally, the inference occurred to my mind that the plaintiff had been bought off, or that he was instituting this case and wanted to keep it on the books as a sort of a hold-up proposition. I could not tolerate such a thing of that kind in my court; and I told him that I did not think that a nonresident should come into my court and start a case, and then stand up when it came up on this important matter of a receivership and say that he did not want anything done in the case, when he had counsel present; and if he was to control the case, it occurred to me, when he had lawyers present, and I should act upon what he said, I did not see how we could ever make progress in the case and get it to final conclusion. If a nonresident had to be notified about the case, and was conducting his own case, I did not see how we could ever push the case through.

I had examined the pleadings in the case, as I often do when I know a case is coming on of importance, and it had been called to my attention on the 16th of October; and I found that the allegations of the complaint made very serious charges against the defendant trustee of the first-mortgage bondholders, charging that he was a son of W. J. Moore, who controlled the American Bond & Mortgage Co., and that the second- and third-mortgage trustees were dummies of the American Bond & Mortgage Co., and that they had conspired together to get control of the Whitehall Hotel, and the third mortgage had been foreclosed and bought in for a very insignificant amount-I think it was \$2,600-and that by that method they had created a deficiency, and they were seeking then to enter into possession of the property, subject to the first and second mortgage, and thus get control of the rents and profits of the hotel for the coming season, to apply not to the first-mortgage bondholders but to their own benefit and profit and to the payment of the inferior

Also, there was on file at that time an answer by the Whitehall Building & Operating Co., and this answer was as

Comes now Whitehall Building & Operating Co., a Florida corpo ration, one of the defendants in the above-styled cause to the bill of complaint filed herein, and makes answer thereto, as follows

Now, the Whitehall Building & Operating Co. was the mortgagor, the company that issued all these bonds-

The said company hereby accepts service of subpena in said cause

and appears thereto.

The said company admits all the allegations of the bill of complaint; admits its insolvency and that it has been heretofore

adjudicated a bankrupt; admits that all of its outstanding bonds sued under and by virtue of the trust deed or mortgage referred to in said bill of complaint are past due and payable and consents that the court enter a decree to this effect; consents that the

that the court enter a decree to this effect; consents that the plaintiffs herein may proceed with the foreclosure of said trust deed or mortgage in behalf of themselves and all other bond and coupon holders similarly situated of this issue.

Admits that in article IX, section (b), of the trust deed or mortgage, said defendant, as mortgagor, its successors and assigns, consented that the court shall appoint a receiver without notice of the property covered by said indenture, and all rents, issues, earnings, and profits arising from said premises, in the event of the institution of foreclosure proceedings.

It hereby further consents that the court forthwith appoint a receiver for said property, waiving all further notice.

receiver for said property, waiving all further notice.
(Signed) WHITEHALL BUILDING & OPERATING CO.

And that was on file at the time of the hearing.

It appeared from the bill of complaint filed in the case that W. J. Moore owned 50 percent of the Building & Operating Co., and Sweeny and Bemis owned the other 50 percent. So I saw that all parties were before me asking for this receivership, and that it was not necessary, therefore, for the consent of the trustee under the first mortgage to be had, although he was there opposing it.

Furthermore, examining the mortgage which was attached to the bill, I found these provisions which I will read. You will find them in the trust deed, and it will be easier for me to have them copied down here.

First, \$50,000 of bonds were necessary to make a demand on the trustee to foreclose because of default in the payment of principal and interest of the bonds.

The bill alleged that demand had been made, or that it was unnecessary to make demand, and would be futile to make such a demand, because of the adverse interests of the trustees under the bonds, and because of the conspiracy with the creditors of the company and with the second- and third-mortgage trustees. So they said that obviated the making of a demand on the trustee.

The mortgage provided further:

Nothing in this article contained shall be so construed waiver of or a limitation of, or prohibition against the right of any holder of bonds past due, either by lapse of time or by declaration for default by the trustee as aforesaid, or of coupons past due, or of both bonds and coupons past due, without any request to foreclose of the trustee whatever, to sue or commence foreclosure proceedings of this trust deed to enforce the payment of such past-due obligations which have matured regularly according to the trust thereof cording to the tenor thereof.

While the trustee under the first mortgage, Mr. Harold A. Moore, did oppose the appointment of a receiver, but did not ask that the case be dismissed, I saw that any bondholder was by the deed itself permitted to appear and ask for the foreclosure, and there were other bondholders in the case, representing more than the jurisdictional amount under the statute, asking for the foreclosure of the mortgage, and I could not consider Mr. Holland's request to allow nothing to be done when there were other plaintiffs who were insisting that something be done.

There had been an answer filed by Harold A. Moore, trustee under the first-mortgage bonds, asking that he be permitted to foreclose, and asserting that he had a claim against the first-mortgage bondholders which was prior in right by reason of some expenditures which he had made, and was asking as a cross-claim, counterclaim, that the court adjudicate that matter and give him a lien superior in right to the bonds.

So, with that situation confronting me, and believing that all parties before the court were, on the record, asking for the appointment of a receiver, and that the position of Mr. Holland was untenable when he said he did not want anything done, I concluded I could not surrender to Mr. Holland's demand, and I thought as I looked at the record that it was a fight between the plaintiff and Harold A. Moore, the trustee under the first mortgage; that it was a fight to see which one should foreclose that trust deed and get the fees.

The necessity for a receiver was apparent to me, because I knew that property; I had lived in West Palm Beach and Palm Beach before I went on the bench, and, although I had not been in this hotel, I knew about it. In order to operate a hotel like that they have to commence 2 months before to

get it in shape, and the season was about to open, and I knew this property, from the pleadings, could not go back to the Whitehall Building & Operating Co., because that company was insolvent and had gone through bankruptcy. So it could not go to the first trustee. The only way in the world to settle this controversy in that time was to appoint a receiver, and the only objection made by the defendants was that they wanted to more or less dictate and control the person appointed as receiver.

With all those facts before me, and no knowledge of the background whatever, just taking the case as it was presented to me as the judge at that time, I saw it was necessary to appoint a receiver, and I knew as the result of the bankruptcy proceedings and the reports which had come to me that Mr. Walter Richardson had handled that hotel for the preceding year under bankruptcy, assisted by Mr. Bemis and Mr. Sweeny, with perfect satisfaction to everybedy. There never was any objection to any conduct or report made by Mr. Richardson when he was acting as trustee under bankruptcy.

The creditors had a meeting and they selected Mr. Richardson as trustee—he was not appointed by the court—and knowing that the season was about to open, this hotel required an experienced man to take hold of it.

It was not an ordinary hotel which any hotelman of slight experience could handle. It was a very exclusive place in Palm Beach, where in those days there were people who had money to spend, and spend lavishly, and this was a hotel which appealed to the rich, who wanted exclusion, and that clientele was known to Mr. Bemis and Mr. Sweeny. Mr. Bemis was operating, and had been for some 30 years, the hotels owned by the Florida East Coast Railroad at Palm Beach—the old Royal Poinciana and the Breakers Hotel. He was one of the best-known hotelmen in the United States, as was Mr. Sweeny, and they were able to shift to the Whitehall a clientele that could pay the fancy prices charged there; and the situation had shown that the year previous under bankruptcy they had made \$300,000 net out of operations, something never heard of before in the operation of that hotel.

So I thought of Mr. Richardson at once as the man to continue, under the situation as it had been the year previous, the operation of that hotel. Nobody suggested Mr. Richardson to me; I had never talked with anybody about it, but it just occurred to me, from my own knowledge of the situation, that he was the man to appoint; and I so stated at that time.

Mr. McPherson said he desired to file some affidavits in opposition to Mr. Richardson, and after the hearing in the morning I gave him until 2 o'clock, and at 2 o'clock he presented some letters. I do not now remember what they were, but I did not think they disqualified Mr. Richardson to act in the situation, which required the immediate set-up of a force to take hold of that hotel; and I said so. But in order that there might be no criticism or misunderstanding about what Mr. Richardson would do, I said, "In order that everybody may know what he is doing and how he is going to operate that hotel I will appoint two attorneys for him, one from each side of the case, and we will thus be able, each side, to check him up and see what is going on, and bring anything to the attention of the court that is not right." And I did so.

Mr. McPherson, I think it was, suggested that Mr. Bemis might be the receiver. I knew Mr. Bemis was too busy a man to give any details to the management, but I knew he was interested in the hotel and probably would cooperate, as he had done the year previous, and then, as suggested by Mr. McPherson, we put in the order that Mr. Bemis and Mr. Sweeny should be employed by the receiver to assist in the operation of the hotel.

Now, everybody seemed to be satisfied. No objections were ever made. No motion to dismiss the case was ever filed. Mr. Richardson went on and operated that hotel for 2 years, and nobody ever objected to his reports. No criticism ever came to me about what he did. And when he filed his final report no objections were made to it, but everybody had

notice. And never, until this investigation started down in Miami, did we ever hear anything about Mr. Richardson in reference to the background which has been detailed. But as a receiver he was a complete success, and they made some \$600,000 in operating this hotel, and the bondholders were protected, and the bondholders' committee which absorbed Mr. Holland's bonds went right on with the case clear through and adopted that case for their own benefit, and everybody seemed to be satisfied with what was done.

There came before me the petition of Judge Rankin for a conservation fee. The attorney for the plaintiff which brings a fund into the court by virtue of the action which he brings, which fund had been theretofore distributed and used in a wrongful way by other persons—he brings it in for the benefit of the bondholders—it is well known in the law that he is entitled to some fee. It is held from the Supreme Court down to the State court decisions that that is the law, and he is entitled to something; and when the matter came before me on that phase of it, Judge Rankin had a brief in which the cases were set out and abundantly supported his contention.

Mr. Bowen, the attorney for the defendant, conceded and said, "I think Judge Rankin is entitled to something, but we do not know what the amount is." And we all agreed that I should allow \$2,500 as just an advance on what he should ultimately receive, and Mr. McPherson asked time to file objections in opposition to Judge Rankin's contentions.

Judge Rankin came to see me two or three times after that, saying no objections had been filed to the granting of this conservation fee and "I should like to have it allowed." "Well", I said, "Judge Rankin, I am not going to decide on this question. There seems to be some opposition to the amount of your fee, and I am going to send it over to Judge Akerman and let him settle it"; and I wrote the letter which is in evidence. I thought the letter was plain enough; that all the matter that could be presented to him was the conservation fee, and that is all I intended. And Judge Rankin, after there were no objections made, went over to Tampa and had the hearing before Judge Akerman; and Judge Akerman entered this order. Now, Judge Akerman's order recites that it is the fee for conserving the assets, and nothing else, and that is all I ever thought it was. I never paid any attention to it after that. The amount fixed was by him. Nobody ever complained of it. No objections were ever filed to it. None of the parties to the case ever asked to have it pulled down. And never until this investigation started did anybody ever raise a question about it.

I am not chargeable with that \$15,000. No objections appearing before me at any time, it came up for a final decree, everybody having due notice. I think a few days before I heard the matter of the final decree Mr. McPherson came to my chambers and said, "Judge, we have settled this case." "Well", I said, "I am mighty thankful you have." If there is anything that pleases the judge, it is to have the litigants go out and settle it. That is the best way to get rid of the case and make them all happy. And he said, "We have agreed on our attorneys' fees." "Well", I said, "all right. File in the court your agreement of division of fees so a record may be made of it." He said, "How do you want the fee allowed? How are you going to allow the fee?" "Well", I said, "in cases of this kind it is always customary to allow the fee in the name of the counsel for the plaintiff. That is the way it is always done, because the plaintiff's counsel is entitled to remuneration for the foreclosure of a mortgage, and if you have all been in this case, as you all have, and all think you are entitled to some of the fee, I hope you will not take my time to sit down and hear the evidence as to what each lawyer has done, and compel me to fix the allowance. If you have agreed on it, I am mighty glad."

So I fixed the date for hearing of the final decree, and all parties came before me. And they presented me a form of decree which they said they had all agreed on. The attorneys had said that they had agreed on the fee and the way the fee should be paid. If I wanted to allow it all in the name of the plaintiff it made no difference. They had

agreed how it should be distributed. "Well", I said, "has everybody agreed to this final decree now, as to its terms and its allowances?" and they assured me everybody had agreed.

"Well", I said, "who represents the bondholders here?" "Well", Mr. Bowen said, "I represent the defendant, Harold A. Moore, and I have been in close touch with the bondholders' committee, and they have got a copy of this decree which we propose to enter, and they have agreed to it." "Well", I said. "I am going to require every person here—every attorney here representing these interests-to sign this decree before I do." And you will find their signatures—all the attorneys—you will find their signatures right on this decree which has been entered here. They signed it before I did. And I said, "Now, this bondholders' committee is represented by attorneys in Chicago." "Yes." "Well, I want you to call up right here in my chambers; I want you to call up those lawyers or somebody in Chicago representing the bondholders' committee, and ask them if it is all right to enter this decree." And in my chambers Mr. Bowen called up Chicago and got the chairman of the bondholders' committee, or the attorneys, and said, "We are about to submit this final decree to the judge, and he wants to know if it is all right with you." And they said it was all right.

There was also before me at that time four affidavits signed by four of the most reputable and able lawyers in the State of Florida—Mr. Winters, Judge Donnell, Mr. Fisher, and Mr. Johnson. And in those affidavits—and that is the way we usually in our court do where it comes to a question of fee—instead of bringing the lawyers in and swearing them and taking their testimony, both in the State court and in the Federal court, we take affidavits from the lawyers in references. And there were four affidavits all saying that \$75,000 was a proper fee in the case. Everybody interested in the case said \$75,000 was a proper fee. "We have all agreed on it."

Now, what else would a judge do under those circumstances? Just, I think, what I did. Here was a settlement, and it occurred to me that \$75,000 was not an excessive fee where there was \$3,500,000, including interest, involved. There were 270 papers filed in the case. I did not know all that the attorneys had done, but I knew that there must be something done in the case, quite a bit, between the contending parties, and they all agreed on it, and I allowed it. That is what I did.

I respectfully submit that there was no corruption, there was nothing back of it; and if there was no corruption, if I used my best judgment, as I did, at the time, I claim that I ought not to be criticized for it.

And in the attack that was made afterward on that decree by Mr. Kirkland, who agreed to it all, there was no criticism offered of me. Every lawyer in the case said that I had been imposed upon. Nobody charged me with any corruption or dishonesty, and I was perfectly honest. I used my best judgment all through that Whitehall case, and that Whitehall case is one case out of 7,000 cases which I have attended to. And that is 6 years or more ago. And the very cases that brought this investigation of me have been dismissed out of this hearing, and they have gone back to my first year—7 years ago—to bring these charges against me in one case out of 7,000.

The next thing I am charged with is taking \$4,500 from Judge Rankin. When I formed a partnership with Judge Rankin in November 1926 we were not young men. I had come down to Florida because my wife had worn out in the Denver climate, a mile above sea, which had wrecked her nerves, and there had to be a change of climate. We found that Florida was a healthful place for her, where she could regain her health, and consequently I pulled up my roots in Denver, where I had been for 30 years, and, at 57 years of age, I started all over again to practice law. Judge Rankin had moved down from Alabama to open his practice there. Well, we started in, of course, to build up our practice; and the first year we did very well, considering everything. We got some clients and made some friends. I did not want a const and myself about collections sum; that lump sum was the thing. We got some clients and made some friends. I took the mas. The banks were not of I was busy at something; I Sunday intervened, and Mc concerned, gentlemen, the part was arranged at the time I anybody for a minute would and myself about collections sum; that lump sum was the payments made to me by Judge Rankin in November 1926 we were not young men. I had I was busy at something; I sunday intervened, and Mc concerned, gentlemen, the payments arranged at the time I anybody for a minute would a

estate business who gave me their business, and I had correspondence with lawyers in Chicago and in the East for whom I had done business in Colorado, and when they found I was down in Florida they turned their business to me. The second year we did better. We started with a couple of offices, and the second year we had to move into larger quarters. We fitted up a modern law office. We had a good library and proper equipment and had to employ a clerk. Business was coming in, and we made a good living that year. Then came along the appointment to the bench which I received from President Coolidge.

When I left the office we had pending some 50 cases; and, if I may have the list of Mr. Salisbury that was introduced here, I want to state that I went over this list in West Palm Beach before coming to Washington for this hearing, and I know, of my own knowledge, that every case on this list was on the books when I left that firm or was pending for a suit by virtue of previous conferences and correspondence.

I had built up that business; 95 percent of all the business there I had brought into that firm; and I felt that when I left that business I should not make a gift of it to Judge Rankin. I did not see why I should leave all the office equipment and the library and 50 cases, in which I figured there was at least \$35,000, and get nothing out of it. I said to Judge Rankin, "I am leaving here; you have got the business; you fix your own price; I know you are in debt; you have got children to educate at college; you want to

buy of me; now, fix the price today." And he said, "\$5,000";

and I said, "Very well; I want you to have it."

At that time, with all these cases pending, I thought Judge Rankin needed some help to push them along. I figured that he could get at least \$20,000 out of these cases, and I insisted that Mr. Salisbury be called into the office to assist him to push these cases along and get the money out of them. Judge Rankin agreed, and Mr. Salisbury went into the office on an arrangement, which he has detailed here, and he worked on these cases. These cases are all found on the docket in the office of Ritter & Rankin. The amounts involved in the cases are worth considering, not because I know what Judge Rankin collected, but when I went out of that office, looking over this list of the amount involved in the various cases, I thought there was at least \$20,000 that could be obtained from those cases, and I gave Judge Rankin the best of it, and allowed him to take the business for that sum of money, to pay me when he could.

I knew he would have to pay some debts, and I never asked him for the money. I was going on the bench, where I got a yearly salary I could live on—provided I did not have an investigation—and I knew that he would have to use the money that he collected out of these cases, but I thought he would some day gather enough to pay me. That is the reason I never pressed him. When he came to my chambers with the cash, \$2,500, the first time, I asked him why he did not give me a check, and he made the same explanation about it that he did here in testifying. Well, I did not think much about it at that time. I did not think about his having received that fee previously. There was the money. I had waited a long time for it. The bank situation was in a precarious way. There were runs on the banks, and just before that day the second largest bank in Miami had failed. I took the money the day before Christmas. The banks were not open on Christmas day. Friday I was busy at something; I do not hold court on Saturday. Sunday intervened, and Monday I put the money in the bank. It was a perfectly honest transaction, so far as I am concerned, gentlemen, the payment of an honest debt which was arranged at the time I left the firm. I do not think anybody for a minute would say that I should have given all that business to Rankin and not gotten anything out of it. I did not want a constant accounting between Rankin and myself about collections in each case; I wanted a lump sum; that lump sum was the arrangement made; and the payments made to me by Judge Rankin were payments on that debt, honestly created, for a consideration, which was He paid me \$2,000 along in April following, and I took that right to the bank. Other payments were made until he paid me \$5,000, and I gave him a receipt for it. That is all there is to that case.

Then, as to the practicing of law. The Brazilian Court case we had when I left the firm was in the course of adjustment. It had been a long drawn-out case, with difficult problems, and had involved more than was anticipated when we took the case on the basis of \$4,000; and it was afterward so recognized by Mr. Mulford and his attorney, Mr. Brodek. When I left the firm I said to Judge Rankin, "Now there are a few cases that I am going to reserve; I need some ready money: I have got to move from West Palm Beach down to Miami, and the Brazilian Court matter offers the first opportunity to get some ready money; I am going to reserve all I can get out of that case for my own use." Judge Rankin said that it was all right. So I rendered a bill to Mr. Mulford for \$1,945, which was the balance due our firm, and I sent him a statement. I have a copy of that statement right here-\$1.945.23. But there was \$1.445.23 of that which we had expended for Mr. Mulford and his company and that was not income. Only \$500 was income; that is the balance due on the \$4,000. Here is a statement, gentlemen, if you would like to have it. If not, I should like to have it put in evidence. There was only \$500 left of income. I cannot, after 6 years or more, now remember what deduction I made from that \$500. Some items I paid out; but I reported in my income tax \$331.40, I think, together with the \$2,000 which Mr. Brodek gave me as my income for the year 1929. I was not practicing law; I was just collecting from Mr. Mulford some money that was due for work which had been fully performed prior to my going on the bench. In the letter which has been introduced in evidence here, in which I said I would look after the matter, or something of that kind, I only meant that in case—and Judge Rankin and I had conducted this business through the firm-it became necessary for me to give some information about what I had done to Judge Rankin to carry it on, I would be duty bound to give it; but I never did a single thing in that case after this payment to me of \$2,000 by Mr. Brodek for the work I had done before I went on the bench. Judge Rankin took the case; he took an appeal in the case. But they will say, "The decree in the Brazilian Court case was not entered until June, and you wrote for this money in March." On the 2d day of March, Judge Chillingworth, the judge of the State court in West Palm Beach, wrote a letter to Judge Rankin-and it is in evidence here-telling him that he was going to decide the case in our favor on all points, and for him to prepare the decree according to the findings, a copy of which was attached to the letter. Judge Rankin told me about that. I took that to be an adjudication of our case, and after that I wrote on March 11 to Mr. Brodek asking for this additional \$2,000. Later Judge Rankin got \$2,000, the same as I did. when the matter was closed up, out of the receivership fund which went to Mulford. So that we got equal amounts; and that was all there was to that case, gentlemen.

That is all there was to that case. I was not practicing law. I was simply trying to close up a matter in which I had been interested and in which I thought some money was coming to me, and I tried to get it and I never did anything else.

Now, the Francis matter. Mr. Francis was a friend of mine for 15 years. I knew him in Colorado where he often visited. When I came down to Florida I found him there. He had invested quite a bit of money in property, and naturally he turned to me as his friend to tell me about his troubles. He had other attorneys. He had Mr. Bowen. We were intimate friends. His wife and my wife and myself were children in Indianapolis in the public schools, and so we were very close. I never rendered him a bill. I never made any entry on the books of what I did for him. Although he would tell me about his affairs I always considered that it was friendship, and you know friendship dissolves often the cold relations of attorney and client. In this case there was no attorney and client. It was a friendship between Mr. Francis and myself extending over a number of years.

He lived at Miami Beach and had a home there, but he spent most of his time in Flint, Mich., where he had a large business. He would come down to Miami frequently just for a few days. He wanted us to find a home in Miami Beach, so Mrs. Ritter and myself roamed that country to find a location. One day we were driving over there on Reovo Alto Island and saw a real-estate office, and we inquired what property there was for sale on that island and were told by the real-estate man there that there was one lot. Lots were selling for \$10,000, but he said he had one lot which would take \$7,500 cash, for sale by a person who desired immediate sale. We looked at the lot. Some days after that we were over at Mr. Francis' house and I told him about the lot and he said, "We will go over and look at So he and his wife and Mrs. Ritter and myself went over and looked at the lot, and he said he thought it was a good buy, but that is all he said.

A few days after that we were over at dinner at Mr. Francis' house, and just as we were leaving he put a check for \$7,500 in my hands and said, "Go and buy that lot and build a house on it. Take the title in your name or my name." I was surprised. I took the money. It was a pure gift, so far as I was concerned, and it was not taxable at that time. I bought the lot, putting the check in my name in the bank, had the title examined and the papers made, and I paid \$7,500 for that lot.

I kept that lot, knowing that I was expected to build on it, and I expected if I did build on it that Francis would more or less finance me in the arrangement; but after 3 or 4 months I found a home in Coconut Grove, a suburb of Miami, which fit our purpose and which I could acquire at a reasonable price on some installment payments. So we decided that, not having any money to build a house over there, we would buy this house, which we could, and that lot over there would stand until we could see what we could do with it with Mr. Francis.

After I bought that lot with that check, Francis was in Miami Beach very few times. When he would come down and I would mention the subject of the lot, he would throw me off and say, "Oh, well, we will take care of that some day." He died in July 1931, after months of lingering sickness.

A few days after his death, talking over with his wife his affairs, she wanted to know what I knew about it. I told her about the lot. I said, "I have always considered that a gift on the condition that I build a home on it, and I cannot do it. The lot must go back to you or some arrangement must be made. I never rendered any bill to Mr. Francis. I never kept any account of anything I did for him. He may have been motivated in a way, because he thought he owed me something, to give me that \$7,500." She said, "I know it is a gift, and he intended for you to have it." I said, "I want some basis made for it and, if I can take the lot and get out of it whatever I can get out of it, we will consider it as a final settlement and conclusion of any fee or any obligation he might owe me." She said, "Very well."

I thought at that time that whatever I got out of that lot would be income which should be returned for taxable purposes. I had not returned the lot in my income tax prior to that time because it was not taxable. Going along until this investigation started down in Miami, they commenced to accuse me of various things. My bank account had been examined, and every dollar that I had taken in for the last 10 years had had to be accounted for. A meticulous examination of everything I had done had been gone into. I looked into the law and I found that I should have returned that lot at its appraised value when I made the settlement with Mrs. Francis instead of waiting until I sold it. I therefore amended my income tax for 1931. I had the property appraised. I sent the appraisal along with my amendment to the revenue officer at Jacksonville and put that lot in at \$4,000, which was the appraised price, and I paid the income tax.

They charge me with practicing law for Francis in reference to the Spanish River Co. In 1927 I had contacted Mr. Geist, asking him if he would not arrange it for Mr. Francis,

who had invested some \$85,000 in the purchase of lots which were owned by the Mizner Development Co., which had gone into bankruptcy, and asked Geist if he would not arrange it so Mr. Francis could have that property under the original purchase contract and pay the balance of the install-ments due. Mr. Geist said, "Some day we will arrange that matter."

It ran along through 1928. It was not settled. Mr. Francis wanted me to ask Mr. Geist if he would not arrange a settlement, so I wrote a letter, after I went on the bench, to Mr. Geist calling his attention to the fact that he had agreed to close the matter up with Mr. Francis and asking if he would not do it.

It was a pure business matter. There was no law attached to it. It was simply a business transaction as between Francis and Geist in reference to the method as to how that purchase should be revived and the payments made. That is all I did. I did not advise Mr. Francis anything about that because I had advised him before I went on the bench. I advised Geist that he should fix this up with Francis. All I did after I went on the bench was simply to call his attention to what he had agreed to do. He did send me some deeds or something, and I turned them right over to Francis.

One day Mr. Geist telephoned me and asked if Mr. Francis and Mrs. Francis and Mrs. Ritter and myself would come to the Boca Raton Club and have lunch. We went up for lunch. After lunch Francis and Geist and, I think, Gedney, went back into a room and there they settled the matter. was not present at that time. I had nothing to do with advising about the settlement. After they had settled the matter I was told, when they came out, how they had settled it. I did not settle it. I did not have anything to do with it. It was purely a business matter. I was not in any sense of the word practicing law.

Those two matters I closed up after I went on the bench. They had been pending before. More than 6 years ago they charge me with practicing law during the first 60 days when I was on the bench-7 years ago. If I had been practicing law or doing anything since these last 5 years that would have been brought into this investigation.

Now, then, my income tax: They charge that I rendered a wrong income tax in 1929 and 1930, willfully and knowingly

to defraud the Government of some money.

In 1929 a gentleman asked me to produce my office copy of my income-tax report, because the Government has destroyed it. I produced it. They have not introduced it in evidence. I have it here, and I am willing to introduce it in evidence. It shows every dollar of income that I took during that year. The \$1,945 which they say I did not return is this statement here, showing that \$1,445.23 of it was money which I had paid out for my client and for which I should have a return, and which was not income.

In 1930 I had a loss of \$4,874 and some cents, which is fully explained in my income-tax return which I have here and am ready to introduce. It was a loss from the sale of some property in Colorado, and I set it all out in detail in my income tax. I made out that report on the 14th of March, just the day before it was due; and I put down that loss; and I did not in my report put down \$5,300 that I had taken in because, taking out my exemption, it left only \$1,800, and that, over against \$4,800, showed no income payable.

I appreciate the fact that it would have been better if I had set out all that \$5,300, now, under these situations; but there would not have been one dollar payable to the Government for income tax in 1930 as against that loss of \$4,800, so there was not one dollar due. There would not have been one dollar due if I had put in that money that I had received, and my loss was O. K.'d by the Department and accepted and marked "paid."

I think I have gone through what has been charged against me here on my side, gentlemen.

Mr. CLARK. Mr. President, I desire to submit several

The PRESIDING OFFICER (Mr. Bachman in the chair). The Senator from Missouri desires to submit some questions, which the clerk will read.

The Chief Clerk read the first question propounded by Mr. CLARK, as follows:

Did Rankin tell you on December 24 that he feared that if he paid you by check it might subject both of you to criticism?

The Chief Clerk read the next question propounded by Mr. CLARK, as follows:

Did you agree with Rankin upon this point?

A. I did not think it would subject us to criticism; but if he thought so, the money was there, and I had waited a long time for it, and I did not know whether I would get it if I did not take it. I took it.

The Chief Clerk read the next question propounded by Mr. CLARK, as follows:

If the transaction was an honest one, why did you and Rankin fear the effect of making a record of it?

A. I had no fear in the world of it.

The Chief Clerk read the next question propounded by Mr. CLARK, as follows:

Have you made a practice, in any other instance since you have been on the bench, of accepting payments in cash in payment of antecedent debts?

A. No, sir; that is the only time I ever did.

Mr. DUFFY. Mr. President, I submit a question.

The PRESIDING OFFICER. The Senator from Wisconsin submits a question, which the clerk will read.

The Chief Clerk read the question propounded by Mr. DUFFY, as follows:

Is it your contention that, although you said in your letter to Judge Akerman that you wanted him to pass upon the total allow-ance for Judge Rankin, that you at that time expected that addi-tional attorneys' fees would be later allowed to Judge Rankin?

A. I beg pardon?

The PRESIDING OFFICER. The clerk will again read the question.

The Chief Clerk reread the question.

A. I knew that in the completion of the foreclosure there would be a foreclosure fee allowed, and the conservation fee was something separate and independent of it.

Mr. McGILL. Mr. President, I submit several questions. The PRESIDING OFFICER. The Senator from Kansas presents several questions, which the clerk will read.

The Chief Clerk read the first question propounded by Mr. McGill, as follows:

Judge Rankin having been your law partner, was it not just as embarrassing to you to pass upon the final allowance of attorneys' fees to him as it would have been to have passed upon the amount of the conservation fee which had been allowed him?

A. The situation was quite different, because in the final decree everybody agreed to it, and the evidence was that it was reasonable, and there was no contest, and I did not have to decide it. I accepted what everybody thought was the right thing to do; and we busy judges do that often when parties all agree in a settlement of a case; we accept it; and that is what I did then.

The Chief Clerk read the next question propounded by Mr. McGill, as follows:

Did you anticipate, when the fee of \$75,000 was allowed, that Judge Rankin would pay you from the proceeds?

A. I never thought a thing about it. I never anticipated it, never thought about it.

The Chief Clerk read the next question propounded by Mr. McGill. as follows:

You did not wish to pass upon the conservation fee to be allowed Judge Rankin because of the fact that he had been your law partner, did you?

A. Yes, sir. There was a contest about that, the only contest in the case, and I wanted it passed on by another judge. They all agreed that he was entitled to a conservation fee, and \$2,500 had been agreed to by all present; but what his total should be I passed it over to Judge Akerman, and I intended only to pass over to him the question of the amount of the conservation fee, and his order shows that is all he passed on.

The Chief Clerk read the next question propounded by Mr. McGill, as follows:

After you became a Federal judge, each time Rankin made you a payment he made the payment in cash, did he not?

A. He did.

The Chief Clerk read the next question propounded by Mr. McGill, as follows:

If, when he paid you in cash the first time, you inquired why he had not brought you a check, did it not occur to you as unusual that other payments by him were in cash?

A. Well, he made the second payment in cash, as he had made the first, under the same reason he gave, and I did not think anything about it. I just took the money.

Mr. McGILL. Mr. President, I do not regard that answer as an answer to the last question. I should like to have the last question read again, and have the witness answer it.

The PRESIDING OFFICER. The clerk will again read the last question.

The Chief Clerk again read the last question propounded by Mr. McGill, as follows:

If, when he paid you in cash the first time, you inquired why he had not brought you a check, did it not occur to you as unusual that other payments by him were in cash?

A. It did not, because he had made the first payment in cash. I did not think there was anything unusual in making the second payment in cash if he wanted to do it that way.

Have I answered the question?

The Chief Clerk read the next question propounded by Mr. McGill. as follows:

Since you have been a Federal judge, has Rankin made you a payment by check, or otherwise than by cash?

A. He made two payments by check to complete the \$5,000. One check, I think, was for \$209, and another check for \$300, which completed his \$5,000; and the second check, I gave him the receipt.

Mr. REYNOLDS. Mr. President, I should like to ask several questions.

The PRESIDING OFFICER. The Senator from North Carolina submits several questions, which the clerk will read.

The Chief Clerk read the first question propounded by Mr. REYNOLDS, as follows:

How much cash did you actually pay for the lot priced to you at \$7,500?

A. I paid \$7,500, as my account will show in the hands of the managers for the House. They have the whole account here, my bank account, what I paid out; and I have the deeds here.

The Chief Clerk read the next question propounded by Mr. REYNOLDS, as follows:

If you paid \$7,500, did you get any rebate or cut-back?

A. Not one dime; and I sold the lot about 2 months ago for \$3,500 as the best price I could get for it.

The Chief Clerk read the next question propounded by Mr. Reynolds, as follows:

Why did you accept a \$7,500 gift from Mr. Francis?

A. Why, I accepted it because it was a gift—he was a friend of mine—just the same as I would accept a gift from anybody. I knew he wanted me to build there, to build on the lot, and I knew he was interested, and it was out of the kindness of his heart that he gave it to me. That is all I can tell you.

Mr. CLARK. Mr. President, I desire to submit a question. The PRESIDING OFFICER. The Senator from Missouri presents a question, which will be read.

The Chief Clerk read the question propounded by Mr. CLARK, as follows:

Did you attach any importance to the coincidence that within a few hours after collecting a large fee allowed him by you, brought you a large sum in cash to your chambers and paid it to you?

A. I can honestly say that it never occurred to me at the time how long before he got that money. I never thought of that at that time. The money had been agreed upon; it was his money; and I do not remember that I had in mind at all when he got his allowance.

Mr. WALSH. Mr. President, I send several questions to the desk, which I desire to have asked.

The PRESIDING OFFICER. The clerk will read the first question.

The Chief Clerk read the first question propounded by Mr. Walsh, as follows:

Do you consider that a judge performs his duty by accepting the agreement of counsel with respect to receivership fees without considering any of the further circumstances?

A. I think that a judge is justified in taking the agreement of the parties and the affidavits of disinterested lawyers, and looking at the matter himself from all conditions, and making an allowance in that way.

The Chief Clerk read the second question propounded by Mr. Walsh, as follows:

In your opinion, what circumstances should a judge take into consideration in fixing legal fees in a receivership case?

A. I suppose that is predicated upon those reasons existing among the parties or counsel. The judge should consider first the value of the property and what the bondholders realized. He should consider the amount of work which the lawyers did in the case. He should consider the benefits that accrued to the bondholders or the successful party in the litigation. And he should consider what might be in his knowledge in some cases allowed as a comparison.

The Chief Clerk read the third question propounded by Mr. Walsh, as follows:

In determining fees in a receivership case, should the judge, in your opinion, take into consideration the standing of the lawyer, his probable legal income, the time taken from his regular business, as well as the value of the property managed by the receiver and the benefits that accrued to the creditors?

A. I think I have just answered that, except as to the ability of the lawyer. I think a lawyer, even a young man, who probably has his first case, who has done a very fine piece of work and succeeded, is entitled to just as much as the man who has practiced for 40 years and has the leadership of the bar.

Mr. McKELLAR. Mr. President, I send a question forward which I desire to have propounded.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. McKellar, as follows:

How long after the entry of the decree did you receive from Rankin the \$2,000 or \$2,500?

A. I received the first \$2,500 on December 24, 1930. The second payment was made in April 1931.

Mr. McKELLAR. Mr. President, that does not answer the question.

The PRESIDING OFFICER. The clerk will again read the question.

The Chief Clerk again read the question propounded by Mr. McKellar, as follows:

How long after the entry of the decree did you receive from Rankin the \$2,000 or \$2,500?

A. May I have the date of the decree?

Mr. HOFFMAN. December 24, 1930.

A. The first payment was made on the same day, December 24

Mr. McKELLAR. I send a second question to the desk. The PRESIDING OFFICER. The clerk will propound the question.

The Chief Clerk read the question propounded by Mr. McKellar, as follows:

Was it not the same morning?

A. I do not know whether it was morning or afternoon, but it was the same day.

Mr. BARKLEY. Mr. President, I send a question to the desk to be asked of the witness.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. Barkley, as follows:

If you did not expect Rankin to pay you out of the large fee you were allowing him on December 24, 1930, when and out of what fund did you expect him to pay you?

A. I expected him to pay me, when we made the deal, out of what he collected from the cases that were in the office, and he had collected out of those fees, according to the examination which Mr. Mulherin, the investigator for the committee made, \$9,225, and I know of a \$7,500 fee that he has earned, which is a good fee, and there were other matters. He had collected some \$20,000 out of those cases that he had not paid me a cent out of. I expected him to pay me out of that.

Mr. REYNOLDS. Mr. President, I send to the desk several questions which I desire to have propounded.

The PRESIDING OFFICER. The clerk will read the questions.

The Chief Clerk read the first question propounded by Mr. REYNOLDS, as follows:

You said you accepted a gift of \$7,500 from Francis just because he was a friend of yours. Is it your custom to accept money gifts from all who offer them, or is it that you accept money gifts only from certain ones?

A. It was the first time in my life that anybody in my acquaintance thought well enough of me to give me anything.

The Chief Clerk read the second question propounded by Mr. REYNOLDS, as follows:

Have you ever accepted a gift from anyone else?

A. I never have.

The Chief Clerk read the third question propounded by Mr. REYNOLDS, as follows:

Since you have been judge has anyone else ever offered you a gift; and if so, did you accept it?

A. I have never been tempted. Nobody has ever offered me anything, nobody has ever in any way intimated, or poked anything at me.

Mr. SCHWELLENBACH. Mr. President, I send two questions to the desk to be propounded.

The PRESIDING OFFICER. The clerk will read the questions.

The Chief Clerk read the first question propounded by Mr. Schwellenbach, as follows:

What was the date of the \$7,500 Francis check?

A. I think it was April 19, 1930, or 1931.

The Chief Clerk read the second question propounded by Mr. Schwellenbach, as follows:

What was the extent of the Francis fortune at the time, if you know?

A. I do not know. Mr. Francis was a very wealthy man. He had large holdings. He had a home worth a half a million dollars in Miami Beach, and he had other property investments in Florida. I think he had invested about a million dollars, and that did not exhaust his resources.

Mr. O'MAHONEY. Mr. President, I submit a question which I desire to have answered.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. O'MAHONEY, as follows:

When Mr. Rankin made the explanation to you of his reason for paying you in cash, did he refer to the Whitehall fee?

A. He never said a word about it.

Mr. REYNOLDS. Mr. President, I should like to propound a question.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. REYNOLDS, as follows:

You stated a moment ago that you had never been tempted before. Then please tell us why you fell for the temptation of Mr. Francis in accepting his \$7,500.

A. I did not mean to intimate that I was tempted. I meant to say that while Mr. Francis was my friend and wanted me to build over there, he was willing to provide the lot on which I might build a house because of our friendship, and because of some things that I might have done for him. That is all I can say.

Mr. McGILL. Mr. President, I send forward a question to be asked.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. McGill, as follows:

When Rankin made you payments by check, were any such payments made at a time soon after the allowance of a fee by you to him in your court?

A. They were not.

Mr. DAVIS. Mr. President, I desire to propound a question, which I send to the desk.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. Davis, as follows:

Did Francis have any litigation before your court at the time you accepted the \$7,500 gift?

A. He had no litigation before my court then nor has he had any since. I never anticipated he would have any. He had a business that would never produce any litigation in my court.

Mr. CONNALLY. Mr. President, I wish to ask the witness two questions.

The PRESIDING OFFICER. The clerk will read the questions.

The Chief Clerk read the first question propounded by Mr. Connally, as follows:

After you agreed upon \$5,000 as due from Rankin for your part of the law business, did you ever press Rankin for the payment prior to entry of the decree in the Whitehall case?

A. I never pressed him at any time, not even then. I was willing to wait until he would report to me and pay me the amount that he owed me out of the business that he had in the office, and collections that he would make.

The Chief Clerk read the second question propounded by Mr. Connally, as follows:

If you did not, why did you not press him when you knew he had collected \$20,000?

A. Well, I just never thought about it. I thought he would pay me sometime. It just never occurred to me to say anything about it, and I did not.

Mr. POPE. Mr. President, I should like to have asked of the witness the questions which I send to the desk.

The PRESIDING OFFICER. The clerk will read the questions

The Chief Clerk read the questions propounded by Mr. Pope, as follows:

Exactly what did Rankin do to earn the \$15,000 conservation fee in this case?

A. That was before Judge Akerman. I do not know. It was all put up to him. I did not hear what was presented, and I had nothing to do with the allowance of that \$15,000.

Was there anything more than a bookkeeping entry?

A. I do not know, because I did not hear the matter.

Mr. McKELLAR. Mr. President, I send a question to the desk to be asked of the witness.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. McKellar, as follows:

Was the \$2,000 or \$2,500 paid to you in your chambers or court room.

A. It was paid to me in my chambers.

Mr. LONERGAN. Mr. President, I should like to have the clerk read the question I send to the desk.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. Lonergan, as follows:

On whose complaint were the pending charges filed against you by the Judiciary Committee of the House of Representatives?

A. On what?

The Chief Clerk (reading):

On whose complaint were the pending charges filed against you by the Judiciary Committee of the House of Representatives?

A. I would like to know that myself, gentlemen. I have no definite information, and I could not charge anybody without some definite information, and I cannot tell you. I know that the cases that were dismissed out of this proceeding, particularly the Rate case and the Trust Co. cases. that happened in 1933, were the immediate causes of starting, by the parties interested in those cases, charges against me; but I cannot name anybody, and I ought not to do so.

The Chief Clerk read the next question propounded by Mr. Lonergan, as follows:

Why were the complaints made?

A. Please do not ask me to state that. I have a surmise, but I have no facts.

Mr. BARKLEY. Mr. President, I submit a question which I desire to have read.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. BARKLEY, as follows:

When you made the allowance of \$75,000, did you know how it was to be divided among those agreeing to it?

A. A general statement had been made to me about it, and I required them to file in the case a statement about the division, and that is on file in the Whitehall case.

Mr. OVERTON. Mr. President, I submit a question which I ask to have read.

The PRESIDING OFFICER. The clerk will read the ques-

The Chief Clerk read the question propounded by Mr. OVERTON, as follows:

Did your income-tax return for the calendar year 1931 show the sums that you received from Rankin in 1931?

A. Yes; it did. I put in the \$2,500 that I had received the year previous—I put in my report in that year.

Mr. CONNALLY. Mr. President, I send forward a question which I ask to have read.

The PRESIDING OFFICER. The clerk will read the question.

The Chief Clerk read the question propounded by Mr. CONNALLY, as follows:

You have just said you expected Rankin to pay you from fees collected, and you also testified he had collected \$20,000 from such If you expected such payment, why did you never demand or request payment?

A. Simply because I trusted him and expected that he would pay me out of what he collected. I felt friendly to the man, and I wanted him to succeed and pay his debts and to get a home, if necessary; and I was perfectly willing to wait until he could get the money and pay me.

Mr. CLARK. Mr. President, I send forward two questions, which I ask to have read.

The PRESIDING OFFICER. The clerk will read the

The Chief Clerk read the first question propounded by Mr. CLARK, as follows:

Did you retain in a tin box in your office for 7 months, some \$500 out of the \$2,500 paid you on December 24, 1930?

A. The bank situation in Miami was then very precarious, and I held back \$500 of the first \$2,500 which Rankin paid me, and put it in my safe or in a box, and added a little to it from time to time until I felt the bank situation was all over again; and I think every citizen in Miami kept a cash balance somewhere around him at that time, because of the bank situation. That is the reason I did it.

The Chief Clerk read the next question propounded by Mr. CLARK, as follows:

Why did you deposit \$2,000 of the sum received in cash immediately and retain the other \$500 in a tin box for several months?

A. By April 31 the bank situation had cleared up, and I

deposited the money as soon as I got it.

Mr. REYNOLDS. Mr. President, I send forward several questions, which I ask to have read.

The PRESIDING OFFICER. The clerk will read the questions.

The Chief Clerk read the questions propounded by Mr. REYNOLDS, as follows:

Who was present besides you and Rankin when the \$2,500 cash was paid you?

A. Nobody.

Having answered that no one was present, please tell us if there as anyone in your chambers with you when Rankin first entered with the money.

A. I do not remember that there was.

Before Rankin arrived with the money had he phoned you that he was coming to see you?

A. He had not.

What time of the day was it that Rankin came with the money?

A. The best of my recollection is that it was a little after noon. I cannot fix it any better than that.

What were you doing in your chambers at that time of day?

A. Well, now, that is nearly 7 years ago, and I want to tell you that I cannot, offhand, remember.

Mr. BARKLEY. Mr. President, I send forward a question which I ask to have read.

The PRESIDING OFFICER. The clerk will read the

The Chief Clerk read the question propounded by Mr. BARKLEY, as follows:

When Rankin and Richardson conferred with you in Brooklyn, did you know that suit was to be filed, and that the clerk of the court was to be asked not to divulge the filing of the suit until you returned to Miami?

A. I never talked with Mr. Richardson in Brooklyn or New York, and I never talked to Rankin about the case at all. It was never mentioned. I knew nothing about it.

Mr. BULKLEY. Mr. President, I send to the desk a question.

The PRESIDING OFFICER. The Senator from Ohio presents a question which the clerk will read.

The Chief Clerk read the question propounded by Mr. BULKLEY, as follows:

Was there any evidence of assent by clients to the \$75,000 Whitehall fee, other than the agreement among the lawyers?

A. There was a bondholders' committee that had over 93 percent of the bonds deposited who consented to it, and I thought they were the main people in interest, and that that was sufficient indication that they felt it was reasonable, and were willing to pay it.

The PRESIDING OFFICER (Mr. Bachman in the chair). What is the further pleasure of counsel for the respondent?

By Mr. WALSH (of counsel):

Q. Have you the final decree there, Judge?-A. No; I have

Q. To refresh your memory, I will ask you, following the last interrogation by a member of the Court, if this is not what appears upon the final decree itself?-

Done and ordered in open court at Miami, Fla., this 24th day of December, A. D. 1930.

HALSTED L. RITTER United States District Judge.

Approved.

LOFTIN, STOKES & CALKINS, By B. C. COLEMAN, Attorneys for Whitehall Building & Operating Co., SHUTTS & BOWEN, Attorneys for Harold A. Moore, Individually and Trustee.
A. L. RANKIN,
Attorney for Complainants and Intervener.
Walter S. Richardson,
Trustee in Bankruptcy.

By separate consent instrument the following agreed:

James R. Roads, attorney for American Bond & Mortgage Co.; American Trust & Safe Deposit Co.; Kenneth W. Moore; Kathryne K. Moore, his wife; Hayden W. Ward, individually and trustee. Wilson Trammell, attorney for George H. Thomas, trustee.

A. Yes, sir; that is part of the record.

Q. I think there are one or two questions that I should like to ask you, Judge.

Have you the check of Francis there—the Francis check? Well, I will just ask you the question, Was not that in 1929

instead of 1930?—A. 1929. I think it was in the month of March, within 4 or 5 weeks after I went on the bench.

- Q. Did you know Hill, the brother-in-law of Mr. Rankin?—A. I did not.
- Q. You overlooked an answer to the specification against you that you improperly accepted an invitation to stay complimentarily at the hotel that was in the hands of the receiver—the Whitehall.—A. The management repeatedly urged me to come up to see that hotel; and I thought that the property being in my court, and I would have to fix an upset price, and not being familiar with the inside, and especially it being urged that they had to make repairs because of the hurricane. I went up there the first time and stayed overnight. The hurricane had badly damaged the building, and the question was how much money to spend on it. What was the immediate work to be done that would be approved? And only by personal inspection could I find out that fact. So I went there at the management's request, and I did not pay anything. I did not think I was required to pay anything. The management said they would take care of it, and I thought it was a legitimate part of the expense.

The second time I went up there was the closing of the season, Washington's Birthday. They had a celebration, and they had a lot of invited guests there, and I was one of them, and my wife; and we were there as guests of the receiver and Mr. Bemis. I knew nothing about my daughter and my son or about my secretary being there at all.

Q. Judge, the managers abandoned that, apparently. They did not ask any questions about it. I take it that it is abandoned. I am just asking you about the occasions that were introduced in evidence.

Mr. LONERGAN. Mr. President, I submit a question to be asked the witness.

The PRESIDING OFFICER (Mr. George in the chair). The Senator from Connecticut propounds a question, which will be read.

The legislative clerk read the question propounded by Mr. Lonergan, as follows:

Please repeat last conversation you had with Mrs. Francis regarding building lot or proceeds of sale thereof.

A. Mrs. Francis knew nothing about this \$7,500 and the purchase of the lot until I told her about it. She said she knew that Dick wanted me to have a lot to build on, and that I had done a lot of things for him, and she wanted me to take the lot. I said there was a condition attached to it that I build on that lot, and I did not feel that I should hold it under those conditions as a gift or in trust for that purpose. She said, "Well, you take the lot; I know Dick owes you something." I said, "Well, I will take the lot, and whatever I get out of it I will credit to income as having been paid in satisfaction of any claim I might have for legal services; you are going to close this estate, and if the matter comes up in the estate we can show a consideration. At this time it is upon that basis." And she said, "All right." It was on that basis, thus shifting the arrangement previously made, that I took that lot and relieved it from the obligation which the gift imposed to build on it.

Mr. WALSH (of counsel). The managers may take the witness

CROSS-EXAMINATION

By Mr. Manager HOBBS:

- Q. Judge, did you or not receive the Persian rug which is now in your living room as a gift?—A. I bought that Persian rug on the floor in my house 25 years ago in Denver, Colo.
- Q. I will ask you if you received as a gift a set of office furniture?—A. I never did.
 - Q. You never did?-A. No, sir.
- Q. I will ask you, Judge, whether or not in the allowance of the fee of \$75,000 to Mr. A. L. Rankin you took into consideration the averments of the bill and the failure of any proof of any of the averments?—A. I took into consideration the fact that the bill set up a very bad situation that had been cleared up, and, I cared not whether by suit or by settlement, they had settled it.

- Q. Did you know that in the decree that you signed, the final settlement in that case, your final decree, you acquitted all of the Moores and the Moore interests and all their corporation of any fraud, and completely exonerated them from any of the charges made in the original bill?—A. I knew there had been a settlement made, and that was part of the settlement.
- Q. Did you know that that part of the decree was in the decree?—A. Why, certainly; I read it.
- Q. And you signed it knowing that it acquitted the Moores of any fraud or chicanery?—A. It is what the parties all agreed on in the final decree.
- Q. Judge, you knew that that part that you read of article 7 of the deed of trust was merely a part of the articles, did you not?—A. I knew it was a very vital and separate and distinct part of the agreement of the trustees; yes.
- Q. And do you mean to tell this honorable Court that your interpretation as a lawyer and a judge is that that part could be interpreted in the way that you say you interpreted it?—A. Otherwise I would not have testified that way.
- Q. Do you mean to say that you think that any bondholder under the deed of trust securing the first mortgage in the Whitehall case could have filed a suit to foreclose at any time after default?—A. The deed says so.
- Q. And that was your interpretation?—A. That was my interpretation.
- Q. And that was why you thought that Mr. Holland had no right to stop that suit?—A. I thought that he could not stop the others who had a perfect right to prosecute the suit; yes, sir.
- Q. And so your declination to allow him to stop his suit was based upon your interpretation of article 7 of the deed of trust and that part of it which you have just read?—A. How can a judge proceed in a case unless he uses his judgment and does the best he can? Yes, sir.
- Q. I think, in answer to your question, that many times they proceed otherwise.—A. You charged it in this case, and I would like to have you prove it.
- Q. Judge, you say that the first time you went up to Whitehall was on the invitation of the management to inspect the storm damage?—A. That is what I said.
- Q. What were the dates?—A. I cannot tell you; I do not know; I do not remember.
- Q. Was the hotel open or closed?—A. It had not opened yet, as I remember; but you have the dates there. I cannot tell you; I do not remember.
- Q. Was the hotel in operation when you stopped there overnight?—A. Well, sir, I do not remember. That was over 7 years ago.
- Q. You do not remember whether the hotel was in operation or not?—A. Lots of things occur in 7 years that one cannot remember very easily.
- Q. And do you remember seeing any other guests there?—A. I do not.
- Q. Are you under the impression that you were the only guest at that hotel at that time?—A. I simply have no impression about it; I do not remember.
- Q. Did you eat any meals in the hotel during that stay?—
 A. I do not think so. I do not remember during that first time. I know on Washington's Birthday we had dinner.
- Q. On Washington's Birthday of what year?—A. What is fixed in your notes? I forget what the year was. What was the date and what was the year, Mr. Manager?
- Q. I really do not know, Judge.—A. Then we neither one know. [Laughter.]
- Q. But I am not on the witness stand, if you please, sir, and you are, and I am asking you.—A. I do not remember.
- Q. Do you recall what year it was?-A. I do not.
- Q. Was it the year after the storm?—A. I told you I cannot remember.
- Q. How long after the storm, Judge, would you estimate it was when you made your first visit?—A. I cannot tell you; I do not remember that long ago.
- Q. Judge, were the covers on the upholstered furniture in the Whitehall as you went in?
- Mr. REYNOLDS. Mr. President, I inquire if questions are in order now or should Senators wait?

The PRESIDING OFFICER. The Chair will state to the Senator from North Carolina that questions by Senators are in order at any time.

Mr. REYNOLDS. I submit several questions which I ask to have propounded.

The PRESIDING OFFICER. The questions submitted by the Senator from North Carolina will be read.

The legislative clerk read the first question propounded by Mr. REYNOLDS, as follows:

Who, if anybody, was present when Mr. Francis gave you his check for \$7,500 as a gift?

A. Mrs. Ritter.

The legislative clerk read the second question propounded by Mr. REYNOLDS, as follows:

I believe that you stated that no one was present when Rankin handed you the \$2,500, and now you say that no one was present when Francis gave you \$7,500. Is that correct?

A. No one was present when Rankin paid me, but my wife was present when Francis put that check in my hand at the door as we were leaving his house.

The legislative clerk read the next question propounded by Mr. REYNOLDS, as follows:

Has anyone ever given you anything when anybody else was present?

A. Let me have that question.

(The witness was handed the written question.)

Has anyone ever given you anything when anybody else was present?

I simply cannot answer that question. I should like to if it could be elaborated a little more. Yes; I have been given a drink when somebody was present, but I cannot answer the question: I am sorry.

Mr. BYRNES. Mr. President, I submit a question to be asked the witness.

The PRESIDING OFFICER. The Senator from South Carolina propounds a question, which will be read.

The legislative clerk read the question propounded by Mr. Byrnes, as follows:

If you told Mrs. Francis that you would consider the lot as payment for services rendered to Francis, did you give to Rankin, your partner, any part of that money?

A. That Francis matter was never considered a part of the firm business. No entry was ever made on the books. It was well understood that he was a personal friend of mine, and we never considered it as any business in the law firm at all. I never intended to charge him, and I never did charge him for what I did.

By Mr. Manager HOBBS:

Q. You stated in your testimony before the subcommittee at Miami that you knew he would pay you for your services in his own good time, or words to that effect, did you not?-A. I supposed that some time we would have some kind of an arrangement; yes.

Q. Did you or not swear that way at Miami?—A. If the record says so I probably did.

Q. Judge, you say you never knew anything of the background in the Whitehall case until the fall of 1933, when the subcommittee was making its examination down there?-A. Yes, sir.

Q. You knew something of the background, did you not, when Mr. McPherson exhibited the letters and documents to you and read them in open court at the hearing on October 28, 1929?-A. When that case came on I thought there was some background to it, but that did not disclose the situation at all.

Mr. CLARK. Mr. President, I desire to propound a question.

The PRESIDING OFFICER. The Senator from Missouri propounds a question, which the clerk will report.

The legislative clerk read the question propounded by Mr. CLARK, as follows:

If Francis had paid you in cash for your services before his death, would you have considered this a partnership matter in which you should account to Rankin?

A. In no way. It was never considered a part of the firm business. Rankin well knew and we agreed, and I told him he was just a friend of mine I was advising from time to time and that it was no part of the firm's business.

By Mr. Manager HOBBS:

Q. When you were being examined in Miami, Fla., before the subcommittee, did not this take place, as recorded on page 700 of the transcript of the testimony?

Mr. Youmans. Judge Ritter, I gather from this statement that

Mr. Youmans. Judge Ritter, I gather from this statement that this \$7,500 was a gift to you from Mr. Francis?

Judge Ritter. Well, it was partly a gift and it may have been his idea of settling for what I had done for him. It was a combination. It was more than I would have charged him if I had rendered a bill to him.

Mr. Youmans. How much would you have charged him if you had rendered a bill?

Judge Ritter. I do not know. I cannot itemize it.
Mr. Youmans. Did you report this \$7,500 in your income-tax returns?

Judge Ritter. Yes; I paid a tax on it.
Mr. Youmans. Then you considered it compensation for services

and not a gift?

Judge Errree. I paid income taxes on it so there would be no question about it.

question about it.

Mr. Youmans. When were those services rendered?
Judge Ritter. Covering a period of about 7 years, I guess.
Mr. Youmans. Were any of these services rendered in Florida?
Judge Ritter. Yes; all of them.
Mr. Youmans. All of them were rendered in Florida?
Judge Ritter. Well, it covered a period of about 5 years, I guess.
Mr. Youmans. Those services were rendered during your partnership with Mr. Rankin, were they not?

Judge Ritter. Partly then and partly before; but when I formed the partnership with Mr. Rankin I said the Francis matter was a personal matter, and that it would not be treated as a firm matter.
Mr. Youmans. This was specifically excluded from partnership matters.

matters

matters.

Judge Ritter. Yes.

Mr. Youmans. In this statement you state specifically that you have no claim or had no claim against Mr. Francis.

Judge Ritter. I never rendered him a bill. He was a personal friend of mine and an intimate friend. I knew that sometime he would now me. This friend of mine and an intimate friend. I knew that sometime he would make a settlement or that sometime he would pay me. This is the way it happened in this \$7,500.

I will ask if you gave that testimony under oath in Miami before the subcommittee?

A. I did, but I did not go into the explanation there as I have here, and add to it. It was a hurried meeting down there.

Mr. McKELLAR. Mr. President, I submit a question, which I desire to ask the witness.

The PRESIDING OFFICER. The clerk will read the question submitted by the Senator from Tennessee.

The legislative clerk read the question propounded by Mr. McKellar, as follows:

Did you give half of the additional fee of \$2,000 you charged the Mulford people to Rankin?

A. I did not, because Judge Rankin got an equal amount later when the case was closed up, from the receiver, and I got my half, \$2,000, earlier, because I needed the money and wanted it, so that Rankin in the end got \$4,000 and I got \$4,000 out of that foreclosure.

By Mr. Manager HOBBS:

Q. Mr. Rankin did not get that until much later, did he?-A. No; he got that later.

Q. He took the appeal in the case, did he not?-A. Yes, sir.

Q. You never told him anything about getting that \$2,000 until much later, did you?-A. When I left the firm I stated that I told him I was going to get out of the Brazilian Court matter what I could.

Q. You never told him about getting the \$2,000, did you?-A. It was told him in the final arrangement when he came to make his final decree and get the \$8,000 paid by the receiver.

Q. You do not mean to say that Rankin got \$2,000 for services performed prior to your taking the bench?-A. I do. sir.

Q. You do?-A. Yes, sir. That is exactly what happened. He got \$2,500 afterward when he took the appeal. the case was closed in the lower court and the appeal was taken he was paid \$2,500 more for that. I never got a dime of it, of course, because that was after I went on the bench. Mr. MINTON. Mr. President, I submit a question for the witness.

The PRESIDING OFFICER. The clerk will read the question submitted by the Senator from Indiana.

The legislative clerk read the question propounded by the Senator from Indiana, as follows:

If these services to Francis were rendered in Florida and extended over a period of 5 years or more, then some of the services were rendered after you went on the bench, as you were only in Florida 4 years before you went on the bench, were they not?

A. I never rendered any service to Francis after I went on the bench. Everything I did for Francis was before I went on the bench. After I went on the bench we may have had some conversation about what happened prior, but I never did anything for him. I did not do anything for him after I went on the bench.

By Mr. Manager HOBBS:

Q. Judge, you stated in your testimony at Miami that you did settle \$200,000 worth of claims against J. R. Francis involved in the Cocoa Beach transaction, and that you did write the contracts in and by which that settlement was put through for him, and that you did verify that contract after you went on the bench, did you not?—A. Everything in that matter had been closed up some time before I went on the bench. One day they brought in a contract and said, "Judge, is this the contract that you drew?" I said, "Yes." That is all there was to it. I simply said, "Yes; that is the contract", and that is all.

Q. Do you mean to say that there was no correspondence between you and a New York law firm after you went on the bench with respect to certain changes they wish made in that contract that you drew?—A. I do not recall any.

Q. Do you mean to say there was no correspondence between you and a Detroit lawyer with respect to changes that were made in that contract that you drew in behalf of certain clients of his living in Michigan?—A. I do not recall any.

Q. Will you say that there was none?—A. I—yes; there was not that I can recall.

Q. So you verified the contract merely by saying "yes"?-A. I said, "Yes; that is the contract I drew."

Q. And that was all that was asked you?—A. Yes, sir.

Q. And they submitted it to you to find out if that was the contract you drew?—A. That is all there was to it.

Q. Judge, when Mr. McPherson presented in court on October 18 the letters and telegrams which he read to you, they showed that Walter S. Richardson had been for 6 months during the time he was trustee in bankruptcy scheming and planning to get control of that property left in his hands after his official term or tenure of office had expired, did they not?—A. Yes. I did not disqualify him, hedged about as I did hedge him afterward on the receivership. I did not think that disqualified him, because he knew all about the property.

Q. And you think it is perfectly proper, and that a trustee in bankruptcy should conduct himself in that way during his tenure of office?—A. I did not think that the matter presented to me disqualified Mr. Richardson at that time.

Q. And you thought he was perfectly qualified, in spite of the showing that he had solicited clients both to initiate the suit and to intervene for A. L. Rankin? You thought that that did not disqualify him?—A. I did.

Q. You did think it disqualified him?—A. I did not; and his record afterward, in conducting the case, showed I was right.

Q. Judge, you said in your statement, without interrogation, that he made a net profit of \$600,000 on the operation of that hotel; did you not?—A. I think the record shows that,

Q. You think the record shows that. His own final report as receiver does not show it; does it?—A. I do not know.

Q. Judge Ritter, do you not know, as a matter of fact, that only \$12,000 was turned over by him to himself as receiver—that is, I mean, that he himself, as trustee in bankruptcy, at the termination of his trusteeship turned over only \$12,000 to the receivership?—A. I do not know it now. The record will show it.

Q. Do you not know, although there was a net operating profit shown after paying off the cooks and chambermaids of some \$300,000, that all of that was paid out in fees and expenses except \$19,000 for both years, and that the bondholders never got a dime out of the whole three-season operation by Walter S. Richardson? Do you know that?—A. The records will show. I know that no bondholder or anybody ever raised the question. Nobody ever objected. Nobody said it was wrong; and they all approved his reports and what he had done; and nobody ever objected to it until they started this investigation on me by some stranger outside of the case.

Q. So at the time you allowed A. L. Rankin, as attorney for the complainants in this matter, this fee of \$75,000, you thought that the management had resulted in some benefit to the first-mortgage bondholders; did you?—A. I certainly

did: and it had.

Q. Sir?-A. And it had.

Q. It had?—A. Yes.

Q. To what extent, and how?—A. They got the property at a price which raised the value of their bonds from 10 or 15 cents up to about 60 cents in value.

Q. Why, Judge, they surrendered their bonds; did they not?—A. Certainly they surrendered their bonds; but they surrendered them to get the property.

Q. It would have been far better for them to surrender the bonds than to pay cash; would it not?—A. They would have had to do that or pay cash, one or the other. Bonds or cash had to be paid.

Q. And, Judge, you knew at that time that Walter Richardson or his immediate family had bought in, at prices ranging from 3 or 4 cents on the dollar to 10 cents, \$48,700 worth of those unsurrendered bonds?—A. I never knew a thing about it.

Q. You did not?—A. No; sir; I never knew a thing about it.

Q. And you did not know that the whole purpose of the upset price being fixed was so that he would get 60 cents on the dollar for his bonds?—A. No, sir; I did not know anything of the kind, and that is not true. It was set there so that every bondholder could have his interest in that property in proportion to the amount of bonds he held.

Q. Judge Ritter, do you know whether or not a single first-mortgage bondholder has ever gotten one dime out of that Whitehall Hotel property or out of his bonds?—A. I know they got the property. I do not know whether they made any money out of it, but they got it in payment for their bonds.

Q. I will ask you, Judge, as the judge who tried this case, if you do not know that when this proceeding was started the first-mortgage bondholders had a first mortgage on that property with the right of recapture, and that when it wound up they had the property subject to a \$300,000 first-mortgage prior claim?—A. I do not know a thing about it. That happened after the case was closed out in my court, if it happened at all. I knew nothing about it.

Q. Do you not know they had to put a \$300,000 mortgage on it to pay the fees that you allowed?—A. I do not. That happened after the matter was all closed out in my court. I never knew a thing about it.

Q. Judge, you say that these petitions for intervention were presented to you and that you signed them on the 16th day of October 1929 in your courtroom in the presence of Mr. McPherson on the same day they were presented?—A. Yes, sir.

Q. Were any notices given to anyone?—A. I do not know. I do not remember.

Q. Judge, you knew that rule 22 of the practice in your own court condemned that kind of a thing, did you not—A. No; I did not, because this suit was brought on behalf of all bondholders, and any bondholder had the right to come in at any time. That notice, provided there, is a notice given where one seeks to intervene that has some separate possible antagonistic claim or element that has to be tried in the case, and notice must be given to everybody so that matter may be contested, if necessary; but here no notice was required. There had been no pleadings filed in the case; and these bondholders, by perfect right, had come in even without

giving anybody notice. If they had given notice, it would not affect their rights. Nobody complained of their coming in as interveners. Nobody ever objected to it. No motion was ever filed to discharge them. Everybody accepted them in, and the case went right along. The bondholders' committee, stepping into the case, went right along to conclusion on behalf of all parties in interest.

Mr. SCHWELLENBACH. Mr. President, I submit a question.

The PRESIDING OFFICER. The Senator from Washington submits a question which the clerk will read.

The legislative clerk read the question propounded by Mr. Schwellenbach, as follows:

Do you think, where attorneys involved in a mortgage foreclosure must usually agree upon fees to be paid to each of them out of the corpus of the estate that there is no duty upon the court to scrutinize the transaction to determine the reasonableness of the fees which the lawyers split up between themselves?

A. I think there is a duty for the court to scrutinize it, and I think I scrutinized this; and there was enough evidence before me that it was a reasonable fee, and particularly when the bondholders, who were the parties interested in it, said they would like to pay it, and they agreed. Of course, a judge must not blindly do a thing. I did not in this case. I think it was a fair fee. That was my best judgment about it, honest judgment, without any previous consultation or knowing anything about it from anybody except at the time it was presented to me; and I was honest in what I did.

By Mr. Manager HOBBS:

Q. Judge Ritter, you say that the answer of the Whitehall Building & Operating Co. had been filed, and admitted the allegations of the bill.—A. Yes, sir.

Q. But you neglected to read who signed that answer. By whom was it signed?—A. It is signed:

Whitehall Building & Operating Co., by Martin Sweeny, president. Attest: Edward C. Sweeny, secretary.

Q. And you also knew and have testified on your direct examination that you knew it was a contest between the Sweenys and Bemis on the one hand and the Moore interests on the other?—A. Well, I say that from the setting of the case as presented to me at that time, I suspicioned that to be true; but this entry of appearance and consent entered by Sweeny was never objected to by White, by Moore, or any of the Moores. Nobody ever said that was wrong and wanted to pull it down. Nobody has ever complained of it.

Q. But it was filed by Martin Sweeny, whom you knew to have an antagonistic interest to the Moores.—A. I did not know at that time anything about the antagonism between Sweeny and Moore. All I saw was that paper and the bill, which recited that Moore owned 50 percent and Sweeny owned 50 percent of the operating company. That is all I had before me.

Q. Judge, you say that the bill of complaint itself, in the part which you read, averred that a demand on the trustee to foreclose was necessary, and that it had either been done or that it was waived because it would be futile?—A. That is what the bill alleged.

Q. So the bill itself averred that?—A. Yes, sir.

Q. In the absence, then, of testimony which would prove fraud on the part of the Moores, demand, according to the averments of that bill, was necessary, was it not?—A. No, sir.

Q. Because of the quotation of article 7 that you read?—A. Because it was feared that the trustee in bankruptcy was antagonistic to the bondholders, and had been neglecting his duty, and had refused to foreclose that mortgage, although it had been in default for many, many months.

Q. Pardon me, Judge. Do you not mean the trustee under the mortgage?—A. I mean the trust deed, securing \$2,000,000

worth of bonds, that was in controversy.

Q. I was simply calling attention to the fact that you said the trustee in bankruptcy.—A. I meant the trustee under the bonds. I beg your pardon.

Mr. DAVIS. Mr. President, I submit a question which I desire to have asked of the witness.

The PRESIDING OFFICER. The clerk will read the question.

The legislative clerk read the question propounded by Mr. Davis, as follows:

Did Attorneys Shutts and Bowen and Metcalf discuss with you their fee, which was a part of the full fee of \$75,000 allowed Rankin?

A. They did not separately. It was simply at the time when we had the decree before us, and the statement by which they had divided the fee among themselves. There was no separate discussion about any separate attorney in the matter, because the fee covered all the claims in the case.

By Mr. Manager HOBBS:

Q. Judge, was or not the bankruptcy wholly and completely terminated in a separate and distinct procedure, distinct and separate utterly from the receivership case in your court?—A. Yes; it was. I do not know whether it had been completely closed out at the time of that hearing or not, but it was separate; yes.

Q. It is your practice to allow fees for services performed by attorneys in bankruptcy proceedings in the wholly separate proceedings of a receivership thereafter?—A. An attorney's fees are first allowed by the referee in bankruptcy, and then, if there is any trouble about it, they come up to me for a review.

Q. I am asking if it is your practice to allow in receivership proceedings fees for services performed by attorneys in the bankruptcy case?—A. Not unless there is some reason for it.

Q. What was your reason for allowing Shutts & Bowen this \$6,500 fee for services performed in the bankruptcy?—A. It appears in the decree what it was for. I cannot remember now; but the decree provides it.

Q. The decree provides, if you will recall, that it was for services performed in the bankruptcy phase of the Whitehall matter.—A. Very well. The bankruptcy matter—from the bankruptcy it slid into this receivership, and the parties agreed that that was a fair thing to do; so I thought it was.

Q. Judge, do you not know that they made the application before the referee in bankruptcy for that very fee, and that he denied it?—A. I do not.

Q. You say that when you came to Florida you started in to practice law?—A. Yes; certainly I did.

Q. For the purpose of refreshing your recollection——.
A. I beg your pardon.

Q. Did you not accept the secretaryship of a real-estate corporation?—A. Of course, I was not admitted to practice until I took the examination, in June 1926, and, of course, I could not practice prior to that time. I beg your pardon.

Q. That is perfectly all right. You did accept the secretaryship of one of those boom real-estate corporations, which burst in your face very shortly?—A. Yes, sir.

Q. At the time you undertook it they agreed to pay you \$25,000 a year as salary, did they not?—A. Yes; they did.

Q. You say that the reason why you deposited the money which Mr. Rankin gave you in the privacy of your chambers on December 24, 1930, in your strongbox instead of the bank was on account of the fact that the City National Bank of Miami had failed the day before, and that the condition of the banks was considered as precarious.—A. I deposited that money, I think, 4 or 5 days afterward. On Christmas, of course, the banks were closed, and Friday is my motion day, and Saturday I do not hold court, or Sunday. I think I put it in on Monday.

Q. You did so, and you put it in on the fifth day?—A. Yes.

Q. I am asking, if the banks' condition in Miami was precarious enough to be the reason for your leaving \$500 in your tin box in the privacy of your office for 7 months, why was it not sufficiently precarious to keep you from depositing two thousand other dollars that you had in cash?—A. Mr. Hobbs, I thought I would just keep a little cash on hand in the drawer, so that I could have it, out of that money.

Q. So you were willing to risk \$2,000 but were not willing to risk \$500?—A. You can go on and put it that way.

- Q. And you kept it out only 5 days, I mean the \$2,000?-A. Yes.
- Q. So the reason you kept it out, then, was engagements in your court, and not the precarious condition of the banks?-A. Well, I think there was a combination of both ideas in my mind at that time, sir.
- Q. Judge, do you mean to say that you thought the condition of the Miami First National was precarious?-A. There was a run on it.
- Q. And did you think it was precarious on the 24th?—A. I did not know. I knew there was a run on it, and you get apprehensive if there is a run on a bank. I could not tell. But I did have confidence in it.
- Q. You say that \$500 which you had in your tin box and kept there for 7 months grew until it amounted to \$1,100?-A. Yes, sir; and I deposited the \$1,100.
- Q. You deposited that on the 10th day of July 1931, did you not?-A. I guess that is the correct date.
- Q. That was not, according to your testimony, then, the identical \$1,100 that you drew out in May?-A. Was not what? I did not get your question.
- Q. I am questioning whether you recall or not that in May you drew out the identical amount of the \$1,100 which you put back in in July?—A. If I did, I did.
- Q. For the purpose of refreshing your recollection, was not that the \$1,100 which you deposited back in July?-A. No; it had nothing to do with it.
- Q. So this \$500 grew to be \$1,100?-A. I added some to it. My wife had saved some money, and we finally decided it was foolish to keep the cash out, and I put it back in the bank.
- Q. What did you do with that \$1,100 that you drew out on the 15th day of May; do you remember?—A. What year?
- Q. 1931.—A. Mr. Hobbs, I could not tell you now what I did with that. That is 5 or 6 years ago. I cannot tell you.
- Q. Judge, we will now take up the Brodek case, if you

In your letter to Mr. Brodek you stated that this was one of a few matters that you were presuming to continue in until finally finished up, or words to that effect; did you not?-A. Yes.

- Q. You stated that you were going to try to get a receiver appointed who would be amenable to your directions; did you not?-A. Well, I meant that Judge Rankin would do it. I did not mean that I would have anything to do with it. My language was a little strong, but I never did anything in that case at all, and I should not have written in that way; and it says in the beginning of that letter that A. L. Rankin will take care of matters, and Mr. Brodek so understood.
- Q. If you referred to Mr. Rankin, why did you say "we"? [Reading:]
- I do not know whether any appeal will be taken in the case or not; but, if so, we hope to get Mr. Howard Paschal or some other person as receiver who will be amenable to our directions.
- A. I had not gotten away from the "we" used in that partnership matter. That was just about a few weeks after I went on the bench, and I just had not gotten away from the "we" idea, I guess. I did not mean that I would have anything to do with it, and I did not.

 Q. If you used "we" in that paragraph as meaning Mr.
- Rankin, why, when you come down to what you are going to do about it, do you say?-

And this matter is one among very few which I am assuming to continue my interest in until finally closed up.

- A. I meant by that that I would probably have to give some information to Judge Rankin about what I had done in the case. I had conducted it all the time and took care of it, and I simply meant that I would have to continue my interest in it to the extent of giving what information I had about it; that is all.
- Q. And did you or not consult with Judge Rankin about the case as it progressed?-A. I never did. After that time all money was sent to him. I never talked with him about it. I never had anything to do with the case.
- Q. Were you or not in Judge Rankin's office, as he testified, when Mr. D'Esterre or his attorneys made you a propo- | Francis told you that her husband had always considered

sition of a 50-percent settlement?-A. I have forgotten whether I was or not. If so, it was simply I happened to be in there. It was not a conference for the purpose of my deciding anything at all. It was simply a business proposition as to whether they should accept a settlement or not. I think that Mr. Paschal and maybe Judge Rankin or Mr. Salisbury came to my chambers one day and said, "We have got an offer of settlement of this case." "Well," I said, "if you have, it is a business matter for you to decide, and I haven't anything to do with it", because the law had all been settled, and it was a purely business matter, and I did not enter into it at all.

Q. Now, Judge, we have come to the Francis matter.

You testified down in Miami before the subcommittee that in addition to saving Mr. Francis \$200,000 that was claimed against him by the settlement of those claims through the contract which you drew before you went on the bench. which contract you testified was verified by you after you went on the bench, and as to which you now tell us that the verification meant simply a statement of "Yes; that is the contract I drew", wholly apart and distinct from that matter you saved Mr. Francis \$85,000 that he invested in the socalled Boca Raton property by your influence with a Mr. Clarence Geist, who was the proprietor of that property; did you not?

- A. Yes, sir.
- Q. You testified that those services were all performed at least 2 years before you went on the bench?-A. Yes, sir. I do not say during 2 years. I started in to get the settlement for Mr. Francis 2 years before I went on the bench.
- Q. Judge, did you not say that "everything in that transaction had been completed at least 2 years before I went on the bench"?-A. I should not have said that if I did. because they were not.
- Q. Did you not testify that your efforts began in 1926 and continued up to sometime in 1927 or 1928?-A. Well, they were beyond that, because I had arranged with Mr. Geist to recognize Mr. Francis' rights to purchase the property and complete his installments, and he had told me he would do that. That was long before I went on the bench. It was not a legal matter. That Francis matter was not legal at all. It was purely a business matter-how much Francis would pay, and that was for him to do, and I had nothing to do with it at all.
- Q. And yet, Judge, these letters that you began to write on February 3, 1930, and continued on through the year, culminating with this letter in 1931 in which you criticized the type of warranty deed contained in the deeds, were written, were they not?-A. Yes, sir.
- Q. And those deeds were reformed to meet your criticism, were they not?-A. I think so.
- Q. And you were there when the escrow agreements were delivered under which the deeds were delivered?-A. I was not.
- Q. You said that you were in the club.-A. I was not at the meeting at all. Mr. Francis and Mr. Geist and Mr. Gedney went out in a room by themselves, and I went out with the women and lay on the beach. I had nothing to do with it.
- Q. But you were at the club when these negotiations went on?-A. Yes, sir; I was.
- Q. That income-tax-return amendment that you made in 1934 was after the investigation by the Subcommittee of the Judiciary down in Miami, was it not?—A. I beg your pardon; what was that?
- Q. I say, that amendment that you filed to your 1931 income-tax return?—A. Yes, sir; that was.
- Q. And that was what called it to your attention?-A. Yes. You see, I explained that when I got the lot I thought whatever I sold that lot for would be what money I got, and I would return it as income; but I found out afterward I should have returned it at its appraised value when I got it in 1931, so I amended my report and put it in.
- Q. Judge, you testified on direct examination, in answer to one of the Senator's questions, did you not, that Mrs.

that as a gift, and that she wanted you to have it; and then did you not add, "and I thought at that time that whatever I got out of that lot would be taxable income"?—A. Yes, sir; at that time of settlement with her.

Mr. ROBINSON. Mr. President, may I inquire of the managers whether they are prepared to conclude the cross-examination this afternoon?

Mr. Manager HOBBS. Yes, sir. So far as I am concerned, I shall be through in just one or two questions.

Mr. ROBINSON. Very well.

By Mr. Manager HOBBS:

Q. At the time, then, of the settlement with Mrs. Francis, as you call it—that statement that she made to you—it was in 1931, was it not?—A. Yes, sir.

Q. You thought then that whatever money you got out of that lot would be taxable income?—A. Yes.

Q. And yet you did not return it, and you did not amend your return until 1934, when, on February 13, you made and swore to that return?—A. Yes. I had not sold the property.

Q. You had not sold it then either, had you?—A. No. I say I had not sold it so as to realize anything to report on my income.

Q. But you got \$7,500 in cash and you put that into your bank account, did you not?—A. Yes, sir.

Q. And then, some 2 months later, you wrote your check on that bank account for a warranty deed to Halsted L. Ritter, did you not?—A. Yes. I did not know it was that long.

Q. And there were not any strings to it?-A. No, sir.

Q. In the written statement you said it was to be taken in trust and you took a straight warranty deed, didn't you?—A. Certainly. I said I took it with the understanding I had to build on it and I held it in trust for that purpose.

Q. In your amended return that you filed in 1934 you used these words with respect to that Francis lot, did you not, "as attorney fee"?—A. I settled it with Mrs. Francis at that time, and at that time the conditions were changed and I took it unconditionally at that time and I made my return. Yes, sir; that is the way I thought about it and the way I handled it.

Q. And yet in that amended return you did not say, "Received from Mrs. J. R. Francis", did you?—A. Why, no. I just said, "Received as attorney's fee."

Q. No, sir; you said, "From J. R. Francis."—A. All right. Possibly I did.

Q. You paid no income tax on any income in 1929, did you?—A. There was none to pay.

Q. That was the reason why you did not schedule it?— A. That is the reason I did not pay any.

Q. You did not schedule the Francis fee?—A. No; that was not income.

Q. You got the \$7,500 in cash, did you not?—A. Yes, sir.

Q. In 1930 you did not schedule one cent of the \$5,300 worth of income that you received in cash from your law practice, did you?—A. No; because I had \$4,874 loss that year and there would be no income tax to pay.

Q. Was not that \$4,800 loss that you talk about claimed on top of a \$9,600 deduction you had formerly made for depreciation out of the net value or cost value of your property in Denver?—A. No, sir. It was a direct loss which was recognized by the internal-revenue collector on the statement that I made in my return. It was accepted and granted to me as a loss and was so regarded.

Q. Judge, there was nothing of taxable income whatsoever returned in your return, was there?—A. Because there would be nothing in the world to be paid against that loss.

Q. Just one more question and I am done. You were in financial straits, were you not, from 1926 to 1929?—A. No; I would not call it "financial straits." I had enough to live on.

Q. You were not able to pay your debts, were you?—A. Yes; I was paying my debts right along.

Q. You had not paid your taxes, had you, for 4 years on your apartment house in Denver?—A. That was a separate matter. I had it in the hands of an agent out there, and I

found he had not, and that is the reason why I sold the property and took my loss on it and got rid of it. I did not include that in my answer to you. I did not know you had that in mind.

Q. You wrote your agent out there that the reason you would not sell was because you could not sell until you got some ready money which you badly needed?—A. I probably needed money. I do not know just what you are talking about.

Q. Did not you write your agent out there that unless he could trade for some other property which could be mortgaged so as to get you some ready cash, you could not float because you had to have some money?—A. That might be true. I just could not handle that place out there in Denver and that is the reason I sold it. I had a mortgage on it for \$25,000 and I could not meet it and interest was coming due. When I answered you awhile ago, I meant I had enough to live on down here and was getting along very well. I did not think about the Denver property. I reported it as a loss and it was approved by the collector of internal revenue.

Mr. Manager HOBBS. That is all.

Mr. WALSH (of counsel). That is all, Judge Ritter.

Mr. O'MAHONEY. Mr. President, I send to the desk a question to be propounded to the witness.

The PRESIDING OFFICER. The clerk will report the question submitted by the Senator from Wyoming.

The legislative clerk read the question propounded by Mr. O'MAHONEY, as follows:

Bearing in mind your testimony that Mr. Rankin did not refer to the Whitehall fee when he made his cash payment to you, do you care to comment on the fact that he made payments to you by check both before and after the cash payments out of the Whitehall fee as indicated by the exhibits on pages 370 and 372 of the record before us?

A. I really would like to answer the Senator on this question, but I may be a little obtuse.

Bearing in mind your testimony that Mr. Rankin did not refer to the Whitehall Co. when he made his cash payment to you, do you care to comment on the fact that the payments he made to you both before and after the cash payments in the Whitehall case were by check, as indicated by the exhibits.

I hope I have made myself clear, but probably not. I cannot see what comment I could make. I have explained here that he brought me cash and why I took it and why I asked him for a check. I just do not know how to answer any further.

Mr. O'MAHONEY. Mr. President, I submit another question.

The PRESIDING OFFICER. The clerk will read the question submitted by the Senator from Wyoming.

The legislative clerk read the question propounded by Mr. O'MAHONEY, as follows:

What was his explanation for paying by cash?

A. He said that he thought that if he paid me by check it would be known that he was giving me checks and those checks could not be registered against a particular case in the office and therefore it might cause us embarrassment. He did send me checks later, which checks were out of collections made in his office and the checks given me could be checked back against that very case. In this matter, if he gave me a check, it could not be checked back against anything that was in the office at that time, and he thought it might create an embarrassing situation if somebody did not know all the facts in the case, and offered that as a reason and I accepted his reason at the time and took the money.

Mr. O'MAHONEY. Mr. President, I submit another question.

The PRESIDING OFFICER. The clerk will read the question submitted by the Senator from Wyoming.

The legislative clerk read the question propounded by Mr. O'Mahoney, as follows:

Was he not paying on the \$5,000 purchase price for the business and not for particular cases?

A. Yes, sir; that is what he was paying for, the purchase price of the property.

ADJOURNMENT

Mr. ROBINSON. Mr. President, I am informed by the managers on the part of the House that they desire to produce some rebuttal testimony. The hour of 5 o'clock having arrived, unless there is objection, I move that the Senate, sitting for the trial of the articles of impeachment, adjourn until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. The question is on the mo-

tion of the Senator from Arkansas.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate, sitting for the trial of the articles of impeachment, adjourned until Monday, April 13, 1936, at 12 o'clock meridian.

SENATE

Monday, April 13, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian.

The managers on the part of the House, Hon. HATTON W. SUMNERS, of Texas; Hon. RANDOLPH PERKINS, of New Jersey; and Hon. Sam Hobbs, of Alabama, accompanied by the clerk of the Committee on the Judiciary of the House of Representatives, Elmore Whitehurst, and by Thomas M. Mulherin, special agent, Federal Bureau of Investigation, Department of Justice, appeared in the seats provided for them.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., and R. O. Cullen, Esq., of Miami, Fla., associated with Mr. Hoffman, appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms by proclamation will open the proceedings of the Senate sitting for the trial of the articles of impeachment.

The Sergeant at Arms made the usual proclamation.

On request of Mr. ASHURST, and by unanimous consent, the reading of the Journal of the proceedings of the Senate. sitting for the trial of the articles of impeachment, for Saturday, April 11, 1936, was dispensed with, and the Journal was approved.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Johnson	Pope
Ashurst	Connally	Keyes	Radcliffe
Austin	Coolidge	King	Reynolds
Bachman	Copeland	La Follette	Robinson
Bailey	Couzens	Logan	Schwellenbach
Barbour	Davis	Lonergan	Sheppard
Barkley	Donahey	Long	Shipstead
Benson	Duffy	McAdoo	Smith
Bilbo	Fletcher	McGill	Steiwer
Bone	Frazier	McKellar	Thomas, Okla.
Borah	George	McNary	Thomas, Utah
Brown	Gerry	Maloney	Townsend
Bulkley	Gibson	Metcalf	Truman
Bulow	Glass	Minton	Vandenberg
Burke	Guffey	Murphy	Van Nuys
Byrd	Hale	Murray	Wagner
Byrnes	Harrison	Norris	Walsh
Capper	Hastings	Nye	Wheeler
Caraway	Hatch	O'Mahoney	White
Carey	Hayden	Overton	
Chavez	Holt	Pittman	

Mr. ROBINSON. I announce that the junior Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. COSTIGAN], the Senator from Nevada [Mr. McCARRAN], and the Senator from Florida [Mr. TRAMMELL] are absent from the Senate because of illness, and that the junior Senator from Illinois [Mr. DIETERICH], the Senator from Oklahoma [Mr. Gore], the Senator from New Jersey [Mr. Moore], the Senator from Georgia [Mr. Russell], the senior Senator from Alabama [Mr. Black], the senior Senator from Illinois [Mr. LEWIS], and the Senator from West Virginia [Mr. NEELY] are necessarily detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson] is necessarily absent.

The VICE PRESIDENT. Eighty-two Senators have an-

swered to their names. A quorum is present.

(At this point, on request of Mr. Robinson and by unanimous consent, the Senate sitting for the trial of the articles of impeachment, suspended its session in order to receive a message from the President of the United States, by Mr. Latta, one of his secretaries. The message having been received, and noted elsewhere in the Record of today's legislative proceedings, on motion of Mr. Robinson, the Senate resumed its session sitting for the trial of the articles of impeachment.)

The VICE PRESIDENT. What is the pleasure of the managers on the part of the House and counsel for the respondent?

Mr. WALSH (of counsel). Mr. President, I have not quite finished. I should like to take up a matter with the chairman of the managers.

(Mr. Walsh, of counsel, and Mr. Manager Sumners briefly

conferred.)

Mr. WALSH (of counsel). Mr. President, the manager says he would like to ask the respondent another question or two. So please resume the stand, Judge Ritter.

Judge Ritter resumed the stand.

FURTHER CROSS-EXAMINATION OF HALSTED L. RITTER

By Mr. Manager SUMNERS:

Q. Judge Ritter, when you and Judge Rankin formed your association, Judge Rankin had a good, workable library, did he not?—A. He had it at his home in Andalusia, Ala. He brought it down later for our library. Yes, sir.

- Q. You had been, I believe, while practicing law in Denver, using an office in a building where there was a library for the use of the tenants, and therefore you, I believe, did not have very much of a library at that time?-A. No; we did not have to buy books. We used the building library. But I had a little private library in my own office, which I brought down. I do not remember how many volumes, but I know I brought down the Centennial Digest and the Decennial Digest. I brought down quite a number of books. I cannot tell you just how many. We had a very good, workable library.
- Q. I will ask you, Judge Ritter, if this was not your statement before the committee when it had its hearings in

When I decided to go in with Judge Rankin I did not send for the few books which I had out there, and while I do not think it is incumbent on me to go into the details of the situation, I just want to say that I brought down the Century Digest and the Decennial Digest, which out West was a very outstanding work tool, but which down here is not much used. Judge Rankin said he traded that off for \$100; if he had let me know about it I would have paid him much more for it, and I wish I had it in my library

A. Yes, sir; I testified that way.

Q. Do you recall any books you brought down there except the two sets of books mentioned in this statement?—A. I had some textbooks, as I remember, on questions of bonds and questions of rates and questions of trusteeships. I just cannot recall now.

Q. It is a fact, however, is it not, that Judge Rankin had the library with which you worked, in the main, which constituted the contribution to the books?-A. Yes, sir; his contribution was far greater than mine.

Mr. Manager SUMNERS. I am sorry, Mr. President, but I do not seem to find in my portfolio the matter about which I intended to interrogate the witness. It will save time to have him stand aside and let me call him again.

Mr. WALSH (of counsel). Let me ask him a question or two first.

Mr. Manager SUMNERS. Very well.

FURTHER REDIRECT EXAMINATION

By Mr. WALSH (of counsel):

Q. As a matter of fact, when you went into partnership you fused the library, did you not?-A. We did.

Q. And it all became a part of the partnership assets?— A. Yes, sir.

to respondent's exhibit no. 45 the other day, which was the inventory of the books which are alleged to have been in the office at the time of the dissolution, the number of the books was not figured up, and I now announce the number. There were 894 books on the list.

By Mr. Manager SUMNERS:

Q. The books which were on that list were made up in the main of books which Judge Rankin had at the time when you and he became associated. Is not that true, Judge Ritter?-A. Yes; we put all our books together and counted them an asset of the firm.

Q. You intended at that time that the firm was to have some greater degree of permanence than developed?-A. I

am sorry; I did not get the question. Q. At the time you and he formed your relationship was

it not contemplated that the firm would have a greater degree of permanency than it developed to have?-A. We expected to spend the rest of our lives practicing law there and we bought books afterward. The firm bought books and added to our library out of our earnings.

Q. When you formed your copartnership arrangement, I believe you stated you did not have any written agreement of association. Judge Ritter, is not this what happened, that you and Judge Rankin just moved in together and you put in your books and your furniture that you had, and he put in his books and what furniture he had, and you went to practicing law without any understanding or definite agreement with regard to who should own the property that each of you brought into the office?-A. No, sir; that is not the fact. All the property was to go as common property in which each partner had a one-half interest, and it became an asset of the firm.

Q. Do you mean if you had dissolved the next day after that association was established you would have owned half the books Judge Rankin brought into the office?-A. Yes, sir.

Mr. Manager SUMNERS. That is all.

By Mr. WALSH (of counsel):

Q. May I ask a question which has been suggested to me. Are there or not upon this list of books which you have given me any books that were purchased after the partnership dissolution?—A. Yes, sir.

Q. I believe you misunderstood me. They were not put upon the list, were they, after the dissolution?-A. Put there after the dissolution?

Q. Yes .- A. No, sir. That is the list that was made up at the time of the dissolution.

Mr. WALSH (of counsel). That is all.

The VICE PRESIDENT. Let the witness stand aside. Are there any other witnesses, gentlemen?

Mr. WALSH (of counsel). I have the testimony of one witness to read. I have submitted it to the managers.

Mr. Manager SUMNERS. Have my cocounsel examined the data you propose to offer?

Mr. WALSH (of counsel). I do not know. I gave it to you in the first instance. Unless you gave it to them they have not examined it. I desire to read the testimony of this

The VICE PRESIDENT. The Chair inquired if other witnesses were to be called, but understood it was desired to have a conference between the managers on the part of the House and counsel for the respondent.

Mr. Manager SUMNERS. I have the data now for which I was looking a moment ago. Let the respondent again take the stand.

The VICE PRESIDENT. The respondent will take the stand again.

Mr. Manager SUMNERS. Mr. President, we offer at this time photostatic copy of letters written by the respondent to Hon. William D. Mitchell, dated December 19, 1929; a letter of January 29, 1930, to Hon. Walter H. Newton, Secretary to the President at that time, and a letter to Hon. William D. Mitchell, Attorney General, dated January 23, 1930, and a letter of April 9, 1933, addressed to Hon. Norman J.

Mr. WALSH (of counsel). May I look at the letter, please? Let Judge Ritter read it first. I should like to read the has been mixed up from the beginning of the Whitehall

Mr. WALSH (of counsel). When I called your attention | letter before it is offered. I have never heard of these letters before, and should like to consider them.

The WITNESS. Yes; I wrote that-

Mr. WALSH (of counsel). No; please do not make any answer until I read the letters. I have never seen these. [After reading letter.] I object to this as irrelevant and immaterial.

Mr. Manager SUMNERS. The others are of the same

Mr. WALSH (of counsel). I think they are not only immaterial but if they are the same as the first letter which I have read they are highly objectionable. They prove no issue in this case whatsoever, and they might inject an issue which would be prejudicial to the respondent. I should like the Vice President to look at the letter and consider my objection to it.

Mr. Manager SUMNERS. The others are the same. I will send them all up to the Vice President.

Mr. WALSH (of counsel). I have not seen them. I should like to see each one of them.

(The letters were handed to Mr. Walsh, of counsel, and were then handed to the Vice President.)

The VICE PRESIDENT. What is the object of the testimony proposed to be introduced?

Mr. Manager SUMNERS. Mr. President, the letters are offered for the purpose of showing the length to which the respondent was willing to go at that time in behalf of his former partner. The Chair will recall that the letters were written a few months after the transactions in the courtroom of Judge Ritter, when, as we claim, Judge Ritter was advised of the facts and circumstances which showed a champertous inception of the Whitehall case. The letters contain statements—and I only go this far—by Judge Ritter with regard to the qualifications, character, and professional equipment of his former partner. I think they throw a great deal of light upon the relationship between these two gentlemen with regard to whom it is charged in this case that a conspiracy existed, and money passed from one to the other with regard to the Whitehall case; and, to be entirely candid with the Chair, I think the letters touch the question

this case. Mr. WALSH (of counsel). Mr. President, I desire to renew my objection, and to enter on behalf of the respondent as strong a protest as I know how to enter.

of the veracity of the respondent—an important matter in

I say that the interjection into the case at this hour of a matter that is entirely political, because part of it is brought out here, might obscure some of the elements in the case that we, at least, have been attempting to carry along to refute the charge that has been made. I do not understand that it would be any reflection upon the judge to admit the letters. At that time he had every confidence in this man, if the matter may be so expressed. At that time he was as innocent as he now claims to be. So I say, this being purely a political matter, that it might interfere with the serene flow of evidence to bring about a just result in this high Court of Impeachment. I say that the introduction into the case of that element-I will not characterize the reason for offering it—is so far away from the question of the honesty of the respondent that it might prejudice him in a way that I think every member of the Court ought to desire to be, and should be, far above.

Mr. Manager SUMNERS. Mr. President, may I make just one observation?

Whatever in the letters has any smack of politics, has any reference to politics, the managers would be glad to have deleted from the letters; but the letters contain statements by the respondent with reference to the character and qualifications of his former law partner which we think, under the circumstances, in view of the character of the Court that is trying this question, would be of value to the Court in determining some of the most fundamental questions that arise in the case, namely, the integrity of the respondent, the credibility of the respondent, and the length to which the respondent was willing to go in order to render service to Mr. Rankin, with whom it is contended in this case he

case, before the Whitehall case, and extending now after the partnership had been dissolved, not only seeking to serve Mr. Rankin by appointments in his court but, we claim, seeking to put him upon the bench, and making statements in that effort.

Mr. WALSH (of counsel). Mr. President, may I say one more word? Notwithstanding that my distinguished opponent has notified the Senate what is in the letters, and notwithstanding the fact that he is urging that there is no politics in suggesting appointments, I still desire to protest.

The VICE PRESIDENT. The Chair would like to submit this question to the Senate, but the unfortunate part of the matter is that submitting it to the Senate would be equivalent to admitting the letters in evidence, because they would have to be read.

The Chair thinks the Court is sufficiently informed to discriminate between political and legal evidence. The Chair is going to admit the evidence.

Mr. WALSH (of counsel). Is there anything more from the judge?

Mr. Manager SUMNERS. No, sir. Mr. WALSH (of counsel). You may retire, then, Judge. The VICE PRESIDENT. Has the respondent any other witnesses?

Mr. WALSH (of counsel). The respondent will rest, except for one thing—as soon as the letters that Your Honor has admitted shall have been read.

Mr. Manager HOBBS. I ask to have the letters marked as exhibits.

(The documents were marked, respectively, "Managers' Exhibit A-27", "Managers' Exhibit A-28", "Managers' Exhibit A-29", and "Managers' Exhibit A-30."

(Mr. Manager Hobbs proceeded to read Managers' Exhibit A-27, and read as follows:)

MANAGERS' EXHIBIT A-27

UNITED STATES DISTRICT JUDGE'S CHAMBERS, Southern District of Florida, Miami, Florida, December 19, 1929.

Halsted L. Ritter, Judge.

Honorable William D. Mitchell,

Attorney General, Washington, D. C.

Sir: I am advised that Honorable Henry D. Clayton, judge of the United States Court for the Middle District of Alabama, has asked retirement. If this is true, I desire to recommend most strongly than the successor of A. L. Benkin, of Andrews for the appointment as his successor of A. L. Rankin, of Andalusia, Alabama, whom I have known for a number of years.

Judge Rankin was judge of the Law and Equity Court for Cov-

Judge Rankin was judge of the Law and Equity Court for Covington County, in that State, for a number of years, and has practiced in the Alabama bar 25 years, being a member of all the courts. He is a man of exceptional ability, thoroughly versed in the law, is of unquestionable integrity, and well known throughout the State of Alabama. He has the judicial temperament in a high degree, and would fill the position with great honor and satisfaction, I feel certain.

He was an argent supporter.

He was an ardent supporter-

Mr. Manager HOBBS. I will leave that out.

Mr. WALSH (of counsel). I think if any of the letter is to be read, it should all be read.

The VICE PRESIDENT. Let it all be read.

(Mr. Manager Hobbs resumed and concluded the reading of the letter, as follows:)

He was an ardent supporter of President Hoover in the last elec-He was an ardent supporter of President Hoover in the last election, although he had been identified prior thereto with the Democratic Party. He is thoroughly in sympathy with the enforcement of law, as pronounced by the President and yourself; is in complete accord with the prohibition law, and would be fearless, impartial, and positive on the bench. He is an active member of the Baptist Church, and has been actively interested in all movements for the betterment of social conditions.

Yours very truly,

HALSTED L. RITTER.

(Mr. Manager Hobbs read Managers' Exhibits A-28, A-29, and A-30, as follows:)

MANAGERS' EXHIBIT A-28

HALSTED L. RITTER,
UNITED STATES DISTRICT JUDGE,
Miama, Florida, January 23, 1930

Miama, Florida, January 23, 1930

Honorable William D. Mitchell,

Attorney General, Washington, D. C.

Dear Mr. Mitchell: Supplementing my former letter concerning Judge A. L. Rankin, who is an applicant for appointment as Federal judge in the middle district of Alabama, I want to say that

we were partners in the practice of law in West Palm Beach, Florida, under the name of Ritter and Rankin, for two years immediately preceding any appointment. I therefore am in a position to say that I regard Judge Rankin as in every way qualified for the position he seeks. He has no superior in the South as a common law lawyer. He maintains always the high ideals of the profession. He will lift the court to which he is appointed into a position of dignity and respect, and bring to the performance of his duties a judicial mind, a keen sense of justice, and an independence, which are qualifications which should characterize a Federal judge.

Yours very truly,

HALSTED L. RITTER.

MANAGERS' EXHIBIT A-29

HALSTED L. RITTER United States District Judge, Miami, Florida, January 23, 1930.

Honorable Walter H. Newton, Secretary to the President, White House, Washington, D. C.

MY DEAR MR. NEWTON: By reason of the death of Judge Clayton there is a vacancy in the middle district of Alabama. My former there is a vacancy in the middle district of Alabama. My former law partner, Judge A. L. Rankin, is an applicant for the place. I want to say that Judge Rankin is a man of the highest character and integrity. He is one of the ablest common-law lawyers in the South. We were partners in the practice of law in West Palm Beach before my appointment to the bench. I know of no man better qualified from the standpoint of experience, ability, and character for the position. He had six years experience as judge of the State court in Alabama and is well known throughout the State. Believing so thoroughly in his qualifications, I could not resist writing you this personal note.

I hope some day to meet you and establish our friendship, for I have heard many fine things about you.

Yours sincerely,

Yours sincerely.

HALSTED L. RITTER.

MANAGERS' EXHIBIT A-30

Halsted L. Ritter, Judge.

United States District Judge's Chambers, Southern District of Florida, Miami, Florida, April 9, 1930.

Miami, Florida, April 9, 1930.

Honorable Norman J. Morrison,
Assistant Attorney General, Washington, D. C.

Dear Mr. Morrison: My former law partner, Judge A. L. Rankin, is on the list of those being considered for the vacancy on the Federal bench in Alabama caused by the death of Judge Clayton. He has many strong endorsements and is in every way, in my judgment, well qualified for the position. He is a Hoover Democrat and was active for Hoover during the last election.

The Judge came down to Vest Palm Beach during the boom

The Judge came down to West Palm Beach during the boom days, where I met him. He had land interests in this State, which lured him to stay. I myself was uncertain at the time whether I would remain in Florida, so we decided to form a team anyway for our mutual interests, and we continued with the understanding that Judge Rankin might at any time go back to Alabama.

understand the real difficulty in considering his appointment is the fact that he took up his residence in Florida and abandoned his Alabama residence, but I know that he never fully did that and always considered himself a resident of Alabama and voted there.

there. I am wondering whether you would not, if the opportunity offers in talking to Mr. Sisson, suggest that you know from information received from me, if you think best, that Judge Rankin never abandoned his Alabama residence, and that should not stand in the way of his being considered for the position. I don't want you to inconvenience yourself, but just thought that perhaps the matter might come up because of your having been down here in various cases, whereby you might just suggest that you did not believe that Rankin's application should be prejudiced by the fact that he practiced law for several years past in Florida.

Hoping you are well, and that we may see you down here again some day, I am,

Yours sincerely,

Yours sincerely.

The VICE PRESIDENT. Is there any further testimony? Mr. Manager HOBBS. Yes, Mr. President. We would like to have Judge Freeland.

Mr. WALSH (of counsel). I have not finished. I will now read the testimony of Mrs. Helen Francis, taken in the investigation prior to this hearing.

(Mr. Walsh, of counsel, thereupon read as follows:)

TESTIMONY OF MRS. HELEN FRANCIS, MIAMI BEACH, FLA.

(The witness was previously sworn by Mr. TARVER.) Mr. Youmans. Will you state your name and residence?
Mrs. Francis. Helen Francis; 4621 Collins Avenue, Miami Beach.
Mr. Youmans. Mrs. Francis, how long have you been a resident
of Miami Beach, Fla.?

Mrs. Francis. Since about 1925, I think, 1925 or 1926.

Mr. Youmans. And you and your husband had been residing in Miami Beach, Fla., as your residence for a good many years prior to his death, had you not?

Mrs. Francis. Oh, yes. Mr. Youmans. Mrs. Francis, when did you first become acquainted with Judge Ritter?

Mrs. Francis. A great many years ago—all my life. Mr. Youmans. Where were you reared, Mrs. Francis? Mrs. Francis. Indianapolis.

Mr. Youmans. You knew him when you were a child? Mrs. Francis. Yes; and my father and mother knew his father and mother.

Mr. Mr. Youmans. Do you know how long your husband knew Judge Ritter?

Judge Ritter?

Mrs. Francis. I cannot answer that accurately, but I know they met in the West one of my years in California; I do not know just what year, but a great many years ago.

Mr. Youmans. For the last 8 or 10 years were you and your husband associated very much with Judge Ritter?

Mrs. Francis. Yes; ever since the Ritters came to Florida.

Mr. Youmans. I believe they lived in—

Mrs. Francis. West Palm Beach.

Mr. Youmans. Intil he became judge?

Mr. Youmans. Until he became judge? Mrs. Francis. Yes.

Mr. Youmans. Did you visit them up there quite often? Mrs. Francis. Yes. Mr. Youmans. Did they visit you quite often?

Mrs. Francis. Quite often.
Mr. Youmans. Were you ever in his office?
Mrs. Francis. You mean in Palm Beach?

Mr. Youmans. Yes. Mrs. Francis. I do not think so; I cannot recollect that I was Mr. Youmans. Do you know that your husband ever visited Judge Ritter's office in West Palm Beach?
Mrs. Francis. Well, I do not know that he did.

Mr. Youmans. You never did go to Judge Ritter's office with your husband?

Mrs. Francis. Never.
Mr. Youmans. Did your husband discuss his business matters with you, Mrs. Francis?

Mrs. Francis. No; he did not.
Mr. Youmans. Did you know in a general way about his busi-

Mrs. Francis. I did not.

Mr. Youmans. Did you know that your husband had made a loan
of \$15,000 to the Palm Beach Bus Co., in which Judge Ritter was interested?

Mrs. Francis. I knew there was something about some business up there, but just exactly what, I did not know.

Mr. Youmans. Your husband did not tell you about that?

Mrs. Francis. No; he did not. Just in a general way I knew there was something, but I did not know what it was.

Mr. Youmans. Did he ever discuss with you the fact that he had a \$15,000 note?

Mrs. Francis. He never did.

Mr. Youmans. And that he had been unable to collect that? Mrs. Francis. Oh, no; never.

Mrs. Francis. Oh, no; never.
Mr. Youmans. Did you consider Judge Ritter any better friend
of your family than lots of your other friends?
Mrs. Francis. Yes; I believe I did.
Mr. Youmans. Did you consider him the best friend that you

had?

Mrs. Francis. I never gave it a thought. I think he and his wife are two of my very best friends.

Mr. Youmans. Did you have other friends you felt as close to as you did to Judge Ritter and his family?

Mrs. Francis. At the moment I cannot recall any.
Mr. Youmans. Did your husband invest to a considerable extent
in Florida properties during what was known as the "real-estate
boom" down here in 1925?
Mrs. Francis. He did.

Mr. Youmans. Do you know approximately how much he invested in Florida properties at that time?

Mrs. Francis, I do not know now. Mr. Youmans. Was it in the neighborhood of a million dollars or more?

Mrs. Francis. I do not know.
Mr. Youmans. Did he have some trouble about those properties after the boom was over?
Mrs. Francis. I cannot answer.

Mrs. Francis. I cannot answer.
Mr. Youmans. You do not know about that?
Mrs. Francis. No.
Mr. Youmans. Do you know whether any creditors were giving him any trouble after the boom was over in 1925?
Mrs. Francis. Not to my knowledge.
Mr. Youmans. And along, say, in 1927, 1928, or 1929, did you know of any creditors that were giving Mr. Francis some trouble?
Mrs. Francis. No. Mrs. Francis. No.

Mr. Youmans. Did he owe any money, to your knowledge?

Mrs. Francis. I do not know of any.
Mr. Youmans. Did he pay cash for all the properties that he bought down here?

Mrs. Francis. I do not know; as far as I know, he did. I do not

Mr. Youmans. You do not know whether he did or not?
Mrs. Francis. No; I do not.
Mr. Youmans. Mr. Francis carried a considerable bit of life insurance, did he not?
Mrs. Francis. I think he did.

Youmans. Do you know about how much life insurance he

Mrs. Francis. I do not know, because it was mixed up there with business in the factory, I believe, and I do not know.
Mr. Youmans. With the factory in Flint?
Mrs. Francis. Yes.

Mr. Youmans. That is Flint, Mich.? Mrs. Francis. Yes.

Mr. Youmans. Was that where you came from?
Mrs. Francis. That is where the factory was located.
Mr. Youmans. And there was a lot of insurance in connection

with the factory?

Mrs. Francis, That is my understanding; I could not be absolutely truthful about it,

Mr. Youmans. Do you know whether or not Mr. Francis had any financial difficulties and was unable to keep up the premiums on the insurance for a time?

Mrs. Francis. Why, not to my knowledge.

Mr. Youmans. Do you know whether or not some of his creditors carried his insurance for him and kept the premiums up for him in order to keep the insurance in good standing?

Mrs. Francis. I do not know—
Mr. Youmans. You do not know about that. Did you ever make any agreement with any of his creditors by which they would pay the premiums on his insurance and keep it in good standing, pro-vided they could be paid out of the insurance? Mrs. Francis. No. Mr. Youmans. You never made any such agreement?

Mrs. Francis. No.
Mr. Youmans. Were you present when your husband made a gift of \$7,500 to Judge Ritter?

Mrs. Francis. I was not.
Mr. Youmans. When did you first learn of that gift?
Mrs. Francis. A little after Mr. Francis' passing.
Mr. Youmans. Who brought that to your attention first?
Mrs. Francis. I think Judge Ritter.
Mr. Youmans. What was the occasion of his calling your attention to the cattle. tion to this gift?

Mrs. Francis. I do not know; in speaking of general affairs, I think, but I do know it was a gift, and I think in payment of services, as I recall.

Mr. Youmans. Do you know of any services that Judge Ritter had rendered to your husband?

Mrs. Francis. I know, in a general way, about quite a good deal of services concerning Boca Raton, and some lands, perhaps, fronting on the beach.

Mr. Youmans. Was your husband interested in Boca Raton? Mrs. Francis. Yes.

Mr. Youmans. What else was he interested in down there, in a business way? Mrs. Francis. Except real estate, I know of nothing else.

Mr. Youmans. What other real estate was he interested in?
Mrs. Francis. There was Miami Beach, Coco Beach—I do not know all; he did not tell me.

Mr. Youmans. Was he buying or selling real estate?

Mrs. Francis. Buying, not noticeably the selling.

Mr. Youmans. Did he not have some difficulties about all that real estate after the boom was over and prices had dropped, and real estate became more or less worthless?

Mrs. Francis. Except that it was a burden on my hands, I do not know of any

know of any.

Mr. Youmans. You do not know of any other trouble, except as a

burden? Mrs. Francis. No; I do not.

Mr. Youmans. Why was it a burden?
Mrs. Francis. Oh, just because we did not want it.

Mr. Youmans. You could not get rid of it? Mrs. Francis. No.

Mr. Youmans. Could you not give it away?
Mrs. Francis. We did not try that.
Mr. Youmans. What did Judge Ritter say to you about this \$7,500

gift, when he brought it to your attention?

Mrs. Francis. I cannot recall that. It was shortly after Mr. Mrs. Francis. I cannot recall that. It was shortly after Mr. Francis' passing, and I do not recall, but I do know it was intended as a gift, because Mr. Francis had taken me over to see a lot and told me the judge was going to build there. I knew it was Judge Ritter's lot, and I knew it was a gift from Mr. Francis to the judge. Mr. Youmans. Mr. Francis had taken you over to point out to you the lot that was purchased with the \$7,500?

Mrs. Francis. Yes; because he thought the judge was going to

build there

Mr. Youmans. And told you that was Judge Ritter's lot? Mrs. Francis. Yes; he did. Mr. Youmans. Did he tell you he had given that lot to Judge Ritter?

Mrs. Francis. He did not. Mr. Youmans. Did he tell you he had given Judge Ritter the money to buy that lot?

Mrs. Francis. He did not; he was not that type of man.
Mr. Youmans. Mrs. Francis, after your husband's death, did you find any record of the \$7,500 gift in the records of your husband's estate?

Mrs. Francis. No; I did not

Mr. Youmans. Never saw any reference to that at all. Do you know why your husband made a gift of \$7,500 to Judge Ritter?

Mrs. Francis. Knowing my husband, he was very apt to do that, partly for services and partly because he was generous. He was exceptionally fond of Judge Ritter.

Mr. Youmans. Judge Ritter's statement shows it was not for services, but it was a gift.

Mrs. Francis. It might have been; I do not know. I do not know; but that is very probably true, if Judge Ritter says that.

Mr. Youmans. Do you know of any of your other good friends that

your husband had made a gift to? Mrs. Francis. Indeed, I do.

Mr. Youmans. You do? Mrs. Francis. Yes, sir. Mr. Youmans. Do you know of any other judges to whom your

Mr. Youmans. Do you know of any other judges to whom your husband had given large sums of money?

Mrs. Francis. No; no other judges.

Mr. Youmans. Judge Ritter is the only judge that your husband had ever given any large sum of money to, to your knowledge?

Mrs. Francis. To my knowledge.

Mr. Youmans. Do you know about the date of that gift?

Mrs. Francis. No; I do not.

Mr. Youmans. It was after Judge Ritter had been appointed a Federal judge, was it not?

Mrs. Francis. I cannot answer that.

Mr. Youmans. Do you know when Judge Ritter became a Federal judge?

judge?

Mrs. Francis. No, sir; I do not.
Mr. Youmans. Did your husband ever tell you about any legal services that Judge Ritter had rendered him?
Mrs. Francis. Oh, no; because it was all done in such a friendly way; but I know that he depended on Judge Ritter a great deal for

all of his Florida advice.

Mr. Youmans. Mrs. Francis, Judge Ritter's statement says your husband had become entangled in legal difficulties on account of all

these Florida purchases.

Mrs. Francis. That might be, but I could not tell you. He did

Mrs. Francis. That might be, but I could not tell you. He did not discuss it with me.

Mr. Youmans. You never heard of your husband being in any legal difficulties on account of these Florida purchases?

Mrs. Francis. I did not.

Mr. Youmans. Did your husband owe a good deal of money to the plant in Michigan you were speaking of?

Mrs. Francis. If he did, I did not know it.

Mr. Youmans. Did your husband owe a good deal of money to some trust company in Cleveland, Ohio?

Mrs. Francis. I do not know that; I think not—

Mr. Youmans. Do you know whether any ancillary papers have been taken out with reference to your husband's estate in Cleveland, Ohio? Ohio?

Mrs. Francis. My son is ancillary. Mr. Youmans. Those papers are in the court records at Cleveland, Ohio?

Mrs. Francis. I do not know. I turned everything over to my son, and I do not know.

Mr. Youmans. Were ancillary papers taken out in Flint, Mich., do you know?

Mrs. Francis. I do not know whether they were taken out in

Flint or Detroit; I do not know.

Mr. Youmans. What other lawyers did your husband have advising him about his business matters?

Mrs. Francis. I cannot think of—there is one in Flint, I think; I cannot think of his name.

Mr. Youmans. Is that a big law firm?
Mrs. Francis. Really, I cannot answer that question. We just had one lawyer in Flint that looked after our affairs—I mean Michigan affairs.

Mr. Youmans. He had patent attorneys?

Mrs. Francis. No; he had patent attorneys in Washington and in Chicago; I do not know their names.

Mr. Youmans. What other attorneys did he have in Florida? Mrs. Francis. I think he consulted Shutts & Bowen on several

Mr. Youmans. As a matter of fact, did they handle practically all of his business pertaining to all his large real-estate purchases?

Mrs. Francis. I do not know.
Mr. Youmans. Do you know of any other attorneys he had besides Shutts & Bowen? Mrs. Francis. No.

Mr. Youmans. Did he have any attorneys in Palm Beach or West Palm Beach?

Palm Beach?
Mrs. Francis. Yes, sir; the judge.
Mr. Youmans. Besides the judge, I mean.
Mrs. Francis. Not to my knowledge.
Mr. Youmans. When did Mr. Yates first become your attorney?
Mrs. Francis. After the passing of Mr. Francis.
Mr. Youmans. Did he represent your husband in any matters at all before your husband's death?
Mrs. Francis. I cannot answer that question, unless he did when he was connected with Shutts & Bowen.
Mr. Youmans. Judge Ritter in his statement says Mr. Francis.

Mr. Youmans. Judge Ritter in his statement says Mr. Francis had become entangled in legal difficulties on account of his purchases down here, and he mentions the fact that he had a beautiful home in Miami Beach at 4621 Collins Avenue. Were there any legal difficulties in connection with that home, Mrs. Francis?

Mrs. Francis. I do not know; I do not think so; not as far as that

particular matter was concerned.

Mr. Youmans. Do you know whether there was any mortgagage on your home?

Mrs. Francis, There is no mortgage on the home.

Mr. Youmans. Was there in 1928 or 1929?

Mrs. Francis. I do not think so.
Mr. Youmans. As a matter of fact, was the advice Judge Ritter gave your husband given principally when they were out riding on

Sunday afternoons and on other occasions in a social way, or was that in the office, do you know?

Mrs. Francis. I do not know.

Mr. Youmans. Are you an executrix in your husband's will down here?

Mrs. Francis. I am.
Mr. Youmans. Did you ever make any attempt to collect the \$15,000 note that the Palm Beach Bus Co. gave your husband? Mrs. Francis. No.

Mr. Youmans. Have you ever said anything to anybody about that note?

Mrs, Francis. I do not know anything about it. Mr. Youmans. Did you know Judge Ritter was interested in that bus company?

Mrs. Francis. I knew there was something he and Mr. Francis were interested in together. I do not know anything about it; to tell you the truth, I could not tell you a straight story.

Mr. Youmans. You knew your husband had such a note, did you not?

Mrs. Francis. No; I did not know anything about a note; I did not

Mr. Youmans. After your husband's death, when you were gathering your information about his estate and preparing an inventory to be filed, you found that note among the assets?

Mrs. Francis. I did not find anything, because I turned that all over to my son.

Mr. Youmans. So you in person, then, did not help prepare this inventory?

Mrs. Francis. I had nothing to do with it.

Mrs. Francis. I had nothing to do with it.
Mr. Youmans. Was your son down here at the time this inventory
was prepared and filed in the court here?
Mrs. Francis. I do not know.
Mr. Youmans. You never did talk to Judge Ritter about the collection of that \$15,000 note?
Mrs. Francis. No.
Mr. Youmans. Do you know whether your son did or not?
Mrs. Francis. I do not.
Mr. Youmans. Do you know whether your attorney ever attempted
to collect that \$15,000 note?
Mrs. Francis. I do not know.
Mr. Youmans. Do you know whether or not your husband ever
threatened to sue Judge Ritter on account of that \$15,000 note?
Mrs. Francis. He never would do such a thing.
Mr. Youmans. Are you sure of that?

Mrs. Francis. He never would do such a thing.
Mr. Youmans. Are you sure of that?
Mrs. Francis. Absolutely.
Mr. Youmans. Did Judge Ritter say anything to you about paying back the \$7,500?
Mrs. Francis. No; there was no reason why he should.
Mr. Youmans. That was just a straight out gift because of the love and affection your husband felt for Judge Ritter, was it?
Mrs. Francis. That is my understanding.
Mr. Youmans. That is all.
Mr. Hoffman. We have no questions.

Mr. WALSH (of counsel). I might add that I believe that

Mr. Youmans and Mr. Tarver, the gentlemen mentioned, were representing the managers on the part of the House at that time.

The VICE PRESIDENT. Is there any further testimony, gentlemen?

Mr. WALSH (of counsel). No, your honor; the respondent closes.

REBUTTAL EVIDENCE ON BEHALF OF THE HOUSE MANAGERS

Mr. Manager HOBBS. Ask Judge Freeland to be called,

DIRECT EXAMINATION OF W. L. FREELAND

W. L. Freeland, having been duly sworn, was examined and testified, as follows:

By Mr. Manager Hobbs:

Q. Your name, please.—A. W. L. Freeland.

Q. You are a practicing attorney in the city of Miami, Fla.?—A. I am; yes, sir.

Q. Have you ever been on the bench down there?-A. I have; yes, sir. I served 51/2 years as circuit judge.

Q. Of the State court in Florida?-A. Circuit judge of the eleventh judicial circuit of Florida.

Q. Judge Freeland, exclusive of the time that you were on the bench, how long have you been practicing law in Florida?-A. I was admitted to practice law in Florida in 1911, and practiced continuously from that time until the present, with the exception of a period of a year during the World War and a period of 51/2 years that I served as circuit judge.

Q. Are you familiar with the fees allowed in foreclosure cases in Florida?-A. I am.

Q. Judge, I will ask you if you ever heard of any such thing in a foreclosure case as a conservation fee?-A. No, sir; I never have.

Q. Is there any such fee allowable under the Florida practice, in your opinion?—A. No, sir. I have never heard of any such fee in a foreclosure suit.

Q. Judge, did you hear the testimony given by Judge A. L. Rankin in this case?—A. Yes; I heard him testify. I am quite sure that I heard all of it. I may have missed some small part of it.

Q. Did you hear him testify as to the service he performed in the Whitehall case?—A. Yes, sir.

Q. Have you examined the exhibit introduced in evidence by the respondent listing the several hundred items of procedure in that case?

Mr. WALSH (of counsel). One minute, please. If Your Honor please, I object to any testimony upon that question as not being proper rebuttal. The law is that they should introduce in support of their charges all the testimony they have on a subject or all the testimony that they could get. They put on two witnesses, and we met them with four witnesses, and we left off three witnesses, two of whom have been excused. There is no difference of opinion on that proposition of law in any cases. If they undertake to reopen that again, we would have a right to put on other witnesses if we could get them. It is a violation of the practice in every court in the United States.

The VICE PRESIDENT. Just what is the status of that matter? Let us see if the Chair understands it. The witness, Mr. Rankin, gave his testimony before the court. You undertake to show by this witness that he has examined that testimony, and then to interrogate him as to the correctness of the fees that he allowed; is that it?

Mr. Manager HOBBS. Yes, sir.

The VICE PRESIDENT. It seems to me this is proper testimony. He could not put on this witness before Mr. Rankin testified.

Mr. WALSH (of counsel). If Your Honor please, Mr. Rankin testified, and so did all the witnesses, on the question of fees. That is a part of the case in chief. Now we meet that by our testimony, and our testimony, I will say for the purpose of this argument, might perhaps overwhelm their testimony. They cannot, when they close their case and we close ours, put in testimony of like character as they put in directly. It would be a manifest injustice to this respondent to do so, and it would be a violation of the order and rule of procedure in every court, State and Federal, that I know anything of in the United States.

Mr. Manager HOBBS. May it please the Court, we take the position that this is an expert, qualified under the rules of evidence to give testimony upon this subject, provided he has knowledge of the matters about which he is giving hypothetical testimony. Until he heard the evidence, both in behalf of the House and in behalf of the respondent, he would not be fully advised as to these matters sufficiently to give him a standing to testify upon a hypothetical case.

Mr. WALSH (of counsel). One minute. Mr. Davis was an expert. Judge Akerman was an expert. Every witness we put upon the stand was an expert on that subject. Is it now contended by counsel on the other side that after the case is closed and, perchance, now we have allowed our witnesses to go, content with the showing made by you and the showing made by us, that you can again reopen that question at the close of the case and put in testimony of another expert or more experts as to fees? I submit that is highly improper, and it would be very unjust to the respondent.

The VICE PRESIDENT. The Chair thinks the objection is well taken. You should have put the witness on the stand at the proper time in the case.

Mr. Manager HOBBS. All right, sir.

Judge Chillingworth, Mr. Paul D. Barnes, Mr. William L. Freeland, Mr. H. H. Eyles, and Mr. Marshall F. Sanders will be excused.

Mr. WALSH (of counsel). Mr. President, I should not want to characterize that statement, but I hope the gentleman did not put that in with the idea of suggesting to the

Court that he had other witnesses that he was not putting on. I do not think that is proper.

The VICE PRESIDENT. The Senate is sitting as a jury. The Chair believes it is a jury which will not be influenced by statements of that kind. This jury is not young or is not what might be designated as "trash", so it could be thought that it would be influenced by any such matter.

Mr. WALSH (of counsel). I should not want to say that I think it would be influenced. In my practice of law I try to observe every rule, and I should attempt especially to keep every rule when I am undertaking—poor as it is—to represent a person in the highest Court known to the Constitution of this country.

Mr. Manager HOBBS. Mr. President, I wish to say to the Court that nothing was further from my mind. It was only in my mind to excuse these witnesses.

The VICE PRESIDENT. Is there any further testimony on the part of the House managers or the respondent?

Mr. WALSH (of counsel). We have none.

Mr. Manager HOBBS. We should like to have Judge A. L. Rankin called merely for the purpose of identifying some documents.

The VICE PRESIDENT. Call Mr. Rankin.

FURTHER REDIRECT EXAMINATION OF A. L. BANKIN

By Mr. Manager HOBBS:

Q. Judge Rankin, I will ask you, please, to look at this paper which I hand you.

(The witness examined the paper.)

Mr. WALSH (of counsel). May I see it?

Mr. Manager HOBBS. You may show it to opposing counsel.

Mr. WALSH (of counsel). (After examining paper.) This has not been admitted in evidence before?

Mr. Manager HOBBS. I do not think so.

Mr. WALSH (of counsel). We have no objection.

By Mr. Manager HOBBS:

Q. Judge Rankin, I ask you if this is a statement that you had prepared or prepared yourself and submitted in the subcommittee during the hearings?—A. To the best of my recollection it is.

Mr. Manager HOBBS. We offer this in evidence and ask that it be given the appropriate exhibit number.

The VICE PRESIDENT. Does the manager desire it to be read at this time?

Mr. WALSH (of counsel). One moment, if Your Honor please. I object to that for the same reason heretofore given. The manager examined this witness on the topic; he put him on as his own witness, and went into the entire question as to what was taken in and what they had in fees, and all about it. Now he cannot add to it after we have closed our case.

The VICE PRESIDENT. The Chair thinks the witness could identify the paper, if there is any objection to the paper being put in.

Mr. WALSH (of counsel). I object to the introduction of the paper.

The VICE PRESIDENT. Does the counsel object because it has not been put in before?

Mr. WALSH (of counsel). I object on account of the fact that it is not rebuttal; that the manager introduced evidence that lasted more than a day on the very subject that he now wishes to offer something else.

Mr. Manager HOBBS. May it please the Court, just one statement. I challenge the statement that the witness was examined about anything even remotely related to this matter on direct examination.

The VICE PRESIDENT. The Chair is going to admit the paper.

(The paper was admitted in evidence and marked "Managers' Exhibit A-31.")

Mr. WALSH (of counsel). May I have that document? (The paper was handed to Mr. Walsh, of counsel.)

Mr. Manager HOBBS. With the permission of the Presiding Officer, I read this exhibit now.

MANAGERS' EXHIBIT A-31

Collected fees by A. L. Rankin from cases pending when H. L. Ritter retired Feb. 25, 1929, and not reserved by H. L. Ritter

Case no.	Style	Fee paid by—	Fee collected	Uncollected but pend- ing and conditional
7357 231	S. E. Nichols v. Frank H. Brown et al. Highsmith v. Okeechobee Co	Frank H. Brown By Geo. Coleman \$97.50 By High- smith 202.50	\$300.00	\$500 additional to be paid when judgment
4271 4052 6346	Briar Holding Co. et al. v. Palm Beach Bank & Trust Co. Constance Birchard v. Florida Power & Light Co. In re Thomas M. Campbell, deceased. Palm Beach Allapattah Co., Inc., v. Allapattah Land Co., et al.	By Fred. Bleil, officer Briar Bldg. By plaintiff By Baker Camp- bell. By Howard Cole, one of defend- ants.	1, 225. 00 62, 50 150. 00 250. 00	collected.
	To be paid when Allapattah extingent if case is won.) Total contingent in Allapattah			\$3, 250. 00 3, 500. 00
M	2 Otal Contingent in Amapatem		2, 287. 50	6, 750. 00

By Mr. Manager HOBBS:

Q. Judge Rankin, I will ask you if you did not testify, when giving your testimony before the committee at Miami, in answer to this question by Mr. SUMNERS:

Mr. Rankin, there were other cases that you testified with reference to, pending on your docket, but I understand from the statement made that with reference to the other cases they were either insignificant in the amount of fees expected, or they had already been paid and distributed between you and Judge Ritter?

And if you did not answer, "That is right?"-A. As I recall it, I did.

Q. I will ask you to look at this statement, Judge Rankin, and ask if you filed that in the hearing before the subcommittee at Miami, or had it done?

(The paper was handed to the witness, who examined it.) Mr. Manager HOBBS. Please show it to counsel for the respondent.

(The paper was handed to Mr. Walsh, of counsel, who examined it.)

By Mr. Manager HOBBS:

Q. Judge, did you make that statement or cause it to be made and filed in the hearing at Miami before the subcommittee?-A. I did.

Mr. Manager HOBBS. We offer this in evidence and ask that it be given an appropriate number, and printed in full in the RECORD.

(The statement was admitted in evidence and marked "Managers' Exhibit A-32.")

Mr. Manager HOBBS. I will read the statement, as fol-

MANAGERS' EXHIBIT A-32

Statement of fees collected and divided on cases pending at the time of dissolution of the firm of Ritter and Rankin, which were not included in the sale of Halsted L. Ritter's interest in the

7277 Chancery Circuit Court, Indianapolis Life Insurance Company vs. Sunshine Construction Company, Inc., foreclosure; and 7240 Chancery Circuit Court, Indianapolis Life Insurance Company vs. H. J. Israel and Alma Kirby Israel, foreclosure, fee col-

Agreement with Halsted L. Ritter, that he was to receive \$100.00 of the total fee when transaction was consummated, check to Halsted L. Ritter, Dec. 5. 1929___

2. C. Leo Lutz vs. Gordon Thorne, judgment sold for \$2,098.32.

Lutz was a real estate agent, representing Dr. Frederick Bliel; suit was brought in the name of Lutz.

Fee was based on 20% of amount recovered from closed bank, and divided equally.

Amount collected for Dr. Bliel

Managers' Exhibit A-32-Continued

Statement of fees collected and divided on cases pending at the time of dissolution of the firm of Ritter and Rankin, which were not included in the sale of Halsted L. Ritter's interest in the firm-Continued

2. C. Leo Lutz vs. Gordon Thorne-Continued. Distribution:

Check of Dr. Bliel__ \$1,678.67

Amount collected __ Distribution: _ \$25, 922, 38

Frederick Bliel. __ \$20, 402.37 2, 590, 90 Halsted L. Ritter_ Retained by Rankin for fee and ex-2, 929, 11 penses.

By Mr. Manager HOBBS:

Q. Judge Rankin, I will ask you to look at this statement, which shows a list of the law library and equipment of H. L. Ritter, at the time the partnership began, and ask you if you caused that to be made and filed in the hearings at Miami?-A. (After examining document.) To the best of my recollection, I did.

Mr. Manager HOBBS. We offer that in evidence, and ask that it be given an appropriate number.

(The statement was admitted in evidence and marked "Managers' Exhibit A-33.")

By Mr. Manager HOBBS:

Q. I will ask you to look at this list headed "List of library and equipment of A. L. Rankin, at the time the partnership began", and state if that statement was made by you and filed with the subcommittee at the hearings in Miami.-A. (After examining document.) It was caused to be made.

Q. Did you submit it in your evidence at the hearings?-A. It is fairly correct.

Mr. Manager HOBBS. I show it to opposing counsel and ask that it be admitted in evidence and given an appropriate number.

The PRESIDENT pro tempore. It may be received and numbered.

(The statement was admitted in evidence and marked "Managers' Exhibit No. A-34.")

Mr. Manager HOBBS. I now read the first statement identified by the witness, as follows:

Managers' Exhibit No. A-33

LIST OF LIBRARY AND EQUIPMENT OF H. L. RITTER AT THE TIME PART-NERSHIP BEGAN

Law books: Cook on Corporations, 5 volumes; Carson's Florida Common Law Pleading; General Laws of Florida, 1921, 1923, 1925; Jones on Legal Forms; Mills Annotated Code, 1925; Revised General Statutes of Florida, 1920; Mills Annotated Statutes 1891 to

Equipment: One desk, one book cabinet, and three chairs.

I now read the second statement, being a list of library and equipment belonging to A. L. Rankin at the time the partnership began, as follows:

MANAGERS' EXHIBIT No. A-34

LIST OF LIBRARY AND EQUIPMENT OF A. L. RANKIN AT THE TIME PART-NERSHIP BEGAN

Law books: Florida State Reports, 5 volumes; Southern Re-Law books: Florida State Reports, 5 volumes; Southern Reporter, volumes 1 to 60; American Decisions; American Reports and American State Reports; Lawyers Reports annotated, 100 volumes; Cyclopedia of Law and Procedure, 50 volumes; United States Supreme Court Reports; Cyclopedia of Pleading and Practice, 23 volumes; Purdy's Beach on Corporations, 3 volumes; Cyclopedia of Words and Phrases, 8 volumes; Cyclopedia of Evidence, 10 volumes 19 volumes.

Equipment: Two desks, book cabinets, and six chairs.

By Mr. Manager HOBBS:

\$300.00

100.00

Q. With reference to the statement just read I will ask you if it is not a fact that you sold American Decisions and American Reports and State Reports for \$100, as testified _ 2,098.32 in Florida, on a trade-in?—A. No, sir.

Q. What was it you traded in—the Decennial?—A. I do not recall.

Q. I will ask you to look at this statement which I now hand you, purporting to be a list of library and equipment of Ritter & Rankin in 1929, and ask you if you caused that to be made and introduced at the hearings before the subcommittee in Miami?-A. (After examining document). Yes: I caused that to be made.

Q. And you submitted it as a true and correct statement to the subcommittee, did you not?—A. Yes; I did.

By Mr. Manager HOBBS:

Q. Judge Rankin, I will ask you if many of the books that you listed there as being in the library of Ritter & Rankin at the time of dissolution of the firm were not then being bought on the installment plan by you?-A. No. To the best of my recollection we had one set of law books-and I do not recall whether it was included there—that we bought. I think it was Ruling Case Law.

Q. I will ask if you did not testify at Miami as follows: We bought Ruling Case Law and A. L. R., but we bought them on the installment plan, and I took over—we paid, I think, about \$100 on them.

A. If it says so in the record, I certainly testified to that. Q. Does it say so in the record? I hand you the record.

A. (After examining the record.) Yes.

Q. That is it on page 276?—A. Yes.

Mr. Manager HOBBS. We offer in evidence this list of law library books and ask that it be given an exhibit number.

(The document was marked "Managers' Exhibit A-35.") (Mr. Manager Hobbs read managers' exhibit A-35, as

follows:)

MANAGERS' EXHIBIT A-35

LIST OF LIBRARY OF RITTER & RANKIN AT TIME OF DISSOLUTION FEBRUARY 1929

Law books: Cook on Corporations; Carson's Florida Common Law Pleading; General Laws of Florida, 1921, 1923, 1925; Jones on Legal Forms; Mills' Annotated Code, 1925; Revised General Statutes of Florida, 1920; Mills' Annotated Statutes, 1891-96; Florida State Reports, volues 1 to 22; Southern Reporter, volumes 1 to 60; State Reports, volues 1 to 22; Southern Reporter, volumes 1 to 60; American Decisions, American Reports, and American State Reports; Lawyers' Reports Annotated, 100 volumes; Cyclopedia of Law and Procedure, 50 volumes; United States Supreme Court Reports; Cyclopedia of Pleading and Practice, 23 volumes, Purdy's Beach on Corporations, 3 volumes; Cyclopedia of Words and Phrases, 8 volumes; Cyclopedia of Evidence, 19 volumes; Ruling Case Law 28 volumes; A.L. P. volumes; 1 to 82. Case Law, 28 volumes; A. L. R., volumes 1 to 83.

Equipment: 5 desks, davenport, book cabinets, stationery cab-

inet, chairs, and typewriter.

By Mr. Manager HOBBS:

Q. Judge Rankin, I will ask you to look at this income-tax return of yours for 1931 and see if this is a true and correct copy, according to your recollection and best judgment, of the return you made for the calendar year 1931 for incometax purposes.—A. (After examining document.) Yes.

Q. Judge, I will ask you to look at this, please, and see how much you listed there, 2 years after the dissolution of the partnership, as expended by you for law books.

Mr. WALSH (of counsel). I object to that as incompetent, irrelevant, and immaterial, and being in no way binding upon the respondent.

The PRESIDENT pro tempore. The Chair thinks all this testimony has gone in on both sides as to the value of the partnership assets. The objection is overruled.

A. (After examining document further.) I do not see any item on there.

By Mr. Manager HOBBS:

Q. Judge, you listed in 1931 "Books for library, \$1,375", did you not, as expended in 1931?-A. Expended in 1931?

Q. Yes, sir.—A. No. If that is on there that way, I did not intend it.

Q. You have here "Explanation of deductions claimed on lines 5 and 16, "Rent and light, telephone", and so on, "Books for library, "\$1,375."-A. Well, I did not pay anything like that, and I misunderstood it if it is on there.

Q. In the 1930 return you showed over \$700 expended in the same way, did you not?—A. If that statement shows that, I did not understand it at the time. I left it-

Mr. Manager HOBBS. We introduce the 1931 income-tax return to A. L. Rankin. The other one has already been introduced. We ask that these certified copies be given appropriate numbers.

The PRESIDENT pro tempore. The documents referred to will be received in evidence and appropriately numbered.

(The 1930 income-tax return was marked "Managers' Exhibit A-35", and the 1931 income-tax return was marked "Managers' Exhibit A-36.")

By Mr. Manager HOBBS:

Q. Judge Rankin, I show you three stock certificates of the Palm Beach Bus Service, Inc., and ask you if they are the certificates issued by you and signed by you as secretary and by Judge Ritter as vice president. Look at those three, please.

(The stock certificates were handed to the witness.)

Mr. WALSH (of counsel). I would like to see those.

Mr. Manager HOBBS. Yes. I ask that they be handed to opposing counsel.

The WITNESS. Yes.

(The documents were handed to Mr. Walsh, of counsel.)

Mr. WALSH (of counsel). I object to this offer for two reasons: First, there is no charge or specification laid in any of the seven articles with respect to this. The second reason is that if there had been, the managers had their opportunity to introduce it in their case in chief.

The PRESIDENT pro tempore. What do the managers say to that?

Mr. Manager HOBBS. We have this to say, Mr. President, that in the case in chief a statement was identified by the witness Rankin, and introduced, showing that a part of the consideration for the \$5,000 which he and Judge Ritter both have testified-

Mr. WALSH (of counsel). I withdraw the objection, Mr. President. I forgot that. Go right ahead and introduce it.
Mr. Manager HOBBS. We introduce those three certifi-

cates, and ask that they be given appropriate numbers.

The PRESIDENT pro tempore. It is so ordered.

(Stock certificate no. 6 was marked "Managers' Exhibit A-37", the stock certificate no. 7 was marked "Managers' Exhibit A-38", and the stock certificate no. 8 was marked "Managers' Exhibit A-39."

Mr. Manager HOBBS. These certificates are numbered, respectively, 6, 7, and 8. They are signed by Judge Ritter as vice president, and two out of the three are signed by A. L. Rankin as secretary. They are dated October 26, 1929. and they are issued to H. L. Ritter for 50 shares, 25 shares. and 25 shares, respectively. The first one is marked across its face "Canceled."

By Mr. Manager HOBBS:

Q. Judge Rankin, I show you the minutes of special meeting of the stockholders and the directors of Palm Beach Bus Service, Inc., held on the 17th day of February A. D. 1930 and ask you if you signed those minutes as secretary?

(The paper was handed to the witness who examined it.) A. Yes.

Mr. Manager HOBBS. I show the document to opposing counsel. [After counsel had examined same.] I introduce this paper in evidence and ask that it be given the appropriate exhibit number.

(The document was marked "Managers' Exhibit A-40.") Mr. Manager HOBBS. I read as follows:

MANAGERS' EXHIBIT A-40

MINUTES OF SPECIAL MEETING OF STOCKHOLDERS AND DIRECTORS OF PALM BEACH BUS SERVICE, INC., HELD ON THE 17TH DAY OF FEBRUARY A. D. 1930

A. D. 1930

A special joint meeting of the stockholders and directors of Palm Beach Bus Service, Inc., pursuant to call of the president, was held at 812 Comeau Building, West Palm Beach, Florida, at eleven o'clock a. m., on the 17th day of February, A. D. 1930.

There were present at said meeting V. S. Mulford, president of Mulford Realty Company, which corporation is the owner of one hundred and fifty (150) shares out of the two hundred (200) shares of capital stock of said corporation, the remaining fifty (50) shares being held by H. L. Ritter and A. L. Rankin, A. L. Rankin was present in person at said meeting and represented H. L. Ritter by

proxy, both as stockholder and director. All of the stockholders and directors being present or represented by proxy.

Mr. V. S. Mulford stated at the meeting that his business was such that practically all of his time was required in New York, and that he could give no time to the affairs of the Palm Beach Bus Service, Inc., and for this reason his resignation as president was tendered. Upon motion to be made and carried, Mr. Mulford's resignation as president was accepted. Mr. Mulford then put in nomination the name of Judge H. L. Ritter for president, which nomination was seconded, and on motion duly made and carried he was elected president.

he was elected president.

A. L. Rankin then put in the resignation of H. L. Ritter as vice president of the corporation, and on motion duly made and sec-

onded his resignation as vice president was accepted.

Mr. Mulford then stated at the meeting that he had sold one share of stock to J. Lamar Webb, of Palm Beach, Florida, and was now transferring this share of stock to him; and that he would put in nomination Mr. J. Lamar Webb for vice president of the corporation. This nomination was seconded, and upon motion duly made and carried Mr. J. Lamar Webb was elected vice president of the corporation.

Upon motion duly made and carried J. Lamar Webb was also

Upon motion duly made and carried J. Lamar webb was also made a director of the corporation.

Upon motion duly made and carried the president and secretary of the corporation were authorized and directed to execute to Mulford Realty Company the corporation's note for \$2,635 for moneys borrowed from the Mulford Realty Company to be used in the purchase of new busses for the corporation, and as security for said note and said indebtedness to execute a mortgage to Mulford Realty Company on the presents of the corporation. ford Realty Company on the property owned by the corporation if required by it.

There being no further business the meeting adjourned.

(Signed) A. L. RANKIN,

Secretary.

Approved.

V. S. MULFORD, President.

By Mr. Manager HOBBS:

Q. Judge Rankin, that was a true and correct minute of that meeting, was it not?-A. Yes.

Mr. Manager HOBBS. That is all, sir.

FURTHER RECROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Judge Rankin, I wanted to ask you a question or two. These various statements that have been offered to you were made during the House hearings down in Florida, were they not, in 1933 and 1934?-A. They were.

Q. And did you make them to the committee or did you make them to the investigators of the committee? I will ask you again. Please be sure that you understand me,

will you, when you answer?-A. Yes, sir.

Q. I say, did you make these reports initially to the investigators of the committee?-A. It is my judgment I did.

Q. And about how many reports would you say that you made to the investigators?—A. Well, those are the reports-

RECESS

The PRESIDENT pro tempore. The hour of 1:30 having arrived, in accordance with the order heretofore entered. the Senate will stand in recess until the hour of 2:15 p. m.

Thereupon (at 1 o'clock and 30 minutes p. m.) the Senate, sitting for the trial of the articles of impeachment, took a recess until 2 o'clock and 15 minutes p. m., at which time it reassembled.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators

answered to their names:

Adams Ashurst Clark Johnson Pope Radcliffe Connally Keyes Coolidge Copeland Couzens Austin Bachman Bailey King La Follette Logan Reynolds Robinson Schwellenbach Sheppard Shipstead Barbour Davis Lonergan Donahey Duffy Long McAdoo Barkley Benson Smith Fletcher Frazier Steiwer Thomas, Okla. Thomas, Utah McGill McKellar Bilbo Bone Borah George McNary Brown Bulkley Gerry Gibson Malon Townsend Metcalf Truman Bulow Glass Minton Vandenberg Guffey Murphy Burke Van Nuvs Hale Harrison Hastings Murray Norris Wagner Walsh Byrd Byrnes Capper Nye O'Mahone**y** Wheeler Caraway Hatch White Carey Hayden Overton Chavez Holt Pittman

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present. What is the pleasure of the managers on the part of the House or counsel for the respondent?

(At this point, on request of Mr. Robinson, and by unanimous consent, the Senate, sitting for the trial of the articles of impeachment, suspended its session in order to receive a message from the House of Representatives, by Mr. Haltigan, one of its reading clerks. The message having been received, and noted elsewhere in the RECORD of today's legislative proceedings, on motion of Mr. Robinson, the Senate resumed its session sitting for the trial of the articles of impeach-

Mr. ASHURST. Mr. President, I inquire if all the testimony has been adduced?

The VICE PRESIDENT. The present occupant of the chair was not in the chair when the Court took a recess. Is the evidence concluded in the case, gentlemen?

Mr. WALSH (of counsel). It is on behalf of the respondent, except for a few questions to ask the witness, who was on the stand at the time of taking a recess.

Mr. Manager HOBBS. We have two more exhibits to

The VICE PRESIDENT. Let the witness resume the stand.

FURTHER CROSS-EXAMINATION OF A. L. RANKIN

By Mr. WALSH (of counsel):

Q. When you left the stand I was asking how many statements you had made about this matter during the investigation in Florida. Do you know?-A. I do not recall.

Q. How many did you make to the investigators?-A. I made two or three to the best of my recollection.

Q. How many did you make to the committee?-A. I made those that were handed to me and identified.

Q. Did you make any others?-A. As I recall it, after the hearing, a day or two after the hearing, I made a list for Mr. Mulherin.

Q. I will ask you to look at the paper which I now hand you and ask if this is a list of cases which you made for Mr. Mulherin.—A. (After examining paper.) As I recall, it is.

Mr. WALSH (of counsel). I believe this has not been introduced in evidence. If you gentlemen will look at it I will introduce it now.

(The managers examined the paper.)

Mr. WALSH (of counsel). I introduce this document in evidence, headed "List of cases on docket at the time Halsted L. Ritter was appointed Federal judge", and ask that it be given an appropriate number.

The VICE PRESIDENT. It will be received and appropriately marked.

(The document was admitted in evidence and marked "Respondent's Exhibit No. 48.)

By Mr. WALSH (of counsel):

Q. I will ask you if it is not a fact that Mr. Mulherin, to whom you gave this statement, testified before the same committee and stated, among other things:

Mr. Mulherin. On November 3, 1933, A. L. Rankin furnished me with a list of cases which he stated were those pending at the time of the dissolution of the partnership of Ritter & Rankin. This list included 41 cases, 3 of which were later stated by Mr. Rankin to have been concluded before the dissolution of the partnership.

Is that correct?—A. As I recall it, it is correct.

Q. I will ask you if the following was not also stated by Mr. Mulherin, representing the House committee, referring to this list that they had just offered in evidence:

That is signed by A. L. Rankin in my presence on December 6, 1933.

A. L. Rankin stated that the \$3,950 in fees shown by the statement just furnished you is not the whole of moneys received by him from clients brought to him by Judge Ritter but was all he could recall at the time of the preparation of the list.

Is that correct?—A. That is correct.

Q. Did you examine this long list that was introduced here while Mr. Salisbury was on the witness stand?-A. I exQ. And did you help in the preparation of it?—A. I did.

Q. Did you give all the information that you could give as to the amounts received when this was gotten up?—A. I gave all that I could give.

Q. Were they checked off by Mr. Salisbury and the accountant?—A. They were.

Q. I will ask you just one question about this. This has all been introduced except the bottom figures. The bottom figures are:

H. L. Ritter received \$2,899.90. A. L. Rankin received \$2,999.91. I will ask you whether or not those were the moneys received at the time of the dissolution in cases which had been fully tried, and in which there was nothing to do but collect the fees. Look at that. If that is not correct, state what it is. Is that anything more than the Matusek case?—A. This is correct, so far as my record shows.

is correct, so far as my record shows.

Mr. HOFFMAN. Mr. President, we note that respondent's exhibit 47 has not been printed in full in the RECORD. We ask that that be done.

There being no objection, respondent's exhibit 47 was ordered to be printed in the Record, as follows:

RESPONDENT'S EXHIBIT 47

List of clients of the firm of Ritter & Rankin at the time of dissolution of the partnership Feb. 15, 1929, cases pending or in progress at the time, as well as work done subsequent to dissolution for clients brought into the firm by Ritter during the time he was a partner in the firm.

Court no.	Date filed or appeared	Style of case	Representing	Nature	Amount
unorg voorde to	1128 (O. K., J. W. S.)	Indianapolis Life Ins. Co. vs. Cherry	*Plaintiff	Mortgage foreclosure (\$300	\$3, 700. 0
672	* 3-25-29 (O. K., J. W. S.)	Indianapolis Life Ins. Co. vs. Alma Gates	*Plaintiff	lace anote)	3, 500. 0
	(O. K., J. W. S.) (O. K., J. W. S.) 1-23-29 (O. K., J. W. S.)	Indianapolis Life Ins. Co. vs. E. A. Coates	*Plaintiff *Plaintiff* *Plaintiff	" (\$200) " (\$200)	
457	1-23-29 (O. K., J. W. S.)	Indianapolis Life Ins. Co. vs. H. J. Jury	*Plaintiff	less costs). " (\$300	1 4, 888. 5
300		Lanfranchi, Inc. vs. Luckenbach Lanfranchi, Inc. vs. Long & Baker	*Plaintiff	Collection open account	2, 000. 0 3, 960. 0
0928 (Dade)	* 6- 1-28 (O. K., J. W. S.)	O. J. Myers, Receiver, vs. Lockhart & Stapper Nichols vs. Brown	*Defendant	Promissory note	75, 000. 0 12, 500. 0
777	* 4-23-28 (O. K., J. W. S.)	Real Estate Bldg., Inc. vs. Stiles C. Hall (judgment obtained 1-15-29, collected 4-17-29).	*Plaintiff		
. P. Court		Webb vs. Noet. Weatherby vs. Clayton	*Defendant *Plaintiff	Claim Recovery bank deposits	96.
295 97 (Martin)	3-31-28 (O. K., J. W. S.)	Tucker vs. Taylor	*Plaintiff	Damages	1, 572. 6 1, 800. 0
5240		Tucker vs. Addison, Mizner, & Paris Singer Thomas vs. Addison, Mizner, & Paris Singer	•Plaintiff	contract.	6, 500. (45, 000. (
5384	2-8-20 (O K I W S)	Stine vs. Benston	*Defendant	contract. Contract damages	1000000000
7376	12-22-28 (O. K., J. W. S.)	Smith vs. Smith Ritter vs. Manning (for client)	*Plaintiff	Divorce	
1846 1776	4-23-28 (O. K., J. W. S.)	Real Estate Bldg., Inc. vs. Cohen.	*Plaintiff	Damages	3, 750. 0
3573 3515}2 cases	10-29-27 (O. K., J. W. S.)	Pierce & Stevenson vs. N. J., Florida Land Co	*Defendant	Commission	23, 996. 5
7096	1- 7-29 (O. K., J. W. S.)	Palm Beach Co. vs. Benston	*Defendant		1, 980. (
5346	2-25-28 (O. K., J. W. S.)	Palm Beach Allapatah Co., vs. Allapatah Land Co., Howard Cole & Faith B. Cole.		Equity suit	
5460	*3- 8-29 (O. K., J. W. S.) *1928 (O. K., J. W. S.)	Noel vs. J. B. McDonald Co- Palms Ice Co. Matter (office client)	*Plaintiff Owner	Sale of plant and dissolution corporation (\$800).	1,500.0
Co. Ct	3-25-29 (O. K., J. W. S.) 1- 9-29 (O. K., J. W. S.)	Malcolm vs. Pace Linderman vs. Duncan	*Plaintiff *Defendant	Claim (\$50)	200. 0 1, 000. 0
4555446	1- 4-28 (O. K., J. W. S.)	Johnson vs. Jett	*Plaintiff	_ Damages	5, 000.
4445	1- 4-28 (O. K., J. W. S.) 4- 1-28 (O. K., J. W. S.)	Roberson vs. Jett	*Plaintiff	Damages	5, 000. 0
5533 231 (Okeechobee)	5-14-27 (O. K., J. W. S.)	Highsmith vs. Okeechobee Co. (this fee was \$2,500, Geo. Coleman sharing 50%). Fernandez vs. Addison Mizner & Paris Singer	*Plaintiff	Collection judgment (\$500 or \$600).	10, 000.0
5355	1-23-29 (O. K., J. W. S.)		*Plaintiff* *Defendant	contract.	6, 500. (
799 (Indian River) - 5620	3- 8-29 (O. K., J. W. S.)	Gulf Stream Investment Co. vs. Harman, et al	*Plaintiff	_ Distress rent (\$75?)	700.
4637 5239		Ingalls Iron Works vs. Vonbehren et al. Davis vs. Addison Mizner and Paris Singer	*Defendant *Plaintiff	Damages	8, 000. 0 65, 000. 0
5354		Calhoun vs. Addison Mizner and Paris Singer	*Plaintiff	Recover amount paid land contract.	3, 500.
72334271	10-24-28 (O. K., J. W. S.) 5-19-28 (O. K., J. W. S.)	Central Farmers Trust Co. vs. Mortgage Finance Co	*Plaintiff	Bill for receiver	3, 500. (
	8-16-27 (O. K., J. W. S.)	Birchard vs. Florida Power & Light Co	*Plaintiff	dismissed). Damages	2, 500. 6 6, 000.
5830 U. S. Ct	10- 4-29 (O. K., J. W. S.) 7-18-28 (O. K., J. W. S.) 7-29-29 (O. K., J. W. S.)	Benston vs. Lake View Co Ernst & Ernst vs. Pine Wood Development Co	*Plaintiff	Damages (interest in land)	6, 000. 0 7, 127. 7
5848	7-29-29 (O. K., J. W. S.)	John J. Hanson vs. Montgomery	*Plaintiff	_ Civil	1, 866.
6525 L	2021	Everglades Club vs. A. Sherman Downs	*Defendant	II ami, on notest.	50, 000.
	*9-20-28 (O. K., J. W. S.) *1929 (O. K., J. W. S.) 2-14-29 (O. K., J. W. S.)	Smith McDonald Ins. Co., Claim	*Plaintiff	Adjustment (Ins. Co.) Repair building	2, 257.3 850.0
	2-14-29 (O. K., J. W. S.)	Moorman vs. Smart	Plaintin	- Collection notes	6, 000.
7777	4-29-29 (O. K., J. W. S.) Out	Oldhann vs. Weatherby	Plaintiff	Accounting Rent claim	
0007	* 4-22-29 (O. K., J. W. S.) * 1928 (O. K., J. W. S.)	Thomas Amory vs. W. C. Rhodes	*Plaintiff	Damages Collection retain (\$50) title	450.0
4271	8-10-27 (O. K., J. W. S.) 6-11-28 (O. K., J. W. S.)	Briar Holding Co. vs. Palm Beach Bank & Trust	*Plaintiff *Defendant	note. Recover bank deposits Damages	14, 283. 7 2, 000. 0
	ADDITIONAL	FEES NOT LISTED ABOVE, EARNED AND COLLECTED SUBSEC	QUENT TO FEB. 15,	1929	o calle
The state of the s		(*Jessup, Inc			
The second		*Watt-Sinclair, Inc* *Worth Avenue Corporation			
THE REPORT OF	(O. K., J. W. S. They	/*Worth Avenue Investment Co			
The state of	were clients of the office.)	*Mulford Realty Corporation *Jno. J. Hanson			

RESPONDENT'S EXHIBIT 47-Continued

List of clients of the firm of Ritter & Rankin at the time of dissolution of the partnership Feb. 15, 1929, cases pending or in progress at that time, as well as work done subsequent to dissolution for clients brought into the firm by Ritter during the time he was a partner in the firm—Continued

FEES ALREADY EARNED AND DIVIDED ON CASES IN OFFICE AT TIME OF DISSOLUTION

Court no.	Date filed or ap- peared	Style of case	Representing	Involved	Amount
7270 3	11-17-28 11-20-28 1-21-27 2-28-28	Indianapolis Life Ins. Co. vs. H. J. Israel et al	Mortgage foreclosure	\$3, 500. 00 3, 605. 00 25, 922, 38 2, 098. 32	\$100.00 200.00 5, 181.81 418.00
H. L. Ritter received A. L. Rankin received		Total			5, 899. 8

O. K. in office.

Mr. REYNOLDS. Mr. President, I submit a question.

The VICE PRESIDENT. The Senator from North Carolina propounds a question which will be read by the clerk.

The Chief Clerk read the question propounded by Mr. REYNOLDS, as follows:

Did you at any time infer, suggest, or request support of you as district judge of Alabama to succeed Judge Clayton?

A. Read the question again.

The Chief Clerk re-read the question.

Mr. REYNOLDS. Mr. President, you will notice the question says "Judge Ritter's support."

The VICE PRESIDENT. The clerk will again read the question, and the witness will answer it.

The Chief Clerk again read the question propounded by Mr. Reynolds, as follows:

Did you at any time infer, suggest, or request Judge Ritter's support of you as district judge of Alabama to succeed Judge Clayton?

A. I did.

Mr. LA FOLLETTE. Mr. President, I submit two questions which I desire to propound to the witness.

The VICE PRESIDENT. The Senator from Wisconsin submits two questions which will be read by the clerk.

The Chief Clerk read the first question propounded by Mr. La Follette, as follows:

How many cases have you had in Judge Ritter's court?

A. I do not recall the exact number, but not very many.

The Chief Clerk read the next question propounded by
Mr. La Follette, as follows:

Were you ever allowed any fees by Judge Ritter other than those you received in connection with the Whitehall case?

A. As I recall, two or three small fees for acting as special master.

Mr. McADOO. Mr. President, I submit a question.

The VICE PRESIDENT. The Senator from California propounds a question, which the clerk will read.

The Chief Clerk read the question propounded by Mr. McAdoo, as follows:

How long had you resided in Florida before you sought appointment as district judge in Alabama?

A. I do not recall; but I maintained my citizenship in Alabama, paid taxes, had property there, and I voted there, and was voting there at the time that I filed that application.

Mr. McADOO. Mr. President, I should like an answer to the question I submitted.

The VICE PRESIDENT. The Senator from California does not think the witness has fully answered the question.

Mr. McADOO. No; he has not. He does not tell how long he had resided in Florida before he sought the judge-ship in Alabama.

The VICE PRESIDENT. The clerk will again read the question, and the witness will answer it more fully if he can.

(The written question propounded by Mr. McAdoo was

handed to the witness, who examined it.)

The WITNESS. I had been in Florida, practicing law in Florida, as I recall it, about 4 years.

Mr. McADOO. The question is how long he had resided there.

The VICE PRESIDENT. The Senator will have to propound his inquiry in writing. The rules require all inquiries by Senators to be propounded in writing.

Mr. McADOO. Mr. President, I ask that the question be again read by the clerk, because it is a simple question, and can be answered.

The VICE PRESIDENT. The clerk will again read the question.

The Chief Clerk again read the question propounded by Mr. McAdoo, as follows:

How long had you resided in Florida before you sought appointment as district judge in Alabama?

A. Well, I do not just know how to answer the question. The question of residence is a very broad question—where you reside—but I had been in Florida, I had been living in Florida, about 4 years, to the best of my recollection.

By Mr. WALSH (of counsel):

Q. I wish you would look at the case at the top of the second page of respondent's exhibit no. 47, and state whether or not you recall that case as being in your office at the time of the dissolution.—A. (After examining document). Yes; I recall that case.

Q. Has that case ever been brought to a final close; and if so, when?—A. Yes; it has, some 3 or 4 months ago.

Q. I see that case is entitled "Palm Beach Allapatah Co. against Allapatah Land Co.", and the amount involved is quite a large amount. Did you have any guarantor on that fee?—A. That was a case—

Q. Can you answer? Did you have a guarantor for that fee? Did any person guarantee the payment of it?—A. Yes; Howard Cole.

Q. Where does Howard Cole live?—A. He was one of the defendants.

Q. Where does he live?-A. He lived in New York.

Q. Was he a man of means at that time, so far as you know, and is he now?—A. Well, he had, and I understand he still has, large property holdings.

Q. How much is the fee in that case?—A. The original fee was \$7,000 if we won and \$3,500 if we lost.

Q. Did you win or lose?—A. We won it.

Mr. WALSH (of counsel). I think that is all.

The VICE PRESIDENT. Are there any other questions? Mr. Manager HOBBS. Yes, sir.

FURTHER REDIRECT EXAMINATION

By Mr. Manager HOBBS:

Q. Judge Rankin, why did you, on September 1, 1926, make a residence affidavit for the purpose of registering as a qualified voter in precinct 12, West Palm Beach, Fla., if you considered yourself still a resident of Alabama?—A. Well, I did that.

Q. And you voted down there, did you not?—A. My recollection is that I never voted in Florida.

Q. But you renewed your registration, did you not?—A. I did register there, and then, after I registered there, I changed my mind about it and decided, on account of all my property interests in Alabama, that I would maintain my voting place in Alabama.

Q. And your registration has been renewed from that good hour to this, has it not?—A. It has been what?

Q. Renewed in Florida?-A. No; I reregistered.

Q. I say, you reregistered every 2 years, did you not?—Yes. No; I do not recall that I reregistered every 2 years, but I have reregistered there.

Q. And you registered your wife; you took her with you and registered her on May 19, 1928, did you not?—A. I believe that I did, or she did.

Mr. McGILL. Mr. President, I send forward several questions.

The VICE PRESIDENT. The Senator from Kansas propounds several questions which will be read by the clerk.

The Chief Clerk read the first question propounded by Mr. McGill, as follows:

Were you ever admitted to the practice of law in Florida?

A. Yes.

The Chief Clerk read the next question propounded by Mr. McGill, as follows:

When were you so admitted, if you were admitted?

A. I was admitted in 1926.

The Chief Clerk read the next question propounded by Mr. McGill, as follows:

In order to be licensed to practice law in Florida, did you have to be a citizen of that State?

A. I believe so.

Mr. DAVIS. Mr. President, I submit a question.

The VICE PRESIDENT. The Senator from Pennsylvania propounds an inquiry, which will be read by the clerk.

The Chief Clerk read the question propounded by Mr. Davis, as follows:

You testified that as master in Judge Ritter's court you were allowed a few small fees. What do you call small fees?

A. Well, as I recall it, I was paid \$500 in two or three cases, and then—now, I remember another case. Shall I proceed?

The VICE PRESIDENT. The clerk will reread the question

The Chief Clerk again read the question propounded by Mr. Davis, as follows:

You testified that as master in Judge Ritter's court you were allowed a few small fees. What do you call small fees?

A. Well, I call \$500 a small fee.

By Mr. WALSH (of counsel):

Q. What was the one you say you remember? Did you remember another one? I thought you said, in answer to the question of a Member of the Court, that you remembered another.—A. Yes. I had overlooked being special master in the Comeau foreclosure. In that suit I was appointed special master to hear the testimony and make finding of both law and fact, and in that case, to the best of my recollection, I have drawn something like four or five thousand dollars.

Mr. WALSH. Mr. President, I desire to submit a question. The VICE PRESIDENT. The clerk will read the question propounded by the Senator from Massachusetts.

The Chief Clerk read the question propounded by Mr. Walsh, as follows:

When you signed the final agreement that led to the decree for final attorney's fees as "A. L. Rankin, attorney for complainants and interveners", what complainants and interveners did you represent? Name them all.

A. I represented the complainants that were named; I do not recall just now the complainants named in the bill of complaint and the interveners.

Mr. WALSH. Mr. President, I should like to have the question answered.

The VICE PRESIDENT. Read the latter part of the question. The witness may wish to answer it further.

The Chief Clerk read the latter part of the question propounded by Mr. Walsh, as follows:

What complainants and interveners did you represent? Name them all.

A. May I see the bill of complaint?

(The bill of complaint was handed to the witness.)

A. Bert E. Holland, Catherine Sugden, a widow, and Whitfield W. Johnson, as trustees, and A. W. Kirkland, Eugenia A. Shopps, and A. H. Hill, as interveners. Mr. CLARK. Mr. President, I desire to submit a question. The VICE PRESIDENT. The clerk will read the question. The Chief Clerk read the question propounded by Mr. Clark, as follows:

Had you not been discharged as attorney for the complainant of record?

A. I did not consider that I had, for the reason that he had sworn in court, or made the statement in court, that he had transferred and assigned, or deposited all of his bonds with the bondholders' committee, and therefore he had no power or control over the litigation. I so considered.

Mr. SCHWELLENBACH. Mr. President, I desire to pro-

pound a question.

The VICE PRESIDENT. The clerk will read the question. The Chief Clerk read the question propounded by Mr. Schwellenbach, as follows:

Just what does a client have to do to discharge you as his lawyer?

A. He has to have control and authority over the suit.

Mr. BACHMAN. Mr. President, I submit a question to be propounded.

The VICE PRESIDENT. The clerk will read the question. The Chief Clerk read the question propounded by Mr. Bachman, as follows:

As an applicant for the district judgeship in Alabama to succeed Judge Clayton, did you approach Judge Ritter for his support, or did he suggest the application to you? When and where were conferences between you and Judge Ritter held as to this application, and what was their tenor?

A. As I remember, Judge Ritter did not suggest or request or had nothing to do with my filing an application. I approached him one day in Miami and told him that I either had or would file my application, and asked him if he would write me a letter of recommendation, and he said he would. I do not recall that I had any conversation with him other than that over the matter.

Mr. CLARK. Mr. President, I desire to submit another question

The VICE PRESIDENT. The clerk will read the question.

The Chief Clerk read the question propounded by Mr.

CLARK, as follows:

Did you file an amended bill in the name of Holland some 2 months after Holland had discharged you as his attorney?

A. I think the record shows that I did.

Mr. KING. Mr. President, I suggest several questions to be asked of the witness.

The VICE PRESIDENT. The clerk will read the questions.

The Chief Clerk read the questions propounded by Mr.

King, as follows:

Did you represent all the first-mortgage bondholders through the bondholders' committee.

A. I did not.

Were all the bondholders represented by the bondholders' committee?

A. As I recall it, there were about 90 to 93 percent.

Did the bondholders regard you as their attorney, and did you regard yourself as their attorney?

A. I did not regard myself as their attorney. At the same time, I felt that if the bondholders' committee wanted this suit dismissed, they would give me instructions to dismiss it.

Mr. ADAMS. Mr. President, I send two questions to the desk to be asked of the witness.

The VICE PRESIDENT. The clerk will read the questions. The Chief Clerk read the questions propounded by Mr. Adams, as follows:

Were you employed as attorney by the bondholders' committee to which you say Holland had transferred his interests?

A. I was not.

If not, how did you continue to appear as attorney for either Holland or the committee?

A. I was not employed by Holland. (To the clerk:) Read that question again.

The Chief Clerk again read the questions, as follows:

Were you employed as attorney by the bondholders' committee to which you say Holland had transferred his interests?

A. I was not employed.

If not, how did you continue to appear as attorney for either Holland or the committee?

A. Well, Mr. Holland had stated that he had transferred all of his bonds—that he and his associates had transferred all of his bonds to the bondholders' committee, and I construed that to mean that he had no power or authority to discharge me.

Mr. O'MAHONEY. Mr. President, I send a question to the desk to be asked of the witness.

The VICE PRESIDENT. The clerk will read the question. The Chief Clerk read the question propounded by Mr. O'Mahoney, as follows:

Did you serve as city attorney at West Palm Beach?

A. I did not.

Mr. McGILL. Mr. President, I desire to submit a question. The VICE PRESIDENT. The clerk will read the question. The Chief Clerk read the question propounded by Mr. McGILL, as follows:

When Judge Ritter recommended to Attorney General Mitchell that you be appointed United States district judge in Alabama, do you not know from your association and conversation with him that Judge Ritter knew you were a citizen of Florida?

A. I cannot say that he did.

The VICE PRESIDENT. Have the managers any further questions?

By Mr. Manager HOBBS:

Q. Judge, you have in front of you a statement which I want you to examine and identify, and state whether or not you had that statement made, and whether you presented it to the subcommittee at the hearing in Miami.—A. [Examining statement.] I did.

Q. Was it correct at that time? Did you know it to be?—A. It was correct, to the best of my knowledge, at the time.

Mr. Manager HOBBS. Mr. President, we should like to offer that in evidence after it has been shown to opposing counsel, and ask that it be given an appropriate exhibit number.

(The document was marked "Managers' Exhibit A-41.") Mr. Manager HOBBS. That is all, Judge.

FURTHER RECROSS-EXAMINATION

By Mr. WALSH (of counsel):

Q. Look at that statement, please, Judge, and see whether or not that is the statement you gave to Mr. Mulherin, and told him that there were other cases, but those were all you could remember at that time.—A. That is true. This statement was made along about the time of the hearing in Miami, as I recall it; and afterward I told Mr. Mulherin, as I formerly testified here, that there were some other collections that I had made, and I would have to go through my records in order to determine just what they were.

Q. And you heard Mr. Mulherin testify to that fact, did you not, when he testified before the subcommittee in Florida?—A. No; I do not recall that I heard him.

Mr. WALSH (of counsel). That is all.

FURTHER REDIRECT EXAMINATION

By Mr. Manager HOBBS:

Q. Do you know that the hearings down there were in November, and that you gave him this statement on December 6?—A. That might be true.

Q. After the hearings were concluded?—A. Well, if that is the date, it probably is.

Mr. Manager HOBBS. We have already offered this paper in evidence. I will now read it [reading]:

MANAGERS' EXHIBIT A-41

Amounts collected from clients of H. L. Ritter from business brought to A. L. Rankin by them since dissolution of partnership

to 11. D. Manutin by their street dissolution of pur	e teet atech
Jessup, Inc., Palm Beach	\$400 400
Lanfranchi, Inc., and allied corporations, Palm Beach	900
Worth Ave. Corporation and allied corporations, Palm I Worth Ave. Investments and allied corporations, Palm I	Beach_ 2,000 Beach_ 250

3,950

(Signed) A. L. RANKIN.

Mr. WALSH (of counsel). Mr. Mulherin, be sworn.

DIRECT EXAMINATION OF THOMAS M. MULHERIN

Thomas M. Mulherin, having been duly sworn, was examined and testified as follows:

By Mr. WALSH (of counsel):

Q. Mr. Mulherin, I want to ask you just one question, and it is this: This is the \$3,950 item that was just introduced in evidence. When you introduced that in evidence before the subcommittee, I will ask you if you did not make the following statement:

That is signed by A. L. Rankin in my presence on December 6, 1933.

A. Yes, sir; I did.

Q. [Reading:]

A. L. Rankin stated that the \$3,950 in fees shown by the statement just furnished you is not the whole of moneys received by him from clients brought to him by Judge Ritter, but was all he could recall at the time of the preparation of the list.

A. I did. I submitted that list to the subcommittee at that time.

Q. I just asked you whether or not you made that statement, Mr. Mulherin.—A. I did; yes, sir.

Q. All right. Now you may make any explanation you may think proper.—A. I submitted that list to the subcommittee at that time. They neglected to print the heading as well as the body of it. It obviously is an item of good will, rather than fees received from pending cases. In other words, they are moneys received from clients which were brought to the firm of Rankin through the instrumentality of Judge Ritter after Judge Ritter took the bench. That is the inference I gather.

Mr. WALSH (of counsel). That is all.

The VICE PRESIDENT. Stand aside. Is there any further testimony?

Mr. WALSH (of counsel). I desire to ask one more question of the witness who just left the stand.

The VICE PRESIDENT. Mr. Rankin, will you step back?

FURTHER CROSS-EXAMINATION OF A. L. RANKIN

By Mr. WALSH (of counsel):

Q. A member of the Court sent you up a question, the purport of which was whether or not you had been city attorney at Palm Beach. You never were city attorney at Palm Beach?—A. I never have; no, sir.

Q. Did I understand you to testify on your direct examination that you were county attorney of Palm Beach County?—A. Yes.

Q. Then I will follow the question that was not repeated after the city attorney question. Are you still county attorney of Palm Beach County?—A. Yes, sir.

Q. When were you appointed county attorney of Palm Beach County?—A. I was appointed or elected by the Board of County Commissioners of Palm Beach County in 1933.

Mr. WALSH (of counsel). That is all.

Mr. O'MAHONEY. Mr. President, I send forward a question which I ask to have read.

The VICE PRESIDENT. The clerk will read the inquiry to the witness.

The Chief Clerk read the question propounded by Mr. O'Mahoney, as follows:

Was that before or after the vacancy in the Alabama bench?

A. That was subsequent to that.

The VICE PRESIDENT. Are there any further questions? If not, the witness is excused.

Mr. WALSH (of counsel). You are excused.

Mr. Manager HOBBS. Mr. President, we should like to offer in evidence the copy furnished us by Judge Ritter of his 1929 income-tax return, and ask to have it marked with the appropriate identification number as an exhibit.

(The income-tax return was marked "Managers' Exhibit A-42", and is as follows:)

December 6, 1933.

MANAGERS' EXHIBIT A-42

[Italics show answers by person filing return]

TREASURY DEPART- MENT TO REASURY DEPART- MENT INTERNAL REVENUE SERV- ICE DUPLICATE DUPLICATE DETACH AND RETAIN THIS COPY AND THE INSTRUCTIONS TREASURY DEPART- MENT FOR NET INCOMES FROM SALARIES OR WAGES OF MORE THAN \$5,000, AND INCOMES FROM BUSINESS, PROFESSION, RENTS, OR SALE OF PROPERTY FOR CALENDAR YEAR 1929 File this return with the collector of internal revenue for your district on or before March 15, 1930 Print name and address plainly below Name, Halsted L. Ritter. Street and number, or rural route, U. S. District Court. Post office, County, State, Miami, Fla.									DUPLICATE IF YOU NEED ASSISTANCE, GO TO A DEPUTY COLLECTOR OR TO THE COLLECTOR'S OFFICE			
3. Is 1 4. Sta 5. We	this a joint return of hu te name of husband or ffice where it was sent. ere you married and liv	Occupation, ant of the United S 28, to what Collectsband and wife? wife if a separate ing with husband	Judge, U. Atates?tor's office was return was more wife on the	S. District Court. it sent?ade and the Collector's	7. If your state and nature 8. How many age or ince	re persons closely re is in respect to que e of changedependent persons apable of self-suppo	of your taxable year s lated to you? stions 5 and 6 changed (other than husband rt were receiving thei ear?	during the year or wife) under r chief support fr	, state date 18 years of om you on			
2. Ir 3. Ir 4. Ir 5. Ir 6. Ir 7. R 8. P 9. D 10. T 11. O (b	acome from Business or therest on Bank Depositerest on Tax-free Covacome from Partnership acome from Fiduciaries ents and Royalties. (rofit from Sale of Real ividends on Stock of Earable Interest on Libther Income (including) Total Income in It axes Paid. (Explain in cases Paid. (Explain in cases by Fire, Storm, ead Debts. (Explain in ontributions. (Explain in ontributions.)	Profession. (From ts, Notes, Corpora enant Bonds Upons). (State name and State na	m Schedule A tition Bonds, et n Which a Tai nd address) d address) ands, etc. (Fr ons. From Schedul k of foreign co		of income):	s	(Explain in Schedule	\$3, 607. 33 2, \$31. 41 1, 230. 54 1, 230. 62 656. 10 500. 00 8, 607. 33	\$12, 169. 26 \$11, 470. 05 699. 21			
_	EARNED INC	OME CREDIT		CC	MPUTATIO	N OF TAX (SEE	Instruction 23)					
22. L 23. B 24. A 25. A 26. A 27. N 28. N 29. N 30. S 31. T		r \$30,000)	\$,500.00 34 \$	3. Net Income (Item 20 about Less: Dividends (Item 9) Interest on Liber (Item 10) Credit for Depende	8)	\$ 46. N 47. St 48. Tr 49. Tr 50. Tr \$ 50. Tr \$ 51. Le 54. In \$ 55. Be		tal of Itams 44 to r Loss (123/4% of etween Items 48 ax on Earned In- us 51) at Source reign country or	\$ \$ \$			
	Payment	An	nount	Date .		k or M. O. No.	Bank o	or office of issue				
First												

CONGRESSIONAL RECORD—SENATE

[Page 2 of duplicate income-tax blank of Halsted L. Ritter]
SCHEDULE A—INCOME FROM BUSINESS OR PROFESSION (SEE INSTRUCTION 2)

Total receipts from business of	or profession	(state kind of h	usines	s). Lawyer 1	ıntil Feb	. 25 and U. S.	Dis't J	Tudge since					\$12, 169
Cost of Go	ODS SOLD			83 70	130	Отни	R BUS	INESS DEDUCT	IONS				
2. Labor			\$		10. St	daries not inc	luded a	s "Labor," in	Line	2. (Do not			Aboveto
3. Material and supplies					The second	deduct compe	nsation	for your servi- debtedness to o	ces)		\$		is distrib ed under
 Material and supplies Merchandise bought for sale. Other costs (itemize below or 	on separate	sheet)			12. T	exes on busine	ss and	business prope	rty				come other sid
 Other costs (itemize below or Plus inventory at beginning 	of year				14. B	ad debts arisin	ng from	sales or servicence, and dep	es				this shee
7. Total (Lines 2 to 6)			\$			table provided	at foo	t of page)					
8. Less inventory at end of year					16. R	ent, repairs, a separate sheet	nd othe	er expenses (ite	mized	below or on			
9. Net Cost of Goods Sold (Line	7 minus Lin	ne 8)	\$		17.								12.6
Enter "C," or "C or M," on are valued at cost, or cost or ma			hether	inventories	and the state of					Item 2)		XXXXXXXXXXX	ACT OF PERSONS
Explanation of deductions claim		5 and 16 EDULE B-I											
	bon	EDUBE D	11001	dis FROM	101514 11	AND NOT	ABIII	I and and a	OCITOR	1			A CANADA
1. Kind of Property		2. Amount Re	ceived	3. Cost or as of Ma 1913, Whi Greater	arch 1.	4. Depreci (Explain in at Foot of	n Table	5. Repai	irs	6. Other Exp (Itemize Be	enses low)		t Profit as Item
Apartment House, Denver, Colo.	\$5,455	00	\$53, 504 As of Sept.	1923.	\$1,605	15	\$889	85	\$1,729	50	\$1,	230	
Explanation of deductions claim		nn 6: Coal, jani ULE C-PRO		ter, electricity, FROM SAL	and gen				NDS,	ETC.			
			1		- 14							1	1 540
1. Kind of Property		2. Date Acqu	uired	3. Amot Receive		4. Deprecia Allowable Acquisit	Since	5. Cost or V as of March 1 Whichever C	1, 1913,	6. Subsequ Improveme		7. Net Profit (Enter as Item 8)	
-				\$		\$	ļ	8		\$		\$	
State how property was acquire	d												
SCHEDULE D-CA	PITAL NE	T GAIN OR	Loss	FROM SAL	E OF	ASSETS HE	LD M	ORE THAN	TWO	YEARS (SEE	INSTR	uction 8a)	
1. Kind of Property	2. Date		Sold	4. Amount R	eceived	5. Depreciat lowable Si quisition	ion Al- nce Ac-	6. Cost or as of Ma 1913, Which Greater	rch 1,	7. Subsequents provements Capital D tions	s, and	8. Net G (Enter Item 4	121/2%
	Mo. Day Y	ear Mo. Day	Year		1		T		1				-
••••••										\$		\$	
State how property was acquire										THE PERSON		SHISTON	
SCHEDULE E	-INTERES	ST ON LIBE	RTY	BONDS AN	D OTI	HER OBLIG	ATION	IS OR SECU	RITIE	S (SEE INSTI	RUCTIO	N 10)	HIT A
1. Obligation	ons or Securit	ies		2. Intereceived or			t Owne	4. Prince Amou Exempt Taxati	nt From	5. Amount O in Excess of emption		Cess 0	nt in l of Exen (Enter
() () () () () () () ()							1		I				1
 (a) Obligations of a State, Territ or the District of Columbia 	8			\$		\$		A11		XXXXXX	xx	xxxx	xxx
 (b) Securities issued under Federand Certificates of Indebte (c) Liberty 3½% Bonds and certificates 	edness issued other obligati	after June 17, 1	1929 State	8				All		xxxxx	xx	xxxx	xx
issued on or before Sept U. S. possessions								All		xxxxxx	xx	xxxx	x x x
(d) Liberty 4% and 414% Bo issued before June 18, 19	nds, Certific 29, Treasury	ates of Indeb	Saving	S			1	E TOTAL				138	
Certificates								\$5,000		\$		\$	
(e) Treasury Notes								None				l	
Taxes paid on apartment hou Salary as United States Distr Contributions to Y. M. C. A	se above and i	Southern Distri	shings,	Denver, Colo		ONS CLAIN	IED II	N ITEMS 1,	14, 16, 1	17, AND 18			
EX	PLANATIO	ON OF DED	UCTI	ON FOR D	EPREC	IATION CI	AIME	D IN SCHE	DULE	S A AND B			
1. Kind of Propert (If Buildings, State Materis	y of which	2. Date Ac	howlend	3. Age V	When	4. Probabl	e Life	5. Cost or Va of Mar. 1,	1913,	Amount of	Depre	ciation Ch	arged of
Constructed)	i or waicu	Z. Date Ro	quirou	Acqui	red	After Acqui	rement	Whichever C (Exclusive of		6. Previous	Years	7. Th	is Year
6 apartment house, brick and conc	rete	Sept. 23, 192	25	New		30 years		\$50, 504	40	\$9,630	18	\$1,	605
EXPLANATION	OF DEDU	CTION FOR	LOSS	SES BY FIR	RE, ST	ORM, ETC.,	CLAI	MED IN SC	HEDU	LE A, AND	IN IT	TEM 15	ST.
1. Kind of Property		2. Date Acq	uired	3. Cost or V of March Which Greater	1, 1913,	4. Subsequer		5. Depreciati lowable Acquisition	Since	6. Insurance Salvage Va		7. Deduc	tible L
	FICE						1		1			\$	

Mr. Manager HOBBS. Mr. President, we also offer in evidence two sheets, being photostat copies of Judge Ritter's bank account in the First National Bank of Miami, Fla. We (The documents were marked "Managers' Exhibit A-43", ask that they be given a number and printed in the RECORD. sheets 1 and 2, and are as follows:)

THE FIRST NATIONAL BANK MIAMI, FLORIDA

Name: Mail H. L. Ritter or Grace M. Ritter. Address: Office of U. S. Dist. Ct., P. O. Bldg., city.

Old balance Date		Checks in detail			Date	Deposits	Date	New bal- ance
		Balance	brought for	ward	Apr. 9, '31	414.40	Apr. 9, '31	414.40
414. 40	Apr. 9, '31	7. 15	4. 50 2. 95	26. 89			Apr. 9, '31	362.3
362, 36 334, 86	Apr. 9, '31	27.50	- Swas			the Water Bu	Apr. 9, '31	334. 86 320. 8
320. 86 205. 86	Apr. 13, '31	100.00	15. 00			THE STREET	Apr. 9, '31 Apr. 9, '31 Apr. 13, '31 Apr. 14, '31 Apr. 14, '31 Apr. 15, '31 Apr. 18, '31 Apr. 20, '31 Apr. 20, '31 Apr. 20, '31 Apr. 21, '31 Apr. 22, '31 Apr. 22, '31	205. 8
200.86		Part Carl			Apr. 15, '31	2,000.00	Apr. 15, '31	2, 200. 8
2, 200. 86 2, 102. 11	Apr. 18, '31	88.75	10.00		production of the	ALL HOME UM	Apr. 18, '31	2, 200. 8 2, 102. 1 2, 096. 1
2, 096. 11 2, 081. 11	Apr. 18, '31 Apr. 20, '31 Apr. 20, '31 Apr. 20, '31 Apr. 21, '31 Apr. 23, '31 Apr. 23, '31 Apr. 24, '31 Apr. 24, '31 Apr. 28, '31 Apr. 28, '31 Apr. 28, '31 Apr. 28, '31 Apr. 29, '31 Apr. 29, '31 Apr. 29, '31 Apr. 30, '31 May 1, '31 May 2, '31 May 2, '31 May 2, '31 May 2, '31 May 5, '31 May 6, '31 May 6, '31 May 6, '31 May 6, '31 May 12, '31 May 12, '31 May 13, '31 May 14, '31 May 15, '31 May 15, '31 May 14, '31 May 15, '31 May 16, '31	15. 00 35. 83	6.00			181 200 1119	Apr. 20, '31	2, 081. 1
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The VICE PRESIDENT. Is there any further testimony to be offered?

Mr. Manager HOBBS. That is all, may it please the Court.

The VICE PRESIDENT. Does that close the case for you, Mr. Counsel?

Mr. WALSH (of counsel). Yes, Mr. President.

The VICE PRESIDENT. The evidence is closed.

Mr. ROBINSON. Mr. President, the Senator from Utah [Mr. King] will present an order.

Mr. KING. I submit an order for the consideration of the Court.

The VICE PRESIDENT. The proposed order will be read. The Chief Clerk read as follows:

Ordered, That the time for final argument of the case of Halsted L. Ritter shall be limited to 4 hours, which said time shall be divided equally between the managers on the part of the House of Representatives and the counsel for the respondent, and the time thus assigned to each side shall be divided as each side for itself may determine.

The VICE PRESIDENT. Do the managers on the part of the House and counsel for the respondent desire to make any argument whatever? That is the first thing the Court desires to ascertain. The next thing is as to the limitation of time.

Mr. KING. Mr. President, I suggest that before submitting the order I had ascertained that the counsel for the managers and the counsel for the respondent desired to make arguments.

The VICE PRESIDENT. The Chair had understood that probably the case would be submitted to the jury without argument.

Is there objection to the order presented by the Senator from Utah?

Mr. Manager SUMNERS. Mr. President, I assume it is understood that the managers on the part of the House will open and close.

The VICE PRESIDENT. That is the general practice in court procedure, as the Chair understands.

Is there objection to the proposed order?

There being no objection, the order submitted by Mr. King was entered.

DISMISSAL OF WITNESSES

The VICE PRESIDENT. The Chair will state, at the suggestion of the Sergeant at Arms, that all witnesses in the case are now excused.

The Chair recognizes the managers on the part of the House to proceed with the argument.

Mr. ASHURST. Mr. President, I should like to ask the managers on the part of the House a question. Do the managers desire to open their argument now, or within the next 20 minutes; or what is their pleasure in the matter?

The VICE PRESIDENT. What are the wishes of the managers?

Mr. Manager SUMNERS. Mr. President, of course, we are glad to act in accordance with the convenience and wishes of the Senate; but if the matter is left entirely to the managers on the part of the House, we are ready to proceed now, if the Court is willing.

The VICE PRESIDENT. Very well.

ARGUMENT ON BEHALF OF THE HOUSE OF REPRESENTATIVES BY MR.
MANAGER HOBBS

Mr. Manager HOBBS (speaking from in front of the Vice President's desk). Mr. President, Members of the High Court of Impeachment, my distinguished opponents, and colleagues, this, it seems to me, is the voice of 124,000,000 people, for the articles of impeachment in this case are brought in the name of the House of Representatives of the United States Congress and of all the people of the United States. Therefore at the very outset I wish to make it clear that at no time when any manager on the part of the House is speaking—and I feel sure that the distinguished counsel representing the respondent will feel the same responsibility—will we descend from the high level of fairness and impartiality which governed the presentation of the evidence.

The managers on the part of the House are here, as you distinguished gentlemen know, in obedience to the mandate

of the House of Representatives. We are here as the servants of the Senate. The whole purpose of the argument which we shall try to advance in this case shall not for one second be construed by us as being to make an impression or to make a speech or to seek to sway one iota the mind of a single Senator. What we shall try to do is to advance for your consideration in an orderly presentation a digest of the evidence, in the hope that it may be of service to you in your weighing the vast mass of testimony which has been presented.

The statement of the law of the case, as we see it, will largely be left to the distinguished chairman of the Judiciary Committee of the House [Mr. Manager Sumners], the chairman of the managers on the part of the House in this case, and I will not attempt to go into that, save to observe these three points which, to my mind, should be in the minds of the Members of this high Court of Impeachment at all times in weighing this evidence:

First, that impeachment trials are not criminal trials in any sense of the word.

Second, that the burden of proof in this case is not "beyond a reasonable doubt", as it is in criminal cases.

Third, that the presumption of innocence, which attends a defendant in a criminal case, is not to be indulged in behalf of the respondent in an impeachment trial.

Those three principles of law, I believe, are well recognized, and we respectfully ask the Members of this high Court of Impeachment to bear them in mind.

The present distinguished senior Senator from Nebraska [Mr. Norris], when acting as one of the managers on the part of the House in the impeachment trial of Judge Robert W. Archbald, made as clear and cogent a statement as has ever been made upon the subject of impeachable conduct. With his kind permission, I should like to take that as my text, so to speak, for the remarks that will follow:

If judges can hold their offices only during good behavior, then it necessarily and logically follows that they cannot hold their offices when they have been convicted of any behavior that is not good. If good behavior is an essential of holding the office, then misbehavior is a sufficient reason for removal from office.

May I now take up, seriatim, some important points in the testimony of Judge Ritter.

I respectfully refer the Members of this distinguished body to page 275 of the book that is before you, the pamphlet containing the proceedings in this case, if you care to follow me. I desire to call your attention to what I conceive to be the most flagrant attempt to mislead this Court and its Members that has been undertaken during the course of this trial.

When Judge Ritter took the witness stand in his own behalf and made a statement, unguided by questions from counsel, he said that it was easier to read what he had copied from article 7 of the deed of trust than it would be to read the deed of trust or the pertinent provisions of that article. I call your attention solemnly to the fact that he omitted the most vital, the only really important part of that paragraph of article 7, which he said he was reading, to wit, he left out the provision that bondholders holding less than \$50,000, the qualifying amount, while they could proceed to foreclose the mortgage for their own benefit, must do so in subordination to the continuing lien of the mortgage, and that they should proceed only for themselves, and the rights which they acquired would be junior and subordinate to the rights of the continuing lien of the trust deed or mortgage. May I quote the words which constitute this vital omission?

Subject to the continuing lien of this trust deed (and junior and subordinate thereto).

I submit that article 7 was emasculated by the omission which Judge Ritter made. It included the heart of the paragraph he purported to quote, which I have just quoted. There is nowhere in that article, or anywhere else, any provision giving bondholders holding less than the qualifying amount any remedy whatsoever to sue or foreclose for other bondholders or to intervene, but to the contrary, in the next succeeding article, article 8, where foreclosures are provided for, this matter is again taken up and made clear.

I am not going to take your time to read in its entirety either of those sections, but the article from which Judge Ritter claimed to be quoting deals with the power to declare bonds due after default. The next section or article gives the right of foreclosure. I submit that the omission may not have been accidental, and I urge you most earnestly to read those two articles of the original deed of trust for yourselves—article 7 and article 8. Such reading will show, I venture to predict, a deliberate purpose of Judge Ritter to mislead you by his testimony.

Judge Ritter also testified that the bill alleged that a demand had been made on Trustee Moore, or that such a demand would have been futile. I can find no such averment in the bill. No one had a right to intervene; no one had a right to foreclose unless the qualifying amount of bonds—\$50,000—was in his possession, unless there was fraud alleged and proven, and we have undisputed evidence in this case that there was no such testimony ever taken, and that when the testimony was taken disproving fraud Mr. Rankin did not even see fit to file a cross-interrogatory, much less to go to Chicago and resist. Rankin admits that the testimony taken in Chicago disproved his averment of fraud in the case.

Then, although he had averred, and sworn to the averment on information and belief, that Moore and his associates had been guilty of fraud, collusion, and conspiracy; yet, in the final decree, which he swears he wrote, he specifically acquits them of that charge. Therefore we submit that there was no basis whatsoever, in law or in fact, upon which the final decree in this case could have been rendered. There was no word of evidence taken in support of the averments of the bill of complaint. The only ground upon which any one of them, except Bert Holland, had any standing whatsoever in the court was completely dissipated, absolutely taken away by the terms of the final decree itself, and when it was adjudged that the Moores were not guilty of fraud, collusion, or conspiracy, the right of action, which had been asserted on that ground alone, ceased, and no valid decree could possibly have been rendered. The case was dead!

Please bear in mind that even with Bert Holland in the case—and he had twice discharged Rankin, the latter time in writing-the case could not lawfully proceed to final decree, for only when they had made a deposit of the money necessary to defray or indemnify against the cost and expenses of the foreclosure, and had shown demand had been made upon the trustee named in the deed of trust, or had shown fraud on the part of the trustee had they any standing whatsoever in any court to foreclose the mortgage. If fraud be stricken down-and there was not a scintilla of evidence to prove it, while the proof and the decree were both contra-there can be no standing in court of any complaint or intervener in the case, because the evidence is utterly silent as to any demand made upon the trustee to foreclose or as to the deposit of money to indemnify. Hence, the final decree in the Whitehall case was an illegal nullity.

The next point I wish to make with reference to Judge Ritter's testimony is that he swore he thought on the first hearing, October 28, 1929, that it was a fight between Holland and Moore to see who would get the fees. Yet near the top of the same page—5371—on which his testimony just referred to appears in the Record he had sworn that he naturally thought that Mr. Moore had bought Holland off, and that they were working together. Here we have an absolute inconsistency, a contradiction of himself. I merely desire to call your attention thereto, in passing.

Judge Ritter further testified that over \$600,000 net profit was made under Richardson's administration as receiver (Record, p. 5372). I desire to call your attention to the final report of Walter S. Richardson, under oath, in the file of the Whitehall case, which is in evidence in this case. When you read it you will see that Mr. Winters, under oath here, told you the unvarnished truth when he said that after two seasons of administration under Walter S. Richardson, although \$600,000 of operating profits was shown on the face after paying the cooks and chambermaids, yet only

\$19,000 of the \$600,000 ever found its way into the channels of the court for distribution to the bondholders (Record, p. 5340. All the rest was dissipated by the fees which Judge Ritter allowed to Walter S. Richardson, his attorneys, and to A. L. Rankin and the other attorneys in the case. And of this \$19,000, \$12,000 came from the administration of the hotel in the bankruptcy, the year before.

So, out of some \$1,000,000 of so-called profits from the operation of the Whitehall Hotel during the 3 years of Richardson, the total turned over by Richardson to Winters for distribution among the nondepositing bondholders, was \$19,000. The rest had gone for fees and expenses. And Richardson got a considerable part of that \$19,000. The depositing bondholders, 93 percent of all first-mortgage bondholders, got nothing.

They talk about a conservation fee. Conservation of what? Whitehall stood and still stands. The land has not disappeared, and neither have the buildings. The first-mortgage bondholders had a first mortgage on all the property, authorizing the trustee named therein to ask for a receivership and take possession, as he did long before any proceedings in this case were ever started. He had possession of it at the time for the benefit of the first-mortgage bondholders.

What was conserved? Certainly not the proceeds which came from the operation of that hotel during the administration of Walter S. Richardson as receiver.

To sum it up, here is the situation I challenge anyone to dispute. When the first-mortgage bondholders started they had a first mortgage, paramount and supreme, upon the Whitehall Hotel and everything in it, and upon the income. When Richardson, Rankin, and Ritter finished with them they had the property, which they had in their possession before this suit was filed; but, instead of a clear title to it, as they had when they started, it was then subject to the \$300,000 mortgage which had to be put on there to pay off Walter S. Richardson and his wife, who had bought up for a song \$48,700 of the nondeposited bonds during his trust administration, and the fees of Richardson, Rankin, and the others.

Do not misunderstand me. We hold no brief for that committee. We hold no brief for the Moores. We hold no brief for anyone except the sovereign people of the United States.

Who was consulted of those who really had an interest in the division of the money, namely, the ones who had invested their hard-earned money in those bonds? Not one! Of course the committee was paid, and paid handsomely, out of the proceeds of the \$300,000 mortgage, but the investors, supposedly represented by that committee, got nothing. Some \$152,000, I think it was, including the \$19,000, went to pay off Walter S. Richardson and his wife and the other nondepositing bondholders, and the fees allowed by Judge Ritter.

The next point I want to make is that Judge Ritter says in his testimony that although he wrote Judge Akerman to fix the total allowance to be made to Judge A. L. Rankin, his former law partner, for his services in the Whitehall case, he did not mean that; he meant the total conservation fee. I am not going to argue that in detail.

I just call your attention to the discrepancy in his testimony, the conflict between the letter itself, which he wrote (Record, p. 5168). Judge Akerman has explained to you gentlemen he took that letter at face value, and without reading, signed the decree or order granting the conservation fee to A. L. Rankin, which he thought was a "total allowance" for all services, throughout the case. Judge Akerman "trusted not wisely, but too well."

The last point of this kind that I wish to take time to call to your attention is Judge Ritter's testimony in regard to when he first visited the hotel. It does not make much difference, but he was trying to show that because of the storm—which took place in September—he went there and stopped at the hotel to inspect the damage. The minute the cross-examination started on it he apparently recognized the fact that he could not have stopped in a hotel which

was closed, and, therefore, his memory failed, and he did not even remember the year of that first visit, did not remember whether he took any meals there or not, but he did remember something about Washington's Birthday. The undisputed testimony is that this hotel never opened until January 1. The damage done by the September storm must have been completely repaired before any guest was entertained in the hotel.

I call your attention from his testimony, further, to these two matters: First, the fact that he stood here on this stand and testified that he would accept a gift from anybody. A Federal judge, bound to be familiar with the canons of judicial ethics as adopted by the American Bar Association, canon 32 of which reads:

He should not accept any presents or favors from litigants, or from lawyers practising before him, or from others whose interests are likely to be submitted to him for judgment.

We may assume he knew the ancient law of Holy Writ:

Thou shalt not wrest judgment; thou shalt not respect persons, neither take a gift; for a gift doth blind the eyes of the wise, and pervert the words of the righteous.

Both of these, in specific terms, condemn such judicial conduct; yet Judge Ritter, here, before you, swears that he would accept a gift from anybody; to use his exact words, "Just the same as I would accept a gift from anybody."

The second big fact that looms as large as Mars on perihelion, is that he made no denial whatsoever in all his testimony of the engagement which he made with Judge Chillingworth. Judge Chillingworth's notation on his engagement docket of May 4, 1929, reads:

111 So. 626, Ritter-supersedeas bond.

The day before, the same docket shows, Rankin had been to see Judge Chillingworth.

I now wish to take up very briefly the facts with reference to the Brodek case—impeachment article III—and digest the evidence, if I may, proving that article. The law says that no judge may, after assuming office, exercise his profession or practice law (U. S. Judicial Code, sec. 258). Did Judge Ritter do so? I call your attention to the letter which he wrote to Mr. Brodek on March 11, 1929, barely a month after he had been confirmed by this honorable body as judge of that district. He said in that letter, if you will recall:

We shall demand a very heavy supersedeas bond, which I doubt whether D'Esterre can give.

At another place therein:

Of course, now that I am on the Federal bench, I cannot practice any further, and my partner, A. L. Rankin, will carry through the further proceedings in that case. I will, however, be consulted about matters by him until it is all closed up.

Again:

This matter is one among very few which I am assuming to continue my interest in until finally closed up.

Again:

We hope to get Mr. Howard Paschal or some other person as receiver who will be amenable to our directions.

Please bear these quotations in mind. He said that he would follow through to the end. He did. He said that he would be consulted by Rankin about the matter until it was all closed up. He evidently was. He said, "We hope to get a receiver who will be our tool." Did they? He said, "We shall demand a very heavy supersedeas bond." They both did—Judge Ritter, one for \$25,000, we may be sure from the authority he cited before Judge Chillingworth when he appeared before him on May 4, 1929; Rankin, one for \$35,000, according to his letter to Brodek (Record, p. 5254).

That alone shows the caliber and the character and the attitude of this man toward litigants, if possible to shut off a defendant from his right of appeal by demanding an excessive supersedeas bond—we will do it. Gentlemen of the Senate, what does that mean in the light of Judge Chillingworth's docket?

Judge Ritter, in his letter of March 11, 1929, to Brodek, promised to do that thing. Judge Chillingworth's engagement docket shows that he did it. The words and figures

written there on May 4, 1929, in Judge Chillingworth's hand-writing—

111 So. 626.

One Hundred and Eleventh Southern Reporter, page 626. Ritter—supersedeas bond.

Judge Ritter has never denied it. He knows it is true. What does that mean? It means that he had an engagement with Judge Chillingworth on March 4; and the same docket shows that on the afternoon of the 3d of March the entry is:

3:00 Rankin.

Differentiating, if you please, between the two members of this partnership which had been so recently dissolved—Rankin on the afternoon of the third; Ritter on the fourth, talking about a supersedeas bond, demanding a heavy one! And the file in this case, which has been introduced in evidence with privilege of reference, shows that Rankin filed a written brief in aid of Ritter and Rankin's motion for a \$35,000 supersedeas bond, and that Judge Ritter rested content with the citation of that book lying there, 111 Southern, page 626. If you will read headnote 4 in that case (Record, p. 5253) you will see that the Supreme Court of Florida there holds that in a case involving \$108,000 and the judge's order fixing the amount of \$6,000 attorney's fee, a supersedeas bond at \$25,000 is not an abuse of judicial discretion.

In other words, we have Judge Ritter, on March 11, saying: "I am judge now. I cannot go on openly, but I will carry on to the end surreptitiously. I will consult with Rankin about this case to the end. I will keep in touch with him. I will follow through. We will see that a heavy supersedeas bond is demanded—so heavy that we hope D'Esterre cannot make it." Then we find him making an engagement with Judge Chillingworth for March 4, 1929, after he had been on the bench nearly 2 months, citing an authority, and urging, apparently, that a high supersedeas bond—to wit, \$25,000—be required. The court, however, required only a \$7,500 bond. So the case went on for a couple of years, and was not terminated until sometime in 1932, when the Supreme Court of Florida affirmed Judge Chillingworth. Judge Ritter said that he would carry on "until it was all closed up." Does the evidence show that he did so?

In proof of that, we have introduced letters from Rankin telling of a conference about a compromise of that case in his—Rankin's—office in West Palm Beach, where D'Esterre's attorney came and tried to compromise the case. The letter said Judge Ritter was there—"we merely smiled and gave him no satisfaction whatever."

So we have Judge Ritter in consultation about a settlement of the case in West Palm Beach in Rankin's office, and we see him up yonder in Brodek's office. Brodek says, "He did not consult with me. It was a mere luncheon engagement"—I am now reading Brodek's own words—"but—

I think I may have said to Judge Ritter something to the effect that "Rankin seems to be scared, but I do not see any reason for being scared. We are just as strong as we were before." The only thing—

Listen to this, if you please-

The only thing was to have the appeal disposed of quickly, I think I told him, because it had been hanging fire over 4 years (RECORD, p. 5332).

Gentlemen of the Senate, how else can a lawyer consult with a client? Judge Ritter goes up to New York after Rankin had written Brodek and told him that Judge Ritter would be there, and after Brodek had written back and said, "I will review the authorities you submit, familiarize myself with the law of the case, and I will see Judge Ritter when he comes." Brodek did so twice, at least; and he tells you that although they did not consult about the matter, he said to Judge Ritter, "You need not be worried. Rankin is scared, but I am not. We are just as strong as we ever were. Go down there and get that appeal disposed of as quickly as possible. The matter has been hanging fire for over 4 years."

There is only one other observation I wish to make, and | that is with respect to the fact that Judge Ritter told Mr. Brodek in that letter of March 11 twice that he was a judge on the bench, we also find from the evidence in the case that the Mulford Realty Corporation owned a hotel in his district, and had other property holdings there, so those averments of the articles of impeachment have been proved; and in proof of the further averment of our third article of impeachment, Judge Ritter swears that Rankin first learned of the \$2,000 payment in July, when the final decree was rendered (RECORD, p. 5380).

So much for that. I submit that each and every word of the averments, beyond the peradventure or shadow of a doubt, has been proven, and is practically undenied. If the respondent did a single overt act in compliance with the promise contained in the letter of March 11, he is as guilty as though he had hung out his shingle, solicited the public to come to him thereby, and had run a law office in West Palm Beach.

The law recognizes no distinction. The respondent is either guilty or not guilty. If he exercised his profession in the slightest degree, he is guilty; and we show that he did. We show that he got a \$2,000 fee for past-due services, they all say now—but at the same time that the respondent asked for it, he promised to "carry on." The Mulford Realty Co. had large property holdings in his district. It would be a wise move to give an extra fee to a man who, by reason of diversity of citizenship, might have had brought in his court any of those cases that might have come up in the future.

Now we go on to the Boca Raton matter, article IV.

February 3, 1930, after Judge Ritter had been on the bench for nearly a year, we find this remarkable statement in the letter which Judge Ritter then wrote. If you will look on page 5247 of the Congressional Record you will

Mr. Francis is more than a mere client . ; he is one of my intimate friends.

An absolute admission that a year after the respondent went on the bench he still had a friend who was "more than a mere client." What right does a judge on the bench have to have clients, when the law which he has sworn to uphold says he must not?

Then, on December 29, 1930, we have this promise, as set forth on page 5248 of the RECORD.

And he and I will get in touch with you at that time.

Judge Ritter says that he and Francis will get in touch with Mr. Gedney.

March 27, 1931, after Judge Ritter had been on the bench for 2 years and more, he writes this, and yet he says there were no legal services performed:

I have examined the deed, and it appears to be a special warranty.

Then, omitting some matters that are not pertinent to this inquiry:

I understand there was to be a general warranty deed, and that a policy of title insurance would be issued in conformity therewith. The deed can readily be interlined to carry out this purpose.

Then the respondent goes on with a discussion of the details of what he wants done in aid of the legal transfer of title, and he himself admitted, on the witness stand, that those deeds were rewritten or reformed to meet his legal criticisms.

Who but a lawyer would recognize the difference, after examining a deed, between a general covenant of warranty and a special warranty? The respondent admits that the deeds were reformed or rewritten to meet his criticism, and yet he says that was not practicing law.

He had conferences in his office, in chambers, in Miami, on February 19, 1931, with regard to the content of the warranty clause in those deeds with Mr. Gedney, and he never denied it.

On pages 5248 and 5249 we find evidence that there were gathered, according to Gedney's testimony, Mr. Geist, Mr. Anderson, and Mr. Francis, none of whom was a lawyer, and I that lot would be regarded rightly as returnable.'

two lawyers who, according to Mr. Gedney's theory and testimony, represented the two sides in that issue, and they were Judge Ritter and Mr. Gedney.

Gedney's testimony, on page 5251 of the Congressional RECORD, is to the effect that it was not a continuation of the former transaction, which involved the Mizner Development Co., then long since bankrupt and gone, but was an entirely new transaction, and that the receipt for the initial payment to the Spanish River Land Co. initiated it, with Judge Ritter's letter, the new one of February 3, 1930.

It is true that the fee paid by Mr. J. R. Francis to Judge Ritter was paid on April 18, 1929, by a check for \$7,500; but whether it was paid before or after the services were performed, he was violating section 258 of the Judicial Code of the United States, and is guilty under that article of impeachment. He is guilty, just the same, if he exercised his profession gratuitously.

Then there was the Cocoa Beach transaction, in which he says he saved J. R. Francis \$200,000, claimed of him, by drawing a contract before he went on the bench, but that it was afterward verified by him after he went on the bench. That may be only a slight infraction, but the fee was paid almost immediately after the conclusion of those services and after Judge Ritter went on the bench.

Now, very rapidly, I want to touch upon the two incometax articles. The 1929 income, the proof in this case shows, consisted (over and above his salary as judge, which was exempt) of \$1,945.23 received from Mulford; \$2,000 received from Brodek, which was an extra fee, paid by the bank on April 4; \$120 received from Rankin on April 19; \$7,500 from Francis on April 19; and \$100 more from Rankin in December 1929, a split of another fee that had come in since the dissolution of the firm, making a total of \$11,665.23, over and above his salary as judge.

Gentlemen, that is the issue. He admits he never paid a cent of taxes on it. What became of it? He says he returned \$331.40 of the \$500 which he claims was the balance of that \$1,945.23 after deducting expenses. By way of parenthesis I should like to call attention to this fact just a minute. One thousand nine hundred forty-five dollars and twenty-three cents was paid. He says \$1,445.23 was expense money "which we as a firm had paid out for Mulford, so I collected that and put it into my pocket." What became of Rankin's half of that refund? It is still in Judge Ritter's pocket, unless he has taken it out. But that has nothing to do with this case, except to show the practice of these part-

At least \$500 as a fee was collected by him in cash, and he admits that he failed to return or pay taxes on \$168.60 of it. Small? Yes; but he admits that plain violation of the law. He only denies the \$7,500 which Francis paid him in cashnot in a lot, for that was an afterthought 5 years later. Any taxpayer knows that after evading the payment of income tax, if given 5 years to make up an explanation, a good one will be forthcoming. Judge Ritter desired to conceal this \$7.500 for several reasons. He knew that if he scheduled that as a fee either in 1929 or 1931 it would have proved him guilty of practicing law after he went on the bench. He hoped to "get by" without returning this item of taxable income, for thereby he would save the amount of the tax thereon, would not run the risk of having to divide it with his partner, and would escape impeachment for practicing law while on the bench.

What is his belated and labored excuse? He says, "Oh, it was a gift in 1929." But in 1934 he swore it was a fee. How does he justify it? He says, "I invested that money, \$7,500, in a lot, and I did it with the understanding that I was to build on that lot. Then, after the death of my lamented friend, I consulted with his widow, and she freed me of that responsibility and said, 'I knew'"—just as she said in her testimony which was read here today in her absence-"I knew that Mr. Francis considered it partly as a gift and partly in payment for your services."

Judge Ritter said, "All right; I will take it and wipe out any claim I have against him for services." Then he said, "I believed from that moment that any money I got out of

But you did not return it as income of 1931, even after you became so conscious. Why? "I did not return it," says the judge, "because I had not then sold the lot." Very plausible. But you remember the next question: "You had not sold it in 1934, either, when you did return it?" And he said, "No; I had not."

So his excuses fail. He cannot escape the fact that a part of his taxable income was not returned. He admits that himself. So much for that. He did evade the payment of the tax to the Government.

He denies that the Francis transaction was returnable. We submit that it was, and that his amended return in 1934, where he scheduled it himself in his words and swore to it as an attorney's fee, shows that it was properly returnable in 1929. Therefore he is guilty on that charge.

He admits also, categorically, in so many words, on page 5384 of the Record, that he failed to schedule in his 1930 income-tax return any part of the \$5,300 of earned income over and above his salary for that year. If you can make heads or tails out of his 1930 income-tax return you can do more than anyone I have seen. But whether it be deducible that he owed a tax or not under his 1930 return, he admits that he concealed \$5,300 of taxable income by failing to show it by even the scratch of a pen.

Gentlemen, having run rapidly through those five articles, I want to come now to the two others. I come now to discuss very briefly the Whitehall case. I want to call your attention to a thing which is utterly abhorrent to any standard of ethics known to any bar with which most of us are familiar. The first thing that looms large on the horizon in the consideration of that case is that the client was solicited for Rankin with his knowledge and consent. That alone, to my way of thinking, makes it a champertous and iniquitous transaction. The duty of lawyers is not to foment litigation, or to have others do it for them, but their duty is to keep down litigation wherever possible. That is a well-known, cardinal principle of professional duty and ethics.

We find, in the next place, that that client, so solicited for him with his knowledge and consent, Bert E. Holland, wired to him on October 10 not to file the bill of complaint in his name. Did he pay attention to that? Not at all. Although on October 10 Rankin wired Bert Holland that he had the bill ready and would file it "tomorrow or the next day", after receiving that reply wire from Holland he waited until the 11th, and then wired him, "I filed it yesterday afternoon." Yes; it had left Palm Beach. It may have reached Miami some time during the 11th before he sent that wire, but he admits, and you know, that it was locked up, or being confidentially guarded for the 10 days that Judge Ritter tarried in New York. Rankin admits under oath that he had the absolute control over it, and could have withdrawn the bill at any moment; and he could have done so.

But instead of obeying the instruction of his client, he said, "Here is my chance. I have a week or 10 days now to tear around and solicit other clients to thwart the will of Bert E. Holland, my only client." So he said that Walter Richardson solicited Kirkland and Shopps to intervene, although Rankin himself swore to the intervention for them. He says that he himself suggested the name of and got his own brother-in-law, A. H. Hill, of Alabama, to intervene, and that he swore that he owned that \$3,800 worth of bonds, although he knew that was not true. So we have not only Rankin permitting others to do dishonorable and unethical things in his behalf, but now we have him doing it himself and admitting the crookedness here under oath.

We have him then, although he had on the 16th of October wired Bert Holland that he would not file an application for receiver for him—we have Rankin then filing in court and swearing to interventions for these three parties. We have him violating, and Judge Ritter participating in it, rule 22 of Judge Ritter's own court's rules of practice, because no notice was given to anybody. They had no right to intervene under article 7, or article 8, or any other article of the deed of trust, or laws of Florida. So the lawyers who testified in this case tell you.

So here we have the case, conceived in champerty, filed in defiance of his client's will, interventions conceived and delivered in fraud, and sworn to with the knowledge of perjury at the time the pen was touched to paper, and Rankin admits it. Those facts were presented by McPherson to Judge Ritter on the bench in his court on October 28, that is, with regard to the activities of Walter Richardson, and the telegrams and letters, soliciting those interveners. I do not mean with respect to A. H. Hill. There is no evidence that that was brought to his attention. Yet with those facts presented to him, we have Judge Ritter saying, "Why, that does not make any difference. That does not disqualify him." He appointed this man Richardson over the protest of McPherson and in spite of the evidence produced before him there.

We have Mr. Bert E. Holland, who came in there telling Judge Ritter that he wanted to withdraw or stop the suit, and five witnesses who were there, each corroborated what Mr. Holland said about it. Mr. Holland is so careful of the truth that he would not swear positively that he used the word "dismissed", but four out of the other five witnesses do swear it. He got his idea across to the judge. But what happened? In aid of that conspiracy that had been brewed Judge Ritter said: "The time has come for me to take a hand in this matter. If my coconspirators are to get the benefit of this case, I have got to step in and act positively."

So he said to Mr. Holland: "You folk from out of the State cannot file suits in this court and then come in and ask for dismissal."

Bert Holland was the only man who could, the only man who had the legal right to do it. A little later, Lautmann, representing 93 percent of all the bondholders, tried to protest, but Judge Ritter most postively and abruptly denied the request, and in language—so say McPherson and the others there: "I would not say that his language was respectful."

The judge ordered him to sit down when he was trying to voice the sentiments of 93 percent of all the bondholders. So there is the picture.

The thing goes merrily on. Not one word has been shown of any legal activity or services which Rankin rendered during the course of that case. He admits that Ernest Metcalf drew the rough draft of the original bill, and then he dictated it to a stenographer, incorporating any changes that might have occurred to him in conference with Melcalf.

Gentlemen, there is the picture. They go on up to the concluding chapter in this drama. Seventy-five thousand dollars allowed as a fee, and the only observation which I will take time to make as to that is to ask you if you think that A. L. Rankin, of whom we have made profert before you, is a \$75,000-a-year man, much less a \$90,000-a-year man. I am not going to insult your intelligence by arguing to you that he is worth the money. But we submit that it was a champertous case to start with, and champerty alone should deny him the right to any fee. With respect to the work that he has detailed as being done, although there are many papers filed, 90 percent of them are filed by the receiver and his attorney and for petitions for Rankin's fees to be allowed and paid pendente lite. So he is not entitled to even 10 percent of the fee allowed, because he did practically no work—took no testimony, made no fight.

The mere fact that he agreed to split his fee in half and divide it up among the opposing and other counsel in the case, shows conclusively that his services were not the basis of the allowance of that exorbitant fee.

And so it goes. You have had the testimony of man after man that there is no such thing, in a foreclosure case, under the law of Florida, as a conservation fee, and you have conclusive evidence in this case that there was no conservation of anything save for the benefit of the conspirators, each of whom, if you will pardon the expression, got a cut of the swag. That is the case, gentlemen.

This is not the case of a stupid fool ignorantly erring. It is the case of a judge on the bench, of proud lineage, they say, with a distinguished career in Colorado, elevated to the bench in Florida, transacting business in the calm, cool,

suave way which he displayed before you on the witness stand, a man of outstanding intellect, as is evidenced by the speech he made to you in testifying.

That man cannot be excused as ignorant. His ability is proven by the fact that he has adroitly and plausibly explained and tried to cover up his guilt in every one of the five or six cases in which he has been caught committing impeachable offenses.

I beg of you that you consider the dignity, the grandeur, the honor of the bench. This man's crimes and misdemeanors would be heinous if they had been committed against one follow man, but he has sinned against the bench he occupied and, therefore, against all the people of the United States. This man, we say in the concluding charge, which has nothing whatever to do with the others, has by reason of his conduct, both officially and privately, brought disrepute upon the bench. Confidence in the administration of justice in his court has gone forever. If doubt once enters the mind, confidence may never be restored.

We ask you to convict, not in passion, not in prejudice, but because the evidence in this case proves conclusively, beyond any peradventure or shadow of doubt, what we maintain.

The clinching argument, which will be made in conclusion on the part of the managers by my distinguished conferee and friend, will demonstrate his guilt of each and every one of these charges. We pray you that the consideration you shall give may be, as we are sure it will be, in the spirit of high duty, nobly done. The restoration and preservation of the respect for the bench is in your hands. You fix the standard by which judicial conduct is measured. Justice lives or dies by your decisions. Pull down the pillars of this temple, and we all perish. Whatever your conclusion may be rests in the sound and enlightened discretion of Your Honors. In the performance of your duty, according to the high standard, which we feel sure is fixed in every mind in this Chamber, you shall know no fear nor favor. We reiterate that our confidence in the case we have made is unmeasured, and we commit it to you confidently in the hope that the services we have rendered, according to the mandate of the House and in the name of the House and all the people of the United States, may not be unavailing to purge the bench of this man who, the evidence in this case, we respectfully submit, shows, has disgraced it.

For right is right, as God is God!
And right the day must win!
To doubt would be disloyalty!
To falter would be sin!

The PRESIDENT pro tempore. Do the managers on the part of the House desire to make further argument at this time?

Mr. Manager SUMNERS. Mr. President, the managers reserve the balance of the time allotted to them for the conclusion of the argument in this matter.

The PRESIDENT pro tempore. Counsel on behalf of the respondent have the opportunity to proceed with their argument at the present time.

ARGUMENT ON BEHALF OF RESPONDENT BY FRANK P. WALSH, ESQ

Mr. WALSH (of counsel). Mr. President and Members of the Court of Impeachment, it would take a man bolder than myself to come before this Court hoping to meet the expectation of a tribunal consisting, in such very great measure, of lawyers who have acquitted themselves at the bar before becoming Members of the greatest legislative body in the world, sitting upon this occasion as a Court higher in authority, more sweeping in its judgments than any other known to the Constitution of the United States.

I do not feel that I can do very much to enlighten the Court, yet I wish to discuss, fairly and impassionately, the evidence in this case, and to that I will address myself if I have the intelligence and strength to do so.

We have a right to look into the surroundings; we have a right to look into the background not only of this case but of this man. I go back briefly to his career in Colorado. He was not one who devoted himself to the material profits of the law or to practice of the law exclusively; but he came of

that group of lawyers, represented by many of those in whose presence I am appearing this afternoon, who give something to the public, who give something to their fellow men.

Judge Ritter has assumed in every community in which he has lived a leadership in those activities which, I believe, the world agrees are commendable on the part of a lawyer. He was selected by the Governor of Colorado as a member of the first public service commission of the State. He was the lawyer member of that commission. In 30 years of honorable practice in Denver, he rose to the leadership of the bar, and all the while engaged in public activities of a voluntary character, with the spirit of a man who looked beyond his own law office, beyond material gain, beyond the victory of the courtroom, to the upbuilding of those things which solidify a community.

Now, I am going to meet, if I possibly can, every issue that has arisen in this case. I believe I have in my mind and heart this afternoon what every Member of this Court has. We talk about other things, but always in my mind has been the question of the \$5,000 paid by Rankin. Other things need explanation; other things I will be glad to discuss, if I have the power and time to do so here this afternoon, but I could not proceed with that in my mind without referring to it now.

One man paid another man \$5,000. The man who received payment was a judge of one of the highest courts in christendom. He took the \$5,000, and he said that it was for a debt, honestly contracted; that it was for an obligation voluntarily assumed on both sides; he said it was for the sale of a business. Now, I wish to lay down the proposition, and I will discuss it fully later, that when Judge Ritter took that money he sold his business or he sold his soul. I want to meet that question fairly and squarely before this assemblage. I would remind the Court as I stand here today that, while in my argument I sum up from the testimony, Judge Ritter has stood on this platform and exposed the innermost recesses of his heart. He raised his hand and took another oath, a very solemn one before this Court, and if he did not tell the truth, then to the despicable crime of corruption in office he added perjury.

The gentleman who preceded me said that the House managers, after 3 years of investigation, only "caught" acts of wrongdoing in four or five cases. I know that he would not intend to leave that insinuation. I will take what the Presiding Officer of this Court said when I took some exception to something else that had been brought in; that this is too high a body, these judges are too alive and sensible to their duty and to the great responsibility that devolves upon them to take an insinuation that this man committed some crime from which he escaped, that he committed some crime that was undiscoverable and that is not charged in the articles of impeachment. The truth is that they searched the record in this case from the day he went upon that bench until the day we meet these gentlemen in Miami, as appears from the evidence.

They took his bank account for every month and every day and every year, and for the same period they took his wife's bank account. They took his correspondence. They took the correspondence not only of Judge Ritter but they took the correspondence of everybody who might have been connected with him and which would have shown anything wrong or anything disgraceful. I am not going to characterize the suggestion that he committed some unnamed crime and escaped, but I am going to say that, on the basis of that record, with those documents, with all that correspondence, with all those books, with all those bank accounts, it has been demonstrated that this is an honorable and upright man who has been subjected to perhaps the most searching investigation of a member of the judiciary in the whole history of the United States.

If I depart from the evidence in this case I shall beg the pardon of my adversaries and feel, as well, that I should receive the condemnation of this honorable Court. But I must say now that there is nothing in evidence; there is not a line in all the correspondence that justly points the finger of suspicion at him, though no effort was spared to

find something to his discredit. He was sitting on the bench in a community that went through two depressions and two periods of recovery; and if this man is a mystery, if this man would sell his soul, he has had an opportunity to acquire hundreds of thousands of dollars, instead of placing himself in the power of another man, giving away all that men love and hold dear, giving away all that he struggled for, the respect of his community, the respect of his wife and family, giving away everything for \$5,000, to be paid on the installment plan.

There is one suspicious circumstance in the matter of the \$5,000 payment, and only one, and that is that it was taken in cash. I will call attention to the elements in that transaction which, to my mind, at least, show that the truth has been told about it, but I should like, if I can possibly do so, to come to it in an orderly way and discuss the testimony that

has been presented here.

I am not here to praise Judge Ritter, but I saw something manly in him the other day. I believe that a judge charged with corruption in a case who could not be aroused in the middle of the night and go before his fellow men and vindicate himself and tell the truth about it ought to come in here and plead guilty. He would not be fit to sit upon any bench otherwise. This man comes here and waives every right of a respondent on trial and takes the stand himself

I am not going to waste time in trying to answer the argument that he skipped something. That argument is not in consonance with the argument that he is a brilliant and skillful man, that he should come in and read something to the Court and omit something else. Those of you who were here will recall that many of the witnesses were interrogated on the contents of the trust deed itself.

I objected at the time on the ground that the trust deed was the best evidence, but the Presiding Officer overruled my objection, so the first opportunity I had, you will recall, I produced the documents covering everything that took place in this case and read it into the Record.

It was I who read section 7, not Judge Ritter. I read it as a whole, and I read it for the purpose of commenting upon it. I may be wrong about it and the judge may be wrong about it, but in my opinion he had a right to do everything he did there at the hearing on the receivership on October 28, 1929. I would not place my judgment against that of any other lawyer who has a different view, but I do say that under the circumstances there I believe from the evidence that he had a sound basis in law for everything he did.

Up to that point there is not a word said against this man, not a breath of dishonor, not a breath of corruption. You will recall a great deal of evidence has been put in the Record as to what preceded that meeting when a receiver was appointed. I am going to try to discuss it as briefly as possible, but what happened before that time is a very important piece of history in this case.

I lay down the definition of what a champertous proceeding is, and I say again that this proceeding had no element of champerty in it whatsoever—and why? Because the men who originated this suit, who fought for it, had the greatest interest in the case that anyone had, that any group or any corporation had, save and except the first-mortgage bondholders, who held \$2,500,000 worth of bonds.

We must go back of this hearing to see the filmsiness of the charge that any lawyer, in a conspiracy with a judge, fomented this litigation. Mr. Rankin has been paraded on the witness stand to support that charge, which is disproven by every line of sworn testimony in the record of this case. I certainly would not try to be humorous about it, but there must be in your minds what is in my mind, that is, that he is the world's worst witness and he is very slow pay! [Laughter.]

I am sure you will remember how Mr. Rankin came into association with Judge Ritter. Judge Ritter had taken the bar examination at Tallahassee and there he met Rankin. The exigencies of life brought Judge Ritter there. He was not an interloper; he came to Florida on account of his wife's health and went on with the practice of his profes-

sion. Rankin was at about the same age as Judge Ritter, he was reputed to be a good common-law lawyer, and Florida, unlike Colorado, where Judge Ritter had practiced for 30 years, was a common-law State.

During the 2 years Judge Ritter was in that partnership it was conducted properly. Here were two men in their fifties, starting like boys, starting like Judge Ritter did, first with his father in Indianapolis, then in Denver. In the second year they had a net of around \$10,000 profit out of their firm and had at the end of 2 years a long list of cases, according to the evidence which has been introduced here.

During all that time Judge Ritter kept the books. There was no question about that. If it had not been true these gentlemen representing the House would surely have shown it to you here.

Everything that went before the Whitehall case, both after he was on the bench and prior to his going on the bench, has been shown to you. He had no reason to believe, and no notice had been brought to him of any kind, that Judge Rankin was not fair and honest in his dealings.

The Whitehall property was already in court and in bankruptcy when Judge Ritter took office in February 1929, the third mortgage was foreclosed and the property sold for \$2,600. That gave the man that bid it in, one of the Moores,

the title to that property for \$2,600.

The evidence shows that the Moores were planning to foreclose the second mortgage, still doing nothing about the first mortgage. H. E. Bemis and Martin Sweeny, the actual managers and original owners of the Whitehall Hotel, were opposed to that scheme; they were determined to retain control of their own property and to organize the bondholders under the first mortgage who had invested out of faith in their good name and reputation.

Martin Sweeny is named here as a coconspirator with the respondent. You heard him on the stand; he needs no defense from anyone. You know the sort of man his partner, Mr. Bemis, was. You know that everyone in this case that said anything of him at all showed that he was a man of parts, a good businessman, a loyal citizen, and a fine friend.

Mr. Rankin was asked here, in a searching and sarcastic cross-examination, whether he did not know that the Moores were trying to prevent a receivership to save a large amount of money. I am going to talk from the evidence now, and say that was not the purpose at all. I will say that what they were doing—and I am going to put it straight and boldly—was trying to steal the property, and that fact is established by the evidence that has been produced here.

Why do I say that? Martin Sweeny and Mr. Bemis and Ed Sweeny put in \$437,000, buying that place. They were the ones, when the hurricane came, who endorsed the notes for \$75,000. They were standing there in Florida, making a

fight to hold that property.

What was Moore's proposition to them? The testimony about what happened to the Moores afterward—I shall not refer to it here—is a part of the record of the Congress and of the criminal records of the United States. Moore came and made a proposal—it was read here—that they would organize a corporation with a capital stock of \$25,000 to take over and manage this concern, and he proposed to them that they go in and divide the profits in three ways. You heard me ask Martin Sweeny what Moore was to do for that. He said, "Give advice, I suppose."

Moore had gone in there, and if those men had not been men of energy and capacity and honesty, and entitled to credit from backers who had faith and confidence in their ability, he would have ruined them. Those mortgages were all mortgages that came out of the building, and the corporation that did the building was owned by the Moores. Moore went to them and proposed to take over that property and operate it.

Moore proposed to get up this corporation and he was to have half the profits, and the Sweenys and Mr. Bemis were to have the other half. Moore was to get control, and simply because they refused to yield, I do not believe it is just to drag Mr. Bemis out of the grave—because he is the

man under whose direction Mr. Rankin was employed—to drag him out of the grave, with his fine reputation, and to denounce Martin Sweeny, the one who is alive, as conspirators in bringing a champertous proceeding! When the proposition was made, these men refused it. You can see what they said. It is all in writing in the correspondence which forms a part of the record in evidence.

Gentlemen of the Court, I do not know how you feel about the matter, but I do not rely very much on the testimony of anybody who claims to have a memory as to statements made in court or elsewhere, unless there is some document to back it up to show that the verity is there.

The documents are in this case. Moore wrote a letter to Sweeny when Mr. Bemis was in Paris. He knew the relationship of these men, and the letter was cleverly worded; but as sure, I believe, as I am facing you gentlemen he intended to corrupt those two young men. Mr. Martin Sweeny took that letter to his counsel, and, in indignation, told him to write a letter in reply that that man would understand. There is no use using the language here again. They did so; and so the fight went on over the control of that hotel. These men wanted it, because it was theirs. These men wanted it—when I say "these men" I mean the Sweenys and Mr. Bemis—because they had put in all of this money, an original investment of \$437,000, and lost their \$140,000.

They did something more than that, as shown by the evidence in this case. It was the name of Bemis, the names of Martin and Ed. Sweeny, that enabled them to book these wealthy people in the North to go down and stay at that great hotel; and they had a right to do that. They had a right to protect their own interests. They had a right to protect their own names, because many people throughout this country—many of those 7,000 bondholders depended upon them, and I do not believe I exaggerate when I say, judging from the evidence here, that none of them believed in Mr. Moore.

In that situation, after a conflict of months, Holland comes into this case. He inquires of Richardson as to whether the conditions of the first mortgage are being maintained. "Are they making the payments?"

Richardson was then trustee in bankruptcy—not by the election of Judge Ritter, who did not come into office for months afterward, but by choice of the creditors, confirmed by the then judge of the court—Richardson wrote Holland and recommended Metcalf & Hiatt as a firm of lawyers to consult on the rights of first-mortgage bondholders.

Mr. Holland went to Martin Sweeny in New York. Sweeny, acting with Bemis, wanted to get all the bonds he could. They got the bonds that were afterward put in Mr. Rankin's name. In this whole case you would think it was Mr. Rankin who is being tried. The judge knew absolutely nothing at all about those things. He has sworn to God that he knows nothing about them, and there is no witness who has come forward and given any facts at all to contradict him.

Holland made a fair agreement with Martin Sweeny and agreed to become a member of an independent bondholders' committee to perform the thing that the Sweenys wanted to do and Mr. Bemis wanted to do to foreclose the first mortgage. Martin Sweeny and his brother and Mr. Bemis agreed that they would guarantee the payment of \$200,000, which would have paid the interest on the bonds, and not ask for any salaries until they paid that interest out of their successful management of the hotel.

Holland's name was put on that list and sent down to Florida.

It was in Mr. Sweeny's office in New York that the contract was made. It was in Mr. Sweeny's office that Mr. Holland arranged for the employment and the sending of the bonds and their numbers and the data for the suit to Mr. Rankin.

Mention is made of the fact that Rankin put some of the bonds used for the intervenors in the name of his brother-in-law. The judge did not know about that. It has been held over and over again that there is nothing improper about transferring or assigning an obligation either to get into a Federal court or to get out of a Federal court.

Let us see what occurred at the hearing on October 28. Holland had asked in his letter to Rankin October 3 that the suit be hurried, and Holland gave the same reason Sweeny did. Why should it be hurried? It should be hurried because the season would open and unless they acted at once they would lose the bookings which were being held up in New York.

Mr. Sweeny, at the request of Mr. Bemis, had recommended Mr. Rankin as the lawyer to file the Holland bill, as a cross suit for the benefit of all first-mortgage bondholders. Mr. Bemis may have known, or thought, as many a layman does, that it would be good to hire a man who had been in partnership with a judge. Many of you probably have had partnerships with men who were judges before or after the partnership. I have stated what might have been the case, but if that was the case the judge did not know it. He was cut off absolutely from any knowledge and cannot be charged with any responsibility with regard to it. He knew nothing about the case until it came before him in open court.

The charge in the article of impeachment is that Rankin went to New York in company with Richardson while the judge was on the bench in Brooklyn and upon that visit he conspired to bring this action into court. It is the positive evidence that Richardson never saw the judge about it and never spoke to him in regard to it. Three witnesses have sworn, in uncontradicted testimony, that there was no discussion of the case between Judge Ritter and Rankin. Remember, this was on the 24th of September. If you want to conjecture, or to entertain a suspicion, and an unworthy one, of course, there is nothing to prevent you from exercising that right; but I ask you as a Court not to allow the suspicions of an investigator, and not to allow the conjectures of anyone to take the place of positive evidence.

There is not a word of evidence that such a conference took place, so that charge is wiped out unless the Court can be induced to take mere conjecture or suspicion and place it against sworn testimony. According to all the uncontradicted testimony, none of those men ever talked to Judge Ritter about it; none of them saw him about it. Rankin went there for an express purpose; it was to have an order signed in the Highland Glades Drainage District case. The order was prepared, and Tucker, the receiver, went with him. They went there for an express purpose, and it is shown by the fact that the order was signed by Judge Ritter upon that very date. That could not have been a simulated thing, that could not have been a manufactured thing, because it is a part of the court record in an important case.

Then these men were interrogated here—I thought irrelevantly. Rankin was interrogated as to what that order was about. I do not know why that was done, but it appeared to me that it was to leave the impression that it was a bad order, that it was an order which should not have been made, that it was to reduce the taxes which should not have been reduced. That was exploded. It was an order to reduce taxes, but because later they did not take the advice of the man who originated the order, involving a compromise, and therefore the taxes were lost altogether.

The House manager who preceded me has intimated that in the receivership suit the lawyers got together and looted the revenues of the Whitehall Hotel. I cannot believe that of the men who were involved in this matter. Rankin is an humble sort. He had not been there practicing in Florida very long. Counsel would not have you believe, I am sure that Shutts & Bowen, who got a very considerable part of that fee, went in there to loot anything or to rob anybody of anything. They would not have you believe, certainly, that Mr. Loftin, later the president of the American Bar Association, or Judge Stokes, or Senator Calkins would go in there to rob anyone or to do something that was wrong.

I do not believe it, and I know that not a shred of testimony has been introduced in this case which would directly, or by any proper inference, indicate that Judge Ritter had any knowledge of such a plan or that he contributed to such a result by any act on the bench or off the bench.

His word alone should settle that, because that alone would be enough in any court to upset any conjecture or

suspicion or inference. He says he was surprised when at the hearing Mr. Holland, the plaintiff, whom he did not know, was introduced by the lawyer for the defendant.

I am not very strong in the belief that Mr. Lautmann, or Mr. Grill, the young insurance man, or Mr. Fordham, could come in 6 years afterward, where the line of demarcation was so close as to whether a man said on a certain occasion, "I want the case to stand as it is", or "I want to dismiss the case", and say with certainty what Holland did at that hearing. I cannot believe that, on a line so weak as that, so dim as that, it is proper to take the belief-because it then becomes a matter of belief-of some person who heard the words something like 5 or 6 years ago.

Mr. McPherson, of the firm of Shutts & Bowen, goes on the stand here and says that he thinks Mr. Holland said he wanted to dismiss the case, but that he--McPhersonwould not be sure of anything except that Mr. Holland was there to see that they should not appoint a receiver.

Now, why should they not appoint a receiver? What was in the judge's mind at the time? He had a duty to perform, and on that occasion he had to go by the bill of complaint. He interrogates the gentleman who got up. He did not know Holland's background at that time, about his agreement with Martin Sweeny, about Holland's joining the bondholders' committee, and the letters he had sent.

There is no doubt that Holland, freely and willingly, and of his own accord, without fomenting anything, or inciting any human being, went into that matter and, on the advice of Martin Sweeny, asked Rankin to bring the suit. On that point there is not a word of countervailing evidence in the

The record here shows that after Holland entered into that agreement they formed a general bondholders' committee at Chicago, to take over the bonds of the Moore chain of hotels that went all over the United States. Sugden-the employer of Holland-was placed upon that committee, and Holland was appointed to a position out of which he received, he said, his pay from the persons for whom he was trustee. The judge, of course, knew nothing about that. Neither did Rankin. So Rankin sent Holland the telegram which you heard read in evidence, repeating the reason that Holland had theretofore given him about the opening of the hotel and the urgency of the matter. It will prevent reading all of this correspondence to refer to Holland's testimony before this Court.

I asked him the following:

Q. In answer to the wire that you sent Mr. Rankin—he sent you a wire, did he not?—A. Yes.

Q. In which he urged reasons why you should not refrain from filing the suit?—A. Yes.

Q. And you took those into consideration?—A. Yes.

Q. And then you sent him a telegram telling him to let the matter remain just as it was, but not to have a receiver appointed?—A. I did.

(That telegram was read in evidence.)

Q. Yes. So when you started down there, the matter was in status quo, was it not?—A. Well, that was the standing of the matter; yes.

Q. That was the standing of that matter until you got down there, was it not? Is that correct?—A. Yes.

I took him on further cross-examination to the record in which he had testified before the Judiciary Committee of the House in Miami in 1933. I asked him:

Q. You did not ask Judge Ritter to dismiss this suit?—A. I am not certain that I did or did not.

Then I read from his testimony before the House committee, in which he testified that he had said he wanted the case to remain just as it was and in which he made the following statement:

I stated to the judge that I wished nothing further done in that particular case that I wished the case to remain just as it was.

In the testimony here the other day I asked Mr. Holland: Q. Did you tell him that?—A. If the record so states, I suppose

Q. I am just reading this to refresh your memory. It is not a matter of contradiction. Do you now remember that that is what you stated?—A. I so assume.

The answer to the Whitehall Building & Operating Co. had been filed. That answer backed up the charge of fraud, and asked for the appointment of a receiver. Mr. McPherson, of the firm of Shutts & Bowen, protested against the appointment of a receiver. He did not want a receiver. Moore was operating the new bondholders' committee which Mr. Holland had gotten into. They wanted no receiver for the same reason that they wanted no receiver when they talked to Martin Sweeny about the matter. They wanted to take charge of that great property themselves. But Sweeny and Bemis wanted no such thing. They wanted to get control of the property to save themselves and the bondholders.

I desire to say, in passing, that I am afraid my brother upon the other side inadvertently thinks some of his questions were testimony. The question was asked whether a mortgage of \$300,000 was not afterward put upon that property; and my recollection of the testimony is that the witness of whom he asked it said he knew of no such thing. I have gone through the record, and I think all that was said about that so-called mortgage was the question as to whether or not it was put on the property.

We know reasonably well what took place in the courtroom. Nothing was said about champerty; but when Mr. McPherson saw that the judge, who lived in West Palm Beach and who knew something about the property, was intent upon appointing a receiver, he came back after lunch with the proposition that they should appoint Mr. Bemis.

As I said, Sweeny and Bemis were consenting to this matter. When McPherson came back in the afternoon he brought two letters. I am not going into those letters again. I will have to ask you gentlemen of the Court to be content with your memory, unless you want some particular ones read, because it is very difficult for us who have sat at that table and who have worked day and night with this matter to carry all of it in our heads. However, I will say that the two letters put in evidence, if read alone without the context, might perhaps indicate that the lawyers were gotten into the case solely and alone by Mr. Richardson or Mr. Bemis, or both of them.

But after the body of those letters came in-not nearly all of them, but those which told the true story, which recreated the context of what was going on, and the effort that was being made-when those letters came in, the matter was made very plain.

Now, I wish again to refer to the subject of the receivership. Judge Ritter, who testified positively that he knew nothing about it in advance of the hearing, had every reason to believe that what was finally done there was satisfactory to all concerned, to Mr. Bemis, who had the experience the year before with Mr. Richardson, and who said that he would not take the receivership himself.

Mr. McPherson filed his answer and his cross-bill; and in his answer and cross-bill he asked for the identical relief. He denied the fraud, the antagonism of the trustee under the trust deed to the bondholders in the first trust deed and to the owners; but he came back and asked for the identical thing that the others asked for.

There was no champerty present. There was no such thing as a stranger to that case coming in, which would have been necessary to constitute champerty, without any reason except to profit after paying out money to carry on the litigation with an agreement that he should get from the fruits of the litigation, if successful, division of the property, either in real estate or cash. There was no such thing at all. It did not exist.

The managers asked the witness question after question. "Would you say that that was a proper fee if a man solicited a case? Would you say it was a proper fee if he did this or did that?" Well, the judge knew nothing of any solicitation or any of the other alleged acts leading up to the filing of the bill. The manager was examining on a predicate that did not exist. There was no champerty in it. If there had been champerty all they would have had to do in the beginning-I do not care when it was, even right down to writing the final decree—all they would have to do was to come in and show it; and, as Judge Davis said, they not only would have

been removed from that case but they would have been subject to prosecution and to disbarment from their profession.

When that case was started it was started in the name of Bert E. Holland and others. From the common experience that we all have at the bar, we know that once the title is given to a case it remains there until the case is finished. There may be several defendants in a case; there may be several plaintiffs in it; but so long as that case is on the calendar the title of the case remains unchanged.

Mr. Rankin was examined and cross-examined. He was not our witness, but we, of course, readily yielded to the gentlemen on the other side the propriety of using him as a hostile witness and to cross-examine him as though he was our witness. When he was pressed on these questions, the most obvious thing that appeared to me, that might have been to his credit or discredit was that he did not seem to be able to answer.

I am going to say this much in his behalf. I could tell from the way he acted—and I have no doubt the Members of the Court could tell—that he is a man who is very hard of hearing, and he seemed to be trying to follow the lips as he went along. Many times I observed, as I think probably the members of the Court did, that he answered before he had a clear understanding of the question which was asked him.

Rankin came in after a receiver was appointed and made a request for a conservation fee. Judge Ritter allowed a nominal advance of \$2.500.

Judge Ritter referred the matter of fixing the total amount of the conservation fee to Judge Akerman. So Rankin went to Judge Akerman, and Judge Akerman comes in here now and says that he signed the order without reading it closely; but there is the order. The order states upon its face that Rankin is to get that fee for services rendered up to that date in bringing the assets into court and nothing else.

Judge Akerman signed that order; and I want to suggest to the Court, in all justice, that being the case, it would not be fair to charge the \$15,000 fee against Judge Ritter. Judge Ritter could not assume and would not assume that Judge Akerman would sign that order without reading it carefully; that he would not read the brief that the lawyer in the case presented to him. He testified that Rankin had a brief but he did not pay any attention to it; that he paid no attention to the application; that he paid no attention to the brief, and he paid no attention to the order which he signed. I offer no criticism of Judge Akerman; but I do say that it is fair to ask the Court, when it goes into its deliberation, not to use that against Judge Ritter.

This is a peculiar sort of case, not only as a case of impeachment but a peculiar case in the history of the jurisprudence of the country. Charges of favoritism are made here against Judge Ritter which would have no weight in an argument upon the stump and which are entitled to no consideration at all in a court of justice.

Judge Ritter did not bring Rankin into the Whitehall case. Rankin was selected by parties over whom the judge did not exercise a vestige of control.

The fundamental and underlying job of a lawyer in a foreclosure case is to transform a mortgage securing a debt into a fee-simple title to a piece of real estate. That is the underlying reason for the payment of fees to the lawyers engaged to obtain foreclosure of the property.

If that is not done right, if every move is not attended to, if anything essential is omitted, it may be that in a generation or two generations from the time title was thus secured or thus created, there will appear a cloud on the title which, on a building like that would be disclosed as a defect costing hundreds of thousands of dollars to correct.

You gentlemen heard the reading from the testimony given in Florida that Rankin did nothing from the time he filed the bill until the final decree. Everything that came into the case had to be examined.

We brought the whole record here. Down to the day the decree was entered there were 174 separate papers filed. More than one-half of them were filed by Rankin himself. With the others he had something to do, to pass on them or otherwise.

Now we come down to the making of the final decree.

Mr. ROBINSON. Mr. President, at this point I should like to inquire whether it would suit counsel to suspend his argument this evening at 5:15 o'clock and resume in the morning?

Mr. WALSH (of counsel). Yes; it would not only suit me and be very agreeable but I should like very much to do it. I am hurrying through the argument as rapidly as possible, but I am afraid that to conclude will take the balance of the time so generously given me.

Mr. ROBINSON. Would counsel like to suspend now?

Mr. WALSH (of counsel). I think it would be well, because it is now almost the time the Senator has suggested for suspending.

ADJOURNMENT FOR DAY AND ORDER FOR SESSIONS ON TUESDAY
AND WEDNESDAY

Mr. ROBINSON. Mr. President, I ask unanimous consent that the Senate, sitting for the trial of the articles of impeachment, do now adjourn until 12 o'clock noon tomorrow; that when the Senate, in legislative session, concludes its business today it take a recess until 12 o'clock noon tomorrow; and that at not later than 2 o'clock p. m. tomorrow, the Senate, sitting for the trial of the articles of impeachment, and the Senate, as in legislative session, take a recess until 12 o'clock noon on Wednesday next.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the order is made.

Thereupon (at 5 o'clock and 5 minutes p. m.) the Senate, sitting for the trial of the articles of impeachment, under the order previously entered, adjourned until tomorrow, Tuesday, April 14, 1936, at 12 o'clock meridian.

LEGISLATIVE SESSION

The Senate proceeded to the consideration of legislative business.

Mr. ROBINSON. Mr. President, before the Senate recesses under the order previously made, we should like to have a brief legislative session for the convenience of Senators who have more or less routine business to transact.

The PRESIDENT pro tempore. The Senate is in legislative session for the transaction of legislative business.

MESSAGES FROM THE PRESIDENT AND THE HOUSE

(During the impeachment proceedings, on motion of Mr. Robinson, the proceedings were suspended so that, as in legislative session, the Senate might receive messages from the President of the United States and the House of Representatives. The messages follow:)

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolution:

On March 18, 1936:

S. 37. An act authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors and material men for material and labor furnished in the construction of a post-office and courthouse building at Rutland, Vt.:

S. 1470. An act to provide a preliminary examination of Spokane River and its tributaries in the State of Idaho, with a view to the control of their floods;

S. 2889. An act for the relief of the Bend Garage Co. and the First National Bank of Chicago;

S. 3281. An act to amend the act of February 16, 1929, entitled "An act to amend the act entitled 'An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service', approved June 10, 1922, as amended";

S. 3453. An act limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to certain counsel; and

S. J. Res. 165. Joint resolution directing the Architect of the Capitol to accept a copy of the painting, "Liev Eiriksson Discovers America." On March 19, 1936:

S. 1307. An act to establish the Homestead National Monument of America in Gage County, Nebr.;

S. 2664. An act to aid in defraying the expenses of the third triennial meeting of the Associated Country Women of the World, to be held in this country in June 1936; and

S. 3173. An act for the relief of certain formerly enlisted members of Battery D, One Hundred and Ninety-seventh Coast Artillery (antiaircraft), New Hampshire National Guard.

On March 20, 1936:

S. 2603. An act to provide for the adjustment and settlement of certain claims arising out of the activities of the Federal Bureau of Investigation; and

S. 3978. An act relating to taxation of shares of preferred stock, capital notes, and debentures of banks while owned by the Reconstruction Finance Corporation and reaffirming their immunity.

On March 21, 1936:

S. 2625. An act to extend the facilities of the Public Health Service to seamen on Government vessels not in the Military or Naval Establishments.

On March 31, 1936:

S. 3424. An act to continue Electric Home and Farm Authority as an agency of the United States until February 1937, and for other purposes; and

S. 3699. An act to authorize the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of Cincinnati, Ohio, as a center of music, and its contribution to the art of music for the past 50 years.

On April 3, 1936:

S. 4212. An act to amend section 2 of the National Housing Act, relating to the insurance of loans and advances for improvements upon real property, and for other purposes.

On April 10, 1936:

S. 2496. An act to amend the Railway Labor Act;

S. 3761. An act authorizing the Secretary of the Interior to patent certain land to the town of Wamsutter, Wyo.; and

S. 3998. An act to enable the Commodity Credit Corporation to better serve the farmers in orderly marketing, and to provide credit and facilities for carrying surpluses from season to season.

On April 11, 1936:

S. 3860. An act to amend section 2 of the act entitled "An act to amend the National Defense Act", approved May 28, 1928; and

S. 3971. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 3483) to provide for rural electrification, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Rayburn, Mr. Huddleston, and Mr. Mapes were appointed managers on the part of the House at the conference.

PROTECTION OF LITERARY AND ARTISTIC WORKS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State, with an accompanying memorandum, to the end that legislation may be enacted authorizing an appropriation of the sum of \$6,500, or so much thereof as may be necessary for the expenses of participation by the United States in the conference at Brussels in 1936 for the purpose of revising the convention for the protection of literary and artistic works, concluded at Rome, September 9, 1886, and revised at Rome on June 2, 1928.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 13, 1936.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of the Workers' Alliance of America, signed by David Lasser, its president, praying for the adoption of measures for the benefit of workers and relief of the unemployed, which was referred to the Committee on Appropriations.

Mr. TYDINGS presented a resolution adopted by the Middletown (Md.) AGHA (Anti-Ground Hog Administration), favoring an appropriation to combat the activities of the ground hog, which was referred to the Committee on Agri-

culture and Forestry.

He also presented a memorial of several citizens of Baltimore, Md., remonstrating against the enactment of the bill (S. 3954) to amend the Communications Act of 1934, approved June 19, 1934, for the purpose of promoting safety of life through the use of radio, and for other purposes, which was referred to the Committee on Commerce.

He also presented a resolution adopted by the Mount Rainier-Brentwood (Md.) Parent-Teacher Association, favoring the enactment of legislation to abolish block-booking and blind-selling of motion-picture films, which was referred to the Committee on Interstate Commerce.

Mr. COPELAND presented a resolution adopted by Madison County Pomona Grange, Cazenovia, N. Y., favoring the enactment of legislation looking to the extermination of vermin inimical to wild fowl and bird life, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by Madison County Pomona Grange, Cazenovia, N. Y., protesting against the enactment of legislation to include national waterways under the jurisdiction of the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the board of directors of the Hamburg (N. Y.) Chamber of Commerce, protesting against the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by Maxim Gorki Branch, No. 705, International Workers Order, of Brooklyn, N. Y., favoring the enactment of the bill (S. 3475) to provide for the establishment of a Nation-wide system of social insurance, which was referred to the Committee on Education and Labor.

Mr. COOLIDGE presented a letter in the nature of a petition from L. W. Hutchins, general chairman, etc., the Order of Railroad Telegraphers, System Division, No. 29, New York, New Haven & Hartford Railroad, Boston (Mass.) Terminal, praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which was referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a memorial from the bureau of transportation and public service of the New Bedford (Mass.) Board of Commerce, remonstrating against the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which was referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a memorial from the bureau of transportation and public service of the New Bedford (Mass.) Board of Commerce, remonstrating against the enactment of the so-called Pettengill bill, being a bill to repeal the fourth section (long- and short-haul clause) of the Interstate Commerce Act, which was referred to the Committee on Interstate Commerce.

He also presented letters in the nature of petitions from George W. King & Son and Charles D. Cady Printing Co., both of Worcester, Mass., praying for the enactment of the bill (S. 4296) to amend section 11 of the act of March 1, 1919 (40 Stat. 1270), pertaining to printing for the Government, which were referred to the Committee on Printing.

He also presented a letter in the nature of a memorial from William Minot, of Boston, Mass., remonstrating against the enactment of the so-called Robinson-Patman anti-pricediscrimination bill, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 4309) to increase the efficiency of the Air Corps Reserve, reported it with amendments and submitted a report (No. 1824) thereon.

He also, from the same committee, to which was referred the bill (S. 4265) to authorize the Secretary of War to set apart as a national cemetery certain lands of the United States Military Reservation of Fort Bliss, Tex., reported it without amendment and submitted a report (No. 1825) thereon.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H. R. 10193. A bill to amend the act to fix the hours of duty of postal employees (Rept. No. 1826); and

H. R. 10267. A bill to provide for adjusting the compensation of division superintendents, assistant division superintendents, assistant superintendents at large, assistant superintendent in charge of car construction, chief clerks, assistant chief clerks, and clerks in charge of sections in offices of division superintendents in the Railway Mail Service, to correspond to the rates established by the Classification Act of 1923, as amended (Rept. No. 1827).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were ordered to be placed on the Executive Calendar.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 10, 1936, that committee presented to the President of the United States the following enrolled bills:

S. 536. An act for the relief of Ada Mary Tornau;

S. 754. An act to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States;

S. 903. An act for the relief of the Holyoke Ice Co.;

S. 1152. An act relating to the carriage of goods by sea;

S. 1824. An act for the relief of Abraham Green;

S. 2021. An act to recognize the service of Brig. Gen. Edward R. Chrisman;

S. 2336. An act granting compensation to Mary Weller;

S. 2682. An act for the relief of Chief Carpenter William F. Twitchell, United States Navy;

S. 2697. An act for the relief of the United Pocahontas Coal Co., Crumpler, W. Va.;

S. 2922. An act for the relief of Rose Stratton;

S. 2942. An act for the relief of John Hoffman;

S. 2943. An act for the relief of John Morris;

S. 3125. An act for the relief of J. A. Hammond;

S. 3367. An act for the relief of James Gaynor;

S. 3445. An act to authorize the Secretary of Agriculture to release the claim of the United States to certain land within the Ouachita National Forest, Ark.;

S. 3655. An act for the relief of the Vermont Transit Co.,

S. 3684. An act to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War;

S. 3777. An act to authorize the Secretary of the Treasury to execute an agreement of indemnity to the First Granite National Bank, Augusta, Maine;

S. 3872. An act for the relief of the present leader of the Army Band; and

S. 4232. An act to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BULKLEY:

A bill (S. 4470) to authorize the issuance of additional coins in commemoration of the fiftieth anniversary of Cincinnati, Ohio, as a center of music; to the Committee on Banking and Currency.

By Mr. WHITE:

A bill (S. 4471) for the relief of Frank Wheelock Plummer Breed; to the Committee on Naval Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 4472) for the relief of Maurice A. Smith; to the Committee on Naval Affairs.

By Mr. COPELAND:

A bill (S. 4473) to amend section 24 of the Immigration Act of 1917, relating to the compensation of certain Immigration and Naturalization Service employees, and for other purposes; to the Committee on Immigration.

A bill (S. 4474) authorizing the Richmond-Brooklyn Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across New York Bay between Brooklyn and Staten Island; and

A bill (S. 4475) to extend the jurisdiction of the Coast Guard; to the Committee on Commerce.

HOUSE BILL PLACED ON THE TABLE

The bill (H. R. 12037) relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes, was read twice by its title and ordered to lie on the table.

AMENDMENTS TO RIVER AND HARBOR BILL

Mr. CAPPER and Mr. SHEPPARD each submitted an amendment intended to be proposed by them, respectively, to the bill (H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which were referred to the Committee on Commerce and ordered to be printed.

ANNIVERSARY OF BATTLE OF ANTIETAM-AMENDMENT

Mr. TYDINGS submitted an amendment intended to be proposed by him to the bill (S. 4394) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam, which was referred to the Committee on Banking and Currency and ordered to be printed.

REHABILITATION LOANS TO STORM-STRICKEN AREAS—CONFERENCE REPORT

Mr. FLETCHER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, and 9, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 3. Title I of the National Housing Act, as amended, is amended by inserting after section 5 thereof the following new

"Sec. 6. (a) The Administrator is authorized and empowered, upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building and loan associations, installment lending

companies, and other such financial institutions, heretofore or hereafter approved by the Administrator as eligible for credit in-surance, against losses which they may sustain as a result of loans and advances of credit, and purchases of obligations representing loans and advances of credit, made by them subsequent to the date this section takes effect and prior to January 1, 1937, or such date this section takes effect and prior to January 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that the emergency no longer exists, for the purpose of financing, by the owners of real property or by lessees thereof under a lease for a period of not less than one year, the restoration, rehabilitation, rebuilding and replacement of improvements on such real property and equipment and machinery thereon which were damaged or destroyed by earthquake, conflagration, tornado, cyclone, hurricane, flood, or other catastrophe in the years 1935 or 1936, either on the same site or on a new site in the same locality where the damaged or destroyed property was located. The Administrator is authorized to grant insurance under this section to any such financial institution up to 10 per centum of the total amount of loans, advances of credit, and purchases made by such financial institution for such purpose, and chases made by such financial institution for such purpose, and any insurance reserve accumulated by any such financial institution under section 2 of this title prior to April 1, 1936, shall be applicable to the payment of any losses sustained by it as a result of loans, advances of credit, or purchases insured under this

of loans, advances of credit, or purchases insured under this section.

"'(b) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it (1) unless the loan bears such interest, has such maturity, and contains such other terms, conditions, and restrictions, as the Administrator shall prescribe in order to make credit available for the purposes of this section; and (2) unless the amount of such loan, advance of credit, or purchase is not in excess of \$2,000, except that in the case of any such loan, advance of credit, or purchase made for the purpose of such financing with respect to apartment or multiple family houses, hotels, office, business or other commercial buildings, hospitals, orphanages, colleges, schools, churches, or manufacturing or industrial plants, such insurance may be granted if the amount of the loan, advance of credit, or purchase is not in excess of \$50,000."

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its dis-

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 4. (a) The third sentence of subsection (a) of section 2 of the National Housing Act, as amended, is amended to read as follows: "The total liability incurred by the Administrator for all insurance heretofore and hereafter granted under this section and section 6 shall not exceed in the aggregate \$100,000,000.'"

And the Senate agree to the same.

surance heretolore and cities agree to the same.

And the Senate agree to the same.

Duncan U. Fletcher,
Robert F. Wagner,
Robert J. Bulkley,
James Couzens,
Lohn G. Townsend, J. JOHN G. TOWNSEND, Jr., Managers on the part of the Senate.

T. ALAN GOLDSBOROUGH,
M. K. REILLY,
JESSE P. WOLCOTT,
Managers on the part of the House.

The report was agreed to.

EXPENDITURES FOR COTTON COOPERATIVES—LETTER FROM SENATOR TOWNSEND

Mr. McKELLAR. Mr. President, in connection with Senate Report No. 1819, submitted by me and published in last Friday's Congressional Record, I ask unanimous consent to have published in the RECORD at this point a letter received by me from Hon. J. G. TOWNSEND, Jr., a Senator from the State of Delaware.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

United States Senate, Washington, D. C., April 8, 1936.

Hon. Kenneth McKellar, United States Senate, Washington, D. C.

My Dear Senator: It is my understanding that you, as chairman of the subcommittee which conducted hearings at Memphis, Tenn., from October 28, 1935, to and including November 28, 1935, authorized under Senate Resolution 185, providing for the investigation of the expenditures by the Federal Government for cotton cooperatives and their losses, are anxious to have the report of the hearings published at an early date.

In view of the fact that an early date.

In view of the fact that an early publication of the report is desired, I have signed it as a member of the subcommittee, without committing myself either in favor of or against the report, not having been able to attend the hearings nor having the opportunity of studying it fully.

I hope you understand represent the statement of the subcommittee.

I hope you understand my position in the matter and that it meets with your approval.

With kind regards, I am,

Very truly yours,

J. G. TOWNSEND, Jr.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate

proceedings.)

HISTORY AND EFFECT OF SEVENTEENTH AMENDMENT TO CONSTITUTION

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Congressional Record a statement which was prepared as a result of a study made of the history and effect of the seventeenth amendment of the Constitution by Dr. Wallace Worthy Hall. I deem this study of sufficient public interest to justify inserting the results of the study into the RECORD at this time.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

On May 13, 1912, Congress submitted to the several States for their ratification a proposed constitutional amendment, providing for the direct election of Senators, thus culminating an 86-year congressional struggle on behalf of such an amendment. The first joint resolution, aimed at direct election, was introduced into the House on February 14, 1826. During the intervening time no less than 187 joint resolutions of a similar nature were introduced in Congress.

In taking this action Congress was but yielding to a well-nigh unanimous public opinion in favor of direct election, which was being made articulate through the contemporary press and periodicals, National and State party platforms, legislative memorials, direct petitions, and popular referends. A series of disgraceful legislative deadlocks involving senatorial elections assisted in stirring Congress to action.

Within 11 months after Congress had submitted the amendment the requisite number of States had ratified. O three (Utah, Rhode Island, and Delaware) actually rejected it.

was officially promulgated as the seventeenth amendment by Secretary of State William J. Bryan on May 31, 1913.

The beneficial results have been: (a) Elimination of legislative deadlocks often resulting in no election; (b) encouragement to the separation of State and National issues in State political camthe separation of State and National issues in State political campaigns; and (c) prevention of the recurrence of certain scandalous legislative elections. On the other hand the change has frequently necessitated the expenditure (often legitimate) of enormous sums of money to secure election to the Senate, and has greatly accentuated the time-consuming nonlegislative functions of our Senators. Furthermore, it has encouraged demagogy. Little or no change, however, is to be found in such matters as age, length of service, and the previous occupations of the Senators elected under the two systems. Popularly elected Senators have had less previous governmental service than their predecessors prior to 1913. On the other hand the Senate elected by the people has included more ex-Governors than the Senate chosen by legislatures. Men of great wealth continue to be elected to the Senate. latures. Men of great wealth continue to be elected to the Senate.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 7 minutes p. m.), under the order previously entered, the Senate took a recess, to meet, for the trial of the articles of impeachment against Halsted L. Ritter, tomorrow, Tuesday, April 14, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 13 (legislative day of Feb. 24), 1936

DIPLOMATIC AND FOREIGN SERVICE

Fay A. Des Portes, of South Carolina, now Envoy Extraordinary and Minister Plenipotentiary to Bolivia, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Guatemala.

R. Henry Norweb, of Ohio, now a Foreign Service officer of class 1 and counselor of Embassy at Mexico, Mexico, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Bolivia.

The following-named persons for appointment in the Foreign Service of the United States of America, as follows:

Raymond E. Cox, of New York, now a Foreign Service officer of class 3 and a secretary in the Diplomatic Service, to be also a consul general.

J. Webb Benton, of Pennsylvania, now a Foreign Service officer of class 4 and a secretary in the Diplomatic Service, to be also a consul.

Joseph F. Burt, of Illinois, now a Foreign Service officer of class 6 and a consul, and Daniel M. Braddock, of Michigan, now a Foreign Service officer of class 8 and a consul, to be also secretaries in the Diplomatic Service.

Ware Adams, of Georgia; William K. Ailshie, of Idaho; Ralph J. Blake, of Oregon; Claude B. Chiperfield, of Illinois; Albert E. Clattenburg, Jr., of Pennsylvania; Montgomery H. Colladay, of Connecticut; William S. Farrell, of New York; R. Borden Reams, of Pennsylvania; Arthur R. Ringwalt, of Nebraska; William E. Scotten, of California; Elvin Seibert, of New York; Llewellyn E. Thompson, Jr., of Colorado; and Milton Patterson Thompson, of Tennessee, now Foreign Service officers, unclassified, and vice consuls of career, to be also secretaries in the Diplomatic Service.

PUBLIC WORKS ADMINISTRATION

Alvin D. Wilder, of California, to be State director of the Public Works Administration in California.

Forrest M. Logan, of Indiana, to be State director of the Public Works Administration in Indiana.

P. Francis Hopkins, of Iowa, to be State director of the Public Works Administration in Iowa.

Robert A. Radford, of Minnesota, to be State director of the Public Works Administration in Minnesota.

Louis A. Boulay, of Ohio, to be State director of the Public Works Administration in Ohio.

John Hirst Caton, 3d, of Rhode Island, to be State director of the Public Works Administration in Rhode Island.

PUBLIC HEALTH SERVICE

Assistant Surgeon Edward C. Lutton to be passed assistant surgeon in the United States Public Health Service, to rank as such from March 6, 1936.

Appointments, by Transfer, in the Regular Army

TO COAST ARTILLERY CORPS

Second Lt. Robert Emmett Gallagher, Infantry, with rank from June 13, 1933.

TO QUARTERMASTER CORPS

Maj. Theodore Porter Heap, Infantry, with rank from February 28, 1931.

Capt. Bradford W. Kunz, Infantry, with rank from March 25, 1932.

TO FINANCE DEPARTMENT

Maj. William Henry Kasten, Cavalry, with rank from April 9, 1928.

First Lt. John Raymond Gilchrist, Infantry, with rank from September 1, 1934.

TO FIELD ARTILLERY

First Lt. Joseph Franklin Trent, Infantry, with rank from October 1, 1934.

TO AIR CORPS

Second Lt. Jerome Edward Blair, 2d, Cavalry, with rank from June 12, 1934.

Second Lt. Paul Burlingame, Jr., Infantry, with rank from June 12, 1934.

Second Lt. Stanley Joseph Donovan, Infantry, with rank from June 12, 1934.

Second Lt. Edward Flanick, Field Artillery, with rank from June 12. 1934.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS

Lt. Col. Abbott Boone, Field Artillery, from March 24, 1936.

Lt. Col. Barton Kyle Yount, Air Corps, from April 1, 1936.

Lt. Col. Denham Bohart Crafton, Infantry, from April 1, 1936.

Lt. Col. William Carroll Christy, Cavalry, from April 1, 1936.

Lt. Col. John Logan Jenkins, Infantry, from April 1, 1936.

Lt. Col. Charles Henry White, Infantry, from April 1, 1936.

Lt. Col. Stanley Livingston James, Signal Corps, from April 1, 1936.

TO BE LIEUTENANT COLONELS

Maj. John Scott Smylie, Coast Artillery Corps, from March 24, 1936.

Maj. Lehman Wellington Miller, Corps of Engineers, from April 1, 1936, subject to examination required by law.

Maj. Douglas Lafayette Weart, Corps of Engineers, from April 1, 1936.

Maj. Earl Ewart Gesler, Corps of Engineers, from April 1,

Maj. John French Conklin, Corps of Engineers, from April 1, 1936.

Maj. William Frazer Tompkins, Corps of Engineers, from April 1, 1936.

Maj. Douglas Hamilton Gillette, Corps of Engineers, from April 1, 1936.

Maj. Paul Alfred Hodgson, Corps of Engineers, from April 1, 1936.

Maj. Donald Angus Davison, Corps of Engineers, from April 1, 1936.

Maj. Henry Spiese Aurand, Ordnance Department, from April 1, 1936.

TO BE MAJORS

Capt. George Warren Cooke, Finance Department, from April 1, 1936.

Capt. Shiras Alexander Blair, Air Corps, from April 1, 1936. Capt. Franklin Denwood Shawn, Quartermaster Corps, from April 1, 1936.

Capt. William Henry Johnson, Infantry, from March 5, 1936.

Capt. Roland Capel Bower, Quartermaster Corps, from April 4, 1936.

Capt. Donald Van Niman Bonnett, Infantry, from March 1, 1936.

Capt. Charles Stalsburg, Quartermaster Corps, from April 1, 1936.

Capt. Henry John Hunker, Quartermaster Corps, from April 1, 1936.

Capt. Frederick Eugene Hagen, Quartermaster Corps, from April 1, 1936.

Capt. Murdock Allen McFadden, Quartermaster Corps, from April 1, 1936.

Capt. Clifford Michael Ollivetti, Judge Advocate General's Department, from April 1, 1936. Capt. John Wesley Orcutt, Ordnance Department, from

April 1, 1936.

Capt. Vance Whiting Batchelor, Cavalry, from April 1, 1936.

Capt. Norman Paul Williams, Infantry, from April 1, 1936. Capt. Robert Grant Cousley, Infantry, from April 1, 1936.

MEDICAL CORPS

To be major

Capt. Otis Blaine Schreuder, Medical Corps, from March 29, 1936.

DENTAL CORPS

To be major

Capt. James Harvey Pence, Dental Corps, from April 1, 1936, subject to examination required by law.

CHAPLAIN

To be chaplain with the rank of lieutenant colonel Chaplain (Major) Milton Omar Beebe, United States Army, from March 24, 1936.

APPOINTMENT IN THE REGULAR ARMY

MEDICAL CORPS

To be first lieutenant with rank from date of appointment First Lt. Frank Hiram Van Wagoner, Medical Corps Reserve.

VETERINARY CORPS

To be first lieutenants with rank from date of appointment First Lt. Walter Tederoff Carll, Veterinary Corps Reserve. First Lt. Donald Clifford Kelley, Veterinary Corps Reserve.

PROMOTION IN THE PHILIPPINE SCOUTS

TO BE MAJOR

Capt. James Donison Carter, Philippine Scouts, from March 24, 1936.

APPOINTMENT IN THE NATIONAL GUARD OF THE UNITED STATES
GENERAL OFFICER

Brig. Gen. Newell Castle Bolton, Ohio National Guard, to be brigadier general, National Guard of the United States.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Lt. Charles H. Murphy to be a lieutenant commander in the Navy from the 1st day of July 1935.

Lt. John T. Bottom, Jr., to be a lieutenant commander in the Navy from the 1st day of September 1935.

Lt. William Hibbs to be a lieutenant commander in the Navy from the 1st day of January 1936.

Lt. (Jr. Gr.) Herbert E. Schonland to be a lieutenant in the Navy from the 1st day of September 1935.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of October 1935:

Andrew E. Harris

Edwin R. Swinburne

Lt. (Jr. Gr.) Virgil F. Gordinier to be a lieutenant in the Navy from the 4th day of October 1935.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of November 1935:

Arthur B. Thompson

James M. Smith

Lt. (Jr. Gr.) Percy H. Lyon to be a lieutenant in the Navy from the 1st day of December 1935.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 1st day of January 1936:

Paul M. Clyde Charles W. Truxall Gordon B. Rainer Richard A. Guthrie

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 1st day of June 1934:

Matthew T. Betton Clark H. Miley

Assistant Paymaster Philip White to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 1st day of August 1935.

The following-named radio electricians to be chief radio electricians in the Navy, to rank with but after ensign, from the 1st day of October 1935:

Louis S. Butler Thomas C. Thrasher Faun S. Fritts Robert E. Trapeur

The following-named pharmacists to be chief pharmacists in the Navy, to rank with but after ensign, from the 1st day of October 1935:

Willard C. Calkins Ericson Fernquist Clyde V. Cuson Ralph W. Price

Carl J. Stommel

MARINE CORPS

Maj. Gilder D. Jackson, Jr., to be a lieutenant colonel in the Marine Corps from the 1st day of December 1935.

Maj. Fred G. Patchen to be a lieutenant colonel in the Marine Corps from the 9th day of February 1936.

First Lt. James Snedeker to be a captain in the Marine Corps from the 27th day of March 1936.

First Lt. John D. Blanchard to be a captain in the Marine Corps from the 1st day of April 1936.

POSTMASTERS

ALABAMA

Troy A. Phillips to be postmaster at Altoona, Ala., in place of John Thompson. Incumbent's commission expired February 9, 1936.

William Lee English to be postmaster at Elba, Ala., in place of J. W. Maddox, removed.

Sister Mary Teresa to be postmaster at Holy Trinity, Ala., in place of Sister Mary Teresa. Incumbent's commission expires May 19, 1936.

Ruth K. Bullard to be postmaster at Lockhart, Ala., in place of R. K. Bullard. Incumbent's commission expired February 9, 1936.

George B. Pickens to be postmaster at Moundville, Ala., in place of G. B. Pickens. Incumbent's commission expires May 19, 1936.

Lillian J. Arnold to be postmaster at Pisgah, Ala., in place of S. B. Wininger, deceased.

Marion R. Buckalew to be postmaster at Roanoke, Ala., in place of S. H. Tatum, removed.

William H. Stroud to be postmaster at Verbena, Ala. Office became Presidential July 1, 1935.

Velma F. Todd to be postmaster at Wilson Dam, Ala. Office became Presidential April 1, 1934.

Gladys M. Bomar to be postmaster at Woodward, Ala., in place of G. M. Bomar. Incumbent's commission expires June 1, 1936.

ALASKA

Charles A. Sheldon to be postmaster at Seward, Alaska, in place of C. A. Sheldon. Incumbent's commission expires June 1, 1936.

ARIZONA

William I. Welker to be postmaster at Bowie, Ariz., in place of W. I. Welker. Incumbent's commission expires June 23, 1936.

ARKANSAS

Alfred J. Jefferies to be postmaster at Clarendon, Ark., in place of A. J. Jefferies. Incumbent's commission expires July 7, 1936.

Lawrence H. Green to be postmaster at Crawfordville, Ark., in place of K. S. Rolley. Incumbent's commission expired January 11, 1936.

Bennie H. Lucy to be postmaster at Elaine, Ark., in place of J. D. Lowrie. Incumbent's commission expired March 23, 1936.

Hazel P. Screeton to be postmaster at Hazen, Ark., in place of C. A. Proctor. Incumbent's commission expired March 23, 1936.

Rhetta L. Cooper to be postmaster at Hughes, Ark., in place of R. L. Cooper. Incumbent's commission expires May 26, 1936.

Paul B. Garrett to be postmaster at Okolona, Ark., in place of B. O. Phelps. Incumbent's commission expired February 5, 1936.

Gertrude A. Parrish to be postmaster at Rector, Ark., in place of E. A. Casner. Incumbent's commission expired January 11, 1936.

James A. Watson to be postmaster at Springdale, Ark., in place of J. R. Joyce. Incumbent's commission expired April 1, 1936.

Joe Davidson to be postmaster at Winslow, Ark., in place of R. L. Maddox. Incumbent's commission expires April 27, 1936.

CALIFORNIA

Winfred E. Robb to be postmaster at Arlington, Calif., in place of J. D. Myers. Incumbent's commission expired March 29, 1936.

Samuel E. Burum to be postmaster at Dinuba, Calif., in place of A. G. Heerman. Incumbent's commission expired March 17, 1936.

Clyde Burgett to be postmaster at El Segundo, Calif., in place of L. P. James. Incumbent's commission expires May 10, 1936.

Sidney C. Moon to be postmaster at Hemet, Calif., in place of N. S. Dilworth. Incumbent's commission expired March 17, 1936.

Irene F. Tallis to be postmaster at Hilts, Calif., in place of B. W. Miller, deceased.

Linnie Jouett to be postmaster at Hobart Mills, Calif., in place of Linnie Jouett. Incumbent's commission expires June 28, 1936.

Eugene Francis O'Donnell to be postmaster at Hollister, Calif., in place of Daniel McCloskey. Incumbent's commission expires May 10, 1936.

Paul Vernon Howell to be postmaster at Needles, Calif., in place of E. G. Farmer. Incumbent's commission expires May 10, 1936.

Clara Belle Daly to be postmaster at Montrose, Calif., in place of F. W. Brown. Incumbent's commission expires May 10, 1936.

Jasper L. Moss to be postmaster at Morgan Hill, Calif., in place of C. G. Barnes. Incumbent's commission expired January 26, 1936.

Hugh L. Appling to be postmaster at Oakdale, Calif., in place of W. N. Garland. Incumbent's commission expired January 9, 1936.

Gertrude Ford to be postmaster at Pacific Palisades, Calif., in place of F. E. Buckner. Incumbent's commission expired January 9, 1936.

Frederick W. Kickbush to be postmaster at San Bruno, Calif., in place of G. G. Hughes. Incumbent's commission expired January 26, 1936.

Frank R. Harwood to be postmaster at Santa Ana, Calif.,

in place of T. E. Stephenson, resigned.

Walter S. Young to be postmaster at Spreckels, Calif., in place of D. L. Plant. Incumbent's commission expired December 16, 1934.

Morgan J. Kavanagh to be postmaster at Trona, Calif., in place of M. J. Kavanagh. Incumbent's commission expires June 20, 1936.

J. Howard Clark to be postmaster at Tulare, Calif., in place of R. C. Odell. Incumbent's commission expired March 17, 1936.

Milburn M. Brame to be postmaster at Turlock, Calif., in place of W. M. Brown. Incumbent's commission expired March 17, 1936.

COLORADO

Roscoe D. Mutz to be postmaster at Fowler, Colo., in place of B. H. Glaze. Incumbent's commission expired March 18, 1936.

Joseph B. Perkins to be postmaster at Fruita, Colo., in place of L. H. Dewey. Incumbent's commission expired January 22, 1936.

George W. Snider to be postmaster at Granby, Colo., in place of Frances Lessley. Incumbent's commission expired April 4, 1936.

Clyde D. Moslander to be postmaster at Grand Junction, Colo., in place of C. B. Pond. Incumbent's commission expires April 27, 1936.

Charles M. Burrell to be postmaster at New Castle, Colo., in place of E. A. Weller. Incumbent's commission expired January 22, 1936.

Anna L. Grabow to be postmaster at Ouray, Colo., in place of Anna Richards. Incumbent's commission expired January 22, 1936.

Meryl D. Haynes to be postmaster at Seibert, Colo., in place of Z. M. Hutchens. Incumbent's commission expired January 28, 1936.

Floyd E. Cooper to be postmaster at Silverton, Colo., in place of E. F. Sutherland. Incumbent's commission expires June 10, 1936.

Mark S. Cole to be postmaster at Yampa, Colo., in place of J. C. Wilson. Incumbent's commission expired February 26, 1936.

CONNECTICUT

William S. Meany to be postmaster at Greenwich, Conn., in place of Joseph Brush, removed.

Evelyn P. Estabrooks to be postmaster at Hampton, Conn. Office became Presidential July 1, 1935.

Martin J. Donahue to be postmaster at Litchfield, Conn., in place of W. B. Allen. Incumbent's commission expired January 9, 1936.

James T. Kelley to be postmaster at New Canaan, Conn., in place of W. B. Simon. Incumbent's commission expired February 10, 1936.

James C. Bransfield to be postmaster at Portland, Conn., in place of E. S. Lewis. Incumbent's commission expires June 1, 1936.

Daniel G. Sullivan to be postmaster at Watertown, Conn., in place of J. V. Abbott. Incumbent's commission expired January 9, 1936.

J. Edward LaCroix to be postmaster at Yalesville, Conn., in place of W. T. McKenzie. Incumbent's commission expired December 16, 1933.

DELAWARE

Byron C. Dunn to be postmaster at Camden, Del., in place of S. W. Miller. Incumbent's commission expired January 27, 1936.

Rhubert R. German to be postmaster at Delmar, Del., in place of R. R. German. Incumbent's commission expired February 24, 1936.

FLORIDA

Thomas J. Bulford to be postmaster at Hilliard, Fla., in place of T. J. Bulford. Incumbent's commission expired March 28, 1936.

Maggie B. Hardin to be postmaster at Pass-A-Grille Beach, Fla., in place of E. C. McPherson. Incumbent's commission expired January 9, 1934.

GEORGIA

Chessie M. Pelfrey to be postmaster at Roswell, Ga., in place of E. H. Wood. Incumbent's commission expired January 7, 1936.

Jett M. Potts to be postmaster at West Point, Ga., in place of J. M. Potts. Incumbent's commission expired February 5, 1936.

Walter R. Hall to be postmaster at Young Harris, Ga., in place of T. R. Berry. Incumbent's commission expired February 17, 1936.

IDAHO

Clarence M. Friend to be postmaster at Elk River, Idaho, in place of Norman O'Donnell. Incumbent's commission expired March 22, 1934.

ILLINOIS

John R. Engleman to be postmaster at Bellwood, Ill., in place of Herman Meyer. Incumbent's commission expired December 20, 1932.

Louis D. Fuess to be postmaster at Mount Olive, Ill., in place of H. J. Troeger. Incumbent's commission expired January 7, 1936.

Harry L. Roberts to be postmaster at Mulberry Grove, Ill., in place of F. H. Creswick. Incumbent's commission expired February 9, 1936.

Wilbert E. Poos to be postmaster at Trenton, Ill., in place of H. A. Eisenmayer. Incumbent's commission expired January 7, 1936.

Clarence N. Ginther to be postmaster at West Salem, Ill., in place of H. J. Busefink. Incumbent's commission expired January 28, 1936.

INDIANA

Nathan P. Lewis to be postmaster at Campbellsburg, Ind., in place of S. C. Morgan. Incumbent's commission expired January 22, 1936.

William H. Ashba to be postmaster at Delphi, Ind., in place of B. S. Balser. Incumbent's commission expired January 9, 1936.

Robert C. Mayhall to be postmaster at Edinburg, Ind., in place of J. A. Thompson. Incumbent's commission expired January 9, 1936.

Matthew Halbig to be postmaster at Haubstadt, Ind., in place of C. W. Bertram. Incumbent's commission expired January 9, 1936.

John Nichols to be postmaster at Odon, Ind., in place of D. M. Hayes. Incumbent's commission expired January 9, 1936

Fonzo Martin to be postmaster at Shelburn, Ind., in place of A. W. Hill. Incumbent's commission expired January 9, 1936.

Elijah A. Gebhart to be postmaster at Warren, Ind., in place of V. U. Slater. Incumbent's commission expired January 9, 1936.

IOWA

Rose M. Fischbach to be postmaster at Granville, Iowa, in place of R. M. Fischbach. Incumbent's commission expires June 1, 1936.

Vern U. Waters to be postmaster at Havelock, Iowa, in place of V. U. Waters. Incumbent's commission expires June 23, 1936.

Louis A. Hasselbrink to be postmaster at Kellogg, Iowa, in place of C. W. Woodward. Incumbent's commission expired January 12, 1936.

Joseph L. Lichty to be postmaster at Luverne, Iowa, in place of H. H. Phillips. Incumbent's commission expired January 12, 1936.

George M. Smith to be postmaster at North English, Iowa, in place of L. A. Lawler. Incumbent's commission expired January 12, 1936.

Clifford P. Shane to be postmaster at New Virginia, Iowa, in place of A. J. Irwin. Incumbent's commission expired January 12, 1936.

Viola F. McCartan to be postmaster at Pocahontas, Iowa, in place of S. L. McIntire. Incumbent's commission expired January 12, 1936.

Hattie Bandy to be postmaster at Redfield, Iowa, in place of H. F. Chance, deceased.

Lyman L. DeFreece to be postmaster at Sidney, Iowa, in place of R. B. Laird. Incumbent's commission expired June 19 1933

Peter T. Belgard to be postmaster at Tipton, Iowa, in place of T. C. Moffit, removed.

KANSAS

Julia G. Christy to be postmaster at Altamont, Kans., in place of F. E. George. Incumbent's commission expired March 23, 1936.

Lloyd A. Johnson to be postmaster at Belleville, Kans., in place of W. T. Perry. Incumbent's commission expires April 27, 1936.

Earl Hoefgen to be postmaster at Burden, Kans., in place of J. R. Galyon. Incumbent's commission expired January 8, 1936.

Otho E. McMullen to be postmaster at Courtland, Kans., in place of E. L. Kier. Incumbent's commission expires April 27, 1936.

Roy E. Wetherall to be postmaster at Cunningham, Kans., in place of H. B. Gibbens. Incumbent's commission expires May 10, 1936.

Clarence H. Johnson to be postmaster at Enterprise, Kans., in place of C. E. Meyer. Incumbent's commission expired February 5, 1936.

Gay Small to be postmaster at Galva, Kans., in place of J. I. Cramer. Incumbent's commission expired January 8, 1936.

Jack Butcher to be postmaster at Garnett, Kans., in place of A. M. Graves, deceased.

Otis Barngrover to be postmaster at Hamilton, Kans., in place of R. R. Carson. Incumbent's commission expired February 5, 1936.

Laurence C. Forker to be postmaster at Haven, Kans., in place of L. B. Blachly. Incumbent's commission expired February 5, 1936.

Otho M. Koontz to be postmaster at Jetmore, Kans., in place of J. A. McDowell. Incumbent's commission expired February 19, 1936.

Joseph M. Steffen to be postmaster at Neodesha, Kans., in place of Ernest Toomey. Incumbent's commission expired February 6, 1934.

Chester M. Cook to be postmaster at Ness City, Kans., in place of L. T. Miller. Incumbent's commission expired February 5, 1935.

Edwin Fitzgerald Hammond to be postmaster at Osage City, Kans., in place of H. F. Kiesow. Incumbent's commission expired January 8, 1936.

Mason V. Dunlap to be postmaster at Osawatomie, Kans., in place of K. O. Ranney. Incumbent's commission expired January 8, 1936.

Fred Swisher to be postmaster at Pratt, Kans., in place of A. P. Barrett. Incumbent's commission expires May 19, 1936.

Jeannette Byrnes to be postmaster at St. Marys, Kans., in place of A. E. Kerns. Incumbent's commission expired January 8, 1936.

Harry D. Burke to be postmaster at Severy, Kans., in place of A. M. Ludvickson. Incumbent's commission expired March 10, 1936.

Anna L. Hicks to be postmaster at Sharon Springs, Kans., in place of G. E. Woodhouse, Jr., removed.

Bessie M. Anderson to be postmaster at Tribune, Kans., in place of F. A. Moore, deceased.

Grover P. Nutt to be postmaster at Waverly, Kans., in place of C. E. Painter. Incumbent's commission expired January 8, 1936.

Francis M. Stocker to be postmaster at Yates Center, Kans., in place of J. F. Allen. Incumbent's commission expired January 8, 1936.

KENTUCKY

Stanley H. Jones to be postmaster at Fort Knox, Ky., in place of J. A. Hargan. Incumbent's commission expires May 19, 1936.

George M. Roach to be postmaster at Fulton, Ky., in place of C. P. Freeman, resigned.

Anna May Moore to be postmaster at Hazard, Ky., in place of Dewey Daniel. Incumbent's commission expired April 4, 1936.

Isaac N. Combs to be postmaster at Lexington, Ky., in place of G. R. Warren, retired.

George J. Covington to be postmaster at Mayfield, Ky., in place of C. T. Winslow, resigned.

Benjamin F. Shepard to be postmaster at Wayland, Ky., in place of B. F. Shepard. Incumbent's commission expired March 10, 1936.

LOUISIANA

George E. Johnson to be postmaster at Boyce, La., in place of J. T. Boone. Incumbent's commission expired December 16, 1934.

Moise Bellard to be postmaster at Church Point, La., in place of J. R. Murrel. Incumbent's commission expired January 28, 1936.

John A. Moody to be postmaster at Cotton Valley, La., in place of J. A. Moody. Incumbent's commission expires May 3, 1936.

Veronica J. Lambert to be postmaster at Goodhope, La., in place of J. G. Bourgeois, Sr., removed.

Ella A. McDowell to be postmaster at Hodge, La., in place of E. A. McDowell. Incumbent's commission expires May 23, 1936.

Lillian D. Gayle to be postmaster at Independence, La., in place of L. D. Gayle. Incumbent's commission expired March 10, 1936.

Fred E. Callaway to be postmaster at Jonesboro, La., in place of F. E. Callaway. Incumbent's commission expires June 23, 1936.

Mildred P. Prescott to be postmaster at Lutcher, La., in place of M. P. Prescott. Incumbent's commission expires June 1, 1936.

John E. Butler, Jr., to be postmaster at Port Allen, La., in place of J. E. Butler, Jr. Incumbent's commission expires May 23, 1936.

Stephen O. Wilson to be postmaster at Vivian, La., in place of S. O. Wilson. Incumbent's commission expires June 23, 1936.

MAINE

Lyman Ellis to be postmaster at Canton, Maine, in place of R. A. Bessey. Incumbent's commission expired March 28, 1936.

Frank X. Oakes to be postmaster at Fairfield, Maine, in place of C. W. McClintock. Incumbent's commission expires April 27, 1936.

William Gerald Jordan to be postmaster at Fryeburg, Maine, in place of J. E. Sargent. Incumbent's commission expired January 7, 1936.

Wade P. Clifton to be postmaster at Greenville Junction, Maine, in place of W. P. Clifton. Incumbent's commission expired February 17, 1936.

Marita E. Peabody to be postmaster at Houlton, Maine, in place of P. N. Burleigh. Incumbent's commission expired January 22, 1935.

Embert Worcester to be postmaster at Phillips, Maine, in place of C. E. Toothaker. Incumbent's commission expired March 28, 1936.

Eugene P. Lowell to be postmaster at South Paris, Maine, in place of E. R. Clifford. Incumbent's commission expired January 7, 1936.

Maynard A. Lucas to be postmaster at Union, Maine, in place of C. W. Mitchell. Incumbent's commission expired March 10, 1936.

Howard F. Wright to be postmaster at Wilton, Maine, in place of G. E. Sands. Incumbent's commission expired March 10, 1936.

Mildred A. Holbrook to be postmaster at Wiscasset, Maine, in place of P. B. Stinson. Incumbent's commission expired March 10, 1936.

MARYLAND

T. Francis Martin to be postmaster at Essex, Md., in place of J. J. Banz, resigned.

MASSACHUSETTS

Richard E. O'Brien to be postmaster at Ballard Vale, Mass., in place of G. R. Bruce. Incumbent's commission expired January 9, 1936.

Alphonse E. Roberts to be postmaster at Chicopee Falls, Mass., in place of A. E. Roberts. Incumbent's commission expires June 10, 1936.

John A. Bell to be postmaster at Leicester, Mass., in place of J. A. Bell. Incumbent's commission expires April 27, 1936.

MICHIGAN

James A. Maxwell to be postmaster at Auburn, Mich. Office became Presidential July 1, 1935.

Harold P. Snyder to be postmaster at Bear Lake, Mich., in place of M. E. Jones, removed.

William D. Pinkham to be postmaster at Belding, Mich., in place of J. G. Wilbur. Incumbent's commission expired December 11, 1932.

Anne C. Parsal to be postmaster at Benton Harbor, Mich., in place of W. E. Banyon, retired.

Samuel Robinson to be postmaster at Charlotte, Mich., in place of M. H. DeFoe. Incumbent's commission expired January 25, 1936.

Delwin J. McDonald to be postmaster at Cheboygan, Mich., in place of A. R. Gerow. Incumbent's commission expired March 10, 1936.

Francis Jackson to be postmaster at Clare, Mich., in place of L. E. Davy. Incumbent's commission expired January 7, 1936.

Elizabeth H. Ronk to be postmaster at Clarkston, Mich., in place of Floyd Andrews. Incumbent's commission expired February 5, 1936.

Frank H. Crowell to be postmaster at East Jordan, Mich., in place of W. A. Stroebel. Incumbent's commission expired February 5, 1936.

Joseph J. Voice to be postmaster at Fife Lake, Mich., in place of J. J. Voice. Incumbent's commission expires June 23, 1936.

Fred W. Zehnder to be postmaster at Frankenmuth, Mich., in place of W. J. Kern. Incumbent's commission expired January 25, 1936.

Ralph Edward Peterson to be postmaster at Frankfort, Mich., in place of M. E. Chadwick, resigned.

Robert H. Edsall to be postmaster at Greenville, Mich., in place of H. I. Walker, transferred.

Walter C. Schoof to be postmaster at Imlay City, Mich., in place of E. E. Secor. Incumbent's commission expired February 5, 1936.

James O. Peet to be postmaster at Ithaca, Mich., in place of F. J. Gibbs. Incumbent's commission expired February 5, 1936.

William A. Seegmiller to be postmaster at Owosso, Mich., in place of O. L. Sprague. Incumbent's commission expired January 25, 1936.

Frank Knight Learned to be postmaster at Plymouth, Mich., in place of B. E. Giles. Incumbent's commission expired March 22, 1936.

Myron I. Lutz to be postmaster at Pullman, Mich. Office became Presidential July 1, 1935.

Arthur J. La Bo to be postmaster at Rockwood, Mich., in place of W. F. Cunningham, removed.

MINNESOTA

Paul B. Sanderson to be postmaster at Baudette, Minn., in place of P. B. Sanderson. Incumbent's commission expired March 31, 1936.

Alvin A. Ogren to be postmaster at New London, Minn., in place of A. A. Ogren. Incumbent's commission expires April 29, 1936.

Esther Bacon to be postmaster at Pillager, Minn., in place of L. M. Bennett, resigned.

Alfred Gronner to be postmaster at Underwood, Minn., in place of Alfred Gronner. Incumbent's commission expires April 12, 1936.

Robert L. Bard to be postmaster at Wheaton, Minn., in place of E. F. Joubert. Incumbent's commission expired February 20, 1935.

MISSISSIPPI

James T. Skelton to be postmaster at Goodman, Miss., in place of J. T. Skelton. Incumbent's commission expires May 23, 1936.

Cornelius V. Thurmond to be postmaster at Mound Bayou, Miss., in place of C. V. Thurmond. Incumbent's commission expired March 23, 1936.

MISSOURI

Joseph H. Hardgrove to be postmaster at Atlanta, Mo., in place of A. C. Atterberry. Incumbent's commission expired April 16, 1934.

Harry O. Travis is to be postmaster at Belle, Mo., in place of G. R. Steiner. Incumbent's commission expires April 27, 1936.

Roy Clodfelter to be postmaster at Essex, Mo., in place of R. A. Prater. Incumbent's commission expired January 9, 1936.

George Petrus to be postmaster at Hermann, Mo., in place of J. M. Schermann. Incumbent's commission expired March 10, 1936.

Ruby M. Farr to be postmaster at Kingston, Mo., in place of M. W. Duston. Incumbent's commission expires June 1, 1936.

Newton E. Young, Sr., to be postmaster at La Plata, Mo., in place of W. T. Robinson. Incumbent's commission expired February 9, 1936.

John Y. Glasscock to be postmaster at Maysville, Mo., in place of J. B. Wilson. Incumbent's commission expires April 27, 1936.

George E. Scott to be postmaster at New Hampton, Mo., in place of J. B. Chipp. Incumbent's commission expires June 10, 1936.

Mary S. McMahill to be postmaster at Osborn, Mo., in place of Anna Everett. Incumbent's commission expires April 14, 1936.

Edgar E. Smith to be postmaster at Owensville, Mo., in place of A. B. Burchard. Incumbent's commission expired February 1, 1936.

G. Emmett Moore to be postmaster at Parkville, Mo., in place of J. W. Fleming. Incumbent's commission expired February 9, 1936.

Leonard V. Parker to be postmaster at Plattsburg, Mo., in place of W. A. Porter. Incumbent's commission expired February 9, 1936.

Floyd E. Birkhead to be postmaster at Winfield, Mo., in place of H. E. Jackson. Incumbent's commission expired January 9, 1936.

Charles H. Oney to be postmaster at Wright City, Mo., in place of C. F. Strack. Incumbent's commission expired February 9, 1936.

NEBRASKA

Carl K. McCleery to be postmaster at Blue Hill, Nebr., in place of C. K. McCleery. Incumbent's commission expired January 25, 1936.

Ethel Talcott to be postmaster at Crofton, Nebr., in place of Ethel Talcott. Incumbent's commission expires May 23, 1936.

Frank Ainsworth to be postmaster at Exeter, Nebr., in place of Frank Ainsworth. Incumbent's commission expires July 7, 1936.

Merwyn C. Johnson to be postmaster at Hyannis, Nebr., in place of M. C. Johnson. Incumbent's commission expired February 10, 1936.

Charles Hugh Miner to be postmaster at Red Cloud, Nebr., in place of E. S. Garber. Incumbent's commission expired February 9, 1936.

Albert E. Pratt to be postmaster at Tobias, Nebr., in place of A. E. Pratt. Incumbent's commission expires May 23, 1936.

NEW HAMPSHIRE

Ernest L. Richardson to be postmaster at Conway, N. H., in place of A. M. Sloans, resigned.

Mary L. Doyle to be postmaster at Hillsboro, N. H., in place of J. C. Parker, deceased.

Charles L. McGinness to be postmaster at Troy, N. H., in place of H. E. Gates. Incumbent's commission expired February 5, 1936.

NEW JERSEY

George J. Imley to be postmaster at Allenhurst, N. J., in place of A. E. Hoffman. Incumbent's commission expired February 19, 1936.

Reuben Coyte to be postmaster at Coytesville, N. J., in place of Reuben Coyte. Incumbent's commission expired February 9, 1936.

Raymond A. McGrath to be postmaster at Cresskill, N. J., in place of W. R. Mayer. Incumbent's commission expired February 25, 1935.

Raymond W. McGreevey to be postmaster at Manasquan, N. J., in place of G. C. Kloss, Incumbent's commission expired January 9, 1936.

John N. Rumley to be postmaster at Towaco, N. J., in place of L. L. Jacobus. Incumbent's commission expired December 16, 1934.

NEW MEXICO

Helen B. Hickman to be postmaster at Hurley, N. Mex., in place of H. B. Hickman. Incumbent's commission expires July 13, 1936.

NEW YORK

Agnes G. Polley to be postmaster at Andes, N. Y., in place of D. M. Dickson. Incumbent's commission expired May 2, 1934.

Joseph G. Mattes to be postmaster at Avon, N. Y., in place of W. J. Leighton. Incumbent's commission expired February 20, 1935.

February 20, 1935.

Will J. Davy to be postmaster at Bergen, N. Y., in place of W. J. Davy. Incumbent's commission expired March 23, 1936.

Perley M. Hall to be postmaster at Carthage, N. Y., in place of Michael Gleason. Incumbent's commission expired February 4, 1935.

February 4, 1935.

Joseph T. O'Donnell to be postmaster at Elizabethtown,
N. Y., in place of E. E. Wood. Incumbent's commission expired February 14, 1935.

Thomas N. Manion to be postmaster at Ferndale, N. Y., in place of G. H. P. Hackett, deceased.

Sarah B. Keenan to be postmaster at Hague, N. Y., in place of S. H. Scott. Incumbent's commission expired April 22, 1934.

Dorothea E. Blum to be postmaster at Hawthorne, N. Y., in place of Alfred Cox. Incumbent's commission expired December 16, 1933.

Katherine A. Slattery to be postmaster at Maryknoll, N. Y., in place of K. A. Slattery. Incumbent's commission expired February 17, 1936.

NORTH CAROLINA

Francis L. Andrews, Jr., to be postmaster at Bethel, N. C., in place of W. H. Manning. Incumbent's commission expired March 17, 1936.

Ruth F. White to be postmaster at Colerain, N. C., in place of R. F. White. Incumbent's commission expires June 1, 1936.

Thomas W. Armstrong to be postmaster at Columbia, N. C., in place of B. R. Cohoon. Incumbent's commission expires May 19, 1936.

Basil G. Farmer to be postmaster at Elm City, N. C., in place of W. C. Thorne. Incumbent's commission expired February 9, 1936.

Benjamin Otto Turnage to be postmaster at Farmville, N. C., in place of W. G. Gay. Incumbent's commission expired April 12, 1936. Samuel Eugene Potts to be postmaster at Highlands, N. C., in place of E. C. Cleaveland. Incumbent's commission expired February 25, 1935.

Robert L. Mattocks to be postmaster at Maysville, N. C. Office became Presidential July 1, 1935.

Howard W. Moody to be postmaster at Murphy, N. C., in place of Thelma Dickey. Incumbent's commission expired March 10, 1936.

Samuel D. Mauney to be postmaster at Newton, N. C., in place of D. M. Cloninger. Incumbent's commission expired March 17, 1936.

Everett S. Stevens to be postmaster at Smithfield, N. C., in place of J. C. Stancil. Incumbent's commission expired April 4, 1936.

Kate Reagan to be postmaster at Weaverville, N. C., in place of R. E. Carmichael. Incumbent's commission expired March 10, 1936.

NORTH DAKOTA

Ethel L. Powers to be postmaster at Lawton, N. Dak. Office became Presidential July 1, 1935.

Chase E. Mulinex to be postmaster at Tolley, N. Dak., in place of C. E. Mulinex. Incumbent's commission expired March 10, 1936.

OHIO

Walter J. Miller to be postmaster at Beach City, Ohio, in place of A. B. Wingate, resigned.

Weston Thomas Dressel to be postmaster at Belpre, Ohio, in place of P. W. Athey. Incumbent's commission expires June 1, 1936.

James A. Hart to be postmaster at Beverly, Ohio, in place of N. J. Taylor. Incumbent's commission expires June 1, 1936.

Louis J. Elsaesser to be postmaster at Canton, Ohio, in place of H. H. Weiss, deceased.

Howard O. Ward to be postmaster at Cumberland, Ohio, in place of E. C. Allison. Incumbent's commission expired March 10, 1936.

Elmyra L. Griswold to be postmaster at Macedonia, Ohio, in place of E. L. Griswold. Incumbent's commission expired January 7, 1936.

John W. Berentz to be postmaster at New Matamoras, Ohio, in place of C. T. Cline. Incumbent's commission expired January 22, 1936.

Luella Sommers to be postmaster at Ottawa, Ohio, in place of Edwin Sommers, deceased.

Robert A. Durbin to be postmaster at Stockport, Ohio, in place of D. M. Lane, deceased.

Charles E. Folsom to be postmaster at Smithville, Ohio, in place of C. M. Sauder, resigned.

Charles Norman Wenzlau to be postmaster at Tippecanoe City, Ohio, in place of Henrietta Bennett. Incumbent's commission expires May 3, 1936.

Charles A. Conry to be postmaster at Wakeman, Ohio, in place of Ben J. Filkins. Incumbent's commission expired April 12, 1936.

George Geer to be postmaster at Wauseon, Ohio, in place of C. O. Eastman, Incumbent's commission expired March 10, 1936.

Jesse Ralph Short to be postmaster at Winchester, Ohio, in place of E. T. Siddens. Incumbent's commission expired January 7, 1936.

Edward J. Westerman to be postmaster at Woodsfield, Ohio, in place of A. O. Earley. Incumbent's commission expired March 10, 1936.

OKLAHOMA

Mary H. West to be postmaster at Ada, Okla., in place of J. W. Lewis. Incumbent's commission expired February 5, 1936.

Gladys E. McEwen to be postmaster at Aline, Okla., in place of G. O. Fields. Incumbent's commission expired February 3, 1936.

Wayne E. Mead to be postmaster at Allen, Okla., in place of J. K. Malone. Incumbent's commission expired February 5, 1936.

John C. Affholder to be postmaster at Blackwell, Okla., in place of T. H. W. McDowell. Incumbent's commission expired March 18, 1934.

John J. Skinner to be postmaster at Cleveland, Okla., in place of O. A. Gilbert. Incumbent's commission expired February 1, 1936.

George J. Martin to be postmaster at Guthrie, Okla., in place of F. M. Deselms, removed.

Hal A. McNutt to be postmaster at Stillwater, Okla., in place of T. W. Kelly. Incumbent's commission expired February 4, 1935.

James F. Nicholson to be postmaster at Talihina, Okla., in place of D. W. Robinson. Incumbent's commission expired December 18, 1934.

OREGON

John B. Wade to be postmaster at Bandon, Oreg., in place of A. K. Gallier. Incumbent's commission expired January 26, 1936.

Lawrence G. Allen to be postmaster at Joseph, Oreg., in place of C. V. Fairchild, removed.

Fred Randolph Peat to be postmaster at Lakeview, Oreg., in place of G. W. Johnson. Incumbent's commission expired January 26, 1936.

Merrill V. Smith to be postmaster at Lebanon, Oreg., in place of T. R. MacMillan. Incumbent's commission expired January 26, 1936.

Charles F. Cox to be postmaster at Ontario, Oreg., in place of P. W. Platt. Incumbent's commission expired February 5, 1936.

Ruth N. Johnson to be postmaster at Sheridan, Oreg., in place of G. W. Epley. Incumbent's commission expired March 23, 1936.

PENNSYLVANIA

Robert E. Giles to be postmaster at Coalport, Pa., in place of P. S. Lomire. Incumbent's commission expired February 25, 1935.

Samuel M. Carnell to be postmaster at Dott, Pa., in place of S. M. Carnell. Incumbent's commission expires May 19, 1936.

Marcella T. Pawlowski to be postmaster at Glenlyon, Pa., in place of Constanty Tarnowski. Incumbent's commission expired January 19, 1933.

Cleo W. Callaway to be postmaster at Shawnee on Delaware, Pa., in place of C. W. Callaway. Incumbent's commission expires May 3, 1936.

Oscar F. Sutliffe to be postmaster at Somerset, Pa., in place of O. F. Sutliffe. Incumbent's commission expires July 15, 1936.

James A. McCoy to be postmaster at Turtle Creek, Pa., in place of J. H. Watson. Incumbent's commission expired December 18, 1934.

PUERTO RICO

Marie O. Reyes to be postmaster at Arecibo, P. R., in place of Jose Mayol, deceased.

Juan V. Hernandez to be postmaster at San Sebastian, P. R., in place of J. V. Hernandez. Incumbent's commission expired March 28, 1936.

RHODE ISLAND

James J. Martin to be postmaster at Newport, R. I., in place of T. T. Bowler. Incumbent's commission expired February 3, 1936.

Antonio Prince to be postmaster at Woonsocket, R. I., in place of F. A. Rixford. Incumbent's commission expired February 9, 1936.

SOUTH CAROLINA

Robert Emmett Love to be postmaster at Clover, S. C., in place of W. L. Gettys. Incumbent's commission expired January 25, 1936.

James D. Mackintosh to be postmaster at McClellanville, S. C., in place of J. D. Mackintosh. Incumbent's commission expires June 10, 1936.

George K. Dominick to be postmaster at Newberry, S. C., in place of P. E. Scott. Incumbent's commission expired March 29, 1936.

John W. Geraty to be postmaster at Yonges Island, S. C., in place of J. W. Geraty. Incumbent's commission expires June 10, 1936.

SOUTH DAKOTA

Ralph L. Chambers to be postmaster at Clear Lake, S. Dak., in place of C. I. Force. Incumbent's commission expired January 25, 1936.

Emil P. A. Erdmann to be postmaster at Groton, S. Dak., in place of E. J. Meredith. Incumbent's commission expired January 25, 1936.

Arthur A. Van Voorhis to be postmaster at Hitchcock, S. Dak., in place of C. H. Cotton. Incumbent's commission expired January 25, 1936.

John T. Schneider to be postmaster at Lebanon, S. Dak., in place of Thorvalt Jordeth. Incumbent's commission expired January 25, 1936.

Anthony J. Rozum to be postmaster at Mitchell, S. Dak., in place of O. W. Coursey. Incumbent's commission expired January 25, 1936.

Helen E. Becker to be postmaster at Turton, S. Dak., in place of H. E. Becker. Incumbent's commission expires June 28, 1936.

Victor M. Dalthorp to be postmaster at Volga, S. Dak., in place of V. M. Dalthorp. Incumbent's commission expired January 26, 1936.

Thomas J. Delaney to be postmaster at Webster, S. Dak., in place of E. A. Wearne. Incumbent's commission expires April 27, 1936.

Nick V. Anton to be postmaster at Wessington Springs, S. Dak., in place of W. C. Bidleman, deceased.

TENNESSEE

Walter E. Nixon to be postmaster at Dayton, Tenn., in place of B. L. Morgan. Incumbent's commission expired January 7, 1936.

John Cort Sadler to be postmaster at Gainesboro, Tenn., in place of J. F. Gaines. Incumbent's commission expired February 5, 1936.

TEXAS

Tom Caudle to be postmaster at Ballinger, Tex., in place of J. A. Reese, resigned.

R. Nelson Gray to be postmaster at Bertram, Tex., in place of Vina Johnson. Incumbent's commission expired January 8, 1936.

Patrick S. Hendricks to be postmaster at Midlothian, Tex., in place of A. T. Baggett, Jr., Incumbent's commission expired February 19, 1936.

Thomas B. Higgins to be postmaster at Reagan, Tex., in place of T. B. Higgins. Incumbent's commission expired April 4, 1936.

William J. Davis to be postmaster at Silsbee, Tex., in place of W. J. Davis. Incumbent's commission expires May 23, 1936.

Hattie Waller to be postmaster at Trinity, Tex., in place of R. D. Gilbert. Incumbent's commission expired January 8, 1936.

Edwin C. Dickschat to be postmaster at Washington, Tex., in place of W. F. Borgstedte. Incumbent's commission expired June 2, 1934.

Chester L. Lewis to be postmaster at Wheeler, Tex., in place of C. L. Lewis. Incumbent's commission expires June 10, 1936.

VIRGINIA

Louise J. Taylor to be postmaster at Beaverdam, Va., in place of Noah Markey. Incumbent's commission expired March 10, 1936.

Andrew T. Organ to be postmaster at Chester, Va., in place of C. B. Graves. Incumbent's commission expired January 18, 1936.

Charles Alfred Goodykoontz to be postmaster at East Radford, Va., in place of J. M. Nunn. Incumbent's commission expired March 10, 1936.

John W. Helvey to be postmaster at Emory, Va., in place of L. A. Merrihue, removed.

Jesse T. Hylton to be postmaster at Hillsville, Va., in place of Clyde DeHaven, deceased.

C. E. Bristow. Incumbent's commission expired March 10,

Nannie L. Curtis to be postmaster at Lee Hall, Va., in place of N. L. Curtis. Incumbent's commission expires May 10,

Thomas N. Carruthers to be postmaster at Purcellville, Va., in place of M. R. Piggott. Incumbent's commission expired January 18, 1936.

Claude Neale to be postmaster at Saluda, Va., in place of Claude Neale. Incumbent's commission expires June 28, 1936.

WASHINGTON

Harvey H. Hartley to be postmaster at Goldendale, Wash., in place of W. F. Byars. Incumbent's commission expired January 8, 1936.

WISCONSIN

Michael P. Becker to be postmaster at Brillion, Wis., in place of C. H. Kuehl. Incumbent's commission expires April

Henry J. Thoma to be postmaster at Hartford, Wis., in place of F. M. LeCount. Incumbent's commission expires April 27, 1936.

Karl C. Neubauer to be postmaster at Horicon, Wis., in place of E. C. Rehfeld. Incumbent's commission expired February 10, 1936.

William Wright to be postmaster at Kewaunee, Wis., in place of F. A. Hanson. Incumbent's commission expired February 10, 1936.

Joseph C. Harland to be postmaster at Mukwonago, Wis., in place of W. F. Martin. Incumbent's commission expired February 10, 1936.

William Reuschlein to be postmaster at Plain, Wis., in place of L. J. Bettinger. Incumbent's commission expired January 18, 1936.

Louis J. Albrecht to be postmaster at Sheboygan, Wis., in place of H. E. Thomas. Incumbent's commission expired February 10, 1936.

Allison L. McNeight to be postmaster at Stratford, Wis., in place of Mourits Mortenson. Incumbent's commission expired February 10, 1936.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 13, 1936

The House met at 12 o'clock meridian.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord God of the rolling years, while we walk the changeful ways of time, grant us grace to feel and lament our sins. By prayer and meditation, prepare our hearts for deeper penitence and better lives. We pray for urgent wills and constructive spirits in all that we shall do, that the Republic may have a most honorable part in the world's life and character. Again we lift our souls in praise to Him who took up the morning stars and made them chime and swung them in the chanting choirs of the universe. Heavenly Father, keep alive in our breasts the One who faced failure, saved humanity, unsealed earth's tombs, and brought to man new courage and fresh inspiration. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Thursday, April 9, 1936, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On March 18, 1936:

H. R. 8886. An act to authorize the coinage of 50-cent pieces in commemoration of the sesquicentennial anniver- | Scouts of America;

Lloyd C. Pulley to be postmaster at Ivor, Va., in place of | sary of the founding of the capital of South Carolina at Columbia, S. C.;

H. R. 10265. An act to authorize the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of the Treasury to lend Army, Navy, Coast Guard, and other needed equipment for use at the National Jamboree of the Boy Scouts of America; and to authorize the use of property in the District of Columbia and its environs by the Boy Scouts of America at their national jamboree to be held during the summer of 1937; and

H. J. Res. 443. Joint resolution to amend Public Resolution No. 31 of the Seventy-fourth Congress, first session, approved June 17, 1935, so as to extend its provisions to cover the National Boy Scout Jamboree now scheduled to be held in 1937.

On March 19, 1936:

H. R. 9863. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1937, and for other purposes.

On March 30, 1936:

H. J. Res. 543. Joint resolution making an additional appropriation for the fiscal year 1936 for emergency relief of residents of the District of Columbia.

On April 10, 1936:

H. R. 381. An act granting insurance to Lydia C. Spry;

H. R. 605. An act for the relief of Joseph Maier;

H.R. 685. An act for the relief of the estate of Emil Hoyer (deceased):

H. R. 762. An act for the relief of Stanislaus Lipowicz;

H. R. 977. An act for the relief of Herman Schierhoff;

H. R. 3184. An act for the relief of H. D. Henion, Harry Wolfe, and R. W. McSorley;

H. R. 3254. An act to exempt certain small firearms from the provisions of the National Firearms Act;

H. R. 3369. An act for the relief of the State of Alabama: H.R. 4439. An act for the relief of John T. Clark, of Seattle, Wash.;

H. R. 5764. An act to compensate the Grand View Hospital and Dr. A. J. O'Brien;

H. R. 6335. An act for the relief of Sam Cable;

H. R. 7024. An act to authorize the sale by the United States to the municipality of Hot Springs, N. Mex., the north half of the southeast quarter and the northeast quarter of the southwest quarter of section 6, township 14 south, range 4 west, New Mexico principal meridian, New Mexico;

H. R. 7788. An act for the relief of Mrs. Earl H. Smith;

H. R. 8030. An act to authorize a preliminary examination of Republican River, Smoky Hill River, and minor tributaries of Kansas River, with a view to the control of their floods;

H.R. 8032. An act for the relief of the Ward Funeral Home:

H. R. 8038. An act for the relief of Edward C. Paxton;

H. R. 8061. An act for the relief of David Duquaine, Jr.;

H. R. 8110. An act for the relief of Thomas F. Gardiner;

H. R. 8300. An act to authorize a preliminary examination of Suwannee River in the State of Florida, from Florida-Georgia State line to the Gulf of Mexico;

H.R. 8559. An act to convey certain land to the city of Enfield, Conn.;

H. R. 8577. An act to amend the Teachers' Salary Act of the District of Columbia, approved June 4, 1924, as amended, in relation to raising the trade or vocational schools to the level of junior high schools, and for other purposes;

H.R. 8797. An act to provide a preliminary examination of Onondaga Creek, in Onondaga County, State of New York, with a view to the control of its floods;

H.R. 8901. An act to provide for the establishment of a Coast Guard station at or near Apostle Islands, Wis.:

H. R. 9200. An act authorizing the erection of a marker suitably marking the site of the engagement fought at Columbus, Ga., April 16, 1865;

H. R. 9671. An act to authorize the Secretary of the Treasury to dispose of material to the sea-scout service of the Boy

H.R. 10182. An act to authorize the Secretary of War to acquire the timber rights on the Gigling Military Reservation (now designated as Camp Ord), in California;

H. R. 10185. An act to amend the act approved June 18, 1934, authorizing the city of Port Arthur, Tex., or the commission thereby created and its successors, to construct, maintain, and operate a bridge over Lake Sabine, at or near Port Arthur, Tex., and to extend the times for commencing and completing the said bridge;

H. R. 10187. An act to extend the times commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

H. R. 10262. An act to extend the times for commencing and completing the construction of certain bridges across the Monongahela, Allegheny, and Youghiogheny Rivers in the county of Allegheny, Pa.;

H. R. 10316. An act to legalize a bridge across Poquetanuck Cove at or near Ledyard, Conn.;

H. R. 10465. An act to legalize a bridge across Second Creek, Lauderdale County, Ala.;

H. R. 10490. An act to amend chapter 9 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 10975. An act authorizing a preliminary examination of Marshy Hope Creek, a tributary of the Nanticoke River, at and within a few miles of Federalsburg, Caroline County, Md., with a view to the controlling of floods:

H.R. 11045. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.;

H.R. 11365. An act relating to the filing of copies of income returns, and for other purposes;

H. R. 11425. An act for the relief of Gustava Hanna;

H. R. 11945. An act granting the consent of Congress to the Department of Public Works of the Commonwealth of Massachusetts for the construction, maintenance, and operation of certain free highway bridges to replace bridges destroyed by flood in the Commonwealth of Massachusetts; and

H. J. Res. 305. Joint resolution accepting the invitation of the Government of France to the United States to participate in the International Exposition of Paris-Art and Technique in Modern Life-to be held at Paris, France, in 1937.

On April 11, 1936:

H. R. 6645. An act to amend the act entitled "An act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926; and

H. R. 6982. An act to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 233. Joint resolution providing for the participation of the United States in the Great Lakes Exposition to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 3483) entitled "An act to provide for rural electrification, and for other

purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Fletcher, Mr. Wagner, Mr. Bulkley, Mr. Townsend, and Mr. Couzens to be the conferees on the part of the Senate.

UNEMPLOYMENT

Mr. DOBBINS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech on the subject of Unemployment by the Honorable James M. Mead at Buffalo, N. Y., April 5, 1936, at a banquet tendered in his honor by the postal employees of Buffalo and western New

The SPEAKER. Is there objection?

There was no objection.

Mr. DOBBINS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following speech on the subject of unemployment, delivered by the Honorable James M. MEAD, chairman of our Committee on the Post Office and Post Roads, at a banquet tendered in his honor by the postal employees of Buffalo and western New York, on April 5, 1936:

Mr. Chairman, distinguished and honored guests, employees of the Post Office Department, ladies, and gentlemen, while I sincerely and genuinely appreciate this evidence of your friendship and loyalty, I cannot give expression to my real feelings of gratitude because of my very limited abilities. I am, however, very proud of my association with the Postal Service, and I thoroughly enjoy the many friendships I have made among the personnel of this great service. service.

service.

I am happy to tell you that Buffalo ranks high up on the list of the major cities of the country in the efficiency and effectiveness of the Postal System. The friendly attitude of the Postmaster General and his capable associates is reflected throughout the service, and here in Western New York it can be truthfully said that patrons and employees are enjoying a New Deal that is in reality an era of good feeling and satisfactory service.

The Post Office Department in adopting the 40-hour, or 5-day, week has set a splendid example for private enterprise to follow. Just as the Postal Service took up the slack in the employment of its substitutes, so will private business take up the slack by returning millions of the unemployed to steady work again.

The governments of the world have many vexing problems to consider at this time, some of them military, others territorial,

consider at this time, some of them military, others territorial, and others economic—all of them receiving the attention of layman and lawmaker. The most important national problem which must be solved at this time is unemployment. It must not be must be solved at this time is unemployment. It must not be obscured by any other issue, whether political, social, national, or international. The indisputable high efficiency of modern machine methods has destroyed work opportunities which may only be regained by a compensatory reduction of the work period, whether it be the work day or the work week.

Shortening the hours of labor will bring wage earners now without work into the Nation's contributory business organization. Increasing existing earnings and augmenting purchasing power among those who are now unemployed, is our most immediate

Increasing existing earnings and augmenting purchasing power among those who are now unemployed, is our most immediate economic need. A shorter work period will release purchasing power and stipulate industrial productivity. Reduction of the work period will give to millions of our citizens a security denied them under existing circumstances. A reduction in the work period will increase by millions the consumer population for American business. It will at the same time increase our standards of living and create new and widespread demands; demands for goods as well as services. A reduction in the work period will for goods as well as services. A reduction in the work period will enable the Government to reduce relief expenditures, eliminate relief agencies, reduce Federal taxation, and balance the Federal

However, until American enterprize recognizes the justice and the need of a shorter work day it will continue to be the duty of the Federal Government to provide work for its citizens.

In every age and in every country there has been opposition—bitter opposition to every effort on the part of the workers to secure a reduction in their work period, limiting by law or agreement the wage earner's workday, whether it was the establishment of the 10-hour day a hundred years ago or the 8-hour day

50 years ago.

Those same arguments have persisted throughout all these years and, without modification or improvement, are used today. Never before in the history of our country or, for that matter, of the world, has there been greater need for the reduction of the work "An act to provide for rural electrification, and for other purposes", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SMITH, Mr. WHEELER, and Mr. Norris to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 11968) entitled "An act relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other

destroy poverty and to win security all must do their share and lend their cooperation. The milling industry here in our own city, Kellogg industries at Battle Creek, Mich., and the elevator-construction industry, are but three instances where the 6-hour day increased factory output, lowered unit costs of production, and in general increased the efficiency, the health, and the contentment of the worker. The tremendous increase in man-power productivity, the constantly diminishing labor cost in plant overhead, the tremendous losses in wealth production suffered by the Nation in periods of depression, the destructive moral effect of enforced indelence upon our wage earners, the danger to the permanency of indolence upon our wage earners, the danger to the permanency of our existing institutions makes necessary the universal reduction in the workday and the workweek.

in the workday and the workweek.

Years ago man invented labor-making machines; today the inventive genius of our Nation invents the labor-saving machine. The teletype, the electric eye, the mechanical robot, remote control, and the cotton picker destroy labor employment at a rate never dreamed of in generations which have passed. Today America's productivity has attained the productivity of a normal year, and yet, primarily as a result of the machine, employment figures lag way to the rear. Over 5,000,000 of those who have lost their jobs as a result of the depression have been absorbed by industry. However, there are still 5,000,000 more to be absorbed, plus the millions who have become of working age since 1929. The American people could enjoy more leisure, higher consuming power, and increased production if the working day was shortened. This would compel industry to pay more rather than less for the undersupply of labor. It would give business the market it needs. Contentment and happiness would supplant idleness and fear, and the wheels of American industry would spin with a speed never before attained. never before attained.

America is no longer a nation with acres of undiscovered virgin soil. Its national resources have been impaired, her forests stand devastated by the exploiter's hand, her foreign markets have been diminished by the machine productivity of other lands. Therefore, the solution of the problem of unemployment is a domestic one, one that we must solve here in our own land. We must revise our economic system. Every American who is now without a job must be looked upon as a potential consumer of American business. Working, he contributes to the common welfare; unemployed he becomes the common problem of business. Governemployed, he becomes the common problem of business, Govern-

ment, and society.

America is ready and at the threshold of the greatest economic era in all the history of mankind. We have at hand the materials for a real new era. We have an industrial organization purged for the moment of the financial folly that leads to the crash. It has the tools, the skill, the experience, and only requires a free social conscience. All that is necessary is a common meeting of the minds of labor, of business, and of government.

meeting of the minds of labor, of business, and of government.

America has never failed in all of the crises of the past. America will not fail in this crisis. It cannot fail because the security of the common man, the future well-being of the youth of our land, the permanent protection of our American institutions from suffering, poverty, and grief as a result of insecurity are all dependent upon the banishment of unemployment from our land. The constant and steady improvement in business, the tremendous increase in corporate profits, the growing strength of the American labor movement, the acknowledgment on the part of the vast majority of our people of the need of a new economic era based on social justice, the realization on the part of the officials of our Government that there is no other way out except by giving to the workers in industry a shorter workday and a shorter workweek is the solution of the national problem of unemployment.

LEAVE TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that I may address the House for 10 minutes at the close of the remarks of the gentleman from New York [Mr. Boylan] and the gentleman from Missouri [Mr. Shannon].

The SPEAKER. Is there objection?

Mr. RANKIN. Reserving the right to object, I would like to ask the gentleman from Pennsylvania on what subject he desires to speak?

Mr. RICH. The principal subject will be waste of money, and especially the Jefferson memorial proposed to be erected at St. Louis, Mo., and the waste of money by the President of the United States.

The SPEAKER. Is there objection?

Mrs. NORTON. Reserving the right to object-and I do not intend to object—this is going to be a busy day, and I shall be forced to object to any further requests for time until the District bills are disposed of.

The SPEAKER. Is there objection? There was no objection.

FOREIGN OBLIGATIONS TO THE UNITED STATES

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection? There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, recently there has been a revival in Europe of the sacredness of treaties and contracts. Criticism has been directed against Germany because she has failed to observe the agreement reached in the Locarno Treaty. With the European governments in the mood to appreciate the solemnity of contracts, I believe it an opportune moment for the United States Government to remind nations with whom we have debt agreements that those are just as sacred and just as binding as Locarno or any other agreement.

If one agreement can be repudiated at will, then the same principle must be applicable to every agreement, and the result is all agreements become documents upon which there can be no real dependence.

The soundness of this argument was confirmed lately in the English Parliament by Lloyd George, who propounded the

What is the difference between the violation by Germany of a treaty and that which you (England) are doing, in violating your agreement as against America?

The response was quite illuminating and plainly indicated the intention of British repudiation unless there is positive action by the American Government. The Roosevelt administration in the last 3 years has made only a feeble gesture. As a result there has naturally grown up among the debtor nations a belief that the United States was reconciled to repudiation and did not really care to collect the debts.

The need to dispel this belief is urgent. The American people are being taxed heavily and the outlook over the next few years is for increased taxes.

Our burdens can be traced for the most part to the World War. It is only fair that money we advanced in good faith, much of it to rebuild Europe, and about which there is a definite agreement and understanding, should be repaid.

These debtor nations find it easy to secure huge sums to add to their naval and military armaments. They find money available for the new war, which is claimed to be around the corner. In the case of England, it is stated they now have a balanced budget.

In view of these facts, I believe the United States should insist upon the meeting of treaty obligations, and if the Roosevelt administration will not take the initiative Congress can do so by the passage of the resolution which I have introduced.

This resolution is a simple reiteration of American rights and a declaration of our belief in the sanctity of international agreements. It is as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress of the United States of America that the funded war debts of foreign nations to the United America that the funded war debts of foreign nations to the United States Government should be paid unequivocally in accordance with the terms of the respective agreements entered into by the debtor nations with the United States Government; and that to this end demand for such payments should be made and insisted upon through diplomatic channels in the interest of good faith among nations and in the name of the peace-loving people of the United States, who bear the burden of such unpaid obligations.

THE OUTLOOK OF FLOOD-RELIEF LEGISLATION

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, the most important problem facing the Pittsburgh district is still flood relief and flood protection.

The emergency nature of this problem is now over. The paramount need is for sound and sure methods of reconstruction and rehabilitation. This is no time for delay. This is the time for plain, outspoken, and vigorous pronounce-

During the flood and for a few days after the water receded, everyone in the flood areas and in other parts of the United States was in accord that immediate action was necessary to save the victims of the floods and to work out plans for the future prevention of such disasters. The immediate task of relief is being completed in a most admirable way and in an efficient manner.

MERCHANTS NEED FINANCIAL AID

The next question which must be settled is the question of financial aid to the small independent merchants whose businesses are located in the flooded areas, whose merchandise has been destroyed, whose equipment has been badly damaged, and whose assets have been wiped out in many cases.

Machinery to extend financial aid to small merchants must now be set up. Otherwise they will have to retire from business. Their business will be absorbed by the large corporations and their employees will be made jobless.

TALKING ABOUT AID IS NOT ENOUGH

The chamber of commerce, the business and banking leaders of the communities, have all publicly stated again and again that the small merchant is entitled to such aid as is necessary to restore him to the position which he occupied before the flood. With this position I am in complete accord, as I stated in a radio broadcast at Pittsburgh on March 29, 1936, over station WJAS. I also said that I would fight for such assistance in Washington, but I deemed it vital that the local banks should likewise render such financial aid to these deserving merchants as was necessary and proper.

MUST SPEAK THE TRUTH

I maintain that we are not doing the small merchant a service by hiding from him the facts, but that we are hindering and delaying his recovery by holding out false hopes. We owe it to these merchants and we owe it to the community whom they have served to state frankly and openly what the real facts are and what these merchants may expect, so that they may be guided in their action and may take intelligent action for their own salvation.

In order to paint a correct picture we must divide the small merchants into two classes: Those who can give security for loans which may be made to them, and those who have lost their all and are therefore unable to give any security.

LOCAL BANKS DEMAND SECURITY

It appeared to me that a merchant who had dealt for many years with a local bank, who had carried on an honest business in this community, and who had always met his obligations, was entitled to consideration from his banker. So remembering the fact that the local bankers have publicly declared that these small businessman were entitled to financial aid, I went to some of the banks and inquired whether they were willing to make the necessary loans to their merchant customers. These local bankers told me frankly and without hesitation that if the merchant could put up security-sufficient and adequate security-they would lend him the necessary money. But the local bankers added that if these merchants could not put up security they felt they were not justified to lend the money which belonged to their stockholders or to the depositors, even though they sympathized with the plight of the merchant. In other words, the local bankers admitted the need for aiding the small merchants who had lost their assets, but they declared that it was not sound business practice for them to extend

With this knowledge, but still determined to do my part to obtain aid for the stricken small businessman, I went back to Washington.

H. R. 11968 FAILS TO RENDER AID

On April 1, 1936, H. R. 11968, the bill to amend and liberalize the Reconstruction Finance Corporation for the express purpose of aiding property owners and merchants in the flood areas came before the House of Representatives for debate and action. It was widely acclaimed as bringing the necessary aid to the stricken merchants and property owners who were the victims of floods. I am sorry to say that such is not the case. The debate on H. R. 11968 and my own speeches on it will be found in the Congressional Record of April 1, 1936.

R. F. C. WILL NOT AID DISTRESSED MERCHANTS WHO CANNOT GIVE COLLATERAL SECURITY

As a matter of fact anyone who will read the bill and who will examine and analyze its provisions will see that the bill

will extend aid only to those property owners and merchants who are able to put up adequate security, but that it will be of no help whatsoever to those merchants who have lost their all and thus cannot put up security.

During the debate on this bill I took the floor three times for the purpose of showing by an examination of the bill itself that it would not be of any aid to the merchant who had no security to offer, and in fact that it would harm him by creating hopes which could not be fulfilled.

"WAIVER OF SECURITY" AMENDMENT OFFERED

I hammered away at this point until it was practically admitted. I presented an amendment to the bill which provided for character loans to merchants in the flood areas by the Reconstruction Finance Corporation. The amendment appears on page 4733 of the Congressional Record of April 1, 1936. It reads as follows:

Provided, however, That in cases where the applicant enjoys a good credit standing and where his past business record shows that the applicant has met his obligations promptly, and that his business ethics are such that he may reasonably be expected to repay such loans, the furnishing of collateral for such part of said loan as applies to personal property may be waived.

This was simple language. It provided that the honest businessman who was solvent before the flood, and who paid his bills in the past and maintained an honorable credit standing, should receive financial assistance from this governmental agency without being required to furnish adequate bank-loan security which he does not have due to the flood damage. Without this amendment the bill passed by the House of Representatives was meaningless and worthless. After prolonged debate, in which many Members of Congress expressed their sympathies for merchants ruined by the flood, my amendment for character loans to honest merchants was defeated.

FEAR GENERAL PRECEDENT

My colleagues in the House who defeated the amendment for character loans by the Reconstruction Finance Corporation took the position that to extend loans of Government funds to private merchants without sufficient security to guarantee the repayment was undesirable and would create a dangerous precedent. They argued that if that is done in the case of a flood, the same aid must be extended to farmers and merchants who suffer by drought, tornado, earthquake, or other natural disasters. They argued that they were willing to appropriate whatever money is necessary for relief so that no one should starve or go without shelter in the flooded areas, but they felt that they are not justified to lend money to those merchants who lost everything they had in the flooded areas.

I am anxious that these facts be brought to the attention of the merchants concerned. I feel that it is vital that they should know what help they may expect. I feel it is important that these merchants should know exactly what will be done for them so that they could shape their future plans accordingly.

MERCHANTS MAY NOT RECEIVE ASSISTANCE

Therefore I want to make it plain, beyond the peradventure of a doubt, that the fight for character loans for the merchants by the Federal Government has been lost, and that it is not only unlikely but most improbable that such character loans will ever be made. In fact we might say it is certain that they will not be extended. With this knowledge, let us now examine the question whether aid may be expected from other sources, governmental, or a combination of both.

MUST UTILIZE EXISTING AGENCY

It is impossible to set up the machinery for a new agency. One of the requirements in this emergency is speed. It would take almost 2 years to organize properly to grant loans to merchants unless we make use of an existing agency. I believe that the best solution lies in taking advantage of the existing facilities, administrative staff, and experience of the Federal Housing Administration by amending title I, which insures banks and financial institution against losses sustained in making loans to borrowers for repairs and equipment of homes and business properties. Since the primary

need is to help those businessmen who have maintained a favorable credit standing during their past business career, it appears that the banking institution with whom the merchant has been doing business, is in the best position to determine his financial responsibility.

H. R. 11132 AMENDS FEDERAL HOUSING ACT FOR BENEFIT OF FLOOD

I have therefore introduced a bill, H. R. 12132, which amends the Federal Housing Act by permitting the Federal Housing Administration to insure banks and other financial institutions against losses on loans that they may make to merchants whose stocks and equipment were damaged by the flood. It is my proposal that the loans to small merchants be granted to them by their own banks, and as an incentive to the banks to be more liberal with merchant flood victims, the Government will guarantee these loans to the banks up to 20 percent of the total of all the flood loans they may make. In this manner the really deserving and honest merchant will receive liberal credits from his own bank and at the same time not endanger the financial stability of the bank by the granting of unwise loans.

LIBERAL LENDING POLICY MUST BE ADOPTED

However, it is important that the borrowers be assured that the financial institutions whose loans will be insured by the Government will adopt a liberal and humane attitude toward these distressed merchants. I have, therefore specifically provided that the rate of interest shall not exceed 6 percent per annum and that due credit be given for partial payments.

Further provision is made for these loans to mature in about 5 years and that loans for a lesser period be renewed. No loans are to be made for new businesses; they will be limited to finance the replacement of goods and equipment actually damaged or destroyed in the flood.

GOVERNMENT AND LOCAL BANKS TO COOPERATE

In this connection the Government will be doing its part to assist the small merchant. It puts this problem squarely to the banks. Will the local banks cooperate by assuming a liberal attitude toward their merchant depositors or will they, too, insist on adequate and unreasonable margins of security? In the past, recovery was retarded by the ultraconservative policies of some banks. They had refused to extend credit to deserving and solvent businesses. If they maintain the same policies, the merchants of the flood-swept areas will receive no assistance at all. Here is a splendid opportunity for the banks in this district to retrieve lost ground by regaining public confidence. To the extent that the local banks are willing to assume their share of reconstruction and rehabilitation in the Pittsburgh district will be determined the degree of recovery that is to be made by the hard-hit business firms in the Pittsburgh district.

I hope that H. R. 12132, the bill which I just discussed, will be passed by the Congress. If it does, the merchants in the Pittsburgh district and in the other flooded areas may expect substantial assistance by coordinated efforts of the Government and the local financial institutions.

FLOOD-CONTROL BILL TO PASS

And now we come to the prevention of future floods. should like to emphasize that the omnibus flood-control bill has already passed the House and is now in the Senate Committee on Commerce. We must remind those individuals and organizations who have been urging the passage of this bill that the Members of Congress from this district are all in favor of the construction of flood-control projects.

RIVER WALLS NECESSARY FOR FLOOD PREVENTION

As I explained before, the proposed dams and reservoirs in the headwaters of the Monongahela and Allegheny Rivers would reduce the Pittsburgh flood stage by only 71/2 feet. This is wholly inadequate in view of our experience with a 46-foot flood stage. I have pointed out before the necessity of flood walls as a needed additional precaution against a recurrence of a flood disaster.

I am sorry that this report on the progress of flood-control I am sorry that this report on the progress of flood-control In the 12 Republican years ending March 4, 1933, more than legislation is not more optimistic, but it is the truth. As 10,000 banks had falled in the United States. In 1 year alone

matters stand today in Washington, the chances for the construction of flood-control projects are not certain, and the assistance which it appears will be given flood-stricken business is meager. While this picture is gloomy, the only ray of hope lies in creating sufficient public sentiment for these measures, so that the Members of the House and Senate, who are not from flood-stricken areas, will realize the vital needs of the Pittsburgh district and of other districts damaged by the flood and join with us in passing these necessary bills.

RECORD OF THE ROOSEVELT ADMINISTRATION

Mr. UTTERBACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing a speech made by my colleague the gentleman from Iowa [Mr. BIERMANN], delivered as temporary chairman at the Democratic State convention of the State of Iowa on April

The SPEAKER. Is there objection?

There was no objection.

Mr. UTTERBACK. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech made by my colleague the gentleman from Iowa [Mr. BIERMANN], delivered as temporary chairman of the Democratic State convention of the State of Iowa, April 3, 1936:

Mr. Chairman, I thank you and the other members of the Democratic State central committee for the honor you have conferred upon me. It is a great pleasure to look out onto this splendid audience and to see in the eyes of thoughtful, patriotic men and women pride in the accomplishments of the past 3 years, zeal for this campaign, and confidence in the future of our Republic under the leadership of Franklin D. Roosevelt and a Democratic administration.

The past 3 years have been packed with big events. The program to deal with the wreck and ruin that had overwhelmed this country has been stupendous. It is the simplest kind of justice that the Democratic Party should be judged on that record. We should not be allowed to escape from that record if we would. And we would not if we could. Let us insist that this campaign be fought on that record. Let us not be turned aside. In the words of Abraham Lincoln, "Let us not be slandered from our duty by false accusations against us."

Before we discuss the record I pay my highest tribute of respect.

before we discuss the record, I pay my highest tribute of respect and admiration to those hundreds of thousands of independent voters and Republicans who made the victories of 1932 and 1934 possible. Without them those victories would have been defeats, To sever political ties years old, sometimes generations old, required the noblest kind of patriotism and the finest kind of moral courage. I am reminded of the words of Edmund Burke. They are as true now as they were 150 years ago: "When parties change their principles patriots change their parties." All honor to these men and women who arrayed themselves under the Democratic banner to rescue our country from economic ruin and possible revolution.

and women who arrayed themselves under the Democratic banner to rescue our country from economic ruin and possible revolution. I earnestly hope that this record which they have made possible has been so pleasing to them that they will abide with us. We have welcomed them to our ranks and to our councils. With their continued aid the great program for economic and social justice can be carried forward to triumphant conclusion.

The humanitarian purposes that have inspired much of the Roosevelt activities have made special appeal to the hearts and minds of the women of America. They have seen and have applauded the purpose to rescue the unfortunate, to provide wholesome surroundings for children and young people, and altogether to make America a better place in which to live and in which to rear families. We ask the womanhood of America to continue its support in order that humanitarian progress may not be arrested by those who contend that the improvement of American home surroundings is not a proper subject for Federal legislation. surroundings is not a proper subject for Federal legislation.

surroundings is not a proper subject for Federal legislation.

And I cannot help but compliment another group that has contributed greatly to the victories—the Young Democratic Clubs. They have directed the attention of young people to their duty to take a thoughtful interest and a patriotic part in politics. The young Democrats have done valiant service for the great program we call the New Deal. The courage, the directness, and the frankness of the New Deal appeal to young people, unfettered by years of political habit. The young Democrats have come into political activity as the supporters of great ideals. I pray them that they continue during their lives to be devoted to high ideals of politics and of government. In a short time the destiny ideals of politics and of government. In a short time the destiny of the Democratic Party will be in their charge. May they keep it loyal and true to great principles of government. May they keep it free from domination by selfish groups on the one hand and by mobs led by clever demagogues on the other.

And now for the record, on which this election should turn. In considering that record we ask the public to have in mind three questions: (1) What was the situation that confronted this administration March 4, 1933; (2) what have we done to meet that situation; and (3) what will our critics undo if they return to power?

2.294 closed their doors. Our banking system had collapsed and had carried with it the life savings of millions of Americans, many of whom are today in want through no fault of their own. The banking collapse had wrecked thousands of business men. Commercial credit had dried up and confidence in banks had ceased to exist. Financial anarchy prevalled.

The first official act of the Roosevelt administration was to close all the banks in the country until they could reopen with good assurance that they would stay open. The activities of the Reconstruction Finance Corporation were promptly expanded, and from March 1933 to February 1936 the R. F. C. assisted banks with loans of \$6,531,956,374. The Emergency Banking Act of 1933 and the Banking Act of 1935 put the banking system of the United States onto the soundest basis in its history. That fact is attested by the banks' repayment already of \$2,965,621,228 of the loans advanced to them since March 1933.

The Federal Deposit Insurance Corporation was organized. It

The Federal Deposit Insurance Corporation was organized. It was the first effort ever made by our Government to protect the savings of the American people. Its success is shown in an increase of \$6,000,000,000 in the bank deposits of our country and in the now universal confidence in our banks.

These acts are monuments to the sound business policies of this administration. Their value to bankers, to depositors, and to the business people of our country cannot be measured.

We challenge our critics to name one of our banking laws which they would repeal. We challenge comparison of these 3 years of Democratic rule with the last 12 years of Republican rule as they have affected the banking situation in America.

INVESTMENTS

For many years the fraudulent sale of stocks and bonds had gone on unrestrained by the Republican administrations. No Iowa community escaped the ravages of these grafters who bilked our citizens of their savings. Few Iowa banks escaped the purchase of worthless stocks and bonds, whose purchase was ofttimes encouraged or even demanded by the State banking department or the national banking department under Republican administration. The Roosevelt administration gave the country the Securities Act of 1933 and the Securities Exchange Act of 1934, which have put an end to these exploitations and have curbed fraudulent manipulations of the stock exchanges. Have these antistealing laws hurt honest business? Let the record answer. In the first 9 months of 1935 more than twice as many dollars of new securities were issued as during the entire year 1932. The Roosevelt administration is the friend of honest business. It is the enemy of fraudulent business and purposes to continue to be.

Which of these antigraft acts would our critics repeal? For many years the fraudulent sale of stocks and bonds had gone

COMMERCIAL FAILURES

There appears to be a Nation-wide propaganda to scare business. The scare cannot be founded on facts. I say to you that there is not one kind of legitimate business in this Republic that has not been improved by the acts of this Democratic administration. The record shows it beyond cavil. In 1932 there were 31,822 commercial following in the United States. In 1935, there were 2018, 12,185. feilures in the United States. In 1935 there were only 12,185. Every daily newspaper tells of increased earnings and of bigger and better business. I ask any businessman in Iowa if he would exchange 1936 business conditions for those of 1932.

FOREIGN TRADE

Every sound thinker knows that America can never have the fullest employment of labor, the greatest business activity, nor the fullest measure of farm prosperity until our foreign trade has been restored. That trade was wrecked by the narrow, restrictive policies of preceding administrations and by the utter stupidity of that criminal folly, the Hawley-Smoot tariff of 1930. In 1929 our foreign trade was \$9,500,000,000. In 1932 it was only \$3,100,000,000. Thomas Lamont, President Hoover's Secretary of Commerce, said that the loss of that \$6,400,000,000 of foreign business caused the unemployment of more than 3,000,000 American workers. Those 3,000,000 unemployed, with their families, became poor customers for Iowa ham, bacon, pork chops, beefsteak, and butter. Their decreased consumption contributed substantially to cause the surpluses that wrecked the prices of Iowa farm products. Every sound thinker knows that America can never have the

pluses that wrecked the prices of Iowa farm products.

The rebuilding of foreign trade is a slow and laborious process, but it is going on successfully. In 1935 it was \$1,180,633,142 more than it was in the last year of the Hoover administration. Would our critics destroy that increased business and throw out of work

those engaged in it?

A few years ago foreign countries used to buy from us, in pork and lard, the equivalent of 17,000,000 hogs annually. In 1932 their purchases had been reduced to the equivalent of 3,000,000 hogs. The Roosevelt administration purposes to restore as much of that business as possible. Trade agreements have been made with a number of countries that will eventually greatly expand the foreign consumption of American farm products. The agreement with Switzerland is typical, both of the situation that confronted us and of the remedy applied. Switzerland used to buy 90 percent of her Switzerland is typical, both of the situation that comminded us and of the remedy applied. Switzerland used to buy 90 percent of her lard from the United States. Exasperated by the Hawley-Smoot tariff, Switzerland had ceased to buy a single pound of American lard. Under the recent agreement she agrees to buy again 90 percent of her lard from us.

The American people want peace. They abhor the barbarity of war and the stupidity of attempting to settle international difficulties with wholesale slaughter. This administration wants peace. It has announced the policy of the "good neighbor", and it is practicing that policy. It has taken effective measures to link

together the peace-loving peoples of the North and South American Continents. The Congress has passed neutrality laws to keep us out of entanglement in future conflicts. The State Department has achieved great success among great difficulties in its efforts to improve our relations with many countries. It is pressing for economic stability as the surest basis for peace. But let us not deceive ourselves. The question of our entrance into another war, if one comes, is going to be decided by the American people themselves. Let us dedicate America to peace. Let us have peace at home, and let us contribute to peace abroad. And let us determine now that if war comes in Europe we shall stay out of it, even though the price we shall have to pay may be the utmost hard though the price we shall have to pay may be the utmost hard times and the most costly dislocation of our economic system.

HOME LOANS

Through all the efforts of this administration may be seen as a principal purpose the desire to help the mass of our citizens, the average man and woman.

Loans to home owners are an example. Hundreds of thousands of American home owners, thrown out of work by the hard times of the Republican administrations, or reduced in circumstances by investment in fraudulent stocks and bonds were about the investment in fraudulent stocks and bonds, were about to lose their homes when this administration came into power. The Home Owners' Loan Corporation was created to help them. In the 30 months since its creation it has made loans to more than a million borrowers, most of whom otherwise would have lost their million borrowers, most of whom otherwise would have lost their homes by foreclosure. Among these million borrowers foreclosure has been taken against less than one-third of 1 percent. Not only did the home owners themselves benefit by this program but the State, county, and municipal governments have benefited to the extent of more than \$225,000,000 in delinquent taxes, which were paid in these transactions. Iowa home owners have more than 19,000 of these loans, amounting to more than \$37,000,000.

The Federal Housing Act has supplemented the H. O. L. C. and has created business and employment in every county in Iowa.

has created business and employment in every county in Iowa. It was passed in the summer of 1934. Its benefits are indicated by the fact that building permits for residences in the last 3 months of 1935 increased 250 percent over the last 3 months of

What fault do our critics find with that program? Was it wrong to save the homes of a million American families?

SOCIAL SECURITY

We have enacted railroad-pension legislation that heretofore couldn't even get a hearing in Congress. No other administration in all history has dealt with the problems of labor with as much sympathy as has been given to them the past 3 years. We have insisted that, so far as the national laws can affect the situation, labor must have good working conditions researched because and labor must have good working conditions, reasonable hours, and

labor must have good working conditions, reasonable hours, and fair pay.

In 1935 we passed the Social Security Act. Under it the Federal Government gives aid to the dependent aged, the blind, dependent children, maternal and child welfare, public-welfare service, and vocational rehabilitation. Under it a system of unemployment insurance is set up, providing for contributions by employer and employee to lay something aside against the rainy day of unemployment and old age.

Some say we have not gone far enough. To them we answer that no other government in all the world has ever attempted so much at one time.

Others say that this is socialism or communism. To them we answer, "If this be socialism or communism, so is the Sermon on the Mount, for the principles involved are identical."

RELIEF

The problem of more than 14,000,000 unemployed confronted this administration 3 years ago. To combat it, Nation-wide agencies had to be set up in a hurry. They had no experience to guide them. They entered a new and unexplored field of Federal activity. Errors in policy and mistakes in spending were inevitable. Improved business conditions the past 3 years have given employment to at least 5,000,000 persons, but there are still millions of persons unemployed. Probably the unemployed will be with us for years to come. One modern invention after another makes it possible for a few people to do the work that formerly required many persons. Today Government agencies are supplying work for 3,800,000 persons. Local and State relief are caring for 1,500,000. Each succeeding year of the Roosevelt administration the problem has been dealt with more efficiently and more economically, and the appropriation for next year's relief will be the lowest in 4 years.

AID TO YOUTH

One of the tragedies of the depression was the unemployed young One of the tragedies of the depression was the unemployed young people. Reaching working ages, there was nothing for them to do, and adverse circumstances compelled them to languish in idleness. We established the C. C. C. camps, which have furnished wholesome employment to hundreds of thousands of young men and war veterans, who have contributed \$25 each per month to the support of their dependents. Such a program had never been dreamed of by any administration before this one.

We have extended aid to needy and deserving young people who desire to continue their education. More than 103,000 such students have been given aid at one time.

NO SCANDAL IN WASHINGTON

There has been no scandal or suspicion of scandal in Washington in these crowded years. They have criticized the Secretary of the Interior, Mr. Ickes, for his administration of the P. W. A., but his bitterest enemies have admitted his honesty. They have denounced

Harry Hopkins, but they have never accused him of stealing. Not so long ago another administration had a Secretary of the Interior, Albert Fall, who was sent to the penitentiary for attempting to steal the Nation's birthright. There has been no Fall or Forbes or Daugherty or Jesse Smith or Gaston Means in the Roosevelt administration. There have been mistakes, but they have been honest

Am I at all inaccurate when I say that the Republican Party has never done anything effective for the good of Iowa agriculture? It has crucified agriculture on the cross of the high so-called protective tariff. When the administration of President Harding took over the Government from a Democratic administration agriculture over the Government from a Democratic administration agriculture was at the peak of its prosperity. During the succeeding 12 years of the Republican administrations it was reduced step by step to the lowest depths of adversity. In those 12 years three tariff laws were passed, each one higher than its predecessor. Each higher tariff law was followed quickly with lower farm prices; and each higher tariff was followed in some cases by higher prices on the things the farmer had to buy. Each tariff caused retaliation by foreign countries, which contracted and finally almost destroyed the foreign market in which the farmers of America disposed of their surplus products. Finally, after the most monstrous of all tariffs, the Hawley-Smoot tariff, the farmers' surplus stayed at home and the result was 2-cent hogs and 3-cent corn.

History will record that no other administration ever acted so earnestly, so effectively, in the farmers' behalf as has this very Roosevelt administration.

On March 4, 1933, two and a half million American farms were

On March 4, 1933, two and a half million American farms were mortgaged. Five hundred thousand of them were in imminent danger of foreclosure. The Federal land bank, set up by the last Democratic administration, had ceased to function. In 1932, when it was most needed, it loaned only \$27,000,000 in the entire United

twas most needed, it loaned only \$27,000,000 in the entire United States.

What did we do about that situation? We promptly expanded the activities of the Federal land banks. Their rates of 5 percent and 6 percent were lowered to 4½ percent, 4½ percent, and for this current year to 3½ percent. There is no similar type of loan made by any other government land bank in all the world at so low a rate of interest. In 1932, the last Hoover year, at interest rates then prevailing and at prices then prevailing, it took 2,174 bushels of corn or seventy 220-pound hogs to pay the interest on a \$10,000 Federal land-bank loan. In 1935, at interest rates then prevailing and at prices then prevailing, it took 425 bushels of corn or nineteen 220-pound hogs to do the same thing.

There were outstanding in Iowa on March 7, 1936, 51,507 Government loans, and they total \$257,443,500. That is an average for each Iowa county of more than 500 loans and more than two and one-quarter million dollars. Of this tremendous sum, four-fifths was advanced since the Roosevelt administration came into power. I ask you from your own experience, since the dark days of 1932, how many Iowa farmers would have been dispossessed of their homes if the Roosevelt administration had not come into power? If the Federal land banks had loaned only \$27,000,000 in 1933 and only \$27,000,000 in 1934, how many thousands of Iowa farmers would have been foreclosed?

Not only hes this administration made real-estate loans at the

would have been foreclosed?

Not only has this administration made real-estate loans at the lowest rate in the world but it provided money at low rates for seed and feed and for the ordinary production processes on the farm. It has provided money for farm cooperatives at low rates.

CORN LOANS

Not so many years ago, when corn reached a very low figure, the Republican Secretary of Agriculture offered as his cure for the situation that Iowa farmers burn their corn for fuel. In the fall of 1932 thousands of bushels of Iowa corn were sold for 7 and 8

or 1932 thousands of bushels of lowa corn were sold for 7 and 8 cents a bushel. This Democratic administration had not been in power long until it was lending farmers 45 cents a bushel on their corn, sealed in their own cribs and kept on their own farms.

Permit me to recall an instance. In 1933, when corn was selling at 20 cents a bushel, a Cerro Gordo County farmer, with bills to pay and supplies for his family to buy, had 1,600 bushels of corn in his crib. If he had sold it at 20 cents a bushel he would have received \$320 and he would have bed only \$320 with which corn in his crib. If he had sold it at 20 cents a bushel he would have received \$320, and he would have had only \$320 with which to pay the merchant and the doctor and the dentist and to buy from the businessmen of his community. But the Government loaned him 45 cents a bushel on his corn, in his own crib, on his own farm. Then he had \$720 with which to pay his obligation and to trade with his merchants. When he came to sell his corn, he received 70 cents a bushel, or \$1,120. This one Iowa farmer on one transaction with the Possevelt administration had made \$200. received to cents a bushel, or \$1,120. This one lows farmer on one transaction with the Roosevelt administration had made \$800. And not only had he profited but the business and professional men of his community had profited. Multiply that instance by thousands and you have a picture of the benefit this administration's corn loans conferred upon Iowa farmers and upon Iowa

business and professional people.
In 1933 the corn farmers of this country borrowed \$120,664,190.24 at 45 cents a bushel. Every cent of that money has been repaid. In 1934 they borrowed \$4,323,884.68 at 55 cents a bushel. Every cent of that has been repaid. Never in American history has there been another administration that has done that sort of

there been another administration that has done that sort of practical thing for Iowa farmers.

The Roosevelt administration was confronted with two agricultural problems: First, to provide credit in a hurry at low rates of interest. That was done efficiently and successfully. The second problem was to raise the prices of farm commodities. That was the job on which the Hoover Farm Board had failed so miserably and had squandered a half billion dollars.

No action by individual farmers, no action by individual States could hope to deal with the problem of overproduction of farm products. Only the National Government could provide the necessary national plan for united action. That was done in the Agricultural Adjustment Act. You know of its success, but let me remind you of some of the official figures. On March 15, 1933, the average price received by Iowa farmers for corn was 13 cents a bushel; for hogs, \$3.20 a hundredweight; for butter, 17 cents a pound; for eggs, 8½ cents a dozen. On December 15, 1935, they received 46 cents for corn, \$8.80 for hogs, 33 cents for butter, and 26 cents for eggs.

The A. A. A. proposed to do for the farmers what any factory would have done for itself in the face of a declining market; it restricted the production to fit the demand. But not only did the administration give the farmers a plan for business-like curtailment of production, but by putting people to work and improving business it expanded home consumption. The result has been that in less than 3 years the American farmers have been advanced from the depths of depression a long way on their road back to the prosperity which they deserve.

Up until December 31, 1935, Iowa farmers had received in benefit payments the stupendous sum of \$93,292,030.60. That was

fit payments the stupendous sum of \$93,292,030.60. That was spending Government money in Iowa, for Iowans, where Iowans could see it.

The Supreme Court invalidated the A. A. A. Congress promptly appropriated money to finish the payments still due on the 1935 contracts. More than \$22,000,000 will yet be paid to Iowa farmers out of that appropriation.

But the benefit payments made to reward farmers who reduced

out of that appropriation.

But the benefit payments made to reward farmers who reduced their production and thereby made the A. A. A. program possible—those were, by far, the smaller part of the farmers' gain. Their principal gain was the increase in the prices of the products they sold. In the last year of the Wilson administration the total gross income of American farmers was \$13,600,000,000. In the last year of the Hoover administration it had fallen to \$5,300,000,000. That of the Hoover administration it had fallen to \$5,300,000,000. That difference of \$8,300,000,000 meant the ruin of hundreds of thousands of American farmers, the foreclosure of tens of thousands of American farms, while the Hoover administration did not one effective thing to avert the catastrophe or to rescue its victims. That difference of \$8,000,000,000 in the farmers' income ruined thousands of businessmen in cities and towns such as we have in Iowa, whose prosperity rises and falls precisely with that of

farmers.

By 1935 the gross income of American farmers, which had sunk to \$5,300,000,000 under Hoover, had risen to \$8,110,000,000 under Franklin D. Roosevelt. The farmer has money again. The merchant and the lawyer, the doctor and the dentist, who had sunk into the mire with the farmers, they, too, have money and the best business in many years. Is this administration dangerous to business? Let the record of business the past 3 years in any town in Iowa answer that question.

SOIL CONSERVATION ACT

Your Congress has devised a successor to the A. A., A., the Soil Conservation and Domestic Allotment Act. In that program farm land will be taken out of production of crops and put into production of fertility. In administering that program it is hoped and believed that ruinous farm surpluses will be avoided. Its enact-

believed that ruinous farm surpluses will be avoided. Its enactment again demonstrates that this administration has the welfare of agriculture as its principal concern.

In 1932 I stated scores of times that not one farmer in the Fourth Icwa District would make a single dollar that year, figuring his investment and overhead. That statement has never been called into question to this day, so far as I know. Today farmers are making money in every county in Iowa. Iowa business and professional men are making money, because the Roosevelt policies have made it possible for their farmer customers to bring cash into the cities and towns of this State. At last Iowa farmers have a place in the sun and they are going to keep it, so long as this administration is in power. And we have confidence, so far as Iowa is concerned, that the farmers are going to see to it that the Roosevelt administration continues in power. Roosevelt administration continues in power.

THE PUBLIC DEBT

They say that we have spent too much money. One reason why that appeals to us Iowans is that we were not used to seeing the Federal Government spend money in Iowa. We have been content with reading about expenditures on the Atlantic seaboard. In the past 3 years, for the first time, Iowans have seen the Federal Government spend money in Iowa for the good of Iowans

the Federal Government spend money in lowa for the good of Iowans.

The World War increased our debt \$24,000,000,000. Did anyone say it was costing too much to kill people in 1917 and 1918? Did anyone say, "We must stop killing people because it is too expensive"? No; the universal cry was that we should continue in the killing business, regardless of cost, until we had killed enough to win the victory.

During the past 3 years we have been engaged in a great war on a hundred economic fronts. We have been engaged in a great war not only to rescue 130,000,000 people from the depths of depression, but we have been engaged in a gigantic struggle to

pression, but we have been engaged in a gigantic struggle to destroy the causes of these disasters, lest they again bring us economic wreck and ruin at some future date. In this great peacetime struggle we have increased the public debt not twenty-four billion but nine billion.

The Hoover administration increased the public debt five and one-half billion. In those disastrous 4 years, while the debt was increasing five and one-half billion, the wealth of the Nation

decreased one hundred and fourteen billion—and more than twenty billion of it was in the value of American farms. The Hoover administration increased the public debt five and one-half billion, and in 1932 the annual income of the American people was fifty-one billion less than it was the year Mr. Hoover took office.

We have increased the public debt nine billion, but the wealth of the Nation has increased \$50,000,000,000 since Roosevelt took office.

In 1935 the income of the American people was fifteen billion dol-lars more than it was the last year of the Hoover administration.

Judged by the results, which expenditure of public money was good business—that by the Hoover administration or that by the Roosevelt administration?

PRESERVING THE REPUBLIC

The Liberty League and the Du Ponts and others of their turn of mind charge that this Democratic administration has conspired to change our form of government. To get a rational view of that charge, let us look a little at American history. Thomas Jefferson, the founder of the Democratic Party, wrote the Declaration of Independence, which is the cornerstone of the philosophy upon Midependence, which is the cornerstone of the philosophy upon which our form of government was built. Another Democrat, James Madison, wrote the Constitution of the United States, about which the Liberty Leaguers are so concerned now, though 3 short years ago some of them declared it should be put into cold storage. Another Democrat, James Monroe, promulgated the Monroe Doctrine, which has preserved our form of government inviolate on the transfer of the contract of the state of th the two American continents for more than a hundred years. A little more history: Every foot of ground that has been added to the Thirteen Original States between the Atlantic Ocean and the Pacific and between Canada and Mexico was added by some Democratic administration and put under our form of government. cratic administration and put under our form of government. Our form of government in danger from a Democratic administration? Who gave us our form of government? Who preserved it from selfish interests and from demagogues? Call the roll of the Democratic architects and defenders of our form of government—Jefferson, Madison, Monroe, Andrew Jackson, Samuel J. Tilden, Grover Cleveland, Woodrow Wilson, and Franklin D. Roosevelt. If in some evil day some political party attempts to change our form of government or to undermine our Republic's greatness, it will be some party that has had far less to its credit in founding and in preserving this Government and far less in making this Nation great than has the historic party of the plain people, the great Democratic Party. cratic Party.

On March 4, 1933, the faith of the American people in our form of government had been severely tried. Some had lost faith. Some men, who now invoke the Constitution, declared that America some men, who how invoke the Constitution, declared that America needed a dictator. The Roosevelt administration has restored the American people's faith in our form of government. It has silenced the cry for a dictator. It has proved to our Nation and to the world that a republic can survive an economic cataclysm, "and that government of the people, by the people, and for the people shall not perish from the earth."

IN THE SPIRIT OF FAIR PLAY

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on a bill introduced by me last Thursday.

The SPEAKER. Is there objection?

There was no objection.

Mr. RABAUT. Mr. Speaker, in the spirit of fair play I introduced H. R. 12243, a bill to correct a discrimination against certain cities and counties which borrowed for relief purposes from the Reconstruction Finance Corporation under title I of the Emergency Relief and Construction Act of 1932. This bill is designed to release such cities and counties from the obligation to repay these loans, which loans were made for the same purposes that similar loans were made to States, and which latter loans have been canceled, in excess of the sum of two hundred and eighty millions. The city of Detroit is vitally interested, and from the conference of mayors I am assured that other political subdivisions of government, which will be affected by the passage of this bill, are also most keenly interested. As I said in the beginning, the bill is introduced solely in the spirit of fair play.

STATEMENT OF FACTS REGARDING R. F. C. LOANS TO CITIES AND COUNTIES UNDER THE EMERGENCY RELIEF AND CONSTRUCTION ACT OF 1932

The Emergency Relief and Construction Act of 1932-Public, No. 302, Seventy-second Congress, approved July 21, 1932-authorized the Reconstruction Finance Corporation, first, to make \$300,000,000 available for loans to States and cities for the relief of destitution; and second, to make loans or contracts up to \$1,500,000,000 to finance self-liquidating public-works projects in States and municipalities.

This act represented the first participation, on the part of the Federal Government, in the relief and unemployment picture—first, by making loans to States, counties, and cities for direct relief purposes, and second, by providing the funds, on a loan basis, to stimulate employment through a publicworks program.

Two alternative procedures for obtaining relief loans were provided for in the act itself. On the one hand, a State might secure a Federal advance by having the Governor make an application in which he showed the need for relief funds and the State's lack of resources. These loans were to be repaid out of future road grants to the State.

According to section 1 (b) of the act, repayment would be accomplished in such cases-

By making annual deductions beginning with the fiscal year 1935 from regular apportionments made from future Federal authorizations in aid of the States and Territories for the construction of highways and rural post roads, of an amount equal to onefifth of the share which such State or Territory would be entitled to receive under such apportionment, * * or an amount equal to one-fifth of the amounts so paid to the Governor of such State or Territory pursuant to this section, whichever is the lesser, until the sum of such deductions equals the total amounts paid under this section and all accrued interest thereon.

On the other hand, loans might be made direct to cities and counties, through the Governor, if secured by evidences of indebtedness on the part of the political subdivisions. Repayment in such cases would be subject to interest at the rate of 3 percent per year, and according to such terms as the Corporation and the municipality or county might agree

Any portion of the amount approved by the Corporation for payment to the Governor of a State or Territory shall, at his request, and with the approval of the Corporation, be paid to any municipality or political subdivision of such State or Territory if (1) the Governor makes as to such municipality or political subdivision a like certificate as provided in subsection (c) as to the State or Territory, and (2) such municipality or political subdivision enters into an agreement with the Corporation for the repayment to the Corporation of the amount so paid, with interest at the rate of 3 percent per annum, at such times, and upon such other terms and conditions, as may be agreed upon between the Corporation and such municipality or political subdivision. The amount paid to any municipality or political subdivision under this subsection shall not be included in any amounts reimbursable to the Corporation under subsection (b) of this section. (Subsection (e), sec. 1, title I, Public, No. 302, 72d Cong.) 72d Cong.)

The sums lent to cities and counties were to be a direct obligation of the cities and counties and not payable by deductions from State highway grants as were the loans to States, although both loans were for the same purpose: namely, relief.

When the new administration took office on March 4, 1933. almost every State in the Union had been an applicant for relief loans for itself or for its counties or cities, and the \$300,000,000 fund was practically exhausted. By the "close of business' as provided under title I, which took place May 29, 1933, 42 States and 2 Territories-Hawaii and Puerto Rico-had been recipients of relief loans from the Corporation. Approximately \$3,500,000 had been lent to cities in the States of Michigan, North Dakota, and Ohio and sixteen millions to counties in the States of Illinois, New York, North Dakota, Ohio, and Washington, making a total of nearly twenty millions advanced to local governments. By the middle of October 1935, the R. F. C. had recovered \$538,000 on these loans to municipalities, chiefly through the sale of city obligations to private buyers.

Now, the important aspect of these relief loans from the R. F. C. \$300,000,000 fund is that in effect the loans made to the States have been canceled, while the loans made to the cities and counties remain binding obligations upon these local governments which were forced to borrow to meet relief needs. Section 14 of Public, No. 393, Seventy-third Congress, wiped out advances to the States and converted such advances into straight grants. This section provided that-

No deductions shall hereafter be made on account of prior advances and/or loans to the States for the construction of roads under the requirements of the Federal Highway Act or on account of amounts paid under the provisions of title I of the Emergency Relief and Construction Act of 1932 for furnishing relief and work relief to needy and distressed people.

This means that the Government has canceled probably two hundred and eighty millions advanced to the States but is requiring three and one-half millions advanced to the cities to be repaid, as well as the sixteen millions advanced to the counties. It is realized that nineteen and one-half millions

is not a tremendous sum, but to the particular cities and counties concerned the sums involved are important when these communities are continuing to face a tremendous relief burden

No reason has yet been advanced for the above discrimination in favor of the States. Why States should be permitted to have their loans canceled while the borrowing cities and counties must repay the loans made seems on the face of it a policy so unjust as to warrant immediate congressional action.

The question is, On what basis does the Federal Government convert \$280,000,000 of loans to States into outright grants and yet at the same time hold 32 local political subdivisions of these same States to the obligation to repay approximately nineteen and one-half millions?

The cities and counties are not desirous of evading any responsibility to the Federal Government, but they do object to being discriminated against. They must be treated on the same basis as the State governments.

R. F. C. loans to cities and counties for relief made under authority of the Emergency Relief and Construction Act of 1932 (sec. 1, subsec. (e), of title I), which obligations this bill seeks to cancel

CITIES	
Michigan: Detroit	The second second
Flint	296, 000
Muskegon Heights	20,000
Ohio:	
Alliance	
Canton	
Cuyahoga Falls	
Cleveland	
Dayton	
Niles	
Warren	
North Dakota: Minot	10,000
COUNTIES	
Illinois: Cook	410 050 000
	\$12, 252, 000
Ohio:	The same of the sa
Cuyahoga	
Lorain	
Mahoning	
Montgomery	
Stark	destruction of the latter of t
Summit	
Trumbull	177, 500
Washington:	
Grays Harbor	105, 000
Kings	675,000
Pierce	190,000
Snohomish	105,000
New York:	
Nassau	200,000
North Dakota:	
Bowman	10,000
Burke	
Burleigh	
Divide	8, 100
Mercer	
Mountrail	4,000
Ward	
Williams	40,000
	13, 100

Under title I of the Emergency Relief and Construction Act of 1932, the following States borrowed funds from the R. F. C. for relief purposes:

Alabama	\$4, 211, 688
Arizona	
Arkansas	4, 833, 967
California	
Colorado	
Florida	3, 886, 512
Georgia	
Idaho	
Illinois	
Indiana	
Iowa	
Kansas	
Kentucky	
Louisiana	
Maine	
Maryland	176, 380
Michigan	
Minnesota	
Mississippi	
Missouri	
Montana	
Nevada	

New Hampshire	*1,366,603
New Jersey	2,009,291
New Mexico	
New York	
North Carolina	
North Dakota	
Ohio	
Oklahoma	
Oregon	
Pennsylvania	34, 929, 875
Rhode Island	1, 123, 590
South Carolina.	
South Dakota	
Tennessee	
Texas	그의 장마리 이 하는 맛을 때 모든 이 보고 있다고 말았다.
Utah	
Virginia	
Washington	
West Virginia	
Wisconsin	

Under the law these loans were to be repaid out of future Federal highway grants to the State. However, under section 14 of Public, No. 393, Seventy-third Congress, the above loans have been wiped out and converted into straight grants. The total thus canceled amounts to approximately two hundred and eighty millions.

In view of the above facts, the cities and counties acting in the emergency to furnish relief and work relief to the needy and distressed should be entitled to the same consideration as has been accorded to the States.

AMENDING THE FEDERAL RESERVE ACT

Mr. O'CONNOR. Mr. Speaker, by direction of the Committee on Rules, I present a privileged report providing for the consideration of Senate Joint Resolution 230.

The resolution is as follows:

House Resolution 485 (Rept. No. 2395)

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 230, a Senate joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

The resolution was referred to the House Calendar and ordered printed.

LET'S EXAMINE RECORD OF ROOSEVELT AND CONGRESS—SUMMARY OF NEW DEAL PROGRESS

Mr. COLDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the record of President Roosevelt and Congress.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLDEN. Mr. Speaker, it is a privilege to participate in the humanitarian and progressive program of President Roosevelt. This history-making epoch has been stirring and inspiring. I submit a brief review of part of the achievements of the New Deal.

RELIEF FOR MEN, HOMES, AND BUSINESS

- 1. The Roosevelt administration has provided food for the hungry, milk for babes, and work for nearly 4,000,000 unemployed.
- 2. Congress has appropriated \$3,300,000,000 and \$4,880,-000,000 for relief and recovery, and has under consideration a further appropriation of \$1,500,000,000. Roosevelt has allocated California \$275,646,884 for relief, \$2 for one contributed by our State. California ranks third in appropriations received for relief.
- 3. The Emergency Banking Act rescued the banks of this country from bankruptcy. Roosevelt inherited a deficit of \$5,438,458,311 from the Hoover administration. The unhappy and forgetful Herbert potted his chickens around the corner before they hatched.

- 4. Banks were reorganized and financially strengthened. Railroad, insurance, investment, building and loan companies, and industries were saved from ruin.
- 5. The Home Owners Loan Corporation saved approximately a million homes from foreclosure. The Government loans amounted to around \$3,000,000,000, and 500,000 farms were saved by loans amounting to \$2,000,000,000.
- 6. The C. C. C.—Civilian Conservation Corps—rehabilitated a half million young men who were tramping the streets and highways. From their pay of \$30 per month, \$25 per month was assigned to a mother, father, or other dependents.
- 7. The National Youth Movement has kept 289,000 young men and women in our high schools, colleges, and universities.

RECOVERY AND RECONSTRUCTION

- 8. The P. W. A.—Public Works Administration—has afforded employment for millions and aided in the construction of highways, bridges, courthouses, schoolhouses, sewers, storm drains, parks, playgrounds, municipal utilities, and public improvements of every kind and character.
- 9. Government agencies financed the power line from Boulder Dam to Los Angeles; the metropolitan aqueduct from the Colorado River; the All-American Canal in the Imperial Valley; the San Francisco Bay bridges, the Central Valley project, highways, and other projects.
- 10. Examples of recovery are found on every hand. Bank deposits are the highest in the history of this country. Automobile production has increased 189 percent.

LABOR AND THE WORKER

- 11. The N. R. A.—the National Recovery Act—which has been nullified by the Supreme Court, was the most helpful labor legislation ever enacted in this country. It increased wages and reduced hours in many industries, particularly in the cotton mills and coal mines where wages were wretched. The N. R. A. abolished child labor. Since the Supreme Court decision the employment of children of the ages of 14 and 15 increased 55 percent in 7 months, as compared with the entire year 1934 under the N. R. A. The N. R. A. legalized collective bargaining and recognized organized labor.
- 12. The National Labor Relations Board also recognizes the right of labor to organize and to bargain collectively. It provides machinery for settling disputes to protect the worker, the employer, and the public from disastrous strikes.
- 13. Congress has enacted a law establishing employment agencies throughout the Nation to help the unemployed and to protect them from racketeering employment bureaus.
- 14. The Guffey bill protects coal miners in hours and wages.
- 15. Roosevelt and Congress provided the present Railway Arbitration Act.
- 16. A retirement and pension system for railway workers to take the place of a previous law declared unconstitutional.
- 17. The United States entered the International Labor Organization at Geneva, Switzerland, an organization for the purpose of increasing wages, reducing hours, the introduction of safety measures, the protection of mothers and children throughout the world.

OLD-AGE PENSIONS AND SOCIAL SECURITY

- 18. Under the leadership of President Roosevelt Congress passed a social-security bill. The Federal Government will match the old-age pension of the States, dollar for dollar, up to \$15 a month at the age limit of 65 years and also provides for the needy blind. It is estimated that California will benefit a million dollars monthly by complying with the Social Security Act. It will help many old folks.
- 19. The Social Security Act aids mothers' pensions and contributes one-third of the total expenditures up to \$18 a month for one child and to \$12 a month for each additional child in the home. It aids widows and orphans.
- 20. The Social Security Act provides an appropriation of \$3,800,000 a year to cooperating States for the Children's Bureau for mother-child health projects, treatment for crippled children, and vocational teaching for the handicapped.

- 21. The Social Security Act provides an appropriation of \$8,000,000 per year to the States for public health.
- 22. The Social Security Act sets up a workers' annuity plan under Federal control. To illustrate: A young man of 35, beginning in 1937, after 30 years of service, at 65, will receive a monthly pension of \$42.50 if his average monthly wage is \$100. Under this plan he will have contributed \$900 during his 30 years of employment, but if he lives out a normal life, he will receive \$5,100 in benefits.
- 23. The Social Security Act provides for unemployment insurance. It is estimated that it will pay the worker half his usual wages up to \$15 per week for a period of from 15 to 16 weeks each year.

ROOSEVELT AIDS THE PARMER

- 24. The A. A. A. declared unconstitutional, increased the farmers' income \$3,000,000,000, but big boys, including Hoover's son, got too much.
- 25. A new agricultural bill has been enacted by Congress, providing for soil conservation and royalties by which the farmer who complies will receive limited compensation.
- 26. Federal land banks assist farmers in refinancing, extending the term of the loan over a period of years at a lower interest than heretofore; also cooperative banks to extend credit to farmer cooperatives to assist them in marketing and buying. Other aids provide the farmer with seed for planting and crop credits.

HOUSING AND HOMESTEADS

- 27. In addition to the H. O. L. C., the F. H. A.—the Federal Housing Administration—has aided in the modernization of homes.
- 28. Subsistence homesteads, garden homes, are sold on easy terms at a low rate of interest to workers who have only part-time employment. Live and help live.
- The Resettlement Administration aids farmers living on worn-out lands to obtain areas that are productive of a decent livelihood.
- 30. Reforestation and national parks, prevention of erosion, control of floods, development of navigation, reclamation, irrigation, and drainage are all important features of conservation and national planning.

MONEY AND BANKING

- 31. This administration has abrogated gold contracts and denies the unfair privilege of the money lender who gives a check on a bank to demand the payment of interest and principal in gold coin.
- 32. The gold content of the dollar has been reduced to 59 cents to help restore the purchasing price of the dollar to the 1926 level. This enables the borrower to pay in dollars with the same purchasing value that he received. The appreciation of the gold dollar has been disastrous to millions of borrowers. Gold fluctuations upset business.
- 33. All money—gold, silver, greenbacks, Treasury and bank notes—is now a full legal tender in payment of all debts, both public and private. This is one of the important steps in financial legislation in our history.
- 34. The dollar of today is approaching a managed dollar basis in order to give the buyer and seller, worker and employer, borrower and lender, an honest dollar of uniform purchasing value.
- 35. Guaranty of deposits has restored confidence in banks. There were 11,118 bank failures under Harding, Coolidge, and Hoover and only 36 since with insured deposits. William J. Bryan was jeered for advocating this beneficial program.
- 36. The Government control of the Federal Reserve banks has been strengthened. The Reserve Bank of New York no longer dominates the other 11 Reserve centers, and the financial capital of the United States has been removed from Wall Street back to Washington. Applaud this.
- 37. Federal credit unions have been authorized and permits the organization of lending cooperatives and frees borrowers from the clutches of the loan shark. It is good.
 - 38. The Export-Import Bank promotes foreign trade.
- 39. The price and use of silver has been augmented and stabilized by the requirement that the Treasury reserve shall be 25 percent silver and 75 percent gold.

40. The national debt has been refunded at lower interest, saving the taxpayers millions of dollars per year.

STOCK EXCHANGES AND UTILITIES

41. Stock exchanges have been placed under regulation to curb "the shearing of the lamb", a favorite Wall Street sport.

42. The Wheeler-Rayburn law to curb utility racketeers. Millions were spent to defeat this measure.

43. The T. V. A .- the Tennessee Valley Authority-is a Government agency to operate the Muscle Shoals Dam and power plant. Rates have been reduced one-half and in some instances to one-third to consumers. Senator Norris fought

44. The T. V. A. has been authorized to build other dams, improve navigation, control floods, produce light and power, manufacture fertilizer, reforestation, and prevent erosion. It is the first attempt on a large scale to carry out national planning. It is building a new South.

45. The Electric Home and Farm Authority enables the consumers to purchase refrigerators, washing machines, and other electrical appliances at reduced prices on an installment plan, and is of benefit to the consumer, worker, mer-

chant, and manufacturer. 46. The R. E. A. recently passed to aid farmers in the construction of transmission lines in order to enjoy light and

47. The F. C. C .- the Federal Communications Commission—has been given supervision and control over telegraphs. telephones, and radio in order to protect the public from many long-standing abuses.

VETERANS AND NATIONAL DEFENSE

48. Congress has provided for the payment of the adjustedservice certificates, the "bonus", a debt to the veterans of the World War. The President vetoed but Congress repassed this measure.

49. Pensions of the Spanish War veterans were restored to approximately \$45,000,000 per year; the veterans of the Philippine Insurrection were voted travel pay by the House.

50. The reception of the "bonus army" under the humanitarian policy of President Roosevelt stands in marked contrast to the ruthless and disgraceful treatment accorded to veterans by the previous administration.

51. "The good neighbor policy" of President Roosevelt has established good feeling in North and South America and is recognized as a sound and friendly policy among nations.

52. The neutrality law contributes to the peace of the world and is a strong factor in keeping us out of war.

53. Congress is giving consideration to measures that will eliminate profit in war. This is a desirable step.

54. National defense has been improved. The efficiency of the Army and the Navy has been increased, and the Pacific coast has been given consideration.

WOMANHOOD HONORED

55. Following the example of the Wilson administration in aiding women to vote, the recognition of womanhood has been one of the outstanding policies of the New Deal. For the first time a woman occupies a position in the Cabinet-Frances Perkins, Secretary of Labor-Ruth Bryan Owen, the first American woman Minister to a foreign country; Nellie Tayloe Ross, the first woman Director of the Mint; Josephine Roche, Assistant Secretary, Treasury Department; Miss Florence E. Allen, judge of United States Circuit Court of Appeals, Ohio.

56. The Interstate Commerce Commission has ordered a substantial reduction in railway fares that will increase public convenience and the income of the railways.

57. Repeal of the eighteenth amendment and increased revenues.

58. The record of the "G-men" in the capture of notorious criminals-Dillinger, Capone, Baby-face Nelson, Hauptmann, and many others.

59. The increase of income and inheritance taxes in the upper brackets; the capture of taxes from the Morgans, Mellons, Mitchells, Raskobs, Du Ponts, and other fat dodgers.

60. Congress has under consideration a tax plan to reach immense surpluses of giant corporations. Hear 'em yelp.

61. Canceled the air-mail contracts that were made in collusion and saved millions to the Government.

62. A reciprocal-tariff law which has increased foreign trade and widened the markets for California products.

63. One of the commendable achievements of this administration is the enemies it has made—the American Liberty League, the agencies of predatory wealth and reaction, the subsidized press, the rugged racketeers who pluck and pilfer from the pockets of the poor. The only escape from greed, ruin, and revolution is on with the New Deal; on with social and economic justice; on with Roosevelt. In the words of Admiral Farragut, "Full speed ahead! Damn the torpedoes!"

COMMITTEE ON MILITARY AFFAIRS-PERMISSION TO SIT DURING SESSIONS OF HOUSE

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs may be permitted to sit during the sessions of the House tomorrow, Tuesday, and the following day, Wednesday.

The SPEAKER. Is there objection?

There was no objection.

THE LATE JAMES M. BECK

Mr. BLANTON. Mr. Speaker, one of the books in my library that I value highly is May It Please the Court, by Hon. James M. Beck. Inside of it, written with a pen, is "To my friend and colleague, Hon. Thomas L. Blanton, with the best of wishes of James M. Beck. February 10, 1931."

Mr. Speaker, some of the greatest speeches ever made from this floor on the Constitution, on Abraham Lincoln, on George Washington, on Thomas Jefferson, and on Shakespeare were made by the Honorable James M. Beck, who passed away yesterday. I ask unanimous consent that those speeches may be printed together as a House document. It would be one of the finest and most valuable documents that we could place in the hands of the school children of the United States.

The SPEAKER. Has the gentleman taken that up with the gentleman from North Carolina [Mr. LAMBETH], the chairman of the Committee on Printing?

Mr. BLANTON. I did in a previous Congress, and it was agreeable to him. I have not taken it up with the present chairman of the Committee on Printing.

The SPEAKER. The Chair suggests that the gentleman take that up with the gentleman from North Carolina [Mr.

Mr. BLANTON. I shall, and then present my unanimous

request later. I withdraw it for the present.

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for 15 seconds.

The SPEAKER. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker, yesterday the Nation lost one of its most brilliant sons and the Constitution its best friend when James M. Beck died.

THE CONSTITUTION AND THE SUPREME COURT

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a radio address I delivered over the Yankee network on Friday last.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address which I delivered over the radio on April 9:

The greater part of our Constitution is about 147 years old. It is not necessary to tell you of the events and circumstances under which it was framed. We all know that it resulted from a lack of individual freedom and from oppression. Our forefathers of colonial America found that the old regulations and restrictions had followed them to their new land and that they did not enjoy even the freedom guaranteed to English subjects by the Magna Carta and the English Bill and Petition of Rights. Then fol-lowed the protest against "taxation without representation", with the resultant break from the ties of England.

To safeguard their freedom and their rights they framed the Federal Constitution, and into it went all of the lessons learned through years of oppression and domination. They knew through

bitter experience the disastrous consequences resulting from conbitter experience the disastrous consequences resulting from concentration of power. They saw that the old order must be reversed—that the people are the masters, the Government and its officers their servants. In simple, understandable language it cleared the American air of intolerance and discrimination.

This document was framed by the master minds of their generation, who had full knowledge of the political needs of that era and of the remedies required. They were men of the deepest learning and experience.

During this period of 147 years since the Constitution was drawn the Government and the people of the United States experienced tremendous and far-reaching economic and social changes, and the Constitution through it all was the basic foundation upon which this Government depended.

Its existence has survived four major wars and the greatest industrial and social changes in the history of the world. The Nation has grown from 13 States to 48 States; from the towers of Manhattan to the Golden Gate, and from the Great Lakes to the Gulf; from a few million to a huge country of 125 000 000 people. Gulf; from a few million to a huge country of 125,000,000 people. Yes, from the "horse and buggy" and mud roads to thousands of miles of concrete highways, high-speed automobiles, and railroads miles of concrete highways, high-speed automobiles, and railroads with steam and electric trains; from message by carrier to the telegraph and telephone; from the wooden horse plow and cradle to the mechanical powered multiple plow and huge combine; from clipper ships on the sea to clipper ships over the sea, and around-the-world flights; from the wooden age to the iron age, to the steel age, to the electrical age, this great Nation has passed. And during all of this progress the Constitution has been steadily applicable and adequate as the basic law of the land. It has even encountered, and weathered severe depressions on previous encountered and weathered severe depressions on previous occasions.

Wisely and with remarkable foresight, the framers of the Con-Wisely and with remarkable foresight, the framers of the Constitution provided for a method for changing it. But in prescribing that method they again protected the people. Neither the President, Congress, nor the Supreme Court can make such a change. Such responsibility is reserved for the people, and the people alone. In that fact lies our security, our independence, and our freedom from oppressing regulation. The American people have shown from the beginning that they believe the Constitution is the very background of their stability as a Nation. That they are very chary of changing it is proved by the fact that it takes such a long time to adopt an amendment. That is the only way our charter of rights should be changed. That is the will of the people.

Our forefathers were suspicious of government. That was why they were so careful to be sure that the Government must never be permitted to become a menace to the honest citizen conducting an

Article III of the Constitution provides that the judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish. According to some noted commentators on the Constitution, the function of the Supreme Court is to determine the rights and duties of parties in accord with the Federal Constitution rights and duties of parties in accord with the Federal Constitution. The Court deals with cases, not with general questions of constitutional interpretation. It determines which of two opposing parties has the better right in accord with the law. It does not nullify acts of Congress (as some people think), but rather just refuses to enforce any act which would operate to deprive one of the parties to the suit of rights given to him by the Constitution. The Court only deals with acts of Congress when they are involved in a law suit between parties and over which it has jurisdiction. The Court has no power to determine for Congress, the President, the Attorney General, or anyone the validity or invalidity of such an act.

During the last few years we have heard much criticism of the

During the last few years we have heard much criticism of the Constitution and the Supreme Court. It has been asserted that the Constitution is a worn-out instrument adapted to early American conditions, and that it should be reconstructed, rewritten, or abolished entirely. Suggestions have been made that the Supreme Court be increased in number, that its power be taken away and placed in the hands of the legislative branch.

While all of us view these assaults on our traditional form of government with alarm, still we realize that they come from those with selfish interests and not from the great mass of people who are protected by the Constitution. New England would stand to lose much by any such change—more so than any other section of the country. New England paid more in processing taxes and would be obliged to do so again in the event of such a change.

obliged to do so again in the event of such a change.

The American farmer is truly loyal to his Government and to his country. He will not tolerate such assertions regarding the Constitution and the Supreme Court, let alone make them. The same can be said of industry. The workers of agriculture and industry built this great land of freedom and liberty. They will not countenance the abolition of the greatest charter in the history of government. They realize that every attempt against the Constitution has been made with one purpose in view—to obtain more authority over the people and to leave the people with less authority over their own affairs.

These cries for a change of form of government come from certain groups and classes of citizens who are literally clamoring at the door of the Public Treasury, demanding public moneys through

tain groups and classes of citizens who are literally clamoring at the door of the Public Treasury, demanding public moneys through special privilege, at the expense of the public at large. When their schemes are frustrated by the safeguards of the Constitution their attention is turned to an attack upon those safeguards. It is no new thing; the Constitution has been criticized and assailed throughout the entire existence of our Republic.

It is especially encouraging to note the wholehearted manner in which the women of America have protested against such at-

Through their organizations, both political and nonpolitical, they have gone on record as being strenuously opposed to any move to break down our traditional and proved form of govern-

move to break down our traditional and proved form of government. It is most reassuring.

The worker in the mill and the laborer on the farm have come to realize, through education by way of the press and the radio, that any program which has as its object the regimentation or regulation of output of either crops or manufactures, is against their own best interests. They know that such regimentation means a scarcity of work; someone must be laid off to control output. When the Supreme Court by its decisions protects their interests, they know and realize that their form of government has again been proved the fairest and most just for all in every walk of life.

We have only to turn our eyes to the other nations of the world and compare our opportunities and privileges with theirs. It is easier to own a motor car in the United States than it is to own a bicycle anywhere else in the world. None of us would change places with a German under Hitler, an Italian under Mussolini, or a Russian bowing to the will of a Stalin. Other countries look with amazement upon certain Americans who are willing to scrap a system of government that has been the envy of all nations and the model for many. Doubtless there are nations that would be only too glad to see this country descend to their level, making our laws imitate theirs and our standards of living on a lower plane with theirs. We of America should be—and the majority of us are—content to be bound by the safeguards of a written document, one that has been tested and proved, and that has served to bring freedom, progress, and happiness as has no other document in the history of the world.

THE WAGNER-ELLENBOGEN LOW-COST HOUSING BILL HAS RECEIVED THE ENDORSEMENT OF THE SCRIPPS-HOWARD NEWSPAPERS

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Wagner-Ellenbogen housing bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, I am sure that it will be of interest to the Members of Congress to know that to the many pledges of support and aid which have come forward since the introduction of the Wagner-Ellenbogen lowrent housing bill several weeks ago has now been added the endorsement of the Scripps-Howard chain of newspapers.

In an editorial which appeared in the Pittsburgh Press on April 11, 1936, and in other Scripps-Howard papers, the Wagner-Ellenbogen bill is recognized as a "rallying point" for all those who recognize that an effective housing program is a vital part of any national system of social progress.

Stating that the proposed legislation is "more statesmanlike than any slum-abatement plan so far broached", the editorial points out that "it corrects five mistakes that have marred former rehousing efforts." Analyzing the bill's specific provisions, the editorial further commends the rectification of these mistakes. It calls attention to the fact that-

First, it fathers all Federal housing activities under one head—the United States Housing Authority, a board of five, with the Interior Secretary as ex-officio member. Today housing functions are scattered through several agencies in Washington.

Next, it recognizes rehousing as not only an emergency, makework project, but as a long-term construction job. It is a 4-year program.

Program.

Next, it decentralizes building activities. Federal loans and grants are to be made to local housing authorities, except for certain demonstration projects conducted by the Government "where local instrumentalities are inadequate." It is absurd to expect Uncle Sam to act as a landlord and rent collector.

expect Uncle Sam to act as a landlord and rent collector.

Next, it confines Government aid to a field that private capital has relinquished—truly low-cost housing. Previous efforts under the Federal Housing Administration, limited-dividend corporations, and P. W. A. have resulted in costs that put good housing beyond reach of the low-bracket incomes. The best result in recent housing provides homes renting monthly for \$9.50 a room. Even at \$7.50 a room a normal family of five would have to pay \$315 a year in rent. Considering that 12,000,000 families had incomes of less than \$1,000 a year in 1929, this is far too much.

Finally, the Wagner-Ellenbogen bill's financing plans are less grandiose than those hitherto broached. For 1937 self-liquidating loans to local housing authorities would be limited to one hun-

loans to local housing authorities would be limited to one hundred millions and for the 3 next years to one hundred and fifty millions. Grants are limited to fifty-one million in 1937, seventyfive million the next, and one hundred million for the next 2

It is truly gratifying to the sponsors of this bill, and to its numerous supporters, that its positive merits have been so quickly recognized and commended. I believe that everyone who becomes acquainted with the provisions of the Wagner-Ellenbogen bill, and with the housing conditions in this country, which make its enactment a prime necessity. will unite in giving their wholehearted support to it.

LOANS TO REHABILITATE FLOOD DAMAGE

Mr. GOLDSBOROUGH. Mr. Speaker, I submit a conference report upon the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods, or other catastrophes, for printing under the rule.

RICHARD YATES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. DONDERO. Mr. Speaker, it is with sincere and deep regret that I announce to the House the death of one of its very distinguished former Members. I learned this morning that Richard Yates, a former Governor of Illinois and a Member of this House for 14 years, passed to the Great Beyond on Saturday night last. Ex-Governor Yates, who served here so long and ably, when he left this body, moved near Royal Oak, Mich., my home city. I knew him for a great many years and came to love, honor, and respect him. The country has lost an outstanding citizen and the State of Illinois a great servant.

LEAVE TO ADDRESS THE HOUSE

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the reading of the Journal and the disposition of matters on the Speaker's desk and the special order, the Resident Commissioner from the Philippines may have permission to address the House for 10

The SPEAKER. Is there objection?
Mr. RANKIN. I have no objection to this gentleman's speaking, but we Members from the storm-ridden and flooddevastated territory are very much interested in the bill now in conference, because it is our hope to get loans with which to rehabilitate the damages to homes and public buildings caused by floods and storms.

Mr. O'CONNOR. Mr. Speaker, I suggest to the gentleman that the conference report takes preference over anything

Mr. RANKIN. Then the gentleman assures me that this will not interfere with the consideration of the conference report?

Mr. O'CONNOR. A conference report is privileged.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Pennsylvania makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 60]

Adair	Darrow	Gavagan	Kocialkowski
Allen	Dear	Gifford	Lambertson
Andrews, N. Y.	Dietrich	Greenwood	Lanham
Barden	Dingell	Gregory	Lehlbach
Beam	Disney	Haines	Lucas
Berlin	Dorsey	Hancock, N. C.	McAndrews
Bolton	Driscoll	Harlan	McFarlane
Brennan	Duffy, N. Y.	Hartley	McGehee
Brooks	Dunn, Miss.	Healey	McGrath
Buckbee	Dunn, Pa.	Hess	McGroarty
Bulwinkle	Eaton	Higgins, Conn.	McKeough
Burch	Eckert	Higgins, Mass.	McLaughlin
Caldwell	Faddis	Hobbs	McMillan
Cary	Fenerty	Hoeppel	May
Cavicchia	Ferguson	Hook	Meeks
Claiborne	Fernandez	Jenckes, Ind.	Mitchell, Ill.
Clark, N. C.	Fiesinger	Jenkins, Ohio	Monaghan
Collins	Fish	Johnson, Okla.	Montague
Connery	Flannagan	Kee	Moritz
Crosby	Frey	Kelly	Nichols
Crowe	Gasque	Kerr	O'Brien
Culkin	Gassaway	Kniffin	Oliver

Palmisano	Sadowski
Perkins	Sanders, La.
Quinn	Sandlin
Reed, Ill.	Schaefer
Richards	Schuetz
Romiue	Scrugham
Russell	Smith, W. Va
	The second second second second second

	Steagall
	Sumners, Tex
9	Sweeney
	Taber
	Thom
	Thomas
	Thurston
	Tinkham

Tobey Underwood Wadsworth Weaver Wigglesworth Williams Withrow

The SPEAKER pro tempore (Mr. O'CONNOR). Three hundred and ten Members have answered to their names. A quorum is present.

Mr. COOPER of Tennessee. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

ELLIS DUKE-VETO MESSAGE (H. DOC. NO. 447)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 4086, "An act for the relief of Ellis Duke, also known as Elias Duke."

This act provides "that the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ellis Duke, also known as Elias Duke, of the District of Columbia, the owner of the truck hereinafter referred to, the sum of \$1,000 to compensate said Ellis Duke, also known as Elias Duke, for the loss of one Dodge truck, serial no. A918785, which said Dodge truck was illegally seized and confiscated by agents of the United States Government on the 16th day of April 1928, and which said Dodge truck was appropriated by the United States and has never been returned to said Ellis Duke, also known as Elias Duke", etc.

The above truck, containing a quantity of illicit beer, was seized in the possession of three men on a business street in Washington, D. C., by Federal prohibition agents, who also arrested the men. These men and Ellis Duke (Elias Duke) were charged under section 26, title II, of the National Prohibition Act with illegal transportation of intoxicating liquor. The truck was released under said section to Ellis Duke, the owner, upon his giving bond to return the truck to the seizing officers on the day of trial to abide the judgment of the court. Two of the men found in possession of the truck were convicted and Duke and the remaining defendant were acquitted. Petition was filed by Duke for the recovery of the truck and was denied by the court. The Secretary of the Treasury filed an application in accordance with the act of March 3, 1925 (43 Stat. 1116), that the truck be delivered to the Treasury Department for use in enforcement of the National Prohibition Act. The court granted said applica-tion and entered an order that the truck be delivered to the Treasury Department. Duke's motion for a rehearing of the court's refusal to return the truck to him was denied after the matter had been argued by his attorneys and the attorneys for the Government. The truck was used by the Treasury Department until July 1, 1930, when it was transferred to the Department of Justice in conformity to the "Prohibition Reorganization Act." It also appears that Duke filed a petition for writ of error in the Court of Appeals for the District of Columbia, which was denied. The facts show that this truck was legally seized and duly turned over to the Government in compliance with the statutes in force at the time; moreover, that the rights of the claimant were fully presented to the court and adjudicated adversely to his contentions.

The mere fact that Ellis Duke was found not guilty of violating section 26 of the National Prohibition Act did not give him the right to recover the truck in which the illicit liquor was being transported. Said section provides that upon conviction of the person found in charge of the offending automobile or vehicle, the court, unless good cause to the contrary is shown by the owner, shall order its sale, etc. The act of March 3, 1925, supra, provided for its being delivered to the Treasury, upon application of the Secretary, instead of being sold. Two of the persons found in charge of this truck were actually convicted and sentenced. The claimant having failed to show good cause to the contrary, the court disposed of the truck by ordering it delivered to the Treasury Department, as authorized by the statute.

The record of this case shows that the claimant's rights have been fully and finally adjudicated in accordance with law by a court of competent jurisdiction. There have been numerous court forfeitures of property used in violation of the National Prohibition Act. Compensating a particular claimant for his loss would appear to be discriminatory. It is likewise obvious that reimbursement for all such forfeitures would be impracticable and unwarranted.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 13, 1936.

The SPEAKER pro tempore. The objections of the President will be entered at large upon the Journal and ordered printed.

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the bill and message be referred to the Committee on Claims. The motion was agreed to.

ACQUISITION OF LAND NEAR WALTER REED GENERAL HOSPITAL RESERVATION—VETO MESSAGE (H. DOC. NO. 448)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 3629, a bill authorizing the acquisition of some 22 acres of land lying immediately south of the Walter Reed General Hospital Reservation, D. C., and authorizing an appropriation of \$204.162 therefor.

I have caused this matter to be looked into, and it appears that the purchase of the land in question is advocated for the reasons that it will provide for a possible need for expansion of Army hospital facilities in the event of war, and in the meantime will provide space for the erection of quarters for medical officers attached to the present hospital, resulting in a material annual saving in expenditures.

As to the first of these reasons, it appears from a report by the Acting Secretary of War of April 11, 1935 (printed in H. Rept. No. 2133 and S. Rept. No. 1710), that there now exist certain open areas in the present reservation available for possible wartime ward expansion. In view of this, the fact that other hospital facilities of the War Department, those of the Veterans' Administration, and other governmental agencies will be available for use in case of war, the possibility of providing such additional temporary facilities as may be necessary, and the impracticability and inadvisability of attempting to acquire in time of peace all the additional land which may be required for wartime purposes, I do not feel that the acquisition of the land in question can be justified on the ground of its usefulness in time of war.

As to the other reason, namely, the use of part of the land for the erection thereon of officers' quarters at a material saving in expenditures for commutation, it appears that, of the 105 officers attached to the Walter Reed General Hospital. quarters are now available thereat for about 21. That space can be made available on the existing reservation for installing housing for some twenty-odd additional officers is evidenced by the fact that some 2 years ago the War Department requested, but was not granted, an allotment of emergency funds for that purpose. Convincing proof that the remaining officers should reside upon the reservation to insure the efficient functioning of the hospital has not been supplied. Certainly the theory that all medical personnel connected with the hospital should reside in the immediate vicinity thereof does not obtain with respect to our large civil hospitals. If the land in question is acquired, the War Department proposes at a later date to request funds for the construction thereon of quarters for 50 officers. This would cost approximately \$830,000 and, accounting for interest on the total investment in land and buildings and the cost of heat, light, water, repairs, and upkeep, produces comparatively little, if any, saving as compared with the cost of commutation.

For the foregoing reasons I do not feel justified in giving my approval to this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 13, 1936.

The SPEAKER pro tempore. The objections of the President will be entered at large on the Journal, and the bill and message printed as a House document.

Mr. McSWAIN. Mr. Speaker, I move that the message, together with the bill to which it refers, be referred to the Committee on Military Affairs.

The motion was agreed to.

MICHAEL P. LUCAS-VETO MESSAGE (H. DOC. NO. 446)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 2469, entitled "An act for the relief of Michael P. Lucas."

The bill directs that in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Michael P. Lucas, who was a member of Company D, Seventeenth Regiment United States Infantry, shall be held and considered to have been honorably discharged as a member of that organization on the 7th day of December 1918: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

In view of the circumstances connected with this case, as disclosed by the official records of the War Department, I do not feel justified in giving my approval to this measure.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 13, 1936.

The SPEAKER pro tempore. The objection of the President will be entered at large upon the Journal and the bill and message will be printed as a House document.

Mr. McSWAIN. Mr. Speaker, I move that the message of the President, together with the bill to which it relates, be referred to the Committee on Military Affairs.

The motion was agreed to.

CONVENTION FOR THE PROTECTION OF LITERARY AND ARTISTIC WORK

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read by the Clerk, and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State with an accompanying memorandum, to the end that legislation may be enacted authorizing an appropriation of the sum of \$6,500, or so much thereof as may be necessary for the expense of participation by the United States in the conference at Brussells in 1936 for the purpose of revising the convention for the protection of literary and artistic works, concluded at Rome, September 9, 1886, and revised at Rome on June 2, 1928.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 13, 1936.

THOMAS JEFFERSON

The SPEAKER pro tempore. Under the first special order, the gentleman from New York [Mr. Boylan] is recognized for 15 minutes. [Applause.]

Mr. BOYLAN. Mr. Speaker, today is the one hundred and ninety-third anniversary of the birth of Thomas Jefferson. Thomas Jefferson was the foremost apostle of liberty—human liberty—the world has ever known. Other men, including many who were associated with him in creating this great Republic, were more interested in the forms of freedom, in liberty as an abstract idea, than in universal emancipation. Some sought to trammel liberty and keep it

within narrow bounds. Many of the founders proposed a system of government which should be little short of a republican monarchy.

But Jefferson had an infinite faith in the people. In days of distrust of the populace, agitation, and revolution, and at a time when democracy was but a name, he stood firm for a government in which the power would be resident not in the men of intellect, of financial influence, or social standing, but in the artificers of the cities, the woodsmen of the frontier, the laborers on the farms and plantations, the seamen along the Atlantic coast. He was the plain people's only champion at a time when they were inarticulate.

Jefferson's birthday this year should be a day upon which we rededicate ourselves to the many great causes and the single great principle—human liberty—for which he fought over a period of 40 years. It may seem trite to recall his services to liberty, his struggling for the doctrine of universal emancipation, but it was not so in his day.

Mr. BLANTON. Mr. Speaker, a point of order. Has the time come when an oration on Thomas Jefferson by a distinguished orator is of no interest to the people? I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Evidently there is no quorum present.

Mr. BLANTON. Mr. Speaker, I move a call of the House. The motion was agreed to.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 61]

Jenckes, Ind. Jenkins, Ohio Johnson, Okla. O'Brien Driscoll Oliver Palmisano Allen Duffy, N. Y. Andrew, Mas Duncan Dunn, Miss. Andrews, N. Y. Kee Perkins Quinn Reed, Ill. Richards Barden Dunn, Pa. Kelly Kocialkowski Beam Eaton Eckert Faddis Lanham Lehlbach Berlin Binderup Romjue Fenerty Ferguson Fernandez Bolton Lemke Russ ell Lesinski Lewis, Md. Brennan Sabath Sanders, La. Brooks Brown, Mich. Fiesinger Lucas Schaefer Buckbee Buckley, N. Y. Bulwinkle Fish McAndrews Schneider, Wis. Flannagan McFarlane Schuetz McGehee McGrath McGroarty Snell Stack Frey Fulmer Burch Burdick Gasque Gassaway Gavagan Starnes Cartwright Cary McKeoug Steagall McLaughlin Sumners, Tex. Casey Cavicchia Gifford McLeod Thom McMillan Gray, Ind. Gregory Haines Hancock, N. C. Claiborne Maloney Tinkham May Meeks Mitchell, Ill. Clark, N. C. Tobey Underwood Collins Crosby Harlan Wadsworth Hartley Healey Higgins, Conn. Wearin Weaver Crowe Culkin Monaghan Montague Darrow Dietrich Montet Wigglesworth Higgins, Mass. Moritz Withrow Disney Hobbs Nelson

The SPEAKER pro tempore. Three hundred and seven

Nichols

Members are present, a quorum.

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Hoeppel

Dorsey

The SPEAKER pro tempore. Under the special order the gentleman from New York [Mr. Boylan] is recognized for

Mr. BOYLAN. Mr. Speaker, I may say, for the benefit of those Members who were not present, that I am saying a few words on Thomas Jefferson, this being the one hundred and ninety-third anniversary of his birth. I had proceeded only a short time when a point of no quorum was made.

His enemies, at home and abroad, sneered at his demands for the fullest form of freedom. They pointed to the excesses of the French Revolution and shuddered at the resulting wars, which drenched Europe with blood from the north to the Red Sea.

"This", they retorted, "is what liberty would give us in America."

But Jefferson never faltered; his vision was keener than theirs, his trust greater, his understanding deeper. Jefferson labored to such avail that he created not only a nation but a party.

It was only a few years afterward that Jefferson became President of a Nation and a party which, largely through his own efforts, were builded on the doctrine that all men are equal in the eyes of nature and the law; that life, liberty, and happiness are inalienable rights; that the function of government is to safeguard and guarantee those rights; and that all authority and inspiration of government are drawn from the consent of the governed.

At the present time, when violent attacks are being made against democracy, not only here but throughout the world, and when the democratic idea is challenged in many countries, it is good to consider, even for a brief moment, the inspiring life and works of the first Democrat of our country, Thomas Jefferson. [Applause.]

It is admitted by the leading students of American history that Thomas Jefferson is one of the great Presidents of our country. He was more than a great President; he was a great man, whose influence is an active force in our own day and will be for generations to come.

Let us ask ourselves why this is so-why Jefferson's name is one to conjure with. Let us analyze his character and review his accomplishments. Let us see what he has done in his own day that is of such vital importance in ours.

First. Jefferson wrote the Declaration of Independence. Except for a few minor verbal changes suggested by Adams and Franklin, this epoch-making document was entirely the result of his own brain and hand and reflected his own personal views. We need not dwell upon the importance of the Declaration to our country. But consider how much light it throws upon Jefferson's mind and character.

ALL MEN ARE CREATED EQUAL

These words were first used in a great political document by Jefferson. It was not a new idea of philosophy, but it was a new idea in practical politics, and had not Jefferson written the Declaration, these ringing words, it is quite likely, would have been missing therefrom.

What is more, Jefferson meant these words as writtennot simply as a fine sentiment to be expressed on an important occasion.

Jefferson was a firm believer in the common people. He trusted them and considered their instincts wholesome and right. On this principle he fought Hamilton-who distrusted the people-doggedly, never yielding an inch. Jefferson could never yield on this principle, for it was the foundation of his political faith. He was sure of his ground. He knew that democracy was safe in the hands of the Americans, because he knew his countrymen.

Consider what this country would be today if Jefferson and those who thought like him had not existed in the Revolutionary period and Hamilton and his supporters had had their way.

We who enjoy religious freedom might fall into the erroneous belief that such freedom came to us as a matter of course. Religious freedom, like political freedom, had to be fought for and fostered. No great advance in civilization or human freedom has ever been accomplished without strife-oftentimes bitter strife. It is well to remember that Jefferson is the author of the Virginia statute separating church and state and guaranteeing religious freedom. In due time this important idea was made part of our Constitution. No one can possibly estimate the amount of good this provision has done and how much it has contributed to our happiness.

Jefferson went further. He fought for the establishment of free public schools, and in due time became the father of the University of Virginia. He knew very well that ignorance and political and religious freedom do not well go together. He knew that the common people required education in order to preserve the liberties that they had won. No one knew better than he that education is the best weapon against tyranny and bigotry, and that an enlightened people cannot be enslaved.

It will always be remembered that nothing gave him so much happiness as the founding of the University of Virginia. He himself was a learned man in the best sense. He had an unquenchable curiosity about all things that concerned human beings. Knowledge to him was something to be treasured both for its own and for the use that human beings could make of it. For he was a great humanitarian.

Jefferson's opposition to slavery was well known. He was responsible for the Virginia law prohibiting the importation of slaves. In the original draft of the Declaration of Independence one of the important charges he made against George III and his Parliament was that they were responsible for slavery in America—the inhuman traffic in human beings. This was omitted in the final draft out of deference to Adams and Franklin. There was not much he could do about slavery in his own day. What he could, he did.

Jefferson did much to widen the borders of our country. The Louisiana Purchase, for which he was responsible, increased the national territory about 140 percent, and 13 States, in whole or in part, were carved out of it.

It will be remembered that he was the moving spirit behind the Lewis and Clark Expedition, which opened the West to the United States and made it possible for our country to grow as it did.

Jefferson never coveted or courted public office. His personal modesty followed him through life. In a sense he had no ambition whatever except the ambition to spread his democratic principles and do as much good as possible for his country and his countrymen.

He served as Ambassador to France, and later as Secretary of State, in a critical period of our country. He accomplished wonders in international relations. The despatches he sent home are among the great state papers in our possession. His influence as a diplomat is lasting. He won respect for the young Republic abroad.

We can get some estimate of Jefferson as a diplomat from the following words taken from a communication of his to the American Commissioners at Madrid. Jefferson wrote:

We love and we value peace; we know its blessings from experience; we abhor the follies of war and are not untried in its distresses and calamities. Unmeddling with the affairs of other nations, we have hoped that our distance and our disposition would have left us free in the example and indulgence of peace with all the world. * * * We confide in our strength without boasting of it; we respect that of others without fearing it.

[Applause.]

The sentiment behind these words is so modern that had they been written yesterday we would not be astonished.

Jefferson served his country as President for 8 years, years marked by many important achievements. He did not want the Presidency, but his personal desires did not deter him from accepting the office when he realized that he was needed, nor from serving his country well. As President he showed the country that its affairs could be administered properly without catering to wealth and the special interests; he demonstrated to the world that a democracy could function successfully; and that freedom of speech and the press does not endanger the existence of a government. He followed Washington in not accepting a third term, thus helping to establish an important American custom.

Jefferson would not permit the country, while he was President, to embroil itself in any war. Above all, he taught the American people to trust in common sense and in reason.

In all his dealings with his fellow men he was frank and unassuming. He was a loyal friend and a magnanimous opponent. His lifelong fight was against false principles, never against persons. He was a great theorist, but a theorist who kept his feet on the ground. He was the most practical of idealists.

Volumes could be written on Jefferson, the scholar, the civil engineer, the lawyer, the agriculturist, the architect, the inventor, the author, the philosopher, the statesman, the diplomat, the President, the Nation builder.

But if Jefferson himself could choose the subject of one biography of himself, it is certain that the title of the book would be "Jefferson the Democrat", the word "democrat", of course, used in its widest connection.

Jefferson's general attainments were high. His knowledge tion: The gentleman mentioned Jefferson's service as amof men was noteworthy and he was peculiarly fortunate in bassador to France. When on that occasion he was met at

having such disciples as Madison and Monroe. Jefferson preferred never to speak of his achievements, and when he was obliged to mention his own work he did so with the utmost modesty. He was, indeed, a great man who took everything, good and evil alike, in his stride.

A roll call of Jefferson's accomplishments and the broad principles he fought for sounds very much like the life work of a dozen statesmen.

"Jeffersonian democracy" is not a mere political catchword. It is a glowing ideal that should animate us regardless of party today, even in the face of triumphs by those who have abandoned his principles, who still manifest distrust in the people's right and ability to govern their own affairs. As against the theory that people were created for the Government, which is at the root of many of our evils today, he proclaimed the principle that the Government was established for the people. Liberty, to him, was not a privilege; it was a right; and government a mere responsibility delegated by the people. The first and only consideration was how much government was necessary to achieve human happiness and freedom—freedom in government, freedom in education, freedom in worship. [Applause.]

It is time to reexamine our Government in the light of these flashes of inspiration enjoyed by our great leader. It is time for us to make a pilgrimage, if only in fancy, to the grave of Thomas Jefferson, and draw renewed faith in the people from the following epitaph, which he wrote himself:

Here was buried Thomas Jefferson, author of the Declaration of American Independence, of the statute of Virginia for religious freedom, and father of the University of Virginia.

[Applause.]

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. JOHNSON of Texas. I want to commend the gentleman from New York for the very able speech he has made, but I wish to make this observation, that in the city of Washington there are statues of a great many of our distinguished Americans, but as far as I now recall, there is no statue, except the one in the Capitol, of Thomas Jefferson.

Mr. BOYLAN. In reply to the gentleman, I wish to say that at the last session I offered a resolution to appoint a commission to erect a memorial to the memory of Thomas Jefferson in the city of Washington. This commission has functioned, and we now have pending on the Consent Calendar, which I hope will be taken up on next Wednesday, a resolution authorizing us to go ahead with the erection of a statue to the memory of Thomas Jefferson.

Mr. JOHNSON of Texas. I congratulate the gentleman. [Here the gavel fell.]

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield? Mr. BOYLAN. I yield.

Mr. ZIONCHECK. It would be more fitting and more in keeping with Democratic theories and observance to follow the principles laid down and advocated by Thomas Jefferson rather than to build statues of him, and I think he would feel more complimented by such a course. [Applause.]

Mr. BOYLAN. If the gentleman had any sense of propriety at all, he would not have interjected that remark. There are times and places for all things.

Mr. ZIONCHECK. I sincerely believed what I said whether the gentleman believes it or not.

Mr. BOYLAN. Mr. Speaker, I do not yield further to the gentleman.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield? Mr. BOYLAN. I yield.

Mr. RANDOLPH. I have been intensely interested in the splendid address the gentleman from New York has given us. With the gentleman's permission I would make this observation: The gentleman mentioned Jefferson's service as ambassador to France. When on that occasion he was met at

the dock by Talleyrand, the French wit and diplomat, Talleyrand said to him, "Monsieur Jefferson, you come to take the place of Franklin." Jefferson replied, "Oh, no; not to take his place; no man can do that. I come only to succeed him." I should like to add that Jefferson's humbleness of heart made him the great man the gentleman from New York has portrayed.

Mr. BOYLAN. I thank the gentleman for his contribution. Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. COLDEN. What does the gentleman think of the idea of making Jefferson's birthday a national holiday?

Mr. BOYLAN. I think it an excellent idea. Critics harp about extraneous matters when we speak of honoring a great American. There is no politics in my speaking today of Jefferson; it is simply paying to him some of the credit and honor he should have had in the many years that have elapsed since his death. Because heretofore his fellow countrymen have been negligent and unappreciative of what Jefferson did for this country is no reason why we today as Members of the American Congress should follow in that pathway. Let us blaze a new trail and honor the statesman who has gone.

A certain philosophy exists today that pays no honor and gives no credit to great men and things of the past. The philosophy of many today is, "What will I get out of it; what does it give to me; what do I care about men who have fashioned a Constitution for this country the fruits of which we today are enjoying, but which we do not appreciate even in part?" [Applause.]

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BOYLAN. I yield.

Mr. BLANTON. I appeal to the gentleman from Washington to be generous enough to take out of our friend's speech the heckling interpolation.

Mr. ZIONCHECK. If the gentleman from New York will yield, Mr. Speaker, I had the gentleman from Texas in mind when I was speaking of Jefferson and his principles and ideals.

Mr. BLANTON. That is so absurd it is ridiculous.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield? [Here the gavel fell.]

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute additional.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOYLAN. Mr. Speaker, I yielded to the gentleman from Washington expecting he would ask a question in consonance with the remarks I was making.

Mr. ZIONCHECK rose.

Mr. BOYLAN. Mr. Speaker, I do not yield.

Mr. ZIONCHECK. I have risen merely to submit a unanimous-consent request when the gentleman's time has expired.

Mr. BOYLAN. And the gentleman's words, the gentleman's conduct, and the gentleman's action will speak for themselves. [Applause.]

[Here the gavel fell.]

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

Mr. BOYLAN. Mr. Speaker, I object.

RURAL ELECTRIFICATION

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3483) to provide for rural electrification, and for other purposes, with House amendments, insist on the House amendments, and agree to the conference asked by the Senate.

The Clerk reported the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. BLANTON. Reserving the right to object, what changes are to be adjusted between the House and the Senate on this bill?

Mr. RAYBURN. It was a Senate bill. The House has made changes in the Senate bill.

Mr. BLANTON. It has never been to conference at all? This is the first conference?

Mr. RAYBURN. That is correct.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none, and, without objection, appoints the following conferees: Messrs, Rayburn, Huddleston, and Mapes.

There was no objection.

The SPEAKER pro tempore. Under the special order, the Chair recognizes the gentleman from Missouri [Mr. Shannon] for 20 minutes.

CALL OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present. Mr. BANKHEAD. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 62]

Adair	Duffey, Ohio	Hoeppel	O'Brien
Allen	Duffy, N. Y.	Jenckes, Ind.	O'Day
Andrew, Mass.	Dunn, Miss.	Jenkins, Ohio	Oliver
Andrews, N. Y.	Dunn, Pa.	Johnson, Okla.	O'Malley
Barden	Eagle	Kee	Palmisano
Beam	Eaton	Keller	Perkins
Berlin	Eckert	Kelly	Peyser
Bland	Evans	Kennedy, N. Y.	Quinn
Bloom	Faddis	Kerr	Reed, Ill.
Bolton	Fenerty	Kocialkowski	Richards
Brennan	Ferguson	Lanham	Robertson
Brooks	Fernandez	Lea, Calif.	Romjue
Brown, Mich.	Fiesinger	Lehlbach	Russell
Buckbee	Fish	Lemke	Sabath
Buckley, N. Y.	Flannagan	Lesinski	Sanders, La.
Bulwinkle	Ford, Calif.	Lewis, Md.	Schaefer
Burch .	Frey	Lucas	Schuetz
Burdick	Gasque	McAndrews	Smith, W. Va.
Cannon, Wis.	Gassaway	McClellan	Snell
Cartwright	Gavagan	McFarlane	Somers, N. Y.
Cary	Gearhart	McGehee	Starnes
Cavicchia	Gifford	McGrath	Steagall
Cellar	Gray, Ind.	McKeough	Sumners, Tex.
Claiborne	Gray, Pa.	McLaughlin	Taylor, Colo.
Clark, Idaho	Greenway	McLean	Thom
Clark, N. C.	Greenwood	McMillan	Thomas
Connery	Gregory	McReynolds	Thomason
Corning	Haines	McSwain	Tinkham
Crosby	Hamlin	Maloney	Tobey
Crowe	Hancock, N. C.	Mansfield	Tonry
Culkin	Harlan	Marshall	Treadway
Cummings	Hart	May	Underwood
Darrow	Harter	Meeks	Vinson, Ky.
Dear	Hartley	Mitchell, Ill.	Wadsworth
Delaney	Healey	Monaghan	Warren
Dickstein	Hennings	Montague	Wearin
Dies	Hess	Montet	Weaver
Dietrich	Higgins, Conn.	Moran	Wigglesworth
Disney	Higgins, Mass.	Moritz	Wilson, La.
Dorsey	Hill, Knute	Murdock	Withrow
Driscoll	Hobbs	Nichols	Woodrum

The SPEAKER pro tempore. Two hundred and sixty-five Members have answered to their names. A quorum is present.

On motion of Mr. BANKHEAD, further proceedings under the call were dispensed with.

Mr. BANKHEAD. Mr. Speaker, before the gentleman from Missouri proceeds, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BANKHEAD. Mr. Speaker, under the rules of the House, this is the day set aside for the consideration of District of Columbia business. The District of Columbia Committee has very important functions to perform with reference to the affairs of the people of the District. They have brought up a bill here for consideration which they regard as of very great importance to the people of the District of Columbia. Whether you expect to support the bill or whether you expect to oppose it, the committee, it seems to me, is entitled to have the bill considered on its merits, and the Members of the House should be afforded an opportunity to vote on it one way or the other. Of course, I cannot control, and it is not my function to undertake to control, the activities of any Member, but I do appeal

particularly to those on my side of the aisle, in view of the dilatory tactics that are being pursued, to stay here in order to constitute a quorum, because no time is saved by the Members going to their offices. These constantly recurring roll calls will only require you to walk back over here. Just about the time you get to your office you will have to come back again.

Mr. Speaker, I think this is a reasonable request, and I appeal to the Members of the House to observe it if possible.

[Applause]

The SPEAKER pro tempore. Under the special order, the gentleman from Missouri [Mr. Shannon] is recognized for 30 minutes.

Mr. SHANNON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Record, and to include therein a poem that was rendered in the Congress that voted on the Louisiana Purchase.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHANNON. Mr. Speaker, I feel that I cannot let this one hundred and ninety-third anniversary of the birth of Thomas Jefferson pass without again calling to mind, as I have been privileged to do many times in the past, the great services that this supreme American performed for his country and the broad and enlightened vision with which he viewed its future destiny when its first great opportunity for expansion was offered for his consideration and judgment as the head of the Nation.

QUESTIONABLE TRIBUTES TO JEFFERSON

We are hearing a great deal in these days from the former beneficiaries of special privilege about Thomas Jefferson. You would think to hear some of the speeches that are being made by the orators of the storm troops that Jefferson and not Hamilton was the founder of what they are pleased to call the American system. They seem to have suddenly discovered virtues in the man of Monticello that they never suspected before. Of course, no one would think for a moment that the motives of these revivalists of Jeffersonian doctrines are not genuine. And yet at this moment I can recall a period not so far distant when the name of Thomas Jefferson was anathema to the high priests of the opposition party and when their elephants would trumpet scorn and derision when his name was mentioned.

From the days of William McKinley, the tariff builder, to those of Calvin Coolidge, the silent man of small economies, Thomas Jefferson was a forgotten man. They called him a Socialist and a Revolutionist; they even tried to deny that his was the brain and his the hand that framed the immortal Declaration of Independence; they discouraged mention of him in the schools of the land by an insidious propaganda, and I am credibly informed that by an official order his very statue was once removed from the Capitol Grounds here in Washington. But now the shoe is on the other foot and we are being constantly reminded how far we have departed from the simple faith of Jefferson and the pure democracy that he advocated.

The enemies of this administration have suddenly discovered what a great man he was. But let me take this occasion to say that these gentlemen who seek to link the name of Jefferson with their interpretations of the slogans of their villifying campaign—liberty, constitutionalism, and what they are pleased to call the American system—know little of Jefferson or the history that he made. There is more dust being blown into the eyes of the American people today than comes from the dust storms of the western prairies. We all have heard that the devil can quote Scripture for his own purposes, and the praise of Jefferson by those seeking to discredit the present administration is a gift horse whose teeth will bear looking into.

I yield to no man in my reverence for the memory of Thomas Jefferson and my faith in the doctrines he espoused. I raised my voice, when his portrait was rarely to be found in a public school and when his doctrines were subtly denounced as subversive of American ideals, to reestablish his memory among the youth of our country. I was laughed at by the opposition for my pains. And yet today, in my own

State, we have a Jefferson holiday, a monument to him on the university grounds, and his portrait is found displayed in the halls of learning. I am sorry that I can lay no claim to the late conversion of the Liberty Leaguers and others, and I am afraid that when I remind them of a few things about Jefferson that they seem to have forgotten their sudden faith may evaporate.

JEFFERSON AND THE CONSTITUTION

It may come as a great shock to the present advocates of constitutionalism to be told that, strict constructionist of the Constitution though he was, Jefferson was the first President to challenge its limitations in what he considered the greatest opportunity for expansion, the greatest national emergency, if you will, that ever confronted the Nation. He challenged it upon the ground of public welfare, the welfare of the Nation, and when the test came in the Louisiana Purchase, he rushed the passage of a resolution ratifying that great treaty through the Congress in spite of the lack of constitutional power. It was, as another Democratic President said, "a condition and not a theory" that confronted him, and he acted upon it with a broadness of vision, a courage, and a spirit of true statesmanship that was equal to the emergency.

Not only did Jefferson ignore the lack of express power in the Constitution to enable him to acquire the Louisiana Territory, but he shut his eyes to a more sacred doctrine enunciated in his own Declaration of Independence, that "governments derive their just powers from the consent of the governed." Within the territories to be acquired were some 38,000 free people, the citizens of a foreign power. They were absorbed in the deal without their consent; they passed from one government to another without a voice of choice.

Why did Jefferson do such violence to his well-known principles in this particular case? It was a supreme necessity. It was a stupendous opportunity to lay the foundations of the future glory of the Nation, a great emergency that called for the operation of one of the cornerstones of the preamble, the public-welfare clause, and Jefferson, in the teeth of Hamiltonian opposition and in spite of the warning voices of the Federal judiciary, held the public welfare, or, what is the same thing, the welfare of the Nation, to be a consideration more potent and binding than any generality of the Constitution or any high-sounding phrase of the Declaration of Independence.

He cast his prophetic vision across the waters of the Mississippi to the Pacific Ocean, and he saw in the far rolling prairies of the West not only a domain from which was to be carved the great States of the Union that now occupy it, but, agriculturist as he was, he saw there the bread basket of the expanded Nation of the future, the great granary from which a Nation extending from the Atlantic to the Pacific was to be fed. He visioned all this from the borders of the 17 States then in existence, when the opponents of the purchase saw there only a vast wilderness. Stickler as he became for strict construction when the great constitutional document was fashioned to his heart's desire, when he found therein no express authority to acquire foreign lands by purchase he took shelter under the welfare clause; and where is there a statesman, or a citizen, in the land today, in high or in low place, who will challenge the judgment that bequeathed such an empire to the United States of America?

THE LOUISIANA PURCHASE A PRECEDENT

But that is not all that Jefferson's unconstitutional action did for the Nation. The Louisiana Purchase became a precedent. It leaped over the strict interpretation of the constitutional powers, and in so doing it created a new power, a new authority, for future purchases and acquisitions in the South and in the West and in far Alaska. Above every statesman of his day, Jefferson has the right to be known as America's greatest expansionist, the prophet of the Nation's future, and the first of the Presidents to realize the meaning of the ninth amendment to the Constitution which he was instrumental in having adopted among the overlooked Bill of Rights, to wit, the amendment which says:

The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people.

These reserved rights, Jefferson, in his great territorial deal, found sufficiently shielded in the preamble which declared as a primary principle that the Constitution was enacted "to promote the general welfare"; at least, whether he specially found authority in that clause or not, he stretched the written provisions of the Constitution to cover what he deemed a national emergency, a supreme necessity in the expansion and development of the young Republic whose destinies he held paramount to every other consideration. And this was long before the Supreme Court made use of Chief Justice Marshall's discovery that the Constitution had "implied powers" which became the bulwark and the shield of trusts, monopolies, and the exploitation of privileged interests. What a contrast with the motives of Jefferson, whose liberal interpretation of the great document opened the way for the establishment of the great States of the West, for the fur traders, for the development of the rich mineral and agricultural regions between the Mississippi and the Rockies, and for the millions of home lands that came to be opened and developed with the great tides of western immigration.

Let us on this occasion turn back and read again this footnote to our history which has been more or less forgotten in its origins. When England recognized the independence of the United States as "free, sovereign, and independent States", those Thirteen Original States occupied a territory extending from the Great Lakes to about 50 miles north of the Gulf of Mexico and from the Atlantic Ocean to the east banks of the Mississippi. Florida was under the dominion of Spain, and for a time Louisiana, vaguely defined, was also under Spanish dominion. Controlling New Orleans at the mouth of the Mississippi, Spain was a menace to the navigation of the river to the Gulf. By treaty Spain was induced to give us certain rights of deposit and transshipment from the port of New Orleans, and all was quiet for a while along the Mississippi.

But along about the year 1800, in the shifting tides of European wars, Napoleon, then French Consul, came into possession of the Louisiana Territory by reason of a treaty with Spain. For a time Napoleon had grandiose schemes for building another New France beyond the Mississippi. But a sudden war with England changed his notions and Jefferson, then President, sent ambassadors to deal with him, at first merely for the control of the New Orleans territory. The negotiations dragged along until Jefferson sent James Monroe across the water to speed them up. From the very beginning of the negotiations, Jefferson foresaw that Louisiana in the hands of the French would be a far greater menace to American interests than in the hands of the more placable Spanish Government.

Writing to Livingston, our then Minister to France, Jefferson said:

The cession of Louisiana by Spain to France works most sorely on the United States. It completely reverses all the political relations of the United States and will form a new epoch in our political course. * * Spain might have retained it quietly for years. Not so France. The impetuosity of her temper, the energy and restlessness of her character, placed in a point of eternal friction with us and our character * * * render it impossible that France and the United States can long continue friends when they meet in so irritable a position.

Mr. BLANTON. Will the gentleman yield?
Mr. SHANNON. I yield to the gentleman from Texas.
Mr. BLANTON. My colleague once before made a very splendid speech on Jefferson. I understand that a great authority on Jefferson here in the United States said that it was one of the best speeches on Jefferson that he had ever read. Is that the fact?

Mr. SHANNON. That was Mr. Beck? Mr. BLANTON. Yes. The gentleman is making such a splendid speech now, Mr. Speaker, that I think we ought to have a quorum present, and I make a point of no quorum.

The SPEAKER pro tempore (Mr. UTTERBACK). The Chair will count. [After counting.] Evidently there is not a quorum present.

Mr. BLANTON. Mr. Speaker, I move a call of the House. A call of the House was refused.

Mr. BLANTON. Mr. Speaker, I move that the House do now adjourn.

The motion was rejected.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. Shannon] will proceed.

Mr. BLANTON. Mr. Speaker, I make the point of order that the House cannot proceed without a quorum.

Mr. O'CONNOR. Mr. Speaker, I move a call of the

A call of the House was refused.

Mr. BLANTON. Mr. Speaker, I make the point of order that the House cannot proceed without a quorum being

The SPEAKER pro tempore. The point of order is sustained.

Mrs. NORTON. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 63]

Adair	Dies	Higgins, Conn.	Moritz
Allen	Dietrich	Higgins, Mass.	Murdock
Andresen	Dirksen	Hill, Knute	Nichols
Andrew, Mass.	Disney	Hobbs	O'Brien
Andrews, N. Y.	Dorsey	Hoeppel	Oliver
Barden	Driscoll	Hope	Palmisano
Beam	Duffey, Ohio	Jenckes, Ind.	Perkins
Berlin	Duffy, N. Y.	Jenkins, Ohio	Quinn
Bland	Dunn, Miss.	Johnson, Okla.	Reed, Ill.
Bolton	Dunn, Pa.	Kee	Richards
Brennan	Eagle	Keller	Robinson, Utah
Brooks	Eaton	Kelly	Romiue
Brown, Mich.	Eckert	Kerr	Russell
Buckbee	Faddis	Kocialkowski	Sabath
Buckley, N. Y.	Fenerty	Lanham	Sanders, La.
Bulwinkle	Ferguson	Lea, Calif.	Schaefer
Burch	Fernandez	Lehlbach	Schuetz
Burdick	Fiesinger	Lemke	Schulte
Caldwell	Fish	Lesinski	Scrugham
Cannon, Wis.	Fitzpatrick	Lewis, Md.	Sears
Cary	Flannagan	Lucas	Secrest
Cavicchia	Ford, Calif.	McAndrews	Snell
Chapman	Frey	McFarlane	Starnes
Claiborne	Gambrill	McGehee	Steagall
Clark, Idaho	Gasque	McGrath	Sumners, Tex.
Clark, N. C.	Gassaway	McGroarty	Thom
Coffee	Gavagan	McKeough	Thomas
Collins	Gifford	McLaughlin	Tinkham
Connery	Gray, Pa.	McLean	Tobey
Cooper, Ohio	Greenway	McMillan	Treadway
Crosby	Gregory	Maloney	Underwood
Crowe	Haines	May	Wadsworth
Crowther	Hamlin	Meeks	Weaver
Culkin	Hancock, N. C.	Mitchell Ill.	Wigglesworth
Cummings	Harlan	Monaghan	Wilcox
Darrow	Hartley	Montague	Wilson, La.
Dear	Healey	Montet	Withrow
DeRouen	Hess	Moran	Zimmerman

The SPEAKER pro tempore (Mr. O'CONNOR). Two hundred and seventy-six Members have answered to their names; a quorum is present.

On motion of Mr. BANKHEAD, further proceedings under the call were dispensed with.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. Shannon] has 18 minutes remaining. Does the gentleman yield for that purpose?

Mrs. NORTON. Mr. Speaker, will the gentleman from Missouri yield to me?

Mr. SHANNON. I yielded to the gentleman from Texas [Mr. Blanton] and I guess I can yield to the gentlewoman from New Jersey.

The SPEAKER pro tempore. The gentlewoman from New Jersey [Mrs. Norton] asks unanimous consent to address the House for 15 minutes. Is there objection?

Mr. BLANTON. Mr. Speaker, I object. The SPEAKER pro tempore. The gentleman from Missouri [Mr. Shannon] is recognized for 18 minutes.

Mr. SHANNON. Mr. Speaker, at the very outset of the negotiations, he saw that an imperial France and a peaceloving and proud nation like the United States could not long endure as national neighbors.

Napoleon himself cut the knot. Hard-pressed by his impending war with Great Britain, and fearful, too, that Great Britain might wrest the American territory from his control,

he suddenly determined to sell the whole Louisiana Territory to the United States, foreseeing that that young Republic could better deal with British aggressions than distant France. He named his price, some \$15,000,000—a staggering sum of money considered in the monetary values of that day, a stupendous figure of debt for the young States to assume through their National Government. But it was an empire that was offered, covering some 800,000 square miles of territory, fitted to sustain millions in the future, and Jefferson clearly visioned that future, as subsequent events proved. He accepted, through his ambassadors, Napoleon's offer.

OPPOSITION OF FEDERALISTS TO LOUISIANA PURCHASE

The treaty was signed, and then came the problem of ratification. The Federalists turned their oratorical guns loose upon him. They charged him with trying to aid the French and not the United States. They said he was buying a wilderness peopled with savages and wild beasts-"taking a wild dash into infinite space"-as one of their orators phrased it. They said the deal was unconstitutional and every Federalistic effort was put forth to prevent its consummation. If the American system was to be interpreted by the Federalists and the Hamiltonians of that day, where would our great West be today?

Jefferson fully realized the difficulties that confronted him. He searched the Constitution and found no express warrant there for the purchase of lands from foreign powers, still less for acquiring jurisdiction over a foreign people "without the consent of the governed." He thought for a time of having the deal ratified by an amendment to the Constitution, but word came from abroad that there was a chance that Napoleon, in case of victory, might change his mind. The constitutional amendment would take time, argument, possible frustration of the great treaty. So he made up his mind that the treaty must be ratified in spite of fancied constitutional prohibitions, in spite, even, of his cherished doctrines established in the Declaration of Independence.

Upon the question of national welfare he took his stand. Writing to Senator Breckenridge on August 12, 1803, he said:

This treaty must, of course, be laid before both Houses, because both have important functions to exercise respecting it. They, I presume, will see their duty to their country in ratifying and paying for it, so as to secure a good which would otherwise probably never again be in their power. But I suppose they must then appeal to the Nation for an additional article to the Constitution approving and confirming an act which the Nation had not prepreviously authorized.

Conscientiously, Jefferson, a strict constructionist, felt that some constitutional warrant must be found for the purchase. But the vicious fight made upon the deal by the Federalists changed his mind. The guns of the opposition were leveled at the measure, challenging its constitutionality, deriding its necessity, and smothering his arguments in a torrent of oratorical abuse. Then Jefferson took the bull by the horns. There was danger that the coveted territory would slip from the grasp of the Nation. Finding some warrant in the general provisions of the constitutional preamble, laying aside academical casuistry, he determined to carry the measure through at all hazards, consoling his political conscience with the thought that the welfare of the Nation and of its people would justify the action.

SUB SILENTIO PROCEDURE

But he realized that he would have to guide the measure past the guns of the opposition as silently as was possible. On August 18, 1803, he wrote another letter to Senator Breckenridge, in which he said:

I wrote you on the 12th instant on the subject of Louisiana and the constitutional provision which might be necessary for it. A letter I received yesterday shows that nothing must be said on that subject which may give a pretext for retraction, but that we should do sub silentio what shall be found necessary.

Jefferson was a good Latin scholar. I am not. But I do not need much Latin to know what sub silentio means. Jefferson, threatened with a retraction of the treaty, saw that it must be slipped through the Federalist lines with the least noise possible—sub silentio was to be the watchword. And sub silentio the great treaty went through the congressional

narrows, and Louisiana Territory became the property of the United States, the richest acquisition ever obtained by any modern nation.

The vote on the ratification of the Louisiana Purchase Treaty in the Senate October 20, 1803, was-yeas 24, nays 6, not voting 3. Among those who did not vote was John Quincy Adams. He was for it, but would not vote for its being put through in this way. There was one vacancy in the Senate at that time. The vote in the House October 25, 1803. was-yeas 90, nays 24. The roll-call vote in both Houses

RECORD OF THE YEAS AND NAYS IN THE SENATE ON THE RATIFICATION OF THE LOUISIANA PURCHASE TREATY, OCTOBER 20, 1803

Yeas (24): Anderson, Joseph (Tenn.), Democrat; Bailey, Theodore (N. Y.), Democrat; Baldwin, Abraham (Ga.), Federalist; Bradley, Stephen Row (Vt.), Democrat; Breekenridge, John (Ky.), Democrat; Brown, John (Ky.); Butler, Pierce (S. C.), Democrat; Clinton, De Witt (N. Y.), Democrat; Cocke, William (Tenn.); Condit, John (N. J.), Democrat; Dayton, Johnathan (N. Y.), Democrat; Ellery, Christopher (R. I.), Democrat; Franklin, Jesse (N. C.), Democrat; Jackson, James (Ga.), Democrat; Logan, George (Pa.), Democrat; Maclay, Samuel (Pa.); Nicholas, Wilson Cary (Va.), Democrat; Potter, Samuel John (R. I.), Democrat; Stone, David (N. C.), Democrat; Taylor, John (Va.), Democrat; Worthington, Thomas (Ohio), Democrat; Wright, Robert (Md.), Democrat.

Nays (6): Hillhouse, James (Conn.), Federalist; Olcott, Simson (N. H.), Federalist; Pickering, Timothy (Mass.), Federalist; Plumer, William (N. H.), Federalist; Wells, William Hill (Del.); White, Samuel (Del.), Federalist. Yeas (24): Anderson, Joseph (Tenn.), Democrat; Bailey, Theo-

Not voting (3): Adams, John Quincy (Mass.), Federalist; Sumter, Thomas (S. C.), Democrat; Giles, William Branch (Va.), Democrat.

RECORD OF THE YEA-AND-NAY VOTE IN THE HOUSE ON A RESOLUTION THAT THE TREATY BETWEEN FRANCE AND THE UNITED STATES, OF APRIL 30, 1803, PROVIDING FOR THE LOUISIANA PURCHASE, BE CARRIED INTO EFFECT OCTOBER 25, 1803

APRIL 30, 1803, PROVIDING FOR THE LOUISIANA PURCHASE, BE CARRIED INTO EFFECT OCTOBER 25, 1803

Yeas (90): Alston, Willis (N. C.), War Democrat; Alexander, Nathaniel (N. C.); Anderson, Isaac (Pa.), Jefferson Democrat; Archer, John (Md.), Democrat; Bard, David (Pa.); Bedinger, George Michael (Ky.); Bishop, Phanuel (Mass.); Blackledge, William (N. C.), Democrat; Boyle, John (Ky.), Democrat; Brown, Robert (Tenn.), Democrat; Butler, William (S. C.), Anti-Federalist; Campbell, George W. (Tenn.), Democrat; Casey, Levi (S. C.); Chittenden, Martin (Vt.); Claggett, Clifton (N. H.); Claiborne, Thomas (Va.), Democrat; Clay, Joseph (Pa.); Clay, Matthew (Va.), Democrat; Clopton, John (Va.), Democrat; Conrad, Frederick (Pa.); Crowningshield, Jacob (Mass.), Democrat; Cutts, Richard (Mass.), Democrat; Dawson, John (Va.), Democrat; Dickson, William (Tenn.); Earle, John (S. C.); Early, Peter (Ga.); Elliott, James (Vt.), Federalist; Eppes, John W. (Va.), Democrat; Eustis, William (Mass.), Democrat; Findley, William (Pa.), Democrat; Fowler, John (Ky.); Goodwyn, Peterson (Va.), Democrat; Gray, Edwin (Va.); Gregg, Andrew (Pa.); Hampton, Wade (S. C.), Democrat; Hanna, John A. (Pa.), Anti-Federalist; Hasbrouck, Josiah (N. Y.); Heister, Joseph (Pa.), Federalist; Hoge, William (Pa.), Federalist; Holmes, David (Va.); Hunt, Samuel (N. H.); Jackson, John G. (Va.), Democrat; Jones, Walter (Va.), Democrat; Kennedy, William (N. C.), Federalist; Knight, Nehemiah (R. I.), Anti-Federalist; Leib, Michael (Pa.), Democrat; Lucas, John B. C. (Pa.), Democrat; Lyon, Matthew (Vt.), Anti-Federalist; McCord, Andrew (N. Y.); McCreery, William (Md.); Meriwether, David (Ga.), Democrat; Mitchill, Samuel L. (N. Y.), Democrat; Newon, Jeremiah (Ohio), Democrat; New, Anthony (Va.), Democrat; Newton, Thomas, Jr. (Va.), Democrat; Palmer, Joseph H. (Md.), Democrat; Olin, Gideon (Vt.), Democrat; Palmer, Thomas (S. C.); Morrow, Jeremiah (Ohio), Democrat; New, Anthony (Va.), Democrat; Newton, Thomas, Jr. (Va.), Democrat; Nicholson, Joseph H. (Md.), Democrat; Olin, Gideon (Vt.), Democrat; Palmer, Beriah (N. Y.); Patterson, John (N. Y.); Purviance, Samuel D. (N. C.), Jefferson Democrat; Randolph, John (Va.), Democrat; (States' Right); Randolph, Thomas M. (Va.), Democrat; Rea, John (Pa.), Democrat; Rhea, John (Tenn.), Democrat; Richards, Jacob (Pa.), Democrat; Rodney, Caesar A. (Del.), Democrat; Rodney, Caesar A. (Del.), Democrat; Rodney, Caesar A. (Del.), Democrat; Sanford, Thomas (Ky.), Democrat; Santon, Thomas (N. Y.), Democrat; Sanford, Thomas (Ky.), Democrat; Seaver, Ebenezer (Mass.), Democrat; Smith, John (Pa.), Democrat; Smith, John (Va.); Stanford, Richard (N. C.), Democrat; Stanton, Joseph (R. I.), Democrat; Stewart, John (Pa.), Democrat; Thomas, David (N. Y.), Democrat; Thompson, Philip R. (Va.), Democrat; Trigg, John (Va.); Van Cortlandt, Philip (N. Y.), Democrat; Varnum, Joseph B. (Mass.); Verplanck, Daniel C. (N. Y.), Federalist; Walton, Matthew (Ky.), Democrat; Whitehill, John (Pa.); Williams, Marmaduke (N. C.), Democrat; Winn, Richard (S. C.), Democrat; Winston, Joseph (N. C.), Democrat; Wynns, Thomas (N. C.), Federalist. (N. C.), Federalist.

(N. C.), Federalist.

Nays (24): Chamberlin, William (Vt.), Federalist; Cutler, Manasseh (Mass.), Federalist; Dana, Samuel W. (Conn.), Federalist; Davenport, John (Conn.), Federalist; Dwight, Thomas (Mass.), Federalist; Goddard, Calvin (Conn.), Federalist; Griffin, Thomas (Va.); Griswold, Gaylord (N. Y.), Federalist; Hastings, Seth (Mass.), Federalist; Hough, David (N. H.); Lewis, Joseph, Jr. (Va.), Federalist; Lewis, Thomas (Va.); Livingston, Henry W. (N. Y.); Mitchell, Nahum (Mass.), Federalist; Plater, Thomas (Md.); Sands, Joshua (N. Y.); Smith, John Cotton (Conn.), Federalist; Stedman, William (Mass.), Federalist; Stephenson, James

(Va.), Federalist; Taggart, Samuel (Mass.), Federalist; Tenney, Samuel (N. H.); Thatcher, Samuel (Mass.), Democrat; Wadsworth, Peleg (Mass.); Williams, Lemuel (Mass.).

The treaty proper was ratified on October 25, 1803, and acts were passed on November 3, 1803, authorizing the issue of bonds in order to pay France. The constitutional question was never raised again. Whether constitutional or unconstitutional, the territory was ours, by the greater laws of national necessity, by the higher warrants of the general welfare of the Nation and its people.

OTHER TERRITORIAL ACQUISITIONS

But that was not all. The purchase of Louisiana Territory established a precedent which became amalgamated in our constitutional law and interpretation. Jefferson had found a way, sub silentio, to enact a treaty for our national benefit. Later we used that way as a precedent for paying Spain \$5,000,000 for Florida, after Andrew Jackson, in his own rough way, had taught the Spaniards of Florida to respect the American flag. We used the same precedent when we paid Mexico \$15,000,000 for Texas and adjacent territories after the Mexican War, and later we paid her, by the same precedent, 10 more millions for the Gadsden Purchase, which gave us the States of Arizona and New Mexico.

Nor was that all that sprang to the benefit of the general welfare from Jefferson's Louisiana treaty. Confident of the value of his great purchase, Jefferson in 1804 sent Lewis and Clark to explore the Northwest Territory, then known as the Oregon country. By reason of the Louisiana Purchase, they traveled then mostly through lands controlled by the United States, but they also pushed their discoveries into the Oregon territory, extending to the Pacific Ocean, so that when the time came to dispute our claims to that territory with the British, the discoveries and claims established by Jefferson's voyageurs gave us primal rights in the Oregon country, and we obtained them by treaty. So, directly springing from Jefferson's unconstitutional act in purchasing Louisiana, the Nation's boundaries at last extended from the Atlantic to the Pacific and from the Great Lakes to the Gulf.

JEFFERSON AND THE BILL OF RIGHTS

Perhaps I should close this brief excursion into Jeffersonian history here, but I am tempted to add another footnote while on the constitutional subject. I have said that Jefferson was a strict constructionist of the Constitution when it became fashioned to his heart's desire. But his heart was not wholly in it as it emanated from the Constitutional Convention and was ratified in 1789. He had praised its makers, but he was not wholly satisfied with their product. He found that there were certain rights, dear to the vision of a great American, that, as the document stood, were clearly unconstitutional. He found nothing there to insure freedom of speech, religious liberty, the right of petition by the people, the right to bear arms, the exclusion of soldiers from peaceful domiciles in times of peace, the protection of life and property by due processes of law, trial by jury in civil actions, and a few other things, including the limitation of judicial power, which, in his gospel, came under the heading of natural human rights. As the Constitution stood when ratified, all these rights were unconstitutional. It took 2 years to make them part of the Constitution. It was Jefferson's influence that formulated these human rights into the first 10 amendments to the Constitution and incorporated them there as the Bill of Rights. The Constitution makers had just overlooked them. But Jefferson and his followers made them constitutional; and yet our friends of the opposition in these days, in glorifying this great fundamental charter-which, let me say, I reverence as much as any of them; much more, perhaps, than some of its interpreters—are very fond of explaining to the common people how solicitous the Constitution makers were for their interests by citing the provisions of the Bill of Rights as evidence.

Fortunately for the Jefferson administration, there was no ultrarich editor, operating a large chain of publications, nor was there a Liberty League in existence at that time, and

the Supreme Court of that period had not shown a disposition to take over powers it was never intended that it should have.

Had these conditions of today been in existence then, a test case would undoubtedly have been filed by these protectors of special interests, and perhaps Jefferson would have been thwarted in his project to annex the Louisiana Territory to the United States.

JEFFERSON AND THE JUDICIARY

Jefferson was a great statesman. Whereas a politician sees only the conditions of the present, Jefferson, the statesman, foresaw the events of the future. His remarkable foresight was well illustrated in his vision of the Supreme Court. He made many utterances on the Federal judiciary, but one will suffice on this occasion. In 1820, writing to Mr. Jarvis, he

You seem to consider the judges as the ultimate arbiters of all constitutional questions; a very dangerous doctrine, indeed, and one that would place us under the despotism of an oligarchy. Our judges are as honest as other men are, and no more so. They with others the same passions for party, for power, and the privilege of their corps.

JEFFERSONIAN LOGIC APPLICABLE TODAY

Jefferson found warrant for his so-called unconstitutional purchase of the Louisiana Territory in the greater laws of national necessity and general welfare.

Is there not a parallel between the supreme necessity which induced Jefferson to ignore the lack of express power in the Constitution when he acquired the Louisiana Territory and the supreme necessity which impelled our President of today to ignore possible constitutional limitations when he set about to alleviate human sufferings?

Just as Jefferson realized that the time which would be consumed in securing a constitutional amendment to ratify the Louisiana Purchase would possibly frustrate the great treaty, so did our present Chief Executive realize that such delay would frustrate all attempts to solve the great problems confronting him. He know that delay would mean untold sufferings, despair, widespread destitution, and even national bankruptcy.

The relief offered by him extended to all who were in distress due to the inherited depression. And the bankers, many of whom are now raising their voices to deride the policies of this administration, were among the recipients of his relief. This country was in a most precarious financial condition in March 1933, when the President took over the helm of state. On bended knees the bankers begged to be saved. Within 5 days after his inauguration every bank was closed, by his order, and there was immediately set into motion the machinery from which there emerged a financial stability which has restored public confidence in the banking institutions of this country.

Constitutional or unconstitutional, Jefferson acquired the Louisiana Territory. Historians agree that he was right when he did so. And I feel sure that future historians will say of our President of today that, constitutional or unconstitutional, he was right when he took steps to relieve human sufferings.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. SHANNON. I yield. Mr. WOLCOTT. The gentleman has stated, I believe, that the Constitutional Convention overlooked the Bill of Rights.

Mr. SHANNON. Yes. Mr. WOLCOTT. I do not want to disparage Jefferson's activity with respect to getting the Bill of Rights adopted as a part of the Constitution; but if I recall my history of the convention correctly, the Bill of Rights was considered a very controversial subject in all its elements, and it was decided by the Constitutional Convention to recommend the adoption of the Constitution without the Bill of Rights and allow the States, after they had become States, to ratify the Bill of Rights separately from the principal Consti-

Mr. SHANNON. Mr. Jefferson was Minister to France at the time the Constitution was framed. He wrote many

letters protesting against the failure to incorporate therein a declaration of rights. In a letter to William Rutledge he

I am glad to hear that our new Constitution is pretty sure of being accepted by States enough to secure the good it contains and to meet such opposition in some others as to give us hopes it will be accommodated to them by the amendment of its most glaring faults, particularly the want of a declaration of rights.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. SHANNON. Yes.

Mr. COLDEN. I want to say to the gentleman from Missouri that I have introduced a bill to make Jefferson's birthday a national holiday. What is the gentleman's attitude toward that bill?

Mr. SHANNON. I think that should be done.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman from Missouri yield?

Mr. SHANNON. I yield.

Mr. CHRISTIANSON. The Members on both sides of the aisle have listened with a great deal of interest to the remarks made by the gentleman from Missouri on the life and work and influence of Thomas Jefferson. Jefferson is one of the few great historic characters who is universally acclaimed by all Americans, regardless of political affiliations; and in this connection I recall that about 2 years ago the Honorable James M. Beck, who was then a Member of this House, representing a Pennsylvania district, delivered a eulogy upon Thomas Jefferson that I consider one of the finest ever pronounced, and my purpose in rising is to ask unanimous consent that this eulogy be extended in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. SHANNON. I think that is most fitting. Mr. Beck's speech is a very beautiful tribute to Thomas Jefferson, and it has a proper place in the RECORD on this Jefferson day.

Mr. BLANTON. Mr. Speaker, will the gentleman yield for just one observation?

Mr. SHANNON. Yes. Mr. BLANTON. I want to say to my friend the gentleman from California [Mr. COLDEN] and others who may think like he does that they should read one of the most instructive speeches ever delivered here on the subject of creating new national holidays, made by James R. Mann, of Illinois, against making Lincoln's birthday a national holiday. This speech gives some very fine pointers. Jim Mann said we had enough national holidays and that Lincoln himself would not want anything of the kind.

[Here the gavel fell.]

The SPEAKER. Under the previous order of the House. the gentleman from Pennsylvania [Mr. Rich] is recognized for 10 minutes.

Mr. RICH. Mr. Speaker and Members of the House of Representatives, on this one hundred and ninety-third anniversary of Thomas Jefferson, one of the greatest Americans that has ever lived, a man who was a great States' rights Democrat, a man who was the author of the Declaration of Independence, one of the greatest documents ever written, nothing would be more fitting today, after we have heard these two great speeches eulogizing Thomas Jefferson from our colleague from New York [Mr. Boylan] and our colleague from Missouri [Mr. Shannon], than for the membership of this House, both Democrats and Republicans, to think of the great things that Thomas Jefferson said and did during his lifetime and emulate those things. Nothing, I say, would be better for this country of ours, especially at this particular time. [Applause.]

Mr. BLANTON. Mr. Speaker, the gentleman from Pennsylvania is making a money-saving speech, and I make the

point that no quorum is present.

Mr. BANKHEAD. I trust that the gentleman from Texas will not make the point of no quorum. I am sure the gentleman from Pennsylvania is satisfied to make his speech to the large number of Members now on the floor.

Mr. RICH. The majority leader knows that I am satisfied with the number of Members on the floor.

Mr. BLANTON. The gentleman from Pennsylvania does not speak often, and we ought to have a quorum here to hear him

The SPEAKER. Evidently there is no quorum present. Mr. BANKHEAD. Mr. Speaker, I move a call of the House

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 641

Adair	Disney	Hoeppel	O'Brien
Allen	Dorsey	Hook	Oliver
Andresen	Doutrich	Hope	O'Neal
Andrew, Mass.	Driscoll	Jenckes, Ind.	Palmisano
Andrews, N. Y	Duffey, Ohio	Jenkins, Ohio	Perkins
Beam	Duffy,N.Y.	Johnson, Okla.	Peterson, Fla.
Berlin	Dunn, Miss.	Kee	Pierce
Binderup	Dunn, Pa.	Keller	Quinn
Bolton	Eagle	Kelly	Reed, Ill.
Brennan	Eaton	Kerr	Richards
Brooks	Eckert	Kocialkowski	Romjue
Brown, Mich.	Faddis	Lanham	Russell
Buckbee	Fenerty	Larrabee	Sabath
Buckley, N. Y.	Ferguson	Lea, Calif.	Sanders, La.
Bulwinkle	Fernandez	Lehlbach	Sandlin
Burch	Fiesinger	Lemke	Schaefer
Burdick	Flannagan	Lesinski	Schneider
Cannon, Wis.	Ford, Calif.	Lewis, Md.	Schuetz
Cary	Frey	Lucas	Smith, Va.
Claiborne	Gambrill	Lundeen	Snell
Clark, Idaho	Gasque	McAndrews	Starnes
Clark, N. C.	Gassaway	McFarlane	Steagall
Coffee	Gavagan	McGehee	Sumners, Tex.
Collins	Gifford	McGrath	Thom
Connery	Gray, Ind.	McKeough	Thomas
Cooper, Ohio	Greenway	McLaughlin	Thurston
Crosby	Gregory	McMillan	Tinkham
Crowe	Haines	Maloney	Tobey
Crowther	Hancock, N. C.	May	Underwood
Culkin	Harlan	Meeks	Wadsworth
Darrow	Hartley	Mitchell,Ill.	Weaver
Dear	Healey	Monaghan	Wigglesworth
DeRouen	Hess	Montague	Wilson, La.
Dickstein	Higgins, Conn.	Montet	Withrow
Dies	Higgins, Mass.	Moran	ALTONOMO COMPANION
Dietrich	Hill, Knute	Moritz	
Dingell	Hobbs	Murdock	

The SPEAKER. Two hundred and eighty-four Members are present, a quorum.

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. RICH. Members of the House of Representatives, when our colleague, Mr. Boylan, spoke a few moments ago he said that the only monument we had to Thomas Jefferson stood in the hallway outside the House of Representatives, and that at no place could a more fitting monument be erected to this great man, Thomas Jefferson, than in the city of Washington.

I believe if the House of Representatives wanted to erect a fitting statue to Thomas Jefferson in Washington, D. C., both Republicans and Democrats alike would vote any sum of money for a monument to that great man here in the city of Washington.

The trouble is that the Members of the House of Representatives have almost forgotten the teachings of Thomas Jefferson. Take the platform where you promised economy of government, balancing the Budget, sound money, elimination of Government in business, and where you lamented the excessive use of money in political activities, and where the last paragraph of the Democratic platform reads, as follows:

In conclusion, to accomplish these purposes and to recover economic liberty, we pledge the nominees of this convention the best efforts of a great party whose founder announced the doctrine which guides us now in the hour of our country's need: Equal rights to all, special privileges to none.

They meant Thomas Jefferson, but let me tell you now that the Democratic Party has forsaken Thomas Jefferson, and only I as a Republican stand up here to laud those things, besides my colleague from New York [Mr. BOYLAN], and my colleague from Missouri [Mr. Shannon]. I say to you Democrats, follow Thomas Jefferson from now on.

They are talking about building a monument in the city of St. Louis to that great man, Thomas Jefferson, and there has been allocated in an Executive order of December 21, 1935, \$6,750,000 toward this project. They expect to spend \$30,000,000 to build the monument to Thomas Jefferson in St. Louis. Let me show you the monument they have already constructed in the city of St. Louis, which is a great monument on 1,200 acres of land, a monument which stands out as a memorial to any great man. Why should they waste the money now to build a second monument, to the tune of \$30,000,000 in St. Louis, when we need the money to buy food and clothing to help those in need? The second memorial to Thomas Jefferson is not a necessity in St. Louis. That proposed monument will cost as high as \$325,000 an acre for the property they expect to condemn. on 37 city blocks, wrecking 446 buildings, embracing 290 firms doing an annual business of \$60,000,000 who will have to find other quarters. One hundred and thirty-four firms, according to the Chamber of Commerce of St. Louis, have an investment of \$12,610,000 and pay \$12,000,-000 in wages and salaries to the workers in St. Louis. Why destroy all this property? Why should we build a second monument in St. Louis, when we have none to amount to anything in the city of Washington? It is a disgraceful proposal not authorized by Congress. Remember this when the one and one-half billion relief bill comes on the floor soon.

The waste of money going on under the W. P. A. program is scandalous. In this morning's paper Gen. Hugh S. Johnson characterizes the program of the W. P. A. as cruel and stupid.

SYSTEM HUMILIATES BENEFICIARIES; TASKS NEEDLESS, EXPENSIVE

PROGRAM OF W. P. A. CRUEL AND STUPID, HUGH JOHNSON SAYS-SYSTEM HUMILIATES BENEFICIARIES; TASKS NEEDLESSLY EXPENSIVE

Washington, April 10.—The work-relief program was termed "as cruel as it is stupid" today in the final report made by Hugh S. Johnson, as New York City W. P. A. administrator, to Harry L.

Johnson, as New York City W. T. It describes the Morkins, and the Hopkins. The document, made public today by Hopkins, sharply criticized what Johnson termed interference in getting the work-relief program started there.

"By actual count", Johnson told Hopkins, "90 percent of my letters asking various authorities and rulings were unanswered, and I was consistently unable to reach you on the telephone, unless I almost literally turned in a riot call."

But that is not all. Let me read to you what the gentleman from Texas [Mr. Blanton], who is right here on the floor now, says about the W. P. A. He writes under date of April 8 to the Dallas News as follows:

DALLAS NEWS:

Since in your editorial of March 30 you mentioned my name in every paragraph, please be fair enough to publish this reply.

every paragraph, please be fair enough to publish this reply. If you had been correct in your assumption, based on Mr. Drought's assertion, that the W. P. A. administration in Texas is wholly uncontrolled by politics, the situation would be ideal, and no Congressman would complain. But you were mistaken. He did not tell you the facts.

Harry P. Drought himself is a political appointee, and a patronage selection. Every official under Drought is a political appointee. Every salaried job-holder under Drought is a political appointee. Some are good. But some are bad. There are bad ones who are inefficient, extravagant, wasteful, unworthy, and undeserving. Texas Congressmen are in no way responsible for their selection, yet are criticized and held responsible for their misdeeds. For no other reason did Texas Congressmen complain.

Drought treated Texas Congressmen unfairly and allowed politicians unknown to the people, and who are in no way responsible

Drought treated Texas Congressmen unially and anowed politicians unknown to the people, and who are in no way responsible to the constituents of Congressmen, to select and have appointed those who have been inefficient and unworthy. Texas Congressmen want Harry Drought and his patronage-politicians to assume full responsibility for the misdeeds of their own appointees.

Thomas L. Blanton.

WASHINGTON, D. C.

Mr. BLANTON. And, Mr. Speaker, that is exactly the gospel truth.

Mr. RICH. Mr. Speaker, I do not yield to anyone.

The SPEAKER. The gentleman will please not interrupt without permission of the Member occupying the floor, as it is strictly against the rules.

Mr. RICH. Mr. Speaker, we should stop these needless We should have Congress authorize the exexpenditures. penditures of public funds, not the President, not Mr. Ickes, not Mr. Hopkins, not Mr. Tugwell, but Congress should authorize the projects to be erected to a great man like Thomas Jefferson. Let us have more followers in the Democratic Party of Jefferson and not so many Roosevelt.

Wallace, Ickes, Tugwell followers. Where is the Democratic Party of Jefferson? They who are in Washington masquerading under the name certainly are not adhering to the policies and principles of Jeffersonian teachings. Democrats follow the Sage of Monticello.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

RESIGNATION OF A MEMBER

The SPEAKER laid before the House the following communication, which was read:

NEW LEXINGTON. OHIO. April 6, 1936.

Hon. Joseph W. Byens, Speaker of the House of Representatives,

Washington, D. C.

My Dear Mr. Speaker: Because of my appointment as United States district judge for the southern district of Ohio, I have the

States district judge for the southern district of Ohio, I have the honor to inform you that this day my resignation as a Representative in the Congress of the United States from the Eleventh District of Ohio has been transmitted to the Governor of Ohio, effective at midnight Friday, April 10, 1936.

May I extend my sincere thanks and heartfelt appreciation to you and my colleagues in Congress for their courtesies and friendship during my 14 years of service.

My work and associations have been very pleasant, and I wish for you and my worthy colleagues continued success.

Sincerely,

MELL G. UNDERWOOD.

RENT COMMISSION FOR DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11563) declaring an emergency in the housing condition in the District of Columbia, creating a rent commission for the District of Columbia, prescribing powers and duties of the commission, and for other purposes.

The question was taken.

Mr. BLANTON. Mr. Speaker, I demand a division.

The House divided; and there were-ayes 148, noes 3.

Mr. BLANTON. Mr. Speaker, I object to the vote because there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-three Members present, a quorum. So the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 11563, with Mr. UMSTEAD in the

The Clerk read the title of the bill.

Mr. DIRKSEN. Mr. Chairman, may I inquire as to the status of the time?

The CHAIRMAN. The gentleman from Illinois has 40 minutes remaining and the gentlewoman from New Jersey has 22 minutes remaining.

Mrs. NORTON. Mr. Chairman, I yield myself 10 minutes. Mr. Chairman, it is plainly evident that the filibustering tactics indulged in during the past two District days and again today are aimed as an attack on your chairman rather than the bill under consideration. In view of that being the fact I think the House should know the extent of intimidation your chairman has been subjected to, and in order to bring this clearly before the House I shall read for your consideration a letter received by me on the morning of the last District day from the gentleman from Texas [Mr. Blanton] and my reply to that letter. The letter is dated March 20, 1936, and is as follows:

> CONGRESS OF THE UNITED STATES, House of Representatives, Washington, D. C., March 20, 1936.

Mrs. Mary T. Norton, Chairman, District of Columbia Committee,

House Office Building, Washington, D. C. My Dear Mrs. Norton: I am rather surprised to see in this morning's Washington Post under headlines Mrs. Norton Asks Lump Sum of \$5,700,000, and She Rebukes Blanton, and She Says House Will Recede, a baseless, unjustified attack upon me, wherein about me you are quoted with having made the following ridiculous statement: ridiculous statement:

"Mrs. Norton related how she had sought unsuccessfully to discover his soft spot. 'I have been told he has a soft spot; and if you will find out what it is for me, I will work on it.'"

The only soft spot about me that you could ever work on is the gentlemanly instinct that has been born and bred into my very bone and fiber for generations, to be courteous always to a lady; and, being controlled by that instinct, I have patiently and silently allowed you on many occasions, wholly without you having any ground therefor, to vent your spite and personal spleen against me by making vicious attacks upon me from the floor and in the press. You did so simply because under my oath of office duty had forced me to oppose some very unsound and ridiculous bills you had reported and were trying to pass. And on several occasions the House, after debate, struck out their enacting clause.

I have reached the point now with your continued spiteful and

I have reached the point now, with your continued spiteful and unjustified attacks, where "forbearance ceases to be a virtue." Simply because you happen to be woman gives you no right whatever to attack a man. You have only the same rights that all of your other colleagues enjoy. And I want you to distinctly understand, clearly and unmistakably, that from now on I intend to answer in kind every attack you make on me.

You that "country take it" You made your fight and lost. You

You just "can't take it." You make on me.

You just "can't take it." You made your fight and lost. You tried to place upon the already overburdened shoulders of the tax-payers of the States the additional burden of having to contribute \$5,700,000 toward paying the local expenses of the people of Washington, who are the best treated and least taxed of any people living in any other city in the whole world. You lost your fight. The Members wouldn't back you. You had only a corporal guard supporting you. When you forced a rising vote, only a handful of Members voted with you to make your constituents pay this \$5,700,000 in Washington. It made you mad. And then on Friday, March 6, being mad from the day before, when you forced a roll-call vote on the passage of the bill in the House, and you appealed to Members to vote with you, and "worked on their soft spots", as you always do, you could not get but 25 Members to vote with you against the bill, which by a vote of 290 Members for it, passed the 83-page bill without a single amendment. The Members of the House did that, because they did not think like you think.

Your constituents in New Jersey pay three times as much taxes as do the people of Washington, and do not have one-third of the benefits. When the people of Washington have their property assessed at about one-half of its actual value, and then pay only \$1.50 on the \$100 taxes on it and have their intangible property taxed at only one-half of 1 percent, with your constituents and mine paying several times as much, you want our constituents to contribute \$5,700,000.

When Washington people have all of their fine personal libraries.

contribute \$5,700,000.

When Washington people have all of their fine personal libraries, some worth \$100,000, exempt from taxation; when they have all of their wearing apparel, which includes all their personal effects, whether worth \$100 or \$100,000, exempt from taxation; when they pay only 2 cents per gallon tax on gasoline, while all other people in other cities pay twice that much; when they pay only \$1 registration and for license tags on their automobiles, whether Fords or \$12,000 Rolls-Royces, with people in New Jersey and Texas paying 10 times that much; when they have no monthly charge for sewer service, like other people elsewhere pay; when they have all their trees in front of and around their property furnished free, planted free, protected with lumber pens free, sprayed free, pruned free, and replaced free, while people elsewhere have to pay for same; when they are charged nothing for repairing and replacing sidewalks and paved streets in front of their property, like people elsewhere have to pay for; when they their property, like people elsewhere have to pay for; when they get their water furnished for \$6.60 per year for an average family, you think the citizens of the States ought to contribute \$5,700,000

When the people of Washington pay no income tax; when they pay no inheritance tax; when they pay no estate tax; when they pay no gift tax; when they pay no sales tax, like people in some other cities have to pay; and when during the last 20 years the Government has spent here over \$240,000,000 cash in permanent improvements, which benefits every person in Washington, and when the Government has a pay roll here with 110,000 employees receiving salaries each month, spending their money here, which is a bonanza for Washington, you feel sorry for them, and want our constituents in New Jersey and Texas to contribute \$5,700,000. Your constitutents in New Jersey are just like mine in Texas. They are willing to pay their own taxes, but they don't want to pay the taxes of Washington people. I know that they don't approve of your action. When the people of Washington pay no income tax; when they

approve of your action.

Since you have seen fit to attack me at a public function simply because I faithfully performed my duty under my oath and was trying to protect your constituents as well as my own from injus-tice, I am willing to meet you on this issue in your district before your people in your primary campaign and see whether your Democrats will back you in your efforts to unduly tax them. I am going to take it upon myself to let your Democrats know the facts about this issue.

I have been trying to think of one constructive thing you have accomplished for the people of New Jersey since you have been in Congress, and I am not able to do it.

I can think of many bills that you have reported that had their enacting clause stricken out.

I can think of many attempts you have made to backbite and ry to injure me in my district, but you did not succeed in doing it.

I can think of many attacks you have made in public on colleagues, but I can't think of anything of any importance that you have ever accomplished since you have been in Congress.

But I haven't gone to public functions and made the above statements about you. I haven't tried to injure you as you have tried to injure me.

I have been decent and courteous to you at all times, and have patiently allowed you to spitefully and maliciously abuse me. I am getting tired of it. As said above, forbearance ceases to be a virtue. I am going to take it no longer. I am going to answer in kind. Every time you attack me I am going to respond in kind. Very sincerely yours,

THOMAS L. BLANTON.

The CHAIRMAN. The time of the gentlewoman from New Jersey has expired.

Mrs. NORTON. Mr. Chairman, I yield myself 10 additional minutes.

This is my reply:

MARCH 24, 1936.

Hon. Thomas L. Blanton,
House of Representatives, Washington, D. C.

House of Representatives, Washington, D. C.

MY DEAR MR. BLANTON: I have your letter of March 20, and admit that upon first reading it achieved its purpose. I was angry beyond words. But upon second reading it produced only amusement that you could be irritated to such a point that you would address such a letter to a colleague; more especially since the cause of your temper is merely a reference to the possibility of your having a "soft spot", a sympathetic tenderness, if you please, for someone or some place. You vigorously deny having any such. I frankly admit having many—for crippled children, for tuberculosis victims, for overcrowded hospital wards, for overworked nurses, for juvenile offenders, for first offenders thrown into crowded jails indiscriminately with hardened criminals, and so on down a long list. Nor am I ashamed of them.

Some things I must suggest in reply. You refer to the \$5.700.000

list. Nor am I ashamed of them.

Some things I must suggest in reply. You refer to the \$5,700,000 Federal allowance to the District of Columbia as being my fight, my effort, my budget, my burden on the taxpayers. It was not. That figure was the President's figure. He sent the budget of \$5,700,000 to Congress. It was his judgment, his wish, his effort. My feeble attempt was merely to support the President's budget. You were tearing it down. And you not only tore it down, but now you say that anyone who agrees with the President's budget is making a "baseless, unjustified attack" on you. I just cannot reconcile your attitude and your letter with your speech in the House on February 18 of this year. You will recall that you had then described to the House your devotion to the President's budget and your public defense of it against the attack of certain citizens. So far as I am concerned, in regard to the \$5,700,000, I stood and stand now with the suggestion of the President and his Budget Director. Budget Director.

Budget Director.

As to the imposition of taxes on our respective constituents, let me remind you that in reducing the District of Columbia budget by \$3,000,000 you saved your constituents and mine about two pennies apiece. That is all that is involved so far as they are concerned. You have voted for many bills that cost your constituents much more money than that; bills that appropriated many millions and even billions. I don't believe that you are wise to raise too great an issue about the tax bills you have opposed as against those you have supported.

as against those you have supported.

And, while we are talking about the District of Columbia budget, let me say that the most amazing thing to me at least about your treatment of that bill was your selection of items to cut. You increased the appropriation for the Zoo and decreased the amounts increased the appropriation for the Zoo and decreased the amounts for tuberculosis dispensaries and for hygiene and sanitation in the public schools. You increased the allowance for the National Training schools, Federal reform institutions for juveniles from all over the United States, and decreased the allowance for Emergency Hospital. You increased the Soldiers and Sailors Home and decreased the Children's Tuberculosis Sanitarium. You increased the expense allowance for the improvement and care of parks and decreased the salaries for the police. You increased the allowance for the militia and for the collection of refuse, but decreased those for prevention of contagious diseases, for bacteriological laboratories, and for child-hygiene service. tories, and for child-hygiene service.

As to constructive measures which I have introduced or reported, I would be glad to match my list with yours. I do not seem to recall many constructive "Blanton acts", although you have been in Congress must longer than I have. As a starter I mention, on my account, the old-age pension, the blind pension, the parole law, the Firearms Act, the alley dwelling clearance, the Liquor Control Act, the education of veterance or phases the leave to the Children's control and the control act. the Firearms Act, the alley dwelling clearance, the Liquor Control Act, the education of veterans' orphans, the loan to the Children's Hospital, the Auto Responsibility Act, the equal distribution of property to women, smoke control, the removal of dangerous and insanitary buildings. What are some of yours, Mr. Blanton? Then as to my success in piloting my bills through the House, I admit a great debt of gratitude to my colleagues, but a hurried examination of the records indicates that of a total of 153 bills reported by me as chairman of the District of Columbia Committee in the Seventy-second, Seventy-third, and Seventy-fourth Congresses, only 3 were defeated by a vote of the House. I think that is a pretty fair record. How does it compare with yours?

3 were defeated by a vote of the House. I think that is a pretty fair record. How does it compare with yours?

You mention a lot of things you can think of. Well, the only thing I can think of about you is that you have caused a lot of embarrassment to your constituents, as well as to the membership of the House. You have cost thousands of dollars to the taxpayers of the country for hundreds of pages in the Congressional Recorn without a single constructive achievement. I can think of many Representatives from your State who are a credit to the State, but

I can think of you only with sorrow that you should use the many girts God has given you to crush the less fortunate—to ridicule those in power.

those in power.

So far as my district is concerned, don't worry about it. Come to it at any time and I shall be there to welcome you. So will my constituents. They would like to get a look at the man who several times defeated my bill to pay \$90,000 owed by the Government to Jersey City for water supplied during the war. You will find, if you come to my district, that my constituents have not only a very high regard for their Representatives but that they also have a very good sense of humor as well.

As to your "courteous and decent" treatment of me, I prefer to let my colleagues in Congress appraise your treatment of me during the past 5 years.

Very truly yours,

Very truly yours,

(Mrs.) MARY T. NORTON.

[Applause.]

Mr. Chairman, I reserve the remainder of my time, and I yield 7 minutes to the gentleman from Illinois [Mr. Dob-BINS]. I regret that I have taken 3 minutes of the time I expected to yield to the gentleman from Illinois.

Mr. DIRKSEN. Mr. Chairman, I yield 10 minutes to the

gentleman from Illinois [Mr. Dobbins].

The CHAIRMAN. The gentleman from Illinois [Mr. Dob-

BINS] is recognized for 17 minutes.

Mr. DOBBINS. Mr. Chairman, I would like, if possible, in the interest of what seems to me proper legislative practice, to bring the attention of the Committee back to the legislation under consideration. I do not care to enter into a popularity contest between two Members or more than two Members of the House, but I feel this House has a very serious duty to perform in connection with this bill, which I know must have created serious misgivings in the minds of many of us.

The first question that arises in the mind of any lawyer when he looks at this bill and considers its provisions is the

question as to its constitutionality.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. DOBBINS. I yield. Mr. DIRKSEN. Before the gentleman proceeds further, I wish to remind the Members that he has made a rather painstaking study of this rent bill and of the features of the former rent bill, and I hope he will be given respectful

Mr. DOBBINS. I thank my colleague. When the consideration of this bill began in the Committee of the Whole 5 weeks ago the gentleman from Pennsylvania, the author of the bill, while explaining its provisions made this statement with reference to the question of its constitutionality, designed to foreclose any further argument upon that phase of the subject:

Mr. Ellenbogen. First, about the constitutionality of this bill: Those who say this bill is not constitutional are absolutely wrong, and they know it. The Supreme Court of the United States, in the case of Block v. Hirsh (256 U. S. 135), has declared a statute in the very same language, under the very same circumstances,

Later on, my colleague, the gentleman from Illinois, took the floor in opposition to the bill, and he yielded to me for an inquiry as to the extent, if any, that this bill might be identical with any law declared constitutional by the Supreme Court. He replied that as he understood it there was only a general similarity.

A little further on in his remarks the gentleman from Pennsylvania said:

In October 1919 this House passed, and the Senate concurred, and the President signed a bill which is practically identical.

The law discussed in the case cited by the gentleman from Pennsylvania in support of his bill is not set out in the committee's report or in the hearings before the District Committee, so far as I can ascertain. I obtained a copy of it from the Library of Congress and compared it paragraph by paragraph with the Ellenbogen bill, H. R. 11563. The Ellenbogen bill has some 25 or 26 sections. Two-thirds of the sections are not even substantially identical with the most nearly corresponding sections of the bill passed upon by the Supreme Court. The remaining third are, I should say, either actually or substantially identical. Some of the sections of the bill passed upon by the Supreme Court are absolutely in conflict with the pending bill. For instance, in lence to the ownership and improvement of property.

section 106 of the old bill and in section 6 of this bill there appears an introductory clause providing for instituting an inquiry before the rent commission as to fairness of rents by complaint filed by the owner or tenant.

Then in the former law this significant qualification ap-

Except where the tenant is in possession under a lease or other contract the term specified in which has not expired.

In the pending bill there appears the following:

Such complaints may be made and filed-

notwithstanding the existence of a lease or other contract between the tenant and the owner, or between the owner and any guest.

In other words, under this bill you may at your pleasure select a house or an apartment that appeals to you, rent it from the landlord, pay to him the rent that he asks, or agree to pay him, and sign your solemn promise to pay him, and the very next day you can go before the members of the Rent Commission and repudiate that promise of yours. Not only may the tenant do this but the landlord may do it. It would be just as sensible for me to go into a clothing store and purchase a suit of clothes, pay the price asked for it, and, notwithstanding a dozen others may have been clamoring for the same suit, the next day go before some bureaucratic functionary and ask that the price I honestly and fairly agreed to pay for the suit be reduced according to my new notion of what I ought to have paid for it.

Another contradictory provision between this bill and the one passed upon by the Supreme Court is in the definition of the term "rental property." The law which was in part passed upon by the Supreme Court did not include a hotel or apartment in that definition. In the present bill "the term 'rental property' means any hotel, apartment, or rooming house", and so forth. This is in section 2 of the pending

And so you can go through this bill and find all sorts of variations and contrary provisions as compared with the 1919 act. I would judge that the present bill is approximately twice as long as the 1919 law that was passed upon in the case of Block against Hirsh.

Does this justify the statement made to those of us who were troubled over the question whether or not this bill may be constitutional? Is this "a statute in the very same language under the very same circumstances"? Of course it is not, and of course such a statement cannot be justified. We should not give our approval to any bill that comes before us with that sort of representation as to its terms, which will not and cannot be verified in any substantial way.

This bill contains another provision—and it was admitted before-and it is the only distinction that was admitted. By this provision the bill exempts property yet to be constructed and limits its provisions to property now in existence. It provides that property built tomorrow, day after tomorrow, or next week shall not come within the terms of this bill.

Now, whether or not that has any bearing upon the question of the constitutionality of the measure, it does certainly have some bearing upon the wisdom of the measure, because if that means anything it means that this bill is admitted to be a burden upon the ownership of property as well as a burden upon the construction of property; therefore it picks out, and picks upon, the owners who have heretofore constructed homes, hotels, rooming houses, or apartments for the housing of the people of the District of Columbia and applies the law to them because they have already done their part to meet our heavy demand for housing, and hence cannot escape its provisions. But recognizing, as we must, that anybody who may hereafter contemplate the construction of property for rental would never voluntarily submit to an autocratic and arbitrary dictation of the kind here proposed, the bill provides that property constructed after this time shall not come within the provisions of this measure. That is a clear admission, it seems to me, that the bill contains an unjustly onerous provision with refer-

It is said, by way of argument, that the New York law is the basis for this bill. The New York law is not before us. The New York law was before the Supreme Court in another case briefly reported in the same volume as that containing the opinion on the District of Columbia rent bill of 1919. but the provisions and the terms of the New York law are not discussed.

It is also said in debate on this bill at the last hearing that the law which was declared constitutional was not a wartime measure. The Supreme Court predicated its approval of that bill upon the basis that it was designed to meet an emergency growing out of the World War, and pointed to wartime legislation in other countries designed to meet the same end. They may contend, for it has been so contended privately with me, that numerous amendments came in which may have changed the scope of the 1919 act as it was being considered in the Supreme Court from its form as it appears in the statute books of that time. But remember that the facts upon which this case was decided happened within 2 months after the District of Columbia rent bill became a law. The case immediately started on its way to the courts.

The constitutionality of that entire law was not upheld in the case of Block against Hirsch. The only question that was upheld was the right of a tenant to hold over after his lease expired where the owner of the property had deliberately refrained from giving certain notices which the law provided should be given. It was not an upholding of the validity of the entire law, because that law contained, as this one does, a provision that if any section of that law should be held invalid such holding should not affect the validity of the remainder of the act. This is the so-called separability clause, which appears also in this bill.

That law differed commendably from this bill in that it did not contain any provision reserving to the Congress the right to amend the law in the future, a very novel provision, it seems to me, in any law, since no Congress can in any way impinge upon the inherent and constitutional right of itself or succeeding Congresses to enact new or amendatory laws.

Mr. Chairman, it seems to me that any time we spend in the passage of this law is time wasted, because this bill is headed as squarely as can be toward a decision of the Supreme Court holding that we have not the right under the provisions of the Constitution of the United States to deprive a citizen of his property without due process of law. Precedent is the only thing that might surprise us into some contrary conclusion, but that precedent does not exist.

Although we were told in debate that the old rent law, after which this bill purports to be modeled, was not a wartime measure, the present bill attempts to declare itself to be a wartime measure, through a preamble reciting that it is necessitated by emergencies growing out of the war against the depression. Of course, in one sense, we are always engaged in a war against some condition or other that ought not to exist, and I want to assure anyone who may believe that wars against depressions will ever cease that he is deluding himself very sadly.

Mr. WEARIN. Will the gentleman yield?

Mr. DOBBINS. I am glad to yield to the gentleman from

Mr. WEARIN. In view of the fact that many of our people hold positions in this city who have their permanent residences in our respective districts, and they are being gouged out of a considerable portion of their salaries, by reason of high rents, it seems to me something should be done, if this law is not constitutional. It might be possible for us to set up a board of tax review on the part of Congress which would adjust rents to the taxable valuation that is turned in by these landlords who are charging excessive rentals.

Mr. DOBBINS. I may say to the gentleman from Iowa [Mr. Wearin] that I can see no objection, if unfair tax valuations prevail in the District of Columbia, to providing a procedure to make it certain that fair valuations are enforced upon property owners. But so far as our people being gouged is concerned, I cannot see how we can blame the unfortunate property owners in the District of Columbia

for observing the ordinary law of supply and demand in the matter of rental charges, so long as the Government continues bringing into the District of Columbia great numbers of public employees. It is within the power of the Government to put those employees anywhere it pleases. They may decentralize operations here. It is within the power of the Government, if it recognizes some responsibility of its own in connection with this matter, to build additional quarters within which to house its employees, as it did during the World War. May I express my individual belief, however, that this matter of exorbitant rents is very much overemphasized. Naturally we all look for the best there is and we expect to get the very best there is at the average prices as we know them back home, and to which perhaps distance may lend some enchantment. We have people coming here from home, and we like to have them see us in elegant quarters. That is probably a natural desire on our part, but we and not someone else should pay the price for our own vanity. We should not expect the unfortunate property owners who must submit, without suffrage or representation, to our legislative whims, to rent houses to us for less than their actual worth, and this worth is unavoidably and inevitably controlled by the law of supply and demand.

Mr. WEARIN. Will the gentleman yield further?
Mr. DOBBINS. I yield again to the gentleman from Iowa.
Mr. WEARIN. The gentleman has very graciously yielded to me, and I think we are more or less in harmony. For example, I have a number of specific cases in which rentals in this city are as much as 20 percent of the value of the property as it has been turned in for taxation purposes. Certainly that is an excessive charge on the part of the landlord.

Mr. DOBBINS. I may say that I am sure if the gentleman will look into each such case he will find that the fault lies in there being an unreasonably low taxable valuation rather than in there being an inordinate return upon the actual valuation of the property.

I certainly know of no real property in the District of Columbia upon which the annual rent is anything like 20 percent of its actual value.

Mr. WEARIN. I have a specific case in mind.

Mr. DOBBINS. That, I infer, is a question of return on the taxable value; and I suspect that on such a basis similar examples might be found in the gentleman's district as well as in my own. I know it is true in some instances in my district.

Mr. MILLARD. Mr. Chairman, will the gentleman yield?

Mr. DOBBINS. I yield. Mr. MILLARD. If the people of the District of Columbia are overassessed, they have a remedy in the courts by way of a writ of certiorari.

Mr. DOBBINS. They unquestionably do. And we have public officials here whose duty it is to see that property is not underassessed. The duty lies upon them rather than upon the property owner to make good such inequities.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman vield?

Mr. DOBBINS. I yield.

Mr. ELLENBOGEN. I believe the gentleman will concur with me that we could not pass a constitutional bill which would fix the rent at a definite percentage of the assessed valuation, because of many other factors involved, like light, heat, janitor service, and many other things of that sort.

Mr. DOBBINS. I think that may be true; but, in my opinion, we could come much nearer passing a constitutional bill by basing it upon the factor of tax valuation rather than by deliberately going up to a property owner and taking his property without his consent and then having a commission or bureau come in and fix the amount that should be paid; and especially is this true where you have gone to that man and signed your name to a lease and have solemnly and fairly, without fraud or duress of any kind, agreed to pay a certain rental, and the next day under a law like this you go before a commission and contend that you are paying an unfair rent and ask to have the rent revised.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. Blanton].

Mr. BLANTON. Mr. Chairman, when I was a young lad in our family home in Houston, Tex., my father, who was a Virginian by birth, said to me one day, "Son, I want to tell you what my father told me and what his father told him, that while a woman has no more moral right to attack a man than a man has to attack a woman, all through life remember that when a woman attacks you, take it—do not attack back."

I have lived up to that admonition all my life. I do not attack a woman. When they attack I take it. But a man does have the right to defend himself against attacks, made either by man or woman.

I have taken the lead in fights on such bills as this, because it might be that some other colleagues whose duty it is, just as much as it is mine, to take the lead, might be hurt in their districts if they led such fights. I have a district where I will not be hurt, a district where the people understand me, where I was their circuit judge on the bench for 8 years, where they know what I stand for and have confidence in me; and I am prepared to take the resultant slams that some little two-bit newspaper reporters hit me with under the belt in these Washington papers every day when I fight their bills. I am prepared to take it and it does not hurt me. It might hurt some of you good colleagues in a close district where some demagogue was your opponent and the vote is very close on party lines. This is the reason I take the lead lots of times against such bad bills, when you, in your hearts, are just as much against the bills as I am.

Now, because I have led the fight against this unsound bill the statement was made here on the floor by the one handling this bill that "Blanton is controlled by real-estate men." That was wholly untrue. I do not know a real-estate man in Washington to speak to—not one—and the one who made that statement, just about that time, had their picture appearing in the Washington Post with the real-estate president at a banquet presided over by the president of the real-estate men of Washington, Mr. Saul.

Oh, she has said that I oppose this bill because I was a landlord here in Washington and owned property for rent. That is too ridiculous to deny. Here are the facts about that. When the first rent-control bill came up during the war to create just such a rent commission as this bill proposes to create—the rents were outrageously high then, just as they are now-I was renting a house here. I just jumped in and fought for that bill. My rent was too high, and I thought that the bill would lower rents. I did not know at that time that it would raise rents and that eventually it would be declared unconstitutional, because we were in war and I fought for it just as zealously as our friend from Pennsylvania [Mr. Ellenbogen] is now fighting for this bill. We passed the bill, and shortly after it went into effect my rent was increased \$20 a month. It was already so high I could hardly pay it, and this continued all during the life of that rent commission, and its life was extended and extended. Practically all rents were raised. I had to pay this extra rent until I got tired of it and I bought a house. After I bought the house I spent a lot of money improving it. At one time I was paying \$150 a month rent for it unfurnished, with no furnishings of any kind in the vacant house that belonged to the owner.

I had the house painted. I had the big sleeping porch upstairs closed in with glass. I had the garage improved. I had the roof covered with tar. And while it was a comfortable place to live it was too far from my work, and to keep from having to drive through the snow at night when I was working until 12 o'clock in my office, I rented it partly furnished to a good woman for only \$75 per month, when it would have brought much more than that; and during all these years since I have been living at the Methodist Building, paying to them for a small apartment on the fifth floor much more rent than was paid me for the house.

Now, was not it ridiculous to speak of me as a landlord? I wish that I did own some rental property in Washington, but I do not.

Then the Washington Post, in a very derogatory way, quoted the one who has charge of this bill as saying that she thought I must have a soft spot, and if someone would help her find it she would work on it.

I admit that I got incensed over that public attack at a banquet and its publication in a newspaper. Would not you?

I have worked hard for the people of the United States during the 20 years I have been here. Do you know, honestly and truthfully, outside of a bare living for my family and general expenses, I have spent all of my income for 20 years for the public good and in the public service in an attempt to help make the United States a better place for poor people to live in. Every bit of my income for 20 years, above a living, has been spent in the interest of the public welfare.

And yet I have to take these digs by some of these little two-bit reporters in their Washington newspapers every day because I did my duty here.

THIS IS A BAD BILL

Is this a good bill? Is it constitutional? Has it got wise provisions. If it is not good, and is not constitutional, and has not wise provisions, we ought not to pass it. Should we pass a bad bill just because we are friendly to the chairman of the committee? No.

Let me read to you lawyers a provision in this bill. Let me read it to my Irish friend from New York, who has got more good common sense in the back of his head than almost any other man whom I have ever seen from New York. [Laughter and applause.]

Let me read this provision:

Sec. 24. The right to alter, amend, or repeal any provision of this act is hereby reserved to the Congress.

Now, you lawyers, is not that a wonderful provision? When we pass this law we, the Congress, are reserving the right for some Congress hereafter to alter, amend, or repeal its provisions. That power already is given to this Congress and every subsequent Congress by the Constitution of the United States, and you do not have to pass a law for it.

Why, it would be just as futile and ridiculous to attach this provision reading just the reverse of that. Suppose it read that "hereafter no Congress should have the right to alter, amend, or repeal any of the provisions of this act." That would have been just as wise. Why, it would not be worth the paper that it was written on, for no subsequent Congress would pay any attention to it.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield? Mr. BLANTON. Yes.

Mr. SADOWSKI. I think the gentleman from Texas made a statement that he did not intend to make when he said that he had tried to protect certain Members of the House from having the heat turned on them on certain bills, and that that is why he has been filibustering against some of these bills.

Mr. BLANTON. I did not say that. I said I led the fight on some measures.

Mr. SADOWSKI. That the gentleman tried to protect other Members.

Mr. BLANTON. I said that I had taken the lead and made a fight because somebody had to and I could do it with less loss to myself than any other man in the House.

I cannot yield further.

The CHAIRMAN. The gentleman from Texas declines to yield.

Mr. BLANTON. Let me read you something else in this bill. I ask my money-saving friend from Pennsylvania [Mr. Rich] to listen to this:

Each commissioner shall receive a salary of \$5,000 a year, payable semimonthly.

A little old tacky rent commission here with commissioners to draw \$5,000 a year each. That seems small to some people, but, after all, \$5,000 is a pretty good salary. I quote further:

The commission shall appoint a secretary, who shall receive a salary of \$3,000 a year.

Secretary for a rent commission to receive \$3,000 a year. Do gentlemen know that there is one Governor of a State who gets only \$3,500 a year?

And an attorney who shall receive a salary of \$3,500 a year, payable in like manner.

And here is another provision:

It (the commission) may appoint and remove such other officers, examiners, engineers, appraisers, attorneys, employees, and agents, and make such expenditures for rent, printing, telegrams, telephones, law books, books of reference, periodicals, furniture, stationery, office equipment, and other supplies and expenses as may be necessary to the administration of this act.

Who is to determine what is "necessary"? This "two-bit" rent commission will have an army of employees down there as sure as you are sitting in those seats, and many will be drawing six and eight and ten thousand dollars a year before it is over, and you then cannot stop them. Oh, it has been said that Congress will control that through the Committee on Appropriations. Your Committee on Appropriations is nothing in the world but a servant of this House. It is under the orders of the House. It can do only what this House authorizes it to do, and under the provisions of law and under common decency, when legislatively the Congress creates a commission and authorizes it to employ people and to incur expenses, and there is no limitation placed upon it by Congress, that commission can make any kind of contract with employees it wants to and in my experience in watching public affairs many years, every time the commission makes a contract, where you have given them the authority, I do not care what it costs, the Congress is going to make that contract of the Government good.

That is the reason this bill ought not to pass even if it were constitutional. My friend, the splendid constitutional lawyer, the gentleman from Illinois [Mr. Dobbins] made a fine speech a moment ago showing you absolutely that this bill is unconstitutional. What is the use of passing a bill when we lawyers know it is unconstitutional, which sets up a commission that will spend a lot of money, and instead of lowering rents will increase them and which will then finally go to the Supreme Court at great expense in preparing records and hiring attorneys, and then having the Supreme Court knock it out? That is a futile thing, a foolish thing. I am not going to be a party to it, and as long as I am a Member of this House, when a bill like this is brought in, I do not care who brings it in, I do not care who is its author. I do not care who is the committee chairman, I am going to oppose it with all the vigor in my being in order to stop it.

Because my friend from New York [Mr. Taber] and I took the lead on last District day in trying to stop this bill, the one in charge of it said on the floor by way of lecture and by way of castigation, if you please, because we had some roll calls, that they cost a tremendous sum of money. We, who are posted here, know that such roll calls do not cost a cent. These roll calls today do not cost a single cent. Everyone connected with them is on an annual salary. The Members who answer are on an annual salary, and they get the same pay whether they answer the roll call or are playing golf or attending to office business or are at the departments downtown or are at the Bowie races or at the ball game tomorrow.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No; I regret I have not the time. They get the same salary, the Chairman gets the same salary, the employees of the House get the same salary, and, while drawing our salaries, we better be doing something that is worth while than something that is futile. It is futile to pass this bill, it is expensive to pass this bill, it will cost a lot of money, it will be turned down eventually by the Supreme Court because it is unconstitutional.

Why should we not have a few roll calls to try to stop a bill like that rather than sit here and spend our time passing this expensive worthless bill? That is self-evident on its face. After that ridiculous statement about roll calls costing money came out in the Record and went down to Texas and up to New Jersey I got a letter from a man in New Jersey, who wrote me one of the most congratulatory

letters I have ever received in my life. He did not know me, but he called me "Tom." Said, "Tom, if what you did in stopping that bill did cost money, do it again, and we will pay for it." He said, "I think you rendered the country one of the most valuable day's services you ever rendered when you and Mr. Taber stopped that bill."

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I am sorry. I cannot.

I can take all these little flings when I know I am right. When I know I am doing my duty under my oath I do not care what people say, as long as I know that the constituents down home do not have to come up here and watch me. They have confidence in me. Because I voted for Sam Ray-BURN's death sentence against unlawful public utilities, the unlawful kind of public utilities have financed one opponent against me down in my district, and I am told he has been campaigning for some time. Because I made the first speech on this floor against the Townsend plan, the Townsendites' national leaders have financed an opponent, who, I am told, has been campaigning against me for some time. Last week, over my district, the newspapers reported that the Townsendites had sent one of their special men from Washington, a Mr. Adams, whom I have never seen or heard of, and he was making speeches over my district, organizing Townsend

Mr. MOTT. Mr. Chairman, will the gentleman yield? Mr. BLANTON. No. I am sorry.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I thank you kindly. [Applause.]

Mr. DIRKSEN. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. Scott].

Mr. SCOTT. Mr. Chairman, I intend to vote for this bill, if and when it comes to a final vote. I want to take exception to one remark made by the gentleman who just preceded me, where he claimed credit for fighting the battles of a lot of Members who, in their districts, figured their contest would be so close that they did not dare to take an active position in this particular battle. I, for one, resented the remark, because at no time since I have been here have I been compromised in the judgment exercised in a vote by feeling that somebody at home would oppose it.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DIRKSEN. Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. Norron].

Mrs. NORTON. Mr. Chairman, objection has been raised that the bill violates the "due process" clause of the Constitution. If the commission is set up, it should have all the power and authority necessary to carry out its functions and duties. It provides that any person who believes himself injured by a ruling of the commission may seek aid in the Supreme Court of the District of Columbia or any district court of the United States. Therefore there is no violation of such clause. Such procedure follows that which has been set up and judicially recognized as being constitutional in various Government agencies. For example, the Department of Agriculture, in connection with the pure-food laws, the cattle-dipping law, and so forth. It is purely an administrative set-up.

Then the rights and privileges of tenants are entitled to just as much consideration as are the rights and privileges of, say, corporations. The purpose of the judicial system is to insure that all persons, regardless of their financial position in life, shall be accorded just and equitable treatment under the law.

This bill does not give the commissioners power to break leases. Although the commission may find that the rent is too high, it is for the court to finally determine whether a lease may be broken.

The reply of the gentleman from Pennsylvania [Mr. Ellenbogen] regarding the amount of money to be spent by the commission should be satisfactory. The maximum is limited in the bill to \$50,000, and its appropriations must have the approval of the proper committee of Congress. The subcommittee on appropriations for the District of Columbia surely would not allow any such expenditure as

the gentleman from Texas [Mr. Blanton] alleges. The proponents of this bill only desire to have the rent payers protected. It is not expected that the commission will act as a "pork barrel" in paying salaries and doing nothing else.

The able gentleman from Illinois [Mr. DIRKSEN] admits that rental conditions here are bad by his statement that the only way to cure the rental situation is by decentralization. Decentralization is a slow process, but, should it take place to a considerable extent, and a rent commission no longer be needed, those who are now opposing it may then have the pleasure of terminating it.

Finally, Mr. Chairman, this bill, unlike most District bills, does affect every single Member of Congress. The members of the District Committee must necessarily do a great amount of work which does not mean anything to the United States as a whole, but in this instance we are presenting a bill for the benefit of our friends and yours, and probably there is no Member of Congress who does not have constituents paying rent that they are unable to pay. We believe this bill is in their interest, and especially so in the case of people receiving salaries of \$1,260, \$1,440, \$1,680, and all of the other low brackets, as the rents are now entirely out of proportion to their income.

Mr. WHITE. Mr. Chairman, will the gentlewoman yield?

Mrs. NORTON. I yield. Mr. WHITE. I would like to know if the expenses and salaries of this commission are to come out of the funds of the District of Columbia?

Mrs. NORTON. Yes, indeed.

Now, Mr. Chairman, I would like to ask unanimous consent to revise and extend my remarks, and to include therein a few of the hundreds of letters received by me, some very pathetic. Also letters from the International Association of Machinists, Lodge No. 174, with a membership of 4,300, the Washington Central Labor Union, the United Brotherhood of Carpenters and Joiners of America, accompanying a petition signed by 11,500 residents of the District, nearly all of whom are Government employees.

The CHAIRMAN. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The letters referred to are as follows:

COLUMBIA LODGE, NO. 174, INTERNATIONAL ASSOCIATION OF MACHINISTS, Washington, D. C., March 26, 1936.

Washington, D. C., March 26, 1936.

The Honorable Mary T. Norton,

House of Representatives, Washington, D. C.

Dear Madam: Columbia Lodge, No. 174, International Association of Machinists, with a membership of 4,300 working in various Government departments in the District of Columbia, unanimously endorse the enclosed resolution at its last regular meeting, and instructed me to send you a copy.

Yours very truly,

T. J. LYNCH, Recording Secretary.

RESOLUTION NO. 1-RENT CONTROL

Whereas landlords have taken advantage of the housing shortage in Washington and have increased rents to an unfair, exorbitant,

and confiscatory level; and
Whereas such exploitation by landlords lowers the standard of
living of workers, leaving less of their wages for food, clothing,
medical care, and other necessities of life: Therefore be it

medical care, and other necessities of life: Therefore be it

Resolved, That this organization endorses and urges the immediate passage of H. R. 11563, introduced in the Seventy-fourth session of the United States Congress by Hon. Henry Ellenbogen, Pennsylvania, providing for a rent commission to determine fair rentals after conducting public hearings; and be it further

Resolved, That this organization favors three amendments to H. R. 11563:

1 Labor and tapant recommends.

1. Labor and tenant groups shall be represented on the commission.

2. In no case shall rents be higher than on January 1, 1934.
3. The effective term of this legislation shall be indefinite, to be terminated by the President of the United States, with the advice and consent of the Senate, at the end of the existing emergency. And be it further

Resolved, That copies of this resolution be sent to Congressman Ellenbookn, the District Committee of the United States Senate, the District Committee of the United States House of Representatives, and to the Washington Central Labor Union committee on rents and low-cost housing.

COLUMBIA LODGE, No. 174. N. P. WEATHERSBY, President. T. J. LYNCH, Secretary. RESOLUTION NO. 2-HOUSING REGULATION

Whereas a large percentage of the rented dwellings in Washington are in very bad condition and lack necessary facilities for health,

whereas existing laws and their enforcement are inadequate to compel landlords to improve conditions and provide the abovementioned facilities: Be it

Resolved, therefore, That this organization urges Congress to establish a housing commission which shall be responsible for the enforcement of building inspection and condemnation, sanitation, health and fire protection recording to the it fourther. health and fire protection regulations; and be it further Resolved, That this commission shall—

1. Be composed of suitable representatives of Government, organ-

ized labor, and tenant groups;

2. Make available to Congress and the public detailed data on housing conditions and needs in the District, educating the public as to its rights and duties;

3. Recommend to Congress the enactment of laws and regula-tions compatible with modern standards of living; and 4. Settle landlord and tenant disputes arising from violations of

housing laws and regulations.

And be it further

Resolved, That copies of this resolution be sent to the District Committee of the United States Senate, the District Committee of the United States House of Representatives, and to the Washington Central Labor Union committee on rents and low-cost housing.

COLUMBIA LODGE, No. 174, N. P. WEATHERSBY, President. T. J. LYNCH, Secretary.

MARCH 24, 1936.

RESOLUTION NO. 3-LOW-RENTAL HOUSING CONSTRUCTION

Whereas, it is generally recognized that the dwellings available to the majority of workers in the District of Columbia are substandard, obsolete, and grossly inadequate; and

Whereas, despite the acute housing shortage, the great majority of building workers are still unemployed due to inability of private enterprise to supply new or modern dwellings at rents within the

means of the average worker; and
Whereas, an active, unified, and informed demand on the part
of workers and tenants, led by organized labor in the District of
Columbia, is the only force that can initiate and promote a
permanent public housing policy for the District of Columbia: Be it therefore

Resolved, That this organization urges Congress to create a District of Columbia housing authority, which shall be responsible for the construction of sufficient low-rental housing to meet the present shortage and to replace existing unfit habitations; and be

it further

Resolved, That the policy of the authority shall be to initiate a

Resolved, That the policy of the authority shall be to initiate a comprehensive long-term program of public construction to include not only housing, but also educational, recreational, and other community facilities; and be it further

Resolved, That the housing program of the authority shall be based on the following fundamental principles:

1. That the financing, construction, ownership, and management shall be carried out by the authority on a completely public basis, and that the funds shall be provided from the Federal Treasury; and

2. That it shall be mandatory upon the authority to provide sufficient dwelling units to meet the need, in addition to the replacement of those demolished, within 10 years after the enactment of this legislation; and

3. That all labor employed in the planning, administration, construction, and maintenance shall be paid prevailing union and/or civil-service rates, and shall work under union conditions; and

4. That rents shall be based only on the cost of maintenance plus a charge to cover the cost of municipal services, but in no case shall rents be more than \$6 per month per room; and

5. That organized labor and tenant groups shall be adequately represented on the authority, and that each of the housing projects shall be administered by a civil-service manager in cooperation with a committee of the tenants; and be it further

Resolved, That copies of this resolution be sent to the District Committees of the United States Senate, the House of Representatives, and the rent and low-cost housing committee of the

tives, and the rent and low-cost housing committee of the Washington Central Labor Union.

COLUMBIA LODGE, No. 174, N. P. WEATHERSEY, President. T. J. LYNCH, Secretary.

MARCH 24, 1936.

WASHINGTON CENTRAL LABOR UNION, COMMITTEE ON RENTS AND LOW COST HOUSING,
March 22, 1936.

MARY T. NORTON,

Chairman, House District Committee,
United States Congress, Washington, D. C.

Dear Mrs. Norton: Attached hereto are many copies of a petition signed by 10,000 residents of Washington endorsing H. R.
11563, the District of Columbia Emergency Rent Act. The signatures on this petition, numbering approximately 10,000, were secured by members of our committee and their friends during the

last 3 days.

The petition reads as follows:

"We, the undersigned, residents of the District of Columbia, suffering from exorbitant rents and distressing inadequate housing conditions, heartily endorse the District of Columbia Emergency

Rent Act, bill H. R. 11563, which provides for a rent commission empowered to establish fair rents."

We believe that the large number of signatures secured by our committee clearly shows the strong sentiment of Washington citizens that the constant rise of rents must stop.

We are also enclosing a description of some of the rent com-plaints submitted to our grievance committee by residents, and a

résumé of the results of a questionnaire circulated recently by our committee in collaboration with the Resettlement Administration.

We sincerely hope that this material will be of value to you in your presentation of argument in behalf of the Ellenbogen rent-control bill on the floor of the House tomorrow.

Yours truly,

HENRY RHINE. Executive Secretary.

UNITED BROTHERHOOD OF CARPENTERS, AND JOINERS OF AMERICA,
Washington, D. C., February 11, 1936.
District Committee of the House of Representatives,

House Office Building, Washington, D. C.
GENTLEMEN: This is to certify that Carpenters' Local Union,
No. 1590, of Washington, D. C., has endorsed the enclosed resolutions sponsored by the rent and low-cost-housing committee of
the Washington Central Labor Union.

Respectfully yours,

JOSEPH G. VIEAU, Recording Secretary.

RESOLUTION NO. 1-RENT CONTROL

Whereas landlords have taken advantage of the housing shortage in Washington and have increased rents to an unfair, exorbitant, and confiscatory level; and

Whereas such exploitation by landlords lowers the standard of living of workers, leaving less of their wages for food, clothing, medical care, and other necessities of life: Be it

Resolved, therefore, That this organization endorses and urges the immediate passage of H. R. 3809, introduced in the seventy-fourth session of the United States Congress by Hon. Henry El-LENBOGEN, Pennsylvania, providing for a rent commission to de-termine fair rentals after conducting public hearings; and be it

Resolved, That this organization favors three amendments to H. R. 3809:

1. Labor and tenant groups shall be represented on the Com mission.

2. In no case shall rents be higher than on January 1, 1934.

3. The effective term of this legislation shall be indefinite, to be terminated by the President of the United States, with the advice and consent of the Senate, at the end of the existing

emergency.
And be it further

Resolved, That copies of this resolution be sent to Congressman Ellenbogen, the District Committee of the United States Senate, the District Committee of the United States House of Representatives, and to the Washington Central Labor Union committee on rents and low-cost housing.

CARPENTERS' LOCAL UNION No. 1590. J. R. Cox, President.

JOSEPH G. VIEAU, Secretary.

FEBRUARY 11, 1936.

RESOLUTION NO. 2-HOUSING REGULATION

RESOLUTION NO. 2—HOUSING REGULATION

Whereas a large percentage of the rented dwellings in Washington are in very bad condition and lack necessary facilities for health, sanitation, and safety; and

Whereas existing laws and their enforcement are inadequate to compel landlords to improve conditions and provide the abovementioned facilities: Be it therefore

Resolved, That this organization urges Congress to establish a housing commission which shall be responsible for the enforcement of building inspection and condemnation, sanitation, health, and fire-protection regulations; and be it further

Resolved, That this commission shall—

1. Be composed of suitable representatives of Government, organized labor, and tenant groups;

2. Make available to Congress and the public detailed data on housing conditions and needs in the District, educating the public as to its rights and duties;

3. Recommend to Congress the enactment of laws and regula-

3. Recommend to Congress the enactment of laws and regula-tions compatible with modern standards of living; and 4. Settle landlord and tenant disputes arising from violations of

housing laws and regulations.

And be it further

Resolved, That copies of this resolution be sent to the District Committee of the United States Senate, the District Committee of the United States House of Representatives, and to the Washington Central Labor Union committee on rents and low-cost housing.

Carpenters' Local Union, No. 1590,
J. R. Cox, President.

JOSEPH G. VIEAU, Secretary.

FEBRUARY 11, 1936.

RESOLUTION NO. 3-LOW-RENTAL HOUSING CONSTRUCTION

vate enterprise to supply new or modern dwellings at rents within

the means of the average worker; and Whereas an active, unified, and informed demand on the part of workers and tenants, led by organized labor in the District of Columbia, is the only force than can initiate and promote a per-manent public housing policy for the District of Columbia: Be it therefore

Resolved, That this organization urges Congress to create a District of Columbia housing authority which shall be responsible for the construction of sufficient low-rent housing to meet the present shortage and to replace existing unfit habitations; and be it further

Resolved, That the policy of the authority shall be to initiate a comprehensive long-term program of public construction to include not only housing, but also educational, recreational, and other community facilities, and be it further Resolved, That the housing program of the authority shall be based on the following fundamental principles:

That the financing, construction, ownership, and management shall be carried out by the authority on a completely public basis, and that the funds shall be provided from the Federal

Treasury, and
2. That it shall be mandatory upon the authority to provide sufficient dwelling units to meet the need, in addition to the resulting units to meet the need, in addition to the resulting to the sufficient dwelling units to meet the need, in addition to the resulting to the need to

placement of those demolished, within 10 years after the enactment of this legislation, and
3. That all labor employed in the planning, administration, construction, and maintenance shall be paid prevailing union and/or civil-service rates, and shall work under union conditions, and

4. That rents shall be based only on the cost of maintenance plus a charge to cover the cost of municipal services, but in no

case shall rents be more than \$6 per month per room, and
5. That organized labor and tenant groups shall be adequately
represented on the authority, and that each of the housing projects
shall be administered by a civil-service manager in cooperation
with a committee of the tenants.

And be it further

Resolved, That copies of this resolution be sent to the District

Committees of the United States Senate, the House of Representatives, and the rent and low-cost housing committee of the

Washington Central Labor Union.

CARPENTER'S LOCAL UNION, No. 1590, J. R. Cox, President, JOSEPH G. VIEAU, Secretary.

FEBRUARY 11, 1936.

TREASURY DEPARTMENT, BUREAU OF INTERNAL REVENUE Washington.

Hon. MARY T. NORTON,

Hon. Mary T. Norton,

House of Representatives.

My Dear Mrs. Norton: I do hope that you can put through some kind of rent-control legislation before Congress adjourns. All of Washington business people, both commercial and professional, graft off the Government clerks, but the rental people are the worst of the worst. At least, the others realize that they depend upon us for their living and are courteous to us.

I live in an apartment at the corner of Thirteenth and I Streets NW., a west apartment, and have been trying for the past 2 months to have my awnings put up. We received a notice in May that they were going to paint the building on the outside, which means around the window casings. I have been in the apartment for the past 7 years, and this is the first time any outside painting has been done. Since they let it go that long, it does seem that they could put it off until fall. However, no consideration is given the tenants. n the tenants.

After the sun has been pouring in that west apartment all afternoon, no matter how tired I am after work, I cannot go home.

I have to go to the movies or some other place to keep cool. It
is not possible to raise the blinds or open the windows until
about 7 o'clock. I have a gas refrigerator, and the tremendous
heat causes it to consume twice as much gas, and the more gas
consumed, the more heat from the refrigerator. No matter how
I feel I cannot stay home a day, and on Sundays I have to leave
the apartment right after noon, when the sun starts shining in.
In addition to this, my furniture covers and draperies are fading the apartment right after noon, when the sun starts shining in. In addition to this, my furniture covers and draperies are fading so that they are not fit to look at. I have told the resident manager all of this, also have talked to the realty company, Weaver Bros., but to no avail. They either make promises that are never kept or are too bored to talk to me. They have the "take it or leave it" attitude. They know that it is not possible to find a vacant apartment, especially one which I can afford to keep.

I hear reports on all sides of me about the attitude the realty people are taking since it is so easy for them to rent. One of the ladies in my office and her sister also a Government worker occu-

ladies in my office and her sister, also a Government worker, occupied an apartment on Rhode Island Avenue NW., four-floor apartment building. They had lived there 2½ years, and since it had not been newly renovated when they moved in, this spring they asked to have it done over. The resident manager refused, and a few days later, the 1st of May, the janitor handed them a notice to vacate by the 1st of June, stating that the apartment had been rented to another party. They are well-bred, quiet ladies and had never been in arrears in their rent. There was no excuse offered, but they were advised that they could have a fourth-floor apartment, the top floor. One of the other tenants told these sisters that the resident manager had a son and his wife on the fourth floor and they wanted a cooler apartment for the summer. This ladies in my office and her sister, also a Government worker, occu-Whereas it is generally recognized that the dwellings available to the majority of workers in the District of Columbia are substandard, obsolete, and grossly inadequate; and

Whereas, despite the acute housing shortage, the great majority of building workers are still unemployed due to inability of pritenant also advised them that they were no sooner out of the apartment than it was entirely renovated and the son and his wife moved from the fourth floor to the vacated apartment. One of these ladies called the owner of the apartment at the Shoreham Hotel and was advised by his secretary that they stood back of the resident manager in everything. She would not even listen to her story. They tramped all over town for days, using their annual leave, which is so scarce now, before they could find a place to live. Finally found an apartment in the northeast section.

You have always been a friend to the Government clerks, and I do hope that you will lend your efforts to this cause, as we all feel that just as soon as Congress adjourns rents will go sky high, and there is nothing to prevent them from renting right over our heads to higher bidders.

The real estate people of Washington are a flock of pirates, and we will be at their mercy when they are no longer afraid of having a rent-control bill. We need a rent law with real teeth in it here.

Thanking you in anticipation, I am, Very truly yours,

(Miss) Jessie M. Murphy, 1228 Eye Street NW., Apartment 910.

FEBRUARY 3, 1936.

Mrs. Mary Norton, M. C.
My Dear Mrs. Norton: It has come to my attention that you are interesting yourself in the exorbitant rents which are now

being charged by landlords in Washington, D. C.

being charged by landlords in Washington, D. C.

I moved into a three-room first-floor apartment at no. 18 Ninth Street NE. 3 years ago (June 1933), paying \$50 per month. In October of that year my rent was raised to \$55. This past October, 1935, the rent was advanced to \$60, which, by an argument with the owner, he finally compromised on \$57.50. The first of this month I was informed that my rent would be raised \$5 more, making a total of \$62.50. There has not been one cent's repairs or improvements spent on that apartment since I moved there in June 1933, still the rent soars higher and higher. I spent all Saturday afternoon and yesterday (Sunday) looking for a suitable and decent place, but the prices were shocking. I found a three-room apartment in the 300 block of Second Street NE. for \$72.50 and a four-room one in the same building for \$82.50. I traveled over on South Carolina Avenue SE., found a two-room apartment,

and a four-room one in the same building for \$82.50. I traveled over on South Carolina Avenue SE., found a two-room apartment, no electric refrigeration—only heat—rent, \$60.

This rental situation has gotten to the point that we Government people are forced into filthy, dirty places, and made to pay these terrible rents while these property hogs are reaping a harvest from us, and after the rent is paid you have nothing left in case of sickness or other unexpected expenses. It's an outrage to have such a practice continue, and surely there is something some of you people in Congress can do to gurb these unreasonable rents you people in Congress can do to curb these unreasonable rents

and make these property owners come down within the means of an average-salaried person.

There has been one investigation after another, and that seems to be as far as it goes. I appeal to you in the name of every Government employee in this District of Columbia, For God's sake do something and put a stop to this highway robbery.

Hoping that this may meet with your approval, I am,

Very respectfully,

MARIE F. MONK (1208—Navy Department).

1815 S STREET, NW., Washington, D. C., February 6, 1936.

Re: Rental increase, 1815 S Street, NW.

Mrs. Mary T. Norton, Chairman, House District Committee,

House of Representatives, Washington, D. C.

My Dear Mrs. Norron: The undersigned is a tenant in the above apartment house of which F. M. Pratt Co., Inc., is agent. Attached hereto is copy of a letter received January 31, 1936, similar copies of which have been given the other tenants in said

A telephone call was made to the office, since no plausible reason was given for raising the rent, asking just why this step was being taken. I was advised is an unbusiness-like manner by an

being taken. I was advised is an unbusiness-like manner by an official, who was said to be Mr. Pratt, "We just want more money." If there is anything you can do in this matter, or any advice that you can give, I will be grateful to you. I feel that the rent, which I am paying for a one-room apartment, is unreasonable; then to receive a notice to the effect that it is being increased seems to be taking an unfair advantage of the tenants.

Your advice, if deemed advisable, will be kept confidential, and

any assistance appreciated. Very truly yours,

GLADYS E. AUGUSTIN.

F. M. Pratt Co., Inc., Washington, D. C., January 30, 1936. Re: Rental adjustment, apartment no. 304, 1815 S Street NW.

Miss Gladys Augustin, Apartment No. 304, 1815 S Street NW.,

Washington, D. C.

Dear Miss Augustin: Please be advised that we have been requested by the owner of the above-captioned premises to advise you that the monthly rental on these premises will be adjusted

to \$32.50 per month, beginning with the rent due March 1, 1936, for the month ending March 31, 1936.

In view of the present conditions and considering the location and desirability of this property, we feel that this adjustment is very feel. very fair.

You are therefore requested to execute the enclosed monthly rental agreement and return same to this office at your earliest convenience.
Yours very truly,

F. M. PRATT Co., INC., By F. M. PRATT, President.

DECEMBER 10, 1935.

Hon. MARY NORTON,

Member of Congress, House of Representatives,

Washington, D. C. DEAR MRS. NORTON: In reading over the Washington papers,

Dear Mrs. Norton: In reading over the Washington papers, I note that you are interesting yourself in the rent problems in the District, and felt that my case might interest you, as I feel that it is a particularly glaring example of exhorbitant rent.

My husband was appointed to a position with the Securities and Exchange Commission about 3 months ago and I came down for a few days with the intention of renting a furnished apartment. I tramped from one end of Washington, and outlying districts, to the other without finding a single apartment at a reasonable rental, or, in fact, at any rental. I found exactly two vacancies, one of which was refused to me because of my young son. Finally in desperation I took the one I now have—two rooms, a small kitchen, and bath, and the rental is \$116 per month, and we were compelled to sign a year's lease in the bargain, which, in my opinion, is nothing more than gouging. Gas and electricity is included in the rent.

The apartment is in a court; we never see the sun, finding it necessary to have the lights turned on all day long. In fact, we can't even see the street from our rooms because of a long roof over the lobby just below our windows. The furniture is old and of the very cheapest quality. No linens, dishes, or silver are supplied.

supplied.

supplied.

But the worst of all is the fact that I firmly believe that living here is positively unhealthy, as the baby, who never had a cold in all his 4½ years of life, has been constantly suffering with a cold since we live here, and I have no doubt that it is due to the stuffy, poorly lighted, and badly ventilated apartment.

Since the rental we are paying is well over a third of my husband's monthly salary, and isn't worth anything like that price, you can readily understand how welcome the news of your interest in the rent situation was, and I felt that if I wrote to you you might possibly have a solution to our problem. Anything you can do will certainly be greatly appreciated by me.

Very truly yours,

Marie E. Sprague.

MARIE E. SPRAGUE, Apt. 213, 1025 Connecticut Avenue, Washington, D. C.

1830 K STREET NW., APARTMENT 607, Washington, D. C., November 8, 1935.

Hon. MARY T. NORTON,

Hon. Mary T. Norton,

House Office Building, Washington, D. C.

My Dear Mrs. Norton: As you are chairman of the District of Columbia Committee of the House of Representatives, I am taking the liberty to address this letter to you.

I know you are very much interested in the welfare of the residents of the District and that you worked so hard last year to get some legislation enacted by Congress to protect tenants from the high rents which have been imposed upon them by the real-estate people and property owners of Washington. We were all so sorry that in the closing days of Congress pressure was brought to bear by the real-estate board to prevent such legislation from becoming law.

I have personally—with many hundreds of others—been one of the victims this past summer, and am writing this to urge you and others interested to again present this matter at the opening

and others interested to again present this matter at the opening of the next Congress.

I live at the above address and have for the past 15 months. I am alone, have a very small one-room, bath, and pullman kitchen—by this I mean it is only large enough to stand in and without any window—for which I paid \$35.50 per month, which was all it was worth. Last June the building was sold, and since that time it has been in the hands of new agents as well—McKeever & Co., of this city. The 1st of October we were notified that beginning November 1st rents would be advanced 20 percent. This I consider an exorbitant rent for that type apartment—a monthly ginning November 1st rents would be advanced 20 percent. This I consider an exorbitant rent for that type apartment—a monthly rental of \$42.50. We not only were notified of a raise in rent, but all tenants either forced into signing a yearly lease or asked to move out. In many cases the agents have been very disagreeable about it. Last night only one lady tenant who had not signed her lease, but who had paid the advanced rent and said nothing, was notified by the office that unless she signed her lease by Saturday, November 9 they would consider that she intended to move and they would rent her apartment to someone else.

I, for one, spent nearly every moment I could during the month of October trying to locate elsewhere. The whole thing seems hopeless, though—practically as bad as during the time of the World War—as there are no vacancies any place. Practically every building in the downtown section has increased its rent anywhere from \$5 to \$10 on one-room apartment, and on up, according to the size of the unit. Some, of course, have been less,

but, on the whole, they average about the same. It seems to be a well-organized "racket", as when one building increases rents, all others seem to follow very soon.

I can certainly see no reason for this and truly hope that you will use all your influence to have legislation passed to protect those of us who are living on small salaries, and who are at the mercy of greedy landlords of Washington. All rents in Washington seem to be based on the Government workers' salary, and, as soon as their salary cuts were restored, the rents started going up. Unfortunately, though, all residents of Washington are not Government workers, and many have had no restoration of salary cuts. I, for one, am not a Government worker and have not had a full restoration of the very large salary cut of several years ago. It does not seem fair, do you think, to have to pay one-third of your salary for a roof over your head?

I trust that an opportunity may be given the tenants of Washington to come before the committee and present their problems when Congress convenes.

Anything you can do in regard to this matter will certainly be

Anything you can do in regard to this matter will certainly be very much appreciated, as has what you have tried to do in the

Respectfully yours,

(Miss) DORETTA TAYLOR.

J. A. McKeever Co., Washington, D. C., October 1, 1935.

Miss Peggy Shaw, 1830 K Street NW., apartment 304, City.

Dear Madam: Beginning on the 1st of November it will be necessary to make a slight upward revision in the rentals of the Willsonia and your rent beginning on that date will be the amount specified in the enclosed lease. Kindly sign the lease and return it either to the resident manager or to this office. Very truly yours,

J. A. McKeever Co., By H. N. Harvey.

FEBRUARY 10, 1936.

Mrs. MARY NORTON,

Chairman, District Committee, U. S. Capitol,

Washington, D. C.

MY DEAR MRS. NORTON: I am enclosing herewith a letter I received from J. A. McKeever Co.

I have been a resident of the Willsonia Apartment since 1930.

For the past several years my rental has been \$35 per month. The "slight upward revision" referred to in the enclosed letter was an increase of over 20 percent. My rent was raised from \$35 per

month to \$42.50 per month.

We do not feel that it was at all necessary to increase the rent in this apartment building, and we will appreciate your

investigation.

Thanking you, I am Yours respectfully,

PEGGY SHAW.

1830 K STREET NW., Washington, D. C.

WASHINGTON, D. C., August 13, 1935.

Hon. MARY NORTON,

Hon. Mary Norton,

House of Representatives, Washington, D. C.

Dear Mrs. Norton: After reading in Monday's Star that you probably would not call up the bill to revive the rent commission, I am enclosing this advertisement from Saturday's Star. This apartment was rented to a friend of mine less than 2 years ago for \$45. Last fall the rent was raised to \$47.50. Last week the tenant moved out and here is the proof that the rent has been raised to \$55. Now, don't you think we need a rent commission? mission?

I rent from this same firm and I am sure they are only waiting for Congress to adjourn before they raise the rent on every apart-

ment.

Working people can no longer find a place to live at a reasonable rent

I hope for the sake of the low-salaried people that Congress will pass this bill and not drive me and others to live in a neighborhood unfit for decent people.

Yours respectfully,

(Mrs.) E. A. WHIPP.

[Evening Star, Aug. 10, 1935]

4403 14th Street, N.W.: Two rooms, kitchen, bath, \$55. Electric refrigeration. (This refrigeration is not on the house current.)

H. GRADY GORE & Co., Washington, D. C., May 31, 1935.

Mrs. May D. Knott, Apartment 64, 921 Nineteenth Street NW.

Apartment 64, 921 Nineteenth Street NW.,
Washington, D. C.

DEAR MADAM: This is to advise that I am adjusting the rental schedule for the Cambridge Apartments, and that beginning July 1, 1935, the rental of the apartment which you occupy will be

\$47.50 per month.

I wish to take this opportunity of expressing to you my appreciation of you as a tenant and trust that we may have the oppor-

tunity of continuing to serve you. Very truly yours,

H. GRADY GORE.

921 NINETEENTH STREET NW., APARTMENT No. 1, Washington, D. C., February 3, 1936.

Hon. Mary T. Norton, House of Representatives.

House of Representatives.

Dear Mrs. Norton: As you are making a private investigation of the rent situation here in the District, I am enclosing a copy of a letter received by me as a notification of an increase in my rent, for your information in this connection.

This represents an increase of 20 percent over the original rent for one-room, kitchenette, and bath apartment on the back of the building. The front apartments were increased even more. I had just recovered from rather a severe illness, following an operation at the time, and was unable to do much looking around for a more reasonable place. There were no vacancies in any small apartments at the time, and was unable to do much looking around for a more reasonable place. There were no vacancies in any small apartments near me. As a result I found it necessary to take a bachelor apartment in the same building renting for \$40 per month, which had been increased from \$30. This consists of one room and bath, with lights, telephone, etc., extra. This is more rent than I can afford to pay, but as you probably know, the city is so overcrowded that it is next to impossible to find anything in a convenient location. This is what the real-estate people are taking advantage of.

I trust that some way may be found to have the rents of Washington reduced, so that the small-salaried people may be able to have living accommodations at reasonable rates.

have living accommodations at reasonable rates.

Very sincerely yours,

(Mrs.) MAY D. KNOTT.

Mrs. D. CHILDS.

1420 HARVARD STREET NW. Washington, D. C., January 22, 1936.

Hon. Mary T. Norton, Chairman, House District Committee,

House Office Building, Washington, D. C.

Dear Madam: I am writing to you to ask you to please help the people who rent apartments.

It is imperative that I move, and for 3 months I have been searching for a three-room, kitchen, and bath apartment. I demand a clean apartment, and it must be in a respectable neigh-

mand a clean apartment, and it must be in a respectable neighborhood. I have a boy, and I don't want him to play with any "Tom, Dick, or Harry." I'm not a snob—far from it—but I want my boy to be a good American citizen.

We can't pay \$55-\$65. I don't think I am unreasonable in expecting to pay \$40. Unfurnished, at that.

I certainly am hoping you will really take some drastic steps and demand a change, as we certainly are "betting on you." You are our only hope. If you will help us, there certainly will be many grateful Washingtonians.

Don't forget, "What benefits one benefits all", and the "Hill" people will also get a reduction in their rents.

people will also get a reduction in their rents. Hopeful,

DUDDINGTON APARTMENTS, No. 32. 1754 Lanier Place NW.

Hon. Mary T. Norton,
No. 343, House Office Building.
My Dear Mrs. Norton: You asked for information concerning

My husband gets \$29.73 per week. We pay \$50 per month rent. That leaves \$10 for groceries, which includes the milk, 60 cents a month for the paper. The remainder of the income must provide \$2.50 for gas and electricity and church giving, clothes, doctors, and

other emergencies, also two \$1 passes.

We are five in family, 2 adults and 3 children, ranging from 8 to 14. All three children attend school.

All the economic budgeteers say only one-third of the income should be spent on rent. We spend a little more than half. In the rent we have heat, water, and Frigidaire. The apartment is well kent but old

well kept, but old.

We had to take an apartment. We couldn't rent a five-room house anywhere within the District line for less than \$75 or \$85 per month, and then we would have had to furnish heat, light, and Frigidaire extra.

and Frigidaire extra.

We have three rooms besides the kitchen and bath. Every room has to have bed. We have fairly good-sized rooms. So many houses are not big enough for a family of five, even if the rent were not prohibitive. I think Washington should make provisions for families of five so that rent would be for at least \$40 a month. In many of the leading cities of the United States a five-room house with modern conveniences can be had for \$25 or \$30 a month. I know that for a fact because my husband worked on these relief schedules—several cities showed modern houses, five rooms. \$25 a month.

rooms, \$25 a month.

A five-room house last year could be had for \$50 and some sixroom houses were available last year at \$55, but houses that rented
\$50 last year have been boosted to \$60 and \$75.

I think the rents should be made to go down. The landlords
should be compelled to lower rents. People here in Washington
think, oh, well, they are working for the Government and they
must have some place to live so we will ask whatever we want and they'll have to pay it.
Yours sincerely, hoping you may find some satisfactory solution,

Mrs. I. D. Johnston, 1754 Lanier Place.

MY DEAR MRS. NORTON: I do wish you would see the rents to be lowered in this city real soon as I am living in the Northwest and have no convenience for my money—the rent I am paying. I have three rooms, no private bath, no sink for cooking in my rooms. I have to get all the cooking water in the bathroom, which you know is not sanitary, not healthful, and have to pay \$15 a room, unfurnished. You know that is a ridiculous price for unfurnished rooms. Five or eight dollars for one unfurnished room should be more than enough to charge poor people, and I know some that have two rooms have to pay the same \$15 for one unfurnished room, please, and I tell you from Fourth and D Streets NW. to H. Street NW., the same on Third Street NW. are charging the same money and no convenience at all. Please, dear madam, see that we get more convenience and less rent to pay. From Third and D Street NW. to Third and H Street NW. are large rooming houses and they make the poor people pay are large rooming houses and they make the poor people pay whatever they like or have no rooms. They claim they have high taxes to pay. Why two or three rooms at \$15 a room would pay all the taxes and gas, light, and electric lights, and then they have money left over—plenty of it—and they usually have the best floor themselves—first floor. Please see that our unfurnished rooms will cost—I say about \$5 or \$8 for a room unfurnished.

Yours respectfully,

1401 Fairmont Street NW.,

Washington, D. C., January 19, 1936.

Dear Mrs. Norton: I am glad to learn from newspaper reports that you plan to take some action to improve the rental situation in the District. I am writing to you especially to bring to your attention the situation existing relative to the smaller apartments. The smaller apartments are in much greater demand than the larger ones, and property owners knowing that these apartments can be readily rented if vacated make no effort whatever to keep them in a livable condition. There is such a scarcity of small apartments that they refuse to make any repairs whatever without raising the rent five or ten dollars. They say they can get at least \$10 more for it if you move out. I know from others and from looking around that when an apartment is vacated that the rents are put up so high that the people of average salary cannot pay them. The high rents paid in dilapidated old buildings is appalling. They take advantage of the tenant because they know they cannot find another. This is the situation that confronts me in an apartment I rent from the Bliss properties, 1401 Fairmont Street, and practically all tenants of small apartments. They are a little less independent with the larger ones, as they are hard to rent. Those are the figures from which they base their percent of raising rents. I feel that a rent commission is the only thing that will remedy a situation like this.

Very truly yours,

Hallye C. Bear.

Very truly yours,

1460 IRVING STREET NW., APARTMENT 508, January 17, 1936.

DEAR CHAIRMAN NORTON: I am interested in your program on rentals.

I wish to state I live in a small apartment at the above address

I wish to state I live in a small apartment at the above address and pay \$37.50. Rents are entirely too much in the District.

It seems they are taking advantage of the crowded city.

There is no service here and the place is not kept up, having filthy steps and elevator.

Any time I shall be glad to have mine inspected.

I went to the west coast and realized when I returned how they take advantage here.

Thanking you for your interest, Respectfully,

(Miss) BLANCHE RIDGEWAY.

WASHINGTON, D. C., January 14, 1936.

Hon. MARY T. NORTON,

Hon. Mary T. Norton,

House of Representatives, Washington, D. C.

Dear Mrs. Norton: I read with interest of your plan to investigate high rents in the District.

Something ought to be done to curb Washington landlords. I pay \$45 per month, not including gas and electricity, for a one-room, kitchenette apartment on the first floor. An adjoining building cuts out all light, and it is necessary to use electric lights constantly. A reasonable rental for this apartment would be \$30 a month. The rental agent is Jesse H. Hedges.

Accept our thanks for your intercession.

Sincerely.

EULA C. WHITE.

Sincerely,

EULA C. WHITE, 1750 Sixteenth Street NW.

THE WHITE HOUSE, Washington, January 14, 1936.

Washington, January 14, 1936.

Hon. Mary T. Norton,

House of Representatives, Washington, D. C.

My Dear Mrs. Norton: May I add my voice to the increasing number of protesting citizens whose apartment rents have always been reasonably high in proportion to the standard Government salary, but which during the past 6 months have been increased?

My one-exposure, one-room, very small kitchen, bath, and balcony, up to October 1, rented for \$42.50, and now stands at \$47.50. For this amount the new owners appear unwilling to make even the slightest improvement, and, of course, will not consider redecoration

Some action surely should be taken to prevent the necessity of those people who wish a clean, convenient, and high-type apartment finding it necessary to pay over one-third of their incomes

Very sincerely yours,

CLAIRE W. SIMS. 1830 K Street NW., Apartment 602.

1601 ARGONNE PLACE NW. Washington, D. C., January 13, 1936.

Hon. Madam Mary T. Norton,

Chairman, House District Committee,

House of Representatives, Washington, D. C.

Dear Mrs. Norton: As the local newspapers have recently carried articles covering your interest in the rental situation existing in this offer. I wish to approx you with the following facts in conin this city, I wish to supply you with the following facts in connection with my own experience:

About 2 years ago I approached the proprietor of the Chalfonte Apartment House Co., located at 1601 Argonne Place NW., and advised that the apartment I occupied was very objectionable on account of noise—being situated directly over the boiler room—and I felt the rent was excessive and would be compelled to move unless I let the rent was excessive and would be compelled to move unless a reduction was made in the rent. As an outcome of that conference a new rental basis was agreed upon as fair for the apartment I occupy. This arrangement continued in effect until I received notice the latter part of last August—the notice being timed with the adjournment of Congress—that beginning October 1 a new schedule of rents would go into effect; in my case amounting to an increase of 27 percent

schedule of rents would go into effect; in my case amounting to an increase of 27 percent.

Naturally I protested this excessive increase, advising the proprietors that we had agreed upon a fair rental and quote the following from a letter I wrote them at that time:

"What is the necessity existing at this time of forcing esablished tenants of the Chalfonte to seek other living quarters or else submit to increase of 27 percent?"

To briefly state the case, I continued my occupancy of the apartment under the impression that relief would be afforded the oppressed tenants at the next session of Congress.

pressed tenants at the next session of Congress.

I may state, in my opinion, many complaints of injustice would be brought to the attention of the proper authorities if the rentors of Washington were not afraid of being blacklisted or other reprisals taken by landlords.

The above facts are submitted with the hope that they may be of assistance in bringing about a condition which will be equitable to both the lessor and lessee. Sincerely yours,

J. I. LEE.

HOTEL ANNAPOLIS, Washington, D. C., March 26, 1936.

Hon. Mary T. Norton.

Chairman of the District Committee,

House of Representatives, Washington, D. C.

Dear Mrs. Norton: The impudence of Representatives Blanton and Taber is inconceivable.

I am a Government employee, and, like thousands of others, a victim of the greed of the landlords of this city.

During the last 3 years I have been renting a room at the

During the last 3 years I have been renting a room at the Hotel Annapolis, paying \$45 a month. Last January a crowd of racketeers from New York (ex-managers of the Manger Hotel in New York) took possession of the Annapolis Hotel, and a month after all rents were increased from 25 to 50 percent. My room rent was increased from \$45 to \$65. Accommodations in Washington today are exploited by racketeers with kid gloves, taking advantage of the large number of Government employees residing in the city and the great influx of transients to the Capital during the spring season.

during the spring season.

Your fight on behalf of the people of the District deserves the admiration, praise, and support of every honest and decent citizen.

Respectfully yours,

3430 CONNECTICUT AVENUE,
Washington, D. C., March 26, 1936.

Dear Mrs. Norton: This letter is what I received the day after the Ellenbogen bill failed because of Mr. Blanton, Monday, the 16th.

I wish you could see what the realtors are gouging the people from the States for \$60; a hole in the wall and no upkeep and minimum taxes the world over.

I surely hope something can be done to make them be sensible and not too greedy. It is even said Congress is in the real-estate business now. I think a committee ought to visit some of these apartments and get first-hand information.

Hoping for passage of the Ellenbogen bill, I am, Sincerely,

Sincerely,

Hugh J. McLaughlin.
P. S.—There are many others who think it is futile to fight back.

DIXIE REALTY Co., INC., NORTHEAST CORNER VERMONT AVENUE AT L STREET NW., Washington, D. C., March 23, 1936.

Mr. Hugh J. McLaughlin,

Mr. Hugh J. McLaughlin,

3430 Connecticut Avenue NW., No. 21, Washington, D. C.

My Dear Mr. McLaughlin: We are directed to inform you by
the owners of the building that the rental on the apartment you
occupy \$52.50, shall be returned to the 1928 normal rate of \$60 per
month, effective April 15, 1936.

We are, therefore, enclosing lease for 1 year at a rental of \$60
per month beginning April 15. Will you kindly sign both copies
in the space provided and return them to us?

I will greatly appreciate it if you will take care of this matter
within the next day or two.

Very truly yours.

Very truly yours,

FRANCIS C. SLEIGLE, President.

LXXX-345

1812 K. STREET NW., Washington, D. C., Apartment 610, March 25, 1936.

Mrs. MARY T. NORTON,

Mrs. Mary T. Norton,

House of Representatives.

My Dear Mrs. Norton: May I commend you upon the valient fight you have put forth for the rent-control bill in spite of determined opposition from Mr. Blanton. It is encouraging to know that someone down on the hill is interested in the welfare of the Government clerks. I have been in Washington for over 18 years, and each year I have been hopeful that Congress would do someand each year I have been hopeful that Congress would do something about the exorbitant rentals here, but so far nothing really has been done about it. Take the apartment which I occupy in the Pentilly Apartment at 1812 K Street, B. F. Saul Co. agents. When I took the apartment, which is a two-room, kitchen, and bath apartment, the rent was \$62.50 per month, exclusive of electricity and gas. On January 1, 1936, the rent was increased \$10.50 per month, making the monthly rental \$73, exclusive of electricity and gas. In addition, there is a charge of \$1 per month for telephone service and 5 cents for each call. I have looked everywhere for a more reasonable place to like but so far have been unsue. for a more reasonable place to live, but so far have been unsuccessful.

I am asking my Congressman—Mr. Griswold, of Indiana—to support this legislation when it comes up in the House for final disposition, and I am greatly in hopes that relief may be had at this time.

Regardless of the outcome, Mrs. Norron, I wish personally to thank you for the time and effort you have put into this legislation. Very sincerely,

HELEN L. MOORE.

FEDERATION OF ARCHITECTS. ENGINEERS CHEMISTS, AND TECHNICIANS, Women's Auxiliary, Washington, D. C., March 26, 1936.

Hon. MARY T. NORTON,

House of Representatives, Washington, D. C.

Dear Madam: The Women's Auxiliary of the Federation of Architects, Engineers, Chemists, and Technicians wholeheartedly endorses your active support of the rent bill for the District, H. R. 11563. We sincerely hope that your good work will bring favorable results.

We are vitally interested in housing and will do everything in our power to secure widespread support for this bill.

The need for a rent-control commission is so great in the Dis-

trict that its residents are backing you in your efforts to secure its

Respectfully yours,

Corresponding Secretary.

Mrs. NORTON. I yield back the balance of my time. Mr. DIRKSEN. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Ellenbogen], such time as he may

THE RENT-CONTROL BILL IS PAIR AND NECESSARY

Mr. ELLENBOGEN. Mr. Chairman. I believe that in comparing the present bill with the previous rent-control bill for the District of Columbia, passed by the Congress, the amendments to the rent-control bill of 1919 have not been considered. If these amendments are considered it will be found that the bill now before the Committee of the Whole House is substantially similar to the rent-control bill of 1919, as amended, and to the rent-control bill for the State of New York, as amended. Most of the provisions of the bill now before the House have been taken either from the District of Columbia control bill of 1919, from the amendments thereto, or from the New York rent-control bill, as amended.

BOTH LANDLORDS AND TENANTS ARE PROTECTED

It is entirely incorrect to speak about taking the property away from the landlord. Under the bill, the rental must be so fixed that the landlord is allowed a fair and reasonable return upon the present value of the property. Surely no fair landlord wants more than a fair return upon a fair value of the property involved. On the other hand, the tenant will be protected against unfair and excessive rents.

The total expenditures of the commission are limited to \$50,000 under the bill, and the life of the commission is limited to 3 years under the terms of the bill.

This bill is just and fair. It is necessary. It should be passed.

Mr. DIRKSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. Nichols].

Mr. NICHOLS. Mr. Chairman, this has been quite an interesting bill. As it has progressed through the House there have been many sidelights injected into it. I intend, of course, to have nothing to say about that one way or the other. It is my opinion, however, that if this bill is Beck, who died yesterday.

enacted into law it will be one law passed affecting the District of Columbia that could have an effect upon every constituent of yours who becomes resident in this District. If there are any Members of the House who feel they are not paying rent enough in the District of Columbia, then, of course, they should oppose the passage of this legislation. If there are any Members of the House who have secured employment for some of their constituents at salaries ranging from \$1,000 to \$2,000 and who feel these folks are not paying enough rent, then, of course, they should vote against this bill. But if you think your own rent is out of line with the rental you pay in your home city, then you should give this bill a chance and an opportunity to operate. If you think those clerks of the Government are paying rents exorbitant and out of proportion to the benefit received from the housing given them under the contract then, of course, I think you should support this legislation.

Is it constitutional? This has become a very close question on any law that is passed. I frankly state to you I do not know whether it is constitutional or not, but I think if I were to say it was constitutional my opinion on the matter would be just about as safe and sound as the opinion of any other lawyer or Member of this body. If the only reason you have for voting against this bill is doubt of its constitutionality then you are skating on a thin division, although I frankly say to you I do not know whether it is constitutional or not. If there is anything in this bill which will make it possible for country boys like me to come to Washington and live in an apartment, in a house, without paying five or six times as much for the same accommodations as they would pay in their home towns, they come within this bill. So support it and let us pass it and put it on the books, and leave the test of constitutionality with the courts which are so ready to assume it.

I can visualize the situation of clerks and stenographers. I have a couple in my office. I cannot pay them salaries enough to permit them to live in the way they have been accustomed to live at home because they cannot find a place cheap enough to live in.

The landlords, of course, say, "We have just got to charge these exorbitant rates because our overhead is so high on these buildings and our original investment is so high." I do not know about that, but I know that building conditions in Washington surely could not have been any worse than they were in any other great city of the United States. I know they have longer waiting lists for apartments in Washington than any other city with which I am acquainted.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. UMSTEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 11563, declaring an emergency in the housing condition in the District of Columbia, creating a rent commission for the District of Columbia, prescribing powers and duties of the commission, and for other purposes, had come to no resolution thereon.

THE MEMORY OF JEFFERSON

Mr. CHRISTIANSON. Mr. Speaker, under unanimous consent granted to extend my remarks in the Record, I include an address delivered at the Jefferson Day dinner of the Sons of the Revolution by Hon. James M. Beck, president of the Washington chapter of the society, in Washington, on April 12, 1928:

Mr. Speaker, on both sides of the House, we have listened with great interest to the remarks of the gentleman from Missouri on the life, work, and influence of Thomas Jefferson.

There are a few outstanding historic characters that are acclaimed by all Americans, regardless of partisan affiliation.

One of the finest of all tributes to Jefferson was pronounced a few years ago by our late colleague, James M. I include Mr. Beck's eulogy in the RECORD, as follows:

ADDRESS OF HON. JAMES M. BECK

My fellow members, we are met on the eve of a great anniversary. Tomorrow will be the one hundred and eighty-fifth anniversary of the birth of Thomas Jefferson. It would be strange, indeed, if the Sons of the Revolution failed to note the natal day of the author of the Declaration of Independence. Such a commemoration is a debt not only to the dead but to the unborn.

of the author of the Declaration of Independence. Such a commemoration is a debt not only to the dead but to the unborn.

Thomas Jefferson was the most successful politician that the American Commonwealth has yet given to the world. I used the word "politician" in its original and nobler sense, for, as the late Thomas B. Reed once aptly said, "A statesman is only a dead politician." For a quarter of a century he dominated the politics of this country as no other man has before or since. His extraordinary career is the more remarkable, for apparently his equipment for leadership was slight. His personality had none of the leonine majesty of the greatest of Virginians, who impressed men as the aged Lear did the intrepid Kent, in having that which men obeyed, "authority." His was not the handsome presence and magnetic personality of his great rival, Alexander Hamilton, that "Admirable Crichton" of our history. Nor did he have the analytical mind of John Marshall. He was not an orator like Henry or Adams. A shy, diffident man, he hated the "morbid rage of debate", rarely spoke in public, and when he did his voice quickly became husky and inarticulate. He was by temperament and choice a philosopher and philanthropist and was most happy when "far from the madding crowd." He loved his garden more than the councils of the mighty, and yet, paradoxical as it may seem, he was the most aggressive and militant leader of a political party that our history has known. that our history has known.

A successful political career was furthermore the more improbable in his case, as Jefferson was born idealist. This can be seen if we contrast what the Declaration of Independence would have been if Franklin, Hamilton, or Marshall, instead of Jefferson, had been its draftsman. Franklin would have restricted it to a utilitarian discussion of the advantage to foreign nations of assisting in the creation of a new government and weakening the power of the British Empire. He would also have enlivened his discussion of practical politics with a touch of humor which would have increased the galety of nations. Hamilton or Marshall would have restricted the declaration to an analytical statement of the conrestricted the declaration to an analytical statement of the constitutional principle involved in taxing the Colonies without the consent of the legal legislators.

Jefferson, however, sounds in the very opening sentence a key Jenerson, however, sounds in the very opening sentence a keynote of such lofty moral purpose that the literature of state documents of that time can be searched without a fitting parallel.

In an age when might made right and international morality
barely existed, he broadly asserted that a nation which resorts to
force must justify itself upon moral grounds at the bar of the
nations, for "a decent respect to the opinions of mankind requires
that they should declare the causes which impel them to the
separation."

Mork the word "requires". This assumes that there is a law of

Mark the word "requires." This assumes that there is a law of right and wrong, which, standing higher than laws, precedents and conventions, regulates the relations of nations as well as individuals. It avows its belief in a great human conscience which, rising above the interests of nations and races, would approve the right and condemn the wrong.

prove the right and condemn the wrong.

The concluding portion of the declaration further recognizes that even above the conscience of mankind was the Ruler of Nations, by its solemn appeal "to the Supreme Judge of the World for the rectitude of our intentions." The enthusiasm of the idealist is further indicated in the sweeping statement that it is a self-evident truth that "all men are born equal", although no truth is less self-evident and, except in a restricted and purely political sense, it was not a reality then and is not now. In this respect Jefferson was again a great human paradox, for this inspired idealist was one of the most practical statesmen of his or any time. any time.

any time.

Idealists are generally supposed to be out of place in practical politics. Shakespeare's wonderful character study of Brutus illustrates this by suggesting that if Cassius, the practical politician, had headed the progressive movement in ancient Rome, instead of the noble idealist, Brutus, there might have been a different result. The contrast between the two characters is finely pointed in the quarrel scene, when Brutus speaks of the assassination of the foremest man of all that time as in the nature of a holy sacrifice, while Cassius says—like every practical politician in a crisis—

"At such a time as this it is not meet That every nice offense should bear his comment."

Did Shakespeare intend to satirize the occasional unconscious inconsistency of some sincere idealists in this same scene when he makes Brutus quarrel with Cassius for the latter's failure to give Brutus money to pay his legions, while criticizing the methods by which Cassius obtained the tainted money?

by which Cassius obtained the tainted money?

Jefferson's ruling passion and dominant characteristic was that of the student. No one of his time, with the exception of Franklin, ever gave so much of a life to intellectual pursuits. From early boyhood until his latest hours he remained the unwearying and zealous student of the great subjects which challenge the attention of the human intellect. A valued correspondent of four great colleges, the successor of Franklin as president of the American Philosophical Society, he crowned his most useful life by

founding the University of Virginia, upon lines so broad and catholic as to anticipate many of the most valued improvements in education. Art, music, literature, history, politics, science, agriculture, philosophy, religion, all engaged his thoughts, and of these, the great library, which in the days of his poverty he was compelled to sell to the Government, is a demonstration. In those days men did not buy books as decorative furniture, but each book was bought to read and study.

It required 16 wagons to transport his 10,000 books to Washington, and it was found that they were written in many languages and comprised in their sweep nearly every department of intellectual activity. When he planned the great university, his idea of the curriculum was botany, chemistry, zoology, anatomy, surgery, medicine, natural philosophy, agriculture, mathematics, astronomy, biography, politics, commerce, history, ethics, the law, the industrial and the fine arts, and in all of these his versatile mind took an intelligent interest. Few men in recorded history have been more versatile. In this respect he is only surpassed in his century by Franklin, and he belongs to the class of universal genius of which Franklin and Leonardo da Vinci were the greatest illustrations. Here was a man who could supervise a farm, study nature like a scientist make useful inventions draw the plans for a which Franklin and Leonardo da Vinci were the greatest illustrations. Here was a man who could supervise a farm, study nature like a scientist, make useful inventions, draw the plans for a mansion or a public building with the detail of a practical architect, play a Mozart minuet on the violin, ride after the hounds, write a brief, or manage an intricate law case, draft State papers of exceptional importance, and conduct correspondence with distinguished men in half a dozen languages upon questions of history, law, ethics, politics, science, literature, and the fine arts. To him the ancient classics were "a sublime luxury", and he thanked God that He had given him in his early education this great source of delight. One of his recreations was the reading of Homer in its melodious original. His linguistic studies included Latin, Greek, French, Spanish, Italian, and Gaelic. With his allabsorbing love of study, his unflagging intellectual activity, and his natural preference for a scholar's seclusion, he would have been in more peaceful times a philosopher or scientist or a president of a college or university.

The general tendency is to associate the subjective literary fac-

The general tendency is to associate the subjective literary faculty with a certain atrophy of the will and a clouding of the judgment. Excessive mental activity does tend to destroy the judgment. Excessive mental activity does tend to destroy the equilibrium which should prevail between the subjective and the objective faculties of the mind. In this respect Jefferson's extraordinary career seems to contradict the common experience of life and leads us to repeat our inquiry, What was the secret of his unequalled success? How did he, the intellectual recluse, become, in the apt language of one of his contemporaries, "the most delightful destroyer of dust and cobwebs that his time has ever known?"

If find that secret primarily in his sturdy optimism—in the fact that he believed in the work which he attempted to do, in his own ability to do it, in its significance in the predestined advancement of humanity, and in the ability and disposition of his fellow men to follow a true leader. Even these qualities would have availed but little had not his work of establishing democracy synchronized with the spirit of the times. He was the most successful leader of the masses, because he understood their higher inspirations and best voiced their then inarticulate voice.

Democracy is still a prophecy, and of its many prophets few surpass Jefferson in real achievement. This is far from saying that he brought about the democratic era with which the nineteenth century began. To that mighty development many illustrious men and uncounted millions of unknown men had contributed in the long centuries before the emancipation of the masses. The first American Democrat was Franklin, but, in that darkest hour before the dawn, Jefferson played the role of Chantecler—his clarion call to wider freedom, while not causing the reddening skies, yet proclaimed the morn. In this is his transcendent merit.

From his earliest manhood Jefferson best voiced the spirit of his time by proclaiming eternal warfare against every tyranny over the mind of men Only 9 days before his death he again.

his time by proclaiming eternal warfare against every tyranny over the mind of man. Only 9 days before his death he again showed his unconquerable faith in the triumph of the cause, to which he had dedicated his life, when he wrote for the fiftieth anniversary of the great Declaration, upon which he was destined

to die:
"All eyes are opened or opening to the rights of man. Then general spread of the light of science has already laid open to every view the palpable truth that the masses of mankind have not been born with saddles on their backs nor a favored few booted and

born with saddles on their backs nor a favored few booted and spurred ready to ride them legitimately by the grace of God."

Jefferson truly had the "oversoul", of which Emerson wrote, "the personality that neither flatters nor falls, and which never appeals from itself but believes in itself." It consisted in that faith which can "remove mountains" and "overcome the world", for he powerfully aided in removing mountains of old customs and habits of thought and overcame a world, in which the common man had had but too little opportunity. The world has no use for the half-hearted men. Its prizes are for those who throw their whole soul into their work, and with the devouring fire of determination and energy consume the obstacles which lie in their path. Such was the spirit of Thomas Jefferson. He met responsibility halfway. He rejoiced as a strong man to run his course.

To succeed in life, moreover, we must not only have faith in ourselves and in our work but in our fellow men. Democracy has proved a great leveler, and if a man has a public work to do he had better not commence with the premise that he is of a superior caste. Jefferson believed passionately in the people.

While he did not regard them as infallible and never assumed that the oil of anointing had fallen from the head of the monarch and conferred infallibility upon the multitudinous tongue of the people, yet, with a passionate ferver which was with him as a religion, he believed that the common sense of the majority could be better trusted than the interested views of a property-holding

be better trusted than the interested views of a property-holding class. Speaking to his neighbors of Albemarle on returning from France in 1790, he said:

"The will of the majority, the natural law of every society, is the only sure guardian of the rights of man. Perhaps even this may sometimes err, but its errors are honest, solitary, and short lived."

In his first inaugural he said:

"If there be any among us who would wish to dissolve this Union or change its republican form, let them stand undisturbed as monuments of the sanity with which error of opinion may be tolerated where reason is left free to combat it."

as monuments of the sanity with which error of opinion may be tolerated where reason is left free to combat it."

I have already quoted the optimistic prediction which he made 9 days before his death, to be read on the fiftieth anniversary of the great Declaration, when, with trembling hand but with a buoyant and eternally youthful heart, he wrote: "All eyes are opened or opening to the rights of man."

Viewed in the colder light of a later age, his countless critics have charged him with having been excessively suspicious of his opponents' motives, but it must never be forgotten that, throughout the whole of his long public career, his political opponents continuously impunged Jefferson's motives and denounced him as a demagogue, a Jacobin, an atheist, and an anarchist. For many years he accepted with heroic composure a greater storm of abuse than was possibly ever visited upon any public man in our history, and if, in his later years, his pent-up spirit found bitter and at times unjust expression in his later writings, something must be allowed to a proud spirit who had for so many years accepted insult without reply. If the furious tempest of his times occasionally drove him from his true course, let it be remembered that only one of his contemporaries—the great-souled Washington—always remained true to the North Star. ton-always remained true to the North Star.

The greatest inconsistency charged against Jefferson was his aquisition of "Louisiana"—meaning thereby the whole trans-Mississippi region—in supposed violation of his own construction of the Constitution, but this may be due to a misconception of his position and it is possible that if his critics, comprising in this respect most historians, had been as good constitutional lawyers as was Jefferson, they would recognize that Jefferson, in this greatest achievement of his whole career, was more consistent than his

critics have supposed.

The problem of acquiring new territory was a new one, and in solving the problem of Louisiana, Jefferson was treading an unbeaten path. He appreciated the enormous importance of the opportunity. He wrote to Monroe: "On the event of this mission depends the future destinies of this Republic."

And again he wrote to Livingston:

"We are satisfied nothing else will secure us against a war at no distant period."

His opponents opposed the acquisition as in violation of the Constitution, and certain passages in Jefferson's letters apparently indicate that he believed that it would be better for the country to avail itself of an unrivaled opportunity to complete our continental domain even if its constitutionality was doubtful, especially as he felt complete confidence in a subsequent ratification of the acquisition by the American people.

It is, however, inaccurate to say—as nearly all historians have said—that Jefferson had reached the definite conclusion that it was unconstitutional to acquire Louisiana without a constitutional amendment. In his letter to Gallatin, written in January 1803, he thus aptly states his real conviction:

"You are right in my opinion as to Mr. Lincoln's proposition. opponents opposed the acquisition as in violation of the

1803, he thus aptly states his real conviction:

"You are right in my opinion as to Mr. Lincoln's proposition. There is no constitutional difficulty as to the acquisition of territory and whether, when acquired, it may be taken into the Union by the Constitution as it now stands will become a question of expediency. I think it will be safer not to permit the enlargement of the Union but by amendment of the Constitution."

In other words, Jefferson believed that it was constitutional to acquire Louisiana as territory, but that it was of doubtful constitutionality to incorporate it into the Federal compact without an amendment, and this distinction between "acquisition" and "incorporation" was the very distinction which the Supreme Court subsequently recognized in the insular cases.

Jefferson was more sagacious than his critics; and today this constitutional distinction is familiar to us under which we hold the Philippines and Puerto Rico as colonial dependencies without admitting them into the Federal Union considered as a constitutional compact.

tional compact.

Without suggesting that Mr. Jefferson was never guilty of inconsistencies—for a successful political career is only too apt to involve at times a compromise of conviction—yet the judicious historian will recognize that Jefferson was as consistently loyal to his lofty political ideals as any public man of our history, with the single exception of Washington.

Freely recognizing his failings and arrors that were for our

single exception of Washington.

Freely recognizing his failings and errors, they were far outweighed by his transcendent merits. His idealistic abstractions have turned the world upside down. If it be true, and I think it is, that they have done a great deal of harm, yet it is also true that they have done even greater good. They gave the common man hope and inspiration. The level of the human race was apman hope and inspiration. T

As one of his most engaging biographers, Parton has well said: "He defended the honor of the human intellect when its natural foes throughout Christendom conspired to revile, degrade, and crush it. He enjoyed his existence and made it a benefaction to his kind."

RECIPROCAL-TRADE AGREEMENTS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BEITER. Mr. Speaker, it is not my intention today to spend much time in discussing the pros and cons of the reciprocal-trade agreements. Both sides of the question have been hashed and rehashed pretty thoroughly during the past few months. And before that, so long as the United States has been engaged in foreign trade, the arguments for and against the protective tariff have gone on uninter-

As usual, when the argument waxes hot, we find ourselves arguing extremes rather than a legitimate middle ground. In contradiction to some of the more heated opponents of the new tariff amendments let me state, then, that the reciprocal-trade agreements do not, nor ever will, constitute free trade.

There may have been a time when it would have been possible or feasible for the United States to wall herself around with a forbidding protective tariff and to exist for and within herself. But American industry and American production have expanded too fast in the past 20 years to make such a course anything but economic suicide today.

I have noticed a tendency on the part of opponents of the new trade agreements to decry as too impractical and intangible for argument the mooted benefits in international amity and good will. Progress, as represented by the airplane, fast steamship service, and high-speed trains, has made international good will an economic necessity. We are not, as some of our shouting patriots would have us believe, a miniature Mars looking down in glorious independence on the pitiful struggles of interesting but remote neighbors.

In the amendment to the tariff act passed in 1934 it was stated that the amendments were asked for the purpose of expanding foreign markets for the products of the United States. Certainly none of us are so nationalistic as to deny the need for foreign outlets for American goods, nor so selfish or idealistic-depending on the viewpoint-as to believe that foreign markets will be thrown open to us without the granting of certain concessions for return trade.

In adjusting these concessions it has been the purpose of the Government to prevent, insofar as possible, the dumping on the American market of the products of cheap foreign labor. Since foreign wage scales generally are far below our own, no tariff will be completely successful on that score unless it closes our markets to all foreign goods-

an impossible condition.

I might point out at this time that those who are crying loudest over this threat to American wage scales and the American standard of living are the very same people who called N. R. A. efforts to fix a minimum living wage communism and interference with the rights of industry. seem to have some difficulty in making up their minds on the subject of the Government's obligations to protect its citizens. It would seem to boil down to the premise that Government interference is legitimate when it protects capital but is revolution when it protects labor.

Generally speaking, then, the objectives of the reciprocaltrade agreements are all in favor of American industry. The question is whether or not they have obtained their ob-

It is my contention that there are as yet no accurate facts and figures on which to judge.

I should like, however, to point out a few of the more obvious fallacies in the arguments of those who are trying to prove that the agreements have failed of their purpose, and to take up some of the points which they have so carefully overlooked.

Those who hope to produce national panic by shouting from the housetops a jumble of incomplete and hastily computed figures to prove that that balance of trade has been upset are guilty of the same tactics as the labor agitator who builds one case of abuse into an emotional crisis that sweeps the good and bad before it in a torrent of mob hysteria.

Even if the figures were complete, the quotation of statistics in whole or in part does not present a complete picture. There are too many inconstant factors in the world economic situation to make any one year a standard of comparison for the next.

One does not hear our stout defenders of American industry calling attention to the fact that on the strength of the 1930 Tariff Act, which was highly protective, American exports to foreign countries were reduced by 30 percent in 1931 and by another 30 percent in 1932. We suspect that that is another disturbing fact that is to remain discreetly buried under the all-embracing blanket argument of the

Do not think that I am underestimating the effect of the depression on those figures. I mention them as a proof of my point, that unless all the contributing factors are considered statistics may lie more damagingly than deliberate distortion of the truth.

As an example, I should like to question one of the arguments advanced by the gentleman from Massachusetts [Mr. TREADWAY] in his speech on March 4 decrying the disastrous results of the reciprocal-trade agreements.

With grave alarm he pointed out that during 1935 American imports of merchandise increased by 24 percent, whereas exports increased by only 7 percent. He blames this discrepancy on reciprocal trade.

At the same time, it is interesting to note, he failed to bring to light the fact that American exports to Canada increased by only 7 percent over 1934 while imports increased by 25 percent. The figures are almost identical, yet there was at that time no reciprocal treaty with Canada in operation.

Had Mr. TREADWAY wished to present a more complete picture he might have mentioned the fact that during the same year there was a drop of 25 percent in exports to Germany and that that drop was accompanied by a rise of approximately 9 percent in imports from the same country. Since Germany has not benefited by the agreements, she can scarcely be condemned on the strength of that discrepancy.

It has been further pointed out that the Cuban treaty resulted in a tremendous increase in imports with which the exports did not keep step. Under the same treaty imports to the United States from Cuba decreased by \$7,000,000 during the month of November 1935 from the November 1934 level, and exports to Cuba increased by a million and a quarter in the same month. If statistics do not lie, I challenge Mr. TREADWAY to fit that into his picture.

It is not to be expected or hoped that reciprocal-trade agreements will react favorably on all industries. But American business is made up of interdependent units and what benefits one will, in the long run, benefit all. Naturally the grasping individualists find it difficult to subordinate their major interests to the common good, but it is time that we began to realize that protection for the few is an expensive proposition for a country of this size.

In my own district the Canadian treaty is the primary concern. Those of us who live near the border have reason to be grateful for the long years of peace and friendship which have marked the relations between the United States and Canada. We owe much of our past prosperity to the absolute security that is ours in our dealings with our neighbors across the line. Anything that tends to perpetuate that security will of necessity increase and safeguard prosperity.

A considerable percentage of the constituency of western New York is made up of fruit and dairy farmers over whose woes so many editorial tears have been shed.

For the benefit of the former I should like to point out that during January of 1936 the export of fruit to Canada

increased 50 percent over the same period for 1935. The fruit farmers seem to be in no immediate danger.

The threat to the dairy farmers is almost equally nebulous. A survey of the fluctuations in prices of dairy products during the past 15 years shows that these prices react far more quickly to the condition of business in the country generally than to any alterations in trade schedules or duty rates. The dairy farmers will be among the first to react to the general improvement in conditions that will follow on an expansion of industrial markets.

And already the industrial market is expanding. During January 1936 Canadian purchases of machinery from the United States increased 70 percent over similar purchases in January 1935.

In conclusion I should like to quote briefly from an editorial which appeared in the Buffalo Evening News, a Republican newspaper, relative to the reciprocal-trade agreement with Canada:

If one argues that an increased foreign trade is an aid to recovery, one must commend the treaty negotiated by Secretary Cordell Hull. The volume of trade between the two countries is still small as compared with that which enriched both nations in still small as compared with that which enriched both nations in the years immediately following 1920. A good start, however, has been made in the direction of closer trade relations which will benefit both parties. Although specific elements may find their interests temporarily harmed, the betterment of both populations in general should reconcile them to their condition. If the masses of Canadians and Americans can sell more goods to each other, they inevitably will buy more from their own industrial and agricultural producers. agricultural producers.

THE COST OF WAR AND ITS PREVENTION

Mr. CASEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address of my colleague the gentleman from Massachusetts [Mr. CONNERY!

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CASEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered over the radio by Hon. WILLIAM P. CONNERY, Jr., on April

Friends of the radio audience, last Monday we celebrated here in Washington and elsewhere in the United States what we now know as Army Day.

This is the day annually dedicated to those who are serving in the Army of the United States and those who are attached to the Reserve forces.

While we all pray for peace to all, and while we hope and trust that those who are serving in the armed forces of our

rust that those who are serving in the armed forces of our Nation will not be called upon to engage in battle it is worth while being prepared, and well prepared, to defend our shores. As I, in company with other Members of the Congress, reviewed the Army parade from the steps of the National Capitol my mind subconsciously recalled the day, some 19 years ago, when I, as a member of the One Hundred and First Infantry of the Twenty-sixth Yankee Division, the National Guard of Massachusetts, proudly paraded the streets of Framingham on my way to the trenches in France.

We Americans—was the pride of America—marched proudly to

We Americans—yes, the pride of America—marched proudly to the boats waiting to take us to a foreign shore to engage in battles from which many thousands never returned.

As a result of an insidious campaign of propaganda we had been successfully enticed or cajoled into a war on a foreign soil. We went not as an aggressor seeking the acquisition of or to acquire new territory. We went not because we sought or envied the wealth of the people of any other nation. We were led into or induced to participate in the World War because our country had been led to believe that, through our participating, we would make the world safe for democracy.

make the world safe for democracy.

I need not emphasize that while those Americans who served in the trenches of France, those who manned our ships which made the trenches of France, those who manned our ships which made possible the safe landing of our boys in France, or those who gave up their lives during the World War, may have protected the wealth of the international bankers of France, of England, and some in our own country, that in so doing I regret to say we unknowingly saddled upon the people of America a debt that even our children's children will still be paying long after the last of those who participated in the World War have passed on.

When we entered into the World War our national debt was less than \$3,000,000,000,000, or a per-capita debt of less than \$30 for each resident of our country.

When the armistice was signed we had accumulated a total national debt of more than \$25,000,000,000, or a per-capita debt of something like \$250 for every man, woman, and child living within our country.

This monetary loss can be made up, but how can we ever make up for the loss of the lives of the 126,000 American boys who were killed or who died as a result of injuries, or how can we ever repay those 240,000 other Americans who at the time of the armistice were listed as having been injured as a result of the war, many thousands of whom have since passed on, due wholly to the injuries than had received. they had received.

The total cost of our entry into the World War is as yet unknown. Even though the armistice was signed some 18 years ago, we are still paying for losses incurred, and it is my opinion we will be paying for years yet to come.

Conservatively it is estimated by Treasury officials that our entry into the World War will have cost in money alone a total of some \$50,000,000,000, or the equivalent of some \$400 for every one of the

25,000,000,000 of our people.

On behalf of the thousands of my comrades who willingly sacrificed their lives, and the thousands of those still in hospitals, suffering in mind and body, tortured as a result of injuries received in battle or sickness acquired on the battlefields of Europe, I want to assure my listeners that the one thought of every American who served his country and carried the Stars and Stripes into the World War is to insure the American people against participating in another war.

another war.

Some may assume that it is easy to eliminate war. Some will tell you that if the profit is taken out of war we will have no war.

Perhaps they are right. But let me ask any person after careful consideration to point to any nation which has engaged in a major war, or the people of any such countries, other than possibly a few, where the nations, or the people of such nations, were financially or morally better off when the war had been concluded and the peace pact signed.

Statistics show that every country engaging in a major war, such

Statistics show that every country engaging in a major war, such as the recent World War, suffers a loss that is irreparable, both in loss of property value as well as in loss of the lives of their people. Will anyone contend that even the international bankers actually

will anyone contend that even the international bankers actually profit when their own country engages in a major war? Even though their investments or worldly possessions may have been enlarged, the loss of their loved ones, their sons and daughters, their nephews and nieces, those they loved who were taken from them on the battlefield or in the hospitals, is a loss that no amount of gold will ever offset.

of gold will ever offset.

While the profits the international bankers may secure out of a major war may be such that their worldly possessions are temporarily increased, in reality their wealth is decreased in that their share of the Nation's increased debt imposed upon their children

share of the Nation's increased debt imposed upon their children will in most cases offset such temporary gain.

War is never profitable, yet statistics show that we, the people of liberty-loving, peace-loving America have engaged in wars on foreign soil four times since we gained our freedom in 1776.

Our people were forced to make the sacrifices every war demands and exacts simply because other nations, or those governing other nations, believed that they were better prepared for battle than were we

Nations are very rarely different, collectively, than the average individuals who comprise or make up such nations. Those individuals who are physically fit, those boys who make a practice of daily spending a half hour or so in the gymnasium, are rarely attacked, even by the local bullies. Why? Simply because the local bully even by the local bullies. Why? Simply because the local bully and the others know that such boys are physically fit and well able not only to defend themselves but, in addition, most likely will damage the appearance of the aggressors before the battle is over. Such boys as those who are physically fit are seldom found to be the aggressors. They are not called upon to fight because they are prepared to fight and to win.

The people of America do not envy the land, the riches, or the possessions of any other people. We have lived in almost perfect harmony with our neighbors to the north and to the south of us with only an imaginary boundary line between us.

The people of America are better insured against war than the people of any other nation I know of. Our forefathers apparently foresaw dangers far ahead of their times.

The people of America are insured against war on foreign soil in that no officer of our Government can declare war except by action

that no officer of our Government can declare war except by action of the Congress of the United States. Let me repeat this unusually happy position in which our people find themselves insofar as our being dragged into a war on foreign soil.

No official of our Government can order or direct our Army or

our Navy to participate in any war without a vote of the Congress of the United States. Congress, being the duly elected representatives of all of our people, will hesitate well in the future before authorizing such a declaration, to my mind, except to protect our land and our people against an invading army or navy.

Our greatest danger is that through some entangling alliances—

so-called peace pacts—or through our entry into the League of Nations we will be engulfed into a sea of turmoil among or with other foreign nations and from which there is but one honorable

other foreign nations and from which there is but one honorable escape, and that, I regret to say, is war. Against such a possibility we can protect our people only through Congress refusing to engage in any entangling alliances with other nations.

We can further insure ourselves against being dragged into or cajoled into war by eliminating the present profits of war.

Implements of war should be manufactured by the Government in its own arsenals and in its own shipyards.

It may, and it can, be contended that those of inventive genius, who, through years of sacrifice and study, develop implements or accessories of value to our national defense, should have a market in our own country for the work of their brain or their hands. They should have. They should have.

We can easily authorize the establishment or the creation of a governmental agency, which agency would be empowered to pur-chase the exclusive right to use such implements as were found of value. The creators of such implements should be, and would be, adequately rewarded.

Further, I believe that our people should acquire and impoundnow, if necessary—ample stores of those metals and supplies for which at the present time we must look to other nations in case

In other words, we should, insofar as is possible, eliminate any possible profit to those who would cause or would seek to drag us into a war with any foreign nation, except to defend our country in case of invasion.

When we eliminate the profit that some assume there is in our country engaging in a war with a foreign nation we will have made a real step toward eliminating the possibility of our country again being dragged into or cajoled into any war. General Sherman well said, "War is hell."

EXTENSION OF REMARKS

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein an editorial.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I object to the editorial.

Mr. ELLENBOGEN. I hope the gentleman will not object. It is an editorial on the Wagner-Ellenbogen housing bill

Mr. MARTIN of Massachusetts. Mr. Speaker, the policy has been adopted of keeping editorials out of the Record; consequently, I must object to the editorial.

AFTER 19 YEARS

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to insert a speech delivered by the gentleman from Connecticut [Mr. KOPPLEMANN] over the radio on April 2.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address by Hon. HERMAN P. KOPPLEMANN, Member of Congress from the First District of Connecticut, over Station WOL, Washington, April 2, 1936:

We're at it again.

Nineteen years ago today Woodrow Wilson called the Congress of the United States into extraordinary session. The Nation trembled with fear and with excitement. The hot breath of war was sweeping across the United States. President Wilson outlined the events that had led to the special session of Congress and called upon his people to wage war.

Quickly the Congress hastened to carry out what seemed to be the wishes of the people. The war resolution was drafted, pre-sented to the Senate. Senator after Senator made fervent, patri-

on April 4, 1917, the Senate voted for war. All next day the House of Representatives debated the resolution. Speech after speech swept across the floor, united in a clamor for conflict. In the early hours of April 6 the resolution came to a vote. The outcome was as swift and as sure as it had been in the Senate. outcome was as swift and as sure as it had been in the Senate. America was in the World War.

Our munitions makers couldn't restrain their jubilation; our military and naval enthusiasts whoopeed with joy; young men, boys in colleges, sons, husbands, brothers, threw back their shoulders and strutted about in eager anticipation of the days soon to come when they would be wearing uniforms. Mothers, wives, sisters, sweethearts, fired with patriotic fervor, proudly urged their

sisters, sweethearts, fired with patriotic fervor, proudly urged their men to join up. Others sobbed with fear because the persons they loved most were going to battle, perhaps never to return.

Only a small cry was raised for peace. Six Senators and fifty Congressmen spoke for peace in those war-filled days. Fifty-five men and one woman faced political suicide to argue against the course for which their President had pleaded. Vilified, scorned, burned in effigy by their constituents, branded as traitors, they found no praise for what they had done. They had expected none

A few private citizens also asked why we had to go to war, why we had to participate in that carnage. For what did we have to sacrifice our youth? But their cries were quickly drowned. Pacifists were taboo in those days. And so the war to end wars was

fought.

Men full of life and ambition left home never to return. Others left and returned without their minds, without their sight, without arms, legs, lungs. But the war to end wars had been fought.

Peace treaties were signed, disarmament promises were made. For a few years it seemed that the war had been well fought, that its purposes had been accomplished.

And then came the dawn. Depression overtook the world. Foreign nations consistently began defaulting on their war debts. But they found funds to rebuild their armies and navies and air

forces. They seemed to find plausible excuses for rearming. Peace treaties, disarmament agreements stood in their way, so they broke their promises and renounced their treaties

The mad race for war preparation went on over there.

And the germ found its way into these United States. Beginning with 1924 the sum of money set aside for the Army and Navy began to climb appallingly until today we have just passed the largest peacetime appropriation bill for the War Department and are facing the largest peacetime appropriation bill for the Navy

are facing the largest peacetime appropriation bill for the Navy Department.

Wise Benjamin Franklin said that "wars are not paid for in wartime; the bill comes later." How well we know that.

More than 60 cents of every tax dollar paid by you, the citizens of this country, into the Federal Treasury goes for the payment of past and future wars. We are developing a formidable air force. We have appropriated funds for supporting compulsory military training in our colleges, for increasing the student force at Annapolis and West Point, for a larger Navy, stronger arsenals within the boundaries of this Nation, more bombers, a larger standing Army more officers.

the boundaries of this Nation, more pointers, a larger standing Army, more officers.

But these are only the first expenditures. What of the pensions, disability compensations, bonuses; the cost of maintaining the Veterans' Administration, the veterans' hospitals and homes? Whatever meager benefits the veterans gain from such expenditures are their rightful due. You drove them into war. They were incapacitated in your service. Pensions for their widows and families are only just. Pensions for veterans of the Spanish and Civil Wars—why not?

Civil Wars—why not?

The veterans of the World War demanded and obtained a bonus. Supposed to be paid in 1945, they presented such arguments that Congress voted it to them immediately, 9 years before it was due. Why not? Today they live; tomorrow they die.

These pensions and bonuses are just a part of war expenditures. If we are going to fight we must be willing to stand all the cost of such forthing. But why fight?

of such fighting. But, why fight?

Today we are definitely preparing for war. No other reason can be ascribed to the activity in our Army and Navy Departments. But arms, ammunitions, poisonous gases, battleships, and air bombers mean nothing unless we have the men to command them. The day is probably not far off when we are going to send a call to all the able-bodied young men, whether they wish it or to enter the ranks.

These young men expect such a call. But they are taking a lesson from the experience of veterans of past wars. They want some assurance that fighting will be made worth their while. War will jeopardize their future. They have seen it happen with older brothers, fathers, uncles, friends.

Today, while we are still at peace, they want to have all they can get out of life. They know of the fight veterans had to wage before Congress granted their pensions and bonuses.

They have banded themselves into a new veterans' organization, known as the Veterans of Future Wars. They realize the power

They have banded themselves into a new veterans' organization, known as the Veterans of Future Wars. They realize the power of organization. Started a few weeks ago, it has spread into every section of the country. These young men are facing the inevitable. For some reason, difficult to understand, we are preparing for war. There is nothing they can do about it. They are patriotic. If the call comes, they are prepared to meet it. But they aren't going to have any haggling about a paltry few billions for their bonuses and pensions after the months of service are over. No sir, they are demanding payment in advance, right now.

right now.

They have issued a manifesto claiming, and I quote, "Whereas it is inevitable that this country will be engaged in war, and whereas it is by all accounts likely that every man of military age will have a part in this war", they demand that the Government pay a bonus of \$1,000 to every male citizen between the ages of 18 and 36, due June 1, 1965, payable immediately. They claim and I quote, "It is but common right that this bonus be paid now, for many will be killed in the next war, and hence they, the most deserving, will not otherwise get the full benefit of their country's gratitude."

They have provided for the women of America, too, and demand pensions of \$50 a month for future wives, and free pilgrimages to Europe for future mothers to view the future battlefields. The demand of other organized blocs on our Treasury are peanuts compared to this one.

The demand of other organized blocs on our Treasury are peanuts compared to this one.

Daily new posts of the Veterans of Future Wars are forming. I learned yesterday that a post has been formed in Trinity College, located in my home town of Hartford, Conn.

They demand that we go the whole way, and pay for manpower in advance, just as we are paying in advance for materials in preparation of war. If you think their argument is ridiculous, you should listen to the talk I am compelled to hear every time a bill is before the Congress urging appropriations for larger armies, greater navies, more bombers, etc.

On the other hand, when the engineers of the Army work out plans for flood control that mean the saving of lives and homes and property, a most laudable work, then you should listen to the weighty arguments of those who would protect the Treasury in the interests of the taxpayer, and watch the appropriation bills for rivers and harbors slashed right and left.

They cry of extravagance because we clothe and feed the unem-

They cry of extravagance because we clothe and feed the unemployed, because we save homes, farms, and businesses. But no word of criticism except from a few weak voices is heard in protest to vast expenditures to fight an enemy no one knows.

If the people were organized into a bloc, demanding their right of peace, as other blocs have demanded their rights, your Congress

would think twice before it approved these billions for war programs too extensive for our own needs.

What has America to fear? The nations of the world need our friendship as much as we need theirs. Except for a brief outburst, quickly ended, we have had no trouble in North America. In South America we want nothing. They want nothing from us. Are we preparing to enter a European war? And if so, why?

They talk of an enemy which will come to our western shores from Asia and invade our country. The nearest nation to our western shores is more than 5,000 miles away.

We're talking peace and acting war. We're crying for economy, and spending huge sums of money increasing our Army and Navy uselessly. We glory about American traditions, and the first tra-

uselessly. We glory about American traditions, and the first tradition of civilization, peace, is being flaunted with a derision which

is barbaric.

And all the time unrest and discontent are seeping into the veins of this land of ours, making madmen and rebels of our people, who want nothing more than a chance to work peacefully and live peacefully with their neighbors.

Truly we are emphasizing the wrong American traditions. We're at it again, preparing for war. Why not prepare for peace?

INFORMATION CONCERNING FEDERAL RIGHTS OF VETERANS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks, and include therein three letters, one from Mr. Thomas Kirby, national legislative chairman of the Disabled American Veterans; one from Mr. John Thomas Taylor, director national legislative committee of the American Legion; and one from Mr. Millard W. Rice, legislative representative of the Veterans' of Foreign Wars of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letters:

Disabled American Veterans of the World War, Washington, April 9, 1936.

The Honorable Wright Patman,

House of Representatives, Washington, D. C.

My Dear Mr. Patman: We are deeply appreciative of your letter of thanks for the assistance we were glad in giving in the preparation of the booklet on Information Concerning Federal Rights of

So necessarily involved is the vast problem of the care of former service men that it is extremely difficult for anyone to keep informed on all these matters. However, the 62-page booklet just issued as a reprint of your remarks in the Congressional Record

is so comprehensive and accurate that it should be invaluable to veterans and those advising veterans.

We have been pleased to distribute this pamphlet to our rehabilitation officers everywhere, as well as to other D. A. V. officials who are helping the wartime disabled in the establishment of their claims.

Cordially yours,

THOMAS KIRBY, National Legislative Chairman.

VETERANS OF FOREIGN WARS OF THE UNITED STATES, Washington, D. C., April 9, 1936.

Hon. WRIGHT PATMAN, M. C.,

House of Representatives, Washington, D. C.

My Dear Congressman Parman: Your recent letter expressing appreciation for our contribution of material and suggestions for your excellent compilation of the rights, privileges, and benefits available to veterans and their dependents under various Federal

available to veterans and their dependents under various Federal and State laws was indeed gratifying.

So highly valuable do we consider this resumé that we immediately ordered 5,000 copies in pamphlet form for distribution to our 3,500 local posts and service officers. This pamphlet fills a long-felt need and will prove of inestimable value to thousands of veterans and their dependents

The V. F. W. is deeply grateful to you for your splendid service to veterans.

Very respectfully yours,

MILLARD W. RICE, Legal Representative.

THE AMERICAN LEGION, National Legislative Committee, Washington, D. C., April 10, 1936.

Washington, D. C., April 10, 1936.

Hon. Wright Patman,
House Office Building, Washington, D. C.
My Dear Wright: This is to acknowledge receipt of your letter of April 9, expressing to us your appreciation for the cooperation in the preparation of the pamphlet containing information dealing with veterans' benefits.

I assure you that it has been a real pleasure for us to join with you in this matter, and I take this opportunity to congratulate you upon the splendid results of your efforts. This pamphlet contains just the information that the veterans throughout the country

are anxious to have. It will be of great help also to the service officers in the thousands of posts of the American Legion. They, too, will appreciate it, and I am ordering a quantity to send out to them.

Again I thank you for the splendid job you have done and assure you that this pamphlet is just what veterans' organizations have required in simple and condensed form for a long time.

JOHN THOMAS TAYLOR,
Director, National Legislative Committee.

PERMISSION TO ADDRESS THE HOUSE

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the reading of the Journal and the disposition of business on the Speaker's table, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RANSLEY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE LATE JAMES M. BECK

Mr. RANSLEY. Mr. Speaker, it is with deep regret I announce the death of the Honorable James M. Beck, formerly a Member of Congress from the State of Pennsylvania, and an outstanding authority on the Constitution. He was honored by legal societies throughout the world and was an Honorary Bencher of Grays Inn, England. Writer, orator, lawyer, Solicitor General of the United States, in spite of his great record he was a modest and retiring man.

Mr. Speaker, the Honorable James M. Beck will be

mourned by his many friends.

Mr. Speaker, I ask unanimous consent to extend my remarks by publishing in the RECORD a historical account of the life of James M. Beck, as recorded in one of today's Philadelphia morning papers.

The SPEAKER. Is there objection to the request of the

gentleman from Pennsylvania?

There was no objection.

The matter referred to follows:

JAMES M. BECK IS DEAD AT 75; NOTED LAWYER-LEADING CONSTITU-TIONAL AUTHORITY WAS HARDING'S SOLICITOR GENERAL; SERVED IN CONGRESS—BORN IN PHILADELPHIA; HAD LAW CAREER; FOUGHT FOR REPEAL; STRICKEN BY HEART ATTACK AT HOME IN CAPITAL By Paul J. McGahan

Washington, April 12.—James M. Beck, one of the Nation's outstanding authorities on constitutional law and a sharp-spoken critic of the New Deal, died at his home here today.

The former United States Solicitor General and Member of Con-

gress from Philadelphia was 75 years old.

He died of a heart attack, which came on suddenly as he moved, apparently well, about the house he had long occupied at 1624 Twenty-first Street NW. Stricken at 3:30 p. m., he died an hour

At his side were his wife, Mrs. Lilla Mitchell Beck, and his daughter, Mrs. Beatrice Beck Tuck, with whom he had not long before had Easter dinner. His son, James M. Beck, Jr., who lives in London, was informed immediately of his father's death.

MANY EXPRESS REGRET

The news came as a shock to his many friends and colleagues in Washington officialdom, and evoked expression of regret even in

quarters where he had been considered a foe.

It was while he served as Republican Solicitor General, appointed by President Harding in 1921, that he gained his national reputation as an expert on the Constitution of the United States.

His active political career ended when he retired voluntarily

from the House of Representatives as a Member from Philadelphia, on January 3, 1935.

DOCTOR'S REPORT

Dr. Walter A. Bloedorn, the attending physician, issued the following statement this afternoon:

"Mr. Beck died suddenly today at 4:30 o'clock of coronary thrombosis at his residence. He had appeared well at luncheon and was dressed and walking about at 3:30 when the attack came and he died within a short time."

To say that James M. Beck was a mere student of the Constitution of the United States would not only be injustice but grevious

understatement.

He worshiped it as a living and evolving organism, defended it as the greatest single manuscript of government the mind of man had ever produced, and years before his death had earned the distinction of being one of the foremost constitutional lawyers in the United States.

Mr. Beck not only knew every syllable of the Constitution, but he knew the spirit and the minds of the men who created it. He knew the background of bitter history out of which it had sprung, the old English common law which had entered into its making, the racial characteristics of the members of the constitu-

making, the racial characteristics of the members of the constitutional assembly which finally presented it to the people. It was this complete knowledge of and enthusiastic sympathy with the times and the men which saw its promulgation that made any reference to it from his mouth or pen a vital utterance; and this zeal and fervor which carried him to such notable victories during his term as Solicitor General of the United States under Presidents Warren G. Harding and Calvin Coolidge.

His uncontested knowledge of the constitutional law of the country gave him an attentive audience whenever, in the latter

country gave him an attentive audience whenever, in the latter years of his life, he rose to address the lower house of Congress, and made him a powerful advocate for prohibition reform, which he argued solely on its constitutional merits.

NATIVE SON OF PHILADELPHIA

James Montgomery Beck was born in Philadelphia on July 9, 1861, the son of James Nathan Beck and Margaretta C. Darling Beck. He received his early education in the public schools of the city, and was graduated from Moravian College in 1880. Four years later he was admitted to the Philadelphia bar, his law partner being the late William F. Harrity, and 2 years thereafter married Miss Lilla Mitchell, daughter of James Mitchell, of Philadelphia delphia.

His public life began 2 years prior to his marriage, in 1888, when he was named as Assistant United States Attorney for the Eastern District of Pennsylvania, a capacity in which he served until 1892. Four years later he was appointed United States Attorney in Philadelphia, leaving that office in 1900 to become Assistant United

Endowed with a brilliant mind, a memory which for years was to be a marvel to all who heard him, a genuine enthusiasm for the law, and a scholarship which won him innumerable honors, his progress in his profession was not only immediate but con-

ADMITTED TO NEW YORK BAR

Mr. Beck served as assistant to the Attorney General in Washington for 3 years, through the tenure of President McKinley and his successor, Theodore Roosevelt, and at the end of that time was admitted to the New York bar, becoming a member of the law firm of Shearman & Sterling, in New York City.

He remained with that firm until 1917, when he became senior partner in the newly established firm of Beck, Crawford & Harris. He finally retired from active practice of his profession in 1927 to enter Congress.

enter Congress.

In 1920 Warren G. Harding looked about him for a man of the ability and learning to assume the tremendous duties of the office of Solicitor General, and his choice of Mr. Beck was widely applauded, both in this country and abroad, where his talents also were highly regarded.

TRIBUTE FROM COOLIDGE

He served in that office until he voluntarily resigned in 1925, at

He served in that office until he voluntarily resigned in 1925, at which time President Coolidge paid warm tribute to his administration of his duties in the following words:

"In accepting your resignation, I wish to make particular acknowledgment of the faithfulness and distinguished ability with which you have discharged the duties of your high position. Your record, as Solicitor General, will stand as one of the most notable proofs that the Government is so many times fortunate in being able to enlist the most eminent of talents and highest fidelity, not because of the compensation, but because of the fine sentiments. able to emist the most eminent of talents and highest fidelity, not because of the compensation, but because of the fine sentiments of patriotism which animate those who thus do honor to the public service. At a great sacrifice to yourself in everything save only reputation you have given your splendid energy and excellent capacity to the furtherance of the national interests. Contemplating your record of achievement, I have to express the hope that it may be alike an inspiration and a model to many others."

HANDLED MANY CASES

During Mr. Beck's regime as Solicitor General the work of the Nation's law officer reached a record in volume. The legal debris left by the World War piled up like a log jam damming a mountain freshet, yet largely through his own personal effort Mr. Beck cleared it away.

He had charge of more than 800 cases before the Supreme Court; in other words, he was counsel for the Government of the United States in approximately one-fourth of all of the cases heard by the

Supreme Court during the period of his service. In that time he personally and successfully argued more than 100.

Mr. Beck's appearances before the Supreme Court extended over a period of four decades, as he made his first presentation of argument in 1896. Among the cases which he argued are a number which have gone down as classics in the legal history of the Nation, and which are not alone monuments of legal precedent but are mileposts in course in political science.

ARGUED FAMOUS CASES

It was he who argued the famous case of Neely v. Henkle (180 U. S. c109), in which the constitutional power of the Government to govern Cuba after the treaty of Paris was involved. This case was regarded as the forerunner of the famous insular cases, which involved the power of the United States to govern permanently colonial dependencies free from the limitation of the "uniformity clause" of the Constitution.

In the famous Danbury Hatters case he successfully argued the application of the Sherman antitrust law to a Nation-wide boycott on a manufacturers' product.

Perhaps the greatest of the cases which he tried before the Supreme Court was the lottery case, in which it was held that the constitutional power to regulate commerce included the power to prohibit commerce for Federal purposes.

Mr. Beck successfully sustained the constitutionality of the Stockyards Act and of the nineteenth amendment to the Constitution, and also argued the famous Portland Postmaster case, wherein the Supreme Court finally settled the century-old controversy as to the President's power of removal. He also took a prominent part in the litigation involving the diversion of water from the Great Lakes, in which the supremacy of the Federal Government was sustained.

Following his retirement from the office of Soliston General In

Following his retirement from the office of Solicitor General in 1925 Mr. Beck resumed the private practice of the law in New York and Washington, but 2 years later, in 1927, turned his back finally on the profession which he had followed with such brilliance to enter Congress.

ENTERS CONGRESS

In the previous year, in a public address in Philadelphia, he expressed a desire to spend his remaining years in the public service; and the opportunity to enter the lower House of Congress came with the retirement of Congressman James M. Hazlett, then representing the First Congressional District.

Mr. Beck's desire to run for Congress was encouraged by William S. Vare, titular leader of the Philadelphia Republican organization, who then was engaged in his ultimately futile battle to secure his seat in the United States Senate, following the three-cornered fight between himself, Gifford Pinchot, and George Wharton Pepper the previous fall.

previous fall.

The same year that Mr. Vare was elected to the Senate and then compelled to "stand aside", a seat also had been denied Frank L. Smith, of Illinois. The constitutional principle involved intrigued Mr. Beck's legal mind, and he wrote a book, The Vanishing Rights of the States, in which he denied the constitutional right of the Senate by a majority vote to exclude from its membership a person unquestionably elected by a sovereign State because of some alleged irregularity in the primary election.

The argument which Mr. Beck used elicited widespread comment, and it was only natural that because of it he should be an active participant in the fight to secure Mr. Vare's induction into the Senate.

FOUGHT FOR EIGHTEENTH AMENDMENT REPEAL

Immediately upon his election Mr. Beck took an active part in the effort to secure the repeal of the eighteenth amendment, which, he insisted, had no right in the Constitution, and the modification of the Volstead Act. He was active in the organization of the so-called "wet bloc" in the House, and for several years not only was chairman of the Republican group but the acknowledged spokesman for antiprohibitionists in the House.

man for antiprohibitionists in the House.

He took a leading part in the debates on the question of repeal, and his address on February 7, 1930, coming as it did less than 3 weeks after the final presentation of the moot report of the Wickersham Commission, attracted Nation-wide attention. It was his discussion of the convention system of ratification of the prohibition-repeal amendment late in the Seventy-second Congress which did much to clarify the legal aspects of that infinitely complex and puzzling problem.

HITS CONGRESS; QUITS

Mr. Beck, in September 1934, announced in a bitterly worded statement that he intended to relinquish his seat in Congress because that body had become "merely a rubber stamp for the Executive." He kept his word and withdrew at the end of the ensuing term of Congress.

"Our form of government can only be saved by the restoration of the Republican Party to power", he said at the time. "I am retiring from Congress because it has largely ceased to be a deliberative body. To be a one-hundredth part of a rubber stamp no longer appeals to me. I believe I can help more effectually in the Federal courts, where I have practiced for more than 50 years, than in a Congress where the minority is gagged and reduced to impotence. I hope with my pen and voice to serve the Republican Party as effectively as in the ranks of Congress."

Following his retirement from Congress he turned his attention

Following his retirement from Congress he turned his attention, as a constitutional authority, to the New Deal, which he criticized vigorously as "encroaching on individual rights." He described President Roosevelt as a "dictator" and the entire New Deal as a "return to feudalism."

WINS S. B. C. CASE

Before the United States Supreme Court in December 1935 he branded the T. V. A. as unconstitutional, socialistic, and inspired by the New Deal "malevolence" against utilities. The T. V. A., he

by the New Deal "malevolence" against utilities. The T. V. A., he said, tended to vold States' rights.

Another case in which he appeared as counsel was won in the high tribunal last week when the Court upheld the refusal of J. Edward Jones, New York oil-stock dealer, to file information with the Securities Commission under requirements of the Securi-

ties Act of 1933.

In an address in Washington early this year he predicted the Roosevelt administration will be known to the future as "the ghast-liest wreckage of our form of government in history." He was a critic of the New Deal's tax on inheritances.

URGES COALITION

In February of this year, during a speech in Atlantic City, he advocated a coalition of Republicans and conservative Democrats as the way to "restore public credit by reducing taxation and expenditures."

At the very outset of his congressional career Mr. Beck himself was challenged as to his right to hold a seat, due entirely to the question as to whether or not he maintained a legal residence in Philadelphia. The House voted to seat him after brief debate, after satisfactory evidence had been presented as to his residence at 1414 Spruce Street in this city.

FAMED AS JURIDICAL AUTHOR

Mr. Beck's reputation, both as counselor and orator, was inter-

Mr. Beck's reputation, both as counselor and orator, was international, and equally so as an author on juridical subjects.

His compilation of an analysis of the various diplomatic papers of the nations which became embroiled in the World War, compiled as a juridical argument to determine the moral responsibility for precipitating the conflict, was accorded almost the dignity of a state paper. His book, The Evidence in the Case, not only was widely read in this country but was interpreted and printed abroad. In 1916 he traveled through England and France, making a notable series of addresses in the two allied countries, in which he freely expressed the sympathy of the American people for the allied cause.

WON SCHOLARLY HONORS ABROAD

His scholarly attainments were given generous recognition abroad. Previously made a master of the bench of Gray's Inn, one of the historic Inns of Court in London, where he delivered a series of five addresses under the auspices of the University of London in 1922–23, he was paid the unprecedented compliment of being called to the English bar in 1922. The call was entirely voluntary and made without the time-honored obligation of being "screened" or of participating in the requisite number of dinners at the Inns of Court.

Court.

His now famous volume, The Constitution of the United States, was an outgrowth of the addresses delivered in London. The foreword of the American edition was written by Calvin Coolidge; that of the British edition by the Earl of Balfour; the French, by Dr. Larnaude, dean of the faculty of law of the University of Paris; and the German, by the Chief Justice of the German Republic.

An evidence of the esteem in which he was held abroad is the fact that he was awarded the rank of officer in the French Legion of Honor, that of commander of the Belgian Order of the Crown, of the Polish Order of Polonia Restituta.

MARVEL FOR MEMORY IN ORATORY

Mr. Beck's reputation as an orator was perhaps as wide as recognition of his legal talents. He was always in demand as an after-dinner speaker in this city, and his feats in memory became classic, particularly among newspapermen, who had the opportunity to appreciate them.

appreciate them.

They often would receive copies of Mr. Beck's speech in advance of its delivery, and would have the amazing experience of following his address, page after page, for 20 minutes or a half hour, without detecting him in the omission of a single word or phrase. Shakespeare was one of his favorite authors, and his speeches were interspersed with quotations from the great Elizabethan dramatist, and he was likewise fond of choosing some conversation or character from the bard to Illuminate portions of his addresses. With a rich voice that might well have graced the stage, a quick wit, and a magnificent command of the English language, he could endow the most abstruse constitutional subject with vitality and glamor.

glamor.

His ability found exceptional recognition in Congress. ington's Birthday, 1929, the House, instead of following its tradition of listening to the reading of Washington's Farewell Address, voted an invitation to Mr. Beck to deliver an address on the First President. He chose Washington and the Constitution, and at the conclusion of the presentation the entire membership of the House rose in the Philadelphian's honor.

STANCHLY LOYAL PHILADELPHIAN

Although his duties in the middle years of his life found him more frequently domiciled in New York, Washington, and abroad than they did in this city, Mr. Beck remained a stanchly loyal Philadelphian and a distinguished publicist of her tradition. During the celebration of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence through the medium of the 1926 Sesquicentennial International Exposition, he served as chairman of the national advisory committee appointed by President Coolidge.

he served as chairman of the hational advisory committee appointed by President Coolidge.

His attainments were freely recognized by institutions of higher learning in this country. He received the honorary degree of doctor of laws from both Moravian and Muhlenberg Colleges in 1902 and from the University of Pennsylvania in 1910, from McGill and Lafayette in 1917; doctor of literature from Franklin and Marshall in 1918 and from Loyola in 1931.

PROLIFIC CONTRIBUTOR TO MAGAZINES

He was a prolific contributor to magazines and periodicals and numerous of his speeches were reprinted in pamphlet form. His formal writings included The Evidence in the Case, 1914; War and Humanity, 1916; The Reckoning, 1918; The Passing of the New Freedom, 1920; The Constitution of the United States, 1922; The Vanishing Rights of the States, 1926; and May It Please the Court,

He was a fellow of the American Philosophical Society, the American Geographical Society, and the Royal Historical Society of London; a member of the Pennsylvania Society of Sons of the Revolution, and a corresponding member of the Societe de Gens

de Lettres, of France.

His son, James M. Beck, Jr., has resided in London for many years. His wife is the former Lady Tennyson, sister of Lord Glencannon. A daughter is the former wife of S. Pinckney Tuck, a member of the American Foreign Service.

Mr. Beck was a member of the Metropolitan Club and the Chevy Chase Country Club of Washington, the Art and Legal Clubs of Philadelphia, and of the Shakespeare Society of Philadelphia, reputed to be the oldest organization of its kind in the world, and a member of the Union League Club of New York

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LARRABEE, for 1 week, on account of important

To Mr. STARNES (at the request of Mr. Hill of Alabama), indefinitely, on account of important business.

To Mr. Wigglesworth (at the request of Mr. Martin of Massachusetts), indefinitely.

To Mr. Wallgren (at the request of Mr. Smith of Washington), indefinitely, on account of illness.

To Mr. May (at the request of Mr. Spence), for today, on account of unavoidable absence.

To Mr. McFarlane, for 1 week, on account of death in family

To Mr. Lanham (at the request of Mr. Johnson of Texas), for 2 days, on account of important business.

To Mr. Crowe, for today, on account of official business.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 233. Joint resolution providing for the participation of the United States in the Great Lakes Exposition to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purposes; to the Committee on Foreign Affairs.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did, on April 11, 1936, present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 11849. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for

other purposes", approved March 3, 1935; and

H. J. Res. 526. Joint resolution to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased.

ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 52 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 14, 1936, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, April 14, 1936, at 10:30 o'clock a. m., in room 328, House Office Building, to consider further H. R. 10357, and other bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

772. A letter from the past commander in chief of the Grand Army of the Republic, transmitting pursuant to Public Resolution No. 126, Seventy-first Congress, approved March 2, 1931, the journal of the proceedings of the Sixtyninth National Encampment, held at Grand Rapids, Mich.

September 8-14, 1935 (H. Doc. No. 347); to the Committee on Military Affairs and ordered to be printed, with illustrations.

773. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed joint resolution to amend the Settlement of War Claims Act of 1928 for the purpose of extending for 2 additional years the time within which American nationals who have obtained awards from the Mixed Claims Commission, United States and Germany, or the Tri-Partite Claims Commission, Austria and Hungary, and the Hungarian nationals who have obtained awards from the War Claims Arbiter, may make application to the Treasury for the payment of such awards; to the Committee on Ways and Means.

774. A communication from the President of the United States, transmitting for the consideration of Congress a supplemental estimate of appropriation for the fiscal year ending June 30, 1936, to remain available until expended. for the War Department, for construction of runways, grading, and drainage at the Army Air Corps base at Langley Field, Va. (H. Doc. No. 444); to the Committee on Appropriations and ordered to be printed.

775. A communication from the President of the United States, transmitting for the consideration of Congress, deficiency and supplemental estimates of appropriations for the Department of the Interior, for the fiscal year 1937 and prior years amounting to \$2,344,701.80, together with drafts of proposed provisions pertaining to existing appropriations (H. Doc. No. 445); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR: Committee on Rules. House Resolution 485. Resolution providing for the consideration of Senate Joint Resolution 230; without amendment (Rept. No. 2395). Referred to the House Calendar.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 7764. A bill to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes; with amendment (Rept. No. 2398). Referred to the Committee of the Whole House on the state of the Union.

Mr. WERNER: Committee on Indian Affairs. H. R. 9156. A bill to define the exterior boundary of the Ute Indian Reservation in the State of Utah, and for other purposes; with amendment (Rept. No. 2399). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on Insular Affairs. 12119. A bill to amend sections 13 and 19 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes"; without amendment (Rept. No. 2400). Referred to the Committee of the Whole House on the state of the Union.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 12033. A bill authorizing and directing the Secretary of the Interior to sell to the city of Los Angeles, Calif., certain public lands in California; and granting rights-of-way over public lands and reserve lands to the city of Los Angeles in Mono County in the State of California; with amendment (Rept. No. 2401). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on the Public Lands. H. R. 10641. A bill providing for the protection and conservation of equities, easements, or rights accruing to the Government because of lands granted for the purpose of aiding in the building or establishment of railroads; with amendment (Rept. No. 2402). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 3789. An act authorizing the Secretary of Commerce to convey the Charleston Army Base Terminal to the city of Charleston, S. C.; with amendment (Rept. No. 2403). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of New Hampshire: Committee on Military Affairs. H. R. 5503. A bill authorizing the President to order Maj. E. P. Duval before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; without amendment (Rept. No. 2397). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KNUTE HILL: A bill (H. R. 12253) to amend acts fixing the rate of payment of irrigation construction costs on the Wapato Indian irrigation project, Yakima, Wash., and for other purposes; to the Committee on Indian Affairs.

By Mr. MAAS: A bill (H. R. 12254) providing for naval and Marine Corps aviators who have qualified prior to April 1, 1917, and since disqualified for active duty to be advanced one grade on the retired list; to the Committee on Naval Affairs.

By Mr. RANKIN: A bill (H. R. 12255) to amend section 601 of the World War Adjusted Compensation Act; to the Committee on Ways and Means.

By Mr. SMITH of Washington: A bill (H. R. 12256) to provide for the construction of a post-office building at Pe Ell, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. SUMNERS of Texas: A bill (H. R. 12257) to extend the jurisdiction of the United States Court for China to offenses committed on the high seas; to the Committee on Foreign Affairs.

By Mr. GREEN: A bill (H. R. 12258) for the improvement and protection of the beaches along the shores of the United States; to the Committee on Rivers and Harbors.

By Mr. DALY: A bill (H. R. 12259) authorizing the appointment of an additional circuit court judge for the third circuit; to the Committee on the Judiciary.

By Mr. HEALEY: A bill (H. R. 12260) prescribing a condition precedent to the award of certain contracts by Federal agencies; to the Committee on the Judiciary.

By Mr. RANDOLPH: A bill (H. R. 12261) to aid and promote scientific research of a basic character upon which the inception and development of new industries or the expansion of established industries is dependent, to encourage increased effort on the part of individuals toward the further advancement of scientific knowledge and discovery, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 12262) to reserve certain public domain in Montana as an addition to the Rocky Boy Indian Reservation; to the Committee on Indian Affairs.

By Mr. ELLENBOGEN: A bill (H. R. 12263) to further amend the National Housing Act, to provide relief for merchants who suffered losses by flood, earthquake, conflagration, tornado, cyclone, hurricane, or other catastrophe occurring in the year 1936, and for other purposes; to the Committee on Banking and Currency.

By Mr. REED of New York: A bill (H. R. 12264) for a Coast Guard station at or near Dunkirk, N. Y.; to the Committee on Merchant Marine and Fisheries.

By Mr. DARDEN: A bill (H. R. 12265) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

By Mr. SCOTT: Resolution (H. Res. 486) to appoint a select committee to investigate elevator accidents and fatalities, which have occurred in the District of Columbia; to the Committee on Rules.

By Mr. O'CONNELL: Joint resolution (H. J. Res. 566) providing for the contribution by the United States to the expense of the tercentenary celebration by the State of Rhode Island; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII. private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 12266) for the relief of Carrie M. Clements, widow, and Margie P. Clements, James D. Clements, and Elieza V. Ball, children of Dr. David Oscar Clements, deceased; to the Committee on Claims.

By Mr. BELL: A bill (H. R. 12267) for the relief of Francis M. Heinzelmann; to the Committee on Claims.

By Mr. CROWTHER: A bill (H. R. 12268) for the relief of Maj. Lyman S. Frasier; to the Committee on Military Affairs.

By Mr. DARDEN: A bill (H. R. 12269) directing the Court of Claims to reopen the case of William G. Maupin, Jr., and others against the United States, docket no. 34681, and to correct the errors therein, if any, by an additional judgment against the United States; to the Committee on Claims.

Also, a bill (H. R. 12270) directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States; to the Committee on Claims.

By Mr. HANCOCK of New York: A bill (H. R. 12271) granting an increase of pension to Frances Eggleston; to the Committee on Invalid Pensions.

By Mr. HAMLIN: A bill (H. R. 12272) for the relief of Frank Wheelock Plummer Breed; to the Committee on Naval Affairs.

By Mr. HEALEY: A bill (H. R. 12273) for the relief of Thomas Edward Connors; to the Committee on War Claims. Also, a bill (H. R. 12274) for the relief of John McAnneny; to the Committee on Naval Affairs.

By Mr. McANDREWS: A bill (H. R. 12275) granting a pension to George McCauley; to the Committee on Pensions.

By Mr. MEAD: A bill (H. R. 12276) for the relief of John Bernard Stroh; to the Committee on Military Affairs.

By Mr. PETTENGILL: A bill (H. R. 12277) granting a pension to Anna Mendel; to the Committee on Invalid Pensions.

By Mr. RYAN: A bill (H. R. 12278) for the relief of Jacob N. Lahr and others; to the Committee on Claims.

By Mr. THOMPSON: A bill (H. R. 12279) granting a pension to Bertha J. Runck; to the Committee on Pensions.

By Mr. WILCOX: A bill (H. R. 12280) to amend Private Act No. 210, approved August 13, 1935, by substituting as payee therein the Clark Dredging Co., in lieu of the Bowers Southern Dredging Co.; to the Committee on War Claims.

Also, a bill (H. R. 12281) for the relief of Harry Kukofsky; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10711. By Mr. PFEIFER: Petition of the Central Trades and Labor Council of Greater New York and vicinity, concerning the Pearson bill (H. R. 9258); to the Committee on the Civil Service.

10712. Also, petition of the International Association of Machinists, New York City, concerning the Wheeler-Crosser bills (S. 4174 and H. R. 11609); to the Committee on Interstate and Foreign Commerce.

10713. By Mr. HESS: Memorial of the House of Representatives of the Ninety-first General Assembly of Ohio, memorializing Congress to assume the local assessments of the Muskingum watershed conservancy district; to the Committee on Flood Control.

10714. By Mr. KENNEY: Petition of the New Jersey branch of the International Order of the King's Daughters and Sons, Inc. (approximately 1,600 members), endorsing the Pettengill and Neely bill (compulsory block booking and blind selling of motion pictures); to the Committee on Interstate and Foreign Commerce.

10715. Also, resolution of the Polish Peoples' Home in Passiac, N. J., favoring the enactment of the Ellenbogen national textile act, unanimously adopted at a mass meeting of textile workers, March 15, 1936; to the Committee on Labor.

10716. By Mr. LAMNECK: Petition of Mrs. Clyde J. Wells, president, and Mrs. S. D. Bradner, secretary, Northern Junior Circle, the Child Conservation League, of Ohio, urging early hearings on motion-picture bills now before Congress; to the Committee on Interstate and Foreign Commerce.

10717. By Mr. MEAD: Petition of the Assembly of the State of New York, that the Congress of the United States be, and it hereby is, respectfully memorialized to appropriate annually to the use of the State of New York the sum of \$2,500,000 for the maintenance and operating expenses of the New York State canal system; to the Committee on Interstate and Foreign Commerce.

10718. Also, petition of the Chamber of Commerce, Hamburg, N. Y., opposing the Wheeler-Crosser bills (S. 4174 and H. R. 11609) affecting railroads, express companies, and certain other common carriers; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, APRIL 14, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian.

The managers on the part of the House, Hon. HATTON W. SUMNERS, of Texas; Hon. RANDOLPH PERKINS, of New Jersey; and Hon. Sam Hobbs, of Alabama, accompanied by the clerk of the Committee on the Judiciary of the House of Representatives, Elmore Whitehurst, and by Thomas M. Mulherin, special agent, Federal Bureau of Investigation, Department of Justice, appeared in the seats provided for them.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., and R. O. Cullen, Esq., of Miami, Fla., associated with Mr. Hoffman, appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms by proclamation will open the proceedings of the Senate sitting for the trial of the articles of impeachment.

The Sergeant at Arms made the usual proclamation.

On request of Mr. ASHURST, and by unanimous consent, the reading of the Journal of the proceedings of the Senate, sitting for the trial of the articles of impeachment, for Monday, April 13, 1936, was dispensed with, and the Journal was approved.

LIST OF ADDITIONAL WITNESSES SUBPENAED

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Sergeant at Arms, which will be printed in the RECORD.

> SENATE OF THE UNITED STATES, OFFICE OF THE SERGEANT AT ARMS, Washington, D. C., April 14, 1936.

Hon. JOHN N. GARNER,

Vice President, and President of the Senate,

My Dear Mr. Vice President of the Senate,
Washington, D. C.

My Dear Mr. Vice President: There are attached hereto a list of additional witnesses for the Government submitted to me by the managers on the part of the House of Representatives, and a list of additional witnesses for the respondent submitted to me by his counsel, all of said witnesses to be subpensed for the trial of Halsted L. Ritter, United States district judge for the southern district of Florida.

There are also attached beauty

There are also attached hereto original subpenas served on the witnesses desired by both parties, said subpenas being duly served as shown by my report on the back thereof, and return made according to law. cording to law

CHESLEY W. JURNEY. Sergeant at Arms.

ADDITIONAL LIST OF WITNESSES SUBPENAED FOR THE RESPONDENT Mrs. Eleanor I. Balsley, 1535 Leland Avenue, Chicago, Ill.; Louis P. Elsner, 72 Wall Street, New York, N. Y.; James M. Owens, Jr., tax assessor, West Palm Beach, Fla.

ADDITIONAL LIST OF WITNESSES SUBPENAED FOR THE UNITED STATES Carl Tegder, Orlando, Fla.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Keyes	Radcliffe
Ashurst	Connally	King	Reynolds
Austin	Coolidge	La Follette	Robinson
Bachman	Copeland	Logan	Russell
Bailey	Couzens	Lonergan	Schwellenbach
Barbour	Davis	Long	Sheppard
Barkley	Donahey	McAdoo	Shipstead
Benson	Duffy	McGill	Smith
Bilbo	Fletcher	McKellar	Steiwer
Black	Frazier	McNary	Thomas, Okla.
Bone	George	Maloney	Thomas, Utah
Borah	Gerry	Metcalf	Townsend
Brown	Gibson	Minton	Truman
Bulkley	Glass	Moore	Tydings
Bulow	Guffey	Murphy	Vandenberg
Burke	Hale	Murray	Van Nuvs
Byrd	Harrison	Norris	Wagner
Byrnes	Hastings	Nye	Walsh
Capper	Hatch	O'Mahoney	Wheeler
Caraway	Hayden	Overton	White
Carey	Holt	Pittman	
Chavez	Johnson	Pope	

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. Cos-TIGAN], the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL] are absent because of illness, and that the junior Senator from Illinois [Mr. Die-TERICH], the Senator from Oklahoma [Mr. Gore], the senior Senator from Illinois [Mr. Lewis], and the Senator from West Virginia [Mr. NEELY] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson] is necessarily absent.

The PRESIDENT pro tempore. Eighty-six Senators having answered to their names, a quorum is present.

(At this point, as in legislative session, on request of Mr. ASHURST, the special order set for Wednesday, Apr. 15, was postponed to Wednesday, Apr. 29. Mr. Ashurst's request appears elsewhere in today's Record under the appropriate heading.)

(At this point, on request of Mr. Robinson and by unanimous consent, the Senate, sitting for the trial of the articles of impeachment, suspended its session in order that the Senate might receive a message from the President of the United States by Mr. Latta, one of his secretaries. The message having been received, and noted elsewhere in the RECORD of today's legislative proceedings, on motion of Mr. ROBINSON, the Senate resumed its session sitting for the trial of the articles of impeachment.)

The PRESIDENT pro tempore. Do the counsel for the respondent desire to proceed with the argument?

Mr. WALSH (of counsel). Yes, Mr. President.

ARGUMENT IN BEHALF OF RESPONDENT BY FRANK P. WALSH, ESQ. (CONT.)

Mr. WALSH (of counsel). May it please the Court, as I concluded the remarks I was making yesterday evening I was at the point of adverting to the circumstances surrounding the making of the final decree in the Whitehall case.

Before I do that, however, I wish to call attention to one fact, one circumstance I think is overwhelming in this record, which shows that the conduct of Judge Ritter-and I think I can rest the whole case on that point—was absolutely right and was so considered by everybody connected with the litigation, including everyone who had any objection to the procedure followed in that case. Remember this was a class case. It was brought for the benefit, not of one bondholder, but of all. Once it was started, no matter who objected, it could not be stopped. There was an intervener. I do not care how the intervener got in, if the judge saw him simply as an intervener, he was powerless to stop the suit, and on that proposition there is no countervailing evidence in this case.

There is a statute that fully protects each litigant, namely, title 28, section 25, of the Judicial Code, and I say that the remedy provided by the Congress of the United States in this matter is the most effective remedy that one can find in any court in the Union. It provides that if, in the judgment of any of the parties, the court is biased or prejudiced against or in favor of any party to the suit, that party has a right to file an affidavit.

It does not require, as in an ordinary case, a supporting affidavit; it requires nothing else but the certificate of the lawyer that the action is in good faith; and, again, when that is filed, it does not require any hearing, but the act of the Congress of the United States is mandatory. It says that the judge shall go no further in that case; in other words, that he shall stop in his tracks, and that the senior judge of the circuit court of appeals for that circuit shall designate another judge to hear that case.

Now, I say Mr. Lautmann, an eminent lawyer, and all of the other lawyers who appeared, including Mr. Holland himself, of course, knew that, and if it was even suspected that there was anything wrong with this man, they had their remedy then and there.

But when we come to consider the matter after all of these years, such things as that are overlooked. I call your attention to it, and I have only to say that I would stand upon that alone for the basis of my belief, that his judgment was honest and fair, and that he was acting in a judicial capacity in everything he did.

The final decree was presented to the court, initialed by Mr. McPherson, of the firm of Shutts & Bowen. There was nothing in the final decree that was not concurred in by every party to the case, and it represented an agreed settlement on every point. So far as the fee itself is concerned, let me remind you that the managers have had no witness here to testify as to the reasonableness of the fee except Judge Davis.

He swore that, judging from the different allowances that had been made in such cases by State courts in Florida, he believed a reasonable fee would be \$50,000 to the attorney for the plaintiff, to the attorney for the mover, to the attorney who carried the matter through to final decree. That is the lowest figure named by any witness before the court, and it exceeds the amount Rankin actually received.

I am not going to accept what my friend Mr. Manager Hobbs said, that these men gathered around like a crowd of vultures to loot the assets and revenues of Whitehall. I do not believe that about Shutts & Bowen. I do not believe it about the Loftin firm. I do not believe it about Lautmann, and God knows I cannot believe it about this honorable man who stood before you and withstood the fire of 62 questions from this floor and manfully and bravely told his story. I take his word alone, but we have in this record supporting evidence in every detail and upon every point.

These gentlemen all came into court and all agreed upon the decree. Mr. McPherson, of the Shutts firm, went to Chicago, and when he took up the matter in Chicago he said that after wiring back to his firm and getting data from them and finding out what had been paid in other cases, he urged \$50,000 to \$60,000 as a reasonable sum for his fee—because he filed an answer and other papers in the case leading up to the decree.

Who will say in the face of all the evidence and in the face of the law that Shutts & Bowen were vultures and that they had no right to go in there? When it came before the court it was a settled case so far as Judge Ritter was concerned. Judge Akerman said—and common sense would tell one so—that Judge Ritter saw before him the very flower of the Florida bar agreeing, writing their names down there in agreement.

This matter has been referred to as "lawyers splitting fees." That has an ugly connotation. It was no "splitting of fees." It was a division of fees among those who would have had a right to have a judgment separately and to have been heard separately. Mr. McPherson has told you it was the proper thing for the judge to order the whole fee paid to the mover in the case, to the attorney for the plaintiff, and that they should put in the record the division that was made so that for all time to come it would be known.

I am going to drop that matter so far as further argument this morning is concerned. In passing let me say that I am grateful to the Court for the courtesy and toleration which was extended to me in permitting me to suspend temporarily when I did last evening.

We now come to the real vital thing in the case; we come to all there was in the case when I went into it. Mr. Manager Hobbs said he comes into this hearing with a high sense of justice and duty. I give him full credit for doing that. He said that he is acting in this case as an officer of the United States Government and that he is representing 120,000,000 people whose great interest he has at heart. That gives me not only the opportunity, but the duty, to say why I am here.

You heard from the record that we went down to Florida to make an investigation of this case. I represent this respondent, but I represent him by free choice, a choice made after I went to Florida. I am an official of the Government, in a sense, and assuredly I am one of the 120,000,000 people spoken of by my learned friend. I have other duties to perform and I have other urges to go into this or not to go into it just as it pleases me. I am a member of the bar of this country. I am a member of the bar of the Supreme Court of the United States, and have been for more than a generation. I have practiced at the bar of the United States courts for 49 years.

I went into the case with the feeling that I not only represented the respondent in the investigation, but I represented the bar as well. I went in also with the feeling, in addition to that, that I was coming before a court of the most august character that is known to our law. I was coming before a court composed of lawyers to a very great extent. Therefore I went into the matter with great care.

I am prepared to stand here and say that the investigation was made and the results of the investigation, as testified to by one of the witnesses, were brought here under my direction. I asked that there be no random or scattered testimony as to what the real situation was when Judge Ritter retired from the private practice and went upon the bench.

What did Judge Ritter do? Did he sell his business? Did he have a business to sell, or did he sell his sacred honor? I say the result of that investigation, as I shall endeavor to present it to you now, shows that this man had something to sell, that it was his business which he was leaving, and that he comes before this body with his ermine unsullied and with his soul clean.

When this investigation began down there, Judge Ritter gave his account of it and gave it clearly. There has not been anything read from the record, where he was examined and cross-examined, which conflicts in the slightest manner with his statements of what took place there. The House managers began getting statements from witnesses who were put on the stand here. They began getting them from Rankin. What was the net result? He said he got in one account from a client that came into the office, \$3,950 in cash; from other clients he collected \$2,287. That is, amounts collected as attorney fees since the dissolution of the partnership, \$3,950; collected fees by A. L. Rankin from cases pending when Judge Ritter retired and not reserved, \$2,287.50; amount collected and pending additional fees, \$6,750. So we have from him, gathered together, \$12,987 that he collected since that time if he secured the balance of those fees.

Mr. Rankin was asked on the witness stand whether or not he made these statements at the time of the House committee hearings. When I asked the question whether or not he told the investigator for the Government that that was not all the fees but was all that he could remember at that time, Rankin could not recall the facts of his conversation. I had to call Mr. Mulherin, the investigator, as you will remember, to prove what Rankin said at that time. The fact is certified to by the investigator for the Government that it was true that Rankin was not able to remember it all.

So we ask, first, did Judge Ritter have a business there? If he did, is it reasonable to believe that he made a contract for the disposition of that business, valuable business, and that those payments were payments on that contract, or are we to believe without any testimony, on mere suspicion

and conjecture, that he was accepting a bribe; that he was taking money for the performance of his official duties? I say that under all the evidence and under all the facts, everything points to the truth of his sworn testimony upon the witness stand.

What did he have to sell? When Rankin was asked about it at the committee hearing in Florida—and you heard the opening statement made by the distinguished managers on the part of the House—he mentioned only a few cases and the impression was given, mistakenly, that their business did not amount to anything. For the first time since this matter was raised you saw where Judge Ritter and I brought from the files and presented here a record of the cases made by Rankin at the time the investigation was had down in Florida. You remember the list on yellow paper, 42 cases.

We went down there; and Judge Ritter himself, with Mr. Rankin, with an accountant, and with Mr. Salisbury, took those records, none of which are complete. You saw the dockets offered in evidence, thick dockets, containing the names of cases that went before and cases that came afterward. They analyzed them from comparison and from memory, and there were 54 cases turned over there. Judge Ritter says that, reasonably pursued and well handled, they would have produced about \$20,000.

At this point Mr. Salisbury comes into the case. Mr. Salisbury was a natural witness. He was brought into the case because he went into that office at the very time of dissolution and made an honest attempt to take care of the business, just as the judge had done before he went out of that office. Mr. Salisbury went in there, and he tells you that every one of those cases was there. He tells you that at the beginning he worked on them nights as well as days. He says that in court he represented practically all of the parties in those cases. He says, furthermore, that he did a great deal of the correspondence, the looking up of law, and other matters. So we have it from him that those cases were there, that they were honest cases, that they were productive cases; and if you add together all the statements that have been made about them, checked and rechecked, you will come to the conclusion that those cases were not only worth as a matter of business \$20,000, but that Rankin came very near getting that amount out of them. One of them, on a contingent fee, called for the payment of \$3,000 if they lostthat is mentioned in the report, and it undoubtedly has been checked by the other side-\$3,000 if they lost and \$6,000 if they won. It was a contingent-fee case; and the case was finally won 2 or 3 months ago. If you gather together all of these items as they go along, you will find that the recollection and the testimony of the judge at the very beginning of the House investigation checks up with the facts.

I said when I started, and I repeat, that the only suspicious thing about the transaction in respect to the debt incurred in the purchase of the business was that the money was paid in cash. Rankin did that. When the contract was made it was made for a laudable purpose. The judge could not, during his entire tenure of office, until the last case was tried, reasonably be expected to keep track of the business of the firm. The judge had a good position; he was going on the bench. Rankin did not have half a dozen cases of his own in the office-only two or three cases. The cases were virtually all Judge Ritter's cases. Judge Ritter knew Rankin was a man advanced in years. Two years before he had begun life over again. He had not fared well. He had children going through college; and I am going to make that brief by saying that we have introduced into the RECORD a statement given to the investigators for the House managers which showed the expenditure of every dollar that was received by Mr. Rankin out of those fees, and it tells the story which has been told here briefly upon the witness stand. He was paying the mortgage on his home, paying notes upon which he was an endorser, recovering his insurance policies by the payment of his loans. The entire matter is set out there in the record.

Judge Ritter had that in mind, going on the bench, he was not pressing Rankin for payment, and many months elapsed. There is nothing surprising about it when you con-

sider the careless sort of a man Rankin was and how slow he was in his payments. But it was not a matter that Judge Ritter thought he should press Rankin for; and Judge Ritter swears, and I believe him, that there was nothing in the whole transaction which indicated that the fee that was collected had anything to do with the partial payment. I say that if the fee was collected as the testimony shows, and paid upon the same day, it is an evidence of the innocence of the transaction.

If it was a subterranean thing, if it was something that was to be hidden and kept away from the public, if this respondent had sold himself for a miserable \$5,000 or \$2,500. would Rankin have walked in there as he did? The banks were in a bad condition. What did Rankin do? He went to the bank with the representative of Shutts & Bowen; and instead of paying them merely the amount he owed them out of the first fee, he paid them something like \$2,500 over and above that. He had a large check. He was getting the money out of the bank. He went to the judge and made him a partial payment upon his debt. You can see the other debts he paid, and whether or not they were pressing, if you care to look at them. Rankin gave the money to the judge in cash. The judge asked Rankin why he did not give him a check, and Rankin said because if the bank cleared a check for the amount the bank people might talk about it; and at that time, no doubt, having in mind the payment of the fee on that very day, he concluded that he would not do it.

The judge took the money. Had he been a scoundrel, how many ways would there not have been of getting the money? If he had been selling himself, his honor, his judicial character, his opinions, and everything else he had sworn to hold sacred, do you believe he would have just taken the money and later put \$2,000 of it in the bank, on the following Monday? He said he kept \$500 out; and that everybody in Miami was doing it at that time. They had to keep something on hand. He said he put \$500 in the strong box in his office, in his chambers, and there it remained, and the little accumulations that his wife had from her pin money went in that box; and finally, several months afterward, he put the money in the bank. To say that was not an honest transaction is not true; to say that means, of course, to disregard all the positive and direct evidence in the case.

The other payments came to be made, and they were made in three installments. Would you say that this man had sold himself to Rankin on the installment plan—\$2,000, \$2,500, \$200, and \$300?

Finally the whole amount of the debt is paid. I have here this little receipt, dated January 28, 1932, placed in the Record as evidence. And I desire now to call your attention, as reasoning persons, to the meaning of it. Judge Ritter said he told Rankin that he would give him a receipt. Rankin said it would not be necessary; the judge could give him a receipt when the whole amount was paid, when he paid the balance of the debt; so it was paid in installments, and on January 28, 1932, the judge gives Rankin a receipt for \$300 in full payment of the debt. That is either true or it is a fabrication. That is either true or it is manufactured. This is an intelligent man. This is a man said to have every qualification; and he stands here and demonstrates his qualifications in going over the entire Whitehall case and every other charge against him.

Do you believe that if these men were fabricating something after this investigation commenced that there would not have been a receipt here covering this entire matter, covering the payment of the whole \$5,000? If this defense were fabricated, when they heard of the investigation, they could have dated one little receipt back to cover all the payments made from 1929 to 1932.

If this defense were fabricated, would they not have had a receipt for the whole thing? Why, they could have had a detailed inventory of what was sold and a written contract covering the dissolution. I say that receipt stamps the transaction itself as being exactly what Judge Ritter says it was. He swears to it; Rankin swears to it; and we produce the very property that was sold. So, is it credible to believe that Judge Ritter was selling himself and his honor; or is it more

natural to believe, this showing being made of what those cases were, and all about them, that he was selling his business, just as he swore he was doing?

I say that testimony alone is credible. It comports with the ordinary affairs of life; and I say, when your powers of analysis come to be applied to the matter, the idea that Judge Ritter was taking a bribe or acting in a corrupt manner is absolutely incredible.

So much for that. Now, let us see what Mr. Salisbury says about it. Mr. Salisbury remained in that office for about 2 years or more. He saw the results. He knew the business. He was telling the truth when he testified here. That is the deduction I draw and will ever draw from his testimony. He naturally would know about this transaction. He had gone into the office and he had a percentage on the business that was to come in. The judge was his benefactor; Salisbury was the companion and the friend of the judge's own son. Salisbury came in there, and Rankin did not pay him from time to time as he earned the 15 percent; so Salisbury-he is a young man, only 10 years at the bar now-went to see Judge Ritter, the most natural thing in the world, and complained about Rankin. The judge told Salisbury that he believed in Rankin's honesty, but that he was very slow; and told Salisbury upon that occasion, "He has not yet paid me for the interest in the business which I sold him at the time of the dissolution."

Again, as time went on, Rankin did not pay Salisbury, and the young man said he was dunning Rankin for the money. He says he went to Rankin and tried to get Rankin to pay him, and that Rankin told him he could not pay him; he had paid the mortgage on his house, he had paid this, that, and the other, and he had paid the \$5,000 to Judge Ritter, the consideration for which he purchased that business.

Mr. Salisbury was asked whether he was not a good friend of Judge Ritter. He was. He was the judge's appointee as special master. Gentlemen, that young man either told the truth or he falsified. There are no two ways about that. He testified in detail and he testified positively, and I stand before this honorable Court this morning and say that that young man cannot be accused of perjury. He bears the stamp of honesty upon his features and in his every characteristic. He has been at the bar 10 years, and in that time he has been selected by the people of two great, populous counties in the State of Florida to occupy the position of State's attorney.

I shall now touch a little on the minor matters. We will take the Mulford case. The judge wrote a letter to Mulford. He was enthusiastic. The case had been won. He received a report, and he saw the report from Judge Chillingworth that it was decided in all respects in his favor. He had conducted that case all the way through. Mr. Mulford was there. He looked to me as though he was an honest man, and he comes in and tells the whole story. He was satisfied with it. The case had been won and won by Judge Ritter's conduct of it in the State court. Originally the fee agreed upon was \$4,000, but a new element came into it out of which they might have lost the entire property, and it was carried to success in the lower court.

Now I wish to answer, as I speed along, the insinuation, which was an unworthy one, that that fee and those expenses were not divided with Judge Ritter's partner, Mr. Rankin. There is no such evidence in this case. You heard the testimony here of Judge Chillingworth, and if there was any doubt—we have his report here—that when that was finally settled, the total fee, \$8,000, was allowed by the court.

Of course, the \$2,000 which Mr. Mulford paid would be reimbursed out of that fund; he would have that much less to pay. But the \$2,000 that was still owed to Rankin was paid out of that. He collected it, and following that there was an appeal, and Rankin did every single thing in defending against that appeal.

Now let us consider the letter in this matter. I will say that it is pretty hard, when one has been in a case over a period of several years, to disconnect himself. He wrote that letter, but the testimony is—if you believe Mr. Mulford, if you believe Mr. Brodek, his attorney, if you believe Judge Rit-

ter, and if you believe Rankin—that Judge Ritter did not do a thing further in the case.

I claim that all he is charged with in this respect is that he practiced law. Do you believe that it would be a proper finding against this man, who attended to an entire case, to hold that he should walk away and not confer with that man? It was not in his court, it was not in the Federal court, and he owed Mulford a duty, and he owed Mr. Brodek a duty.

They say he practiced law because there was a letter written saying that a compromise was offered. Is that practicing law? Did they not have a right to ask him, though sitting on that bench, whether he thought that was a proper settlement or not? But how did that turn out? Unless you believe that these men perjured themselves on the witness stand, it turned out this way, that when that was submitted by letter to the attorney he said that Rankin was unnecessarily alarmed, that he believed it would surely be decided in their favor in the court of appeals. Therefore, it was not necessary for Judge Ritter to pass on it; and Judge Ritter did not pass on it.

Unless you wish to say that a man who goes on the bench and has attended to the business of another man successfully for a long time could not advise with counsel and could not advise with his former client, then you have to acquit Judge Ritter of anything wrong in that respect.

Let us consider now the Francis matter. Francis was Judge Ritter's bosom friend. The gift he received from him, the present he received from him, was like one received from a brother. I say here and now that if you put a bad interpretation on such a matter, you will have to reject many things that have been done with equal innocence by other men upon the bench. One of the most upright and beloved men who ever sat on the Supreme Court of the United States received a bequest for life of \$10,000 a year. It came from a great foundation which might be put under fire any day. It was national in its character, and he was an honest man. Of course, Judge Ritter accepted that gift; and had any case arisen in which Mr. Francis was interested, the judge would have stepped aside undoubtedly; but there was no possibility of such a contingency. Mr. Francis never had a case in the Federal court before or after that. The certificate of the clerk of the court is in evidence showing that neither Mr. Mulford nor Mr. Francis ever had a single piece of litigation before the Southern District Court of Florida in which Judge Ritter sits.

Now, as to the charge that in his relations with Mr. Francis, Judge Ritter was practicing law. The first letter written by Judge Ritter to Gedney said, "You will recall that in 1928 you promised to give Mr. Francis a chance to repurchase a certain lot that had gone through bankruptcy." He urged him to do so. The promise was there. This was his friend. Would you call that practicing law? They could not even get Gedney to say that Judge Ritter took any part in it. When he was asked the direct question, all he could say was: "He was there." The judge did want to see that carried out. He wanted to see it carried out in a friendly manner, and he was there for that purpose. Could you say that was practicing law and therefore that he should be found guilty on a specification such as that?

Here was a man who had been in the practice for many years, 30 years in Colorado, and 4 years, I believe, in Florida. Of all the business he had, of all the things he did that needed to be cleaned up and cleared up, there was the Francis case and there was the Mulford case. His whole life prior to that time was found to be clean, not subject to the slightest insinuation. From that time down to the present time, after a most rigid inquiry extending over 3 years, nothing could be found against his honor, nothing could be found against the way in which he carried on his judicial duties on the bench.

When this investigation is made, what do we find? Is this a judge who is arrogant? Is this a judge who is partial to one side or the other, an injunction judge, or an anti-injunction judge? Is this a man who has favorites, and who

gives certain cases to them improperly? I say he was not giving a case to any power or influence when he was giving it to the young man who appeared before you, Mr. Salisbury. Whatever recognition the judge gave him was accorded, I believe, for a purpose that would spring from an honest heart and a proper attitude toward a young lawyer at the bar.

His whole life was found to be clean up to the point covered by the charges related to events in 1929. Now they come here in the last minute with this "catch-all" article. If this man is acquitted of the charges that precede it, as I believe the facts developed show that he should be, as his innocence demands, I say it would be an outrageous thing to find him guilty under that seventh article. There is nothing in the seventh article except what grew out of some transactions in 1929, not one that is not clearly and cleanly explained.

I want to say that this ought to be taken into consideration. Whatever charge is brought here, whatever claim is brought here, you heard the judge testify in each of them. He was meticulously fair and candid about it. He could have given his opinion here to this honorable body that he had nothing to do with the very charge that brought him here—the one that has since been withdrawn.

Now I shall address myself to those here who know something about income taxes, because we have received very little light from the other side on this subject. Judge Ritter is charged with willfully evading the payment of income taxes, first, a tax for the year 1929. I have made a few notes about it. What do we find? No evidence was produced, not a particle of evidence, except what is developed from the examination of the judge himself. He himself furnishes to his accusers, or to his investigators, more properly speaking, the facts regarding his income tax for 1929.

He shows you in his testimony that he has accounted for every particle of income he received in 1929. He explains it. He reported the \$2,000 check which he received from Brodek. The other check from Mulford, less expenses, was likewise reported. He had the list of the expenses here. Mr. Mulford also swore to it. Since he owed no tax, it was not necessary for him to report it at all. But he nevertheless did report the two-thousand-three-hundred-odd dollars, and showed he owned no tax after his personal exemption was allowed.

The member of the board of managers who addressed you yesterday said that, no matter how small it is, he should be convicted on it; that there was \$168 in expenses which the judge could not now recall. I do not belittle it, you understand. If he willfully avoided paying a tax, if the evidence shows that he evaded paying the tax, the tax on the \$168 would have been \$6.25. I should imagine those expenses were such things as allowances are received for—gasoline taxes, amusement taxes, or something like that.

But it goes far beyond that now. This is a criminal charge. If it had been 10 times \$168, he was still within his exemption. If, as I have stated, the amount had been 10 times as great, it still was less than \$3,500, which is the personal exemption allowed by law, and he would not be guilty.

Gentlemen, all I can say to you is that if this case were being tried in an ordinary court a demurrer to the evidence would be sustained. The law is that those bringing these charges must prove the receipt of income; they must prove the amount that was paid out against that income; they must prove what his exemptions were; they must prove what his allowances were; they must prove a tax liability. Those matters would all have been looked into, and as we look into them in this case there is no tax liability. When Judge Ritter swears he did not defraud the Government of a dollar, when he says that the \$6.25 tax was not due because his exemptions exceeded that sum, the court would direct a verdict in his favor.

In 1930 Judge Ritter had a loss which, added to his taxes and other expenditures, gave him a leeway of \$4,600 over and above the income that he could be charged with having received. He testified to this, and you ought to believe that he testified to the truth, for a charge must be supported by something greater, I say, than the mere assertion of counsel,

and nothing else has been introduced in this case in support of that charge. If Judge Ritter were found guilty upon that charge, which was filed in this Court on March 30, 1936—after he came here to defend himself against the other charges—that would be a monstrous thing. Those bringing the charge did not, nor could they, make proof that Judge Ritter owed his Government a cent of income taxes or that Judge Ritter did anything improper in the filing of his return. It ought to be the pleasure of this body to acquit him of the charges with respect to income taxes, because the law protects him, because he is innocent of any offense in that regard.

Take this whole case in its entirety, gentlemen. I have tried to argue it on the facts. I have drawn no conclusions which I did not honestly believe came from these facts. My argument is backed up by the belief that you must recognize and accept his innocence as he stood here, a brave and manly man, testifying in opposition to these charges which have been made against him. It will not do to say that he undermined the dignity or the honor of the court. He did nothing in his whole career in Florida, according to the witnesses, which would belittle that dignity or besmirch his honor.

There is another thing I wish to call to your attention. I know and you know that a judge ought to have a good reputation. In this case, however, where a charge is made against his integrity, where a charge of corruption is made against him, he put his reputation in that community in evidence before this body.

Judge Akerman swore voluntarily that he knew this man; he occupied the bench with him; he occupied the same chambers; he changed positions with him when other judges were called in. Judge Akerman testified that Judge Ritter's reputation has always been of the highest, and he holds that opinion still.

Let us take Francis P. Fleming, who stands at the very top of the Florida bar. Knowing this man, knowing him through his entire career, Mr. Fleming swore that Judge Ritter has every attribute of an honest and an upright judge; that he has courage; that he has devotion to duty; and that he has honesty—the greatest attribute of all.

Gentlemen, he is in your hands. You can send him forth from this place for the remaining days of his life to suffer a torture worse than any condemnation within the power of any other court. You can send him out to meet that wife who went out there to Colorado with him and later to Florida, as well as his children, with the brand of shame upon his forehead. The authority to do that thing is in your hands. But I say to you, members of this great Court, that if you do that, in the face of the overwhelming proof of the evidence, you will be sending out of this courtroom the most gravely wronged and completely innocent man who ever had to face trial in a court of justice.

I am profoundly grateful for the consideration which Judge Ritter and all of us have received at the hands of this Court and for the genuine assistance which was given to us by the questions which were propounded individually by the Members of the Court.

The PRESIDENT pro tempore. The managers on the part of the House will make the closing argument.

CLOSING ARGUMENT OF MR. MANAGER SUMMERS ON BEHALF OF THE MANAGERS ON THE PART OF THE HOUSE

Mr. Manager SUMNERS. Mr. President and members of the Court, first I wish to express the great appreciation of the managers on the part of the House for the courtesy and indulgence of the Court during the trial of this matter.

We come now to the consideration of as important a matter as can be dealt with by Members of the Senate who now occupy these places of responsibility as members of a high Court of Impeachment. There is not in the constitutional structure of this country any guardianship of the purity and fitness of the Federal judiciary except that which rests with this august body in the last instance.

With regard to ourselves, with regard to the President, the people have reserved the power of direct control. They have paid to the persons constituting this Court the high compliment of trusting to you the power and giving to you the

responsibility of preserving in this country a judiciary which can command the respect and confidence of the American people.

We do not assume the responsibility, Members of this distinguished Court, of proving that the respondent in this case is guilty of a crime as that term is known to criminal jurisprudence. We do assume the responsibility of bringing before you a case, proven facts, the reasonable and probable consequences of which are to cause the people to doubt the integrity of the respondent presiding as a judge among a free people.

We take the position, first, that justice must be done to the respondent. The respondent must be protected against those who would make him afraid. But we take the position also that when a judge on the bench, by his own conduct, does that which makes an ordinary person doubt his integrity, doubt whether his court is a fair place to go, doubt whether he, that ordinary person, will get a square deal there; doubt whether the judge will be influenced by something other than the sworn testimony, that judge must go.

This august body writes the code of judicial ethics. This Court fixes the standard of permissible judicial conduct. It will not be, it cannot be, that someone on the street corner will destroy the confidence of the American people in the courts of this country. That cannot happen if the courts are kept clean. If confidence in the courts of this country is destroyed it is going to be destroyed from within by the judges themselves. I declare to you, standing in my place of responsibility, that that is one thing which neither the House nor the Senate can permit to be tampered with or which they can be easy about.

We are sorry to go into a case like this. It is not a pleasant matter to stand here and ask that an incumbent of the Federal bench be separated from his responsibilities. The Government has been very good to this respondent and to all judges. The United States gives this respondent a position for life, subject to but one condition. He does not have to undertake any campaign. When he grows old he continues to draw his salary. What does the Government ask? It imposes just one condition, and that is that the judge shall behave himself, that his conduct shall be good. Is that too much to ask? Destroy the confidence of the people in those who occupy judicial positions and you destroy the confidence of the people in the courts. That is not something to be dealt with lightly, and no man on the bench has any right by doing questionable things to put in peril the confidence of the people in the courts. That is a high crime.

He takes "the veil"; he cuts himself loose. That is the plan of the Constitution; it is the plan and the philosophy of any government of a free people. He does not have to bother about his income. His office, his place of business, his help, everything the people pay for. He is not appointed to reign over a free people. He is appointed to serve the people, and they say to him, "If you behave, if you will only be good, we will make a contract with you for life, and we will fix that contract in the Constitution." Under such circumstances he does not have any right to be flirting on the outside with anything that will bring into question the integrity of his judicial conduct.

Now, let us look at this case. I do not know anything about what happened in Colorado, but when we see this respondent in this record he is down there in Florida as the secretary of a real-estate concern. After that he forms a copartnership with Mr. Rankin. Two years and three months after that time he occupies a position on the Federal bench, and when the Government put him there, when the people put him there, they said to him, "All we ask of you is to behave yourself." Good behavior! What does that mean? It means obey the law, keep yourself free from questionable conduct, free from embarrassing entanglements, free from acts which justify suspicion; hold in clean hands the scales of justice. That means that he shall not take chances that would tend to cause the people to question the integrity of the court, because where doubt enters confidence departs. Is not that sound? When a judge on the bench, by his own conduct, arouses a substantial doubt as to his judicial in-

tegrity he commits the highest crime that a judge can commit under the Constitution. It is not essential to prove guilt. There is nothing in the Constitution and nothing in the philosophy of a free government that holds that a man shall continue to occupy office until it can be established beyond a reasonable doubt that he is not fit for the office. It is the other way. When there is resulting from the judge's conduct a reasonable doubt as to his integrity he has no right to stay longer. He has forfeited his right. It is the high duty of this Court to write the judgment and make effective the terms of that contract.

Let us look a little further. Judge Ritter goes on the bench. The Whitehall case comes on. We look across and see Mr. Rankin, the judge's former partner. Senators saw him on the witness stand. This respondent did not have to take Mr. Rankin as his partner, but he selected him, and he swore on the witness stand: "We expected to spend the rest of our lives practicing law there." But-mark this, Members of the Court—when the respondent was recommending Mr. Rankin for another place on the Federal bench, vacant in Alabama, he said: "We continued with the understanding that Judge Rankin might at any time go back to Alabama. Now you begin to get a picture of the respondent who swore on the witness stand, in the presence of this honorable Court, that when he and Rankin formed the copartnership they expected it to last for life, but in his letters to the Attorney General, written by him, a judge on the bench, with the prestige of his position, to a copartner in governmental responsibility, who had a right to depend upon every word that came from the judge; he said:

I understand the real difficulty in considering his appointment is the fact that he took up his residence in Florida and abandoned his Alabama residence, but I know that he never fully did that and always considered himself a resident of Alabama and voted there.

We, however, produced the witness, Rankin, himself, who testified that since 1926 he has been registered as a voter in the State of Florida. Do you think the judge, having been a partner of the man, did not know that? Birds of the same feather, they say, are disposed to flock together. Rankin's residence was in question. The respondent, when this little library matter was in issue, swore that a lifetime partnership was in contemplation between him and Rankin. That would help out in his claim to a half interest in Rankin's books. When Rankin is trying to get into the judgeship business in Alabama the respondent writes the Attorney General:

We continued with the understanding that Judge Rankin might at any time go back to Alabama.

If that statement is true, the oath is false.

I am not going to attempt to follow all that we charge; I am going to try to follow this respondent. I repeat, it is not a pleasant task. No; I am sorry that the facts are as they are; but we are dealing now with the question of the integrity of this judge. We are dealing with the sanctity of judicial position. Is there a person constituting this Court who will say if a judge himself does not possess integrity that there is anything else upon which a free people can base confidence? Let us follow the respondent into another matter. He wrote a letter with reference to one of the cases out of which grows the law-practicing charge. Now listen to me, Members of the Court: This is a serious hour and I tell you that if the confidence in the judiciary of this country is destroyed, this Government goes down, and I tell you that the confidence in the Federal judiciary cannot be preserved except by men of sterling integrity, and when a man is given his chance and will not measure up to it, he has got to go. It is too bad, but he has got to go. This is not only a trial of this man but it is a trial of the House and of the Senate—the only places in which the people, by the Constitution, have put the power and responsibility to protect their judiciary against destruction. That is what it means and it means nothing less. In the instance when he is charged with practicing law in violation of Federal law, when he is trying to get \$2,000-a judge on the bench, now, mark this, Members of the Courthe had gotten every red cent that his client agreed to pay him. After he became a judge, he wrote his client and said, "I am now a judge on the bench"-he said it twice in the same letter-"and I want \$2,000 more than you contracted to give me." Think of it! Was that all? No. He said, "I am going to follow this case through to the end." An appeal was in prospect. He said, "We think D'Esterre is going to ask for a supersedeas bond." Here is a picture of the judge, here is a flashlight of him, in action. I never in my life ran into a case such as this. A litigant, an American citizen, had a right to appeal, and what happens? A man on the bench, a judge, trying to get some more money, says, "We hope to get a supersedeas bond fixed so high that D'Esterre cannot appeal." Think of that conduct on the part of a man on the bench! He would deny to a litigant the right of appeal by persuading another judge to fix an amount beyond his ability to provide. Doing it for money! Doing it in violation of a statute! You heard Judge Chillingworth's testimony. You heard that memorandum read. Nobody denied it.

On the 3d of May, Rankin was seeing about the D'Esterre bond, and on the 4th—what year was that?

Mr. Manager HOBBS. That was in 1929.

Mr. Manager SUMNERS. Who else was showing up? Ritter. The Members of the Court have read the statute. Congress, in its wisdom, has said, "Judge, here is your \$10,000 salary for life; now you stay out; do not be flirting with this outside business."

This Federal judge cites Judge Chillingworth, a case in which it had been held that \$25,000 under the circumstances of that case would not be too much. What does he mean by that? He means, "Judge, I want you to fix the bond at \$25,000, and we do not think D'Esterre can get it; and if you can do it it will help me to earn my \$2,000." What do you think of that?

That was not all, though it is enough. Rankin wrote a letter to New York, and he said, "Judge Ritter is coming there, and so I want you to look over these cases." Rankin got back a letter from the New York correspondent, who said, "I am going to look over your citations against the day Judge Ritter comes." Judge Ritter went up there and saw this person. We did not have any other witness as to what really took place, and so I suppose they just talked about the climate.

Why did he hesitate to talk about the case? Do you think he hesitated? What do you think? Listen to me, Members of the Court! What is his defense—to this charge of practicing law—what is his only possible defense to the charge that he was practicing law? It is that he did not tell the truth in the letter he wrote applying for the \$2,000. That is the only defense on earth that he has to that charge. Does that not arouse a reasonable doubt that he was either practicing law while a Federal judge or not telling the truth? It is not a reasonable doubt; it is a certainty. Is that good behavior?

Let us now take the other charge of practicing law. Upon the days when the Book of Deuteronomy was written judges were warned against just that sort of thing. All the wisdom of the ages has warned against that sort of thing—judges taking money. It does not matter what sort of wrapper it comes in. Francis was an old friend. He had been a friend, lo, these many days, but the respondent told you, Francis never gave the respondent a split penny until the respondent came to be a judge in the jurisdiction where Francis had a million dollars invested.

What do you think of that? Is that good behavior? Are you going to underwrite that? What is the use of spending the people's money trying to find out why this sort of thing is being done if, as respondent asks, you are to underwrite with your approval this conduct and thereby send word to the judges of the Nation that the Senate, the only body on earth that can control the judiciary, says this sort of stuff is all right.

Now is the time and this is the place to do the job that shall preserve for our people the standard of judicial conduct at which public confidence in the courts can live. If confidence in the courts shall die, it will not be some agitator vision in his contract with the people.

on the street corner who will destroy it. It will be the House of Representatives and the Senate of the United States. Whenever you let the word go out from this august body. "We are not going to stand for any such conduct", we will not have that sort of thing happening.

Seven thousand five hundred dollars in cold cash handed to the respondent by Mr. Francis, the owner of a million dollars' worth of property in the respondent's jurisdiction. He had been a friend many years, but not a penny of gift or fee up to that time had been made. Nothing to Ritter the lawyer, \$7,500 to Ritter the judge.

Then what happened? The respondent did not make any return of that money in his income-tax return. Counsel for the respondent said something about "when you are doing things in devious ways you keep them hidden." He was right about that. There are certain things that God Almighty has fixed in His big economy by which you may be pretty certain whether a transaction is straight or not. There is something else, when honest men pay an honest debt in this country they do not go around toting \$2,500 in cold cash to pay it and then slip it to the creditor behind closed doors in the secrecy of his office where no eye can see except their own and God Almighty's. Neither do honest men receive payments that way. They just do not do it that way. It just does not happen!

I want to get away from this legalistic turn of mind. A gentleman, a great lawyer, has talked to you about everything except what is in this case-no; I will not say that. I take it back. He did talk about the case, but some other things as well. If he had had a good case he would have made a great speech. There is something pathetic about this case. I have seen some of you Members on the floor of the Senate who have manifested every interest and have tried to be as useful to the judge as could be done with propriety, and I am glad of it. I have watched the faces of Senators and it has been interesting to note the manifestations of surprise, of disappointment, and of humiliation as this case has unfolded itself. as this judge has come into plain view—this is a remarkable case. The respondent has walked across the pages of this RECORD. You have been able to see his actions and look into his soul.

They have put his reputation in issue. We have not followed into that road. Reputation is not an issue in the presence of positive facts.

Reputation is something a man gets as much by what he does that people do not find out as by what he does that he causes the people to find out. There are some people who have a way of getting on the housetops when they do good deeds, and going down cellar in their offices, behind closed doors, when they do the other kind of deeds. Reputation is often the doorway which leads to the opportunity to do crooked things.

It is the facts in the case to which I call your attention. We are sorry about it. If it were just a question of the respondent we would say, "Yes; go, and God forgive you." But that is not this case. It is not alone the respondent that is involved. The great big matter which challenges you to lift yourselves above party alliances, above friendship, is this: "My country's courts, my sworn duty, my oath I took, my obligation to this generation and to all the ages that are to come." That is the stupendous responsibility of this hour.

You can come here and legislate; you can do this and you can do that. The permanent consequences may not be important. But by your verdict you, in this matter, fix a code of permissible judicial conduct in this country for this judge and all the judges throughout the length and breadth of our land.

Now I come back to the Whitehall case. That is as remarkable a case as I have ever examined in my life. I do not believe there has ever occurred in the judicial history of this country a case which has tested a judge and portrayed a judge—in more details of the requirements which the necessities of the situation put upon a judge, as did the Whitehall case. In every essential detail of the respondent's conduct in that case he violated the "good behavior" provision in his contract with the people.

Counsel for the respondent made a statement a moment ago, probably inadvertently, to the effect that the transactions which brought this case here had been dismissed. Counsel is mistaken about that. The House may have been overdeliberate. I cannot discuss it, because it would not be fair to the respondent, but it makes it necessary for me to submit this brief statement. The managers are here under the commission of the House to present this case to the Senate sitting for the trial of the articles of impeachment as the case had developed at the time the vote was taken. That is all I can say. That is all it is fair to the respondent to say.

With regard to the Whitehall case, having in mind an observation of counsel for the respondent in which he asked, "Is this a tyrannical judge?" I call your attention to one transaction in this case which I do not believe a single American citizen, who has the slightest instinct and notion that an American citizen ought to have, can look upon without it

making every drop of blood in his body boil.

You Members of the Court saw Mr. Holland when he appeared before this body. I do not think anybody who looked into his face failed to recognize that he represented as high a type of New England gentleman as can be found in the whole country. He leaned backward when he testified.

Now, look at the scene! We are here in the courtroom. Here comes Mr. Holland. You are familiar with what Rankin did to him and what he tried to do. Holland wired the judge's partner, who, the judge stated, when he was writing the Attorney General, was as fine a common-law lawyer as there is in the country, a man of the highest integrity, and one who would lift the bench. He would take it with him if he lifted it. I am going to read those letters directly.

Here is Holland before the judge. He is a diffident sort of person. He is a gentleman. He had been trying to get Rankin out. He had fired him just outside the courtroom. Now, listen, as a matter of common sense: The respondent said he did not know Rankin was discharged. Most of you are lawyers. Many of you have been judges. If a plaintiff, a party to a suit, rose and wished to address himself to the court, you would know that he had fired his lawyer. Anybody who has sense would know that. Three or four witnesses testified that they understood Holland to state to the judge that he had discharged Rankin; he did not want anything done about the matter; he wanted the case dismissed.

Holland was a stranger in the judge's jurisdiction. Over that court floated the flag of his Nation, and this man had a right to believe that he would be treated as a decent, free-born American citizen should be treated. But what kind of treatment did he get? The judge looked down at him and said, "Who has bought you off? Who paid you?" And they ask you to underwrite that sort of thing and to say to any judge in this country that he may treat any constituent of yours that way in the future! That is what they are asking you to do. Are you going to do it?

There is another matter. I am going to ask you to read the provisions of the trust deed.

Mr. ROBINSON. Mr. President, I ask unanimous consent that the general order to recess at 1:30 o'clock for lunch be vacated, and that the manager on the part of the House may proceed to the conclusion of his argument.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. Manager SUMNERS. I cannot cover all this case. When you come to look at this record, I ask you to examine section 7 of the trust deed, because the respondent on the witness stand attempted to read section 7, and he read all of section 7 except the part of section 7 which showed that he did not have any right to entertain a suit in behalf of those interveners suing for all the bondholders, under the circumstances of that case. I will leave the matter to you on that statement.

Let us look at that case a little further. I am just touching a few high points.

All through this case there has been an attempt to appeal to sympathy in behalf of Sweeny and his partner, Bemis. You have heard it stated over and over again that they put \$450,000 into that property, but between their \$450,000 and

that property was a first mortgage of \$2,500,000, and a second mortgage, and a third mortgage. Sweeny and Bemis were out the first little wrinkle that came in the boom in Florida. They were gone.

Here are Rankin and his associates. What had happened? They had ridden the range and they had only been able to get three poor little mavericks into the corral, and one of them had Bemis' brand on it. Hill did not own any bonds. Here are these lawyers. There is Rankin, the judge's partner, standing right there, claiming to be bringing a suit in behalf of the first-mortgage bondholders, and all he had a right to represent after they had scoured the country, was two little bondholders; and when Holland, the man who controlled \$50,000 worth of bonds, whom Rankin was claiming to represent, appeared in the court in opposition to these people who had two little bonds, the judge said, "Who has bought you off?" Why did he do that? Because that man was about to come between Rankin and his right to collect a fee. I make that statement upon the evidence. That is what made the judge so angry.

I am not going further into the details of that phase of the case. Rankin filed a bill which Metcalf had written; and between the filing of the bill and the final decree there were only incidental papers filed. Look at the record about that. It was not a contested case. It was settled by agreement; and how was it settled? It was settled by the judge on the bench allowing to Rankin \$90,000 of the money of the widows and orphans and the old people and the other people who put their money into those bonds.

There is not a bit of use in hollering our heads off about that sort of stuff if you do what they want you to do in this case—underwrite the practice and say, "Mr. Judge, just go and soak them a little more."

This is no plaything. You are not dealing just with a man; you are dealing with a code of judicial conduct. The judge not only allowed Rankin \$50,000, but he gave him \$40,000 additional of the bondholders' money. All this talk about reflecting upon these great lawyers is what people do when there is no defense—hide behind a respondent's "greatness" and his "probity." When nothing in reason and justice can come to his defense they have to fall back on "reflection on an honest man." That is not what we are talking about; but the plain fact is that the judge on the bench gave Rankin enough money to retain \$50,000 for himself, split up \$40,000 with everybody else interested, give some more to Richardson, and he had a little left over; and what did he do with it?

Listen to me, Members of the Court: This is no child's play. Rankin got his order from Ritter for \$25,000 about 12 o'clock on Christmas Eve. Right after that he went down to the bank and put the money in the bank; and then he went to the respondent and, behind closed doors, gave him \$2,500 in cash, hot from the hand of the judge who had just given it to him. Do you say that is all right? They ask you to underwrite that. Under your oaths, gentlemen of the Court, they ask you to say that that is O. K.; that is all right. Are you going to do it?

We have introduced testimony about the alleged sale of this business; but we are not bound by that. We were able to penetrate behind the doors of the judge's office and find a judge taking a part of the money that he had just given to Rankin from a trust fund in his court. What are you going to do about it?

That is not all. Once more that happened. When Rankin got the allowance of \$45,000 from the judge, what would any honest judge do when a man came and asked him to take cash the second time? This respondent took it—\$2,000 cash which the judge had given Rankin out of the bondholders' money—and yet he is asking the people of the Nation to have confidence in his judicial integrity. Members of the Court, what cannot a judge do if a judge can take money under these circumstances? There is not any doubt about his taking it. There is no argument about that. He got from Rankin the money that he gave to Rankin; and the money he gave to Rankin he took out of the estate that was being administered in his court.

What do you think of that? What are you going to do about it? There is not a bit of use in excusing it in this case and complaining in other cases because it is done. Here is where you are doing the business, right now.

I say that in fundamental morals there is not one bit of difference between a judge on the bench taking money out of an estate and giving it to a lawyer to make good a bad debt owing to him and the judge who just splits it right straight off the top of the roll. Just think about that. Respondent had a debt which he could not get paid. I am talking of respondent's theory. He gave Rankin the money from a trust estate to pay it with. Is there anyone in this courtroom who thinks that Rankin was worth \$90,000 or \$50,000 to that estate? I should like to ask him to hold up his hand if there is such a one. Of course, I cannot do that. I would be fined for contempt of court.

The estate was not in the custody of the lawyers. Just put that down, too, will you not? This judge had the solemn, sacred responsibility of holding that estate for the people, many of whom, we know by common experience, had their life savings invested there. How much money did he have a right to take out of it? He had a right to take all the money necessary for an economical and efficient administration of the estate and no more. Is that right? Is that sound? Does that comport with common sense and common

Then, when he reached his hand to the elbow into that estate, and handed over \$90,000 to his former partner who was not worth five, whose money was he taking and to whom did he give it? He plundered a trust estate and gave the money to a man who gave him back a part of it. Those facts cannot be controverted. What are you going to do about it? Are you going to say it is all right?

I believe I have covered about all I care to speak of in reference to the Whitehall case. I think I have made all the reference that seemed to me to be pertinent with reference to the two cases of practicing law. Of course, we do not know whether that \$7,500 came from practicing law or whether it came as a gift, but the judge is hung on one horn of the dilemma, and no counsel, this eminent counsel or any other counsel on this earth, can extricate him. Will you say one is right and the other is wrong? Will you say that both are right? What are you going to say about it? What are you going to do about it?

Now. I wish to make just one or two more observations about this debt business. This is another dilemma on which the respondent unfortunately is hung. All the testimony shows the condition of Mr. Rankin. The judge first ordered him paid \$2,500 out of the assets of the business. The judge did not get any of his so-called debt paid out of that.

Then they perpetrated the grossest sort of an imposition on Judge Akerman. I want to read you the letter in the record about that matter. The letter of the respondent to Judge Akerman said, in substance: "I do not want to be embarrassed by allowing this total fee. I want you to fix the total fee, because this man has been my partner."

Of course, Judge Akerman did not read the order. He just wrote in his name. Rankin was bearing a letter from the respondent who, by giving that letter, vouched for the bearer, in effect. It was among fellow judges, and he gave him the order for \$12,500 more. Respondent did not get anything out of that on his debt, he says. Members of the Court are familiar with the other aspects of this article. After that Ritter allowed Rankin \$75,000 more. Respondent was embarrassed when \$15,000 to his former partner was involved, but not embarrassed when \$75,000 was involved.

I want to call attention again to one other thing. to page 536 of the record. I asked the respondent this question:

At the time you and he formed your relationship was it not contemplated that the firm would have a greater degree of permanency than it developed to have?

This is the answer:

We expected to spend the rest of our lives practicing law there.

Did you get that? That appears on page 536. Yet in his letter to the Assistant Attorney General under date of April 9 he said this:

I understand the real difficulty in considering his appointment-

Referring to Judge Rankin-

is the fact that he took up his residence in Florida and abandoned his Alabama residence.

Here is the judge who swore on this stand in front of this Court that he expected to have a partnership that would last through life, but this is what he is saying when he wrote the letter:

But I know that he never fully did that and he always considered himself a resident of Alabama and voted there—

And is liable to go back any time.

Mr. President, I wonder if I might ask the clerk to read one of these letters?

The PRESIDENT pro tempore. The clerk will read the letter for you.

Mr. Manager SUMNERS. I will ask the clerk to read the letter of December 19, 1929.

The legislative clerk read as follows:

UNITED STATES DISTRICT JUDGE'S CHAMBERS, SOUTHERN DISTRICT OF FLORIDA Miami, Fla., December 19, 1929.

Halsted L. Ritter. Judge. Hon. WILLIAM D. MITCHELL

Hon. WILLIAM D. MITCHELL,

Attorney General, Washington, D. C.

Sir: I am advised that Hon. Henry D. Clayton, judge of the United States Court for the Middle District of Alabama, has asked retirement. If this is true, I desire to recommend most strongly for the appointment as his successor of A. L. Rankin, of Andalusia, Ala., whom I have known for a number of years.

Judge Rankin was judge of the Law and Equity Court for Covington County, in that State, for a number of years, and has practiced in the Alabama bar 25 years, being a member of all the courts. He is a man of exceptional ability, thoroughly versed in the law, is of unquestionable integrity, and well known throughout the State of Alabama. He has the judicial temperament in a high degree, and would fill the position with great honor and satisfaction, I feel certain.

Mr. Manager SUMNERS. I do not want to be tedious, but this is very important, because these things go down to the depths of this man's character.

When he wrote this letter he referred to him as "A. L. Rankin, of Andalusia, Ala." Why did he do that? Because the job Rankin was trying to get was in Alabama. Just think of that, and weigh it.

In another letter he said:

I want to say that Judge Rankin is a man of the highest character and integrity. He is one of the ablest common-law lawyers in the South.

That is a statement made by a judge upon his responsibility.

We were partners in the practice of law in West Palm Beach before my appointment on the bench. I know of no man better qualified from the standpoint of experience, ability, and character for the position.

And so forth. Then he writes again in another letter that if he is appointed he will raise the bench to a high place.

I say a man who will not speak the truth above his signed name will not swear it, and a man who will not state the truth, and who does those things which arouse doubt as to his integrity must go from the bench.

I appreciate profoundly the attention which the Members of this honorable Court have given the case.

There ought to be a unanimous judgment in this case, and let it ring out from this Chamber all over the Nation that from now on men who hold positions in the Federal judiciary must be obedient to the high principles which in the nature of things it is essential for a judge to manifest.

A few Federal judges can reflect upon the great body of honorable men who hold these high positions.

There is another thing I was about to forget. Of course, the bondholders in Chicago did not protest the \$90,000 fee to Rankin. The attorneys for the bondholders and Mr. Holland were in the respondent's court at the same time. They came to represent 93 percent of the \$2,500,000 of the first-mortgage bonds. They heard the respondent advised of the champertous conduct of Richardson, Rankin et al., and they saw the respondent approve. They were virtually kicked out of the court. They wanted the case out of that court and away from Rankin and the respondent just as quickly as they could get it out, and they would have stood not only for that fee of \$90,000 but for more; and any of you practicing law would have done the same thing under the circumstances. You remember McPherson said respondent was positive, very positive, about Mr. Holland. Respondent was a great deal stronger with regard to the attorney for the bondholders. Remember the judge asked Holland, "Who bought you off?" Of course, they were glad to get out at almost any price.

Members of the Court, there is a great deal more which ought to be said, but you have the record and my time has about expired. I have a duty to perform and you have yours. Mine is finished.

The House has done all the House can do toward protecting the judiciary of the country. The people have trusted in you. Counsel for the respondent kept emphasizing the fact that this respondent stood and swore, stood and swore, stood and swore. I remember that I saw the Members of this honorable Court lift their hands to God Almighty, and, in that oath which they took, pledge themselves to rise above section and party entanglements and to be true to the people of the Nation in the exercise of this high power. I have no doubt you will do it.

I thank this honorable Court for the courtesy and consideration which have been shown to my colleagues and to me as we have tried to discharge our constitutional duty in this

LEGISLATIVE SESSION

Mr. ROBINSON. Mr. President, I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

TERMS OF DISTRICT COURT, MIDDLE DISTRICT OF PENNSYLVANIA

(During the course of today's proceedings of the Senate sitting for the trial of the articles of impeachment, by unanimous consent, the following legislative business was transacted:)

Mr. ASHURST. Mr. President, as in legislative session, I ask Senators to look at the first page of the calendar where there is set forth a special order for tomorrow at 1 o'clock. Obviously that order cannot be observed. I therefore ask unanimous consent that the date of Wednesday, April 15, be changed to and set for Wednesday, April 29. I have consulted, or caused a mutual friend to consult, with the Senator from New York [Mr. COPELAND], and that date, I believe, namely, the 29th of this month, is agreeable to him.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

(During the impeachment proceedings, on motion of Mr. Robinson, the proceedings were suspended so that, as in legislative session, the Senate might receive messages from the President of the United States, communicated by Mr. Latta, one of his secretaries.)

ADDRESS OF PRESIDENT BEFORE YOUNG DEMOCRATIC CLUBS OF MARYLAND

Mr. ROBINSON. Mr. President, I ask that there be printed in the RECORD as a part of my remarks the address delivered by the President of the United States at the city of Baltimore last evening.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The address is as follows:

Address of President Franklin D. Roosevelt Before the Young Democratic Clubs of Maryland, Delivered at Baltimore, Md.,

You in this great armory tonight represent a cross section of our young people who have come to maturity since 1929. You are the symbol of young men and women living in every State of the Union, affiliated with every political party and belonging to every so-called stratum of society.

The world in which the millions of you have come of age is not the set old world of your fathers. Some of yesterday's certainties have vanished; many of yesterday's certainties are questioned. Why have some vanished and many been questioned? Because the facts and needs of civilization have changed more greatly in this

generation than in the century that preceded us.

I need not press that point with you. You are measuring the present state of the world out of your own experiences. You have felt the rough hand of the depression. You have walked the streets looking for jobs that never turned up. Out of this has come physical hardship and, more serious, the scars of disillusionment.

YOUTH HAS BECOME RESTLESS

The temper of our youth has become more restless, more critical, more challenging. Flaming youth has become a flaming question. And youth comes to us wanting to know what we propose to do about a society that hurts so many of them.

about a society that hurts so many of them.

There is much to justify the inquiring attitude of youth. You have a right to ask these questions—practical questions. No man who seeks to evade or to avoid deserves your confidence.

Many older people seem to take unmerited pride in the mere fact that they are adults. When youth comes crashing in on them with enthusiasm and ideals they put on their most patronizing smiles and pat the young man or the young woman on the shoulders and in a worldly wise sort of way send them out with what they call their blessing. But—as every young person knows—that is not a blessing; it is a cold shower. What they have really said to you is: "You're young. Enjoy your enthusiasms and your ideals while you can. When you grow up and get out in the world you will know better." And the tragedy is that so many young people do just that. They do grow up and, growing up, they grow away from their enthusiasms and from their ideals. That is one reason why the world into which they go gets better so slowly. reason why the world into which they go gets better so slowly.

OUTLINES YOUTH'S OBJECTIVE

Your objective in the widest sense is, I take it, this: An opportunity to make an honest living; a reasonable chance to improve your condition in life as you grow older; a practical assurance against want and suffering in your old age; and with it all the right to participate in the finer things of life—good health, clean amusement, and a part in the satisfactions of the arts, the sciences, and religion.

Faced with that objective, it is clear that many of the old answers are not the right answers. No answer, new or old, is fit for your thoughts unless it is framed in terms of what you face and what you desire—unless it carries some definite prospect of a

and what you desire—unless it is framed in terms of what you face and what you desire—unless it carries some definite prospect of a practical down-to-earth solution of your problems.

For the next few months you are going to be thoroughly bored by so-called answers. There are two or three new panaceas in every day's paper. Here is one picked out at random from three on the same page of one newspaper. The eminent author suggests a four-point cure for all our ills. I hope you will be as thrilled and excited by them as I was. Here they are:

1. Establish a monetary unit with a definite gold content subject

to change only by Congress.

2. Restore convertibility of money into gold coin and private ownership of gold. 3. Accept responsibility as the world's greatest creditor nation.

4. Put Federal finances in order.

DO NOT SOLVE PROBLEMS

I ask you what do panacea plans like these offer to you as a way out of the problems that you had today and will get up to face tomorrow? Is there opportunity? Is there work today? Is there assurance for tomorrow? Is this the practical, definite answer you are looking for? Most important of all, is there even a recognition in that type of panacea of the fact that the youth of America has any problems at all?

No, my friends: you have a right to expect something better the

No, my friends; you have a right to expect something better than that. You have a right to expect that those in authority will do everything within their power to help restore conditions that make employment and opportunity possible; more than that, you will be protected, insofar as is humanly possible, from the physical and mental and spiritual ravages of economic and social maladjustment.

1928 WAS NO MILLENNIUM

Some counselors say "confidence and normal prosperity will cure everything—give everybody jobs." They generally mean by that the confidence and prosperity of 1928. But, my friends, 1928 was no millennium. You and I know the simple fact that while production was increasing and profits were increasing in 1928 and 1929 unemployment was growing at an astounding rate. Return to the 1928 kind of prosperity is no sufficient answer. The best that the captains of the country could do for you before the depression was not good enough then, and it is not good enough today.

And you and I know that while the total production of America is about back to the high point before the depression, only a little over 80 percent as many human beings are engaged in turning out that production. It does not matter very greatly what the cause of this is. It may be a greater efficiency; it may be the development of new machinery; it may be a variety of other causes. We cannot legislate against greater efficiency nor can we legislate against the use of new tools—nor would we if we could. But the fact remains. And that fact requires an answer.

Some people tell you that even with a completely restored pros-

Some people tell you that even with a completely restored prosperity there will be a vast permanent army of unemployed.

not accept that. No man who is sensitive to human values dares to accept that. That is why we are not content merely to restore what is sometimes called prosperity. We propose to attack the problem from every conceivable angle.

WOULD LIMIT WORKING AGES

Would limit working aces

We readily admit that a greater purchasing power, far more
widely distributed, will mean the consumption of more goods—
industrial products and farm products. The production of these
goods will mean more employment. Most businessmen believe
with us in a greater purchasing power on the part of more people;
they know that their businesses will be helped thereby.

To work in unity toward this end constitutes one form of attack,
and there are others which we must not overlook.

Our working population increases every year, both because of

Our working population increases every year, both because of population increase and because more and more women are working for wages. That is as it should be. But when we face your problems, these increases raise the question as to whether it is not possible and right to limit the active working ages at both ends.

We in your Government are seeking to extend the school age in every State in the Union and to make it easier for boys and girls to stay in school. Work out for yourselves what would happen if all the boys and the girls of 14 and 15 and 16 and 17 who are now working in industry found it possible to stay in school until they

were at least 18 years old.

How many jobs would that give to the young people of the Nation who have been graduated from high school and from college? And how much better equipped would be these youngsters who are now at work if they could stay in school to the comple-

tion of their education?

In the same way ask yourselves how many jobs would be created if the great majority of people who are now over 65—to take a figure at random—were in a position to retire in security for the balance of their days on earth. And how much greater happiness would such security give to their old age?

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And there is another angle of reemployment which, from the point of view of youth, is worth pursuing. I will point it by an illustration. In a certain manufacturing industry the average hours of weekly work were greatly curtailed under the operation of the National Industrial Recovery Act, and curtailed, incidentally, with the complete support of the great majority of employers within the industry. When this act came to an end the average hours of work were 36.4 per week. Since that time the great majority of employers in this particular industry continued the old scale of hours. But gradually first a few and then a larger number of employers began lengthening the work week. The result today is that the average of employment in this industry is 39.9 hours per week. Not a serious difference, you say. And yet if you figure it out on the assumption that there were 166,500 men and women in this industry, 10 percent or 16,650 people have either lost their jobs or, by working longer hours, are preventing 16,650 other people from getting employment. Actually the records show that 1,400 people lost their jobs and 15,250 other people were kept from getting work.

It seems reasonable, therefore, that industry can contribute in great measure to the increase of employment if industry as a whole will undertake reasonable reductions of hours of work per week, while, at the same time, they keep the average individual's pay envelopes at least as large as it is today.

week, while, at the same time, they keep the average individual's pay envelope at least as large as it is today.

MUST ASSURE ADEQUATE WAGE

Because the practices of employment definitely affect the prob-lem of unemployment, the Government must give and will give consideration to such subjects as the length of the working week, the stability of employment on an annual basis, and the payment of at least adequate minimum wages. A government doing that is a government that is working actively at the answers to your

We do not yet know enough in a changing economic order to guarantee any nation permanently against times of depression. We believe, however, that steps like these which we have taken and are taking will at least greatly cushion depressions—will prevent the upcurve from rushing to a violent, mad peak of false prosperity and prevent another violent, mad descent into another sink of suffering and disillusionment like the one from which for

sink of suffering and disillusionment like the one from which for the last 3½ years we have been surely emerging.

And there is another aspect to the answer which you have a right to expect from us. What do we propose to do about the casualties of depression? Since 1929 those casualties, in America, have run into the millions. They are a charge upon us as a people. I have recognized that fact. And, by every reasonable means, we have sought to care for those casualties—to keep them from the physical suffering of hunger; to keep them from the mental suffering of a loss of morale.

In regard to all these problems there are counselors these days who say, "Do nothing"; other counselors who say, "Do everything." Common sense dictates an avoidance of both extremes. I say to you, "Do something"; and when you have done that something, if it works, do it some more; and if it does not work, do something else.

thing else.

And you young people want action. You believe, as I believe, that the something which needs to be done can be done, and how significantly American it is to believe that.

NATION DUE TO YOUTH'S VIGOR

The vigor of our history comes largely from the fact that, as a comparatively young Nation, we have gone fearlessly ahead doing

things that were never done before. We subdued a wilderness that men said could never be conquered. We established a civilization where others insisted a civilization could not survive. Between 1776 and 1789 we built a government for which, in the extent of its democracy, there was no precedent—a government which royalists declared could not endure.

We did all these things with zest. The very air was exhilarating. We were young—and we were getting things—worth-while things—done. It is part of the spirit of America to believe that now, in our day, we can do equally well in getting things done.

I, for one, do not believe that the era of the pioneer is at an end; I only believe that the area for pioneering has changed. The period of geographical pioneering is largely finished. But, my friends, the period of social pioneering is only at its beginning. And make no mistake about it—the same qualities of heroism and faith and vision that were required to bring the forces of nature into subjection will be required—in even greater measure—to bring under proper control the forces of modern society. There is a task which—for importance and for magnitude—calls for the best that you and I have to offer.

There cannot be too many Americans thinking about the future of America. Our country, richly endowed in body, mind, and spirit still has need of menny things. But I am certain that one country, richly endowed in body, mind, and spirit still has need of menny things. But I am certain that one

of America. Our country, richly endowed in body, mind, and spirit, still has need of many things. But I am certain that one of its chief needs today is the releasing and the enlistment of the spirit of youth.

LISTS AGES OF FOUNDERS

Do not underestimate the significance of that spirit. Yesterday Christendom celebrated Easter—the anniversary of the resurrection of our Lord, who at the beginning of His ministry was 30 years of age and at His death was only 33. Christianity began with youth, and through the last 2,000 years the spirit of youth repeatedly has revitalized it.

revitalized it.

Our war for independence was a young men's crusade. Age was on the side of the Tories and the Tories were on the side of the old order. At the Revolution's outbreak George Washington was 43, Patrick Henry 38, Thomas Jefferson 32, and Alexander Hamilton 18. Our Constitution, likewise, was the creation of young minds. The average age of the men who wrote the Constitution was about 44. The qualities of youth are not of a sort that self-satisfied people welcome in 1936 any more than self-satisfied people welcomed them in 1776

I have used the words "the qualities of youth." Be wise enough and tolerant enough, you who are young in years, to remember that millions of older people have kept and propose to keep these qualities of youth. You ought to thank God tonight if, regardless of your years, you are young enough in spirit to dream dreams and see visions—dreams and visions about a greater and a finer America that is to be: if you are young enough in spirit to believe that see visions—dreams and visions about a greater and a finer America that is to be; if you are young enough in spirit to believe that poverty can be greatly lessened; that the disgrace of involuntary unemployment can be wiped out; that class hatreds can be done away with; that peace at home and abroad can be maintained; and that one day a generation may possess this land, blessed beyond anything we know, with those things—material and spiritual—that make man's life abundant. If that is the fashion of your dreaming, then I say: "Hold fast to your dream, America needs it."

MESSAGE FROM THE HOUSE-ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the Speaker of the House had affixed his signature to the enrolled bill (S. 2524) to amend section 51 of the Judicial Code of the United States (U. S. C., title 28, sec. 112), and it was signed by the Vice President.

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

The VICE PRESIDENT, in accordance with the provisions of Senate Resolution 225 (agreed to Apr. 1, 1936), appointed the Senator from Connecticut [Mr. Lonergan], the Senator from Indiana [Mr. MINTON], the Senator from Washington [Mr. Schwellenbach], the Senator from Vermont [Mr. Austin], and the Senator from Wisconsin [Mr. LA FOLLETTE | as the members of the special committee to investigate campaign expenditures of the various Presidential, Vice Presidential, and senatorial candidates in 1936.

CIVIL-SERVICE RETIREMENT AND DISABILITY FUND-(S. DOC. 196)

The VICE PRESIDENT laid before the Senate a letter from the President of the Civil Service Commission, transmitting, pursuant to law, the Fifteenth Annual Report of the Board of Actuaries of the Civil Service Retirement and Disability Fund, which, with the accompanying report, was referred to the Committee on Civil Service and ordered to be printed.

The VICE PRESIDENT laid before the Senate resolutions adopted by a joint meeting of the Nebraska Home Owners Association, the Workers Alliance of Nebraska, and the Unemployment Council, all of Omaha, Nebr., favoring an immediate appropriation for the relief of all families on the

rolls at the F. E. R. A. standard in Douglas County, Nebr., and the engagement on W. P. A. projects of all employables now on the relief rolls, which were referred to the Committee

on Appropriations.

Mr. COOLIDGE presented a petition, a telegram, and letters in the nature of petitions from members of Lodge No. 1441. International Association of Machinists, of Auburn; Albany Lodge, No. 271, Brotherhood of Railway Clerks, and Commonwealth Lodge, No. 229, Brotherhood of Railway and Steamship Clerks, both of Worcester; and William Blanchette, legislative representative, Order of Railway Conductors, of Taunton, all in the State of Massachusetts, praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which were referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (H. R. 9484) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, reported it with an amendment and submitted a report (No. 1828) thereon.

Mr. McKELLAR, from the Committee on Appropriations, to which was referred the bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, reported it with amendments and submitted a report (No. 1829) thereon.

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the bill (S. 4353) to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Shawnee, Okla., reported it without amendment and submitted a report (No. 1830) thereon.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 13, 1936, that committee presented to the President of the United States the enrolled bill (S. 2042) for the relief of Grace Park, a minor, the Westerly Hospital, and Dr. H. M. Scanlon.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were ordered to be placed on the Execu-

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HATCH:

A bill (S. 4476) for the relief of Benton Crist; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 4477) providing for loans by the Reconstruction Finance Corporation to port districts in certain cases; to the Committee on Banking and Currency.

WOMEN IN CONGRESS-ADDRESS BY SENATOR CARAWAY AND EDITORIAL

Mr. BAILEY. Mr. President, I ask leave to have printed in the Record a very interesting radio address delivered by the junior Senator from Arkansas [Mrs. Caraway] on Monday night, the 6th instant, and also an editorial from the Washington (D. C.) Star entitled "Women in Congress."

There being no objection, the address and editorial were ordered to be printed in the RECORD, as follows:

Ladies and gentlemen of the radio audience, I wish to thank the National Broadcasting Co. for allowing me this time. When they asked me to appear on this program it was suggested that I choose my own subject. However, the inevitable suggestion that I speak on women in politics followed, not from the broadcasting company but others. In fact, A Woman Looks at the Senate was favored. To me that implied talking of the Senate as one seated on the side lines, observing superficially, analyzing,

also superficially, then writing a story colored entirely by one's own beliefs. That would be impossible for me as I am not on the side lines. I am of that body, an integral part. What is done there is, in part, my responsibility, so that any discussion would have to be of a serious nature. Those who take a job seriously get to have a pride in their work and a great respect for those associated with them in serious endeavor.

Each Senator is assigned to a number of committees and, insofar as possible, each is allowed a choice in these assignments. Sometimes they have to wait for a vacancy on a committee. The chance of a chairmanship comes from seniority (on a committee), and, of course, the chairmen are always of the majority party. When the Democrats secured a majority in the Senate the ranking Democrat on each committee automatically became the chairman. You see, neither the amount of work you do nor any special aptitude you may show, or knowledge you may have on things considered in a committee, advances you on a road to the chairmanship. However, it can be said that your attention to your duties and your ability does give you influence in the committee. In fact the committees may be termed "schools", in which in executive sessions the subjects are taken up and studied from every angle. Public hearings are often held, in which impassioned witnesses testify for or against the bill. A record is kept of this testimony. It is when such hearings are under way that the offices are swamped with telegrams and letters, hundreds of them sometimes being identical, word for word, and comma for comma. comma.

I remember one time getting many letters on a certain matter. Those letters were answered, naturally, and, to my astonishment, replies were received saying that they were glad to have had my letter but they had not written me concerning this legislation, that they were relying on my judgment in such matters. Some of them even sent affidavits that they had not written me concerning this bill; but I digress. When all the testimony in these hearings is printed, the committee in executive session again goes over the bill, thrashing out the pros and cons, and, after weighing sell the testimony striving to see that no injurities is done that over the bill, thrashing out the pros and cons, and, after weigning all the testimony, striving to see that no injustice is done, trying to protect the helpless, and to be fair. The bill is finally reported to the Senate in the form, you might say, of predigested matter. Of course, someone may be quick to suggest that though presented as predigested matter, they give a lot of people stomach aches; true, but they likely relieve a lot of heartaches, and pains from empty stomachs. This does not preclude amendments on the Senate floor. Very often members of the committee have not expende floor. Very often members of the committee have pet amend-ments which they offer, but as a general rule the bill is passed much as it comes from the committee. That is why it is con-sidered that the committee work is a most important part of the

My committee assignments are most pleasing—Agriculture and Forestry, Commerce, Library, and Enrolled Bills. My favorite is that of Agriculture and Forestry. Maybe because, as some newspaperman has said, "I am a typical farm woman." For weeks this committee has been carrying on an investigation of stock-market trading in cotton, in an endeavor to find out the cause of the slump in cotton prices on March 11, 1935, and the cause of the decline in our export markets.

trading in cotton, in an endeavor to find out the cause of the slump in cotton prices on March 11, 1935, and the cause of the decline in our export markets.

As Arkansas has more miles of navigable streams than any other State in the Union, with the resultant flood-control and other problems, I deem it a privilege to be a member of the Commerce Committee. As chairman of a subcommittee in that committee, I have attended joint hearings in the House, and for a week I conducted hearings on Senator Longram's stream-pollution bill. We have had hearings on the Overton flood-control bill, which conflicted with some other committee work, and so time had to be divided between them. Only last week in the consideration of the House omnibus flood-control bill, we were in session nearly all day, only leaving the committee room for a bite of lunch and to return to the Senate floor for yea-and-nay votes. I left that committee room at 5:30, and it was after 6 when I reached sanctuary; in other words, when I could shut out the world by closing the door of the rented house my son and I occupy in Northwest Washington. Being chairman of Enrolled Bills Committee entails a lot of work, as the function of this committee is to see that the bills which are printed on parchment for the signatures of the Speaker of the House of Representatives, the Vice President, and the President are correctly enrolled from the accompanying papers. This work is tedious but important, as the misplacing of even a comma could bring disastrous results.

Let me give you a brief outline of a run-of-the-mill day for a Senator. Pardon me, but I will have to take one of my days as an example. I arrive at the office around 8 o'clock every morning, go over the letters on my desk which have had to wait over from the day before, and look over some of the home papers. The office force arrives about a quarter of 9, then the serious work of opening.

over the letters on my desk which have had to wait over from the day before, and look over some of the home papers. The office force arrives about a quarter of 9, then the serious work of opening, sorting, filing, and dictating begins. The letters average from 200 to 500 daily. Then visitors begin to arrive. People from home—whom we are always glad to see—people who want autographs, people who want to paint your portrait or do a bas-relief in bronze, people who say they live in Arkansas and want a loan; in fact, people of all sorts and conditions. Do you know that it is not unusual for a Senator to have 25 to 50 callers whom he must see in 1 day? And those who represent nearby States have even more. More than likely there is a call from a committee obest. see in 1 day? And those who represent nearby States have even more. More than likely there is a call from a committee chairman for a meeting at 10 or 10:30—there the morning's gone. The Senate convenes at 12 m. You get out to lunch, but not so far away that you cannot hear the call of the bells in case some bill or amendment should come to a record vote. If lucky, adjournment is had about 4:30 or 5—then back to the office to go over

that day's mail. A never-ending round of tasks, all demanding

that day's mail. A never-ending round of tasks, all demanding deep concentration and much study.

Let me digress here to comment on the class of letters which filter into a Senator's office. Some are intentionally humorous; others funny because of some bizarre statement made. For example, I had one not long ago saying, "I was brutally murdered in a hospital in —." I will not mention the name of the city. One man, who wanted a job as a detective, wrote: "Please send me gun, badge, and handcuffs by return mail; I know something." Letters from mothers whose sons are in the penitentiary; many, oh, so many, saying they are 74 or 75 years old, nearly blind—cannot something be done to give them only a few dollars per month so that they can last out their days free from the fear that they cannot have enough food to exist upon. Letters telling of such that they can last out their days free from the fear that they cannot have enough food to exist upon. Letters telling of such abject poverty and helplessness that it makes your heart ache. Naturally some of these are spurious, but you learn to differentiate. These letters are all answered, then forwarded to relief agencies in their districts, where they are investigated and relief given if facts warrant. If this administration had done nothing else in the 3 years it has functioned, it would have justified the change of administration, as well as the radical departure from what has been the conventional—nay, the old and ultraconservative way of dealing with these problems. Legislation for all the people and all sections of the United States is a very complex and vexing problem. Take, for example, river and harbor legislation; not all the States are directly affected by this legislation, but it is a problem for all because it involves spending the taxpayers' money. Take the very controversial ship-subsidy legislation; naturally all our States bordering on the Atlantic, the Gulf, the Great Lakes, and the Pacific are intensely interested, while the inland States are interested insofar as freight rates are affected. The same is true of flood control, though more States have such a problem.

There is some talk looking to legislation putting flood control

true of flood control, though more States have such a problem.

There is some talk looking to legislation putting flood control in the same category with rivers and harbors. In fact, making it a Government problem, and directly under the supervision of the Corps of Army Engineers. It follows, of course, that States like Arkansas, Tennessee, Louisiana, and Mississippi, with their problems of floods from the Father of Waters, the great Mississippi River, would favor such legislation. The northwest section, with its problem of floods from the Columbia River, would at least be receptive to such legislation. And why not? The people of the lower Mississippi have themselves spent millions of dollars building up a system of levees. Unhappily for them, they cannot tax themselves enough to build an adequate system. True, the Government has in the last few years—appropriations have only come directly following a disastrous flood; and all the money thus obtained has had to be used to repair breaks in the levees, with none left with which to raise the levees to real protection heights.

tained has had to be used to repair breaks in the levees, with none left with which to raise the levees to real protection heights.

The recent flood disasters in the northeast section of this country have certainly brought home to a great many of our people that we have a national flood-control problem. This will, I hope, make it possible to start something really constructive that will be of permanent nature. It is not unusual in our section to have the farm lands overflowed three times in one spring and then have a severe drought during the summer. This is especially true of the St. Francis, Arkansas, and White River Basins. Even though a flood like the one at Johnstown, Pa., only occurs once in 50 years, we cannot afford, with our engineering facilities, to sit idly by, either in a spirit of economy or mere "do-nothingness" and let such wholesale destruction of life and property continue without using these facilities in prevention work. If the manufacturers and industrialists had to produce their wares under the same handicaps as the farmers who buy from them, I wonder how long they would exist.

and industrialists had to produce their wares under the same handicaps as the farmers who buy from them, I wonder how long they would exist.

This administration is the first to really consider agriculture as a major problem. Of course, in the thickly populated centers this does not have much appeal. Anything that boosts the prices of foodstuffs steps on their toes, or, more painfully, their pocketbooks. The more they have to pay for pork and beans, to say nothing of asparagus, alligator pears, and porterhouse steaks, the less they have to spend for automobiles and amusements, so a howl goes up that the farmers are a shiftless lot and their tax money is being squandered for them. It would be enlightening to know just how many of these who so deeply deplore the farm legislation are tax-payers and how many are the propertyless wage earners. Do not misunderstand me—I am just asking here some of the questions I often ask myself, that you may know that every problem has as many facets as the most beautifully cut diamond. That in a final analysis the rights of all must be considered and weighed, then your best judgment invoked to meet the complexities of the legislation for all the people of this so great country. The diverse and often best judgment invoked to meet the complexities of the legislation for all the people of this so great country. The diverse and often extremely divergent interests of one section to the interests of another sometimes act as a brake, but too often make for class legislation in favor of powerful interests and are responsible for the accusation of logrolling. In saying this I am not meaning to imply a criticism of anyone in either branch of the Congress. That body in which I serve is composed of serious-minded, hard-working, conscientious Members. They bring their best judgment to bear on all these problems, for which they deserve the respect of the country. Naturally there are many differences of opinion as to what is best. Right here let me say I am not differentiating between the women and men who are serving in legislative capacities. It is no best. Right here let me say I am not differentiating between the women and men who are serving in legislative capacities. It is no longer a 9 days' wonder that women are in this field. It is an accepted fact, and while sort of a sporadic growth as yet, the time is past for treating them as set apart by sex from any serious legislative qualifications. Not one of them has failed to take the responsibility as less than a sacred trust; while they may bring some fresh viewpoint to bear on matters, they have displayed that broad

vision and understanding of the problems which only come from hours of conscientious study. Not one has given evidence that she goes about her legislative duties with less honesty of purpose and understanding than other Members. In the performance of their duties they are governed by the same rules and they as truly represent all the people of their States. That is as it should be. Equal responsibility, equal service, with identical aims.

I am exceedingly proud, even to the point of humility, that my State in three contests has entrusted to me such a grave responsibility. I still feel that nothing but the utmost in loyalty and effort on my part is their due. It is no longer front-page stuff, to the extent that one's head may be turned by publicity, for women to serve in Senate or House, with a woman Cabinet member, and a woman minister to a foreign country. However, if you get big bubbles of self-esteem, you will get them dissolved. One day a nice-looking woman accosted me—this was before Mrs. Long, who is lovely, came to the Senate—saying, "You are a Senator, aren't you?" I said, "Yes." She hesitated, then said, "But I don't know which one you are." That is deflation.

In the few minutes left to me in this informal talk I want to call to your attention that Arkansas will be celebrating her one hundred the left of the States which came to Vertice.

call to your attention that Arkansas will be celebrating her one hundredth birthday as one of the States which form the Nation. It is our hope that a great many of you will find the time to visit It is our hope that a great many of you will find the time to visit us and to investigate the claims always made that in abundance of natural resources, scenic beauty, and citizenship Arkansas excels. The reason for a slow train through Arkansas is in order that the traveler may feast his eyes and restore his soul in this, one of the greatest States of the Union. Many of you, perhaps, know that Hot Springs was the first Federal reservation to be set aside, in 1832, to conserve the healing hot-springs waters. Our citizens take much pride in the fact that the President and Mrs. Roosevelt are to visit our State this year. They view the President as a man of great courage, intensely human, sympathetic, and able. A man who, in these years of stress, has made history in his efforts to fit the Government to the people with justice and impartiality.

I thank you. Good night.

[From the Washington Star of Apr. 8, 1936] WOMEN IN CONGRESS

Senator Hattie W. Caraway, of Arkansas, very properly paid tribute to women in the legislative field of government in her address in the National Radio Forum entitled "A Woman Looks at the Senate." It is, she said, no longer a 9 days' wonder that women are in this field. And yet it is only a little more than women are in this field. And yet it is only a little more than 19 years ago that the first woman took her seat in the Halls of Congress, Miss Jeannette Rankin, a Representative from Montana. Speaking of the women who have since that time held legislative office in Washington, Mrs. Caraway said: "Not one of them has failed to take the responsibility as less than a sacred trust; while they may bring some fresh viewpoint to bear on matters, they have displayed that broad vision and understanding of the problems which only come from conscientious study. Not one has given evidence that she goes about her legislative duties with less honesty of purpose and understanding than other Members."

No one will gainsay this estimate of the women who have served and are serving in Congress. Many of them have been reelected by their constituents. Obviously this has not been because they were women. For, take it by and large, there has been more prejudice against women aspiring to hold seats in Congress than there has been prejudice in their favor. They have been reelected because they did a good job and because their constituents appreciated their work.

Mrs. Caraway is the first woman ever to have been elected a

Mrs. Caraway is the first woman ever to have been elected a Mrs. Caraway is the first woman ever to have been elected a Senator of the United States. It is an office to which she has been twice elected by the people of her State. One woman, Mrs. Rebecca L. Felton, of Georgia, bore the title of Senator before her, but only for a day. Mrs. Felton was appointed to fill the vacancy caused by the death of Senator Tom Watson, of Georgia, back in 1922. Before she had an opportunity to take her seat, Senator George was elected to fill out the unexpired term. Senator George withheld his eventual at the opening of the session for I day. GEORGE was elected to fill out the unexpired term. Senator GEORGE withheld his credentials at the opening of the session for 1 day, and for that day. Mrs. Felton was Senator. For 5 years Mrs. Caraway, however, has been a Senator, a conscientious, hard-working, and intelligent Senator. Mrs. Caraway believes in taking her job seriously, in working at it long hours, and she does both.

It was nearly 15 years after the first woman, Miss Rankin, had been elected to the House that a woman was elected to the Senate of the United States.

of the United States. And it was only a few months ago that a second woman Senator, Mrs. Huer P. Long, of Louisiana, took her seat. The struggle of women for recognition and representation by one of their sex in the upper House of Congress was a long one. Miss Rankin was the first to make serious contest for the honor. After a single term in the House, Miss Rankin sought nomination for the Senate but was defeated in the primaries. Another woman Member of the House, Mrs. Ruth Hanna McCormick Simms, sought 6 years ago to be elected Senator from Illinois. Mrs. Simms won the nomination but was defeated in the general

The records that women have made in Congress are distinguished—records that many men Members may envy. Three sitting women Members of the House entered Congress in 1925—Mrs. EDITH NOURSE ROGERS, of Massachusetts; Mrs. FLORENCE P. KAHN, of California; and Mrs. Mary T. Norron, of New Jersey. For more than a decade these women have ably served their districts and States in the House of Representatives. Each has

been elected six times. Mrs. Norton, a Democrat, is now chairman of the House Committee on the District of Columbia, in charge of legislation for the Nation's Capital. As Mrs. Caraway so aptly said, the time is past when women are to be treated "as set apart by sex from any serious legislative qualifications."

FLOOD CONTROL

Mr. OVERTON. Mr. President, I ask unanimous consent to have printed in the RECORD two editorials, one printed in the Commercial Appeal of Memphis, Tenn., entitled "Pass the Overton Bill", and the other printed in the New Orleans Item of April 11, 1936, entitled "Our Flood Control Bill."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Memphis (Tenn.) Commercial Appeal of Apr. 11, 1936] PASS THE OVERTON BILL

The people of the lower valley would be the last to begrudge their neighbors in Pennsylvania, New York, Massachusetts, and Connecticut the fullest measure of relief from the disastrous floods that have recently overtaken those States. We know what floods are, and we know the absolute necessity of Government cooperation. We know how helpless we are when left to our own resources, and have rightly insisted that it was a national rather than a local problem.

That theory applies to the flood regions of the East as properly as it does to those of the lower valley.

But it is unfortunate, to say the least, that those who are demanding relief in the East are doing so at the expense of the people of the lower valley. They are sidetracking the Overton bill, thereby holding up the completion of the great flood-control project of 1928 upon the mistaken idea that both are projects of a kind and should be marred into a completion seemed.

should be merged into an omnibus measure.

The facts are these: The great lower-valley project of 1928, known as the Jadwin plan, is only about half completed. One reason for the delay is that public opposition to a floodway in north Louisiana became so great that the Government did not see north Louisiana became so great that the Government did not see fit to proceed. Several years ago the House Flood Control Committee, by resolution, directed that a survey be made looking to a reexamination of the entire project. The Mississippi River committee and the Chief of Engineers made this survey, and reported certain modifications. These modifications were approved by such engineers as Jadwin, Brown, and Markham. They came as near bringing together all diverging elements as was humanly possible, with the result that the experts and the leaders all up and down the valley gave it their general approval.

The modifications were submitted to Congress in the Overton bill. No project has ever had more earnest and thorough consideration.

It is designed to carry to completion a project already begun.

sideration.

It is designed to carry to completion a project already begun. It is in furtherance of the national policy adopted in 1928, to wit: That is dealing with flood control of the lower valley the responsibility is to be assumed by Congress.

No policy whatever has been adopted by the Government in respect to all the various projects incorporated in the omnibus bill. It is apparent that a sound flood-control policy applying to all the States and Territories cannot be formulated in a few hours.

This objection is raised not to minimize the necessity for relief or to throw obstacles in the way, but merely to indicate that it may be many weeks before such a policy is whipped into shape. Why, it can be asked, should the lower valley wait on flood-control projects stretching from Maine to California when the Government has already formulated such a policy, has spent over \$200,000,000 in prosecution of that work, which, if not further prosecuted, will be practically worthless?

in prosecution of that work, which, if not further prosecuted, will be practically worthless?

The Overton bill, being merely an expression of the previously adopted national policy, has no relation to the eastern flood-control problem. It comes under an altogether separate head. That is why Senators and Representatives familiar with the lower-valley problem are demanding that the Overton bill pass now, without waiting and facing the possibility of its being thrown into the omnibus bill designed primarily to give relief to the East.

Flood control in the East is something new. It is a long, laborious process. In the lower valley the project is already under way. It is in furtherance of a definite, fixed national policy. Delay is not only unwise but serious. Our Senators and Representatives will perform a splendid service if they will continue to present this view forcefully and vigorously to their colleagues.

The Overton bill should be passed now.

[From the New Orleans (La.) Item of Apr. 11, 1936] OUR FLOOD-CONTROL BILL

In leaving New Orleans General Ferguson, head of the Mississippi River Commission, said:

"The outstanding news of the week is that the snags which have delayed the Mississippi River flood bill have been removed."

We fully agree with this appraisal of this news if all the snags have really been removed. It is our understanding that all of them have so far as the Senate is concerned. The prevailing opinion in Washington seems to be that the Overton measure will pass the Senate. We are not so sure, however, about the House. We are not so sure, however, about the House.

Comprehensive floodway legislation along lines satisfactory to the Army Engineers was stalled in the House throughout the last session by opposition from a Louisiana Congressman, Mr. Wilson, himself chairman of the Flood Control Committee, and by several

others, all animated by conflicting viewpoints arising from local or regional interests in the floodway program.

Some of the most damaging opposition arose from regional aver-

some of the most damaging opposition arose from regional aversion to the Eudora floodway, favored by the engineers. We don't know whether that opposition is to be resumed in this session or not. We have seen no statement that it will, but neither have we seen any to the contrary. Everybody in this State and the other suffering areas of the lower flood valley who wants real comprehensive protection from recurrent catastrophe should turn his attention to the House with a view to advancing the Overton Act, if it gots through the Senate.

if it gets through the Senate.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting several nominations in the Public Works Administration, which were referred to the Committee on Appropriations.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 58 minutes p. m.), under the order previously entered, the Senate took a recess, to meet, for the trial of the articles of impeachment against Halsted L. Ritter, tomorrow, Wednesday, April 15, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 14 (legislative day of Feb. 24), 1936

PUBLIC WORKS ADMINISTRATION

George H. Sager, Jr., of Kentucky, to be State director of the Public Works Administration in Kentucky.

William F. Cochrane, of South Dakota, to be State director of the Public Works Administration in South Dakota.

Richard A. Hart, of Utah, to be State director of the Public Works Administration in Utah.

James A. Anderson, of Virginia, to be State director of the Public Works Administration in Virginia.

Eugene R. Hoffman, of Washington, to be State director of the Public Works Administration in Washington.

Malcolm L. O'Neale, of West Virginia, to be State director of the Public Works Administration in West Virginia.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 14, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, Thou hast set Thy love upon us; we are blessed with Thy jealous care and with Thy unsleeping and faithful watchfulness; praises be unto Thy holy name. We thank Thee for the good gift of life, rich, full, and crowded with interest. These days when so many are seeking something that shall make it fuller and better, grant, blessed Lord, to give them newer and richer blessings of wisdom and understanding. We pray that we may bring to Thee grateful hearts and happy spirits. Enable us to stand where we have fallen and win where we have faltered. Almighty God, increase our devotion to our traditional institutions; embue us plenteously with heavenly gifts, and may we hallow Thy name in all that we shall do. In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

OMNIBUS BILLS

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.
The SPEAKER. The gentleman will state it.
Mr. COCHRAN. Mr. Speaker, on Tuesday next, under the

rule, omnibus bills will be considered by the House. While I am opposed to some of the individual bills in the omnibus bills, I think at least 75 percent or more should be passed. I want to do everything I can to expedite the consideration of the bills, although I have not one bill to be considered. I note in the RECORD of yesterday that the gentleman from Oklahoma [Mr. Massingale] asked unanimous consent to speak for 20 minutes on next Tuesday. I understood the gentleman to ask unanimous consent at that time to speak next Thursday. I notice on the calendar this morning the request is listed as Thursday. I should like to know whether the gentleman from Oklahoma [Mr. Massingale] is to speak on Tuesday or Thursday. While I have never objected to a unanimous-consent request. I think when a special day is set aside for the consideration of omnibus bills that the Members should recognize that fact and not ask unanimous consent to speak on that particular day.

The SPEAKER. The Chair may say to the gentleman that the Journal, which is controlling, shows that consent was given the gentleman to speak on next Thursday.

Mr. COCHRAN. I hope the Members of the House will permit an entire day to be given to the consideration of omnibus bills and not take up part of the time with speeches.

PRIVILEGES OF THE HOUSE

Mr. ZIONCHECK. Mr. Speaker, I rise now to what is known as the privileges of the House. If the Speaker insists or someone objects, I shall prepare a resolution and take an hour. At this time I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. ZIONCHECK. Mr. Speaker, yesterday unintentionally I did not insert myself into anybody's remarks. The gentleman from New York [Mr. Boylan] was making a very fine address upon Thomas Jefferson, yesterday being Thomas Jefferson's birthday, and it was a very fine thing to do, and the gentleman did well. There is no one who admires Thomas Jefferson any more than I do, and there is no one who appreciates a good speech any more than I do, and the gentleman made a very fine speech. In fact, he did better when he started to talk than he did when he was reading. But he seemed a trifle irritated yesterday. I asked unanimous consent to proceed for 1 minute to tell the gentleman something in order to enlighten him, if I could. Of course, I am young but yet I keep on trying. The gentleman from New York objected. The gavel fell, and he lost the floor. I told him at that time-and I think the RECORD will so show—that the reason he objected was because he could not answer it. So very suavely and in a very meek and surreptitious manner the gentleman goes to the reporters and suggests they might leave that remark out.

Now, Mr. Speaker, his remarks had ceased. I admit I had no business making the remark, but I did it intentionally, and it was there.

Mr. Speaker, may I ask what right the gentleman from New York had to cause those remarks to be taken out of the Record? The Speaker may have ordered them out, or the House may have ordered them out, but he did not have that right.

Mr. BLANTON. I make the point of order that when a Member is speaking on the floor, as the gentleman from New York was yesterday, and someone attempts to interrupt him and he states he refuses to yield, and he does not yield, no Member then has the right to make remarks and to put them in the Record without being recognized by the Chair or getting permission of the House.

I think the gentleman from New York would have been well within his rights if he had taken a pencil and wiped out the remarks himself, because the gentleman from Washington did not have any right to make a remark in the

RECORD unless he got permission of the House or permission of the Chair. Mr. Speaker, I make that point of order.

Mr. ZIONCHECK. Mr. Speaker, I should like to be heard on the point of order.

Mr. Speaker, the reason I am not going to try to explain to the gentleman from Texas what I have been telling the House is because I have long ago learned not to describe the beauty of a morning sunrise to a cat.

The SPEAKER. The Chair understands the gentleman did not have the consent of the gentleman from New York to interrupt him?

Mr. ZIONCHECK. May I make this explicit?

The SPEAKER. The Chair is trying to ascertain the facts.

Mr. ZIONCHECK. That is what I am going to try to tell the Chair. I know this is a very delicate point, you know, from a parliamentary standpoint. I do not know what the Chair is going to do. I know how I would decide the question, but that is the only thing I can state to the Chair.

Mr. Speaker, the point is the gavel had fallen. The Speaker had stated "Your time has expired." So the gentleman from New York throws in an objection to my speaking, and then my remarks that followed the objection, without the permission of the House, are taken from the Record. After his time had expired he goes to work and deletes my remarks that I should not have put in anyway, but they were there. He did this without my permission. If the gentleman had called me up and asked me about the matter I would have stated it was all right to delete the remarks.

The SPEAKER. The Chair may say to the gentleman that no Member of the House has the right to have his remarks inserted in the Record unless he has obtained the consent of the House or the Chair or the gentleman addressing the House.

The present occupant of the chair was not presiding at the time, but the Chair understands from the gentleman from Washington [Mr. Zioncheck] that when he asked the gentleman from New York [Mr. Boylaw] for permission to interrupt him the gentleman from New York declined to yield. Thereupon the gavel fell, and the gentleman's remarks were made after the gavel had fallen and without recognition from the Chair or the permission of the gentleman from New York.

Mr. ZIONCHECK. That is right. I admit I was wrong. The SPEAKER. The Chair, under such circumstances, holds that the remarks were not proper for the Record.

Mr. ZIONCHECK. That is right.

The SPEAKER. And certainly if they affected the gentleman from New York or anything he had stated in his remarks, the gentleman from New York had the right to strike them out.

Mr. ZIONCHECK. Yes; but, Mr. Speaker, what right did he have to delete remarks that were not properly there and were not within his remarks without my permission or the permission of the House?

The SPEAKER. For the reason that the remarks of the gentleman from Washington were made out of order and affected the gentleman from New York,

Mr. ZIONCHECK. But who is the gentleman from New York to start cleaning up the RECORD?

The SPEAKER. If the remarks affected the gentleman from New York personally or referred to anything he may have said, the gentleman from New York was clearly within his rights in not having the remarks of the gentleman from Washington appear as a part of his speech.

Mr. ZIONCHECK. Is he going to start editing the Senate speeches now?

The SPEAKER. The Chair need not reply to that.

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOYLAN. Mr. Speaker, I have been a Member of this House for seven terms. During this entire period I have never objected to the request of any Member to proceed in a regular or orderly way. For the first time during my years of service I am accused of surreptitiously causing some remarks of the gentleman from Washington [Mr. Zioncheck] to be eliminated from the RECORD.

There has grown up a practice in this House lately, and only a couple of months ago I spoke to the Speaker about it, of men rising on the floor and making certain requests and then, after the requests are denied, to continue talking. I have held that under the rules of the House, after a decision is made by the Speaker or the Chairman, no further language should be taken down, and I think you will admit this is right, otherwise we get a lot of extraneous matter in the RECORD that does not belong there.

I am not so obtuse that I need any admonition or instructions from the gentleman from Washington. I have always held my membership in this House in the greatest dignity. I have tried to proceed according to the rules, and, above and beyond all that, irrespective of any rules, I have always tried to be a gentleman. [Applause.] I have never impeded or stood in the way of any reasonable request made by any Member of this House.

Yesterday, the one hundred and ninety-third anniversary of the birth of Thomas Jefferson, I thought we ought to pause a while and consider the work of this great man. As I said yesterday, and as I repeat today, there seems to be a philosophy growing up that there is nothing to the credit of men who have given their lives and their best endeavors for the Republic. A certain element today sees nothing in that philosophy. They see nothing in the historic backgrounds of the past that have been the milestones along which our Republic has traveled. They would have them all sink into insignificance for that of the present day and the present

The gentleman from Washington requested me to yield. I said to him, off the record, I preferred not to yield until I had completed my speech, as I wanted to keep it connected and all together, but the gentleman still persisted, and, as you all know, I try to make it a practice to yield to anyone who requests me to do so. I yielded to the gentleman, and he made a remark in a sneering manner that would tend to disparage any attempt to erect a memorial to the memory of Thomas Jefferson. However, I proceeded with my statement, and after the gentleman sought to interrupt me further several times-

[Here the gavel fell.]

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to proceed for 5 additional minutes. Is there objection?

There was no objection.

Mr. BOYLAN. The gentleman sought to interrupt me further, and in view of the tenor of his first remark I declined to yield to him. He persisted, however, in his endeavors to spurt himself into my speech. I refused to yield to him, and at the conclusion of my speech he asked time to proceed for 1 minute. Judging by his previous action in his question and statement, I did not care to have any similar remarks follow my address. So I objected to his request.

I cannot recall when I objected to any other man's request before, but I objected for the reason I have stated; and after I had objected he went on with some irrelevant statement to the effect that I did not yield because I was not able to answer the question.

I am not a crystal gazer, and I do not hold forth as an astrologer. I do not know what question was in the gentleman's mind. I do not know his mental processes. Of course, I have certain opinions of them, based on observation of his actions and talk on this floor, but courtesy prevents me from expressing these opinions. [Laughter.] I shall not put them in the RECORD.

Of course, if he tried to spurt himself into my speech-Mr. ZIONCHECK. Mr. Speaker, a point of order.

The point of order is this: I did not intend to refer to other matters, but it is like the gentleman from Texas, when he said that I was doped, and he took the word "doped" out and left a blank.

Mr. BLANTON. Mr. Speaker, I make the point of order that the gentleman is not stating a point of order.

Mr. ZIONCHECK. I would have a right to delete those remarks. I think the gentleman from Texas is a son of a Texan, and I am going to take the "Texan" out.

The SPEAKER. The Chair thinks the gentleman from New York was proceeding in order, and the Chair overrules the point of order made by the gentleman from Washington.

Mr. BOYLAN. Mr. Speaker, I had not quite finished. After I objected the gentleman made this irrelevant remark that I was unable to answer the question. Then when I received the written transcript of the proceedings I noticed that that statement was in the RECORD after I had objected to his request, and therefore I called the attention of the reporter to the fact that extraneous matter had been injected

after I had objected to his proceeding.

Now, I said that under the orderly procedure of the House that remark should be eliminated because it was squirted or spurted in there. I took it up with the chief reporter, and he consulted with his colleagues who have been here for many years, and they all agreed that it should come out. I did not take it out, I merely called the attention of the reporter to the rules of the House, and he took it out. gentleman from Washington seems to be very much perturbed about it this morning.

The SPEAKER. The time of the gentleman from New

York has expired.

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes more.

The SPEAKER. Is there objection?

Mr. RANKIN. Reserving the right to object, we have a very important conference report to dispose of this morning. Mr. BOYLAN. If the gentleman objects, I shall have to raise the question of the privilege of the House.

Mr. RANKIN. I hope the gentleman will not interrupt me until I have finished my statement. Mr. Speaker, I reserve the right to object, although I am not going to object, to the gentleman's proceeding for 5 minutes more. I think this matter the gentleman is now discussing has taken too much time already, and we have a conference report here that affects the people in many States—people whose homes have been washed away by floods or destroyed by cyclones. I shall object to anybody else having time until this conference report is disposed of.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOYLAN. So that language was struck out. Now, I have the greatest admiration for the gentleman from Washington. I wish he would pay a little attention to me. I have great respect for the gentleman from Washington.

Mr. ZIONCHECK. And I have for the gentleman from New York.

Mr. BOYLAN. He is young and impulsive and needs a little seasoning, which he will probably get in time. [Laughter.] My admiration, my respect and love for the gentleman are so great that I would not put a stone in his way, but I do say that if he is left to himself he is liable to squirt himself out of his seat, and I would not like to see that happen.

Mr. ZIONCHECK. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. ZIONCHECK. The point of order is this: When I squirt myself out of my seat where will I squirt myself and who cares?

Mr. BOYLAN. The gentleman will probably squirt himself into that oblivion from which he emanated.

The SPEAKER. It is distinctly out of order and against the rules for Members to interrupt another Member who is speaking, especially when seated. The Chair trusts that the gentleman from Washington will observe that rule.

Mr. BOYLAN. Mr. Speaker, I do not want to see the House lose the services of such a valuable gentleman as the Member from Washington. We need all types of character, as they all go to make up a general ensemble. The gentleman from Washington may have his peculiarities, perhaps due to a different temperament, perhaps attributable to the air of the great West, but we tolerate him, and we ask him

at all times to have a little respect for the dignity of the House, to feel his membership here, to so carry on that he would show not only in his language but also in his daily actions and conduct that he appreciates being a Member of the great House of Representatives. I have never done anything surreptitiously in my life, and I am too old to start now, and let me assure the gentleman that I shall proceed in the same even tenor of my way.

Mr. ZIONCHECK. Is that a promise?

The SPEAKER. The time of the gentleman from New York has again expired.

Mr. BOYLAN. Mr. Speaker, have these interruptions been taken out of my time? If they have, then I have not quite finished my 5 minutes.

The SPEAKER. Does the gentleman ask unanimous consent for more time?

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for another minute.

The SPEAKER. Is there objection to the gentleman from New York proceeding for 1 minute?

There was no objection.

Mr. BOYLAN. Mr. Speaker, I do hope that the young gentleman from Washington will not feel that I have spoken harshly about him. Everything that I have said has been said as in the light of a big brother. I do not want to see him go wrong. I should like him to study the rules of the House and be familiar with our procedure, and then I am sure he will not make the same error that he made yesterday.

LEAVE TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. The gentleman from Indiana asks unanimous consent to proceed for 5 minutes. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. There is a very pressing conference report here ready for consideration on flood control and flood relief. For 2 weeks we have been trying to get some relief for the people of this country who are in dire circumstances, but we take the time to discuss many matters here that are not of great importance. I think we ought to give consideration to flood-control legislation. I shall not object to this request, but I think we ought to get down to brass tacks here and do something.

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, I reserve the right to object. I agree with the gentleman from Pennsylvania [Mr. Rich]. We have a measure here that means almost life and death to thousands, probably hundreds of thousands, of people in this country, many of whom have been out of their homes for a week, ever since the flood struck here several days ago. I wonder if the gentleman from Indiana would be willing to wait and get his time later.

Mr. WOLCOTT. Mr. Speaker, I demand the regular order. The SPEAKER. The regular order is called for. Is there objection to the request of the gentleman from Indiana?

Mr. RANKIN. Mr. Speaker, for the present I shall have to object.

THE IMPORTANCE OF THE IMMEDIATE CONSTRUCTION OF AMERICAN AIRSHIPS

Mr. O'CONNELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNELL. Mr. Speaker, not a day passes that the press of our Nation fails to publish some article or cable report concerning the new German Zeppelin, the Von Hindenburg, which is the largest airship ever constructed. This airship is scheduled to visit the United States early in May.

This trip of the Von Hindenburg is for the purpose of making a demonstration through which Congress may be influenced to provide more money to construct more Germandesigned airships, like the Akron and the Macon, and perhaps also that the United States may place orders for Zeppelin airships to be constructed in Germany.

The German Zeppelin interests now practically dominate airship construction in the United States by its American

Zeppelin patents and its large holding of stock in the Goodyear Zeppelin Corporation, to which the American Zeppelin patents are transferred or licensed.

The Zeppelin influence extends further, in that some former Zeppelin engineers, many of whom are now American citizens, are members of boards which have been appointed to investigate airships. Their reports, directly or indirectly, constitute an influence in favor of the Zeppelin, especially as they appear to recommend only airships that have "demonstrated flight."

The Akron and the Macon have "demonstrated flight" through the appropriation of public funds by Congress. An American airship designer may have an airship endorsed by eminent American engineers as being stronger, safer, and better in other respects, yet its construction may not now be considered by the Government agencies because he has not previously "demonstrated flight."

There is still another important thought that should be considered. The operation of the *Graf Zeppelin* to South America has definitely increased commerce between Germany and South America. The new *Von Hindenburg* will also be placed in service to South America, and still further may increase German exports to South America. A sister ship of the *Von Hindenburg* is reported to be now under construction in Germany, and a deal with Dutch interests is said to provide the construction of more German-built Zeppelin airships to engage in trade to the Dutch island colonies. It seems evident Germany contemplates dominating lighter-than-air transportation.

The Germans have built in Germany only five airships since the World War. Two of these were employed for several months in intercity commercial service with very satisfactory results and with substantial profit, then were delivered to France and Italy as part war indemnity and were broken up.

The Los Angeles was delivered to the American Government, and after many years of successful flight is still reported as sound, and with some repairs could be put in service now. The Graf Zeppelin has conducted a wide range of successful flight for 7 years, in which was included a trip around the world. The Von Hindenburg has completed its first long overseas journey, and is said to be the best airship that has been constructed.

The Zeppelin frame is classified as an indeterminate structure and may be calculated only upon what is termed an "empirical formula" and may not be calculated upon normal engineering formulas. It is interesting to know that the empirical formula is established only through experience of actual construction and use of what is classed as an indeterminate structure.

Prior to the construction of the Akron and Macon, the Zeppelin engineering organization was supplied with data for an airship only as large as the Los Angeles or the Graf Zeppelin. They may have desired to construct an airship the size of the new Von Hindenburg, but perhaps had no data to then warrant such construction. What would they do about it?

It has been stated that when Germany believed it would win the war against France, England, Italy, and Russia the German imperial command considered who would pay Germany. Their opponents were without resources to pay, and if the United States was forced into war against Germany then the United States could pay Germany, for the United States was known to be a wealthy country.

The German imperial command, therefore, is said to have deliberately ordered certain naval operations which resulted in the United States becoming involved and while the opinion as to Germany's winning was an error, they were right in that the United States would pay for the conflict, for while we did not pay Germany, we did pay our allies.

If the German Zeppelin engineers wanted definite information that would warrant them to build the Von Hindenburg, which is larger than the Akron or Macon, and to advance their empirical formulas with construction and operation data, they would need to build larger airships or get someone else to pay for the experiment. My opinion is

the United States was again chosen to be "the goat." The | construction and destruction of the Akron and Macon undoubtedly supplied valuable data to the German Zeppelin organization for the construction of the Von Hindenburg.

I do not wish to say anything detrimental to our now valued American citizens of German birth, who may formerly have been Zeppelin-trained engineers and came to our country to aid in the design and construction of the Akron.

The fact remains, however, that these engineers perhaps had not acquired the full technical knowledge then possessed by the Zeppelin organization, or, if they had such knowledge, they did not insist that the Akron and Macon be constructed with certain important reinforcements which I am informed were employed in the construction of previous Zeppelin

I understand that during the Lighter-Than-Air Forum, at Akron, Ohio, July 25 and 26 last year, the Navy Department was charged with responsibility for the loss of the Akron and Macon because the builders were not allowed to include certain reinforcements which had been considered necessary and were included in previous Zeppelin-constructed airships.

I do not know if an investigation has been made concerning these charges or the result of such investigation if made.

The loss of the Akron and Macon is thought to be directly the result of structural failure at a place which in other Zeppelin airships were reinforced, and the operating personnel of these airships were no more to blame than a driver of an automobile should be blamed when a front axle breaks and the automobile is wrecked.

We should at least learn from the loss of \$10,000,000 worth of airships, with the lives of scores of men, that we should now question the advice of those who may be responsible for the structural failure of the Akron and Macon and of those who now recommend the continued construction of such airships, when the United States has the most competent structural engineers in the world, who have been ignored when American airship construction has heretofore been considered.

When the new Zeppelin, the Von Hindenburg, arrives in America these American engineers must feel that the American people, the American press, and the American Government have no confidence in their ability to design and construct airships as well as the German engineers and that other nations may feel the American engineer has fallen from his former leadership among engineers of the world.

I have been very much impressed by a brief prepared by Dr. D. B. Steinman, president of the National Society of Professional Engineers, published in the February issue of the American Engineer, as follows:

The engineer—he is the master of the laws of nature. On a sound foundation of mathematics, science, and economics he bends the materials and forces of nature to his plan and rears the strucof civilization.

With vision, resourcefulness, and ingenuity, he labors to increase the comfort, wealth, and safety of his fellow men. He attacks his problems with the vision of the pioneer, the integrity of the scientist, the accuracy of the mathematician, the practicality of the businessman, the resourcefulness of the inventor, and the courage of the conqueror.

He is the planner and builder. He builds his visions into endur-

ing realities.

He is the pathfinder of civilization. He breaks down barriers, bridges chasms, establishes communication, and straightens the

way for commerce and human progress.

He is the protagonist of efficiency. He reduces effort, eliminates waste, and increases production.

He is the creator of a nation's wealth. He drains the swamps, reclaims the deserts, develops resources, and harnesses power. He builds the machinery of industry, the wheels of commerce, and the structure of business

He is the great coordinator. He plans and directs the construction of projects representing the investment of millions of dollars and involving the labor of thousands of men.

He investigates with open mind and gets the facts before he makes decisions. He plans with thoroughness and builds with

To his rich heritage from the labors of past generations of engineers and scientists he adds his contributions. He continues the work of forcing outward the challenging barriers that separate man's efforts from the impossible.

Dr. Steinman is an eminent consulting engineer, in the design and construction of both arch-frame and suspension bridges, and is recognized throughout the world as among insurance during such construction and operation.

the leaders in his profession. He has designed many of the great bridges in North and South America, as well as in other sections of the world.

He has knowledge and experience that assures his ability to analyze the Zeppelin arch-bridge type frame, the aerodynamic and load stresses imposed on an airship in flight, and to design an airship structure with the application of the suspension-bridge engineering principles, for any size airships.

One of our American inventors developed the idea of employing the self-anchored suspension-bridge principle in the construction of airships. With the cooperation and advice of the Guggenheim School of Aeronautics, of New York University, following standard procedure, a scale model was made and tested with very satisfactory results. Robinson & Steinman, consulting engineers, were then employed to design a suspension-bridge frame for an airship, to be constructed upon specifications prepared by the Bureau of Aeronautics of the Navy Department, for the Akron and Macon.

Upon the completion of this work Messrs. Robinson & Steinman submitted a report in which were the following statements.

Whatever may be said of the performance of the Zeppelin airship will apply equally to the Respess airship, but the Respess airship would have in addition the following advantages:

Greater strength and safety. Greater inherent strength. Increased length of life. Decreased maintenance costs More efficient use of material. Reduction in cost of construction. Reduction in time of construction. of construction.

Simplicity, accuracy, and definiteness of calculation. The stresses in this airship never reverse, thereby removing all fear of failure in the hull through fatigue and crystallization. The net pay load will be unusually high, facilitating economical commercial operation.

This is the type of airships proposed to be constructed under bill H. R. 2744, for two 7,000,000-cubic-foot airships and their operation in trans-Atlantic service, and in bills H. R. 10186 for a 300-ton military airship and H. R. 12030 for a 300-ton naval airship.

The main purpose of these bills is (1) to demonstrate the practical and profitable operation of American-designed airships in overseas trade and thus may attract private capital to engage in the extension of such operation; (2) to demonstrate the military or naval value of American airships that are designed for commercial use but may be converted to military service in the event of war. Thus we may determine the support the Government should extend as loans to encourage commercial airship construction and operation by private capital, as now provided for our merchant marine.

The value of airships has been determined to a sufficient extent to warrant American airship construction, and such construction has been approved by several Government agencies-the National Advisory Committee for Aeronautics, the Federal Aviation Commission, the Science Committee, and the Navy, War, and Commerce Departments.

In heavier-than-air transportation the United States is farther advanced than any other nation of the world. With our huge supply of nonexplosive helium gas we also have the opportunity to become the leader in overseas airship transportation. Our leadership in heavier-than-air transportation has been attained through gradually increasing investment of private capital. Leadership in airship overseas transportation may also be established with invested private capital when it is demonstrated such service may be conducted with profit.

The Government itself constructed the Shenandoah. Akron and Macon were constructed under naval specification and supervision. We now have none of these airships, and they were not insured. I am opposed to further airship construction under such conditions. I am in favor of American private agencies attacking the problem of American airship construction and operation and to carry full

That airships may be operated at an attractive profit is indicated by an estimate of the probable annual receipts and expenditures for such service, as contemplated under bill H. R. 2744, for the construction and operation of two 7,000,000-cubic-foot airships, each making a round trip weekly between our Atlantic coast and England or Europe.

Operating charges	
Administration and communication	_ \$300,000
Fuel and oil	
Helium gas	
Crew	
Engine maintenance and replacement	500,000
Terminal charges	
Contingencies	And the Control of the Control of
Insurance	
Insurance Airship maintenance	500,000
Airship depreciation	500,000
Liquidation of construction loan	
Interest at 3½ percent annually	
Traffic solicitation and handling	
of the Stave Department for the Alcon and	6, 035, 000
Estimated income	1840,15
the statement security services to the reproduction for	Pounds
Total pay load available each trip	48,000
Total load, 208 trips	9, 984, 000
Average 75 percent full loads	
Average 80 percent of schedule trips	5, 958, 400
Income with \$1.50 pound charge	\$8, 937, 600
Deduct operating charges	6, 035, 000

These estimates were submitted with realization that no service of this character has ever been operated, and consequently the figures must be taken as approximate. A sincere effort was made to estimate the operating charges high and the prospective income low. It is fair to state also it is believed the pay load will be much more than 48,000 pounds.

Net profit_

Airships for commercial operation of this character must be strong and flexible in order to resist unusual or unexpected stresses during all seasons of the year and in all kinds of weather. They must have speed of at least 100 miles per hour for rapid transportation and to avoid storms as far as may be possible. They must be able to operate at relatively high altitudes if necessary in order to avoid low storms, or seek a level of most favorable air currents, and they must have these qualities without reduction of the useful load beyond the point of providing a profitable pay load.

There are two types of thoroughly tested engineering principles that may be employed in designing airship frames. One is that of the arch-type bridge, that requires a structural weight 40 percent greater than that of a suspension bridge of equal strength and capacity. If the arch-frame bridge were reduced 40 percent in weight it would not be capable of carrying the same load, and no bridge engineer could endorse the safety of such bridge for such load.

The suspension-bridge engineering principles, when employed for an airship frame, not only has the important advantage of reduced weight but receives stress on elastic steel bridge strand wire, and in this type of structure the stresses never reverse, therefore removing all fear of failure in the hull through fatigue and crystallization. In the operation of Zeppelin-frame airships reversal of stress, fatigue, and crystallization of the metal employed cannot be avoided.

That there is a need for safe American overseas airship service and ample opportunity for conducting such service profitably is supported by the House Committee on Commerce in its report on the merchant airship bill, H. R. 8681, June 15, 1932, from which I take the following extract:

The Committee on Commerce, to whom was referred the bill (H. R. 8681) to develop American air transport services overseas, to encourage the construction in the United States by American capital of American airships for use in foreign commerce, and to make certain provisions of the maritime law applicable to foreign commerce by airship, have considered the same and report thereon with amendments and, so as amended, recommend that the bill

do pass.

The purpose of the bill is to promote national defense and foreign aircraft serving such trade and trade by having suitable American aircraft serving such trade and available for use in time of war. The creation of commercial airtransport services overseas as a supplement to the American mer-

chant marine is a possibility that has only now become practicable by recent advances in applied science. There is ample evidence that the time has now come to use the air as the medium for rapid transport of the urgent portion of our business representatives, samples, and mails to overseas markets.

The speed of steamships has about reached its economical limit. To maintain a speed of more than 24 knots requires vessels of enor-To maintain a speed of more than 24 knots requires vessels of enormous size and cost. Freight and passengers cannot be found to fill such superships except on the North Atlantic, and even there international rivalry supported by governments has only pushed the speed up to 28 knots. Naval architects propose the ultimate ship of 30-knot speed, to cost twice as much as a 24-knot vessel, saving 1 day in the Atlantic crossing. Such ships, flying our flag, will cost approximately \$30,000,000 each, of which amount threefourths is required, under existing law, to be loaned by our Gov-

ernment at low rates of interest.

In the Pacific there is slight possibility of supporting from commercial revenues steamships of much greater speed than are now available. And yet in the Pacific our national and commercial interests may have the greater need for increased speed of transportation. To increase the speed of water transportation materially is usually prohibitive in cost, because the portion of passengers, mails,

usually prohibitive in cost, because the portion of passengers, mails, and goods that really require high speed is too small to fill at increased charges the great vessels needed to provide such speed.

The other side of the picture reveals the air over the sea as an available medium for the very high-speed transport by aircraft of this relatively small portion of the traffic now moving that is able to pay for time saved. Instead of a possible speed increase of 10 or 15 percent offered by steamships at a very great cost, aircraft offer the possibility of a speed increase of several hundred percent over existing means and at moderate cost. In other words, the economical speed for aircraft operations is high compared with economical speed for aircraft operations is high compared with

that for vessel operations.

Today our trade and manufacture are not simply a matter of domestic industry and exchange. We have developed the principles and practices of quantity production to such an extent that we have become an exporting Nation. This export field is new to our generation, but we are in competition with the old, experienced export nations of the world. If our future in this export field is to be a success we must proceed with a definite program of aggressiveness.

Once we had the leading position in the China trade until the Civil War destroyed the American merchant marine. We had the cream of that carrying trade, because we had the swiftest sailing ships in those days of sail and wooden ships. It was speed that won us the tea and silk cargoes.

In the Atlantic we have no geographical advantage, and if we are to receive our share of trade we must take the lead in securing closer contacts and better relations. Here our problem of maintaining a reasonable position in foreign trade is one demanding

the greatest application of American ingenuity.

Europe is fast learning the lesson of mass production from American industry, and with its present almost unchallenged position in the field of steamship transportation bids fair to assume a commanding lead in the Atlantic trade to the exclusion of her

commanding lead in the Atlantic trade to the exclusion of her American competitors.

In the Pacific geography has been more favorable to us. We are in the enviable position of being closest to the largest concentration of population on earth. We must take those steps now which facilitate intercourse and increase accessibility.

It is 6 or 7 days from San Francisco to Honolulu by steamship (one ship only making it in 4 days—the fastest on the Pacific), and approximately 14 days to Japan. It is 3 weeks from California to Manila and even longer to Hong Kong or Shanghai. Two months must pass before the average letter receives a reply. Trade must develop slowly under such conditions. Speed is essential for letters and documents, for samples and high-class express traffic, for orders, for the service of filling these orders, and for the transport of business representatives.

The application of airships of the Akron type to trans-Pacific

The application of airships of the Akron type to trans-Pacific service has been represented to the committee by responsible American business and shipping men as promising a profound alteration

ican business and shipping men as promising a profound alteration in the effects of geographical distance. For example, Hawaii can be brought within 36 hours of California, giving not only obvious trade benefits but also a powerful corrective to the unfortunate effects of the relative inaccessibility of our primary Pacific fortress. Airship service to Manila can cut the travel time from 3 weeks to 6 days and bring Shanghai, Hong Kong, and Tokyo as close to our west coast as London, Paris, and Berlin are by steamship from our east coast. Airships on the North Atlantic can deliver passengers, mails, and express in Europe in less than half the time now taken by the faster foreign steamships.

Such overseas air-transport services will be supplemental to the merchant marine, which must continue to carry the bulk of passengers and mails and all of the heavy cargo. The merchant marine is supported by the volume of our foreign trade and will be benefited to the degree that airships succeed in stimulating this trade. Captain Dollar has well said, "When business representatives can visit their foreign customers more quickly they will go more often, get more orders, and our ships will get more cargoes."

The airship as a new vehicle for the service of our foreign trade

The airship as a new vehicle for the service of our foreign trade can give an increase in speed over our existing fast steamers comparable to that following the replacement of sail by steam in the last century.

The volume of traffic now moving across the Pacific and Atlantic is enormous. For example, over 1,000,000 persons crossed the North

Atlantic by steamship in 1930. Of these, 100,000 persons each way went first class and half of them booked passage at extra fares on the 10 fastest ships. An airship service to Europe giving a sailing twice a week would carry the small fraction of this traffic for whom time saving was really worth while.

Across the Pacific the present passages to 65 to 2000.

Across the Pacific the present passenger traffic is very much less than on the North Atlantic. Even in 1929 but 100,000 persons crossed the Pacific. It is obvious that passengers do not travel when ships are slow and distances great. While the traffic available for the trans-Atlantic airship service is more than ample, the need for a speedier service across the Pacific is even more evident.

need for a speedier service across the Pacific is even more evident. The weight of all mail dispatched from New York to Europe reaches annually nearly 40,000,000 pounds, of which about 3,850,000 pounds is first class. The weekly shipment of first-class mail by all steamers exceeds 69,000 pounds. With two airships sailing weekly, a large portion of this first-class mail could be expedited, but with a surcharge to the public in the form of an extra stamp the volume actually designated to be sent by air can be controlled by the post office. The post office can in this way adjust the relation between the compensation paid to the carrier and the surcharge paid to the post office.

Across the Pacific like the passenger movement, the mail move-

charge paid to the post office.

Across the Pacific, like the passenger movement, the mail movement is less than across the Atlantic, the first-class portion of such mails being about 28 percent of Atlantic first-class mail. This quantity is within the capacity of airships to handle.

There is no international express business, but it is to be expected that a rapid air-transport service will develop such a business analogous to our domestic railway and air express. Newsreel films, machinery parts, style goods, plans, specifications, drugs and cultures, manuscripts, and samples may be counted on for such shipments. Also there will always be a great variety of miscellaneous merchandise which through special attendant circumstances must be shipped by the fastest means available regardless of cost. Such shipments may represent the specifications for new of cost. Such shipments may represent the specifications for new construction, a delayed order, machinery repair parts, technical apparatus, and the like.

There appears to be in our foreign trade a large potential volume of passengers, mall, and express that can benefit by time saving. These three classes of business should share in an equitable manner the expense of operating the air service.

The United States has in the past established itself as leader in fast overseas transportation, but today other nations have larger and faster ships. The construction and operation of these ships are possible only through very large Government construction loans and operation subsidies.

Rear Admiral H. I. Cone, retired, when chairman of the Advisory Committee of the United States Shipping Board Bureau, told the Federal Aviation Commission that "the Government should build a series of airships suitable for transoceanic passenger and express service." In that way, he declared, "the United States would assume world leadership in the aircraft industry, enabling us at the same time to recapture our lost position in the field of world shipping", adding, "the United States will be left hopelessly behind unless we take steps for building airships to fill out our merchant

In the consideration of building and operating commercial airships, with subsequent construction of additional airships with private capital, the operations as stated must be conducted at a profit. Thus, there are two vital points to be decided: The type and size of the airships to be constructed and the conditions under which the airships shall be operated.

In the choice of airships the type and size that provide the greatest strength and safety, with assurance of rendering the most valuable commercial and military service, should be selected. The conditions under which the airships may be operated should give assurance of a reasonable profit, after providing for replacements, liquidation of principal, and interests on funds employed in the construction and in establishing the service.

Assuming that the present airships can be improved, for important improvement has always heretofore resulted with the extension of transportation operations, shall we be content to build airships on the Zeppelin adaptation of the archframe bridge construction, or shall we seek improvement through the advice and service of our eminent American engineers?

Some of my friends in Congress have suggested that

We know about the Zeppelin's performance and we are not engineers to determine the highly technical principles involved in a comparison of the Zeppelin frame and the suspension-bridge frame.

Fundamentally, the suspension-bridge-frame airship is, to our highly trained engineer, just another suspension-bridge-

type structure that is covered with waterproofed fabric, in which gas balloons are installed, with engines for propulsion, with control surfaces provided for directing flight, and with other equipment installed.

If a duplicate of the Akron, the Macon, the Graf Zeppelin, or the new Von Hindenburg were constructed, the only difference being in the type of frame employed, both airships would perform equally well. If the frame in the new airship is stronger, safer, and costs much less to construct, that is the airship we should have.

In order to determine what airships we should build, a committee of Congress may call American engineers of structural design and obtain their opinion as to the more dependable frame, then call representatives of our great construction engineering organizations and ask if they could build the suspension-bridge airship frame when designed; call those capable of supplying and fitting the cover to the airship; call those who have constructed gas bags, balloons, or blimps, and are capable of installing the gas bags in the airship; call our leading manufacturers of airplane or other suitable engines; call experienced men from our Government agencies who are capable of advising concerning other equipment for the airship; then finally call those who are experienced in operating airships to secure their opinions concerning their ability to fly the airship if the only difference is the frame.

If the suspension-bridge frame is better, the airship should be better. If the construction is simpler and the airships can be built quicker, we need airships now, and the time element is of material value. If the cost of construction and maintenance is less, such airships will have a considerable advantage as a vehicle of transportation and commerce. With these facts supported by American engineers who have designed and constructed our great public works, for which we have appropriated millions of dollars, then we are warranted in accepting the judgment of these engineers and in approving the airship bills, H. R. 2744, H. R. 10186, and H. R. 12030, and this should be done by the present Congress.

Mr. Speaker, I feel this is a matter of vital importance to our Nation. The airship is destined to become a major form of air transportation, and we will realize this fact within a very few years, perhaps after another nation has become well established, and we may not then obtain the dominating place in overseas rapid transportation.

At the present time we have the only supply of nonexplosive helium gas in the entire world; we have our unsurpassed American engineers, who have been pioneers in the major improvements that we have secured in the past 50 years; and we have a Congress in session concerning which history can record as being responsible for American domination of airship overseas transportation, for extending our commerce by air to the trade marts of the world, and for giving our country a valuable means of defense in event of war.

I have investigated the sentiment of Congress concerning American airship construction and operation. I believe a majority of Members, in both the House and Senate, favor action by the present Congress and would vote in favor of such legislation were an opportunity provided for them to

RELIGIOUS LIBERTY

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I have made numerous talks on this floor concerning civil liberties. Today I shall say only a very few words about religious liberty.

(Note.—Should any person making research desire to find facts concerning freedom of speech and a résumé of cases. especially of the wartime, see speech delivered by me Mar. 4, 1936, CONGRESSIONAL RECORD.)

My purpose is merely to mention the danger to religious liberty by the suppression of civil liberties. All the statements I have made in reference to civil liberties in my recent speech and in other speeches apply in equal force, if not greater

force, to all religions, churches, and even all unorganized philosophical or religious theories.

The history of the world shows that religious groups are often utilized by selfish interests under some false theory of preventing subversive tactics, immoral tendencies, and so on, when the real purpose is to eliminate civil liberties, and the result has always been the loss of religious liberties. It is obvious that the church should fight all subversive movements and anything that might degrade the Nation morally, but it should look with decided suspicion on any plan that might lead to its loss of civil and religious liberty.

I respectfully suggest to every minister in America and every person who loves his own religion to fight consistently for civil liberties, in which is included freedom of conscience and religion.

NEUTRALITY

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the gentleman from Indiana extending his remarks in the RECORD?

There was no objection,

Mr. SCHULTE. Mr. Speaker, ladies and gentlemen of the House, it was my pleasure and privilege sometime ago to vote for extension of the neutrality legislation. We passed this same legislation in 1935, but owing to the fact that the law expired our President asked us to extend the act for another year in order that this country would be in a position to meet the emergencies that may arise from threatening war clouds to the east and the west. Hardly has this neutrality legislation been approved by this Congress than war clouds began to darken in the European war zone and the Far East. Wars nowadays are not contemplated nor declared, they simply start. And it was with these thoughts in mind that the President asked extension of the neutrality law.

I am not altogether satisfied with the present law, because I feel that it is not strict enough to keep us out of war with other nations into which we may be drawn and in which we have no business. Since this act was extended I have received hundreds of letters from the fathers and mothers of my district urging that this country pass a neutrality law that will definitely keep this country from becoming embroiled in another world war. The law which was recently signed by the President forbids the sale of arms to belligerents, and for that we can be thankful. It forbids the lending of money to belligerents, and from that it is shown that America has learned a lesson from the World War. It authorizes the President, at his discretion, to withdraw the protection of the United States Government from Americans traveling on vessels flying a belligerent's flag.

But our neutrality law does not forbid, or even limit, the building up of a synthetically prosperous American trade in war materials other than arms, and the development of an economic stake in other people's war.

None of us can forget that memorable day in April 1917 when newspapers heralded throughout the land the news, "America declares war!" Thus from Sarajevo, in 1914, to April 1917, the hand of Europe has drawn us ever closer and closer. With all our resources, with all our strength, with all our might, we struck for justice, for freedom, and for humanity. From every walk of life, from the hills and valleys, from the cities and the countrysides, from the offices and the workshops, from the platform and the pulpit even, there was mobilization of valor such as only a people who love liberty truly, who believe in Government where individual opportunity is synonymous with individual liberty, in a land where "every man is set free to be his best and do his best", could produce.

I am sure, ladies and gentlemen, that the American people do not want to have such another war forced upon them as the one this Nation was virtually shoved into almost a score of years ago-a war which has left its scars even on the people of this generation. No father or mother wants to send his son off to war to make the supreme sacrifice. This is the age of reason and not barbarism. But, my friends, the I concretely that war is costly and does not pay:

same propagandists that lit the torch that led the way for the god of war into America in 1917, 1898, in 1863, and during the Revolutionary War, are again at work. The same propagandists, the same munition manufacturers, and the same interests are today fostering another war. Little do they appreciate or care about the value of home life. Little do they care about the loved ones that need a mother's care. Little do they care about the hardships of battle. They will receive their profits in bloody bonds, high prices for their products, and gloat over the gouging of their huge profits.

Just recently one of the foremost newspapermen of this country predicted that in 2 more years the world would again be tossed into the chaos of war.

That is why our President wished the extension of the present neutrality law. He foresaw the trend of events. The American people, who have paid and paid for wars, realize what war means to our civilization and the peace and tranquillity of our homes. It means that the man who is going to do the fighting, who does the real and final paying, is going to stop and give particular thought to the question of neutrality. He is going to stop and ask himself:

"Why must I be placed in a foreign territory to fight?" "Why must I be the one to sacrifice my life when my country is not directly embroiled?"

"Why must I be the one to sacrifice my life for those who sit in swivel chairs and make millions and millions in war profits from manufacturing implements of war, of death and hell, while I lie in the mud and the filth in the trenches in the dark?"

Now, let us stop and think what we have paid-what was the price, in blood and money, paid by America, Great Britain, and all of the Allies for the World War from 1914

Did you ever stop to think, my friends, that the number of dead totaled 6,938,519; that 3,437,740 soldiers were seriously wounded, and that 8,516,497 were otherwise wounded? Did you ever stop to consider that America's entry into the World War cost this Government the staggering sum of \$50,361,-435,200.78, and more?

Wars have been costly for the people of this country not only from a financial standpoint but from the standpoint of deaths and casualties. I should like to set forth some figures just to reveal the toll of wars which this country has engaged in. In the Revolutionary War from the Battle of Lexington to the surrender of Yorktown, in 24 engagements, the American losses in the field were about 8.000.

In the War of 1812 the number killed in battle was about 1,500; the total number killed and wounded in land battles was approximately 5,000, with the grand total of losses, including prisoners, 9,700.

In the Mexican War the total losses were estimated at 1,549 killed or died of wounds; 10,986 died of disease. In the Civil War the Union Armies' total number of deaths was 359,528. Of these, 67,058 were killed in battle and 43,012 died of wounds, giving a total of 110,070 deaths from battle casualties. For the Confederate Armies it is estimated that the battle losses were 94,000 and that twice that many died of disease.

The total loss of life in the Spanish-American War totaled 2,910, including 280 killed. The wounded number 1,577, of whom 65 died. Those who died of disease totaled 2,565.

Losses sustained by the United States troops in the Philippine Insurrection totaled 777 killed, 227 died of wounds. 2,572 died of disease, while 598 died of miscellaneous causes to total 4,165 deaths and 2,911 wounded.

Statistics on America's participation in the World War reveal: Total number of men in active service in the front line, 1,390,000; total number of deaths in action and from wounds, 48,909.

I should like to call your attention at this moment not only to the staggering toll suffered by the Allied armies during the World War but to the number of dead, those seriously wounded, otherwise wounded, and prisoners taken or otherwise missing of all armies engaged on both sides to illustrate

Casualties of the Great World War, 1914-18

Country	Known dead	Seriously wounded	Otherwise wounded	Prisoners or missing
United States Great Britain France Russia Italy Belgium ³ Serbia Rumania ⁴ Grecce ³ Portugal ¹ Japan ⁴	1 107, 284 2 807, 451 2 1, 427, 800 2, 762, 064 107, 160 287, 000 707, 343 339, 117 15, 000 4, 000 300	43, 000 617, 740 700, 000 1, 000, 000 500, 000 40, 000 322, 000 200, 000 10, 000 5, 000	148, 000 1, 441, 394 2, 344, 000 3, 950, 000 462, 196 100, 000 28, 000 (4) 30, 000 12, 000 907	4, 912 64, 907 435, 500 2, 500, 000 1, 359, 000 100, 000 116, 000 45, 000 3
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	6, 938, 519	3, 427, 740	8, 516, 497	4, 653, 522
Germany Austria-Hungary Turkey Bulgaria	1, 611, 104 911, 000 436, 924 6 101, 224	1, 600, 000 850, 000 107, 772 300, 000	2, 183, 143 2, 150, 000 300, 000 852, 399	772, 522 443, 000 103, 731 10, 825
THE REPORT OF THE PARTY OF THE	3, 960, 252	2, 857, 772	5, 485, 542	1, 330, 078
Grand total	9, 998, 771	6, 295, 512	14, 002, 039	5, 983, 600

Includes deaths at home and in Expeditionary Force.
Includes colonial casualties as follows:

Force	Dead	Wounded	Prisoners or missing
Great Britain: Canada Australia New Zealand India French colonials	60, 383 54, 890 16, 500 59, 296 42, 569	155, 799 158, 199 41, 432 46, 969 { 15, 000 44, 000	8, 761 (*) 45 (*) 3, 500

*Unofficial.

*Exclusive of deaths at Wallachi while controlled by Germany, of the 18,000 prisoners taken by Bulgaria only 7,200 were returned alive, and of the 98,000 prisoners taken by Austria and Germany 43,000 were reported dead, 15,000 were returned alive, and the remainder were reported as still held.

*Included in preceding column.

*Exclusive of influenza deaths and those killed in Macedonia retreat.

*Serious.

Serious.
Otherwise.

Reference: From Bogart, Ernest L.: Direct and Indirect Costs of the Great World War (p. 272). (Carnegie Endowment for International Peace.)

My dear friends, this is "a Government of the people, by the people, for the people", and I have a very high estimate of the intelligence of my constituents, and justified confidence in their good judgment, and sincerely appreciate their earnest desire to be helpful to me by the letters they write and the telegrams they send in the sacred trust they have imposed on me to cast my vote for neutrality legislation that will be so airtight that this country will never again ally herself to take up arms in succor to another country and send the flower of our youth across perilous seas to fight the battles of another country.

From the thousands of letters which I have received, the greater number which indicate a clear conception of the issues involved in our neutrality program, it is apparent to me that the people of the First Congressional District of Indiana are against this Government sending our boys outside of the confines of the United States to fight a war that is none of our concern. I have always been opposed to any entangling alliances with foreign nations, and I believe, as I am sure that 92 percent of the people believe, that this Government of ours should remain free from becoming embroiled with any foreign countries.

In fateful situations like the present, when the question of strict neutrality is involved, when a false step may mean destruction, when a blunder may amount to a crime, when a mistake may mean a hurt which can never be healed, it would be "plucking the fruit of unripe wisdom" to disregard the war clouds which are forming on all sides of us at the present. I do not mean to speak of the danger of this country going to war. I do not mean to speak of the horrors of war. Were I to do so, I should dwell most upon the anguish of those at home, of families broken up, hopes blasted, bodies crippled, insanity and disease, debt and poverty, and want and famine, which are only a few of the results of every great war.

I would speak of liberties lost, constitutions destroyed, of peoples exterminated by the immediate savagery of war or languishing in bondage for generations under tyranny, foreign or domestic, military or economic, that always rides in the wake of war. I will not let my mind dwell upon the distress and disaster that wars bring, but we cannot forget what has happened in former wars, and know that what we need now is the strictest kind of a neutrality measure.

Are we particularly uneasy about the Atlantic coast, fearing the landing there of enemy spies or armies? No. Are we anticipating danger from the 3,000 miles of Canadian border? No. Are we especially apprehensive about the invasion of our country from that portion of the Pacific coast not contiguous to Mexican possessions? No. But our uneasiness lies in the intrigue that newspaper headlines carry to us today of the menacing dangers as evidenced by the darkened war clouds to the east and to the west. That is why I say that this Government should be on its guard as to the happenings all about us.

This country is today sitting on a dangerous precipice, from which foreign nations and the big munitions manufacturers are trying their mightiest to tumble us into oblivion. In London recently the League of Nations Council tried to reach a settlement of the problems tossed into its lap. There was talk that it might propose a new agency through which the nations of Europe might settle their disputes and agree upon a common adjustment and protection of their interests. It is obvious that this cannot be done through the institutions and covenants growing out of the World War. These have been so warped and violated by all nations concerned that they have lost their prestige and usefulness. The League covenant has been reduced to shreds and tatters, and the Kellogg and Locarno pacts have gone the same way.

Another war is not the answer to the question. No nation is financially able to support a war over any grievance that now exists. I am sure that with adequate neutrality that this Nation will not become entangled. I am sure that this country wants no part of any war over existing disputes now at stake.

We must have a strong neutrality law, sponsored by the people of this great Nation of ours, that will safeguard the priceless Government established by Washington and his compatriots and preserved by Lincoln and his invincible heroes and saved by those two great Presidents, Woodrow Wilson and Franklin Delano Roosevelt.

Such a government is worth fighting for, worth dying for. If necessary, every patriot, every free man, every American, will draw his sword to uphold, vindicate, and make good the wise and patriotic stand taken by at least 92 percent of the American people who do not wish to send our armies across dangerous seas to fight a war for the benefit of the munition manufacturers and a foreign power.

The brave, generous, and patriotic people I represent as a Member of this House desire peace with all the world, and as long as I am a Member of Congress I shall never vote to declare war on any country unless this country is invaded by a foreign power, when it will become the duty of every able-bodied citizen to protect and preserve this great Nation.

LOANS TO REHABILITATE FLOOD DAMAGE

Mr. GOLDSBOROUGH. Mr. Speaker, I call up the conference report upon the bill H. R. 11968, relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Maryland calls up a conference report upon the bill H. R. 11968 and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the statement of the conferees.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

[To accompany H. R. 11968]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, and 9, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 3. Title I of the National Housing Act, as amended, is amended by inserting after section 5 thereof the following new

"'SEC. 6. (a) The Administrator is authorized and empowered, upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building and loan associations, installment lending companies, and other such financial institutions, heretofore or hereafter approved by the Administrator as eligible for credit insurance, against losses which they may sustain as a result of loans and advances of credit, and purchases of obligations representing loans and advances of credit, made by them subsequent to the date this section takes effect and prior to January 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that the emergency no longer exists, for the purpose of financing, by the owners of real property or by lessees thereof under a lease for a period of not less than one year, the restoration, rehabilitation, rebuilding and replacement of improvements on such real property and equipment and machinery "'SEC. 6. (a) The Administrator is authorized and empowered, restoration, rehabilitation, rebuilding and replacement of improvements on such real property and equipment and machinery thereon which were damaged or destroyed by earthquake, confagration, tornado, cyclone, hurricane, flood, or other catastrophe in the years 1935 or 1936, either on the same site or on a new site in the same locality where the damaged or destroyed property was located. The Administrator is authorized to grant insurance under this section to any such financial institution up to 10 per centum of the total amount of loans, advances of credit, and purphases made by such financial institution for such purpose, and centum of the total amount of loans, advances of credit, and purchases made by such financial institution for such purpose, and any insurance reserve accumulated by any such financial institution under section 2 of this title prior to April 1, 1936, shall be applicable to the payment of any losses sustained by it as a result of loans, advances of credit, or purchases insured under this section.

of loans, advances of credit, or purchases insured under this section.

"(b) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it (1) unless the loan bears such interest, has such maturity, and contains such other terms, conditions, and restrictions, as the Administrator shall prescribe in order to make credit available for the purposes of this section; and (2) unless the amount of such loan, advance of credit, or purchase is not in excess of \$2,000, except that in the case of any such loan, advance of credit, or purchase made for the purpose of such financing with respect to apartment or multiple family houses, hotels, office, business, or other commercial buildings, hospitals, orphanges, colleges, schools, churches, or manufacturing or industrial plants, such insurance may be granted if the amount of the loan, advance of credit, or purchase is not in excess of \$50,000."

And the Senate agree to the same.

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 4. (a) The third sentence of subsection (a) of section 2 of the National Housing Act, as amended, is amended to read as follows: 'The total liability incurred by the Administrator for all insurance heretofore and hereafter granted under this section and section 6 shall not exceed in the aggregate \$100,000,000.'"

And the Senate agree to the same.

T. ALAN GOLDSBOROUGH, M. K. REILLY, JESSE P. WOLCOTT,
Managers on the part of the House. DUNCAN U. FLETCHER, ROBERT F. WAGNER, ROBERT J. BULKLEY, JAMES COUZENS, JOHN G. TOWNSEND, Jr., Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11968) relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes,

and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment no. 1: The House bill authorized rehabilitation On amendment no. 1: The House bill authorized rehabilitation loans by the Reconstruction Finance Corporation to be made to "corporations, partnerships, or individuals." The Senate amendment adds "municipalities, or political subdivisions of States or of their public agencies, including public-school boards and public-school districts, and water, sewer, drainage, and flood-control districts." The House recedes.

On amendment no. 2: The Senate amendment adds "highways and bridges" to the type of structures enumerated in the House bill with respect to which such rehabilitation loans might be made. The House recedes.

The House recedes.

On amendment no. 3: The House bill provided that such rehabilitation loans might be made with respect to property damaged or destroyed by catastrophes in the years "1933, 1934, 1935, 1936, and 1937." The Senate amendment provides that the catastrophes must have occurred in the years "1935 or 1936." The House

On amendment no. 4: The House bill contained a requirement that as a condition to obtaining any such loan, the repair, construction, reconstruction, rehabilitation, or acquisition for which the loan was made should be deemed by the Reconstruction Finance Corporation to be "economically" useful or necessary. The Senate amendment eliminates the word "economically." The House recedes.

On amendment no. 5: The House bill provided that the aggregate amount of such loans made by the Reconstruction Finance Corporation should not exceed \$25,000,000. The Senate amendment increases the amount to \$50,000,000. The House recedes.

On amendment no. 6: This is a clerical amendment. The House

On amendment no. 7: This amendment adds a new section to title I of the National Housing Act, as amended, under which the Federal Housing Administrator is authorized to insure financial institutions heretofore or hereafter approved by him as qualified by experience and facilities as eligible for credit insurance, against losses which they may sustain as a result of loans, advances of credit, and purchases of obligations representing loans and advances of credit, made by them for financing the restoration, recredit, and purchases of obligations representing loans and advances of credit, made by them for financing the restoration, rehabilitation, rebuilding, and replacement of property damaged or destroyed by flood or other catastrophe in 1935 or 1936. To be eligible for such insurance, the loans or advances must have been made subsequent to the date the new section takes effect and prior to January 1, 1937, or such earlier date as the President may fix by proclamation upon his determination that the emergency no longer exists, and no such loan or advance may be so insured unless it was made to an owner of real property or to a lessee thereof under a lease for a period of not less than 1 year.

The maximum amount of insurance which may be granted under the new section to any approved financial institution is fixed at 20 percent of the total amount of such loans, advances of credit, and purchases made by it, and any insurance reserve which it may have accumulated under section 2 of the National Housing Act prior to April 1, 1936, is made applicable to the payment of any losses it sustains as a result of loans, advances of credit, or purchases insured under the new section. The provisions with respect to the maximum amount of individual loans and advances which may be insured, and those which relate to interest, maturity, etc., correspond to the provisions contained in such section 2.

The conference agreement retains the provisions of the Senate amendment, but reduces the maximum amount of insurance to be granted to any such approved financial institution from 20 percent of the total amount of its loans, advances of credit, and purchases to 10 percent of such total amount.

On amendment no. 8: This amendment changes the provision of existing law that the total liability of the Administrator for all insurance under section 2 of the National Housing Act, as amended, shall not exceed \$100,000,000, so as to make this limitation applicable not only to such section but also to the new section added to such act by Senate am

ever, that if the President finds at any time that there exists a necessity for such insurance in order to make ample credit available, he may authorize the Administrator to incur additional liability for such insurance in an amount not in excess of the amount of the liability incurred under the new section. There was no corresponding provision in the House bill. The conference agreement retains the \$100,000,000 limitation, but eliminates the authority of the President to allow the Administrator to incur additional liability and the president of the president o

bility for such insurance.

On amendment no. 9: This amendment adds a provision to section 2 of the National Housing Act, as amended, for the purpose of removing certain technical difficulties that have arisen in connection with the administration of title I of such act. It authorizes the content of the c tion with the administration of title I of such act. It authorizes the Administrator to waive compliance with his regulations in certain cases where the enforcement thereof would impose an injustice upon an insured institution which has substantially complied with such regulations in good faith, and where such waiver would not increase the obligation of the Administrator beyond that which would have been involved if the regulations had been fully complied with. There was no corresponding provision in the House bill. The House recedes.

T. ALAN GOLDSBOROUGH, M. K. REILLY, JESSE P. WOLCOTT, Managers on the part of the House. The SPEAKER. The gentleman from Maryland [Mr. Goldsborough] is recognized for 1 hour.

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 10 minutes

Mr. Speaker, I do not think I will require the 10 minutes which I have allotted to myself. I am going to ask the Members to give as careful attention as possible, and I will be brief.

Some days ago the House passed a bill providing that the Reconstruction Finance Corporation should continue to make loans in flood areas up to \$25,000,000. That bill went to the Senate, and the Senate, because of the terrible condition in the South, due to the tornado, increased that amount from \$25,000,000 to \$50,000,000.

In addition to that, the Senate added to the bill, as an amendment, a bill which provided for additional power on the part of the Federal Housing Commission to insure loans, which bill had been tabled by the House Committee on Banking and Currency. By the time the conferees met we realized the overwhelming and overpowering effect of this tornado through the South, and this, in addition to conditions in the flooded area, caused a majority of the House conferees to yield to the Senate and agree to leave in the bill the indicated Senate amendment in a modified form. The House yielded, but it was careful about what it did. The so-called housing part of the bill, which the Senate had passed, provided for 20 percent insurance. In order for us to agree to recede from our position, we required the Senate to yield to us and reduce that amount to 10 percent. The bill passed by the Senate also provided that the \$100,-000,000 insurance limitation, which was in the bill originally, could be increased in the discretion of the President; the provision giving the President this right was stricken from the bill at our instance.

Now, the exact situation is this: There are several members of the Committee on Banking and Currency, of which number I am one, who never approved of the principle involved in title I of the Federal housing legislation, but we are confronted in this flood area and in this tornado area with a great national calamity which must be met in the best way possible. The House committee felt, and I am sure the Senate committee felt, that the Housing Commission and the Reconstruction Finance Corporation were not relief agencies, and that whatever money was dispensed by either of those organizations should be loaned, but it should be loaned on very reasonable terms.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. RANKIN. As I understand it, the Federal housing provision in this bill, as it was explained to me by members of the Senate committee, will reach a certain class of cases that could not be taken care of under the Reconstruction Finance Corporation provision of the bill. Is that correct?

Mr. GOLDSBOROUGH. That is correct, and I am coming to that.

Now, under the provisions for loans to be made by the Reconstruction Finance Corporation, those are loans, many of which would not be made by private organizations. I have discussed the matter several times with officials of the Reconstruction Finance Corporation. Their purpose is to charge not more than 5-percent interest, and charge as little as $3\frac{1}{2}$ -percent interest if they can possibly do it.

These loans to be made by the Reconstruction Finance Corporation will be of distinct value. In the first place, the interest rate will not be as large as it would be if the money were loaned by any private organization. Second—and I have this very definite understanding with the Reconstruction Finance Corporation—they are going to make these loans quickly. They have said to me, "One reason we cannot assure you of a rate of less than 5 percent is because we have to make these loans quickly, and we have to take more of a chance than we have been taking in making loans."

Mr. RICH. Mr. Speaker, will the gentleman yield? Mr. GOLDSBOROUGH. I yield.

Mr. RICH. As I understand it, these loans are going to be made by the Federal Housing Administration?

Mr. GOLDSBOROUGH. I am coming to that now. I was speaking of the Reconstruction Finance Corporation.

Mr. RICH. May I ask the gentleman another question?

Mr. GOLDSBOROUGH. Certainly.

Mr. RICH. Will the flood sufferers and the tornado sufferers be given the same privilege under the terms of that bill?

Mr. GOLDSBOROUGH. Oh, absolutely.

Mr. RICH. In cases where practically everything has been ruined and they have only their good name on which to get a loan, does not the Reconstruction Finance Corporation feel that is a pretty stiff rate to charge; and should they not under conditions of this kind grant a loan at, say, a rate of 3 percent, because these people will never rehabilitate their properties unless they get some advantage? There are many people who will never start up in business or improve their property if they cannot see the light of day ahead.

Mr. GOLDSBOROUGH. I am sure that the directors of the Reconstruction Finance Corporation are going to act as fast as they can in making loans and make the interest rates as low as possible.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 5 additional minutes.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I would rather get into the Housing Administration end of it a little first.

Mr. RANKIN. I just wanted to say to the gentleman from Pennsylvania [Mr. Rich] that the Chairman of the Reconstruction Finance Corporation said he would take this proposition up with the Board and that they might be able to lower the interest rate later; but that they did not want to hold up these loans in the meantime when the interest rate could be lowered after the loans were made.

Mr. RICH. Do I understand they will make a loan now

and may change the rate later on?

Mr. GOLDSBOROUGH. One of the things they said was that they had to make the loans quickly and that after they made them, if they found they were sound, then they could lower the rate.

Mr. RANKIN. At any time?

Mr. GOLDSBOROUGH. At any time.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman vield?

Mr. GOLDSBOROUGH. I yield.

Mr. KOPPLEMANN. That we may have a clear understanding of the gentleman's conversation with the directors of the Reconstruction Finance Corporation, I ask the gentleman if he is satisfied after his talks with them that they will make loans without insisting on their usual requirements for collateral and security?

Mr. GOLDSBOROUCH. That is exactly what I have said. They say they are going to make the loans quickly; and I may say to the gentleman from Connecticut that to my certain knowledge they have had their representatives in the flood and tornado areas for the past several days waiting only for the passage of this act.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WILLIAMS. As I understand the situation, there is no conflict now between the House bill and the Senate bill so far as they concern loans to be made by the Reconstruction Finance Corporation; they are substantially the same.

Mr. GOLDSBOROUGH. They are substantially the same.
Mr. WILLIAMS. The only controversy is on the question
of whether these loans shall be insured by the Housing Ad-

Mr. GOLDSBOROUGH. I was just coming to that.

Mr. WILLIAMS. The Housing Administration has been charging not 5 percent but 10, and the plan is to continue that under this bill, is it not?

Mr. GOLDSBOROUGH. I am going to make my statement just as full as I can. Mr. WILLIAMS. So, if this bill passes, loans made to sufferers in the flood and tornado districts will be at 10 percent instead of 5 percent.

Mr. RANKIN. That does not apply to the Reconstruction Finance Corporation loans.

Mr. WILLIAMS. Not at all, but to the housing feature of the bill. There is no question of dispute here so far as loans made by the Reconstruction Finance Corporation is concerned. My question is whether those loans will not be made under title I to the National Housing Administration and insured by them, permitting banks and financial institutions of this country still to continue to charge the sufferers in these districts 10 percent instead of 5 percent if this bill passes?

Mr. GOLDSBOROUGH. I will answer the gentleman, but I would rather do it in my own way. We are coming now to loans made under title I of the Housing Act. These, I emphasize, will be loans that under no circumstances could be secured from any other body in the world because of the power to insure given by the Housing Act amended as proposed.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 5 additional minutes.

Mr. TREADWAY. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. May I ask the gentleman if in general the changes that have been made by the conferees add to the opportunity of those in need of aid to secure loans from the Reconstruction Finance Corporation?

Mr. GOLDSBOROUGH. Very greatly.

Mr. TREADWAY. The gentleman knows that was the general purpose of the bill as it was originally drawn?

Mr. GOLDSBOROUGH. It will add very greatly to the liberality of the law.

Mr. TREADWAY. And the gentleman assumes, does he not, that the R. F. C. officials will realize that the purpose of the bill is to liberalize the securing of aid?

Mr. GOLDSBOROUGH. That is what they say and I am certain they are sincere.

Mr. TREADWAY. I thank the gentleman.

Mr. MAY. Will the gentleman yield?

Mr. GOLDSBOROUGH. I should like to complete my explanation, but I yield to the gentleman.

Mr. MAY. If the R. F. C. provision has been liberalized and they can make loans promptly why have the Housing Administration connected with it at all?

Mr. GOLDSBOROUGH. Because the R. F. C. could not make many of the loans and they would not be justified in doing so under their organization. I refer to the loans that may be made under title I of the Housing Act, and I will tell the gentleman why in a minute.

Banks in 22 States and the District of Columbia have built up a reserve of insurance amounting to \$39,166,670. Under this bill the reserves which they have built up are available to protect them on new loans which they may make. In addition they have a 10-percent protection under this conference report which they may use to build up new reserves which will make it possible for the banks to lend without any security at all in many instances.

Some may say that is unsound because the Government in many cases will have to stand this loss. That is true. They may also say it is unsound because there is no reason why the banks should be subsidized. That is true. But the answer is that without the provisions of the housing bill in this conference report millions of these people who have lost their all by flood and tornado will not be able to get a single solitary dollar at any rate of interest. I make two statements. First, that on the class of loans contemplated by title I of the Housing Act no organization in the world or no finance company in the world would make these loans. Second, I say that if there should be a case

where a finance corporation would make the loan the rate of interest would not be 9.7 percent but at least twice that amount.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 5 additional minutes.

Mr. WILLIAMS. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Missouri

Mr. WILLIAMS. Take an individual who has had his home or his business swept away by flood or tornado, what chance is there for him to get relief when he pays, as the gentleman says, not 10 percent but twice that rate? Why try to bring him relief? If we are going to make a relief institution out of this why not give it to him directly instead of through the banks?

Mr. GOLDSBOROUGH. The gentleman misunderstood me. I said while he would have to pay to the Housing Commission 9.7 percent, if in any case he could get the money from any other finance organization he would have to pay at least twice that much.

Mr. WILLIAMS. How would he ever get out with that burden? Where would there be any relief to him after all?

Mr. GOLDSBOROUGH. Of course, that is begging the question. He does not have to borrow the money. It may be that when an individual goes to a finance corporation and borrows money he is simply borrowing grief, but I say if we are going to pass a measure which has any democracy at all left in it, unless we resort to a measure which is socialistic pure and simple and has none of our form of government in it at all; in other words, unless we are going to take the position that whenever a man's house burns down or whenever a high wind injures his property, or whenever a drought destroys his crop, the Government shall make a direct grant to him, then I say this act is as liberal, in my judgment, as we possibly can make it.

Mr. Speaker, in conference I personally experienced a great deal of difficulty. The Assistant Administrator of the Housing Administration produced figures showing the extent of the flood and tornado devastation. It was appalling. For instance, in Lee County, Miss., persons killed 150, injured 600, homes destroyed 700, homes damaged 300. In Hall County, Ga., persons killed 176, persons injured 500, homes destroyed 630, homes damaged 83.

When I saw the devastation and destruction shown in this exhibit I reached the conclusion that the star of hope should not be withdrawn from the people in flood and tornado areas and that we should pass the bill which we agreed to in conference.

Mr. SPENCE. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Kentucky.

Mr. SPENCE. If this is not the bill that our committee reported, I think every member of the committee would have a right to render such criticism as he deems just. What I cannot understand is, if the accumulated reserve is going to absorb the losses, why should the lending institution charge the borrower 9.7 percent. Will the gentleman explain that?

the borrower 9.7 percent. Will the gentleman explain that?
Mr. GOLDSBOROUGH. I raised that question myself in conference. Among other conferees on the Senate side was Senator Couzens. Senator Couzens, as is well known, has had a very wide and broad experience.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield myself 5 additional minutes.

Senator Couzens assured us that these banks, even though they were protected by insurance, were not going to act in an irresponsible manner. The loans, he stated, were so small, on the average, that they required the charging of that rate of interest in order to allow them to get out whole and make a reasonable profit. My own judgment was governed very largely by what Senator Couzens said. So far as I know, his business experience has been as wide as that of any man in either House.

Mr. RICH. I should now like to ask the gentleman this question. When a bank lends an individual money, naturally the banker is thinking of the depositors' money and he is responsible to the depositors and is unable to make grants that the R. F. C. could make under the power of Government regulation, provided we permit regulations that are going to help these individuals who have been so unfortunate as to have their property damaged or destroyed.

I appreciate that the banker today will coax people to take money at 21/2 percent if they are men who have a good and sound financial statement, but they will charge other people 5 percent. I had not any thought or idea when we tried to draft this bill that we were going to make it a money-making organization so far as the Government is concerned. I thought it was to be a matter of relief with the idea that anyone who borrowed this money would do so at liberal rates of interest in order that he might establish himself and conduct his own business or could buy something for his home in order to get along in spite of the damage done by the floods. I was hopeful we were going to do something like this, because the gentleman knows, and I know, that we have contributed much money here in the past 2 years that has not been spent, perhaps, as the gentleman or I would spend it. Regardless of that, let us now give some actual relief to these flood sufferers. The Lord knows they need it, and they are never going to get help unless we help them.

Mr. GOLDSBOROUGH. May I say to the gentleman that so far as I am personally concerned, my close associates on the committee know that my idea of legislation is very different from this, but the point I am making is that the poor devil at the other end, who is the man I want to help, does get some distinct benefit out of this legislation, in spite of everything else that can be said, and so far as I am concerned he is the only one I am interested in at all.

Mr. Speaker, I will, at the end of my remarks, place in the RECORD a letter and some tables sent me by Mr. Walsh, Assistant Administrator of the Housing Administration, relative to the flood and tornado situation.

FEDERAL HOUSING ADMINISTRATION, Washington, April 10, 1936.

Washington, April 10, 1936.

Hon. T. Alan Goldsbordugh,

House Office Building, Washington, D. C.

My Dear Congressman Goldsbordugh: In accordance with your request of this afternoon, attached is a list of the States affected by the recent floods or tornadoes. This list also shows the number of lending agencies in each of these States which have already made loans under title I of the National Housing Act; also the insurance reserves already built up by such lending institutions as a result of such loans.

I regret that time has not permitted me to break this information down by counties, but such statistics would not be particularly significant, because these lending institutions frequently lend outside of the counties in which their headquarters are located.

Furthermore there are a number of large finance companies which operate on a national basis and which have also built up large insurance reserves under title I. The privilege of tapping these old reserves when loans are made to flood or tornado victims should tempt such lending institutions to make loans on a

I also attach for your information a list of the counties that were affected by floods or tornadoes and the Red Cross estimate of the number of families that were affected.

If there is any further information you desire, let me know and I shall get it if at all possible.

Sincerely yours,

Assistant Administrator.

P. S.-I have sent a similar letter, with enclosures, to Senator

State	Countles affected by flood	Counties affected by torna- does	Number of F. H. A. lending in- stitutions	Insurance reserve built up
Massachusetts Connecticut Pennsylvania Maryland	5 4 34 5		186 97 419 55	\$2, 414, 472 880, 461 3, 483, 234
Ohio	9 16 6		238 59 53	729, 240 2, 089, 222 291, 622 237, 314
MaineGeorgia	7	13	53 109	188, 345 847, 244

State	Counties affected by flood	Counties affected by torna- does	Number of F. H. A. lending in- stitutions	Insurance reserve built up
Mississippi North Carolina Tennessee New York Kentucky South Carolina Alabama Vermont Indiana Illinois Virginia Missouri	2 17	7 4 5 3 2	82 79 61 626 86 29 68 39 261 93	\$271, 582 453, 302 1, 151, 090 13, 359, 626 553, 697 241, 039 423, 832 106, 942 1, 379, 907 3, 013, 432 819, 215
Missouri 1 New Jersey District of Columbia	1		316 20	3, 548, 495 601, 284
Total			3, 404	39, 166, 670

Number of affected counties not yet known.

Location of flood-relief operations in the eastern area, showing the number of families affected Apr. 10, 1936

Region	State	Counties affected	Families affected
A. New England	Maine	7 6 3 5 4	1, 584 7, 152 500 9, 300 4, 179
Total, region A		25	22, 715
B. New York C. Eastern Pennsylvania D. Central Pennsylvania E. Western Pennsylvania	New York Pennsylvania do do	2 12 13 10	1, 800 21, 200 17, 490 23, 189
F. Upper Ohio River	West Virginia	12 9	18, 092 8, 768
Total, region F		21	26, 860
G. Potomac River	Maryland West Virginia Pennsylvania District of Columbia	5 4 1	1, 645 601 25 60
Total, region G		10	2, 331
H. Kentucky-Indians	KentuckyIndiana	20 6	2, 402 148
Total, region H		- 26	2, 550
	Virginia New Jersey Illinois Missouri	2 1 2 (¹)	(0)
Total		5	
Grand total (except where unknown).		124	118, 135

1 Unknown

Location of flood-relief operations in the eastern area, showing the number of families affected Apr. 10, 1936

	County	Families affected	State
Region A (New England): Maine	Androscoggin Cumberland Kennebec Oxford Penobscot Somerset York	500 35 264 400 16 10 359	
New Hampshire.	Carroll Cheshire Coca Grafton Hillsboro Merrimack	12 292 160 106 4, 979 1, 603	1, 58
Vermont	- Caledonia Windham Windsor Scattered	3 100 100 297	7, 15
Massachusetts	Essex Hampden Hampshire Middlesex Worcester	1,800 7,000 100 300 100	50

	County	Families affected	State total
Region A (New England)—Con. Connecticut	Hartford Litchfield Middlesex Windham	3, 800 79 100 200	4, 179
Total, region A			22, 715
Region B (New York)	Broome	1,500	1,800
Region C (eastern Pennsylvania)	Bradford Cameron Clinton Columbia Luzerne Lycoming Montour Northumberland Potter Snyder Union Wayne	50 16 4,500 34 6,500 5,000 150 4,500 (1) 200 100 150	
Region D (central Pennsylvania)	Bedford Blair Cambria Center Clearfield Dauphin Elk Huntingdon Juniata Lancaster Mifflin Somerset York	100 750 11, 000 150 250 3, 000 (¹) 650 250 213 842 75 210	21, 200
Region E (western Pennsylvania)	Allegheny Armstrong Beaver Clarion Fayette Indiana Jefferson Washington Westmoreland W yoming	17, 000 500 3, 000 100 23 750 200 100 1, 486 30	17, 490 23, 189
Region F (Ohio River): West Virginia	Brooke Cabell Grant Hancock Hardy Marshall Mason Ohio Pleasant Tyler Wetzel Wood	8, 000 750 35 300 27 560 750 6, 400 50 20 700 500	
Ohio.	Belmont Columbiana Gallia. Hamilton Jefferson Lawrence. Meigs. Monroe. Washington	1, 668 1, 400 400 700 1, 400 100 800 300 2, 000	18, 092 8, 768
Total, region F			26, 860
Region G (Potomac River): Maryland	Allegany	1,000 20 150 100 375	1, 645
West Virginia	Hampshire	160 61 230 150	601
Pennsylvania District of Columbia	Bucks	25 60	25 60
Total region G			2, 331
Region H (Kentucky and Indiana): Kentucky	Ballard Bracken Breckenridge Campbell Carlisle Carloll Fulton Greenup Hardin	25 75 12 1,400 20 63 100 4 25	

Location of flood-relief operations in the eastern area, showing the number of families affected Apr. 10, 1936—Continued

Location of flood-relief operations in the eastern area, showing the number of families affected Apr. 10, 1936—Continued

	County	Families affected	State total
Region H (Kentucky and Indiana)— Continued. Kentucky	Hancock Henderson Hickman Jefferson Kenton Livingston McCracken McLean Mason Trimble Union	50 40 100 75 (1) (1) (1) (200	
Indiana	Clark Dearborn Jefferson Perry Spencer Vanderburg	12 10 27 15	2, 400
Total, region H.			2, 550
Virginia	Arlington Shenandoah Passaie	(1)	
Illinois	Alexander	(3)	
Grand total			118, 135

American National Red Cross, spring tornadoes of 1936, Apr. 2-6, 1936

	Number	Number of persons		Number of homes	
State	of counties affected	Killed	Injured	De- stroyed	Dam- aged
Alabama Georgia Mississippi North Carolina South Carolina Tennessee	2 13 7 4 3 5	5 204 168 13	8 769 700 305 22 49	12 1, 067 748 76 67 73	208 761 383 335 118 30
Total	34	402	1, 853	2, 043	1, 835

Source: Department of Accounts, Apr. 9, 1936.

American National Red Cross, spring tornadoes of 1935, Apr. 2-6, 1936

		Per	sons	Homes		
State	County	Killed	Injured	Destroyed	Damaged	
Alabama	Madison	4	5 3	5 7	200	
Total	r ickens	5	8	12	208	
Georgia	Cherokee			1 8		
Do Do	Cobb Crisp	22 176	150 500	284 630	150 83	
Do	Lee Lincoln Putnam Tattnall	1	2 27 6	6 43 10	262	
Do Do	Terrell Toombs	1	10 10	50 5	40 176	
Do	Wilkes	4	62	26	43	
Total		204	769	1,067	761	
Mississippi	ChickasawItawamba	9	32		18	
Do Do	Leake Lee Poutotoe	2 150	40 600	25 700	25 300	
Do	PrentisYalobusha	3 4	15 13	15 8	40	
Total		168	700	748	383	
North Carolina	Alamance Cabarrus Guilford Orange	11 11 1	7 3 288 7	2 5 67 2	2 35 296 2	
Total		13	305	76	335	

American National Red Cross spring tornadoes of 1936, Apr. 2-6, 1936—Continued

	State County	Per	sons	Homes	
State		Killed	Injured	Destroyed	Damaged
South Carolina Do	The state of the s		20 2	65 2	100 13 5
Total			22	67	118
Do	Lewis Lincoln Maury McMinn Wayne	1 7 0 4	3 15 0 31	33 14 22	10
Total		12	49	73	30
Grand total		402	1, 853	2, 043	1, 835

Mr. Speaker, I reserve the balance of my time and yield 10 minutes to the gentleman from Ohio [Mr. Hollister].

Mr. HOLLISTER. Mr. Speaker, it is with considerable reluctance that I rise today in opposition to this conference report, because no one is more mindful than I am of the necessities of the situation and of the suffering that certain communities in our country have gone through in the last few weeks. I believe it is only proper, however, before we risk a number of millions of the money of the people of the United States, as expended by the Government in a project of this kind, that the Members of the House understand exactly what they are doing.

Lawyers have a saying that hard cases make bad law. It is equally true that hard cases make bad legislation.

We have before us in this conference report a double-barreled relief effort, an attempt to help the stricken areas by giving the Reconstruction Finance Corporation the right to make relief loans, and also an attempt to help the stricken areas by putting the Housing Administration into the relief business.

This bill as it passed the House contained only the first of these two efforts. The Senate added the second effort, and it is this second part, with reference to the Housing Administration, to which I object, and which I should like to explain to the Members of the House

You will recall that when the Housing Act was originally adopted it was a four-barreled effort to pump out private money into the building trades, which everyone knew were greatly depressed, and which it was felt, if stimulated, would add the greatest possible impetus to the heavy-goods industries. This was done by title I, providing for the insurance of certain loans; title II, providing for general mortgage insurance; title III, providing for national mortgage associations; and title IV, providing Federal insurance of deposits in building and loan associations.

Title I is what we are dealing with today. In this connection we should remember that we had before the House only 2 or 3 weeks ago a change in title I of the Housing Act, which had been given careful consideration by the House Banking and Currency Committee, careful consideration in the Senate Banking Committee, and careful consideration on the floors of both bodies. It was finally adopted after a great deal of discussion and a great deal of energy and time had been put into it.

The changes we then made involved the tapering down of the activities of the Housing Administration at the request of the Administrator himself, and after due consideration had been given by the Administration to the whole plan of housing. By this we cut down insurance to 10 percent. We cut out the insurance of new buildings. We cut out the insurance of equipment and made certain other changes in the Housing Act as it existed before that time.

When the floods struck 2 or 3 weeks ago there was an immediate effort to change the Housing Act by putting back into effect the very things we had stricken out a few days before and liberalizing it even beyond that.

That bill was submitted to the other body and to the House. The House Banking and Currency Committee voted

almost unanimously to table it. Various members had different ideas on the subject and were actuated by different motives, but all agreed that it was not a bill which should be submitted to the House.

The committee in the other body, with little consideration, reported it out, and it was attached to our bill for Reconstruction Finance Corporation loans when it reached the other body.

Our bill as it passed here provided for an additional \$25,000,000 for Reconstruction Finance Corporation loans for stricken districts, but that was changed in the Senate to \$50,000,000, which the Reconstruction Finance Corporation intimated was too large, as they were not geared to loan that amount in the time stated in the bill.

Let us give thought to what we are trying to do with these different agencies. The fact is we have got the purposes of the different agencies inextricably mixed up. Notwithstanding the appointment of various coordinators, we have not got proper coordination.

The Reconstruction Finance Corporation is a superbank to supply lending facilities when ordinary banking facilities have broken down. The Housing Administration is a method of pumping out a little more private money by the aid of Government insurance.

I say we are doing the wrong thing when we use the Housing Administration as a relief agency. If we want to take a certain amount of money and give it directly for relief when our local facilities have failed, we should pass it over to a regular relief agency and not to an agency set up for a totally different purpose.

When we passed the bill providing for the Reconstruction Finance Corporation we provided it with certain functions to make loans where the banks could not or would not lend. But here we are putting a Government agency into work which it is not fitted for and for which it was never conceived.

We should keep these differentiations distinctly in mind and, when needs come before the House, we should supply the need from the proper agency of Government and not take the wrong one to do the work, as we are doing in this case. It is for that reason that, as one of the conferees, I did not sign this conference report and oppose it now.

Mr. RANKIN. Mr. Speaker, will the gentleman yield? Mr. HOLLISTER. Yes.

Mr. RANKIN. The reason given by the members of the Senate committee for inserting this provision was that, in the first place, it gives two methods of handling these loans, and, in the second place, that it would enable them to reach cases that could not secure loans through the R. F. C. In other words, there are border-line cases that could not qualify to obtain a loan through the R. F. C.

Mr. HOLLISTER. The gentleman faces the problem realistically, as I do. The gentleman admits, as I do, that it is putting the Housing Administration into the relief game. I say it should not be there, that relief should come through one of the relief agencies.

Mr. RANKIN. It is not a relief game. These are people who are trying to rebuild their homes. It is not putting them into the bread line. It is merely to liberalize these loans and enable people to secure them, who would otherwise be shut out.

Mr. HOLLISTER. We considered that on the floor of the House 2 or 3 weeks ago. The President signed the bill only on the 10th of April. It was then decided at the request of the Housing Administration that it was wrong to permit Government insurance of new construction on an absolutely unimproved lot, that there was not sufficient security. It was also decided that there should not be insurance granted a man who had the property under lease for only 1 year, that the lease should run for at least 6 months beyond the term of the obligation which covered the loan. As we have this before us today, if you have a piece of property which has been leased for a year only, there may be an obligation incurred to improve it, which runs for 4 or 5 years, and yet the Government must insure that obligation 3 or 4 years beyond the time the lease has expired.

on land entirely swept clear of improvements and have the loan insured. You do not even have to build on the same land, as long as it is in the neighborhood. Further, under the bill as it has been agreed on by the conferees, the insuring institution may take advantage of whatever insurance reserve has been built up under its previous operations under the Housing Act. This means that there will be little care taken in the making of these relief loans and, therefore, a substantial loss ultimately to the Government because of its insurance

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. GOLDSBOROUGH. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. HANCOCK].

Mr. HANCOCK of North Carolina. Mr. Speaker, ladies and gentlemen of the House, in the space of 5 minutes it is utterly impossible to do more than mention, much less discuss intelligently, the important features of this report. Let me say at the outset that to have and to hold a kindly interest in and sympathetic attitude toward people in trouble and distress is the highest and most ennobling of human traits. I therefore deem it unnecessary to play upon your emotions or invoke your sympathies in connection with this extremely important measure. I know that the membership of the House is keenly anxious to do everything within its power to afford relief and assistance to those eligible under the bill in question. It is but human that our sympathies are more deeply touched when we see our own neighbors and the people of our own States afflicted. Within the past 2 weeks a terrific and devastating calamity in the form of a tornado struck the central portion of my State, leaving death, injury, and property wreckage in its path. For more than a month members of our committee have been working assiduously to get through legislation to help those who have been victimized as a result of these catastrophes. I am certain that every Member of the House today wants to go the limit with us in providing relief and financial assistance to these unfortunate classes of our

As one of the conferees of the House I could not, however, conscientiously agree to this report, and I therefore refused to sign it. All of the conferees agreed to every Senate amendment, with the exception of section 3, which is designed to make title I of the Federal Housing Act an effective means of relief to those who have suffered losses and property damages as a result of floods, storms, tornadoes, and other similar catastrophes. This section was carefully and fully considered by our committee last Monday a week ago, and with the exception of one vote was placed on the table. The committee, very sanely and properly, in my opinion, took the position that under title I the relief intended for those in distress would go largely to the lending institutions. They also reached the conclusion that those who needed assistance should not be forced to pay a rate of interest amounting to 10 percent and be subjected to the practices and "pressureism" which has been carried on in connection with the loans made under title I. From the discussion and debate, as reported, it is also quite clear that the members of the committee felt that it would be unsound public policy to permit the Federal Housing to insure second, third, and fourth mortgages on restored or replaced properties up to \$50,000, which is permissible under section 3 of the bill as added by the Senate. No man whose property has been damaged or swept away by a freak of nature should be subjected to the method of lending or the terms and maturities provided under title I. Many of us took the position that assistance to these unfortunate people should be provided either by direct relief or through a sound but liberal lending plan, or both.

I cannot refrain from calling to the attention of the House the fact that under the language of section III the Government not only insures those lending institutions up to 10 percent of the total loans made in the flood- or tornadostricken areas, but permits the institutions operating in these areas which have been or may be hereafter approved by the as quickly as possible, in order that loans might be made with

The Senate has inserted a provision that you may build | F. H. A. to use their present insurance reserves to cover any loss. This in effect could amount to a 30-percent insurance and make the United States Treasury liable up to 100 percent if the amount of such mortgages was less than the total insurance reserve. I am therefore convinced in my own mind that this is a bad and unsound provision and that its operations will in the long run amount to a disservice to the people who are to be assisted and helped. For that reason, and that reason alone, I think this report should be voted down and the bill sent back to conference with instructions that the House conferees refuse to agree to this amendment. Nothing could be more serious or cruel than to raise a false hope in the minds of suffering and destitute people. No person or institution should profit excessively by their plight and calamity. Under the F. H. A. provision this will certainly happen as the day follows the night.

With this exception, I should heartily favor this legislation, because I am confident that the R. F. C., through its Board of Directors and administrative officers, will go the limit in taking care of the situation. I am also satisfied that loans from the R. F. C. will be based on the most liberal interest terms, perhaps not to exceed 4½ percent, and will be made to run over a period of not less than 10 years. Of course, these loans will have to be so secured as reasonably to insure repayment. If the assistance is to take the form of a loan, it should be made on a liberal but sound basis. I am also convinced that the R. F. C. is organized and equipped to meet this situation promptly and effectively. Notwithstanding the unjust criticism which has been directed toward the Chairman and Board of Directors, I know that this money will be put out quickly where it will serve a useful and necessary purpose. I want to see the Government brush aside all red tape and technicalities in administering the \$50,000,000 provided for assistance through the R. F. C. in restoring, rehabilitating, and replacing the properties affected in these areas, and I think it is adequate to meet the legitimate credit demands. If not, we can provide more later on.

May I hurriedly, in conclusion, call the attention of the House to the fact that section IV of the bill has nothing whatever to do with its real purpose. It appears to me to be nothing but a "cover up" section to protect the F. H. A. against its own mistakes. If I read it correctly, it is designed to permit the Administrator to take care of the losses incurred by some of the lending institutions even though such lending institutions have violated the rules and regulations governing loans made under title I. It is another example of what I have tried to point out on previous occasions to this House regarding the administration of title I. Everything under title I seems to be aimed toward the assistance of the lending institutions rather than the borrowers. I am at times amazed when I think about how little is done for those whom we think we are passing legislation to help and assist. There is no doubt in my mind but that the House will adopt this report, but I make bold to predict that under the Federal Housing provision the bulk of the relief proposed will ultimately find its way into the coffers of the newly created and fly-by-night lending institutions, to the great, serious, and prolonged distress and suffering of the would-be real beneficiaries and at their

The SPEAKER. The time of the gentleman from North Carolina has expired. [Applause.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, when this bill passed the House a few days ago, providing for \$25,000,000 for loans to people in the flood-stricken areas, I supported it. I did not dream then that within a short time the people I represent would be in even a more distressed condition. With the rack and ruin that has been wrought, not only by floods but by tornadoes that have visited certain Southern States, those people are in such condition they cannot wait. Therefore we have tried to get this legislation to the floor of the House which to rebuild and repair their homes and their public buildings. I dare say that no money ever advanced by this Government will be more fully returned than the money provided in this bill. No money that we have ever spent will do more good for the morale of the people than this will for the ones who are now in distress. Like bread cast upon the waters, it will return after many days.

This bill should have been passed weeks ago, even before the tornado struck my section. The people all up and down these navigable streams, people whose homes were washed away and whose property was destroyed, have been pleading for money with which to rebuild.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. Do I understand they are going to charge people down in the gentleman's district 9.7 percent if they want to make a loan?

Mr. RANKIN. I will say to the gentleman from Pennsylvania that the Reconstruction Finance Corporation will make these loans at not to exceed 5 percent. As I explained to the gentleman a while ago, I talked to the Director, the head of the Reconstruction Finance Corporation, and he said he would consult his Board and, if possible, would bring that rate of interest down. I should like to see it reduced to 3 percent.

Now, with reference to the Federal housing provision of this bill, I went before the Senate committee and suggested that it probably would be unwise to attach it to this measure. I was told that it merely furnished an additional method of getting money to people who could not be taken care of otherwise, because there were many of those people who had very little equity in their homes, or whose property was only slightly damaged and who could not qualify under the Reconstruction Finance Corporation for a loan, but who could do so with the F. H. A. It does not affect the rest of the

TUPELO

On Sunday night, April 5, a terrific cyclone swooped down upon the city of Tupelo, Miss., my home town, leaving death and destruction in its wake.

Just why fate should wreak such a visitation upon the helpless men, women, and children of that fair city we cannot understand. It must remain one of the unsolved mysteries of all time.

It left our people stunned and bewildered, amidst their dead and injured, and surrounded by a devastation that human language cannot describe.

Tupelo had always been among the first to contribute to the relief of disaster victims elsewhere, but had never asked for anything for herself or for her own people.

But in the face of this awful disaster she was compelled to ask for help, especially in the way of the loans provided for in this bill, with which to rebuild and rehabilitate.

I want to take this opportunity to express to the Congress, to the President; and to the public generally our heartfelt gratitude for the expressions of sympathy and the offers of assistance that came from every hand.

The responses of the people of Mississippi, from the Governor down, as well as those of the peoples of the surrounding States, can never be forgotten. The State militia, the Red Cross, the American Legion, and every other civic, religious, or patriotic organization responded with the same unselfish devotion and the same generosity the people of Tupelo have always manifested toward others similarly

Governmental agencies came to our assistance, and it seemed to me that every Member of the House and Senate manifested a desire to help.

President Roosevelt, the man who came to rejoice with us in the days of our triumph, did not forget us in the dark hour of our distress.

From every section of the country, and even from foreign lands, came expressions of sympathy through the press and over the radio, all of which has helped to strengthen us with renewed courage for the gigantic task that now lies before us-the task of rebuilding and making Tupelo a better and brighter place in which to live.

We cannot bring back our dead; nor can we ever forget them. Their memories will linger in our hearts until for us all time shall cease.

But we can, and we will, carry on the work of rebuilding just as they would want us to do if they were here, and just as they would do if our positions were reversed.

Give us this opportunity to secure funds with which to rebuild and watch Tupelo vie with other cities in the floodand storm-stricken areas.

With the same courage and devotion which has actuated our citizens in the past we will build a new Tupelo that will again challenge national admiration, and of which the State of Mississippi will be justly proud. [Applause.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. Wolcott].

Mr. WOLCOTT. Mr. Speaker, the gentleman from Maryland [Mr. Goldsborough] in his statement said that the star of hope should not be taken from the people of the devastated areas by refusing to adopt this conference report. The gentleman from Maryland and I are in accord in a great many instances, and we are in accord in this particular. I am afraid that about all the flood sufferers and those unfortunate people in the devastated cyclone areas are going to get from this bill is the opportunity which it affords to follow the star of hope to their destinies. It is regrettable that this might be true.

I have a great deal of confidence in the Reconstruction Finance Corporation to administer this bill if it is enacted into law. I likewise have a great deal of confidence in the Administrator and all others in authority in the Federal Housing Administration. Perhaps that confidence is based upon the fact that they have been almost too conservative in their policy in months and years gone by; but because of that, I have every confidence that this bill is going to be administered in the spirit in which we pass it. In fact, the Reconstruction Finance Corporation is a relief agency. The Federal Housing Administration is a relief agency. I cannot see, as an individual Member of this House, and not attempting to speak for my party, what difference it makes whether we give the relief sought under the act in flood- or cyclonedevastated areas or in other communities. After all, the purpose of the F. H. A. is to give employment in the building trades, and it matters little whether this is done by insuring loans for rehabilitating these flood- and cyclone-devastated areas or the restoration of property which has deteriorated slowly over a long period of time. There are those people in these areas who need this relief just as much as or more than the man who, in the course of years, has allowed his property to disintegrate in value. It does not make any difference whether that relief is given in flooded or cyclonedevastated areas or in all of our other communities, because I have always considered the Federal Housing Administration as a relief measure, in that it gives relief to the building trades and therefore puts men to work. I have lamented their very conservative policy in that regard. I think we can continue to have perhaps too much confidence in their policy due to their conservative approach to this subject.

I cannot see any particular reason why this conference report should not be adopted. I say that, being the member of the Committee on Banking and Currency who made the motion in committee to table a bill similar to the Senate amendment. I made that motion sincerely at that time, because the Federal Housing Administration did not seem to be very keen for it. Nobody was asking for it. Nobody was urging it. I think we as a committee asked them to draft the bill and submit it to us for consideration.

But when we got into a full consideration of the question in the conference and found out how much it might mean in building up the hopes of the afflicted people in these areas I decided that it might be a very good bill if for no other reason than its psychological effect upon these sufferers.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Speaker, I yield 2 additional minutes to the gentleman from Michigan.

Mr. WOLCOTT. People whose homes were destroyed must at the present time have a rather black outlook on life. If we can give the banks in those localities any encouragement to make loans by insuring them against 10 percent of their loss, then I think we should do it, because so long as the person whose home has been swept away or damaged by flood or cyclone has the hope of getting some relief from his local bank his outlook is not so dark; and the local bank, so long as its loan in such a case is to be insured to 10 percent, will adopt an easier policy. I have full confidence in the Reconstruction Finance Corporation and in the Federal Housing Administration to carry on the same conservative policy they have adopted, and it is my belief the Government will suffer only an infinitesimal loss upon the liquidation of these two agencies.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. RICH. Does the gentleman think the flood sufferers are really going to get much relief under this bill?

Mr. WOLCOTT. My fear is they will not get the relief I would like to give them, not even under this bill.

Mr. GOLDSBOROUGH. Mr. Speaker, I yield the balance of my time to the gentleman from Connecticut [Mr. Kopple-Mann]

Mr. KOPPLEMANN. I appreciate the kindness of the gentleman in yielding me this time. The questions I have asked and the answers given, however, quite cover any statement I might make. I express the hope that the bill, as reported by the conference committee, will be passed.

Mr. Speaker, I yield back the balance of my time.

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent that all Members, whether they have spoken on this bill or not, may have 5 legislative days within which to extend their remarks on the bill.

The SPEAKER pro tempore (Mr. Fuller). Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GOLDSBOROUGH. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. Hollister) there were—ayes 85, noes 11.

So the conference report was adopted.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS—FLOOD INSURANCE

Mr. QUINN. Mr. Speaker, it is encouraging to have the assurance of the Reconstruction Finance Corporation that loans to flood sufferers will be made quickly. This is no time for needless red tape. If the work of rehabilitation is to accomplish anything worth while, the people in the flooded areas must be enabled to rehabilitate at once. Every hour of delay means an increase in the aggregate loss to each individual and each community.

In urging prompt action on these loans I want to remind my colleagues, Mr. Speaker, that a total of \$50,000,000 is a very small amount with which to meet the present emergency. In the Pittsburgh district alone we figure our flood losses at more than \$100,000,000, and when this bill first was considered I pointed out that great manufacturing plants in my home section, among them the Westinghouse Electric & Manufacturing Co., estimated their damage in the millions of dollars. The total damage to merchants and home owners in a comparatively small area soon runs into the hundreds of thousands of dollars. In the Borough of Tarentum, with a population of about 10,000, the loss exceeds \$2,000.000.

With the gentleman from Massachusetts [Mr. Connery], I believed the bill should be amended to provide \$100,000,000, but the House would not accept it. While we were talking about the flood losses in Pennsylvania, the Ohio Valley, and New England, we received news of the devastating hurricanes in the South. This second calamity emphasized the need for a more liberal allotment of R. F. C. funds.

The people in the stricken regions have shown wonderful fortitude. Instead of bewailing their adversity they have studies have been made by the Corps of Engineers, U. S. A., started to rebuild. They are doing everything possible in under authority of Congress, with Federal and State funds.

helping themselves. That is why the Government should assist promptly.

The gentleman from Maryland [Mr. Goldsborough] tells us that the Reconstruction Finance Corporation has agents in the field to make investigations, and that in consequence no time will be lost in authorizing rehabilitation loans. I take him at his word, feeling sure that he has every confidence in his statement, but I reserve the right to do everything in my power to urge action on applications from my district. If I think there is any delay I will be camping right there on the R. F. C. doorstep, and I will probably not be lonesome, judging by the attitude of some of my colleagues from Pennsylvania, New England, and down South. We are conscious of a righteous cause.

While larger concerns generally are able to finance themselves and are already on the way to repair their damage, the smaller losers, merchants and householders, together with municipalities and school boards, require the R. F. C. money for immediate work. They should not be hampered by red tape.

So much for relief loans. If the National Government had heeded warnings given many years ago we from the Pittsburgh and upper Ohio Valley district would not be here today asking for aid. If proper flood-prevention methods had been taken our loss would have been trifling in comparison with what it is today.

The rivers at Pittsburgh have risen above flood stage three times within the last month, and we have had 90 floods in the past 80 years. The aggregate toll in the loss of human life, damage to property, and effect on the health of the community of these 90 floods cannot be conceived. In recent years, owing to contributing forces such as encroachments on the channels of the streams, the destruction of forests and soil erosion, inundations have been more frequent and infinitely most costly.

In 1907 the waters rose to a stage exceeding 35 feet. At that time it was regarded as a record, but predictions were made that some day a 40-foot flood would sweep the city. On March 18 last the stage was 46 feet, and the entire downtown business district of Pittsburgh was submerged. In some of the large stores and office buildings pumps are still at work in the basements.

Although floods had been a tradition in Pittsburgh since the days when British troops garrisoned Fort Pitt, no organized movement toward their prevention was made until after the disaster of 1907. On February 20, 1908, the flood commission of Pittsburgh was organized. For more than a quarter of a century it has carried on an aggressive campaign for practical flood prevention. Elaborate flood studies made in recent years have been based largely on the pioneering undertaken by the Pittsburgh commission.

In Pittsburgh we are proud of the names of the eminent men who served on the engineering committee of the commission. They were E. K. Morse, Emil Swensson, W. G. Wilkins, George S. Davison, Paul Didier, Julian Kennedy, Morris Knowles, and G. M. Lehman. They worked for years and prepared a comprehensive report on the subject, which was published in 1912. It is probably the first report of its kind treating of the source control of floods on a large scale, and it is not surprising that it received wide attention and approval by engineers. Their work and far-sighted recommendations aroused the country to urgency of scientific measures to impound flood waters and to construct adequate flood walls.

I regret that time does not permit me to relate something of the history of the flood commission of Pittsburgh and its long struggle over almost insurmountable obstacles. If I could tell you its story, I would make you Mississippi levee builders sit up and take notice.

Under Mr. Davison as its president, the commission carried on its work year after year. The cooperation of the Federal Government was obtained. In addition to the exhaustive and costly engineering studies and plans made by the commission's staff of engineers, several surveys and studies have been made by the Corps of Engineers, U. S. A., under authority of Congress, with Federal and State funds.

With the establishment of the Public Works Administration and the wide use of Federal funds for various projects, the suggestion was advanced for the allocation of some of this money for flood control. Here was an opportunity to carry out in a thorough and substantial way the entire plan of the flood commission.

To meet the requirements of the Public Works Administration, the flood commission, in conjunction with the city of Pittsburgh and more than 100 municipalities along the rivers in Pennsylvania, Ohio, and West Virginia, formed the tri-State authority, and in the name of this organization applied for P. W. A. funds to construct its system of reservoirs.

The tri-State authority is a worthy successor of the pioneer commission. Its president is William B. Rodgers, a Pennsylvania State senator and a member of the third generation of practical Pittsburgh rivermen. Mayor J. G. Payne, of Oil City, Pa., is vice president, and W. A. Wyman, of Pittsburgh, secretary and treasurer. On its executive committee are Mayor Payne; Mayor George H. Lysle, of Mc-Keesport; Mayor William N. McNair, of Pittsburgh; Mayor Charles F. Schultze, of Wheeling; Mayor Earl Applegate, of Steubenville; Mayor Daniel Boone Dawson, of Charleston; Mayor J. Fred Thomas, of Sharon; Mayor Fred T. Wilson, of Fairmont; Mayor James G. Bollander, of Franklin; Mayor Daniel J. Shields, of Franklin; Mayor J. Morton Harper, of Marietta; Burgess Jacob Maximer, of Kittanning; Hon. John J. Kane, chairman of Allegheny County commissioners; and Cornelius D. Scully, president of Pittsburgh Council. William P. Witherow is chairman of the Pittsburgh Citizens' Flood Committee.

The tri-State authority is urging a system of 13 floodstorage and navigation reservoirs in the headwaters of the Allegheny, Monongahela, and upper Ohio Rivers. These have been recommended also by the Mississippi Valley Committee of the Public Works Administration and the Water Planning Commission of the Natural Resources Board. If constructed, these reservoirs would bestow priceless social benefits upon millions of inhabitants of the several States who dwell within the watersheds of the uncontrolled streams. The estimated cost of the 13 reservoirs is in round numbers about \$70,000,000. This is a large sum, but it is a low-priced premium on a policy of flood insurance which has more than 100 years to run.

COMMERCIAL AIRPORT, DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the conference report on the bill (H. R. 3806) to establish a commercial airport for the District of Columbia and ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

[To accompany H. R. 3806]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3806) to establish a commercial airport for the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the Senate insert the following:

the Senate insert the following:

"That there is hereby created a commission to be known as the 'District of Columbia Airport Commission' (hereinafter referred to as the 'Commission'), to be composed of three Members of the United States Senate, to be appointed by the President of the Senate, three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives, and three persons to be appointed by the President of the United States, who because of their official positions are interested in the development of a commercial airport in the District of Columbia. No person shall serve on the Commission who has any financial interest direct or indirect in any site or sites for said airport No person shall serve on the Commission who has any financial interest direct or indirect in any site or sites for said airport which may be the subject of consideration. The Commission shall proceed immediately after its appointment and organization to examine all available data concerning potential sites for commercial airports and to inspect such potential sites, and shall select a site for such purpose with due regard to the cost of its acquisition and development, its safety, and its adaptability to the requirements of commercial aviation and national defense.

"SEC. 2. The Commission shall preserve its decision and selection in confidence and shall make a confidential report thereon to the President of the Senate and the Speaker of the House of Representatives, or the Secretary of the Senate and the Clerk of the House of Representatives if Congress is not in session: Provided,

however, That said report shall be made as soon as practicable. "Sec. 3. The members of the Commission shall receive no salary as such, but shall be reimbursed for actual expenses incurred in the discharge of official duties as such commissioners. There is There is hereby authorized to be appropriated the sum of \$10,000, to be charged one-half to the moneys in the Treasury to the credit of the District of Columbia and one-half to the moneys in the Treasury not otherwise appropriated, which shall be used for carrying out the purposes of this Act, including the employment of such experts and other assistants as the Commission may deem necessary

And the Senate agree to the same.

VINCENT L. PALMISANO, JACK NICHOLS. EVERETT M. DIRKSEN, Managers on the part of the House. WILLIAM H. KING, MILLARD E. TYDINGS, WARREN R. AUSTIN, Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (S. 3806) to establish a commercial airport for the District of Columbia, submit the following statement in ex-planation of the effect of the action agreed upon and recommended in the accompanying conference report.

in the accompanying conference report.

The Senate amendment strikes out all after the enacting clause, substituting other provisions in lieu thereof.

Section 1 of the Senate amendment authorizes the President to appoint a District of Columbia Airport Commission of seven members, specifying their qualifications and duties. The substitute agreed to in conference provides for a commission of nine members, three to be appointed by the President of the Senate, three by the Speaker of the House of Representatives, and three by the President. President.

Section 2 of the Senate amendment provides that a confidential report shall be made to the President of the Senate and Speaker of the House of Representatives during the second session of the Seventy-fourth Congress. The substitute agreed to in conference further provides that this report may be made to the Secretary of the Senate or the Clerk of the House of Representatives if Congress to the second session clerk that the contract of the Senate or the Clerk of the House of Representatives if Congress to the second session clerk that the contract of the Senate of the Se gress is not in session, also that the report must be made as soon as practicable.

Section 3 of the Senate amendment provides that members of the Commission shall receive no salary as such, but shall be reimbursed for actual expenses incurred in the discharge of their duties; also appropriates \$1,000 to be charged one-half to District of Columbia funds in the Treasury of the United States and one-half to United States funds not otherwise appropriated, for the purposes of the set. The substitute expect to in conference purposes of the act. The substitute agreed to in conference authorizes the appropriation of \$10,000, to be charged one-half against moneys in the Treasury of the United States to the credit of the District of Columbia and one-half against the moneys in the Treasury not otherwise appropriated, to be used for carrying out the purposes of the bill, including the employment of experts and other assistants.

VINCENT L. PALMISANO.

VINCENT L. PALMISANO, JACK NICHOLS. EVERETT M. DIRKSEN, Managers on the part of the House.

Mr. SNELL. Mr. Speaker, I think we should be informed what changes have been made in this report over the last one. There was considerable argument when the last conference report on this bill was brought up for consideration.

Mr. PALMISANO. Mr. Speaker, the previous conference report requires the appropriation of \$100,000, of which \$10,-000 was to be used for the making of a survey and \$90,000 to purchase options. Considerable controversy arose over the options. This feature has been eliminated. All we ask today is \$10,000 in order that the committee may make an appropriate survey. Of this sum \$5,000 is to be taken from District of Columbia funds and \$5,000 is to be contributed by the Federal Government.

Mr. SNELL. That is all the authority that is given to spend money, \$10,000 for the purpose of making this investigation?

Mr. PALMISANO. That is all.

Mr. SNELL. And they cannot sign any options to buy any property?

Mr. PALMISANO. They have no power whatever except

Mr. SNELL. And to make a recommendation to Congress? Mr. PALMISANO. Yes.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. I yield. Mr. COCHRAN. I was the one who objected to \$90,000 being used for the purchase of options. Is there anything in the report, should it be adopted, that is binding upon the Congress to accept the recommendations of the Commission?

Mr. PALMISANO. There is absolutely no obligation on the House to accept anything the Commission recommends.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE APPROPRIATION BILL, 1937

Mr. SNYDER of Pennsylvania. Mr. Speaker, I call up the conference report on the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as

That the Senate recede from its amendment numbered 29.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, and 30, and agree to the

J. BUELL SNYDER. Louis Ludlow, John F. Dockweiler, Edward C. Moran, Jr., D. Lane Powers, Managers on the part of the House. MILLARD E. TYDINGS, JAMES F. BYRNES,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11691) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended as to each of such amendments in the accompanying conference report, namely:

SENATE

On amendments nos. 1 to 11, inclusive, relating to the office of the Secretary: Provides for the establishment of 10 new positions and the elimination of 7 positions, and allows increases in the salaries of 2 positions, all as authorized by a Senate resolution, and a net increase of \$7,140, as proposed by the Senate.

On amendments nos. 12 to 15, inclusive, relating to the document

room: Eliminates one position at \$1,860; provides for the promotion of three assistants from \$1,860 to \$2,040 each; and for the

tion of three assistants from \$1,860 to \$2,040 each; and for the reduction of one first assistant from \$3,360 to \$2,640; and one second assistant from \$2,400 to \$2,040, all as authorized by a Senate resolution; and appropriates a total of \$16,140, as proposed by the Senate, instead of \$18,540, as proposed by the House.

On amendments nos. 16 to 24, inclusive, relating to the office of the Sergeant at Arms and Doorkeeper: Provides for increases amounting to \$3,320 in the salaries of five employees and for one additional telephone operator at \$1,560, all as authorized by a Senate resolution, and appropriates \$259,664, all as proposed by the Senate in light of an appropriation of \$254,784, as proposed by the Senate, in lieu of an appropriation of \$254,784, as proposed by the House.

On amendment no. 25: Appropriates \$18,000 for folding speeches and pamphlets, as proposed by the Senate, instead of \$10,000, as proposed by the House.

CAPITOL POLICE

On amendments nos. 26 and 27: Appropriates \$100,680, as proposed by the Senate, instead of \$100,440, as proposed by the House, and provides an increase of \$240 in the salary of the captain of the Capitol Police, as authorized by a Senate resolution.

ARCHITECT OF THE CAPITOL

On amendment no. 28: Makes immediately available \$25,000 of the appropriation for care and improvement of the Capitol Grounds, as proposed by the Senate.

LIBRARY OF CONGRESS

On amendment no. 29: Appropriates \$92,990, as proposed by the House, instead of \$77,990, as proposed by the Senate, the additional \$15,000 being provided for continuation of publication of

the Digest of Public General Bills by the Legislative Reference Service

On amendment no. 30: Appropriates \$7,000, as proposed by the Senate, instead of \$5,000, as proposed by the House, for the purchase of books and periodicals for the Supreme Court library.

J. BUELL SNYDER. Louis Lublow, JOHN F. DOCKWEILER, EDWARD C. MORAN, Jr., D. LANE POWERS, Managers on the part of the House.

The SPEAKER. The gentleman from Pennsylvania [Mr. SNYDER] is recognized for 1 hour.

Mr. RICH. Will the gentleman yield?

Mr. SNYDER of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does this conference report increase the legislative appropriation in any way?

Mr. SNYDER of Pennsylvania. The conference report increases the appropriation by \$15,000.

Mr. RICH. And the bill is still \$600,000 under the bill of last year?

Mr. SNYDER of Pennsylvania. Absolutely. I may say to the gentleman that in our bill we included an amount of \$15,000 for the legislative digest. The Senate cut this out, but in the meantime there were demands which came in from Senators and Members of the House that it be continued for 1 more year, and this amount was accordingly put back.

Mr. RICH. But it is still \$600,000 less than last year?

Mr. SNYDER of Pennsylvania. Yes.

Mr. RICH. I want to congratulate the committee on keeping it down. I shall serve notice now that we are going to fight all of these appropriation bills which have been increased.

Mr. SNELL. Will the gentleman yield?

Mr. SNYDER of Pennsylvania. I yield to the gentleman from New York.

Mr. SNELL. May I ask the majority leader what the program is going to be for the balance of the afternoon?

Mr. BANKHEAD. If the gentleman will permit a Member to speak for 2 or 3 minutes and give me a chance to talk to some of the others, I shall be able to inform him.

Mr. SNELL. That will be satisfactory.

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. GOLDSBOROUGH. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. WHELCHEL] may address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. WHELCHEL. Mr. Speaker, on behalf of my people in my home city, Gainesville, Ga., I wish to express my sincere appreciation for the wonderful kindness and assistance rendered to alleviate the distress caused by the terrible tornado which recently visited our little city, the "queen city of the mountains", as we lovingly call it, laying waste homes, destroying noble edifices, and taking from our midst those who were near and dear to us. This unanimous expression of sympathy and the aid extended have caused the dark cloud to begin to lift and our people to see the light of day.

To the various relief organizations, including the Red Cross, the C. C. C. boys, the militia, and the F. E. R. A., we owe a debt of gratitude; they functioned splendidly under efficient leadership. To the Congress of the United States, including the Banking and Currency Committee, which gave sympathetic hearing in our hour of distress, making available Federal funds for the rehabilitation of our people and for relief of dire distress; and to our President of the United States. whose personal visit, expressing words of sympathy and bidding us Godspeed, we extend our heartfelt thanks.

This terrible catastrophe at my home city, affecting as it did my friends, my constituents, and my loved ones, has come very close to me, and I cannot express in words my appreciation and admiration for the splendid work done by the agencies mentioned and by the entire Nation in alleviating such distress as is seldom seen and giving evidence of the true nobility of soul inherent in mankind. Again I thank you. [Applause.]

OMNIBUS CLAIMS BILLS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, in the consideration of omnibus claims bills tomorrow, Wednesday, April 22, the parliamentary situation will be that the Clerk will continue to read omnibus House bill 8524. At the time of adjournment, March 17, we had read up to title VI.

Titles I and III had been stricken from the bill. I offered an amendment to strike titles II, IV, and V from the bill, but my amendments were rejected. I feel this was due to the fact that a Member had moved to strike out the enacting clause and many Members came to the floor who had not been following the proceedings during the afternoon.

I do not feel it is fair to move to strike out the enacting clause in an omnibus bill, even if one is opposed to the entire bill. It seems to me the House should be allowed to debate each bill for the 10 minutes allowed under the rule, and then let the Members decide the issue. I am opposed to the entire bill that is pending. This omnibus bill comes from the Committee on War Claims and I have given it very careful consideration.

When this bill is disposed of, and that should take but a few minutes, several bills from the Committee on Claims will be considered, as well as a bill from the Foreign Affairs Committee, and two from the Committee on the Public Lands. As I have stated before, I feel that over 55 percent of the bills included in the omnibus bills should pass, but there are many that should not pass, in my opinion.

I do not think when an individual, company, or corporation has had its day in court and failed to recover, that we should send the case back to the Court of Claims, nor under any circumstances should we appropriate money direct from the Treasury to pay the claim.

The great majority of the Members of the House are lawyers. Where is the lawyer who, having won his case in court, would agree to giving the opposition a second opportunity to recover damages from his client; or where is the individual who has successfully defended a suit for damages against him would say to the court, "Give the plaintiff another chance"?

We must remember that when we appropriate money to pay these claims we are asking our constituents, taxpayers, to foot the bill.

My view is that we should pass the meritorious bills and defeat those that have been pending for years, some of them as many as 30 years, as well as others that have no merit. In the first bill continued March 17 there were bills growing out of the Civil War. There are other Civil War bills on the calendar today.

The first bill to be considered is title VI of H. R. 8524.

TITLE VI-H. R. 4408-SOUTHERN OVERALL CO.

This bill would confer jurisdiction upon the Court of Claims to adjudicate a claim upon the basis of the fair and reasonable value of articles delivered to the War Department under a contract of November 23, 1917. This claim is for \$6,000.

Does Congress wish to waive the statute of limitations, when this claimant negligently failed to file suit seasonably in the Court of Claims, after the claim had been rejected by both the War Department and the Comptroller General? What extenuating circumstances would justify such an exception? The claimant has already been paid the fair and reasonable value of the articles delivered exactly as provided in its contract. Are the terms of the contract to be wholly ignored? As Mr. Justice Bradley said:

If the contract did not express the true intention of the parties, it was the claimant's folly to have signed it (Brawley v. United States, 96 U. S. 168).

TITLE VIII-S. 281-FRED G. CLARK CO.

This bill proposes to pay losses sustained due to claimant's compliance with an order of the War Industries Board issued in 1918 directing that stock of wool grease on hand be withheld from sale or delivery pending further instructions. The amount is \$13,000.

Why should this claimant be granted such preferential treatment when other similar dealers are not likewise given relief? Did the Government take any property of claimant? Is there any evidence of a contract, express or implied, obligating the Government to pay for these supplies? Does Congress wish to pay a claim which both the War Department and the Court of Claims (71 Ct. Cls. 662) have denied as being without merit?

TITLE IX-H. R. 3075-MACK COPPER CO.

This bill proposes to confer jurisdiction upon the Court of Claims to reopen and readjudicate a claim arising out of the use and occupancy by the Government during the World War of a tract of land situated in California.

A similar bill, S. 1878, was vetoed by the President on September 7, 1935.

This land was purchased by the claimant for a little over \$300,000. The claimant has already been paid, pursuant to judgment of the Court of Claims—rendered on June 6, 1927, no. D-134—the sum of \$229,500, with interest on \$150,000, for the taking, use, and damages to this property. Does the Congress wish to again have this claim examined and settled, with the possibility of ultimately paying an amount in excess of the cost of the property without acquiring the title to it? Is it not fundamental that damages for use and occupancy shall not exceed the value of the land? Is there to be no end to the number of times a claim is settled and adjusted?

TITLE X-H. R. 2213-CHARLES P. SHIPLEY SADDLERY & MERCANTILE CO.

This bill to pay direct from the Treasury is for the cancelation of a lease held by Charles P. Shipley Saddlery & Mercantile Co., at Camp Funston. The original claim was for \$17,000 and the bill authorizes payment of \$11,902. The report shows the War Department considered this claim allowed and paid \$3,579. The War Department strongly opposes payment of the claim.

. The next omnibus bill is from the Committee on Foreign Affairs.

H. R. 8664 (OMNIBUS)

S. 267—MATTHEW E. HANNA (DECEASED), WILLARD L. BEAULAC, MARION P. HOOVER

This bill as reported carries separate items for the relief of three Foreign Service officers and employees for losses of personal property suffered by reason of an earthquake at Managua, Nicaragua, and fire immediately following the earthquake.

Earthquakes and fires resulting therefrom are not uncommon in Nicaragua, and no showing has been made that these officers and employees could not have insured their personal property against such hazards. Does the Congress wish to place the United States in the position of an insurer of the personal property of its employees? Or should they be held to provide such insurance themselves; and if they do not, should not the loss be theirs? Why should Foreign Service personnel be afforded relief of this nature and the same protection be denied other officers and employees of the Govern-There are no legal or equitable obligations on the United States to pay these claims, except the item of \$153.08 in the claim of Mr. Hanna, representing the amount of public money and vouchers lost during the fire resulting from the earthquake, which would appear to be meritorious and proper for relief. Are the United States Treasury and taxpayers to be held responsible for an act of God?

Mr. Hanna died recently, since this bill was reported. Congress will soon be called on to pass a bill paying his widow a year's salary, a policy we have always followed when one in the Foreign Service dies.

The next bill is from the Committee on Claims and contains many bills of merit. I have enumerated some to which I propose to try and have stricken from the bill.

H. R. 8750 (OMNIBUS)

TITLE I-H. R. 796-A. E. CLARK

This bill proposes to pay a per-diem allowance to an employee of the Census Bureau which was disallowed under the provisions of the standardized Government travel regulations promulgated by the President pursuant to law. Under these regulations, there was no authority to pay Mr. Clark travel per diem while at his official station at Longview and no authority in any Government officer to bind the Government to an agreement to do so.

Does Congress wish to give one employee benefits denied thousands of others? When a person enters the Government service, does he or she not agree to be bound by a contract of employment which, if travel is to be performed, includes the provisions of the standardized Government travel regulations? Does Congress wish to cause dissatisfaction and discontent among other employees by ignoring these regulations in a particular case of no more merit than thousands of others? This is a small claim, \$566, but it would be setting a dangerous precedent to pass it.

TITLE IV-H. R. 2087-DELAWARE BAY SHIPBUILDING CO.

The bill to permit the Delaware Bay Shipbuilding Co. to enter suit against the Government is strongly opposed by the Treasury Department, which holds it was the duty of this company to properly protect its property. The damage was the result of a collision with a Coast Guard vessel. The Government department holds there is no reasonable ground for holding the Government responsible but, on the contrary, holds the corporation is responsible to the Government for the damage to the Government vessel.

TITLE VIII-H. R. 2674-G. ELIAS & BRO., INC.

This bill proposes to pay the claimant \$24,139.28 for alleged losses in connection with changes in plans and specifications for airplane parts furnished under contracts with the War Department in 1926 and 1927.

The contracts provided for such changes in plans and specifications and required the contractor to "submit evidence to the contracting officer of the amount involved by such change or changes", and that for any change increasing the cost of performance "an equitable adjustment will be made at the time such change or changes are made." Instead of the contractor submitting evidence of increased cost at the time the changes were made, the contractor accepted the changes with the statements thereon that "Contract price and terms of delivery not affected."

Does Congress wish to allow extra compensation for losses alleged to have been sustained over 9 years ago, when no claim therefor was requested or made at the time the changes were agreed upon? Is it not a condition precedent to the payment of increased costs under a contract that claim therefor, supported by proper evidence, be filed at the time changes are made? (Plumley v. United States, 43 Ct. Cls. 266, 226 U. S. 545.) Are the terms of the contracts and the principles of contract law to be disregarded entirely?

TITLE X-H. R. 3218-FRED HERRICK

A similar bill, S. 491, became Private Act No. 335, Seventyfourth Congress, approved August 27, 1935, after this title was included in the omnibus bill, H. R. 8750.

TITLE XIX-H. R. 6661-MAJ. JOSEPH H. HICKEY

A similar bill, S. 2741, became Private Act No. 388, Seventy-fourth Congress, approved February 11, 1936, after this title was included in the omnibus bill, H. R. 8750.

TITLE XX-S. 753-WALES ISLAND PACKING CO.

The claim of the Wales Island Packing Co. for \$100,000 results from a favorable decision of the Court of Claims. However, it originated before any Member of this House was ever elected to Congress.

TITLE XXIII-S. 921-C. J. MAST

This bill proposes to pay for damages to claimant's crops from 1924 to 1928 by reason of breaks in a Government irrigation dike caused by muskrats burrowing in the bank of the dike.

Does Congress wish to obligate the Government to pay for several measures included in the damages resulting from ravages of muskrats when the Gov-tion of Members of the House.

ernment was exercising due care in trying to eliminate such predatory pests and was not otherwise negligent in operating the irrigation project? Are not such damages one of the risks assumed by farmers using water from irrigation projects? Is it not just as logical to say that the Government would be obligated to pay a farmer the value of chickens killed by a fox straying from a national forest? Only \$255 is involved, but if you pass this bill, how many more will follow?

TITLE XXIV-S. 998-GEORGE LAWLEY & SON CORPORATION

This bill, if enacted, would pay a contractor \$92,781 in excess of the contract price of two torpedo boats constructed for the Navy under contracts entered into in 1898. Delivery of the boats was delayed several years due to contractor's inability to secure certain materials promptly and to strikes in contractor's plant. The amount claimed represents increases in wages and cost of materials during the period of delay. It also appears claimant had had no prior experience in constructing torpedo boats. Congress has heretofore referred the matter to the Court of Claims, which has held that the claim is for a gratuity and therefore without legal or equitable merit. Case no. 15005, congressional, decided January 8, 1934.

Does Congress wish to adopt the policy of referring claims to the Court of Claims for hearing and adjudication and then refuse to accept the findings of said court? Are the terms of contracts and established principles of contract law to be disregarded in settling claims against the United States? Will this not encourage other concerns without experience in particular work to secure Government contracts in the belief that the Government will pay any losses sustained by them in the performance thereof?

Include conclusion of law, page 2280.

TITLE XXV-S. 1036-BR. GEORGE W. RITCHEY

This identical bill became Private Act No. 153, Seventyfourth Congress, approved July 22, 1935. Hence the pending bill, if enacted, would authorize payment of a claim already satisfied in full.

YAX REFUNDS

There are in this bill numerous cases where it is provided to pay certain claimants or to refer their cases to the Court of Claims growing out of payment of taxes, and so forth, which cannot now be paid, due to the statute of limitations, and so forth.

It has long been the established policy of Congress by its action on similar bills to refuse to act favorably on such legislation, no matter how meritorious the claim might be. I have had several such claims where the Treasury admitted an overpayment, but the relief bills were never passed.

The Treasury repeatedly has held-

The position which this Department has taken and which Congress has sanctioned is that it is a sound policy to have statutes of limitation and that the policy upon which statutes are based must be adhered to, notwithstanding hardship in particular cases.

Then, again, I quote from a Treasury report:

The Treasury Department has consistently opposed the enactment of special legislation designed to remove the bar of limitations on refunds as unfair to other taxpayers with equally meritorious claims.

One dislikes to deny a taxpayer money illegally paid or money due as an overpayment of income and other taxes, but to open the door would mean claims involving hundreds of milions of dollars. Then, again, some attention must be paid to the position the Government finds itself in. In making audits the Government has found where money is due, but it cannot collect because of the statute of limitations. This likewise involves hundreds of millions of dollars. It is only in fraud cases where the Government can go beyond the statute of limitations.

President Roosevelt has vetoed claims of this character.

H. R. 9045 (OMNIBUS)

This bill also is from the Committee on Claims. There are several measures included in this bill to which I call the attention of Members of the House.

TITLE II-H. R. 3559-JOHN L. ALCOCK

Under this bill the Court of Claims would be given jurisdiction to adjudicate a claim for anticipated profits under executory contracts between claimant and foreign buyers covering spruce lumber, which the United States commandeered for war purposes. Claimant has heretofore recovered damages for the loss on lumber in his possession at the time the Government took over all spruce timber.

Does Congress wish to obligate the Government to pay anticipated and speculative profits? Is it proper to pay a profit on goods which the claimant never owned or had in his possession? Did the claimant suffer any actual loss by having to pay damages to its customers for breach of contract resulting from an act of the United States in its sovereign capacity and as a war measure? Why should this claimant receive preferential treatment over other persons and concerns who were similarly situated?

The report shows the contention of the War Department is assailed by the committee. The War Department says in part:

If the relief be granted, it is believed such action would constitute a precedent too dangerous to even contemplate, as it would open up untold tens of thousands of claims of a like nature, for the reason that during the war the Government not only requisitioned ships which were under contract and charter at the time of their requisition but undertook the control of wheat, sugar, coal, and other commodities of almost every nature, thereby rendering impossible the execution of previous contracts, respecting these commodities, and took over steel mills, railroads, shipyards, telephone and telegraph lines, the capacity output of factories and other producing activities. If this bill should be enacted into law, it is the opinion of this Department that it will inevitably result in a stampede and gold rush in the nature of claims upon the Government in comparison with which the Klondike gold rush would appear as a solo affair. If this should be passed, it is difficult to understand why, in principle, every soldier who was drafted into the military service would not have an equally meritorious claim against the Government for a special act of Congress for relief to compensate him for the difference between his meager Army pay and the pay, salary, or earnings he was receiving in civil life.

It seems to me, in view of such a statement from the present Secretary of War, Congress should give more than ordinary consideration to this proposed legislation and defeat the bill.

TITLE IV-H. R. 3729-HENRY W. BIBUS AND OTHERS

The claim of Henry W. Bibus and others grows out of the purchase of land for use by the Government during the war, for which the claimants were paid \$472,250.30. There are 11 claimants, and all but 2 received the option price. In one instance the compromise was \$5,000 less, and in the other the same amount. In four cases the Government paid more than the option price. The report shows the Government spent millions for improvements. It converted the land into highly desirable industrial property by reason of the expenditure in excess of \$6,000,000. Now the former owners want the Congress to pass a bill that might result in their securing the amount between the purchase price and the sale price—over a million dollars. The War Department is opposed to the bill, and the Congress should defeat it.

In direct contrast to this recommendation is the bill for the relief of the Western Electric Co., Inc., which originates with the War Department. This in itself is evidence that the Department is fair, because it admits the Government is obligated, prepares the bill, submits it to the Congress, and asks for its passage.

TITLE VI-H. R. 4841—RELIEF OF CERTAIN ARMY DISBURSING OFFICERS AND OTHERS

A similar bill, S. 556, became Private Act No. 214, Seventy-fourth Congress, approved August 14, 1935, after this title was included in the omnibus bill. H. R. 9054.

TITLE IX—S. 1360—TERESA DE PREVOST

The bill has been pending for many years and grows out of the so-called Alsop award of July 4, 1911, made by the King of Great Britain as arbitrator.

Mrs. de Prevost maintains this money should be paid to her by the Government because of alleged irregularities in the distribution through the State Department to claimants under the Alsop award. The United States Government held the Government of Chile was liable to the United States, acting for certain named persons and their heirs. The King of Great Britain was named as arbitrator, and he decided in favor of the United States. The contentions of the claimant indicate a former Assistant Solicitor of the State Department resigned after the award had been made and within a few years entered the case as an attorney. If the allegations of Mrs. de Prevost are true, then the Assistant Solicitor of the State Department was guilty of unethical conduct, to say the least. This lady has spent many years around the Capitol in an effort to secure the passage of an act to reimburse her.

Mrs. de Prevost died several weeks ago, and, so far as I can ascertain, she did not leave any relatives in this country.

The Committee on War Claims reported the next bill and of course has to do with claims growing out of the war. Some even go back to the War of the Rebellion.

H. R. 9112 (OMNIBUS)

TITLE I-H. R. 237-ROWESVILLE OIL CO.

The bill is to remove the statute of limitations so far as it applies to the linters claim of the Rowesville Oil Co. arising out of a contract it had with the Government in 1919. The Judge Advocate General of the War Department indicates that at this time, with incomplete records, the Government would be at a great disadvantage in defending this suit if the bill was passed. Further, while the plaintiff made a plea at the time of cancelation of contract that it feared bankruptcy. the Judge Advocate General says:

As a matter of fact, the plaintiff did not fail. Like all industries connected with the manufacture of munitions, the plaintiff made great profits as a result of the war.

The company did not protest the cancelation clause at the time the contract was made. When the war ended there was no further use for buying linters used in the manufacture of explosives, and the cancelation clause was in all such contracts so the Government would be protected when it no longer needed the explosives. The amount involved is not indicated by the report or bill. It might be pertinent to say, however, there are now before the Court of Claims cotton linters claims amounting to over \$6.000.000.

TITLE II-H. R. 254-FARMERS STORAGE & FERTILIZER CO.

The second bill is for the Farmers Storage & Fertilizer Co., and is similar to the Rowesville Oil Co. bill.

TITLE III-H. R. 3790-WALTER W. JOHNSTON

This bill proposes to pay a balance alleged to be due claimant for services rendered in behalf of the United States Shipping Board Emergency Fleet Corporation during the years 1918 and 1919 in launching ships built for the Government at various shipbuilding yards.

In decision of April 30, 1930, no. E-455, the Court of Claims found the value of the claimant's services in launching the ships to be \$20,000, and that \$5,495 of that amount had been paid by the shipbuilding corporations, the amount of the judgment being \$14,505. Does the Congress wish to authorize this payment notwithstanding the claimant has already been paid in full, in the view of the Court of Claims?

The net judgment was paid by the Government. It amounted to \$14,505 and was paid September 6, 1930. This certainly should dispose of the claim. The bill seeking further reimbursement should be defeated.

TITLE V-H. R. 4059-ELLA B. KIMBALL

The bill to pay Ella B. Kimball, daughter and heir of Jeremiah Simonson, is a Civil War claim. It provides for payment of \$16,441.81 for furnishing supplies and labor in the construction of the U. S. S. Chenango. The findings of the court were submitted in 1907, but all efforts to collect the money by an act of Congress have failed, as have hundreds if not thousands of other Civil War claims.

TITLE VI-H. R. 6356-JOSEPH G. GRISSOM

The claim of Joseph G. Grissom of \$1,153.43 is another Civil War claim. This was to cover a period between the time he was commissioned by a Governor and actual date of muster in. One hundred and sixty-three such claims passed the House but were rejected by the Senate. This is the first time since 1914 this claim has been reported by a House committee.

TITLE VII-H. R. 7727-GEORGE B. MARX

The claim of George B. Marx grows out of an informal contract to make 200 wire carts for the Signal Corps in 1918. The War Department canceled the order on November 9, 1918, later considered the claim, and paid Marx \$139,876.86. Marx claims \$76,574.12. The committee, despite the objections of the War Department in the Seventy-first Congress, recommended Marx be paid \$58,259.02. The bill was defeated. Now it is proposed to refer the case to the Court of Claims. The Government should not be required to defend such a suit.

TITLE VIII-S. 2520-T. D. RANDALL & CO.

This bill proposes to authorize the Court of Claims to readjudicate a claim for losses and damages arising out of contracts for furnishing hay to the War Department in the year 1918. The claim was referred to said court by Private Act No. 507, Seventieth Congress, approved March 2, 1929, and denied by the court for the reason there was no agreement or understanding whereby the Government was to provide cars for shipping the hay, and, there being no breach of contract by the United States, no liability resulted for the alleged losses and damages (71 Ct. Cls. 152).

Does the Congress wish in effect to amend the contracts at this late date by changing the rights and obligations of the parties thereunder so as to make the Government liable for risks which the contractor voluntarily assumed in its undertakings? Are not such risks usually assumed by those engaged in similar enterprises? Should not such risks be anticipated and guarded against by appropriate covenants in the contracts or by insurance?

This company wants \$20 and \$25 a ton for 3,600 tons of hay it contracted to furnish the Government for \$14 per ton. The Government paid the contract price.

The next two omnibus bills are from the Committee on Claims, H. R. 11214 and 11215.

H. R. 11214 (OMNIBUS)

TITLE II.-H. R. 2479-CHARLES G. JOHNSON

The bill is for the relief of Charles G. Johnson, State treasurer of the State of California.

I have no objections to this bill, as the coupons have not been presented to the Treasury Department, but I do object to the wording of the bill, as it should read, a bill for the relief of the Maryland Casualty Co., as that company has actually paid the loss, and in the end, Mr. Johnson will reimburse the surety company.

TITLE XI—S. 925—TO CARRY INTO EFFECT THE FINDINGS OF THE COURT OF CLAIMS IN THE CASE OF WILLIAM W. DANENHOWER

This is an ancient claim, over 15 years old.

Section 9 of the act of February 12, 1901, according to the Court of Claims shows, provided among other things for the payment, 50 percent by the United States and 50 percent by the District of Columbia for all damages to property owners resulting from, incidental to, or connected with all relocations and changes of alinements and grades of the tracks of said railroad or the streets of the city.

The act of June 29, 1906 (34 Stat. 624, 625), repealed section 9 of the act of February 12, 1901, and provided for the ascertainment of the actual damages resulting to property owners from changes made in streets and railroad tracks under the act of 1901, taking into consideration all benefits received through said changes by a commission appointed by the Supreme Court of the District, or by the verdict of a jury selected by said court if the parties should be dissatisfied with the award of the commission. The filing of the petition with the commission was limited to 12 months after the date fixed for the meeting of said commission.

No suit was ever brought under section 9 of the act of February 12, 1901, or claim filed as provided by the act of June 23, 1906, by the claimant.

The actual damages caused by the depreciation in value of claimant's property in the fall of 1903 due to changes in the grades of New Jersey and Virginia Avenues and the relocation of the tracks of said railroad company under the act of 1901 was \$42,260.

It seems to me if the Congress is to reimburse this owner, the District of Columbia should be required to pay 50 per-

cent of the damages, but this bill calls for the payment of the entire amount from the Treasury of the United States. It further appears that this owner slept on his rights and did not take advantage of the acts referred to.

TITLE XII-S. 952-ZELMA HALVERSON

The decedent in this case lost his life while fighting a forest fire in Montana during August 1933, as an employee of the Sieben Livestock Co., of Helena, Mont. It seems to be admitted by everyone, except a representative of the company, that at the time of his death as a result of the fire. Harry Halverson continued to be employed with the company. He was not employed in the Forest Service of the United States at any time up to and including the time of his death, August 21, 1933, and if there was any intention to so employ him, such employment was never actually consummated but merely in the embryo stages. The only positive statement to the contrary is from one Fred Sheriff, an official of the company who hired Halverson and his interest in shifting any pecuniary liability from the company to the Government at once manifests itself. In other words, if employed by the company and not by the Government, there is neither moral, equitable, nor legal obligation upon the Government, such obligation resting squarely upon the company. There appears to be no sound reason why the United States should assume the liability if in fact that liability is rightfully upon another.

TITLE XIV—S. 1328—SNARE & TRIEST CO., NOW FREDERICK SNARE

The contractors in this case are asking the Congress to grant them the sum of \$83,978.05 in full settlement of all claims against the Government for damages incident to delays (alleged to have been caused by the Government) in connection with work performed by them under a contract for furnishing labor and materials necessary in the improvement of the water front at the submarine base, Key West, Fla. The contractors have had their day in court on two different occasions. Claimants entered into this contract for the development of the submarine base under the appropriation act of July 1, 1918 (40 Stat. 725), which expressly and specifically appropriated the sum of \$1,000,000 only, and while the Secretary of the Navy was authorized to enter into additional obligations, the performance of any work by the contractor in excess of the amount so specifically appropriated was necessarily done at their peril. From the committee reports and the testimony of naval engineer experts it appears much of the work was of a useless nature or at best susceptible of destruction by hurricane, but, notwithstanding this testimony, the Congress appropriated an additional \$800,000 for further development of the project to the benefit of the contractors. The contractors knew that obligations entered into under such a provision of law were limited in payment to the extent of the appropriation—the courts have so held. When they proceed in the face of a limited appropriation they gamble with the generosity of a sympathetic Congress and in their efforts to secure the profits which they estimate upon bidding on such work they actually, if not intentionally, exert a moral duress or coercion.

In the Seventy-third Congress, S. 1760 authorized the Court of Claims again to hear and adjudicate the case without regard to the statute of limitations.

This bill, however, does not return the case to the Court of Claims, where it has been on two previous occasions, but directs the Secretary of the Treasury to pay the money direct, by providing that the Secretary of the Treasury shall pay the \$83,978.05.

If any action is to be taken by the Congress on this bill it certainly should be to return the claim to the Court of Claims and not pay the claim from the Treasury as the bill provides.

TILE XV—S. 1431—COLLIER MANUFACTURING CO. OF BARNESVILLE, GA.

The contracts under which the claim of the Collier Manufacturing Co. was predicated were entered into by the firm of Clift & Goodrich, and the Court of Claims has found that settlements with the latter company were made by the Government. The Government dealt with Clift & Goodrich, not with the Collier Co.; there consequently was no privity of contract between the Collier Co. and the Government, and it

is not perceived why it should be necessary to pay this company the sum of \$48,719.70 in full settlement of all claims when they have in fact no claim against the Government. The case has been decided adversely to the Collier Co. by the War Department Board of Contract Adjustment and by the Court of Claims (certiorari denied by the Supreme Court of the United States).

Whether the Collier Co. profited by this or other contracts for furnishing supplies to the Government during the war is not known, but it is reasonable to suppose that they, like many others, found business with the Government during the stress of war conditions very profitable. It is reasonable to assume, also, that Clift & Goodrich, who apparently acted as brokers, were no exception in this respect, and if there was any unwarranted interference with the output and acceptance from the Collier Co., they, it would seem, should look to the party with whom they were dealing and not to the Government.

H. R. 11215 (OMNIBUS) TITLE I—H. R. 653—GEORGE R. BROWN

This is a bill to authorize payment of pay and allowances to George R. Brown, a former second lieutenant in the National Guard, to cover a period during which it is claimed he was illegally placed in a discharge status from the service of the United States. A fact that was apparently overlooked when the War Department acted to restore claimant to an active status was that when his National Guard organization was transferred into the Federal service on August 4, 1917, he was not an officer of the National Guard, having been discharged therefrom by the Governor July 28, 1917, which order was received August 1, 1917, and therefore he was not an officer in the service of the United States when the alleged illegal discharge order was issued or at any time during the period for which pay and allowances are claimed.

It is a further fact that Lieutenant Brown rendered no services during the period in question, never reported to a military post or station, and was not ordered to do so. The accounting officers of the Government in 1918 and the Court of Claims in 1924 found no merit in the claim and the War Department in agreement therewith has reported adversely. Amount claimed, \$689.90.

TITLE IV-H. R. 2115-FIRST LT. R. G. CUNO

This bill would reimburse First Lt. R. G. Cuno for damages to his personal property which were sustained by reason of a storm which flooded a warehouse at Langley Field, Va., August 23, 1933, where the Government had stored the property during the officer's absence as a patient at Walter Reed General Hospital. The property was stored free of charge and, at most, the Government was merely a gratuitous bailee, requiring the exercise of only ordinary care and certainly not liable for damages resulting from unforeseeable causes. The damages to the property may be considered as the result of an act of God, any consequent losses necessarily resting on the owner of the property.

Since as early as 1885 (23 Stat. 350) the Government has accepted only a limited liability for loss, destruction, or damage of the property of personnel of the military services (see act of Mar. 4, 1921, 41 Stat. 1436), but it has never gone so far as to insure personal property of an Army officer against loss, damage, and destruction when the custody by the Government was for convenience of the owner of the property. The amount involved is \$851.61.

TITLE VIII-H. R. 3179-JESSE ASHBY

The claim of Jesse Ashby arose out of work required to be performed under contract dated April 28, 1931, for painting plaster walls in the new Department of Commerce Building, Washington, D. C., and the provisions of this title VIII have for their purpose a reference of his claim to the United States Court of Claims with jurisdiction to hear the same notwithstanding the failure of any Government officer to give proper written orders for additional work with instructions to adjudicate the same upon the basis set forth in the bill. Article 3 of the contract requires that any claim resulting in an increase in the contract price must be asserted within 10 days after the change is ordered and supervisory officers of the Government have stated that the claim of the

contractor is more in the nature of an afterthought subsequent to completion of the work, based upon his personal opinion that the profits should have amounted to more than were actually realized on the job. This merely shows the value which flows to the Government under section 3709, Revised Statutes, in requiring competition from contractors. Common experience teaches that oftentimes profits are small, and in some instances losses are incurred as a result of competitive bidding on close estimates. This is a chance that all contractors take in entering into competitive bidding, and in this particular case claimant stands on no different footing than other contractors similarly situated. In any event, if the claimant thinks he has a legal claim against the Government under the contract he is not precluded from pursuing whatever remedy he believes himself entitled in the Court of Claims, the statute of limitations not having run at this time. If the Government is going to guarantee a realization of the profit estimated by a contractor, then the protection accorded the Government by the provisions of section 3709, Revised Statutes, will be practically nullified. No amount is estimated.

TITLE XIII—H. R. 6105—FOR THE RELIEF OF THE NEW AMSTERDAM CASUALTY CO.

This bill is for the relief of the New Amsterdam Casualty Co. This company furnished the bond for one Zangwell Engelsher, who had been indicted on six counts for counterfeiting. You have hundreds of similar cases where forfeited bail bonds will be demanded when bills of this character pass. Then, again, it would be interesting to know who guaranteed this bond when it was written by the company. In many cases I have heard of surety companies demanding security before they will furnish such bonds. Was the company reimbursed, and if so, will it return this money to those who furnished the guaranty?

TITLE XVII—S. 895—TO CARRY OUT THE FINDINGS OF THE COURT OF CLAIMS IN THE CASE OF THE ATLANTIC WORKS, OF BOSTON, MASS.

The claim of the Atlantic Works, of Boston, Mass., is a more or less ancient one, the basis thereof being predicated upon construction of the revenue cutter *Daniel Manning*, under the terms of a contract with the United States dated June 27, 1895. The vessel was completed October 7, 1897, was delivered to and accepted by the United States, and the full contract price, plus the cost of extra work, was paid and received by the contractor as payment in full.

It appears clear from an examination of the findings of fact by the Court of Claims, to whom was referred the case under the Tucker Act of March 3, 1887, that the error in estimates for the job was due in large part to the inexperience and lack of facilities for handling the same. Finding V of the court was worded as follows:

The claimant's shipyard was principally for repairs; it was a small but good repair yard in which no vessels had been constructed in recent years. It was totally inadequate at the time of claimant's bid for construction of a ship of the type and dimensions of the Manning. The mold for laying down the hulls of vessels was not nearly large enough to lay down a vessel of the dimensions of the Manning. The hull of the vessel was to be constructed of wood and steel, and there were no facilities in the claimant's plant for curving the steel plates, which were shaped by the Government at the Boston Navy Yard. None of the responsible employees of the company had had any experience in the construction of wood and steel vessels or in the construction of any large vessels for some years, as the plant for some time had been devoted almost entirely to repair work.

And the nature of the claim was summarized in the Court's conclusion of law as follows:

If the Court have jurisdiction under any of the provisions of the Tucker Act to render judgment, its conclusion is that there is no liability upon the United States under the terms of the contract to pay said claim, and that the claim is neither a legal nor an equitable one. The claimant insists that the claim is one for "a grant, gift, or bounty" by the Government and the payment of such a claim rests in the judgment and discretion of Congress.

This claim thus appears to be merely another case where the Government is asked to donate or give to a contractor moneys of the taxpayer to partly reimburse such contractor for losses due to errors in estimating its costs and profits on Government work. The amount involved is \$22,170.30. TITLE XVIII—S. 2119—FOR THE RELIEF OF AMOS D. CARVER, S. E. TURNER, CLIFFORD N. CARVER, SCOTT BLANCHARD, P. B. BLANCHARD, JAMES B. PARSE, A. N. BLANCHARD AND W. A. BLANCHARD AND/OR THE WIDOWS OF SUCH OF THEM AS MAY BE DECEASED

The claim of Amos D. Carver et al., in the sum of \$35,916.68 is stated to represent losses incurred by the owners of the schooner Betsy Ross by reason of interference with, delays to, and forced cancelation of a private charter of and the appropriation of the use of said vessel by the United States Shipping Board on or about April 5, 1918. The basis for the claim appears to be that the loss was incurred in handling a shipment of wheat for the United States Food Administration from Australia to New York instead of a shipment of chrome ore to the west coast of the United States under a private charter. The United States Shipping Board has denied appropriation of the use of the vessel and the Supreme Court of the United States has confirmed the contention of the Government on the merits to the effect that no liability attached to the United States, this action being on writ of certiorari after judgment by the Court of Claims against the United States.

It is noted that the figures of \$35,916.68, prepared by the claimants, were arrived at by crediting the Government with amounts paid to the owners of the vessel for shipment of lumber from Puget Sound to Australia and shipment of grain from Australia to New York and debiting against such receipts each and every expense incurred in connection with both shipments. As before stated the Supreme Court of the United States has found that no legal liability existed, and if the Congress sees fit to pass the bill in behalf of the claimants as a grant or gift there would appear to be for ascertainment what, if any, expenses were incurred by the owners incident to the shipment of wheat from Australia to New York over and above the expenses which would have been incurred in the shipment of chrome ore, taking into consideration the respective freight charges which would have accrued to the owners on each shipment. From all that appears the shipment of chrome ore under the original charter may have resulted in a greater loss than the shipment of wheat, incident to which it apparently is contended the loss was incurred.

There are other omnibus bills on the calendar, but I am sure they will not be reached on this call.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I renew my request for permission to address the House for 5 minutes.

The SPEAKER. The gentleman from Indiana asks unanimous consent to address the House for 5 minutes. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a very brief letter received from Commander James E. Van Zandt, national commander of the Veterans of Foreign Wars.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, we have had a great deal of belligerency and fighting conversation in evidence here today, and I intend, therefore, to speak for a few minutes on the subject of peace.

Before starting this week to Japan, James E. Van Zandt, the national commander of the Veterans of Foreign Wars of the United States, authorized his approval of House Joint Resolution No. 167, the war-referendum and anti-war-profits resolution which I have introduced as a means of keeping America out of foreign wars.

I welcome the support of this great soldier and the members of his organization who have fought the wars of our country in foreign lands. Certainly no one has a better right to an opinion on my war referendum and anti-war-profits proposal than those who have freely offered to die for America on foreign soil. They have given the full measure of devotion. They have furnished for the inspiration of future generations in the long lane of centuries a glorious example of unselfish service which cannot be dimmed or tarnished by things past or present or things to come.

They have a special right, which they have earned in the crucible of sacrifice, to evaluate any and all proposals that are designed to protect the young men of the future from being drawn into the shambles of foreign wars. They have evaluated the resolution I have introduced, and I am immensely pleased to say they have placed on it the seal of their approval. The Veterans of Foreign Wars would spill every ounce of their blood to defend America from attack or invasion, but they would erect every safeguard to prevent our fine young manhood from being drawn into slaughter pens in foreign countries. That is what my proposed constitutional amendment seeks to do, and that is why Commander in Chief Van Zandt and his patriotic followers are for it.

In a note sent to me on the day he started on his long journey, Commander Van Zandt said:

If I were not leaving Washington at noon today for Japan, it would be a pleasure for me to call upon you and discuss this matter with you personally. I addressed the Indiana Legislature recently and attempted in a humble way to convey to them the splendid work you are doing as a Member of the Indiana congressional delegation, and especially your efforts in regard to our country being kept free from becoming involved in any foreign entanglements. The legislation that you have introduced coincides in many ways with our thoughts to keep this country out of war, and as commander in chief of the Veterans of Foreign Wars of the United States it is a pleasure to not only thank you for your interest in this matter but to congratulate you on the initiative you have taken in bringing his matter to the attention of the Congress of the United States.

The declaration of Commander Van Zandt in favor of House Joint Resolution No. 167, my war-referendum and anti-war-profits resolution, follows a similar endorsement from the American War Mothers of America, whose sons crossed the seas to fight in the World War. Meeting in national convention in Washington, the American War Mothers unanimously approved my resolution, declaring that the women of the future must never go through the ordeal of grief and suffering that had been their fate. The 21 railroad brotherhoods, representing the largest group of organized labor in the world, have put their united force back of my resolution, knowing that the men who compose the rank and file of labor are the most certain to be victims of unjustifiable wars.

My proposed constitutional amendment has two sections. One guarantees a popular vote on a declaration of war, except in the case of attack or invasion. The other section takes the profit out of war. Take the profit out of war and there will be few wars. The referendum section of the amendment is based on the philosophy that those who have to suffer, and if need be, to die and to bear the awful burdens and costs of war, should have something to say as to whether war shall be declared. What could be more elementally just than that?

I know that Commander Van Zandt would be pleased if his friends who are Members of the House of Representatives would sign discharge petition no. 28 which I have filed at the Speaker's desk to bring House Joint Resolution No. 167 out of the committee, where it has been reposing since February 14, 1935, exactly 14 months, so that it may receive consideration and action in the House. Surely it is a measure of such importance and has such widespread national support that it is worthy of being brought out into the light, debated, possibly amended, and either approved or disapproved in a record vote. Fifty-two Members of the House. not quite one-fourth of the number required to make the petition effective, have so far attached their signatures. During the hearing on this resolution before the Judiciary subcommittee, Dr. Arthur Call, secretary of the American Peace Society and the Interparliamentary Union, in arguing for a favorable report on the resolution said:

I believe that if this discussion were carried onto the floor of the House it would be equally educational to all the Members of the House and to the people of America generally.

I wish to echo that sentiment and that belief, and I plead with Members of the House to sign discharge petition no. 28 so that in this historic forum we may have a free and open discussion on the subject of how to keep America out of foreign entanglements, based on a resolution, which, without pride of authorship, I may say is conceived in a spirit of service and which I sincerely believe is the best proposal so far advanced to keep America out of wars which we should not enter. [Applause.]

CALENDAR WEDNESDAY

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent that business in order on tomorrow, Calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. SNELL. Mr. Speaker, reserving the right to object, let us have an understanding what is going to happen here for the balance of the afternoon. I thought we had an understanding that no business would be transacted except the presentation of a rule.

Mr. BANKHEAD. I may say to the gentleman that my purpose is to move to adjourn immediately.

Mr. SNELL. I thought the gentleman would object to the other Member addressing the House for 5 minutes.

Mr. BOILEAU. The other request was granted.

Mr. BANKHEAD. I am not going to object to the request made by the gentleman from Wisconsin.

Mr. PARSONS. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. BANKHEAD. Will the gentleman withhold that for a moment?

Mr. PARSONS. I withhold the point of order.

Mr. BANKHEAD. I expected to make the motion to adjourn now, but inasmuch as the gentleman from Wisconsin [Mr. Boileau] has asked unanimous consent to proceed for 5 minutes, out of courtesy to him I shall not object. I give notice, however, that I shall object to any further remarks.

Mr. COCHRAN. Will the gentleman yield?

Mr. BANKHEAD. I yield to the gentleman from Missouri?

Mr. COCHRAN. The gentleman has asked and received permission that business on tomorrow, Calendar Wednesday, be dispensed with. Under a special order of the House memorial services are set for next Tuesday. Under the rule, next Tuesday would have been taken up for the consideration of omnibus claims bills. While I am opposed to some of the individual bills, I am in favor of the passage of practically 75 or 80 percent of them. May I suggest to the majority leader that he ask unanimous consent to take up these omnibus bills next Wednesday?

Mr. BANKHEAD. I am perfectly willing to do that unless in the meantime the tax bill is ready for consideration.

Mr. FULLER. Mr. Speaker, I demand the regular order. The SPEAKER. The regular order is called for.

The gentleman from Wisconsin [Mr. Boileau] asks unanimous consent to address the House for 5 minutes. Is there objection?

Mr. FULLER. I object, Mr. Speaker.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Wilcox, for 4 days, on account of important official business.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2524. An act to amend section 51 of the Judicial Code of the United States (U. S. C., title 28, sec. 112).

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 11053. An act authorizing the President to present the Distinguished Service Medal to Commander Percy Todd,

out pride of authorship, I may say is conceived in a spirit of British Navy, and the Navy Cross to Lt. Comdr. Charles service and which I sincerely believe is the best proposal so A. deW. Kitcat, British Navy.

Mr. BOILEAU. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BOILEAU. I would like to ask the Speaker a parliamentary inquiry with reference to the discharge petition, discharging the Committee on Rules from the consideration of the Frazier-Lemke bill.

I would like to ask the Speaker as to the number of signatures required in order to complete the petition. As I understand, the rule provides it must be signed by a majority of the total membership of the House of Representatives. There have been previous rulings at previous times to the effect that when Members sign the petition their names remain thereon and are effective to the petition even after their deaths or resignation or when for any other reason they are no longer Members of the House.

At the present time, as I understand, there are 214 names on the petition, including the names of some Members who have resigned or who are now deceased.

In view of the specific wording of the rule, which provides that the petition is completed when the names of a majority of the total membership of the House are attached to the petition, I would like to ask for the information of the House-because I think it is a matter that all the Members are interested in-how many signatures are actually required; and in this connection I may state that there are very few precedents in the RECORD. One of the precedents occurred at the time the Patman bonus bill was brought up for consideration. At that time the petition was removed automatically from the Clerk's desk when 216 names were attached to it. It was removed from the Clerk's desk and appeared in the Congressional Record, in conformity with the rule, on the following day, with 216 names on the petition, and that was all. So at that time it was not considered necessary, at least by the Clerk, although I do not believe there was any definite or formal ruling by the Chair, to have 218 signatures.

I understand the gentleman from Texas [Mr. Patman] later on, either the same day or perhaps the following day, asked that two more names be put on the petition, and in the permanent Record 218 names appear, but the precedent on the part of the Clerk, at least, was that 216 names, or a majority of the then Members of the House, were sufficient. I do not know whether that was in conformity with the view of the Speaker at that time or not.

I would like to have the Speaker give the House the benefit of his ruling on this point.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield? Mr. BOILEAU. I will be pleased to yield to the gentleman.

Mr. O'CONNOR. The gentleman has raised a serious question to which much thought has been given.

Mr. BOILEAU. I appreciate that.

Mr. O'CONNOR. Did the gentleman advise the Speaker in advance that he was going to make this parliamentary inquiry?

Mr. BOILEAU. I did not.

Mr. O'CONNOR. As I say, it is a very important matter, and to adequately discuss it would require going back to the debate on the adoption of the rule itself. I submit to the gentleman whether it would not be fair to the Speaker, as well as to the rest of us—

Mr. PARSONS. Mr. Speaker, I renew my point of order that a quorum is not present.

Mr. BOILEAU. Mr. Speaker, I do not yield for that purpose. I do not know whether the point of order is well taken or not, but I do not yield for that purpose.

The SPEAKER. The point of order of no quorum having been made, no further business is in order until a quorum is established.

Mr. PARSONS. Mr. Speaker, I insist on my point of order.

The SPEAKER. The Chair will count, but pending the count the Chair may state that he is prepared to answer the parliamentary inquiry of the gentleman from Wisconsin. Evidently there is not a quorum present.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do

The motion was agreed to; accordingly (at 2 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 15, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

776. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 6, 1936, submitting a report, together with accompanying papers and illustration, on a preliminary examination and survey and reexamination of Ashley River, S. C., municipal yacht basin and connecting channels and channels to the grounds of the South Carolina Military Academy (The Citadel), authorized by the River and Harbor Act, approved August 30, 1935, and requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 13, 1935 (H. Doc. No. 449); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

777. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 8, 1936, submitting a report, together with accompanying papers and illustration, on a preliminary examination of Point Remove Creek, Ark., a tributary of the Arkansas River, with a view to the control of floods, authorized by act of Congress approved July 1, 1935 (H. Doc. No. 450); to the Committee on Flood Control and ordered to be printed, with illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 11915. A bill to amend the Coastwise Load Line Act of 1935; with amendment (Rept. No. 2404). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PITTENGER: A bill (H. R. 12282) to provide for the establishment of Coast Guard stations at or near Beaver Bay, Two Island, and Hovland, Minn.; to the Committee on Merchant Marine and Fisheries.

By Mr. SIROVICH: A bill (H. R. 12283) providing for a surgeon and ship hospital on vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. SUTPHIN: A bill (H. R. 12284) to lease an unused portion, useless for military purposes, of the Fort Hancock Military Reservation to the State of New Jersey for a public aquatic park and pleasure ground for the benefit and enjoyment of the people of the United States; to the Committee on Military Affairs.

By Mr. ELLENBOGEN: A bill (H. R. 12285) to rehabilitate and stabilize labor conditions in the textile industry of the United States; to prevent unemployment, and to provide minimum wages, maximum hours, and other conditions of employment in said industry; to safeguard and promote the general welfare; and for other purposes; to the Committee on Labor.

By Mr. BUCHANAN: Joint resolution (H. J. Res. 567) to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDRESEN: A bill (H. R. 12286) granting an increase in retired pay to Frank E. Monville; to the Committee on Military Affairs.

By Mr. BACON: A bill (H. R. 12287) for the relief of Silver Line, Ltd., as owner of the British motor vessel Silverfir, and Osaka Shosen Kaisha, as owner of the Japanese motor vessel Buenos Aires Maru; to the Committee on Claims.

By Mr. CHRISTIANSON: A bill (H. R. 12288) granting an increase in retired pay to Frank E. Monville; to the Committee on Military Affairs.

By Mr. FLETCHER: A bill (H. R. 12289) granting a pension to John Herschler; to the Committee on Pensions.

By Mr. KLOEB: A bill (H. R. 12290) granting a pension to Lenace Marlin; to the Committee on Invalid Pensions.

By Mr. TOLAN: A bill (H. R. 12291) for the relief of H. A. Montgomery; to the Committee on Claims,

By Mr. WILCOX: A bill (H. R. 12292) for the relief of James B. McDonald; to the Committee on Claims.

Also, a bill (H. R. 12293) for the relief of James B. Mc-Donald; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10719. By Mr. COLDEN: Resolution adopted by the board of directors of the Mining Association of the Southwest, Los Angeles, Calif., on March 30, 1936, asking that the existing and proposed income-tax laws be so amended, revised, or enacted as to exempt gold producers of the United States from the payment of an income tax on gold newly produced in the United States or its possessions; to the Committee on Mines and Mining.

10720. Also, certified copy of resolution of the board of governors of the Truck Owners Association of California, expressing approval of the work of the Federal Coordinator of Transportation, and recommending that that office be made a permanent part of the Interstate Commerce Commission and the retention of the incumbent Coordinator of Transportation; to the Committee on Interstate and Foreign Commerce.

10721. By Mr. CONNERY: Petition of the mayors and selectmen representing the cities and towns of Massachusetts within the flood area, urging that legislation should be enacted providing for an expenditure by the Federal Government in the sum of \$130,000,000 to cover cost of flood control, and end of soil erosion, sanitation, riverside beautification, and an end of pollution of the three great New England streams, namely, the Connecticut, the Merrimack, and Blackstone Rivers; to the Committee on Interstate and Foreign Commerce.

10722. Also, petition of the Peabody Chamber of Commerce, opposing the enactment of Senate bills 3958 and 3959; to the Committee on Military Affairs.

10723. By Mr. JOHNSON of Texas: Petition of Rev. Edward D. Hamner, Oakwood, Tex., favoring House Joint Resolution No. 167; to the Committee on the Judiciary.

10724. Also, petition of Frank Johnson, chairman of Brotherhood of Locomotive Firemen and Enginemen, Teague, Tex., favoring House bill 11609, by Mr. Crosser of Ohio; to the Committee on Interstate and Foreign Commerce.

10725. Also, petition of E. A. Havekost, secretary, Limestone County R. L. C. A., Groesbeck, Tex., favoring an amendment to House bill 11148, so as to reduce the age of beneficiaries to those under 35 years; to the Committee on the Civil Service.

10726. Also, petition of C. W. Barber, of Aquilla, Tex., favoring House bill 11609, the Wheeler-Crosser bill; to the Committee on Interstate and Foreign Commerce.

10727. By Mr. LEHLBACH: Petition of the Daughters of America, Star of A. J. Smith Council, No. 90, Newark, N. J., to take House bill 5921 out of committee; to the Committee on Rules.

10728. By the SPEAKER: Petition of the second district board, Wisconsin Federation of Women's Clubs, urging the repeal of section 213 of the Economy Act of 1932; to the Committee on Appropriations.

SENATE

WEDNESDAY, APRIL 15, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., appeared in the seats assigned them.

The VICE PRESIDENT. The Sergeant at Arms by proclamation will open the proceedings of the Senate sitting for the trial of the articles of impeachment.

The Sergeant at Arms made the usual proclamation.

On request of Mr. Ashurst, and by unanimous consent, the reading of the Journal of the proceedings of the Senate, sitting for the trial of the articles of impeachment, for Tuesday, April 14, 1936, was dispensed with, and the Journal was approved.

(At this point, on request of Mr. Robinson and by unanimous consent, the Senate, sitting for the trial of the articles of impeachment, suspended its session in order that the Senate might receive a message from the House of Representatives by Mr. Haltigan, one of its reading clerks. The message, which is noted elsewhere in the RECORD of today's legislative proceedings, having been received, on motion of Mr. Robinson, the Senate resumed its session sitting for the trial of the articles of impeachment.)

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators

answered to their names:

Adams Clark Johnson Pittman Keyes King La Follette Radcliffe Reynolds Ashurst Connally Coolidge Austin Copeland Couzens Bachman Robinson Logan Bailey Lonergan Schwellenbach Barbour Barkley Davis Long McAdoo Sheppard Shipstead Dieterich Donahey Benson Bilbo Duffy McGill Smith Fletcher Black Thomas, Okla. Thomas, Utah Townsend McNary Maloney Metcalf Bone Borah Frazier George Gerry Gibson Glass Brown Truman Vandenberg Bulkley Minton Moore Bulow Burke Guffey Murphy Murray Van Nuys Hale Harrison Wagner Walsh Byrd Byrnes Capper Caraway Norris Hastings Wheeler Hatch Nye O'Mahoney White Carey Hayden

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. Costigan], the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL] are absent because of illness, and that the Senator from Oklahoma IMr. GORE] and the senior Senator from Illinois [Mr. LEWIS], and the Senator from Idaho [Mr. Pope] are necessarily detained from the Senate. I request that this announcement stand for the day.

Overton

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. Dickinson] is necessarily absent.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

DELIBERATION WITH CLOSED DOORS

Mr. ASHURST. I move that the doors of the Senate be closed for deliberation.

The VICE PRESIDENT. The question is on the motion of the Senator from Arizona.

The motion was agreed to.

Holt

The respondent and his counsel withdrew from the Chamber.

The galleries having been previously cleared, the Senate (at 12 o'clock and 8 minutes p. m.) proceeded to deliberate with closed doors.

UNANIMOUS-CONSENT ORDER ENTERED BEHIND CLOSED DOORS

Mr. ROBINSON. I ask that the unanimous-consent agreement entered into during the deliberations of the Senate sitting for the trial of the articles of impeachment behind closed doors may be published in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The agreement referred to is as follows:

Ordered, by unanimous consent, That when the Senate, sitting as a Court, concludes its session on today it take a recess until 12 o'clock tomorrow, and that upon the convening of the Court on Friday it proceed to vote upon the various articles of impeachment.

Mr. ROBINSON. I should like to say, for the benefit of those who were not present, that, on account of the enforced absence from the Senate tomorrow of a number of Senators who desire to be present and vote, the closed deliberations in connection with the proceedings pertaining to the impeachment case will be finished tomorrow, and a vote will be taken upon the convening of the Senate on Friday. If there should be time afforded at the conclusion of the closed session tomorrow, I shall ask for a legislative session.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. BARKLEY. I just stepped out a moment ago, and I understand an agreement has been entered into to vote on the pending impeachment case Friday. If that be true, I shall have to ask to be excused, because I will be compelled to be away on Friday. I did not know that such an agreement had been entered into. I do not, however, want to change the agreement.

Mr. ROBINSON. I am sorry, but it cannot now be changed. Mr. BARKLEY. Very well.

LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

MESSAGE FROM THE HOUSE

During the impeachment proceedings, on motion of Mr. ROBINSON, the proceedings were suspended so that, as in legislative session, the Senate might receive a message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announcing that the House had agreed severally to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the following bills of the House:

H. R. 3806. An act to establish a commercial airport for the District of Columbia;

H. R. 11691. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes; and

H. R. 11968. An act relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 3806. An act to establish a commercial airport for the District of Columbia:

H. R. 4387. An act conferring jurisdiction upon the United States District Court for the Western District of Michigan to hear, determine, and render judgment upon the claim of Barbara Blackstrom:

H. R. 11691. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes; and

H. R. 11968. An act relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

SALE AND DISTRIBUTION OF MILK PRODUCTS IN CHICAGO AREA

The VICE PRESIDENT laid before the Senate a letter At 4 o'clock and 45 minutes p. m. the doors were opened. I from the Chairman of the Federal Trade Commission,

transmitting, pursuant to House Concurrent Resolution 32, Seventy-third Congress, second session, an interim report of the Commission with respect to the sale and distribution of milk and milk products in the Chicago, Ill., sales area, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

REPORT OF THE CLAIMS COMMITTEE

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 4444) directing the Court of Claims to reopen certain cases and to correct the errors therein, if any, by additional judgments against the United States, reported it with amendments and submitted a report (No. 1831) thereon.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 14, 1936, that committee presented to the President of the United States the enrolled bill (S. 2524) to amend section 51 of the Judicial Code of the United States (U.S.C., title 28, sec. 112).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LOGAN:

A bill (S. 4478) for the relief of Joseph N. Wenger, lieutenant, United States Navy, and for other purposes; to the Committee on Claims.

By Mr. HARRISON:

A bill (S. 4479) for the relief of John Edward Johnson; to the Committee on Naval Affairs.

By Mr. WHEELER:

A bill (S. 4480) to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes; to the Committee on Interstate Commerce.

By Mr. DAVIS:

A bill (S. 4481) to correct the military record of Ralph Smythe; to the Committee on Military Affairs.

A bill (S. 4482) granting an increase in pension to Cora Kennedy; to the Committee on Pensions.

On motion of Mr. Sheppard, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 4435) authorizing the President to present in the name of Congress a medal of honor to Harold R. Wood, and it was referred to the Committee on Naval Affairs.

AMENDMENT TO RIVER AND HARBOR FLOOD CONTROL BILL

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

MARINE CASUALTY INVESTIGATION BOARD-AMENDMENT

Mr. GIBSON submitted an amendment intended to be proposed by him to the bill (H. R. 8599) to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection, to create a marine casualty investigation board, and increase efficiency in administration of the steamboat inspection laws, and for other purposes, which was ordered to lie on the table and to be printed.

ATALA N. LAMAR

Mr. HARRISON submitted the following resolution (S. Res. 280), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1935, to Atala N. Lamar, widow of Lucius Quintus Cincinnatus Lamar, late an employee of the Senate under supervision of the Sergeant at Arms, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

RURAL ELECTRIFICATION-REPRINT

Mr. NORRIS. Mr. President, I ask unanimous consent that there be printed in bill form in parallel columns Senate bill 3483, the rural electrification bill and House amendment thereto. The bill is in conference.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order is made.

WAR DEPARTMENT APPROPRIATIONS-APPOINTMENT OF CONFEREE

Mr. COPELAND. Mr. President, the Senator from South Dakota [Mr. Norbeck] is absent on account of illness. He was appointed one of the conferees on the War Department appropriation bill. It is desirable that a meeting of the conferees be held very shortly, and I ask unanimous consent that the Senator from South Dakota may be excused from further service as a member of the conference committee on the part of the Senate, and that the Chair appoint a Senator to serve as conferee in his place.

The VICE PRESIDENT. Without objection, the Senator from South Dakota [Mr. Norbeck] will be excused from further service as a member of the conference committee on the part of the Senate on the War Department appropriation bill, and the Chair appoints the senior Senator from Wyoming [Mr. Carey] as a conferee in place of the Senator

from South Dakota.

TAX EXEMPTION OF OLYMPIC GAMES RECEIPTS

Mr. ROBINSON. Mr. President, some days ago, at the suggestion of the Senator from California [Mr. McADoo], who was then absent because of illness, I asked that the Senate proceed to the consideration of House bill 11327, to exempt from taxation receipts from the operation of Olympic Games, and so forth, the Senate sometime ago having passed an identical bill. The House did not act upon the Senate bill, but acted upon a similar bill of its own.

I now ask unanimous consent, with the approval of the Senator from California, the author of the bill, that the Senate proceed to the consideration of House bill 11327.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. McNARY. Mr. President, my attention was diverted. I inquire if this is the bill to which I objected the other day? Mr. ROBINSON. It is.

Mr. McNARY. This is a House bill?

Mr. ROBINSON. Yes; the Senate has already passed a similar bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas for the present consideration of the bill?

There being no objection, the bill (H. R. 11327) to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That no Federal income tax or gift tax shall now or hereafter be imposed upon any present, past, or future members of the Tenth Olympiade Committee of the Games of Los Angeles U. S. A. 1932, Ltd., in respect of any surplus of moneys received by such committee from the operation of the Olympic Games in California in 1932 and donated (1) by such committee, or any of its members, to the State of California, or (2) by such committee, or any of its members, through the Community Development Association, Ltd., to the city of Los Angeles in such State in such State or the county of Los Angeles in such State.

W. P. A. IN RHODE ISLAND-ARTICLE FROM PROVIDENCE JOURNAL

Mr. METCALF. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting article from the Providence Journal of April 14 instant.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Providence Journal of Apr. 14, 1936]

QUITS DEMOCRATS; COST, ONE W. P. A. JOB—DAY AFTER CAPEVERDIAN LEAGUE SWITCHES LOYALTY TO G. O. P., SECRETARY IS DROPPED—VICTIM IN DIRE STRAITS—J. F. DELGADO, VETERAN AND FATHER OF FOUR, SUDDENLY TOLD WORK IS NOT SATISFACTORY

FOUR, SUDDENLY TOLD WORK IS NOT SATISFACTORY

The day after the Capeverdian Civic Democratic League of Rhode Island officially changed its name to the Capeverdian Civic Republican League, its secretary, John F. Delgado, a World War veteran and father of four, was dropped from the W. P. A. rolls.

Since last October, Delgado had been working with a pick and shovel on the Blackstone Boulevard W. P. A. project during the days and tending to the books of the league, which has 85 members, at night. During recent months the league members underwent a change of political heart and voted to transfer their affiliation from Democratic to Republican. As secretary, Delgado signed the official papers changing the name and they were filed at the office of the secretary of state on March 31.

NOTIFIED OF DISMISSAL

The next morning Delgado went to work as usual at the Black-stone Boulevard project. He was directed to report immediately, he said, to the W. P. A. headquarters on Custom House Street. There, he said, he was told he was being summarily dropped from the rolls. Delgado asked for an explanation and was told that his

the rolls. Delgado asked for an explanation and was told that his record was bad, that his foreman had reported him as being unable to do the work required, of refusing to do his work, and of being late in reporting for duty on several occasions.

Since that time Delgado's family, which lives at 57 Sheldon Street in the Fox Point section of the city, has been living a more or less hand-to-mouth existence, Delgado said yesterday, while he searched for work. He applied to the city welfare department for aid, and was told by his district welfare worker, he said, that his situation would be investigated and acted upon as soon as possible.

SERVED IN UNITED STATES ARMY

In 1915 Delgado came to America from the Cape Verde Islands, and 3 years later he enlisted in the United States Army. He served for 13 months and was honorably discharged. He was a spinner by trade, but when the depression came he was forced onto the relief rolls. For two winters he attended Americanization classes. He became active in the Capeverdian League. "Naturally, being poor and without any relief, I feel badly," he said yesterday, "but what hurt me was the claim that I had a poor record. I deny that I was unable to do my work; I did do it. It is true that I was late upon occasion, but that was during the winter months. I had to transfer from one trolley car to another to get to the job, and this sometimes delayed my arrival. You see, this is the first time that I have ever been discharged from any position since I started to work as a boy."

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF THE APPROPRIATIONS COMMITTEE

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nominations of the following persons to be State directors of the Public Works Administration:

Alvin D. Wilder (California); Forrest M. Logan (Indiana); George H. Sager, Jr. (Kentucky); Louis A. Boulay (Ohio); William F. Cochrane (South Dakota); Richard A. Hart (Utah); and Eugene R. Hoffman (Washington).

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the post-office nominations are confirmed en bloc.

That completes the calendar.

Mr. ROBINSON. I move that the Senate take a recess. The motion was agreed to; and (at 4 o'clock and 55 minutes p. m.) the Senate took a recess, to meet, sitting for the trial of the articles of impeachment, behind closed doors, tomorrow, Thursday, April 16, 1936, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 15 (legislative day of Feb. 24), 1936

POSTMASTERS

ARIZONA

William I. Welker, Bowie.

ARKANSAS

Alfred J. Jefferies, Clarendon. Lawrence H. Green, Crawfordville. Bennie H. Lucy, Elaine. Hazel P. Screeton, Hazen. Rhetta L. Cooper, Hughes. Paul B. Garrett, Okolona. Gertrude A. Parrish, Rector.

James A. Watson, Springdale. Joe Davidson, Winslow.

KENTUCKY

Stanley H. Jones, Fort Knox. George M. Roach, Fulton. Anna May Moore, Hazard. Isaac N. Combs, Lexington. George J. Covington, Mayfield. Benjamin F. Shepard, Wayland.

Lyman Ellis, Canton. Frank X. Oakes, Fairfield. William Gerald Jordan, Fryeburg. Wade P. Clifton, Greenville Junction, Marita E. Peabody, Houlton. Embert Worcester, Phillips. Eugene P. Lowell, South Paris. Maynard A. Lucas, Union. Howard F. Wright, Wilton. Mildred A. Holbrook, Wiscasset.

MICHIGAN

James A. Maxwell, Auburn. Harold P. Snyder, Bear Lake. William D. Pinkham, Belding. Anne C. Parsal, Benton Harbor. Samuel Robinson, Charlotte. Delwin J. McDonald, Cheboygan, Francis Jackson, Clare. Elizabeth H. Ronk, Clarkston. Frank H. Crowell, East Jordan. Joseph J. Voice, Fife Lake. Fred W. Zehnder, Frankenmuth. Ralph Edward Peterson, Frankfort. Robert H. Edsall, Greenville. Walter C. Schoof, Imlay City. James O. Peet, Ithaca. William A. Seegmiller, Owosso. Frank Knight Learned, Plymouth. Myron I. Lutz, Pullman. Arthur J. La Bo, Rockwood.

MINNESOTA

Palmer M. Swenson, Dawson.

Carroll Wisdom, Bowling Green. Garnett B. Sturgis, Eureka. Clyde G. Eubank, Madison. George W. Daniels, Novinger.

NORTH DAKOTA

Hugh H. Parsons, Fessenden. Orna F. Leedy, Goodrich.

OHIO

Marvin L. Sollmann, Anna.

OKLAHOMA

Roy Jessie McCormick, Alva. William R. Marlin, Pawnee.

PENNSYLVANIA

Elmer N. Zepp, Hatfield.

TENNESSEE

Walter E. Nixon, Dayton. John Cort Sadler, Gainesboro.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 15, 1936

The House met at 12 o'clock meridian.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we would cherish in this moment of devotion the greatest of gifts, which is a thankful heart. Give us the spirit of truth which subordinates the lower elements of life. Breathe upon us the inward tranquillity and

linger on the stepping stones of self, but may we patiently mount to higher levels. Blessed Lord, arm us with the sense of victory that overcometh the world, with that grace that resists every evil influence and that serenely sustains in every ordeal and turns to advantage every vicissitude. As patriots and devout lovers of our country, may we delight to clothe ourselves with the garment of Christian brotherhood. Open our eyes to the large purpose and the high efficiency demanded by the public service. Through Christ our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MOTION TO DISCHARGE COMMITTEE

Mr. BOILEAU. Mr. Speaker, the question presented yesterday afternoon is of vital importance to the membership of the House, and I trust the Speaker will tolerate me for a few minutes while I present the views of those of us who have been studying this rule, and who believe that the signatures of a majority of the present membership of the House attached to the petition is sufficient to bring to a vote the question of discharging the Rules Committee from further consideration of the Frazier-Lemke bill.

I have been able to find very few precedents in connection with the discharge rule. I have looked up the precedents dealing with language similar to this language which appears in other rules of the House.

There are numerous rules of the House referring to majorities, and the Constitution itself refers to a majority of the membership of the House of Congress. The Constitution of the United States states that either House of Congress can organize to carry on business when a majority is present; or, in other words, a majority shall constitute a quorum.

The precedents of the House and of the Senate are and have been for a long time to the effect that that language which provides that a majority shall constitute a quorum means a majority of the Members of either House who have been elected, sworn, and living, and who have not resigned. In other words, a majority under the Constitution for the purpose of establishing a quorum is a majority of the present membership of the House, which today is 429.

In all the precedents I have been able to find which relate to the interpretation of the word "majority", and regardless of the exact language used in stating that a majority is necessary, the rulings have been that a majority means a majority of the membership of the House at the moment.

The rule we have before us today, and which is in effect at the present time, states that when a majority of the total membership of the House shall have signed the motion it shall be entered on the Journal, and so forth. The language is "the total membership of the House." This rule is the only rule which I have been able to find in which that exact language "total membership of the House" is used, but it seems clear to me, Mr. Speaker, that the proper rule of interpretation should be that unless the rule specifically states that some different gage for determining what is a majority is expressly written into the rule, that the rulings of the Chair on other rules relating to a majority should be observed in this case, and that in this case it should be held that a majority of the total membership of the House means a majority of the present total membership of the House, and nothing else. The total membership of the House today is 429, and a majority of the total membership of this House today is 215. It seems to me there is nothing in the rules of the House that would justify any different

There is only one precedent I have been able to find which deals with this particular rule, and that is when the Patman bonus petition was completed and was spread upon the Journal and printed in the RECORD on August 22, 1965. That petition was completed when 216 names were attached to it. On August 22 last the precedent established by this House was that a majority of the total membership of the House consisted of 216 Members, not 218. I do not want to say that that was the ruling of the Chair, because, so far as

silence of the uttermost thought and feeling. Let us not | I know, neither the Parliamentarian nor the Speaker nor anyone else advised the Clerk to spread the petition on the Journal when 216 names were attached, but the precedent established on that day was that 216 Members completed the petition. It was a majority of the membership of the House, and the daily RECORD for August 22, 1935, lists the names of 216 Members, which was a majority of the total membership of 431. At least 216 was then considered to be a majority, and the RECORD shows that at that time the petition, in conformity with the rules, was automatically spread upon the Journal and incorporated in the RECORD. It is true that on the following day, August 23, the gentleman from Texas [Mr. Parman] made this statement:

> Mr. Speaker, I ask unanimous consent that the Record be corrected on page 14579 to show a total of 218 names on the peti-tion instead of 216.

> That was only because the gentleman from Texas was able to obtain more signatures and because he did not want the question raised on this particular petition when it should be brought up for consideration. That does not mean that that correction was necessary. The words addressed by Mr. Parman to the Speaker are not incorporated in the permanent Record, so that if we want to find that particular language it is necessary to go back to the daily RECORD. The language was excluded for some reason from the permanent RECORD, and I presume in conformity with the rules of the House. The permanent RECORD now shows that there were 218 names on the petition, whereas as a matter of fact there were only 216 names when the petition was completed, as is clearly shown by the daily RECORD. That is the only precedent. It is a precedent established by the Clerk, but after all, the Clerk is the one who is directed by the provisions of the rule to interpret it and act in conformity with it, and if 216 names were sufficient then, it would seem to me that 215 names now are sufficient.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield? Mr. BOILEAU. Yes.

Mr. O'CONNOR. Of course, the permanent Record does show 218 names, because 2 additional names were put on simultaneously with the request made by Mr. PATMAN.

Mr. BOILEAU. I think I made that clear.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. Yes.

Mr. BLANTON. Of course, this is a matter of construction to be made by the Speaker. He can decide either way and be right, because the burden is upon the Speaker to determine and announce what was meant by the House when it used that language.

Mr. BOILEAU. I appreciate that.

Mr. BLANTON. This point, however, is in the case, in favor of the gentleman's contention. Why did the House use the language "total membership"? Why did it not just say 218? At one time it said 145. If the House intended that 218 Members should sign the petition, it would have been much simpler to have used that language-218 Members of the House. But the House saw fit in the rule to say 'a majority of the total membership of the House" . realizing that the total membership changes from time to time.

Mr. BOILEAU. I thank the gentleman for his contribu-There is nothing in the precedents that would indicate that any other interpretation should be placed on this rule than that a majority of the total membership means a majority of the present total membership of the House. It may be said, and I have heard it suggested by those who take a different view, that we should go to the debate in this House at the time the rule was adopted to assist us in interpreting the rule. I examined the debate and read it over very carefully last night. I submit that there is not one word in the debate at the time the rule was adopted that would justify any Member of the House or the Speaker of the House in believing that the House at that time meant that a majority requires more than a majority of the present total membership of the House. A majority of the total membership of the House today, for quorum and other purposes is 215, because there are now 6 vacancies, leaving a total membership of 429.

It is true that in that debate some Members referred to the new rule as the rule that required a majority to discharge a committee. Others referred to it as the "218 rule." That expression, "218 rule", was used many times during the debate, but there are many very good reasons for that. The first reason was that we were changing a rule that specifically provided for 145 signatures. The old rule did not say "one-third of the membership of the House." said, "145 Members." So that when we were changing the rule from the 145 to a majority, on the opening day of the session, when we had a complete, full House of 435 Members it required 218 to constitute a majority. But if the Speaker will read the debate, I am sure the Speaker will come to the conclusion that that particular point was not even remotely in the minds of those who participated in the debate. Several times 218 was mentioned, but that was because Members were using figures to compare the new rule with the old rule of 145, and the use of figures was the most convenient way of referring to the two rules-the 145 rule and the majority or 218 rule-which on that day constituted a majority of the total membership of the House of Representatives.

Another point I want to bring out is this: The rule that was in operation during the Seventy-first Congress required a "majority of the membership of the House." It did not contain the word "total." It read "when a majority of the membership of the House shall have signed the petition", and so forth. There are no decisions relating to the language in that rule. It may be argued that when we used the words "total membership" in the present rule we meant something different than when we had the old rule in the Seventy-first Congress. I submit there is a very logical reason why the word "total" was left in the present rule, and that reason does not justify us in coming to the conclusion that any special emphasis should be placed upon the use of that word. The 145 rule that was in effect during the Seventy-second and Seventy-third Congresses provided that "when Members to the total number of 145 shall have signed the petition", and so forth.

Now, Mr. Speaker, this new rule adopted on the opening day of the Seventy-fourth Congress was an amendment of that rule. That old rule was before the committee and the House for amendment. The word "total" was in the old rule, and the amended rule naturally retained that word, because there was no need of striking it out. Leaving the word "total" in the amended rule does not change or alter the meaning of the rule at all.

I submit, in conclusion, that the precedents of the House are all to the effect that a majority of the House, regardless of the exact language used, means a majority of the Members who have been elected and sworn and who have not died, resigned, or been expelled.

It seems to me to be clear, from the debate when the rule was adopted, and considering the circumstances surrounding its consideration, that there was no intention on the part of the House to require more Members to sign the petition than are required to constitute a quorum to do business, and I submit that 215 Members today is a majority of the total membership of this House.

The SPEAKER. The Chair is ready to rule.

It has not been the practice to permit discussions of parliamentary inquiries, but this matter is one of importance, and the Chair has indulged the gentleman from Wisconsin [Mr. Bolleau] to present his views.

The gentleman from Wisconsin indicated when the House adjourned on yesterday that it was his intention to renew his inquiry this morning, and that has given the Chair an opportunity to examine the debates which took place when this rule was adopted at the beginning of this Congress and to consider the various points raised by the gentleman from Wisconsin. The Chair is going to ask the indulgence of the House, for he thinks that the importance of this question, the fact that it has been raised for the first time, will justify him in taking a little of the time of the House.

The parliamentary inquiry of the gentleman from Wisconsin [Mr. Boileau] raises de novo a question as to the actual

number of signatures necessary to effectuate a petition under the discharge rule of the House of Representatives.

The distinguished gentleman seems to contend that there is required only a majority of the actual sitting Members at any particular moment; that if the authorized and apportioned membership of the House of 435 be reduced at any time by death, resignation, or other cause the number necessary is an actual majority of the remaining sitting Members. Precisely, the gentleman contends that because of six vacancies, by reason of three deaths and three resignations, the number of sitting Members is reduced to 429, of which 215 only is required instead of 218, a majority of 435, the authorized membership of the House.

As a precedent in support of his contention, the distinguished gentleman from Wisconsin cites an instance occurring in the closing days of the first session of this the Seventy-fourth Congress, in August 1935. At that time there were five vacancies in the House. On August 22, 1935, there were 216 signatures to the petition on the bonus. The Clerk, on whose advice it is not clear, thereupon entered the petition in the Journal as a completed one. Two days later the gentleman from Texas [Mr. PATMAN], the introducer of the bonus bill, H. R. 1, and the prime mover of the petition. asked the unanimous consent of the House that the RECORD be corrected to show the petition bore 218 signatures. This consent was granted, and thereupon two additional Members signed the petition, making 218, and in the permanent RECORD of the proceedings of the House the number of signers appear as 218. The judgment of the distinguished gentleman from Texas at that time is significant.

It might be worth while to review the history of the socalled discharge rule for the purpose of the Record and future rulings, and especially because the question is of first instance and of considerable parliamentary importance.

The first rule of this nature was adopted in the Sixty-first Congress, on June 17, 1910. That rule, however, did not provide any actual number of signers necessary to discharge a committee. It merely provided that when the motion was seconded by a majority of the House, meaning those voting, by a teller vote, the bill was placed on the appropriate calendar.

This rule of 1910 was twice amended, but in no substantial particular, in the Sixty-second Congress in 1911 and 1912.

In the Sixty-eighth Congress, on January 18, 1924, the "motion to instruct a committee" was adopted. This rule required the signatures of 150 Members.

In the Sixty-ninth Congress, on December 7, 1925, the number required to "instruct" a committee was increased from "150" to "a majority of the membership of the House." No question ever arose under that rule similar to the one now presented to the Chair.

In the Seventy-second Congress, on December 8, 1931, the present discharge rule, an entire departure from, and revision of, the previous rule, was adopted. That rule, which is the existing rule, except for the number of signatures necessary, provided for 145 signatures. Of course, that number is exactly one-third of the membership of 435, but the number "145" was used instead of the fraction "one-third."

In the Seventy-fourth, the present Congress, on the opening day, January 3, 1935, the existing discharge rule, requiring only 145 signatures to a petition to discharge a committee, was amended to require a majority of the total membership of the House. (Congressional Record, Jan. 3, 1935, p. 13.)

It is interesting, and possibly significant, to note the addition of the word "total" in this amendment, which word did not occur in the rule adopted in the Sixty-ninth Congress on December 7, 1925, which required a majority of the membership.

It cannot be gainsaid that on any inquiry as to the membership of the House the answer would be 435. It is beyond conception that the answer would contain the qualification that except it is only 429 now, because we have 6 vacancies by reason of death and resignation.

Because the question has never been raised before, it should be of assistance in determining the issue, to refer to

the debate on the adoption of the present rule. This debate will be found in the Congressional Record of the first session of the Seventy-fourth Congress on January 3, 1935, on pages 13 to 20.

The gentleman from New York [Mr. O'CONNOR], chairman of the Rules Committee, offered the resolution (H. Res. 17) to amend the discharge rule, being rule XXVII, by amending the last sentence of the first paragraph of section 4 thereof to read as follows:

When a majority of the total membership of the House shall have signed the motion, it shall be entered on the Journal, printed with the signatures thereto in the Congressional Record, and referred to the Calendar of Motions to Discharge Committees.

Debate thereupon followed, opened by Mr. O'CONNOR. In the course of that debate the distinguished gentleman from Wisconsin [Mr. O'MALLEY] said:

Under the proposed change 218 Members are necessary (p. 14).

Mr. O'Connor referred to the change as "the 218 rule", and referred to the rule as requiring the signatures of "218 Members."

The distinguished gentleman from Pennsylvania [Mr. Dunn] said (p. 14):

Does not the gentleman [Mr. O'CONNOR] believe that the number of 145 is really more democratic than 218?

The distinguished gentleman from Pennsylvania [Mr. Ransley], the ranking minority member of the Rules Committee, in opposition to the proposed change in the rule, said (p. 15):

It is now proposed to increase that number to 218, which means an absolute majority, not of the Members present when the matter is to be considered, but a majority of the membership of the entire House.

The distinguished gentleman from Massachusetts [Mr. Marrin], the assistant and acting leader of the minority, said (p. 15):

I say without hesitation we are taking a backward step today if we increase the number required to discharge the committee from 145 to 218.

The distinguished gentleman from Indiana [Mr. Greenwood], second ranking majority member of the Rules Committee, said (p. 16):

• • This amendment will change it from 145 to 218.

Whereupon the distinguished gentleman from Illinois [Mr. Keller], who opposed the change, referred to the change as requiring "218 signatures."

The distinguished minority member from Minnesota [Mr. Knurson] referred to the number of signatures necessary as "increased to 218" (p. 17).

The distinguished gentleman from Massachusetts [Mr. Connery] twice referred to the resolution under debate as "changing this rule from 145 to 218", and as the "218 rule" (p. 18).

The distinguished gentleman from Michigan [Mr. Mapes], one of the outstanding parliamentarians of the House and a member of the Rules Committee, referred to the proposal as one "to require 218 Members to sign the petition" (p. 19).

Again Mr. Knutson, of Minnesota, referred to the proposal as "a new rule requiring 218 signatures on a motion to discharge a committee" (p. 19).

Again, Mr. Dunn of Pennsylvania said (p. 20):

I am opposed to changing this rule from 145 to 218.

From the above references to the debates it is reasonably deductible that the figure of "218" was definitely in the minds of the Members of the House when the last change in the discharge rule was adopted. The Chair might state that he heard the debate which occurred on the adoption of this rule at the last session of this Congress, and there was not a single Member of the House who discussed it, either for or against the proposed change, who did not refer to and accept the idea that it meant 218 Members of the House.

The rule is commonly referred to as the "218 discharge rule", and no question has ever been raised until now as to the reduction of that number by reason of deaths or resignations, and so forth, of Members.

It is in the interest of proper and orderly parliamentary procedure that the number of signatures required on any such petition to discharge a committee should be definitely known and ascertained in advance. The number required should be stable and not variable from moment to moment. It might well be that deaths of Members could happen without the House being advised at the very moment. Likewise, resignations, which properly are sent to the Governors of the States, might not at the immediate moment be called to the attention of the House.

The Chair will divert for a moment to call attention to the fact that the gentleman from Ohio [Mr. Underwood] sent a formal notification of his resignation to the House on yesterday, whereas he resigned last week.

Nor is it beyond the realm of possibility that resignations of Members might be deliberately presented so that the number of signatures already filed on a petition might constitute a majority under the contention of the gentleman from Wisconsin [Mr. Boileau].

Because of all of the foregoing reasons the Chair is constrained to hold that under the "discharge rule" of the House, requiring "a majority of the total membership of the House", the exact number of 218 Members was intended, and is necessary before a discharge petition is effective, and no less number will suffice, irrespective of temporary vacancies due to death, resignation, or other causes.

BILL S. 3524, TO PROVIDE FOR THE CONTROL OF FLOOD WATERS IN THE MISSISSIPPI VALLEY, TO IMPROVE NAVIGATION ON THE MISSISSIPPI RIVER AND ITS TRIBUTARES, TO PROVIDE FOR IRRIGA-TION OF ARID AND SEMIARID LANDS, AND FOR OTHER PURPOSES

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include a letter from the Secretary of War.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, a bill introduced in the Senate—S. 3524—proposes a Mississippi Valley authority as an instrument for the attainment of the following objectives:

First. To provide for the control of the floodwaters of the Mississippi River Valley.

Second. To improve navigation on the Mississippi River and its tributaries.

Third. To provide for the irrigation of arid and semiarid

Fourth. To provide for the restoration and preservation of ground water levels in the Mississippi Valley.

Fifth. To protect and preserve the fertility of the soil of the Mississippi Valley.

Sixth. So far as is consistent with and in order to lessen the expenses of flood control, navigation, and irrigation, to provide for the generation, transmission, distribution, and sale of electric power.

These are worthy objectives, and their attainment should be fostered by the Federal Government; but the methods proposed in this bill are so inconsistent with the best principles of governmental organization that they promise in the long run to hinder rather than promote the improvements that it intends to stimulate.

The vast area of the Mississippi Valley involves a great number of streams of widely varying characteristics, and the manifold possibilities of their development give the bill an almost unpredictable scope. A somewhat similar authority has been established in the Tennessee Valley as an experiment to determine the practicability and workability of such an administrative and executive instrument. The working out of this plan should be observed carefully over an extended period so that the measures of its advantages and disadvantages can be weighed accurately and confident judgment passed on them before similar developments are tried elsewhere, and particularly before similar developments on even a much larger scale are undertaken or even seriously considered.

The proposed Mississippi Valley Authority would be in its essence a field administrative agency charged with the execution of operations widely divergent in character encompassing an area approximately three-fourths of the continental area of the United States. In that vast region this corporation would supersede many thoroughly qualified existing departments of the Government, schooled by long experience and training in their several fields of activity, and better fitted by organization, talent, experience, and aptitude to carry on the development of the Mississippi Valley as they have supervised it throughout the Nation for many years than any other organization likely to be devised.

Expansion and extension of the work of these great groups is merely a matter of providing additional appropriations. With such appropriations they can carry out and attain, more efficiently and more promptly than any new and untried agencies can hope to do, the objectives toward which this bill is directed.

In particular, it is my conviction that the services of the Army engineers in the development of the Mississippi Valley cannot be dispensed with or curtailed without disastrous consequences. Most of the objectives of the bill are centered around the improvements of the rivers of the valleys and hinge upon the regulation of stream flow, control of floods, improvement of navigation, the generation of hydroelectric power, and the irrigation of arid and semiarid lands. River improvement of these classes have been included in the duties of the Army engineer organization for a century. The Congress has very wisely entrusted the execution of its directives to that efficient organization, and the reasons and the wisdom of that course has been convincingly demonstrated.

The Army engineer organization constitutes the only general engineering organization of considerable magnitude in the Government service. All of the other engineer organizations-and there are many of excellent quality and talent throughout the several governmental departments—are closely specialized and their organization and talent are devoted to the particular tasks for which they were created. On the other hand, the War Department must maintain for use in time of war an engineering organization qualified to perform, under the stress of war emergency, in the most expeditious and efficient manner, any engineering task incident not only to the conduct of military operations, offensive and defensive, but also to the civil activities which must back up and supplement the military activities. War grows more and more complicated with the development of scientific instruments; and with the organization of entire nations in arms, military operations become more and more nearly an application of all of human arts and knowledge to the purposes of frustrating an enemy similarly organized and prepared. The Army engineers must therefore be prepared to provide any service that may be needed in the entire field of engineering, on any scale that may be demanded.

For such primary purposes it is necessary to maintain in time of peace a highly trained, skilled, and energetic engineer organization as an important part of the National Military Establishment. It must be practically experienced in the conduct of engineering work of varied kinds. It must be capable of extraordinarily rapid expansion to meet the needs of war. All of these primary qualifications in the engineering arm of the military service can be developed only by professional application in time of peace which, as the Nation has recently had impressive evidence in the devastating floods that have occurred this year, has its emergencies no less than those of war.

So I can cite, with complete confidence, the obvious wisdom of the Congress in developing this great general engineering organization through the years, and utilizing it to the fullest extent in time of peace in the execution of governmental engineering enterprises of all kinds that are not inseparably a part of the work of some other existing Government department. The interests of the Government in national defense, as well as in the economy of its peacetime activity, have all been served eminently by this wise policy. As a consequence the Army engineers have taken the leadership in almost every field of engineering, planning, design, construction, and operation. They have made surveys, exploratory, geodetic, topographical, and hydrological. They have constructed locks, dams, harbors, piers,

power plants, lighthouses, breakwaters, roads, railroads, bridges, public buildings, monuments. They have salvaged wrecks, removed rock barriers, dredged channels, built levees, rectified river channels, controlled floods. In fact, every engineering activity on which the forces of the Government have been engaged throughout its history has been pioneered in some phase by the Army engineer.

To refresh the recollection of this fact it is only necessary to refer to a few notable examples. I mention the surveys west of the one-hundredth meridian; the explorations of the Missouri Valley and the great West; the highway systems of Alaska, Cuba, Puerto Rico; the Panama Canal; the Lincoln Memorial Bridge; the great Muscle Shoals power plant; the Washington Monument; the Library of Congress; the Mississippi River; the salvage of the wrecks of the Maine and of the Morro Castle. These are only the examples known to every schoolboy. The list could be extended and multiplied indefinitely. Even the river-control projects now being constructed by the Tennessee Valley Authority were conceived, located, and designed in their general features by the Army engineer organization.

While I have taken the Army engineers as a conspicuous example of the efficiency of the permanent agencies of the Federal Government, the others, too, have attained notable success and efficiency in the conduct of their specialized activities. They are younger and newer, but they, too, have built up traditions of loyalty, efficiency, self-sacrifice, and devotion to the public service of the most gratifying and inspirational nature.

If we are to develop the Mississippi Valley for the benefit of the citizens who now live in it and for others who will be attracted to it in the future-and nobody can hope for the attainment of the worthy objectives of this bill more fervently than myself-we can do so effectively, economically, expeditiously, and without danger of the introduction of politics, favoritism, and waste only by devoting to those ends the great ability of these permanent governmental organizations which have been built up in their efficiency, loyalty, and experience through the years. We cannot hope to benefit by supplanting such organizations with new and untried administrative devices for the development of a territorial area three-fourths the size of the United States. They would duplicate the work which the permanent agencies have been performing effectively for many years, and which they will continue to perform promptly and efficiently in the remaining area of the United States during the years that would be wasted in the Mississippi Valley while the proposed authority would be building its organization and learning from the beginning the lessons which the Army engineers learned a century ago and are applying diligently in the Government service today.

The report of the Secretary of War upon the bill proposing the establishment of a Mississippi Valley Authority contains sound views and principles on governmental organization. This report is quoted below.

Hon. E. D. SMITH,

Hon. E. D. Smith,

Chairman, Committee on Agriculture and Forestry,

United States Senate, Washington, D. C.

Dear Senator Smith: In your letter of January 10, 1935, you enclosed S. 3524, a bill to provide for the establishment of a Mississippi Valley Authority, and providing for the control of flood waters of the Mississippi River, the improvement of navigation, and the provision of irrigation of arid and semiarid lands, and for other purposes, and asked for a report from this Department. Department.

A careful examination of the bill indicates as its purpose a comprehensive development of the Mississippi River and tributary basins under the control of an authority similar to the Tennessee Valley Authority, but with broader and more varied powers. large area involved, the great number of streams of miscellaneous characteristics, and the many purposes of the proposed development give the bill an almost unlimited scope. The Tennessee Walley Authority was established as an experiment to determine the economic practicability of a combined utilization of the water resources of the Tennessee River in connection with its improvement for navigation. It should be worked out more completely, so that the measure of its advantages and difficulties can be accurately weighed before new but similar developments are tried

elsewhere, or on a larger scale.

The Mississippi Valley Authority would be essentially a field administrative agency charged with the execution of operations in

an area comprising approximately three-fourths of the United States. The limits of a field administrative agency should be such that its executive head can fully supervise the operations within the territorial area without material loss of time in visiting the works therein. The most efficient results can be obtained from such an agency only when the kinds of work it has to do are of the same general type, or at least closely allied in character. An enlarged field area in which the immediate executive is unable personally to supervise the activities of the area, or which groups a number of activities involving widely different techniques, would require an inordinate number of highly paid senior executives and greatly disproportionate overhead costs. The engineering organization of the War Department is now charged by law with the preparation of plans and the execution of works for the improvement of story bashors and other wareness. ment of rivers, harbors, and other waterways. Its work is sub-divided into areas of suitable extent for efficient administrative and divided into areas of suitable extent for efficient administrative and field control and by technical assignments adapted to efficient planning and supervision. Similarly, the other major engineering organizations of the Government are equipped to handle efficiently and economically their particular specialized assignments throughout the country. The creation of a Mississippi Valley Authority would remove a large area from the jurisdiction of the established Government agencies and would deprive the Government in this

would remove a large area from the jurisdiction of the established Government agencies and would deprive the Government in this area of the capable services afforded by the trained personnel of these agencies. Savings can be effected only by a curtailment of the services rendered to the public.

Land improvements to protect and increase the fertility of the soil and for allied purposes are of great social usefulness, but they are not so closely related to waterway improvements as to require their planning and execution by the same organization. Neither is it necessary for economy or other reasons to have one organization in charge of both irrigation developments and stream imtion in charge of both irrigation developments and stream improvements for flood control and navigation. Irrigation plans are generally separate and distinct from flood-control and navigation

generally separate and distinct from flood-control and navigation plans, and they are now being satisfactorily developed by distinct organizations equipped for specialized study.

The established organization of the Government contemplates intimate control by Congress and the President of its activities through the several executive departments authorized by Congress and functioning directly under the President. The records and duties of these departments are well conceived, and the necessity is not apparent, except under emergent conditions, for the creation of a superorganization, or corporation, which may not be fully responsive to congressional direction. Such a corporation, with broad general powers to carry out large and varied public improvements at enormous cost over an extensive territory, embracing ments at enormous cost over an extensive territory, embracing almost three-fourths of the United States, would function in the field of diminishing returns and thus reduce the degree of control now maintained, with the inevitable result of waste, increased overhead, and loss of efficiency in execution. The War Department, therefore, does not view the proposed bill with favor.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

Secretary of War.

The SPEAKER. The Chair will state there are two special orders this morning. The Chair announces to the House that in deference to those Members and also under the orders of the House, he will not recognize anyone for any business except those who wish to extend their own remarks or to correct the Journal.

THE GOVERNMENT MUST PROTECT ITS CITIZENS FROM EXPLOITATION

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous con-

sent to extend my own remarks in the Record.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HILDEBRANDT. Mr. Speaker, thinking people will applaud President Roosevelt's words in Baltimore in what was virtually the opening speech of his campaign for reelection. The President made it clear that, so far as his administration is concerned, the Government intends to continue seeking to eliminate unemployment, poverty, and economic injustices.

The old doctrine of leaving things alone and letting predatory interests do whatever they please is no longer in favor. It is now recognized that the Government has a definite obligation to protect its citizens from exploitation. Just as, in time of war, official authority is utilized to protect the people from the enemy, so in time of peace this authority should be used for their defense against another foe. Economic insecurity is certainly as much an enemy as any alien army-more so, in fact, for no alien army has ever invaded the United States, and the wars in which we have participated have been only occasional, while uncertainties of livelihood are ever present, so far as a large share of the population is concerned.

When the Executive declared that "the Government must give, and will give, consideration to such subjects as the length of the working week, the stability of employment on an annual basis, and payment of at least adequate minimum wages", he voiced the sentiments of average people. Such a view is not satisfactory, of course, to those who extort vast profits from the public and who thrive by legalized robbery, but it is eminently satisfactory to the general run of citizens. Big business is prone to quote Thomas Jefferson's statement that the best government is that which governs least, but the remark was made by Jefferson in quite a different sense than that in which it is misused by profiteers. Jefferson was opposed to official interference with purely private matters, but he was equally against letting greedy interests ride roughshod over the rights of the masses. In this highly industrialized civilization, regulations are needed that would have been entirely unnecessary in the age in which Jefferson lived. A nation of many farms, only small villages, and no great cities did not require traffic restrictions that are imperative today. To argue against such restrictions by quoting Jefferson would be no more illogical than to argue against strict control over industrial and trade matters.

MEETING OF SUBCOMMITTEE OF THE COMMITTEE ON THE JUDICIARY DURING THE SESSION OF THE HOUSE

Mr. CITRON. Mr. Speaker, at the request of Subcommittee No. 4 of the Committee on the Judiciary, I ask unanimous consent that this committee be permitted to sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

ABSENTEE VOTING

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a few short excerpts from the Georgia law with reference to absentees voting.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, since the foundation of our Government the right of our citizens to exercise the ballot has been one of our most cherished possessions. Our forefathers fought for this right, and it seems to me that those who believe in good citizenship should not fail to exercise this privilege.

With reference to those who work for the Federal Government, I would personally go further and say that the Federal employee who fails to maintain his or her registration, who fails to qualify under the laws of the State from which such employee comes, is to that extent failing to be a good citizen and a good employee.

Of course, there are certain restrictions placed by law upon the activities of employees in the classified civil service. They are not permitted to be active in partisan politics, but this does not in any way circumscribe their right to vote. They should vote, but, of course, should vote as they please and should not be in any way influenced in the exercise of this right by political parties or supervisory officials.

With the exception of the people who have their legal residence in the District of Columbia, I feel that every employee of the Government in Washington should exercise the right of citizenship by qualifying and voting in our elections. Forty-one States now provide for absentee voting, and a majority of the States permit absentee registration.

The citizens of Georgia now residing in the District of Columbia can get assistance if they desire to qualify for voting by contacting the Georgia Democratic Club, whose offices are located at 1110 F Street NW., telephone National

Georgia has no method by which a person may register as a voter by mail, but having once qualified for voting, it is possible for our citizens residing in the District to cast an absentee ballot by complying with the State laws on that subject.

In the hope that it may be of some benefit to my fellow Georgians now residing in Washington, I submit the following information in regard to absentee voting and qualifications, registration, and becoming a voter:

ABSENTEE VOTING

The act of 1924, section 34-3301, Code of Georgia of 1933, provides that any voter, when required by his regular business and habitual duties to be absent from his regular place of voting, and then only, may vote by absentee ballot. He must follow the following procedure:

First. Apply by letter sent by registered mail to the registrar of his county for a ballot. This letter must be registered and must be sent to the registrar not less than 30 days nor more than 60 days prior to the primary or general election, and the applicant must enclose with his application sufficient postage for the return of the blank ballot to him (sec. 34–3302).

Second. Upon receipt of the application, the registrar shall satisfy himself that the applicant is duly qualified to vote in the county, and shall enroll the name and address of the applicant, if found eligible, in a book to be provided for the purpose (sec. 34–3305).

Third. The registrar shall then forward to the applicant, if found eligible, (a) a certificate to the effect that the applicant is a qualified voter and that his application has been received and mailed to the indicated address. To this certificate other certificates are attached outlining the procedure to follow in opening and completing the ballot, also designating the necessary person to attest the ballot and certificates.

- (b) A properly addressed envelope for the return of said ballot.
- (c) A printed slip giving full instructions regarding the manner of marking the ballot in order that it may be counted, how prepared and how returned, which printed slip shall be provided by the ordinary or executive committee (sec. 34–3305).

Fourth. Upon receipt of these documents the applicant shall not open the sealed envelope marked "Ballot within", except in the presence of the postmaster at the address where he receives his mail, and he shall then mark and refold the ballot without assistance and without making known the manner of marking same, and then and there place the ballot in the envelope provided for that purpose in the presence of the postmaster (sec. 34–3303).

Fifth. The postmaster or his assistant or, in the case of their refusal to act, any person qualified by the laws of Georgia to take acknowledgement of deeds, shall fill out and sign the coupon attached to the certificate of registration and enclose the coupon with the ballot in the sealed envelope provided for that purpose (sec. 34–3303). In case the applicant is located in a foreign country, the procedure is taken before an American consul, and if the applicant is enlisted in the Army or Navy, before his commanding officer (sec. 34–3304).

Sixth. The applicant, after having the ballot marked and attested as stated, reseals the same in the special envelope provided for that purpose, which must be done in the presence of the postmaster or his assistant, and then place this envelope containing the ballot and the voucher in another envelope directed to the registrar, which is then mailed (sec. 34-3307).

Seventh. Upon receipt of the returned ballot, the registrar shall make an entry on the book referred to in the following language:

Deposited in sealed box by me on ---, 19---

The registrar shall then add his signature and shall deposit the envelope containing the ballot in a sealed box to be provided for that purpose where it shall remain until the day of the election. The coupon which is returned to the registrar along with the sealed envelope containing the ballot is filed with the original letter of application. The return sealed envelope must show the series number and letter of the ballot deposited therein (sec. 34–3311).

Eighth. On the day of the election the registrar shall deliver the box containing these ballots to the managers of to pay poll taxes when and as due.

the election, with a triplicate list thereof, all of which shall be in a sealed box. They shall also deliver to the managers the pad or pads with stubs showing the series number and letter of the ballots furnished, and no ballot shall be counted unless the series letter and number on the stub shall correspond with the series letter and number on the ballot contained in the envelope returned by the voter (sec. 34–3312).

Ninth. At the close of the election this box is opened by the managers and the ballots deposited in the regular ballot box. As each envelope is removed from the sealed box the name of the voter is called and checked, as if he were present, voting in person (sec. 34-3313).

Tenth. When all the ballots have been accounted for and either voted or rejected the empty envelopes are returned to the original box, which is again sealed, with the letters of applications and coupons of the rejected envelopes, if any, on which shall be written the cause of rejection, signed by a majority of the managers. The box shall then be resealed and not opened within 90 days except by order of the court (sec. 34–3314).

In all county elections the county executive committee or city executive committee, as the case may be, or other particular authority, shall provide to the registrars ballot forms for absentee voters, which shall be printed and prepared in pads with the series number different from that used for voters who vote in person, each ballot having a stub containing the series letter and number of the ballot. These ballot forms are to be furnished to the registrars as required.

The above is, in substance, the contents of the act of 1924, codified as chapter 34-33 of the Code of Georgia of 1933.

QUALIFICATION OF VOTERS FOR THE PRIMARIES AND GENERAL ELECTION OF 1936

First. Any citizen who will be 21 years of age on or before November 3, 1936, may register and vote in any primary or general election of 1936.

Second. To qualify to vote in any county or State primary held after May 3, 1936, to nominate candidates for the general election in 1936:

(a) Any person offering to vote must have been duly registered as provided by law, and his or her name must appear on the voters' list prepared by the board of registrars and filed in the office of the clerk of the superior court. A voter must be thus qualified to vote in the general election in which candidates are being nominated before he or she can vote in any primary to nominate candidates for the general election.

(b) All past due poll taxes, if any, including poll taxes for 1935, must have been paid on or before May 3, 1936.

Third. In any primary held before May 3, 1936, the board of registrars may at any time file supplemental voters' list in the office of the clerk of the superior court, giving the names of voters not on the regular voters' list that have qualified to vote, and when a copy of the same has been furnished to the election managers such persons may then vote.

Fourth. Poll taxes are levied as of January 1 of each year and become past due after December 20 of each year. The payment of poll taxes for 1936 is not a necessary qualification to entitle one to vote in the primaries and general elections of 1936, as poll taxes for 1936 will not be past due until after December 20, 1936.

Fifth. Male citizens are not liable for poll taxes for the year in which they become 21 years of age unless they become 21 on January 1. They are liable for poll taxes for each succeeding year until they become 60 years of age.

Sixth. Female citizens are not liable for poll taxes until they register and then are not liable for poll taxes for the year in which they register unless they register on January 1. They are liable for poll taxes for each succeeding year until they become 60 years of age.

Seventh. Female citizens, after having once registered, cannot now have their names stricken from the registration list as they could before 1928. Once registered, they remain registered and subject to the payment of poll taxes as provided by law and may become disqualified to vote for failure to pay poll taxes when and as due.

Eighth. May 3, 1936, is the last day for paying poll taxes, registering, and qualifying to vote in any primary held after May 3, 1936, and in the general election in 1936. No one can pay poll taxes, register, or otherwise qualify after May 3 1936

INIQUITIES OF THE PRICE-DISCRIMINATIONS BILL

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, including therein an address I made over the radio on the subject of price dis-

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD I include my address delivered over the red network of the National Broadcasting Co. on Saturday, April 11, 1936, as follows:

As one of the ranking members of the Judiciary Committee of As one of the ranking members of the Judiciary Committee of the House of Representatives, I desire to voice emphatic protest against the enactment of the so-called price-discriminations bill, sometimes called the Robinson-Patman bill.

Why do I oppose? Because the consumer will be made the goat.

Why do I oppose? Because the consumer will be made the goat. It will be a raw deal for the housewife. There was ample testimony before our committee that the enactment of this bill would increase the cost of food alone to the consumer by approximately \$750,000,000 annually. The increase in the cost of clothes and other essentials would be comparable. Prof. Harold G. Moulton, director of the Brookings Institution of Washington, a distinguished economist.

"This bill, insofar as it would strike at all those who have here-tofore been effective in reducing prices, to that extent will raise

prices."

If I do nothing else in Congress, I will throw myself across the path of this monstrosity of a bill.

We have passed tariff bills to help the manufacturer. We passed the Guffey coal bill to help the coal miners. We passed a Soil Erosion Act to help the farmers; a Wagner bill for the employees. Have we ever passed a bill specifically to help the consumer? Emphatically, no—because they are not organized. Their voice is inarticulate. The least we can do is to prevent the passage of a bill that will hurt the consumer. You, Mr. Breadwinner, and you, Mrs. Housewife, if you at least want your wages to go as far as they have gone heretofore in purchasing power and do not want those wages to buy less, protest to your Congressmen and Senators and tell them you want their unconditional opposition to this bill. them you want their unconditional opposition to this bill.

WHAT, SPECIFICALLY, DOES THIS BILL DO?

WHAT, SPECIFICALLY, DOES THIS BILL DO?

It sets up, in disguise, some of the more vicious features of the N. R. A. It would prohibit price differentials based on definite quantities of goods sold unless justified by a difference in cost of manufacture, sale, or delivery. In other words, this bill would prevent generally effective quantity discounts on large purchases. It also establishes arbitrary classifications of buyers instead of classifications worked out by sound-business practice based upon years of experience. The bill is supposed to amend the Clayton Act, which makes quantity discounts unlawful only as they tend to create a monopoly or lessen competition. The Clayton Act requires free and open competition, whereas this bill stifles competition and compels price discriminations. This bill in addition sets up the Federal Trade Commission as a "satrap" with unlimited power to issue orders fixing and establishing quantity discount limits on all classes of commodities. The said Commission is given the unrestricted right to prohibit differentials based on differences in quantities greater than those it elects to fix and establish. Thus it can establish a ceiling—making it high or low as it sees fit—and discounts cannot be made effective beyond that ceiling unless expensive court procedure reverses the Commission in proceedings under which the Commission's findings as to facts are accepted as final. This is a very broad and a very unusual power to extend to an administrative body, responsible neither to the Congress nor to the President.

THE FEDERAL TRADE COMMISSION WILL BE CONVERTED INTO A HUGE BUREAUCRACY

How many articles are there generally in commerce? This is difficult to answer. The average wholesale pharmaceutical concern, e. g., handles 70,000 separate items. A typical department store handles over 100,000 items. The average retail druggist alone handles 8,000 articles. The only method of visualizing a totality of the number of articles of commerce is to multiply these typical figures by the scores of lines of endeavor not mentioned. Assume, to be conservative, that this total is a quarter of a million. That would mean that the Federal Trade Commission would have to employ thousands of experts to pass upon the merits of the tens of thousands of controversies that would be thrown upon it. Such a job would baffle Athena herself. Everyone of the 2,000,000 and over businesses large enough to be listed in Dun & Bradstreet is a potential litigant before the Federal Trade Commission in connection with this bill—not on one item but on scores, and not once a year but dozens of times. Furthermore, there would be imminent danger of harassment to every business of all sorts. Informers would abound everywhere. Unfair competitors would be all too anxious and willing to file complaints. of the number of articles of commerce is to multiply these typical

THE BILL WOULD BE UNENFORCEABLE

There would be a recurrence of the "bootlegging" as under the N. I. R. A. You can pass all the laws you wish against spooning in the park, yet "necking" in the park will be as popular as ever. So here you pass a bill interfering with the natural laws of competition, with age-worn traditions of commerce, but those habits and customs will be just as potent as ever. As to the unbridled bureaucracy involved it is well to recall the recent S. E. C. case bureaucracy involved it is well to recall the recent S. E. C. case as evidence of the determination of the Supreme Court to scotch bureaucratic invasion of the citizen's rights. When you compare the prices that your grandfather paid for the essentials and conveniences of life with the prices that you pay today; when you compare the price, for example, that you paid for an automobile a decade ago with what you pay for one today, you can see vast reduction in prices. That has been due to mass production and mass distribution and elimination of numerous functions and services in the fabrication and transportation of the goods from the mass distribution and elimination of numerous functions and services in the fabrication and transportation of the goods from the manufacturer to the consumer, as well as to the immemorial right to reduce prices as the result of larger quantity of purchases. Large distributors buying larger quantities are able to pass these savings on to the consumer. The Supreme Court of the United States recognized this recently when it placed the imprimatur of its approval on quantity discounts. Chief Justice Hughes said "that encouragement of large sales through quantity discounts might reasonably be expected to build up total production, and thus effect economies."

Thus we have this anomalous situation. The proponents of this bill frown on "quantity discounts", which the Supreme Court approved.

THE SMALL MERCHANT WOULD NOT BE HELPED

This bill would also prohibit payment of brokerage fees to anyone directly or indirectly connected with the buyer. Would this benefit the representative independent merchant? Obviously not. On the contrary. The voluntary groups or associations of independent stores (there are over 100,000 members of voluntary chains in the grocery field alone) which gain a considerable prochains in the grocery field alone) which gain a considerable proportion of their competitive advantage through performing their own brokerage function, would be seriously hampered in buying deprived of such brokerage. They would be compelled to deal in all cases through an independent broker or middleman. This will add to their costs. This will increase their prices to consumer. This bill would prohibit the paying of any service compensation to merchants, such as allowances for advertising or sales promotion, unless such allowances were proportionately available to all customers alike. Would this help the small merchant? Emphatically no

Why? If I have a retail shop at Forty-second Street and Broadway, New York City, where a window display of an advertised product is invaluable, I could get no more for that display than a shopkeeper who has his place of business along the water than a shopkeeper who has his place of business along the water front or in the gas-house district, where the window advertising display isn't worth a tinker's damn. Any small merchant in a good location would be hurt by this prohibition.

Furthermore, the small recommendation of the small recommendation of the small recommendation.

good location would be hurt by this prohibition.

Furthermore, the small manufacturer must rely on selected point-of-sale advertising. He cannot possibly afford to buy this type of advertising from all of his customers (regardless of their ability and facilities to perform a service). By this prohibition he would be put to a great competitive disadvantage with the large manufacturer (with plenty of money for advertising). From the point of view of the independent retailer, reduced advertising of standard items would immediately result in reduced sales and hence with lower volume would result in a smaller profit margin. Thus one of the effects of this bill, which is designed to discourage monopoly, might well actually encourage monopoly, i. e., help make the large manufacturer much larger.

WOULD THIS BILL IMPROVE THE POSITION OF LABOR?

Again, no. It would increase the price of goods to the consumer. Therefore, the state of living of the laboring man would be reduced because his wages, which will not be increased, would buy less. This reduced demand for goods reduces manufacturing volume, which in turn increases against the cost of manufac-turing. This invariably results in the lowering of wages or the laying off of labor.

THE REQUIREMENT OF F. O. B. METHOD OF DELIVERY, I. E., OUTLAWING ALL BASING POINTS, WOULD SERIOUSLY DISLOCATE ALL INDUSTRY

Regardless of the merits or demerits of this system of pricing, it must be remembered that another committee in Congress has been wrestling with this problem for some time and is about to report out a bill specifically addressed to this problem and based on careful and thorough study of its many ramifications. To interject such far-reaching legislation into this bill, which has had the benefit of no hearings on the subject whatsoever, since this is an onticely new provision is most illegislated and depressing entirely new provision, is most ill-advised and dangerous.

The method of pricing would have most serious and deleterious effects upon industry. It will mean that prices to the vendee will vary in accordance with distance and cost of transportation from the seat of manufacture or extraction, as in the case of coal or other minerals. All quotations must be f. o. b. manufacturing plants or mines. This restriction will localize all industry and

manufacturing.

The circle of customers, therefore, will be more and more definitely delimited. The result will be increases in manufacturing and distributing costs and cutting off from customers of the full benefits of mass production and distribution. The consumer again will "pay the piper."

IS THIS BILL LIMITED IN ITS EFFECT JUST TO CHAIN STORES?

No. The bill, although prepared and sponsored by a small wholesalers' group, is broad enough in its terms to affect practically every line of business.

I hold no brief for the chain stores. They doubtless have many besetting sins. Any efficient independent with up-to-date methods need never fear the chain. I repeat, chains are not guiltless. They deserve some restrictions, and any unfair or predatory practices like "loss leaders" should be outlawed, but certainly we should not give vent to our spleen against the chains, if thereby we bring ruin to other distributors and manufacturers and thus hurt and harm the consumer and the laborer.

WHAT EFFECT WILL THE BILL HAVE UPON FARMERS?

Very bad indeed. The city dwellers of modest means spend a very heavy percentage of their expenditures for products of the farm. Furthermore, the farmer spends an important percentage of his expenditures for fabricated articles. Therefore, this bill becomes a double-edged sword at the farmers' throats, for it would both raise the price of articles they buy and, by reducing the purchasing power of city dwellers, cut down the amount that could be spent for their products.

Numerous farm organizations, like the National Farm Bureau Federation and the National Cooperative Council, appeared in opposition to the bill.

THE BILL IS PALPABLY UNCONSTITUTIONAL

It seeks to ape the Agricultural Administration Act and the National Industrial Recovery Act in an endeavor to regiment industry and place business in a strait jacket by regulating prices, aside from the questions of monopoly and unfair competition. It will meet the same fate in the courts as did those measures. It involves an unrestrained delegation of legislative power to the Federal Trade Commission without sufficient standards or safeguards. In addition, it tries to interfere with purely intrastate commerce. Keeping in mind the Schechter decision, which declared the N. I. R. A. unconstitutional, I cannot waive aside the thought that any attempt to regulate the cost of a chicken in a slaughterhouse is no different than an attempt to regulate the price of a pill or a plaster in a drug store or the cost of a bunch of soup greens in a grocery shop. The independent druggist and grocer, who seems to want regimentation and regulation with a vengeance, is simply deluded in a sponsorship of this bill. when they come to their sober senses they will realize that the cure will be worse than the disease.

Remember, this bill seeks to do the impossible—make equals out of unequals.

SOME ASPECTS OF TAXATION

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHANLEY. Mr. Speaker, for a long-range policy no student of taxation can view with equanimity the present ratio of excise taxes to other constitutional impositions. The following table discloses the percentages of the six great tax brackets:

CustomsExcise (processing taxes excluded)	nt
Death duties Stamp taxes Noiscellaneous Noi	31 12 50 4 3
	00

It will be seen that excises, excluding the processing taxes, take 50 percent of the burden of the entire fiscal scheme of this country. Most economists and tax experts are convinced that this type of tax is inevitably passed on to the consumer irrespective of the source of the governmental payment. Who but the consumer pays our theater, our tobacco, and our other semiluxury taxes? If the consumer does not pay them, industry itself must foot the bill, and this in itself is a hard-ship, especially if it is a small industry that is affected.

Aside from this angle, is it not a dangerous policy to exhaust half of our taxing possibilities in one field alone? Is that a well-balanced long-range scheme? Are there not too many eggs in one basket?

If our internal revenue was built upon income taxation alone, it would be such a burdensome method of imposts that it would eventually wear itself out. Periods of depressions disclose that incomes are severely hit first of all. Too great reliance on this form of collection is dangerous. Reasonable percentages of all types of taxes are necessary for a well-balanced system. Let us look at the English system:

Perc	ent
Income and surtax Customs Excise (processing taxes excluded) Death duties	41 26 16 13
Stamp taxesMiscellaneous	3
Total	100

We derive three times as much revenue from our excises as do the British. With the great and startling disparity between the investing and consuming public in the early days of the depression it is quite obvious that this type of tax places a disproportionate burden on the consumer. There is in addition always a legislative tendency to use it as its effect is less direct and not felt by the receivers as quickly as the other increases would be. Here again the class that is imposed upon has less facility for quick observation and apprehensiveness of the legislative changes than others and are thus never in a realizing sense of the dangers of indirect collections.

In following the line of least resistance in this respect, the nations which have unconsciously made the excise tax the recipient of the heaviest assessments have gone to another extreme to make this classification bear an additional load. This is the practice of extending the lists of commodities. Obviously the barrier of nuisance difficulties has prevented some extensions beyond reason, but still there has always existed the temptation to overload this pack horse with further necessities, luxuries, and semiluxuries beyond the point of saturation and endurance.

It is submitted that rates on alcoholic beverages, tobacco compounds, and a well-chosen list of extensively used seminecessities which are just this side of absolute necessities may be used. With these provisions the additional aids of ready accessibility and easy supervision are necessary. Obviously also no tax is so adaptable for these tests as that of gasoline but that placement has been so overworked by all types of governmental subdivisions that further or even continued impositions are provocative of partial confiscation.

It is easy to see that the rule that consumption works inversely to taxation at certain points is all too true. When we realize the tremendous structures which depend upon the use of gasoline alone in the car manufacturers, and oil-refining industries, distributing stations, the tire industry, the insurance field, accessory fabrications, road patrols, and courts, it can easily be seen what instant repercussions are possible in the further incidence of taxes on this all-important commodity. It is the time-old procedure of working a good thing to death.

The excise field itself is bracketed within the tried taxes on all types of spirits in a domestic and foreign sense, on beers, mineral and table waters, wines, tobacco, sugar, matches, lighters, gasoline and oils, amusements, and the larger brewer collections, furs, jewelry, and kindred articles, all with past revenue histories.

In pointing out the terrific burden that is being borne by excises it is, of course, understood that mere changes here are not enough. One should obtain a picture of the entire tax structure of this country in the local and Federal phases and also contrast our system with the British where greater experience is evident. The picture must be painted in its entirety.

Here, for example, we insert the contrast in bulk payments of taxes between our Federal and State Governments. These figures are taken from the admirable report of the Magill-Parker-King committee, which has just published A Summary of the British Tax System. We quote:

In neither the United States nor Great Britain are the data covering local revenue or receipts entirely satisfactory or up-to-date. However, some close approximations of the total tax burden may be made. Tax customs and revenue re United Kingdom, year 1933-34 total.

2000 02 00000	
TAX AND CUSTOMS REVENUE, UNITED KINGDOM, YI	EAR 1933-34
Total National Government receipts, taxes, and	00 417 005 000
customs	\$3, 417, 395, 000
Total local government receipts from taxes	1, 142, 425, 000
Total	4, 559, 820, 000
Per-conite hurden	99.11

TAX AND CUSTOMS RECEIPTS, UNITED STATES, FISCAL YEAR 1934

Total National Government receipts, taxes, and customs \$2,985,673,000

Total local government receipts from taxes 6,416,064,000

It can be seen from the above data that the per-capita tax burden in Great Britain is about 33 percent more than the per capita burden in the United States. The British National Government collects about three times the amount collected by the local subdivisions. In the United States the reverse is true, and the local subdivisions collect over twice the amount of tax collected by the National Government.

EXPENDITURES

It should be noted, however, in connection with the fact that the per-capita tax burden in the United States is considerably less than in the United Kingdom, that in respect to expenditures at this particular time a number of factors must be considered. Although between March 4, 1933, and June 30, 1934, the national debt had increased by about six billion, there are important offsets to this amount, including such items as an increase in cash balance, "profit" resulting from the change in the gold content of the dollar, securities consisting of notes and other obligations held by various agencies in which the Government has an interest, and projects financed in whole or in part from Federal funds. In making comparisons of the local and national tax burdens in the two countries, it is difficult to give effect to the weights of these various factors. Therefore, for present purposes they are eliminated, and the following comparisons are noted merely from the angle of actual expenditures:

TOTAL EXPENDITURES

United Kingdom, year 1933-34: Total National Government expenditures, including grants to local governments Total local government expenditures, exclud-	\$3, 467, 095, 000
ing expenditures out of grants from National Government	1, 840, 000, 000
TotalPer-capita expenditure	5, 307, 095, 000 115
United States, fiscal year 1934: Total National Government expenditures Total local government expenditures	7, 105, 050, 000 9, 697, 000, 000
TotalPer-capita expenditure	16, 784, 050, 000 133

In respect to expenditures, therefore, it would appear that the per-capita expenditure in the United States during the past fiscal year was about 16 percent more than the percapita British expenditure.

The above comparisons do not take into account certain receipts from interest, lands, tools, and so forth, in the respective countries.

NATIONAL DEST

It is perhaps fitting to compare the national debt of the United Kingdom and the United States, since the payment of these debts is an important consideration in connection with revenue requirements.

United Kingdom, Mar. 31, 1934: Total internal debt Total external debt	
Total gross debt Total net debt Per-capita debt	89, 726, 130, 000 89, 111, 650, 000 850
United States, June 30, 1934: Total public national debt Per-capita debt	27, 053, 141, 414 215

It further may be estimated from reliable sources that the debt of the local subdivisions in the United Kingdom amounts to about \$6,505,000,000, and in the United States to about \$19,600,000,000. Accepting these figures as approximately correct, we may state the grand total of all public debt per capita in the two countries as follows:

United Kingdom (national and local) \$991 United States (national and local) 370 It is obvious, therefore, that as to the total per-capita debt the United States is in a much better position than Great Britain.

To sum up the comparative revenue and financial situation of the United States and the United Kingdom, the following points will be briefly stated:

First. The total tax burden per capita is about 33 percent more in Great Britain than in the United States.

Second. In respect to the relative productivity of the taxes imposed by the national governments, there is comparatively little difference in the two countries, except that the United Kingdom derives somewhat more from death duties and income taxes in proportion to the total collection and somewhat less from excises than is the case in the United States.

Third. The per-capita expenditure in the United States is about 16 percent greater than the per-capita expenditure in Great Britain.

Fourth. The per-capita public debt of the United Kingdom, including the debt of the local subdivisions, is approximately two and one-half times the per-capita public debt of the United States and the States, including their local subdivisions.

To carry our study a little further in suggestive bases it might be well to briefly outline the income-tax comparison of the two countries also. It may serve as a balancing effort to those who are too prone to accept the British system in toto without discerning only the features that are best suited to this Nation.

It is said on reliable authority that the British incometax returns have averaged 8 percent of the national income. On a comparative basis this schedule would give us over \$4,000,000,000.

On all incomes in the brackets below \$200,000 our rates are considerably lower than in England. To put a few concrete examples: There a man with an income of \$1,500 pays \$20, gives \$68 for \$2,000, and is taxed \$158 for \$2,500. When it is \$3,000 a year here we pay but \$22, while across the water the charge is \$246, all considerably startling differences.

The area of exemptive wealth in our country includes a vast pool of people whose incomes range from zero to the last bracket of exemption. It is over 100,000,000, which means that the taxable classes above in the triangle of wealth are indeed small. England's nontaxable numbers are overwhelmingly larger than ours and in that way the British system draws into the treasury vast sums that are impossible in this country under the present system.

With this study in mind, it is well that we review the brilliant, soul-inspiring chapters in early colonial hist—y which forever stamp the problems of taxation with the very fundamentals of representative government.

The power of taxation in the hands of the representatives of the people is the proudest heritage in the history of the American Colonies and the United States of America. Lord Camden, the English Chancelor, said in the height of the struggle on taxation preceding the Revolution:

Taxation and representation are inseparately united. God hath joined them. No British Parliament can separate them.

Whether the British Parliament had a constitutional right to tax us as a vassal colony was a hair-line decision by the very letter of the existent law, and the overwhelming weight of opinion, backed by nonresistance and an almost abject obedience to constituted authority, seemed in the way of the American colonists.

Americans, fortunately, viewed it differently, and as one historian said:

Very few writers went so far as to say that lawful authority might be resisted in cases of extreme necessity. But the colonizers of America, who had gone forth not in search of gain but to escape from laws under which other Englishmen were content to live, were so sensitive to appearances that the blue laws of Connecticut forbade men to walk to church within 10 feet of their wives. And the proposed tax of only £12,000 might have been easily borne. But the reasons why Edward I and his council were not allowed to tax England were reasons why George III and his Parliament should not tax America. The dispute involved a principle, namely, the right of controlling government. Furthermore it involved the conclusion that the Parliament brought together by a derisive election had no just right over the unrepresented nation, and it called

the people of England to take back its power. Our best statesmen saw that whatever might be the law the rights of the nation were at stake. Chatham in speeches better remembered than any that have been delivered in Parliament exhorted Americans to be firm.

In the Middle Ages we see that even in the very crudities of the taxing principle it was declared that no tax was lawful that was not granted by the class that paid it * * * recognition of the inseparability of the representation and taxation. Even Philip de Commines said that not a prince in the world can levy a penny without the consent of the people. That age knew the principle of the income tax; it knew also that right of revolt was recognized and even sanctified by religion.

The 3-pence tax broke up the British Empire. An adamant stand in England on taxation and an equally determined and obstinate resistance in America culminated after 12 years in the boarding of an English ship, the Dartmoor, in the Boston Harbor and the jettisoning of its cargo into the Atlantic, probably the mildest beginning of any revolution in all history.

The revolutionary spirit infused our fathers and they stood on the inexorable principle of the unity and soleness of taxation and representation. Seventeenth-century colonial charters nurtured that spirit. A Connecticut preacher in 1638 said, "The choice of public magistrates belongs unto the people by God's own allowance. They who have the power to appoint officers and magistrates it is their power also to set the bounds and limitations of the power and the place unto which they call them." As a matter of fact, Connecticut possessed so finished a system of self-government in the eyes of one British authority that "it served as a model for the Federal Constitution."

The right of taxation and its indissoluble bond with that of representation is thus enshrined in the historical background of American liberty. It is the birthright of our people yet its neglect has been one of the outstanding disgraces of our body politic. A Turgot in France and a Gladstone in England succeeded in interesting the electorate of their respective countries in immortal studies and speeches. They vivified the drab subject in a way that made its intricacies common knowledge. It is to be hoped that there will emerge from the present session and its doings a realization by the American people of this proud privilege and responsibility.

Briefly this unfolds the simple story of taxation with its break-down into various types of schedules, the relative popular plans in England and our own country and the inapplicability of some of the criticism that is heaped upon our Americans who do not know the philosophy of the British balanced budget. The priceless heritage of American colonial history and the interwoven nature of taxation and representation in our conflict with the mother country all gives us the basis for asserting and hoping that this priceless heritage will become the subject of study by every American.

Is it too much to hope that the usually dry subject of taxation may prove to be the accepted understood hope of American long-range visions. It is notorious that the spenders are better organized than the savers. That is why it is easy to obtain appropriations but almost impossible to get men to agree upon or to accept a taxing schedule. Intimate knowledge of this vast subject underlying the very substructure of government must be in every man's knowledge if we are to advance.

England has mastered this intricate problem so that Englishmen everywhere accept the onerous tax burden, because it is for England, and English Government connotes a readiness to treat each problem with promptness and allpervading watchfulness. This accounts for the advance of the British Isle in social legislation and for the ready cheerfulness with which each Briton accepts these heavy income charges.

We have traced the merits of our problem of taxation. Let us therefore look at the constitutional sides of our problems.

It must be remembered that until the Federal Income Tax Act of 1894 was declared unconstitutional an income tax was assumed to be legal and was actually levied and collected during the Civil War. In the memorable 5-to-4 decision, however, the Supreme Court declared that act void.

The decision was extremely unpopular, and an amendment to the Constitution was added after adoption in 1913. This corrects the defect of the 1894 act by permitting the levying of a Federal income tax without its being apportioned among the States.

What is our constitutional side of taxation?

Two clauses of section 8, article I, become most important, and we have appended them here for study and reference:

1. The Congress shall have power to lay and collect taxes, duties, imposts, and excises to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

18. To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States

or in any department or officer thereof.

It is to be noted that Congress has the power to levy all types of taxes. The word "taxes", however, seems to refer to direct impositions, such as property, capitation, and income taxes, while the words "duties", "imposts", and "excises" blanket all indirect levies, such as excise, duties upon manufacturers, sales, business transactions, consumption, occupation, and privileges, as well as customs duties on exports. Though there is a direct injunction against export taxes by the Federal Government under section 9, it is significant that indirect taxes must be uniform throughout the United States. which means that the subject indirect taxes must be levied under the same classification and at the same rates of assessment throughout the country.

It is to be noted that in the restrictive clause, beginning "duties, imposts, and excises shall be uniform throughout the United States", that the word "taxes" is left out.

The Supreme Court has said that uniformity is used in a geographical and not in a sense of equality (Knowlton v. Moore, 178 U. S. 41). Congress may tax one class of property and not another. It may distinguish between tickets to the theater and tickets to baseball games. Tickets for a certain amount may be included and exemptions for tickets for other amounts authorized.

The mandate that "direct taxes must be imposed against the States on the basis of population" obviously prevented Federal property taxes and capitation taxes, but since the sixteenth amendment income taxes have been levied without apportionment against the States.

The clause "to lay taxes for general welfare" is to be construed to restrict the expenditure of money raised by taxes for purposes that will promote general welfare.

It is significant that President Andrew Jackson vetoed a bill appropriating money for the national highway because it would not serve all States of the country and therefore would not be for the general welfare.

After the famous McCullough v. Maryland decision (4 Wheat. 316) the principle that the Federal Government can tax States, their instrumentalities, governmental subdivisions of States or their instrumentalities excepting for nongovernmental functions was enunciated by Chief Justice Marshall

The Federal Government cannot tax State real property or State bonds or income, nor can it tax State employees engaged in governmental functions or the income of Federal

The history of taxation in the matter of using its funds for the purpose of regulation has been most instructive. From the decisions Congress has gone far beyond the purpose of raising revenue, and we have such examples as the tariff for protection; the prohibitive 10-percent tax on State bank notes in 1866; the 10 cents a pound on oleomargarine in 1902; the famous tax on matches in 1912. On the other hand, at a latter date, the equally famous 10-percent tax on child labor has been held unconstitutional as the intent and motive of the act was so obvious that it could not be construed as anything but a regulatory measure.

The study of this phase of constitutional law can only show that the Supreme Court has changed its idea from the original decisions. Here the fear of encroaching on State rights has deterred Congress laterally in giving its approval to this type of legislation. Obviously there is a marked line between taxation for revenue only and taxation for regulatory purposes.

The sixteenth amendment—"the Congress shall have power to lay and collect taxes on income from whatever source derived, without regard to any census or enumeration"-has as its intent the relief of all income taxes from apportionment against the States and from a consideration of the source from which the income is derived. It is not an extension of the power to tax but the removal of a restriction.

Obviously the word "income" is a key word, and the definition of the Supreme Court in Taft v. Bower (271 U.S. 470) is helpful as a concrete example. If John Doe owns a house which was valued in 1932 at \$50,000, and the house is now worth \$80,000, the difference between these is not income so long as the house is not sold. Should John Doe receive a rental from the property, that is income within the meaning of the term and the definition of the Supreme Court.

On the other hand, the English law is different. If John Doe was a recipient of dividends from a corporation, that is income and taxable: but if the corporation issues "a stock dividend", this is not income but capital, unless it is sold.

The tax applies also to ordinary net earned and earned income, and on this subject there is a base field of litigation too intricate for explanation here.

Aliens in this country are forced to pay income taxes as well as nonresidents conducting business in the United States, and our citizens abroad are taxed, as well as National and State banks. In the case of the latter a bank incorporated by the State is not a State instrumentality.

We have already seen that under the Marshall decision in Marberry against Madison, employees in the State and its subdivisions are exempt, including State, county, and city employees, school teachers, and even employees of municipally owned public utilities. Congress has, however, made additional exemptions in cases of certain institutions, like churches, Red Crosses, schools, and scientific organizations.

CONCLUSION

Churchill once said:

No statesman e'er will find it worth his pains To tax our labors and excise our brains

Now Britain always balances her budget, but it is done only by the heaviest of taxation schedules, as we have said. It hits vast numbers untouched by our American plan, and the English people affected are those who have not one-half our comforts or conveniences. Wide differences in habits, customs, and outlook make one possible where another would result in chaos. The average Englishman is content with a condition of life that would be intolerable to most Americans. There are no extremities there, so that often the most threatening of labor or economic troubles fade into solution without conflict. Englishmen preferred to be taxed most heavily in this generation for the expenditures that were a result of this generation's set-backs.

Right here it must be admitted that the British had 30 years of social security before we even touched it, and this country only embarked upon the program as a result of the most threatening civil cataclysm in all history. England had her slum clearance, her coal reorganization, and her control schemes in industry and other features that approximate our New Deal legislation long before we did.

In the Midland Bank Review, that every Congressman receives, we find a very pertinent statement: "The Government has accepted a large measure of direct responsibility for the trend of business", a pronouncement that must make us wonder here. Its * * of the British method of advancing along fronts where we would expect stagnant stand-pattism.

It can be seen from our study of English taxation that the English people understand their taxing problems. This, too, is all the more certain because their system is a decentralized |

one with some 753 districts throughout the country. We will not extend this to show how closely personal and cooperative the entire British scheme finds their method of procedure and how warmly understood this system of personal help and understanding finds a responsive echo in the individual citizen of the British lion. Briefly their plan is so fundamentally aimed to assist the citizen in making out and taking advantage of every possible item of exemption that it works with greased and loyal wheels.

Our tax economists are highly in favor of many of the features of this admirable British plan, because it tends to make each English citizen feel that he is getting a sympathetic hearing all along the line. He feels that he is part of the system itself and finds a pride in entering into the spirit of teamwork. Now, they have not reached the millennium where every man inwardly exults because he pays taxes and because he secretly feels that other citizens less fortunate point him out as a man whose industry and thrift is such that he can pay a high income tax to his government. We may hide a smile at such a tax utopia, but such a future, wherein men are esteemed because of their tax payments, much as we in America respect those who turn their philanthropy into buildings, endowments, and so forth, but that time would be near if we had a realizing sense of the importance of expenditures in this country and strong emphatic interest localized in spending programs. Both would work to the advantage of all and would serve as a counteractive to both injudicious spending and equally vicious taxation.

NEGLECTED SPRINGFIELD

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a radio address made by the gentleman from Massachusetts [Mr. GRANFIELD].

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a speech delivered by my colleague Hon. WILLIAM J. GRANFIELD, of Massachusetts, over WMAS broadcasting station in Springfield, Mass., on April 11, 1936, on Neglected Springfield, as follows:

Much has been said recently of a controversial character. through the newspapers and other agencies, with reference to the activities of the W. P. A. in this district. Realizing that most of the information given through these agencies has been incorrect and unreliable, I recognized the absolute need on my part, as your Member of the Congress, to present the National Government's version of this issue. I am not here to defend the national administration or its agent, the local W. P. A.; neither needs any defense by me.

Before going into my subject, permit me to say that the W.P.A. was created by the Federal Government for the purpose of relieving distress and unemployment in our communities, and, incidentally, it must follow that the welfare costs of the cities and towns, and the tax burdens resulting from heavy welfare costs, are also reduced. You can well understand that when the welfare costs in our cities and towns are reduced there is a consequential

costs in our cities and towns are reduced there is a consequential reduction in taxes.

The accomplishments of the Federal relief program in this district, by contrast, can be best described by taking the city of Springfield as an example. In the last 2½ years the national administration has poured into this city, under the C. W. A., the E. R. A., and the W. P. A., funds in excess of \$4,000,000. These funds were made up as follows: For the operation of the C. W. A. and the E. R. A. a sum of \$3,050,901.84; the W. P. A., which began on November 15, 1935, the sum of \$426,702. This, my friends, does not include the tremendous sum of money spent by the P. W. A. While these funds poured into the city of Springfield by the Federal Government may loom large, they are only a portion of what the city of Springfield and its unemployed could have received had its city government exercised that authority which was conferred upon it and which was its responsibility. At least another million dollars of Federal funds would have found their way into

million dollars of Federal funds would have found their way into the hands of our citizens and the unemployed.

the hands of our citizens and the unemployed.

How are these funds allotted by the Federal Government? They are allotted proportionately, with the cities bearing the smaller proportion, to pay for projects which must be initiated by the city government. If the city government fails in its responsibility to its citizens in the initiation of sufficient projects to take up the slack in its unemployed, who would ordinarily be paid by these Federal funds, the result is that the city and its unemployed do not receive these Federal funds and the city remains under its allotted quota. District no. 6, of which Springfield is a part, has a quota of 15,000. This quota was broken down for the cities and towns so

that Springfield's quota was 4,760. There have been certified for W. P. A. employment 8,360, but the quota allotted to Springfield is 4,760. Bear in mind, however, that during the flood emergency this quota limitation had been removed, so that a greater number of

4,760. Bear in mind, however, that during the flood emergency this quota limitation had been removed, so that a greater number of the 8,360 could have been employed.

During the operation of the W. P. A. the city of Springfield has failed woefully in meeting its obligation to its unemployed. At no time was it able to meet its full quota of 4,760; in fact, the city of Springfield has averaged approximately 2,000 under its quota throughout the operation of the W. P. A. Just think of that, ladies and gentlemen—2,000 of our citizens were, and are, without employment by reason of the failure of the city government to set into motion municipal W. P. A. activities to put them to work. Translated into a money loss to the city of Springfield, since November 15, 1935, to March 15, 1936, a period of 4 months, it is the staggering sum of \$446,000 and the loss of employment to approximately 2,000 families (for under the W. P. A. regulations only one in each family may be employed). The loss of these jobs by our citizens, many of whom are provided for by the welfare department of the city of Springfield, has a decided effect upon your tax rate, and had they been employed, the welfare cost to our city would have been materially reduced. The employment of these 2,000 persons would have meant much to our merchants; their employment would have created a purchasing power of hundreds of thousands of dollars.

This is no idle charge. Let me make a comparison with the other cities and towns in this district. As an example, let us select Holyoke, or Northampton, or West Springfield, or Chicopee. For the moment let us take our neighbor—Holyoke, Holyoke's quota is 1,800. It has maintained its quota throughout the existence of the W. P. A. and recently, in consequence of the flood, it has gone far beyond its quota.

The town of West Springfield has a quota of 407. It has maintained its quota throughout the operation of the W. P. A., and for

flood, it has gone far beyond its quota.

The town of West Springfield has a quota of 407. It has maintained its quota throughout the operation of the W. P. A., and for the past several weeks it has been from 150 to 250 in excess of its quota. Only the other day citizens of the city of Springfield, in order to carry out the projects that had been approved by the Federal Government for the town of West Springfield, were sent over there to do work in that town when they should have been employed on projects right here in Springfield, if the city government had done its duty to the citizens of this city. Springfield is the only community in our immediate vicinity that has not exceeded its quota. Agawam is 62 over its quota; East Longmeadow, 32; Longmeadow, 17; Ludiow, 35; Amherst, 24; Easthampton, 109; Hadley, 23; Northampton, 54; South Hadley, 42; Chicopee, 250. Is it not singular that Springfield is not included in this list?

It is of interest for you to know that when the city of Spring-

It is of interest for you to know that when the city of Springfield falls to use the allotment of Federal funds allocated to it, these funds are distributed among the other cities and towns in the district, and the taxpayers of the city of Springfield are forced to pay taxes to the Federal Government for the funds that have been assigned to the city of Springfield, and distributed elsewhere. Why have the officials of the city of Springfield failed in their obligation to our citizens? What excuse do they offer for their failure to provide employment for our people? Last night, over this station, one of the members of the city council stated: "We can no longer wait for the red tape of Federal projects to be unsnarled, while our needy citizens walk the streets seeking employment. We can no longer sit idly by and hope for the necessary changes in the Federal set-ups so that work can be more easily provided." I must repeat the last sentence of his quotation—"We can no longer sit idly by and hope for the necessary changes in provided." I must repeat the last sentence of his quotation—"We can no longer sit idly by and hope for the necessary changes in the Federal set-ups so that work can be more easily provided." Yes; that is a very frank confession. The members of the city government have been sitting idly by and waiting, and in consequence of their inaction our needy citizens have been walking the streets seeking employment. Ladies and gentlemen, does not that member of the city council know that at the present moment there are pending 20 unfinished W. P. A. projects and 23 approved W. P. A. projects, making a total of 43 W. P. A. projects, none of which have been set into motion by the city of Springfield? He speaks of red tape. These 43 projects are ready for action and they would give employment to approximately 1,700 unemployed citizens. Nothing needs to be done so far as the Federal Government is concerned and all that the city government needs to do is to put them into motion. The excuse is offered that the unfinished projects have been delayed because the weather is

receral Government is concerned and all that the city government needs to do is to put them into motion. The excuse is offered that the unfinished projects have been delayed because the weather is unseasonable. Yet, in the face of all this, a great many projects similar in character in other cities and towns in this district have been under way for weeks.

Criticisms of this character made by certain officials and a certain morning newspaper published in Springfield are unjust and unfair. I wish to repeat again, the Federal Government and its authorized representatives allocated to the city of Springfield the sum of \$625,000 for flood relief and reconstruction. This was not the limit to which the Federal Government was willing to go in this emergency. Some persons feel that the \$625,000 should have been presented to them to use as they saw fit, to carry out their pet projects and their petty ideas. Any child knows when a request is made, even for a small sum, from its parents the first question asked by the parent is, "What are you going to use the money for?" The Federal Government is no different. It is acting today as a parent to this community, and all other communities that are in distress. The \$625,000 is available just as soon as the city of Springfield presents its projects for approval, and I must say in this respect that had the city of Springfield followed the

example of the city of Hartford, flood rehabilitation and reconstruction would be well under way at the present time. I talked with his honor the mayor of Hartford, Thomas Spellacy, today.

Contrary to local newspaper reports, he informed me that he received no direct grant and no blank check from the Federal Government. He did, however, with the assistance of his city government, when the flood was at its height, anticipate projects which were essential and necessary. These projects have been approved and the money is being used by the officials in Hartford and flood rehabilitation in that city is well under way to the satisfaction of its citizens. There was no red tape in Hartford; there was no red tape in West Springfield, or Chicopee, or Northampton, or Holyoke, or any of the other communities in this district, but Springfield's failure is alleged to be due to red tape. Had the city of Springfield and those in charge of our affairs followed a course similar to the one followed in Hartford, there would be very little reason for complaint or criticism on the part of anyone. Our city government failed absolutely to anticipate the flood emergency, and 7 days ago filed projects in form acceptable to the W. P. A. Administrator. These projects were approved yesterday and amounted to \$126,000.

During the flood emergency, and while the waters were receding, \$15,000 was immediately available for truck hire in the city of Springfield.

There was no red tape attached to this fund. It was here in the

city of Springfield.

There was no red tape attached to this fund. There was no red tape attached to this fund. It was here in the city and for the use of the city, and is now being expended by the local director, without the approval of anyone. In addition to this provision, which was made for truck hire, 600 men were put to work immediately and the expense was borne in its entirety by the Federal Government. Yet considering all of this, a morning newspaper in the city of Springfield during the past few days made every effort possible to misinform our people. Under date of Wednesday, April 8, a picture of an excavation on Rowland Avenue was carried on its second page captioned "W. P. A. money awaited to repair damage." Underneath the picture it read, "Rowland Avenue can be filled and the street restored to safety for motorists when It was here in the carried on its second page captioned "W. P. A. money awaited to repair damage." Underneath the picture it read, "Rowland Avenue can be filled and the street restored to safety for motorists when and if W. P. A. flood reconstruction funds are released for use in Springfield." Why, ladies and gentlemen, at that moment there were 1,000 W. P. A. workers assigned for this type of work, and 43 trucks were provided by the local district director, Harry M. Ehrlich. Apparently there was not sufficient ingenuity in the entire city government, nor the newspaper, to suggest to those in authority that someone take one of the available trucks and go to a gravel pit and make that excavation safe for motorists, every cent of which would have been paid by the W. P. A. from a fund already in the possession of the district director.

Another example of the character of leadership that the citizens of Springfield are subjected to at the hands of its city government was clearly demonstrated on Monday night at the meeting of the city council, when the council refused to approve an order for \$300 for the rental of a suitable place to store 47 carloads of food consigned to this district, without cost to our taxpayers, by the Federal Government. This food was valued in excess of several thousand dollars. To the credit of his honor the mayor, the necessary rental space was obtained the following day, and this enormous amount of food saved to the needy of our city.

Ladies and gentlemen, may I direct your attention to a very important matter. From the inception of the Federal relief program the city of Springfield has submitted 171 projects for approval to the national administration. Of this number, 160 projects have been approved, and 43 are pending at the present moment without action, while 2,000 of our citizens walk the streets unemployed. The 11 projects that were disallowed by the Federal Government involved the employment of only 261 persons and were disapproved with justification.

Officials of the city government should stop pe

were disapproved with justification.

Officials of the city government should stop penalizing the unemployed of our city. They have been long suffering. Stop penalizing the city and Federal taxpayers. They have been heavily burdened. Accept your responsibility and bestir yourselves into action so that your city and my city may receive those benefits to which it is entitled.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Massachusetts [Mr. Gifford] may address the House tomorrow for 20 minutes after the reading of the Journal, the disposition of business on the Speaker's table, and the special order heretofore entered for the gentleman from Oklahoma [Mr. Massingale].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GREEN. Mr. Speaker, I ask unanimous consent that on tomorrow, after the reading of the Journal, the disposition of business on the Speaker's table, and the special orders heretofore entered, I may be permitted to address the House for 15 minutes.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, I think we have heard enough about the Florida canal; and if this is only for home consumption, why cannot the gentleman take 5 minutes and extend his remarks in the Record?

Mr. GREEN. It is not only for home consumption.

Mr. ZIONCHECK. It is going to be something about the Mediterranean fruit fly, then.

Mr. GREEN. Mr. Speaker, I modify my request and ask to be permitted to address the House for 10 minutes.

The SPEAKER. The gentleman from Florida [Mr. Green] asks unanimous consent that on tomorrow after the reading of the Journal, the disposition of business on the Speaker's table, and the special orders heretofore entered he may address the House for 10 minutes.

Is there objection?

There was no objection.

AMENDMENT OF WAR MINERALS RELIEF STATUTES

Mr. COX, from the Committee on Rules, reported the following resolution (Rept. No. 2406), which was referred to the House Calendar and ordered to be printed:

House Resolution 487

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 1432, an act "To amend section 5 of the act of March 2, 1919, generally known as the War Minerals Relief Statutes." That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Mines and Mining, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

The SPEAKER. Under the special order, the Chair recognizes the gentleman from Texas [Mr. Maverick] for 20 minutes.

AMERICAN PEOPLE MUST HAVE WORK; KNOWLEDGE AND ART ARE NOT SINS

ICKES AND HOPKINS, P. W. A. AND W. P. A., ARE ALL RIGHT

Mr. MAVERICK. Mr. Speaker, since I have come to Congress I have heard a great deal of loose talk about the outstanding problem of today—unemployment. I have heard bitter and unthinking cricitism of the administration's effort to give useful work to those who, through no fault of their own, can find none and need it. I have heard Harry Hopkins and Harold Ickes beaten over the head until they must be bloody with the hard knocks of their noisy critics. So today I am going to talk about Harry Hopkins and Harold Ickes, the W. P. A. and P. W. A., and the Department of the Interior.

Mr. Speaker, we can pick up the newspapers at any time of the day or any day in the year and read criticisms of what the administration is doing, but we can never read any constructive criticism by the critics. I said we can take any day. Let us take the Washington Post of today's date. We see these headlines:

New Deal enemies denounce Roosevelt proposals for idle.

Then the subhead reads:

Hoover offers program to put capital to work as alternate.

In other words, it is the same old idea, and it is a conflict of economic theories which we must face. Mr. Hoover and the Republican Party believe we should take the money of the Government and subsidize capital only; they believe that the Government should give the money to big business instead of to the working people. This is what the newspaper states. Then it proceeds to show that the only idea is to give it to big business.

In another article in the same paper they showed it was unconstitutional to do anything for the working people of the United States, saying, in effect, that what Mr. Roosevelt sought to do for the people was "unconstitutional." In other words, the attitude of the enemies of the administration is that what we are trying to do is unconstitutional; therefore, do not do anything for the people of the United States.

MR. FLETCHER BUNGLES AGAIN

Again, in the same paper appears the statement:

Mr. Fletcher agreed that everyone would like to see shorter hours and higher wages, but pointed out that the President did not explain how they could be brought about "unless through an autocratic government to be installed if he should be reelected."

The attitude is that if we do anything for the welfare of the American people it is autocratic and, therefore, it should not be done.

Using the word "autocratic" does not fill any stomachs nor put any people to work. Personally, I believe that government is supposed to be for the people, and where the autocracy comes in I cannot understand. We can be sure, however, that Mr. Fletcher has correctly stated the Republican case—criticize and do nothing.

Mr. Speaker, I am not confining my remarks to Republicans; many Democrats have the same attitude. Ex-Senator Reed, of Missouri, said that the Democratic administration was a Fascist administration and a communistic administration. Now, one cannot be a Fascist and a Communist at the same time, but he accuses the Democratic administration of being both; and he ends by saying in reference to certain work being done by the Democratic administration that nothing done by Stalin, by Mussolini, by Hitler—thus mixing them all up—was more drastic, more brutal, and more destructive of liberty than what is being done by the Democrats.

He takes the attitude that what we have done in providing for the American people is destructive of liberty. Then we go to the headlines and we see something stated about the opposition to the Government today. It is stated:

Anti-New Dealers Backed Farm Group. The Industrialists of Liberty League Helped Finance Independent Council.

What is this racket? The Liberty League goes out and gets a large amount of money together, mostly donated by the Du Ponts, and then they have a group which call themselves the "Farmers' Independence Council." Then this "farm organization" gives out propaganda to the American people.

There are many others. Take, for instance, the Southern Committee to Uphold the Constitution created down in Texas by "leading" Democrats. It is just another false-front organization financed by Liberty Leaguers and the munitions interests, Raskob, and that crowd. The Southern Committee to Uphold the Constitution was created altogether by old John Henry Kirby, who has no influence whatever in the South, and one or two minor racketeers in that part of the country. There are numerous of these false-front organizations. The idea is that some organizer who has been faking the American people for years adopts some sort of name indicative of virtue, patriotism, or friendship to the worker, the farmer, or the veteran; then he goes up and secretly gets money from the Du Ponts and munitions interests and others; then he operates as though his organization were bona fide. I have looked through dozens of organizations operating in Washington who claim thousands and even millions in membership, and many of them have absolutely no membership at all—their only membership is some cheap, vulgar fellow who gets good pay for misleading the people through money that he gets through either the Liberty League or a selfish interest similar to that. (See V, False-front and racket organiza-

And all this racketeering information goes out to the American people through the press. The American people can see through this thing, I am certain.

Mr. Speaker, we have heard a lot of aimless talk about boondoggling, about communism, about "brain trusts", and all of that; but I notice that the Republicans, after criticizing our "brain trust" for all this time, have gone out and hired a "brain trust" of their own.

REPUBLICANS GET A "BRAIN TRUST"-SECOND RATE

They hired a lot of college professors; and, although I do not want to slander them just because they are a part of the Republican "brain trust", I think they are a second-rate "brain trust." Now, this second-hand "brain trust" is going

to get together and get its research in shape in order to plead | the erroneous ideas of our friends over on the right. [Mr. MAYERICK indicated the Republican side.] I understand that three of these Republican "brain trusters" tried to get jobs with the administration, but that on account of their deficiencies none got jobs. So Mr. Fletcher hired them.

There has been a great deal of criticism of knowledge. It seems to be a sin to have knowledge, to know something, to have brains, to have been to college, or to have been a professor at one time: so the form of criticism which it takes is to make the same sort of banal, silly, and idiotic statements which we have heard. If you get three alphabetical letters together, it seems to be some sort of a sin or some sort of a reprehensible act. It is no more sinful for an agency of the Government to be designated by letters of the alphabet than it is to say "R. R." when you talk about a railroad. Now, Mr. Speaker, I am going to say a few words about Mr. Hopkins and Mr. Ickes.

BOTH W. P. A. AND P. W. A. SHOULD BE CONTINUED

My idea is that the work of Harry Hopkins must be continued and the work of Mr. Ickes ought to be continued, and irrespective of personalities, whether we like them or not and whether the Republicans have control of the Government or not, this work has to go on. It does not make any difference whether we like these men or not. I happen to like them. I think they are good men. But it does not make any difference about personalities. Relief in this country has probably been more inadequate than it has been adequate, and there probably has not been enough in the way of public works.

HOPKINS HAS DONE GOOD JOB

Mr. Hopkins has been spoken of as an overbearing, arrogant sort of fellow, but I want to say that the character of work he has had to do has required more or less strength of character in his actions. Personally, I think he has done as good a job as could have been done under the circumstances. No other man in the United States, in my opinion, could have done it as well as Harry Hopkins. I think he is a very able man and he has done an exceptionally good job.

ICKES BELIEVES GOVERNMENT SHOULD USE BRAINS

Mr. Ickes is Secretary of the Interior and has a vast job to perform. They say that he has a forthright manner, and I think he has. He has been accused of being a reformer, and I think that he admits it. Mr. Ickes believes there should be brains in the Government of the United States and so do I. I think this continuous criticism of men in Government because they have brains is probably because the opposition does not want men with brains in the Government service. They want all the men with brains in big business and all the brainless, spineless people in the United States Government, so that big business may run the Government as it did up until March 1933 except for a few brief intervals.

As for Mr. Ickes, I know of no Cabinet officer in recent times who has performed his public duties with more ability, forthright honesty, and distinction. When his work as organizer and public official is known to the country he will take a place with the big men in the history of the United States.

THE RECORD OF W. P. A.

Let us review some of the things concerning Harry Hopkins and some of the things concerning relief. In 1932 there were millions of destitute, suffering people in the United States of America. What was the policy at that time? The policy was to lend \$90,000,000 to Mr. Dawes or \$10,000,000 to a big bank. When the Democratic Party came into power that policy was changed. We continued to lend to these large financial groups, but at the same time we gave consideration to the people of the United States.

Today there are something like 70,000 projects going on under the Works Progress Administration.

There are something like 3,500,000 people doing useful, self-respecting work. We have found it is necessary to fit the work to the things which distressed people in each community can do in order to get them off relief. One com-

but if it happened to have few skilled workers and many unskilled workers on relief, it might, in the case of W. P. A., get the park. For the people must come first with W. P. A., and the projects must fit what those particular distressed people can do.

One of the greatest dangers in America today is due to the threatened loss of human skill. I know myself of hundreds of skilled workingmen who have been forced into idleness and the result is that they are losing their skill. Moreover, young men of America who are coming along are not getting a chance to acquire skill. Therefore we are getting to a situation where we have less skill in this country as time goes on. W. P. A. is saving the skill of literally millions of our people, and I say that is of tremendous value to this country.

Occasionally we have a few good words said about us, and I want to read what the Magazine of Wall Street said about this proposition, because even a magazine of Wall Street occasionally is forced to say something friendly and truthful about the Government, and here is what they say:

Perhaps the most inspiring achievement of the Roosevelt administration is its widespread reconstruction of the physical surface of America.

There has been nothing like this present wholesale improvement and subjection of nature within a brief time since the world began.

This refers to the work of the Department of the Interior, the W. P. A., and the P. W. A. (See IV. Department of the Interior, for further facts on operations of Interior Department.)

DITCH DIGGING IS O. K., BUT WHY SHOULD EVERYBODY DO IT?

Now, I am going to refer somewhat to the matter of manual labor. I do not think that manual labor is a bad thing. I believe that men should work with their hands, but there seems to be the impression in the country today that if a man loses his job he ought to go out and dig a ditch. I think that most of these people are willing to work, and most of these people are willing to dig ditches if they can, but some of them cannot do it.

There are millions of people in this country who were bond salesmen, who were selling these worthless bonds of their various organizations, and these men were capable men, but lost their jobs not on their own account.

There are professional men, some doctors, and some of them lawyers, and now all of these people are slurringly referred to as "white collar" workers. It seems to be wrong to have a white collar. If you lose your job you are supposed to lose your self-respect and get yourself a dirty collar and go out and work in a sewer. This seems to be the attitude of the enemies of relief toward the unemployed. (See II, More about white-collar workers.)

Many fine people are engaged in this W. P. A. work. We have women who, in better times, nursed our children and nursed us when we were sick. We have actors, and we have comedians, and we have newspapermen. We have in the W. P. A. white-collar group alone over a quarter of a million men and women who are doing self-respecting, intelligent work. We have teachers who are doing this kind of work. Should these people be allowed to starve or should they be made to dig ditches because of political venom? We have, for instance, 50,000 school teachers, men and women, teaching both children and adults in this country. They have taught half a million adults to read and write, for one thing. They are bringing about a great revival of interest in education.

We also have, for instance, musicians. We have men who never did anything but work as musicians, and they are playing music on W. P. A. music projects, for the pleasure and instruction of the public. I say that is right. (See III, More about music.)

MELLON AND "FOREIGN MASTERS"; W. P. A. AND AMERICAN ARTISTS

Then, for example, we may take art. Art is looked down upon by some American people, and therefore I want to say something about art. I have just got a few pictures of the W. P. A. and put them out here in the lobby.

At one time this country spent \$100,000,000 in buying so-called foreign masterpieces. Mr. Mellon goes over to munity might want to build a high school more than a park, Europe and spends \$1,000,000 on one picture. He goes over

there and buys a picture painted 400 years ago, and he brings that back to this country and shows this \$1,000,000 picture for the edification of the people of the United States. My only comment on that is that I have no objection to foreign masters; they are all right. But, on the other hand, W. P. A. spends something like \$1,500,000 to \$2,000,000 to put several thousand living native artists to work and save them from starvation. It puts their product in the high schools and colleges and various places all over the country for the edification of the American people, and a great howl goes up.

Mr. Mellon spends \$1,000,000 for one picture 400 years old by a man who is dead and does not get any benefit from it. The Government spends \$2,000,000, and we are told that we are a bunch of boondogglers. Well, I am for boondoggling, and I hope they will do the same thing again, and I want you to walk out here in the lobby and see some of the boondoggling pictures which I have had hung there. (See I, More about boondoggling.)

P. W. A. IS O. K.: SO IS SECRETARY ICKES

I now want to mention the fact that the P. W. A. has done a good piece of work. This work has been done under Secretary Harold L. Ickes. I think he is one of the ablest men in the United States Government. The only thing I know against Mr. Ickes is that he was once a Republican, but he is doing the best he can to live that down. [Laughter.]

The work of Mr. Ickes has been soundly financed. He has been criticized for being careful and for taking too much time, but he has seen to it that this work has been carefully done, and I now want to read you some of the details that must be carried out in reference to P. W. A. work.

I want to bring out to you how these projects are carried on and how they are selected.

COMMUNITIES AND P. W. A.; LOANS PAID BACK AT 4 PERCENT

First, P. W. A. projects are selected by the local communities themselves. No attempt is made to "sell" the community a project. The State, county, municipality, or other local subdivision must make a formal application.

Second. P. W. A. projects are approved only after rigid examination into their need, usefuless, social desirability, legality, engineering feasibility, and financial soundness.

Third. The cost to the Federal Government is the amount of the grant only. The major part of the cost of every P. W. A. project is paid by the local community. P. W. A. loans are being repaid to the Federal Government with interest at 4 percent. Municipal bonds taken by P. W. A. as security for Government loans are being resold at a profit to the Government.

Fourth. The construction of P. W. A. projects provides needed employment for skilled and unskilled workers at prevailing wages. Because of the types of construction a vast amount of indirect employment also is created in manufacturing plants, steel mills, machine shops, and so forth, in the fabrication and transportation of materials and supplies.

Now, I have tried to present some of the things of the P. W. A., and there is other work in the Department of the Interior, which includes various activities. (For more information on Interior, see IV, Department of the Interior.)

As I said in the beginning, the work of Harry Hopkins has got to be continued whether we want to do it or not. We cannot let starving people die. I do not know how much money ought to be allowed him, but many think it ought to be a billion and a half.

Now, as to Secretary Ickes, I believe that his good work for the Government should be continued. As to the amount he should have. I do not know whether it should be a hundred million or a billion. The experts on the Appropriations Committee can probably tell us that.

Here is the situation in which we find ourselves. We find ourselves under a barrage of criticism as to everything we do. We know that this work has got to be done whether we like it or not. We find that Mr. Ickes' work is sound, and the loans made come back at a certain rate of interest.

So I say this much: Let us keep going the good work of

I MORE ABOUT BOONDOGGLING

In early America the word was "toggle", and it meant a useful gadget which a pioneer could make with his hands out of whatever materials he had where he happened to be. Daniel Boone made a "toggle" out of thongs-a device to tie his rifle on his head when he wanted to swim a stream, so his powder would stay dry. It was a mighty useful gadget, and became widely known as the "Boone-toggle." Boy Scouts have used "boondoggle", a corruption of the old term, to mean handicrafts, and a handicrafts teacher was the innocent author of the current political use of the word.

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MORE ABOUT WHITE-COLLAR WORKERS

Some 43,000 professional and technical workers are engaged in health research, assistance in hospitals, library work, nursing, scientific research, and other technical effort. Nearly 32,000 more are working on special fact-finding studies for local governments, natural-resource surveys, and kindred activity.

Some 26,000 recreational workers are directing athletics, playground activities, game rooms, camps, and recreation programs for the underprivileged.

Ten thousand clerks in W. P. A., and 22,000 more in other governmental units, are modernizing old public record systems, restoring valuable archives, and repairing books.

TTT

MORE ABOUT MUSIC

If you want to measure the magnitude of this program, consider that 163 symphony and concert orchestras, 51 bands, 15 chamber music ensembles, 69 dance orchestras, 22 choruses, and 6 opera or operetta units are training or performing in various sections of the country.

Here is an example of the sort of human experience that keeps cropping out. A high W. P. A. official, who is a music lover, heard the symphony orchestra in Portland, Oreg., play an impressive number. He never had heard the selection before, and asked the director what it was.

"It is an original work by a member of the orchestra," the director replied. "We found him digging a ditch."

(Note.-Would you want to let that musician continue in his own work, for which he is fitted, pleasing also the people, or kick him back into a ditch?)

DEPARTMENT OF THE INTERIOR

1. Department of Conservation and Public Works

Virtually all of the diverse activities of the Department of the Interior are touched with a conservation interest. Because of this and because the Department is charged with the administration of a vast part of the public domain it would seem to me to be most fitting to change the name from Interior Department to the Department of Conservation. The name proposed is more expressive and descriptive of the functions of the Department. It also has been suggested that the Public Works Administration be transferred to this Department, which then would become the Department of Conservation and Public Works. A bill to authorize this change is now pending in Congress. Secretary Ickes has endorsed it.

There follows a brief résumé of what the various bureaus and divisions of the Interior Department are doing for the people of the United States:

2. Bureau of Reclamation

Permanent improvements of continuing benefit to each of the far western arid and semiarid States are the results of the Bureau of Reclamation construction program.

A glance at the achievements of the reclamation service will indicate the promise held by its new projects. With an expenditure of less than \$250,000,000, four-fifths of which came from sale of public lands and royalties from oil and mineral leases on public lands in these Western States. and one-fifth of which came from repayment by water users of money once spent to build Federal irrigation projects, Harry Hopkins, and also the work of Mr. Ickes. [Applause.] the Bureau of Reclamation had in 1935 created homes for 752,766 persons out of deserts and had added more than \$1,000,000,000 to the taxable wealth of the Western States.

Boulder Dam was pushed to completion 2 years ahead of schedule by Secretary Ickes. This was made possible largely because a Public Works Administration allotment of \$38,000,000 permitted engineers to push the job at full speed throughout the period when concrete was being placed and, incidentally, when employment was most needed. It is only to be regretted that the construction could not have been completed sooner by 1 year, because when the Colorado River went dry in 1934 the resultant drought in the Imperial Valley, which is entirely dependent upon the river, cost farmers \$10,000,000. However, Boulder Dam prevented a flood and a drought in 1935 and is ready to perform the same services this year and forever more.

The manifold blessings Boulder Dam has brought to the Southwest will have their counterpart in the Northwest when

Grand Coulee Dam is completed.

Literally scores of communities in what has been called the Great American Desert have been succored by the new work begun by the Bureau of Reclamation. The Utah projects, the Wyoming, Oregon, and New Mexico projects, those in Montana, Idaho, Arizona, Nevada, and California, the projects in Washington and Colorado, guarantee to future generations more secure lives through regulation of water supplies and conservation of the West's most important natural resource, its water. The intense drought of 1934 emphasized the value of reclamation by leaving the Federal irrigation projects as oases in the great dustpan. Counties and perhaps even States were saved from catastrophe that year by the balancing influence of stored water on their agriculture and their economy.

3. National Park Service

The National Park Service is charged with the administration of all Federal park areas. There are now 131 separate park units in the national park and monument system, with a total area of 24,160 square miles.

The National Park Service also is charged with the supervision and maintenance of most of the Federal buildings in Washington, the notable exceptions being the Capitol and related buildings, the Library of Congress, and the Supreme Court Building. It also supervises a few Federal buildings outside the District of Columbia.

In connection with the administration of emergency conservation work in the park areas, the Service also is charged with the supervision of emergency conservation work in

State, county, and metropolitan parks.

The national park and monument areas are widely varied in size, geographical location, and type of exhibits. They include the most spectacular scenery the country has to offer, and also its most sacred historic shrines and prehistoric treasures. In the field of natural science these areas are supreme, furnishing unexcelled outdoor classrooms for the study of world building and biology. All parks and monuments are absolute wildlife sanctuaries.

The national parks and monuments have been made accessible to the public, but in the wilderness areas great care has been taken to preserve the primitive, and to keep the greater part of such regions untouched by roads and manmade developments other than simple trails. In the areas of tourist concentration, automobile camps have been provided by the Government, and the necessary hotel, lodge, and similar accommodations provided by private capital under Government supervision. Motor transportation is available and also stores carrying tourist supplies.

The National Park Service assists visitors to understand and enjoy the parks through its educational service, which includes the operation of museums and the furnishing of information services by employees trained in the natural sciences and in history. This naturalist and historian service includes conducted hikes and caravans to points of interest.

4. Office of Indian Affairs

When Secretary Ickes took office he became responsible for the problem of the Indians. For his Commissioner of Indian Affairs Mr. Ickes chose John Collier, long a fighter for Indian rights.

These two men came into office at the end of what has justly been called a "century of dishonor", during which, by Government action, the Indians had been despoiled of two-thirds of their lands and had seen their trust funds willfully dissipated.

The Indian death rate was more than twice the general death rate. Civil and constitutional rights were systematically denied to our oldest Americans. An autocratic bureaucracy governed their lives; their wealth continued to flow to whites; their range and farm lands were disappearing through erosion.

In $2\frac{1}{2}$ years the new administration has revolutionized the Indians' situation.

Secretary Ickes went to the root of the Government's Indian policy by asking Congress to abolish the nefarious land-allotment system. He recommended legislation for the consolidation of Indian land holdings, for the restoration of tribal lands, and for the acquisition of lands for homeless Indians. All of these recommendations were enacted into law.

Equally fundamental was Secretary Ickes' proposal, which Congress adopted as the Indian Reorganization Act, granting to the Indians constitutional rights, and giving them means to shape their own destiny. Since the act's passage 176 distinct Indian tribes here adopted its terms.

When Secretary Ickes took office Indian native culture and religion were under official ban. For Indians there was no liberty of conscience. Savage espionage laws ruled Indian life. A clean sweep has been made of these tyrannical, un-American statutes and policies.

I have referred to the disastrous effects of soil wastage upon Indian lands. Effective erosion-control measures are being carried out on Indian lands, many of which are controlling areas in the watersheds of several of the great western rivers.

Under Secretary Ickes Indian education in boarding schools remote from the homes of the children has been supplanted by teaching in more than 100 day schools which have been established, where children are trained for practical living. In many of the schools the most liberal and productive educational work now going on in the United States can be observed. These schools are thronged by adults at night, as well as by children during the day.

I have sketched only a part of Secretary Ickes' achievement in the Indian field. I could refer in addition to the unification of the Federal Indian Service with the various services of the States; to the demonstration furnished through the Indian emergency conservation work and public works that Indians are willing, indeed, eager workers; to the work being done to salvage the Indian crafts; to the expanded health work, I could mention the pending general Indian-welfare bill for Oklahoma, passed by the Senate and now reported by the House Indian Committee, which has been pressed for enactment by Secretary Ickes during the last year.

The Indians' life-tide definitely has been turned at last; their future is assured.

5. Division of Grazing

The Division of Grazing of the Department of the Interior has supervision of the use of some 80,000,000 acres of the public domain for the grazing of livestock. Passage of the Taylor Act in June 1934 charged the Secretary of the Interior with the responsibility of regulating grazing to prevent further deterioration of the public lands, to effect improvements in the range, and, in general, to take steps looking toward the stabilization of the livestock industry.

An innovation in land legislation, the act is being administered along novel lines. The area within its jurisdiction, covering 10 Western States, has been divided into 34 districts. Each district elects an advisory board of stockmen who pass on applications for licenses or permits and make recommendations to the Secretary of the Interior on the administration of the law. Thus the users of the range are given a voice in its government.

At the present time stockmen are granted temporary licenses giving them the privilege of grazing their stock on the public range. Regulations require that the licensees have some so-called commensurate property of their own to supplement the use of the range, and this qualification

and prior rights to the use of the range are both considered in granting licenses. As soon as surveys, evaluating every acre of land in the vast domain, have been completed stockmen will be given long-term permits for use of the range.

There are more than 15,000 livestock men operating under the Taylor Act. The range is used as supplemental feeding for their 1,576,976 cattle, their 6,401,525 sheep, their 145,753 horses, their 172,481 goats, a total of 8,282,232 head of livestock.

An indication of the success of the Department's policy of self-government is found in the comparatively few number of applicants for licenses who have appealed from the findings of the advisory committees. In 16,000 applications considered, only 51 appealed to the Director of Grazing.

The C. C. camps have played an important part in the Division of Grazing program. Forty-five camps have been established on the range, and their enrollment put to work developing water resources, building cattle trails, constructing fences, destroying predatory animals and rodents, and eliminating poison weeds.

6. General Land Office

There are 197,261,754 acres of public lands, including the recently formed grazing districts in the United States proper, of which 54,000,000 acres still remain to be surveyed. These figures do not include lands in national parks, forests, Indian, and other reservations. This takes no account of the hundreds of millions of acres of public lands which, through the General Land Office, have already passed into the hands of private citizens under the homestead law.

The Department of the Interior itself had its inception in the surveying which began shortly after the Revolutionary War and continues to this day. A surveyor general started the work in 1796 which was put in the General Land Office in 1812. Congress authorized establishment of the Department of the Interior in 1849 and the General Land Office and other bureaus were placed in this Department.

The Commissioner of the General Land Office is charged with the survey, management, and disposition of public lands, and the adjudication of claims relating thereto, the granting of railroad and other rights-of-way, easements, the issuance of patents for lands, and with furnishing certified copies of land patents, and of records, plats, and papers on file in his office.

Uninspiring as the term General Land Office is, no bureau of the Government has meant more to the citizens of the United States or has made a larger payment in the coin of peace, contentment, and prosperity of thousands upon thousands of our people.

7. Geological Survey

The Geological Survey is concerned with the discovery, appraisal, and development of natural resources, including water power. Among its activities are the making of topographic and geological surveys, the gaging of streams, the classification of lands by field examination, the supervision of mineral leasing on public lands, and the investigation of mineral resources in Alaska. In bringing to light sources of vast mineral wealth so as to permit its development, the Survey has been of inestimable value to the people. Its work is scientific and practical, and the Survey's opinions are regarded as authoritative.

In his annual report the Director of the Geological Survey said there is an insistent Nation-wide demand for increased activity in topographic mapping because of the publicly recognized need for maps as bases for so many private and public activities. Urban and rural development, road locations, census and soil problems, crop-control problems, irrigation, park and forest administration—all need these maps acutely.

The mineral industry depends upon the scientifically sound and impartial reports of the Survey upon the active and potentially active mining districts of the Nation.

Effective cooperative relations have been maintained with a number of the States in geologic work, study of water supplies, and topographic mapping. Similar relations exist with the Petroleum Division of the Department of the Interior.

the National Resources Committee, the Tennessee Valley Authority, the Office of Indian Affairs, the Bureau of Public Roads, and many others.

8. Bureau of Mines

The Bureau of Mines is the branch of the Federal Government charged with looking after the safety of the millions of workers in the extensive mineral industries, and with making investigations designed to increase efficiency in the mining, treatment, and utilization of the hundred or more of commercial minerals on which the very existence of the Nation depends.

The Bureau has trained nearly a million miners in first-aid and mine-rescue methods. It has conducted exhaustive studies in the use of explosives in mining, the use of safer types of electrical machinery, lamps, and other mining equipment, the hazard of gases and dusts encountered in mines, and many other mine safety problems. Largely as a result of these studies, the death rate in the coal mines has registered a steady decline, and the disastrous mine explosions that formerly shocked the Nation have come to be almost rarities.

As a result of the Bureau's technologic studies, enormous mineral wastes have been reduced, the costs of producing minerals have been lessened, and the percentage of mineral recovery from ores has been increased. The new knowledge obtained from the Bureau's studies has resulted in the recovery of millions of dollars' worth of metals which formerly were not recovered; many mines which otherwise would have been too low grade to work, have been enabled to continue operations, and thousands of men have thus been given employment. The Bureau has shown the oil operator how to prevent enormous wastes of petroleum and natural gas.

The Bureau has been a pioneer in the study of fuel combustion and has substituted sound scientific principles for guesswork in fuel-burning practice. The prevention of waste in the utilization of fuel has greatly benefited both the average housekeeper and the operator of the big power plant.

The Bureau collects and disseminates statistical data and studies the economics of production, distribution, conservation, and storage of the numerous essential minerals. Results of these studies are used widely by the mineral industries to keep in touch with market trends and to solve their problems.

9. The Office of Education

The Office of Education in the Department of the Interior is a small organization with a large job. This agency, under United States Commissioner of Education J. W. Studebaker, is doing a splendid service for American education—public, parochial, and private, despite limited appropriations and facilities to serve a nation that finds one of every four of its men, women, and children in some kind of school each day.

Today one thinks of the Office of Education as having several major divisions. The General Education Division constantly carries on studies in the general fields of education, ranging all the way from nursery schools to colleges and universities. These include studies on subjects dealing with elementary and secondary schools, health education, parent education, exceptional children, Negro education, and the like. The Office, really an educational observation post, finds progressive practices in both teaching and administration, making this information known in many ways to all school systems, in an endeavor to bring about higher standards of learning and more efficient handling of school problems. The Vocational Education Division, on the other hand, goes far beyond research. This Federal service actually supports, financially, vocational education in all the States. To a greater extent, therefore, in vocational education than in general education, the Federal Government makes possible something resembling equality of educational opportunity. This applies also to vocational rehabilitation, directed by the Office of Education and actually financed by the Office's appropriations.

Another major division is the one responsible for C. C. C. camp education. This division has worked diligently during the past 2 years to set up an educational program in the C. C. C. camps, aimed at reducing illiteracy and providing general and vocational education. As the result, 71 percent of the C. C. C. members are now voluntarily participating in some form of organized educational activity.

The Office of Education is also capitalizing the demands for emergency work for people on relief. It is doing this by carrying forward projects which potentially and actually have tremendous social significance. Among these are a study of the organization and administration of local school units, looking to better efficiency and economy in school systems throughout the United States; a university research project, which will bring from graduate schools reports on many studies and problems important educationally; a public forums project, which is expected to discover problems and potentialities of public forums as a method of adult civic education; an educational radio project, regarded as the first major attempt to develop the possibilities which radio holds for education; and a national study of vocational education and guidance opportunities for Negroes.

10. Division of Territories and Island Possessions

By Executive order, there was established in the Department of the Interior, effective July 29, 1934, the Division of Territories and Island Possessions, and there were transferred thereto from the Bureau of Insular Affairs, War Department, the functions pertaining to the administration of the government of Puerto Rico. Jurisdiction with respect to Alaska, Hawaii, and the Virgin Islands had previously been vested in the Department of the Interior, and these activities also were transferred to the new division, which now includes supervision over the Governor's office, Alaska Railroad, Alaska Road Commission, Alaska reindeer and Alaska insane, in Alaska; the Governor's office and Hawaiian Homes Commission in Hawaii; and the Governor's office, the Virgin Islands Co., and Bluebeard Castle Hotel in the Virgin

The Division was created by the President not only to perform the ordinary supervisory functions previously exercised with respect to the Territories and insular possessions but to coordinate the activities of the various governmental agencies operating therein and to carry out comprehensive programs for their economic and social rehabilitation. The Virgin Islands Co. has been very effective in carrying out the Federal Government's rehabilitation program in the Virgin Islands, and among the projects now under way there are the Bluebeard Castle Hotel, which was constructed by the Government to assist in the development of tourist trade in St. Thomas; a rum distillery and sugar mill in St. Croix; subsistence homesteads; rural and urban housing; and so forth. The resettlement of approximately 200 families from continental United States in the Matanuska Valley of Alaska was undertaken by the Federal Emergency Relief Administration about a year ago, and there is every reason to believe that it will be a success.

The experience gained in connection with this project will be extremely valuable in carrying out plans for a progressive colonization program for the Territory over the next 5 or 10 years. The Director of the Division is Administrator of the Puerto Rico Reconstruction Administration, which was created by Executive order dated May 28, 1935, and it has inaugurated a comprehensive program for the economic and social rehabilitation of Puerto Rico. Through the various projects now in operation, employment has been given to over 30,000 workers and it is expected that this number will be increased as new projects get under way.

11. Petroleum Conservation Division

Effective April 1 of this year, there was set up under the Office of the Secretary a Petroleum Conservation Division under the immediate charge of a Director. This Division will assist the Secretary of the Interior in administering the act of February 22, 1935 (49 Stat. 30), and under his direction is authorized to discuss the work of any agency dealing with oil and gas, recommend action on any case brought to its attention, coordinate information, and, through ap-

propriate channels, act as the contact agency with the Interstate Oil Compact Commission, present required data to the Congress, attend oil and gas conferences in which the Department is interested, cooperate with the oil-producing States in the study of physical waste and the enactment of uniform oil- and gas-conservation laws, and contact other departments of the Government whose work deals in any measure with oil and gas.

FALSE-FRONT AND RACKET ORGANIZATIONS

The Liberty League, similar organizations, munitions interests, Du Ponts, and similar elements often finance false-front organizations. Herewith are two:

First. "The Farmers' Independence Council", an alleged farmers' organization. The list of "contributors" is as follows:

Lammot Du Pont, \$5,000.

J. N. Pew, Jr., of the Sun Oil Co., \$2,000.

Arthur Beeter, attorney for Swift & Co., Chicago, \$3,500. Alfred P. Sloan, Jr., president of General Motors, \$1,000. S. M. Swenson, of 52 Wall Street, New York, \$1,000.

Winthrop W. Aldrich, chairman of the board of the Chase National Bank of New York, \$500.

E. P. Prentiss, of Boston, \$499.75.

S. Rheinstein, of New York, \$150.

R. E. Fisher, of the Pacific Gas & Electric Co., \$1,000.

G. E. Baldwin, of the Libby, McNeill & Libby Co., \$1,500.

G. E. Roberts, of the National City Bank of New York, \$100. Oakley Thorne, of New York, \$500.

George A. Ball, of Muncie, Ind., \$500.

Ogden L. Mills, former Secretary of the Treasury, \$100.

C. N. Bliss, of New York, \$200.

J. D. Cooney, attorney for the Wilson Packing Co., \$1,500.

A. B. Echols, of the Du Pont Co., \$210.

A. G. Milbank, of New York, \$500.

C. H. Haskell, of the Du Pont Co., \$500.

A. C. Corbishley, of Swift & Co., \$1,000.

J. N. Leonard, hay commission broker, \$590.

Second. The Southern Committee to Uphold the Constitu-

The list of "contributors" are as follows:

John J. Raskob, \$5,000.

Pierre S. Du Pont, \$5,000.

Lammot du Pont, \$500. Henry B. Du Pont, \$500.

Iréneé Du Pont, \$50.

Alfred P. Sloan, Jr., \$1,000.

O. C. Huffman, president Continental Can Co. of New York,

Ogden L. Mills, New York, \$100.

Charles S. McCain, Chicago, United Power & Light Co., \$200.

W. E. Smith, Standard Oil Co., \$100.

Alvan Macauley, Detroit, Packard Motor Co., \$50.

A. C. Marshall, Detroit, Edison Co., \$250.

Frank B. Kellogg, former Secretary of State, \$50.

John W. Prentiss, of Hornblower & Weeks, New York City,

William I. Walter, New York City, \$150.

John B. Stranch, National Bearings Metal Corporation. \$200.

Lewis H. Egan, Union Electric Light & Power Co., \$200.

S. H. Curlee, of St. Louis, \$300. Finlay J. Shepard, New York City, \$20.

Carleton Macy, New York City, \$10.

H. C. Hopson, Associated Gas & Electric Co., \$10.

John F. Neylan, San Francisco, general counsel for Hearst papers, \$100.

E. W. Mudge and L. F. Mudge, of Weirton Steel Co. and National Steel Co., \$100 each.

THE PHILIPPINE ISLANDS

The SPEAKER. Under special order the Chair recognizes the Commissioner from the Philippines [Mr. Paredes] for

Mr. PAREDES. Mr. Speaker, I realize that this House needs its precious time for the consideration of many other

more important matters than the subject of my address. I I therefore thank you for having unanimously consented to my addressing you today.

With the passage of the independence law (Public Act No. 127, approved Mar. 24, 1934, commonly known as the Tydings-McDuffie Act), this Congress has set the crowning mark to the brilliant work that the United States has been undertaking, for the last 38 years, of helping a dependent people achieve the blessings of self-government, for we thereby receive the assurance of the enjoyment of complete independence at the end of 10 years. It is my privilege, as the first official representative of the new Philippine Commonwealth, to voice the gratefulness of my people for everything that you have done for us.

By gradual steps, as each preceding one justified a move forward, you have granted us the right to select our own local officers and then our legislature; later on you gave us a greater participation in administrative and executive officers; and, finally, you have permitted us the right to frame our own constitution and to establish a government exclusively of our own, with three independent but coordinative powersthe legislative, the executive, and the judicial—and with full powers of sovereignty, save only in matters of trade relations with your country, the currency, and our foreign affairs. Pursuant to that law and the constitution enacted in accordance therewith, we inaugurated on November 15, 1935, our Commonwealth Government and have started to enjoy the privileges and at the same time carry on the burdens imposed

It is gratifying to say that we have had a fair start under auspicious circumstances, beginning as it did with a demonstration of friendship and good will by several distinguished members of both Houses of Congress, headed by their respective illustrious presiding officers. Notwithstanding the difficulties and inconveniences of a long journey that lasted not less than 20 days each way, these bearers of good will, leaving behind them their more important duties and personal conveniences, came to our land to encourage us with their presence on the inauguration of the new government. To them and to their charming ladies and the newspapermen who joined the party, I wish to express the high appreciation of the Filipino people. Their democratic ways, the interest they all have shown to learn our needs, and the proven friendship and solicitude they have for everything that concerns us, have won for them the everlasting esteem and regard of the Filipinos and have earned for the United States the strengthening of the ties of a firm and ever-growing friendship with, and the enduring gratitude of, our people. Nothing could have been done to cement our feelings of gratitude and friendship for this country better than this congressional trip. And I wish to take advantage of this opportunity to say that the good wishes for our welfare which prompted you to approve the independence law and to come to our shores are beginning to be realized.

At the head of our government stands one of the greatest figures in contemporary oriental history, Hon. Manuel L. Quezon, the first president of our Commonwealth. With the far-sightedness of a real statesman his first official message to the national assembly was a strong appeal for national unity and consciousness. He recommended and obtained the enactment of a law for a compulsory universal military training and, under the direction of one of the ablest soldiers the United States ever had, Gen. Douglas MacArthur, the national army is being organized with no other purpose than to safeguard our nation against possible aggressions within and from without. With a strong hand President Quezon has restored the public morale in two provinces where two of the most dangerous bandits the Philippines have ever known had been, previous to the inauguration of the Commonwealth, terrorizing the inhabitants. With an unusual courage the president has made his stand definite for a civil service free from considerations other than efficiency; has set precedents in the standards of an impersonal and efficient administration of justice and public affairs; has started an uncompromising campaign against commercialized vice; and has secured the creation of a court of appeals whose judges he ap- a 3 cents per pound processing tax on coconut oil from the

pointed with no other consideration than the insuring of absolute justice to all, to the end that everyone, no matter what his station in life, may be assured of an impartial and speedy justice.

And, preparatory to facing the burdens that the new status carries with it, and for the purpose of establishing our economic fabric on a firmer foundation, he has appointed an economic council composed of the ablest men we have among our economic leaders and a survey board to undertake the task of overhauling the machinery of the Government for the simplification of its functions and the elimination of wastage of our heretofore complicated bureaucracy.

With a good surplus, due to the wise policy of the last of our American Governors General, the Honorable Frank Murphy; with a budget favorably balanced the last few years, as well as during the present one; with the determination to simplify our machinery of government and to reduce expenses; with a statesman of the ability and greatness of heart of the Honorable Frank Murphy as United States High Commissioner; with a sympathetic Administration and Congress in the United States; and with the innate and proven capacity of the Filipinos for self-government and a disposition to do their duty and to follow the leadership of our President, there is every reason to view the future with confidence.

But absorbed, as you are, by your many serious domestic problems, you are liable to feel that you have already completed your task in the Philippines by giving us the independence law and to overlook the intention underlying the same. Just as you did give legal existence to the Philippine nation by constructive legislation, you can wreck your own splendid work by reactionary laws, predicated on a philosophy other than the generous purposes and the purport of the independence act. We take it that the evident purpose of said law is to prepare the Filipinos for complete independence by giving us control of our own internal affairs, as well as time and opportunity for readjusting our economics to enable us to face the burdens of an independent government. The law has been an offer on your part, conditioned upon the fulfillment of certain specified obligations on ours. We accepted the offer, including a definite statement of your great President, acquiesced in by Congress, when he said in his message of March 22, 1934:

 * where imperfections or inequalities exist, I am confident that they can be corrected after proper hearing and in fairness to both peoples.

The Filipinos take the law to be a solemn contract to which both your country and the Philippines have bound themselves. We consequently deem that, unless it be by mutual consent, the contract cannot be, and should not be, modified.

However, barely 1 week had elapsed since the acceptance of the independence law when Congress saw fit to indirectly amend the same by enacting the Jones-Costigan law on May 9, 1934, under which our sugar exportation to the United States during the calendar year 1934 was reduced, from 1,500,000 to a quota of 1,015,000 tons, almost 500,000 tons, valued at \$35,000,000, notwithstanding the fact that the limitation of 850,000 long tons the independence law imposes on our sugar exports to the United States would not take effect until the establishment of our commonwealth.

A year had scarcely passed since the enactment and the acceptance of said independence law when Congress passed another law modifying its economic provisions, if in a way favorable to us, in another discriminatory to a country that is still under the protection of the American flag. The Cordage Act (Public, No. 137 of June 14, 1935), while enlarging the amount of cordage that the Philippines may import free of duty into the United States, has included binder twine, which by the general revenue laws is of free and unlimited importation even by foreign nations. Six million pounds is the limit of Philippine cordage, while foreign cordage has no limit at all.

And within the same period a provision was incorporated by Congress in the 1934 Revenue Act (sec. 6021/2) imposing

Philippines, notwithstanding the provisions of the independence law allowing importation of oil free of duty to the extent of 200,000 long tons.

It is not surprising that the high spirit of fairness and justice of your President, aroused by such action, prompted him to recommend to Congress, in his message of May 28, 1934, the reconsideration of the tax on the ground, among others, that the congressional action in imposing it was "directly contrary to the intent of the provisions in the Independence Act", it being in effect a "withdrawal of an offer made by the Congress of the United States to the people of the Philippine Islands" and because the "enforcement of this provision at this time will produce a serious condition among many thousands of families in the Philippine Islands."

Representations were made by Philippine government officials protesting against the tax and asking for its reconsideration and elimination, and the Coconut Planters' Association, in December 1934, joined the protest and request, among some of the reasons being that "the tax is grossly unfair to the Philippines", the "tax is not proportionate to the value of the commodity on which it is imposed", and "there is no danger of any overproduction of copra and coconut oil in the Philippines."

The protest implies that the tax will eventually ruin an industry upon which more than one-fourth of the Philippine population depends for its living. The recommendation of your illustrious President, in said message was that the tax be reconsidered "in order that the subject may be studied further between now-May 28, 1934-and next January, and in order that the spirit and intent of the independence act be more closely followed."

The time for study as proposed by the President having elapsed, a bill has been filed in this House by Congressman DOCKWEILER-H. R. 8000-and its counterpart in the Senate by Senator Guffey-S. 3004-lifting the tax insofar as Philippine oil used for nonedible purposes is concerned, leaving it to stand with reference to oil for edible purposes. While this bill does not entirely satisfy the Filipino side of the case, we must admit that it may be considered as the "form of compromise which will be less unjust to the Philippine people and at the same time attain, even if more slowly, the object of helping the butter- and animal-fat industry in the United States" that the President in his aforesaid message found lacking in the protested tax.

Section 6021/2 of the 1934 Revenue Act, which the Dockweiler bill, H. R. 8000, seeks to amend, was enacted as a protection for domestic oils and fats. But while it has worked hardship to the Philippine oil industry, as will be seen later, it could not give the desired protection. According to the Census Bureau records, the consumption of edible coconut oil increased 31 percent in 1935 as compared to 1933. This is because the tax applies to both edible and nonedible oils. The nonedible usage being the largest-twothirds of consumption-it establishes the price level at which coconut oil sells in the United States. The burden of a tax equal to 100 percent of the value of the oil at the time the tax was levied prevents Philippine coconut oil from moving into industrial products, such as rubber goods, soap, and tanners' oils, at the normal rate-less soap is being made-which enables the edible-oil user to obtain his supplies at a lower price than would be the case if there were no tax applying to industrial usages. The removal of the tax for industrial usage would force the edible user to pay more for coconut oil because the manufacturers who employ coconut oil for nonedible products would pay a higher price for our coconut oil if it were rendered tax free. The edible users would be forced to pay this increased price for oil plus the tax which would remain in effect on all oil used by them. The Dockweiler bill would put coconut oil back into normal channels of consumption—that is, the industrial—and reduce its edible use. The tax-free Philippine coconut oil would not displace domestic farmers' oil and fats. It would only displace lauric-acid-containing oils, none of which is of domestic origin.

On the other hand, the fears of wreckage of the copra and

are proving to be realities since the enforcement of this tax. The average price of copra and coconut, as compared with the average price of former years, is only half of normal, notwithstanding the shortage of the domestic supply of oil resulting from the drought.

In order to ascertain what injury the Philippines have undergone as a result of the imposition of the 3 cents per pound excise tax on their coconut oil, 4 normal price yearsnamely, 1926 to 1929, inclusive-should be selected and the volume and value of exports of coconut oil and copra from the Philippines to the United States during these years compared to the year 1935, the first complete calendar year for which figures are available since the passage of the excise tax which went into effect on May 10, 1934. And we note that the volume of exports from the Philippines to the United States of both copra and coconut oil for said 4-year average, compared with the year 1935, apparently shows no injury from the excise tax.

In 1935 the volume of copra exports from the Philippines increased 135,784,000 pounds, or 41 percent over the 4-year average, and the volume of coconut-oil exports also increased 30,079,000 pounds, or 11 percent, over the 4-year average. This increase in exports, however, cannot be due to the tax, as anyone could easily realize. It was due to the necessity of the United States importing 2,650,000,000 pounds of oils and fats as a result of the domestic shortage of production of fats resulting from the 1934 drought and the consequent diminution of the supply of livestock, oleaginous materials, and so forth. Even with this shortage, the total importations of coconut oil, as such and in the form of copra, did not exceed 25 percent of the total importations required to fill up the deficit in United States oils and fats supplies, while the normal relationship of coconut oil in the form of oil and copra imports to the total vegetable-oil imports has been 38 percent over a period of years.

Had it not been for the tremendous deficiency in the United States supply of oils and fats, the importation of copra and coconut oil from the Philippines would have been greatly lessened as a result of the excise tax. When the United States supply of hogs and other livestock returns to normal, and cotton and corn production is increased due to the removal of restrictions incident to the governmental control program it can be anticipated that the volume of coconut-oil and copra exports from the Philippines to the United States will be heavily reduced.

But, while the United States took more coconut oil and copra from the Philippines in 1935 than it would have under normal conditions, owing to the 1934 drought, the prices at which it purchased its Philippine coconut oil and copra were about one-half of the average normal price as paid in the years 1926 to 1929. The average value per pound of copra exported from the Philippines to the United States for the 1926 to 1929 period was 4.40 cents per pound, and the value in 1935 was only 2.36 cents per pound, or a decrease of 46 percent in value as compared with normal. The average value of the shipments of copra from the Philippines to the United States was fourteen and one-half million dollars. The value of the copra shipments from the Philippines in 1935 to the United States was \$10,987,000. In other words, while there was a 41-percent larger shipment of copra from the Philippines to the United States there was a decrease in total value obtained of 24 percent.

Copra yields 63 percent of coconut oil. The excise tax of 3 cents per pound on coconut oil, therefore, amounted to 1.8 cents a pound on copra, which is 63 percent of 3 cents per pound. If this 1.8 cents per pound is added to the average price of copra exported from the Philippines in the year 1935 (2.36 cents per pound), the sum aggregate is 4.16 cents per pound, or the equivalent of 18.30 pesos per hundred kilos in the islands, which brings it within the price range which Philippine copra growers were accustomed to get in normal years, namely, 17.73 pesos per hundred kilos in 1929, as a low, to 21.36 pesos per hundred kilos in 1926, as a high.

It is, therefore, evident that had not the tax on Philipcoconut industries in the Philippines by reason of the tax pine coconut oil been in existence in the year 1935, the price realized on Philippine copra exported to the United States would have been near the normal.

Referring now to coconut oil, we will find that the average value of the coconut oil shipped from the Philippine Islands to the United States for the years 1926 to 1929 was 7.72 cents per pound, which may be fairly said to represent the normal value of Philippine coconut oil. But the average declared value of coconut-oil exports from the Philippine Islands to the United States for the year 1935 was only 3.42 cents per pound, or a decrease, as compared to the normal value, of 56 percent. The total value of coconut-oil shipments from the Philippine Islands to the United States in 1935 was \$12,255,000, and during the 4 normal-price years the average was \$24,588,000, which represents a decrease in value of \$12,-333,000, or 50 percent, despite an increase of 11 percent in the volume of exports.

If the excise tax of 3 cents per pound be added to the 3.42 cents per pound, which, as already stated, represents the average value of coconut-oil shipments from the Philippines to the United States in 1935, the aggregate is 6.42 cents per pound, which compares closely with the 7.72 cents per pound shown as the normal export value of Philippine coconut oil on the 1926-29 period.

But this is not all, Mr. Speaker. This processing tax is not laid on cottonseed oil of foreign origin, with the result that the importations of this product increased enormously since the imposition of the tax, with the consequent advantageous competition to our coconut oil. Other foreign oils were brought in in greatly increased quantities, because they are not subject to the processing tax. And more recently babassu oils appeared to complete the ruin of the Philippine oil. The use of babassu kernels in the United States has never developed extensively in the past, although the same is not subject to the excise tax; however, in the first 2 months following the trade agreement with Brazil, which includes babassu in the free list, the importation of babassu oils jumped to a figure that exceeds the importations of the whole year preceding. And as the qualities of babassu are almost the same as coconut oil, we find that our coconut oil is now quickly being replaced in this market by the babassu oil. This situation, Mr. Speaker, has moved the coconut planters of the Philippines to appeal to Congress for the enactment of the Dockweiler bill in a telegram sent to me and already transmitted to this honorable body. May I be allowed, for the purpose of completing the record, to read here said message in its entirety?-

Philippine Coconut Planters' Association earnestly requests enactment of Guffey-Dockweiler bill. Excise tax on coconut oil is not only unfair to Philippine industry, without benefiting American agriculture, but creates advantage in favor of foreign vegetable oils, especially babassu from Brazil, which does not pay the tax. Coconut industry is one of the basic Philippine industries, providing means of livelihood and purchasing power to one-fourth of country's population. Unless Guffey-Dockweiler bill is passed, Philippine copra and coconut oil will be rapidly displaced by other imported oils in American market, and Philippine industry will imported oils in American market, and Philippine industry will suffer severe losses, which will be reflected in the life of the masses and the revenues of the government. We appeal to the Congress for justice and reestablishment of the conditions as to trade relations prescribed in the independence law.

(Signed) Philippine Planters' Association

(Signed) PHILIPPINE PLANTERS' ASSOCIATION.

The members of the national assembly representing the coconut-producing districts have joined in the above request by a radiogram sent to me and also already transmitted to the House. This radiogram reads:

Assembly representing coconut-producing provinces appeal to Congress on behalf 4,000,000 Filipinos to approve Dockweller bill. Big landed coconut planters almost unknown here, because coconut holding much more diffused than any other single industry; hence better consumers' American goods. Philippine consumption American goods almost directly proportionate to copra price level.
Although prices other major Philippine products have been improving or kept in steady level, consumption American goods has not shown improvement because copra price level has not improved, slight improvement despite handicaps being negligible. (Signed) Lavides, Maneja, Dizon, Alano, Luna, Montano.

And finally the President of the Philippine Commonwealth has also asked me to do what I can to expedite the passage of the Dockweiler and Guffey bills. His message to me

For Commissioner PAREDES: After extended deliberation I have decided to support the Guffey-Dockweller bills, as beneficial to the Philippine coconut industry, in that they will result in (1) higher copra prices and better demand for Philippine copra, and (2) in the elimination of much of the competition our products are offering in edible channels, which is the chief source of complaint offering in edible channels, which is the chief source of complaint from American dairy interests. Philippine copra producers and oil mills further claim that on present basis they are losing much of their former inedible trade to other oils and fats of foreign origin available cheaper because of excise tax, and without benefit to domestic producers. These bills appear to offer reasonable compromise and should do much to simplify and harmonize the general situation. I request that you do everything that is necessary to expedite the passage of these bills.—Quezon.

Mr. Speaker, I am complying with a duty to my government and my people in transmitting to this House and joining the above requests for enactment of the Dockweiler bill (H. R. 8000) and by presenting to you on their behalf the situation as I see it. This excise tax violates the spirit of the covenant contained in the independence law, and it ruins one of our largest industries in the Philippines without benefiting yours. I submit that under all equitable principles our products are entitled to all reasonable advantages over those coming from foreign countries. Your glorious flag still waves sovereign over our land. We not only feel ourselves in duty bound to a complete allegiance to you, but we have in the past sufficiently shown our loyalty when your country entered the World War. Our industries have been built to fit a free trade that you have imposed upon us, with the best of intention to help us develop our commerce, we must admit, but over our objections as voiced at the time by our Philippine Assembly and our Resident Commissioners. We feel that taxes which ruin such industries should be repealed.

In the noble experiment conducted by the United States the Filipinos have done their part with a deep sense of responsibility. In the covenant contained in the independence law we have done and we are ready to continue doing our part. It is only just to publicly acknowledge that you, your people, and the administration have so far done theirs, and that the deviations from the established policy, which I have pointed out, might be due to pressing serious domestic problems that caused you to overlook our status or to have a mistaken appraisal of the effects of your action. I voice the feeling of my people when I say that we know you will not deliberately take any action that may tend to undermine your own splendid work in the Orient, and that the innate sense of justice of this great Nation will not permit the wreckage of a newly born nation aspiring to be free and independent by such action as might be construed by the rest of the civilized world as a deliberate attempt to stem the tide of progress. There is an abiding faith in our hearts in the sense of sportmanship of the American people, and this faith is our guarantee of happiness and prosperity. We trust that you will heed our requests. I thank you.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. PAREDES. Yes; with pleasure.

Mr. MARTIN of Colorado. Mr. Speaker, if it should embarrass the gentleman to answer the question which I shall propound, I shall not press for an answer, though I would like to have it answered, or if he wishes to reserve the preparation of his answer and put it in the RECORD afterward, that will be satisfactory. I read an article a few days ago apparently cabled from Manila by a correspondent, I think a full column or more, which appeared in the American papers. It dealt with the intense interest now being displayed in the Philippines by Japan, and stated that various excursions from the Philippines to Japan were prepared and carried through by the Japanese, that teachers, officeholders, businessmen, and so forth, were joining those excursions by groups; that a very great display of interest was being made by Japanese influences in all Filipino affairs, and contacts were being established in Manila. In other words, that a process of Japanese infiltration is taking place, and the article further stated that there is an atmosphere growing up in Manila, being that ultimately there will be built up a change of masters in the Philippine Islands. gentleman can comprehend without any further statement on my part what that change of masters would be. Would the gentleman care to give the House any expression on that proposition?

Mr. PAREDES. Mr. Speaker, to start with, I do not know of any such movement or interest, and I do not believe there is anything like an organized campaign; but, assuming that there is, for the sake of argument, that is all the more reason, I say, for this Congress to pay attention to our requests, because the Congress has pledged itself to give us complete independence and ought to see to it that we shall enjoy the blessings of complete independence by helping us place ourselves beyond the reach of foreign nations.

The SPEAKER. The time of the Commissioner from the

Philippines has expired.

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KOPPLEMANN. Mr. Speaker, the work of rehabilitation from floods throughout the Nation is going on steadily and fast. The terror has disappeared, poignant memories are losing their sharpness. Soon the debris will be cleared, ruin repaired, removing all visible memory of the flood.

Just tribute is being paid to the various municipal, State, and Federal agencies, civic bodies, and private associations, philanthropic and otherwise, municipal, State, and Federal officials, others who are employed in the service of the Government.

But I want to pay tribute also to the courage and loyalty of the thousands of individuals who stuck by their respective posts, giving in their own quiet way the service which the community needed as long as that service could be given. I saw in my own district, in Hartford and in adjoining towns, the policemen, the firemen, the State militia, the Coast Guard, the Boy Scouts, the C. C. C. boys, the veterans, all joined in the effort of helping those in distress.

There were also the mill hands, the factory workers, employees in stores and warehouses striving to keep the flood devastation at a minimum, pumping out the water, fortifying the places where they worked. There were the restaurant keepers, the employees of restaurants, supplying food and drinks to the men who were desperately battling the flood. There were the employees of public utilities, the telephone men and girl operators, the telegraph operators, who kept the wires humming with messages as long as those wires could hold out.

There are men and women whose names, because of their work during those trying days, will be written in the annals of Connecticut. These of whom I have just spoken are the unsung heroes and heroines. But even if their names are not inscribed, the memory of their courage, devotion, and service to their fellow men will live long in the hearts of those who witnessed their deeds and those who heard about them.

We in Congress are working desperately to put through legislation which will permit the construction of floodcontrol projects so that the tragedies of the past month may never be unnecessarily visited upon us again. I ask that we pause one moment and give a cheer for the unsung heroes and heroines of the flood. [Applause.]

LEAVE OF ABSENCE TO HOMESTEAD SETTLERS DURING 1936

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9997) granting a leave of absence to settlers of homestead lands during the year 1936, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to take from the Speaker's table the bill H. R. 9997, with a Senate amendment thereto, and concur in the Senate amendment. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 2, after line 18, insert:
"Sec. 2. Any homestead settler or entryman, including any entryman on ceded Indian lands, who is unable to make the payments

due on the purchase price of his land on account of economic conditions shall be excused from making any such payment during the calendar year 1936 upon payment of interest, in advance, at the rate of 4 percent per annum on the principal of any unpaid purchase price from the date when such payment or payments became due to and inclusive of the date of the expiration of the period of railed granted becaused." period of relief granted hereunder."

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object. I think the chairman of the committee should make an explanation to the House, so that we will know exactly what the Senate amendment does and in what respect it changes the House bill.

Mr. DEROUEN. The Senate amendment does not change the House bill, except in this respect: It provides that those seeking an extension for the year 1936 must pay in advance all interest in arrears, as well as the interest for the year 1936, on the purchase price of ceded Indian lands.

Mr. SNELL. That is, they must pay the back interest?

Mr. DEROUEN. They must pay all interest in arrears plus interest for the year 1936 in advance at 4 percent.

Mr. SNELL. What concessions are we making to them?

Mr. DEROUEN. Just granting an extension of another year.

Mr. SNELL. And this has the unanimous approval of the gentleman's committee?

Mr. DEROUEN. Yes.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was concurred in.

WATERSHEDS OF SANTA BARBARA COUNTY, CALIF.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6544) to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public lands, included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to take from the Speaker's table the bill H. R. 6544, with a Senate amendment thereto, and concur in the Senate amendment. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 3, line 20, after "therefrom", insert ": Provided further, That any person desiring to locate and enter upon any such withdrawn lands under the mineral-land laws may make such location and entry upon a showing satisfactory to the Secretary of the Interior and the Secretary of Agriculture that the lands to be entered are chiefly valuable for minerals."

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object. As I listened to the reading of the amendment it seemed to me it is very far reaching. Will the gentleman from Louisiana please explain what it does and what the attitude of his committee is in regard to it?

Mr. DEROUEN. The committee, I believe, reported this bill unanimously. The bill was passed by the House, with the consent and approval of the Republican Members, and the Senate has added a provision. That provision is this, that any person desiring to locate and enter upon such withdrawn lands under the mineral-land laws may make such application and entry, upon a showing satisfactory to the Secretary of the Interior and the Secretary of Agriculture that the lands to be entered are chiefly valuable for minerals. In other words, it must have the approval of both the Secretary of the Interior and the Secretary of Agriculture as to the facts in the case that these lands are more valuable for mineral. That is all it does, and I think it is a very good provision.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. DEROUEN]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

SPECIAL COMMITTEE ON INVESTIGATION OF LOBBYING ACTIVITIES Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 475.

The Clerk read as follows:

House Resolution 475

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 234, joint resolution authorizing the Senate Special Committee on Investigation of Lobbying Activities to employ counsel, in connection with certain legal proceedings, and for other purposes, and all points of order against said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. COX. Mr. Speaker, one-half of the time on the rule I yield to the ranking minority member of the Committee on Rules, to be by him in turn yielded as he sees fit.

Mr. Speaker, I yield myself 25 minutes.

Mr. Speaker, the time at my disposal is not sufficient to permit of a full explanation and discussion of the purpose of this resolution. I beg the membership to refrain from propounding questions until I have, in the main, completed my statement.

On July 11, 1935, the Senate adopted Senate Resolution 165, setting up a special committee of five, which was—

Authorized and directed to make a full and complete investigation of all lobbying activities and all efforts to influence, encourage, promote, or retard legislation, directly or indirectly, in connection with the so-called holding-company bill, or any other matter or proposal affecting legislation.

The committee was authorized-

To employ and to call upon the executive department for clerical and other assistance and to require by subpena, or otherwise, attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable.

The committee is under the chairmanship of Senator Black and is commonly referred to as the Black committee. On July 29, 1935, the Senate adopted Senate Resolution 184, amending Senate Resolution 165 by broadening the discretion of the special committee as to the time and place of sitting, and enlarged its powers by directing it—

(a) To investigate and report to the Senate upon the financial structure corporate affiliations, interlocking stock ownerships and directorships, and the financial relationships, stock transactions, capitalization, expenditures, and operations of such persons, companies, corporations, partnerships, and groups as have sought in any way to influence the passage or defeat of legislation, or to influence public contracts, activities, or concessions; (b) to investigate and report upon the political contributions and activities of such persons, corporations, partnerships, or groups, their officers and agents, and their efforts, if any, to control, directly or indirectly, the sources and mediums of communication and information.

Later the committee caused to be served upon the telegraph companies maintaining offices in Washington, subpenas duces tecum calling for the production of certain telegrams. Some of the subpenas were specific in identifying the evidence called for, but others were general in form calling for production of all telegrams sent by, charged to, received, or paid for by certain named parties between the dates of February 1 and August 1, 1935.

After the committee had made disclosures as to the destruction of certain messages and the possible improper use of telegraphic means of communication the Federal Communications Commission made an order directing an examination of the books, papers, and files of the telegraph companies maintaining offices within the District of Columbia and did send its agents into such offices who did examine the books, records, and papers of the telegraph companies and did make copies of telegrams pertinent to the

purposes of its investigation and to the inquiry being conducted by the committee.

It is charged that the aid of the Communications Commission was invoked by the Black committee and that the Commission, in the work that it did, was acting as the agent and representative of the committee. Agents of both the committee and the Commission acted together in the examination of the books, papers, and files of the telegraph companies, and it is fair to say that probably the Communications Commission was brought into the picture by the committee. It is a fact, however, as repeatedly stated by Senator Black, that the committee holds no telegrams or other evidence obtained from the telegraph companies except that which was produced under subpena.

Around the middle of March, last, Mr. William Randolph Hearst came into the Supreme Court of the District of Columbia seeking to restrain and enjoin the Black committee and the Federal Communications Commission from the further examination of the books and papers of the telegraph companies and the use of the telegrams already obtained insofar as affects messages passing between Mr. Hearst and any of his agents and employees or as between him and any news agencies or other corporations having to do with the publication of news which are under his ownership or control.

On April 8 the court denied the relief sought by plaintiff, holding that it was without authority to enjoin a committee of the Senate and that as to the Communications Commission the question was moot as the Commission answered that it had no intention of making further search and seizure under the order which it had made and its examination conducted.

In prosecution of the determination to contest the issues raised by Mr. Hearst the Senate adopted Senate Joint Resolution 234 granting authority to engage counsel to represent defendants in the suit which is, in effect, against the Congress of the United States, and this resolution is now before the House for action. As to any present necessity for engaging counsel, I am not advised; that is, of course, a matter for the Senate committee to decide. Under the law no committee of Congress can pay any one employee more than \$300 per month, which sum is wholly inadequate to engage competent legal talent to handle this case. The fee of counsel is to be paid out of contingent funds of the Senate and to be fixed by the Senate Committee to Audit and Control the Contingent Expenses of the Senate.

The basis of Mr. Hearst's suit is that the examination of the books, papers, and files of the telegraph companies by the Black committee and the Federal Communications Commission constituted an unreasonable search and seizure, and was in violation of the rights of plaintiff under amendments 4 and 5 of the Constitution; that many of the telegrams examined and copied and noted were of a private, personal, and privileged nature and have no connection whatever with the subject matter of the investigation, or with any subject matter concerning which Congress could enact valid legislation: that among the telegrams examined, copied, and noted were messages from the plaintiff to his associates and employees and messages from his associates and employees to plaintiff, or to other associates and employees of plaintiff; that copies of messages in the offices of telegraph companies are the property of the senders and that neither the plaintiff nor any of his employees or associates, agents or attorneys have given any authority whatever to the Black committee or to the Federal Communications Commission, or to any of the communications companies, or to anyone else to read, copy, or make any use whatsoever of messages passing between them; that the Black committee is without authority to make any use whatsoever of messages obtained; that the Federal Communications Commission was without authority to send their agents into the office of telegraph companies to make the examination complained of, and had no authority to divulge to the Black committee or any other the result of their examination: that Congress is without authority under the Constitution to regulate, interfere with, restrain, restrict, censor, or inquire into the conduct of the business of the press; that no agency of the Government has the power to go on a fishing expedition into matters concerning the conduct of the business of the press, to obtain messages exchanged between publishers and their employees or between employees of publishers relating to the business of the press and to turn such messages over to other agencies of the Government for whatever use such other agencies may desire to make of them; that the use of messages passing between plaintiff and his associates and employees, or between his associates and his employees could result in no valid legislation; that all of the messages passing between plaintiff and his associates and employees or between his associates and his employees are privileged under the first, fourth, and fifth amendments of the Constitution.

Plaintiff prays that the Black committee, the Federal Communications Commission, and their agents and employees, be restrained from making any use whatever of any of the messages sent by or received by plaintiff which have been copied from the record of any of the communications companies, and from the disclosure of the contents of any such message to anybody other than plaintiff; that they be restrained from making any further demands upon any of the communications companies transmitting messages of the plaintiff or his associates or employees for copies of such messages or any information whatever pertaining thereto; and that they be restrained from retaining or holding any such messages which might now be in their possession or from keeping or retaining any copies thereof.

From what has been said it clearly appears that serious questions are raised by the suit affecting the constitutional privileges and prerogatives of both the House and Senate. It is a challenge to the right of Congress to legislate in the

exercise of its constitutional powers.

The whole question is a terribly tangled one and is full of apparent contradictions. Effort at clarification invariably bogs down in confusion. This has probably been due to the fact that discussion has proceeded upon the assumption that ours is a government that is absolute trinity in form, that all powers have been nicely and exactly divided into three parts, when this is not true. Such a thing is difficult, if not impossible, of accomplishment. The legislative department performs acts which, taken separately, are judicial and executive in character, but all included within and as a necessary part of legislation. Each of the other departments exercise mixed powers, but which are not regarded as such, being powers that are incidental to, included within, and as a necessary part of the primary functions which they perform.

The Senate committee is acting under a resolution that has the force of law and forms a proper basis for its proceedings. The committee occupies the same status as does the Senate, for it is the Senate acting through the device of a committee

rather than as an entire body.

It is the undisputed right of the citizen to be secure against unreasonable search and seizure and against being compelled in any criminal case to be a witness against himself. These are rights which are to be regarded as the essence of constitutional liberty, and the guaranty of these is as important and as imperative as are the guaranties of other fundamental rights of the individual citizen and are not to be depreciated by any kind of encroachment. A committee of Congress is under the same obligation to respect these rights as all others. But the power of Congress, through committees or otherwise, to investigate as incidental to legislation is inherent and cannot be defeated on sentimental grounds.

While the subpenas used by the committee are substantially the same in form as those heretofore used by committees of the House and Senate and other investigating bodies, some of them undoubtedly do not meet the requirements of the law; and under some circumstances production under them would probably constitute unreasonable search and seigure

The circumstances would indicate that the Communications Commission made its order of investigation at the instance of the Black committee, but this would not invalidate its proceedings so long as it keeps within the scope of the Communications Act of 1934. As to the right of search and

seizure, the Commission and the committee do not stand exactly upon the same footing. The Commission investigates for one purpose and the committee for another. Yet the product of the search of both, legally acquired, may be used by either when pertinent and relevant to the object sought to be accomplished.

It must not be overlooked that the constitutional inhibition against unreasonable search and seizure as contained in the fourth amendment is primarily for the purpose of protecting the citizen against being compelled to testify against himself in a criminal prosecution and violation of his rights as contained in the fifth amendment, and, too, it must not be overlooked that protection against such eventuality is provided for by law both as to the Commission and the committee. All questions of privilege insofar as concerns investigations conducted by committees of Congress are wiped out by reason of the immunity clause against prosecution as contained in the act of January 24, 1857, as amended by act of January 24, 1862, the constitutionality of which has been upheld by the Supreme Court.

If the Communications Commission, in its search, made discoveries relevant or irrelevant to the purposes of the investigation provided for in Senate Resolutions 165 and 184 and revealed them to the committee without being required so to do, such evidence would probably be held to be inadmissible in a suit at law upon the ground that disclosure to the committee violated the secrecy provision of the Communications Act. Or, if the Commission was not acting upon its own responsibility and not within the scope of its authority, but solely as agent of the committee, and if the subpenas under which evidence was obtained were wholly blanket in form, and in nowise related to any particular subject matter, then, material that it may have turned over to the committee could not be properly used for any purpose by any person other than the committee and by the committee only as an aid to legislation and should not be made public, all of which involves the use of discretion which the committee must be depended upon for wise exercise.

It is not every search and seizure that violates the fourth amendment. The search and seizure must be unreasonable, and what may be unreasonable under one set of circumstances may be entirely reasonable under different circumstances.

Amendments 4 and 5 to the Constitution are closely related. That which constitutes unreasonable seizure under the fourth amendment may amount to an unlawful taking and the compelling of a person to give evidence against himself, which is forbidden by the fifth amendment.

Neither Congress, nor any committee of Congress, has any more right to violate the constitutional privileges of the citizen than any other, and yet an act of an investigating committee of Congress may be entirely within the law, while the same act committed by another might be in violation of the law, the question of the reasonableness or unreasonableness, immunity against harm, and attendant circumstances having much to do with the determination of the question. While there is respectable authority for the contention that the right of Congress through committees to investigate and acquire information necessary to the enactment of legislation in the public interest is subordinate to the right of the citizen to be secure in the enjoyment of his constitutional privileges, yet a committee of Congress cannot be hampered in making inquiry by leaving to the citizen to determine for himself as to what is or is not privileged. While the question is that of the reasonableness of a search and seizure, judicial and not legislative, it is a question for the committee to

There is no unlawful search and seizure when a writ, suitably specific and properly limited in its scope, calls for production of documents, which, as against the lawful owners, the party procuring the issuance is entitled to have produced.

The contention made by the plaintiff in the suit referred to that it is not within the power of Congress to legislate with respect to or make any investigation into any matter affecting the press, that such would constitute a violation of the first amendment to the Constitution, is not sound. No one is

endeavoring to secure congressional legislation abridging freedom of speech or the press; no one wants such legislation. The press, however, is not above the law and does not want to be. It asks for nothing more than that its freedom be not abridged by congressional action, and that it be protected as guaranteed by the Constitution and supported by public opinion. Freedom of speech and the press are principles of natural justice and had become permanently fixed in English jurisprudence long prior to the adoption of the Constitution.

The paramount question involved is, Have the courts the right to establish judicial control over the proceedings of Congress? By putting the question in this form I do not mean to insinuate that I think the courts want any such control. I assert that they do not.

While it was intended that the legislative should be the dominant department of government, I am not contending that it is more than coequal with the other two departments, but I do insist that it is coequal.

My examination of the question has brought me to the conclusion that it is not within the powers of the courts to interfere in any wise with the proceedings of Congress in the performance of a legislative function, and that the effort in this instance to enjoin a committee of Congress must be unavailing. If the rights of the plaintiff, or any other, have been violated, then their sole forum for redress is the Senate of the United States. It may seem unreasonable that the body called upon to protect a right is the body threatening or violating it, but such is the case, and, as in this instance, necessarily so, for the independence of the legislative body must be maintained and not subjected to judicial or other interference.

I regret that the time at my disposal does not admit of full discussion, but certainly the House will respect this requisition made upon us by the Senate. We will do it because of the respect which the House owes that body and because of our sense of duty to protect and preserve the integrity and independence of the legislative department of the Government.

Much has been said in the press and elsewhere in criticism of the Black committee. Deliberate and studied effort has seemingly been made to put a false face upon its proceedings and to create the impression that it has gone about the performance of its labors in a high-handed and lawless manner. These are not the facts of the case. It may be that in some instances innocent parties have suffered embarrassment. I think they have, and it is to be regretted, but in a widespread campaign against the trickster and wrongdoer, busy in the effort to muddy the stream of public opinion and corruptly influence legislation, this was inevitable. We must look to the general results in judging the work of the committee, and when we do this without prejudice we are obliged to concede that the committee has rendered an invaluable public service and has securely laid the foundation for legislation to combat the evils which everyone knows to exist.

But after all the best and surest protection against wrongful approach and corrupt influences is a well-informed, upstanding, and courageous Congress, which I believe we have. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. TABER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore (Mr. Colmer). The Chair will count. [After counting.] Evidently there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 65]

Adair Boykin Cannon, Wis. Corning Cary Crosby Andrew, Mass. Brooks Cavicchia Darden Bacon Brown, Mich. Christianson Darrow Barry Buckbee Claiborne Dear Beam Buckley, N. Y. Clark, N. C. Delaney Bell Bulwinkle Cooley Dickstein Berlin Caldwell Cooper, Ohio Dies

Dietrich	Gildea	Lehlbach	Reed, N. Y.
Dingell	Gingery	Lucas	Romjue
Disney	Goodwin	McAndrews	Sabath
Ditter	Granfield	McFarlane	Sanders.La.
Dobbins	Gray, Pa.	McGrath	Schaefer
Doutrich	Greenway	McKeough	Schuetz
Dunn, Miss.	Gregory	McLaughlin	Sirovich
Dunn, Pa.	Hart	McMillan	Smith, Conn.
Eagle	Healey	McReynolds	Somers, N. Y.
Eaton	Higgins, Mass.	Mitchell, Ill.	Starnes
Ekwall	Hill, Knute	Monaghan	Steagall
Faddis	Hoeppel	Montague	Stewart
Farley	Hollister	Montet	Thomas
Fenerty	Imhoff	Moritz	Wallgren
Ferguson	Jenckes, Ind.	Nichols	Werner
Fernandez	Jenkins, Ohio	O'Brien	Wigglesworth
Fiesinger	Kee	O'Day	Wilcox
Fish	Kelly	Oliver	Wilson, La.
Flannagan	Kennedy, N. Y.	Owen	Withrow
Frey	Kerr	Perkins	Young
Fuller	Kocialkowski	Pfeifer	Zioncheck
Gasque	Larrabee	Randolph	and the same of
Gavagan	Lea. Calif.	Reed, Ill.	

The SPEAKER. Three hundred and six Members are present, a quorum.

On motion by Mr. Bankhead, further proceedings under the call were dispensed with.

Mr. RANSLEY. Mr. Speaker, I yield 3 minutes to myself. Mr. Speaker, the general law prohibits the payment by any congressional investigation committee of a sum exceeding \$3,600 a year to any one individual. This rule, however, brings forward a resolution which, if passed, will make an exception to the so-called Black investigating committee of the Senate, which many on this side of the aisle believe should be opposed most strenuously.

The committee of investigation undoubtedly should know the rules and the law, and be governed accordingly. If anyone claims to be injured in or by the acts of the committee, they undoubtedly have recourse to the law. I believe that no good reason can be advanced for the passage of this rule or the resolution which the rule brings in order. I hope that both the rule and the resolution will be defeated.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield for a question?

Mr. RANSLEY. I have but 30 minutes. I have divided my time, and if I were to take the floor for any length of time it would be unfair to those to whom I have promised time.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. Mapps] 10 minutes.

Mr. MAPES. Mr. Speaker, the right or power of the Black committee or the wisdom or unwisdom of its activities is not involved at all in the consideration of this resolution. It is fair to say, I think, that the same attorney will be retained by that committee to represent it in the proceedings now pending in the courts whether this resolution is passed or not; and I assume that that attorney will exercise the same ability and give the case the same consideration whether this resolution is passed or not.

The only thing involved in this resolution is how much he shall be paid and whether a special exception shall be made in favor of the Black committee. Existing law, as has been pointed out, limits the amount that any investigating committee either of the House or of the Senate can pay to any one person, accountant, attorney, investigator, or any other person to \$3,600 per year, or \$300 per month.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MAPES. After I have made my statement I shall be glad to yield.

This resolution proposes to repeal that law as far as the Black committee is concerned and to permit it to pay an attorney to represent it in the courts in the case brought against it by William Randolph Hearst any amount fixed by the Committee to Audit and Control the Contingent Expenses of the Senate.

It is well known that other committees of the House and Senate as well as the Black committee are chafing under the restrictions of the existing law. The history of this legislation is interesting. It shows that it was passed in both Houses at the instigation and upon the initiative of the Committees on Appropriation of the respective Houses. A few years ago the Committee on Appropriations of the Senate of its own volition proposed an amendment, which was adopted without

debate, putting this restriction upon the expenditure of the contingent fund of the Senate.

On the House side a similar restriction was put on by the Committee on Appropriations. There was no debate on the amendment in the Senate, but in the House the gentleman from Texas [Mr. Buchanan], chairman of the Committee on Appropriations, and the gentleman from New York [Mr. Taber], the ranking Republican member of that committee, supported the resolution. The only other person who participated in the debate at that time was the gentleman from New York [Mr. O'Connor], who questioned the wisdom of the limitation. But it was adopted and has been carried on appropriation bills for the last several years.

The gentleman from Georgia [Mr. Cox] made a very interesting statement in opening the discussion on this resolution, but it seems to me he did not get to the point involved. He discussed the question of the independence of the legislative branch from the judicial branch of the Government, but as I see it that is not the question involved in the consideration of this resolution.

The gentleman from Georgia said:

The paramount question involved is, Have the courts the right to establish judicial control over the proceedings of Congress?

I say with great respect I do not think that is the question at all. The case in which the Black committee is involved has already been considered in the lower courts. The attorney to represent the committee has been retained and has appeared in the lower court for the committee, and the lower court has found in favor of the committee. For one, I have no quarrel with that finding of the lower court, and I am not going to discuss that or the merits of the case now in the courts. This resolution has nothing to do with the merits of that case, nor of the independence of Congress. It simply raises the question of how much shall the attorney for the Black committee be paid for representing the committee in the courts? This is the only question involved here.

Every lawyer will concede that the fee the Black committee can pay the attorney under existing law is not very large, but some great investigations have been carried on since this limitation was put upon expenditures from the contingent fund and upon these investigating committees. I can recall several large investigations by important committees of the House, and not so long ago there was a great investigation by the Banking and Currency Committee of the Senate conducted by the distinguished investigator, Mr. Pecora. They were conducted with this limitation in force, and the committees were successful in securing the services of lawyers of outstanding ability.

If we start making exceptions, we shall have a multitude of committees coming into this House asking for exceptions. If we are going to repeal this act so far as this one committee is concerned, then let us repeal it altogether and make it apply to all investigating committees alike. Until it is repealed outright and made to apply to all alike, I, for one, am opposed to giving special consideration to a particular committee because, perchance, it is exceptionally aggressive or exceptionally favored.

Mr. RANKIN. Mr. Speaker, will the gentleman yield? Mr. MAPES. I yield.

Mr. RANKIN. The gentleman from Michigan realizes this is not an investigation. This is a lawsuit in which the prerogatives of the Congress are challenged. I want to ask the gentleman—

Mr. MAPES. Mr. Speaker, that is as far as I can yield. But the limitation of the Senate put on by the Senate Committee on Appropriations itself and adopted by the Senate specifically makes it apply to professional services; and it was well known when the amendment was adopted in the Senate and in the House that it was to apply to lawyers as well as to investigators, accountants, and others. It was premeditated and adopted deliberately with full knowledge of what the Congress was doing. It was adopted to correct well-known abuses which had grown up, giving large fees to lawyers employed by certain committees.

Mr. CELLER. Mr. Speaker, will the gentleman yield? Mr. MAPES. I yield.

Mr. CELLER. Does the gentleman think it would be appropriate to pay an attorney of distinction and merit but \$300 a month to appear before the United States Supreme Court on a question as momentous as the one involved herein, namely, the rights and prerogatives of a legislative investigating committee?

Mr. MAPES. I think the limitation is pretty small but the question involved here is whether we are going to make an exception in favor of this one committee.

Mr. RANKIN. Mr. Speaker, will the gentleman yield for a question right there?

Mr. MAPES. Mr. Speaker, I yield back the balance of my

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Speaker, the Senate of the United States, realizing the discredit into which investigating committees had gotten themselves by tremendous expenditures to lawyers, agents, and the like, started this idea of keeping payments to individual employees and lawyers down to \$300 a month. The House finally, at the insistence of some of us who felt we ought to be on as good a plane as the Senate, helped to enact the limitation into law.

The present situation is that a resolution was introduced in the Senate and passed by that body on the 23d day of March, and was reported by the Judiciary Committee on the 27th day of March, 3 weeks ago, authorizing the Senate to fix any kind of fee it pleased for a lawyer conducting litigation in behalf of the Black Committee of the Senate.

I do not know whether it is so or not, and I should like to be corrected if it is not, but I understand this lawyer is a partner or a former partner of that Senator.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BANKHEAD. I have heard a great many rumors with reference to the matter. If the gentleman will accept my statement upon it, and I know the facts, the gentleman who has been employed to conduct this most important litigation for this committee is not Senator Black's former law partner.

He was associated with him a great number of years ago only temporarily, but the partnership then existing has been dissolved for more than 11 years.

Mr. TABER. He was a former partner?

Mr. BANKHEAD. He was a former partner for a few years.

Mr. TABER. Well, that is the situation.

Mr. Speaker, there is authority in here to pay this man as a retainer fee \$10,000, and that is not the limit. There is absolutely no limit fixed for the appropriation of money to be paid out of the contingent fund of the Senate.

Mr. BANKHEAD. Why does the gentleman make that statement? Where does he get the authority to make that statement?

Mr. TABER. I will read to the gentleman a part of the resolution.

The total compensation for such legal services to be fixed by the Senate Committee to Audit and Control the Contingent Expenses of the Senate, and the payment of other expenses necessarily incurred in connection with said litigation to be approved by the said Committee to Audit and Control the Contingent Expenses of the Senate, \$10,000, to be immediately available from the contingent fund of the Senate under this joint resolution and to remain available until June 30, 1937.

Mr. Speaker, there is absolutely no limitation in there to \$10,000, and there is no language herein that may be construed as a limitation. It is simply \$10,000 from the start, and there is absolutely no limit whatever.

I wonder if the House of Representatives wants to stultify itself by passing this kind of resolution. I have just as much courtesy toward the other body as has any Member of the House, but I cannot bring myself to the point where I am ready to go hog-wild in an attempt to authorize a committee in the Senate to fix any kind of fee it pleases in a matter of this kind. [Applause.]

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Vermont [Mr. Plumley].

Mr. PLUMLEY. Mr. Speaker, I have such strong and impelling convictions with respect to the matters and things involved in this resolution that I find it impossible to register my protest solely by my negative vote. There are compelling reasons why I cannot and shall not vote for this resolution authorizing the employment of counsel to defend the action had and taken by the committee referred to therein. In the first place, I can see no reason why an exception should be made with respect to this particular investigation committee insofar as the amount of its expenses for legal services are involved. In the second place, in my opinion, no matter how much money might be authorized or expended, no one can successfully defend those responsible for the action of the committee either in good conscience, the forum of public opinion, or in the court of last resort.

The committee's action is not only indefensible but is reprehensible and despicable. Its action, with respect to the telegrams involved, was an unwarranted interference with and infringement and violation of personal liberty, freedom of individual action, and the inherent and inalienable right of personal security; that most sacred of all rights which we are supposed to possess, and under the Constitution as American citizens, ought to be permitted and privileged to enjoy.

Under a claim and color of right an alleged power and authority has been grossly abused and a most serious invasion of personal rights has occurred. Such abuse of power and authority should not be tolerated or permitted by the Congress of the United States and will not be by the American people.

I say to you that the more than cautious exercise of such powers by Congress and by others who would use and abuse them, and their strict interpretation by the courts, in view of the constitutional guaranties of life, liberty, and property, afford the only safeguards against the degeneration, by apparently legal methods, of a popular government into the worst of despotisms.

As Members of Congress, it seems to me, we are unfaithful to ourselves and to our obligations and to the citizens whom we represent when we sit by and placidly permit such a disregard and flagrant violation of our inherent and inalienable rights as has been perpetrated by those responsible for the action of the Black investigating committee. The day will come when such wrongs so perpetrated by Congress under a claim of authority will become so serious and will so universally invade and transgress the rights of the citizen that he will be warranted and provoked to exercise the right of revolution as his only means of redress.

I think it was Daniel Webster who in these very Halls was heard to say:

God grants liberty only to those who love it and are always ready to guard and to defend it. Human agency cannot extinguish it. Like the earth's central fire, it may be smothered for a time; the ocean may overwhelm it; mountains may press it down; but its inherent and unconquerable force will heave both the ocean and the land, and at some time or other, in some place or other, the volcano will break out and flame up to heaven.

The individual citizen is entitled to his rights and to complete protection in all his rights at all times, in all places, and at all hazards. Those responsible for such action as the committee has taken are not entitled to any other or different provision for counsel than is now afforded by law, and moreover, as I said at the outset, their action is, in the last analysis, absolutely indefensible.

Therefore, Mr. Speaker, the action of the committee which we are now asked to condone, by furnishing the means for its defense, must be denounced, not permitted to go uncensured, or remain unrebuked.

Never, so far as I know or can learn, since the days of the infamous writs of assistance, has there been by a committee or Congress such an outrageous violation of the fundamental rights of American citizens. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield the balance of the time on this side to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I listened with much interest, as I always do, to the statement made by our colleague, the gentleman from Georgia [Mr. Cox]. Whenever he has anything to say, he says it well. But he used 20 minutes today, and I listened to him very carefully, in defending the work of the Black investigating committee over in the Senate. As a matter of fact, whether that committee is doing its work well or not or whether it is exceeding its authority or not, is not within the province of the House to decide. Personally I am not here to criticize or uphold it. I do not think that question is before the House at the present time; the only question before us is whether we will amend the law and let them pay counsel for the Black committee whatever amount they wish.

Mr. COX. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Georgia.

Mr. COX. Of course, I appreciate any compliment that is paid me by the gentleman, but he made reference to my spending the entire time in defending the Black committee. May I ask the gentleman if he really thinks he has made a fair statement in this regard?

Mr. SNELL. As far as that is concerned, I have no criticism to make whatever.

Mr. COX. I was not concerned in defending the Black committee, but in defending the rights, privileges, and prerogatives of the Congress.

Mr. SNELL. Anything the gentleman said in regard to the privileges and prerogatives of the legislative branch of the Government I am in accord with, but it seems to me that is not the question before the House at the present time, and I have not heard that matter disputed, but the gentleman did not say anything about the real question before the House.

Mr. COX. Does the gentleman not concede that there is a fundamental question involved in this proceeding which affects the rights and prerogatives of the House?

Mr. SNELL. I think there is a fundamental principle involved, but I think the gentleman from Georgia, in presenting this rule and in stating the reasons for the consideration of the resolution, should have addressed himself to the principle contained in the resolution rather than spend his entire time in defending the prerogatives of the House and the Black committee.

Mr. Speaker, what was the reason for the passage of the present law limiting sums to be paid to attorneys? Every man in the House who has been here a reasonable length of time knows that this was done because there had grown up a custom of paying unlimited amounts to various special attorneys in connection with these investigations until Congress and the country were shocked at the amounts paid for attorneys' fees. That was the reason for the present law. Personally I was not so much in favor of limiting it to \$3,600, but that was the action of the House and of the Senate. The matter originated over in the Senate, as a matter of fact. The reason this legislation was enacted was to rectify some of the mistakes that had grown out of past performances. If that was good law then, why is it not good law now? Why is it that you gentlemen are so anxious to amend this at the present time? Why are you so anxious to increase the salaries at the present time? Have you some special favorite you want to take care of? Those are questions I should like to have someone answer in the few minutes remaining on the other side.

Mr. RANKIN. Will the gentleman yield?

Mr. SNEIL. I cannot yield because I do not want the gentleman to take up all of my time.

Mr. Speaker, if there is any reason for the passage of this legislation now pending, why are the Members on that side not absolutely fair, and why should they not come out and say they want to repeal the whole law? If it is good to have it repealed as far as the Black investigation committee is concerned, it is good to have it repealed in regard to all investigation committees of the House and Senate. As far as I am concerned, if you are going to repeal it in one case, it should be repealed in all cases.

Mr. RANKIN. Will the gentleman yield?

yield to him a little later, if I have some time remaining.

Mr. Speaker, I notice, in reading the report of the committee, the following statement is made:

It is important that the Senate committee, as representative of the legislative branch of the Government, be adequately represented by counsel and have the case properly presented to the courts.

Is it not a fact they have counsel at the present time, and is it not a fact that the same counsel who took this job at \$3,600 a year, or not to exceed that amount, is the same man who will represent the Senate in advocating their position before the courts?

Mr. RANKIN. Will the gentleman yield? Mr. SNELL. Wait until I get through.

Here is another proposition: If the same man was willing to take this job a few months ago, why should we increase his salary at the present time? There are many able lawyers on that Senate committee who are amply able to present this case if they need additional counsel, and, as a matter of fact, they started this whole proceeding. They knew what they were doing at the time and they selected their counsel. I suppose they selected him because he was an able man and competent to meet any issue that may arise. I personally know nothing against him.

Mr. RANKIN. Now, Mr. Speaker, will the gentleman yield?

Mr. SNELL. Not yet.

Now, as far as this resolution is concerned, it opens up the whole proposition just exactly the same as it was before we passed the original law, when you make the exception in one case you must make it the next time.

This resolution does not say, as is generally reported, to pay him \$10,000; it simply makes \$10,000 immediately available. That is the first retainer. They can put the salary up to any limit that the Committee to Audit and Control may pass in the Senate. There is no limit whatever to the amount they can pay if you pass this resolution today.

Mr. RANKIN and Mr. COX rose.

Mr. SNELL. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from New York knows-

Mr. SNELL. Ask your question.

Mr. RANKIN. Does not the gentleman from New York know that instead of this being for an attorney to represent a committee of investigation it is for an attorney to represent the Senate of the United States before the Supreme Court of the United States, when there will be millions on the other side to back up the attorneys who are attacking the prerogatives of the Congress?

Mr. SNELL. If you pass this rule, and I hope you will not, will you permit an amendment of the joint resolution that no person employed at the present time shall receive this

Mr. RANKIN. Will the gentleman-

Mr. SNELL. Answer the question.

Mr. RANKIN. I will answer you with a question.

Mr. SNELL. No; I do not want a question; I want an answer.

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield the remainder of my time to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker, I regret that I shall not have a little longer time to undertake to clarify some of the misconceptions that have been created by rumor and otherwise with reference to this proposition.

There is no legitimate reason why there should be any confusion or misunderstanding with reference to the real issue involved in this resolution which has been reported from the Judiciary Committee of the House and which we are seeking to bring up under this rule, and I want to state it very briefly because it is a simple rule, and in my deliberate opinion, Mr. Speaker, it is the most fundamental and profound issue that has been presented to this Congress since I have been in service in this House, for the reason which I shall presently state.

We have a statute limiting the expenditures to any particular individual, legal or otherwise, to \$300 a month. This is the law of the land. It is a limitation put upon a general

Mr. SNELL. No; I cannot yield to the gentleman. I will appropriation bill and stands as a controlling factor in the making of these expenditures.

The Senate of the United States in its wisdom set up an investigating committee to inquire into lobbying activities in this country, and say what you please about it, although there have been some personal controversies that may have been unfortunate, that have arisen in this matter, in my opinion, the results of the investigation of the Black committee have been of profound importance to the Congress of the United States and to the country. [Applause.]

Now, they are still pursuing this investigation and in pursuance of it, certain telegrams were seized which the committee, in its wisdom, thought were necessary to a proper investigation of whether or not undue influences were being exercised upon legislation pending in the Congress of the United States, and Mr. William R. Hearst filed an injunction suit in the District courts here against the investigating committee of the Senate, and this, Mr. Speaker, is the proposition that raises the tremendous importance of the issue now presented and that issue is simply this: Whether or not a District Federal court or any other Federal court shall have the power and jurisdiction by decree, injunction or otherwise, to absolutely destroy the legislative powers of the Congress of the United States. [Applause.]

This is the issue involved here. Mr. Hearst in his bill of complaint, filed by this high-powered and, no doubt, highpaid attorney of his, because Mr. Hearst has untold millions at his command to employ the best legal counsel in the country alleges this in direct terms:

That Congress is without authority, under the Constitution of the United States, to regulate, interfere with, restrain, restrict, censor, or inquire into the conduct of the business of the press.

The very developments that have taken place in this litigation show that this Congress ought to have continued in it the power to inquire into the activities of the press, for a few days ago the man who sits in front of me, John Mc-Swain, of South Carolina, received such a demonstration as is rarely, if ever, heard here in this House, because this same power of the press, by insidious personal instructions, sought to degrade and intimidate him as a Member of the Congress of the United States. [Applause.]

I want to say to you there is no intention upon the part of this legislative committee to use any private telegrams or to abuse its power. In the last analysis, the Senate committee is a part of the Senate, and the House investigating committee is a part of the House, under the Constitution; and when you raise the issue that Congress is without power to pursue legislation and to investigate all facts legitimately relating to legislation, and give to a Federal district court, or a Federal supreme court, if you please, the right to say that this constitutional power of the Congress of the United States shall not be exercised in its fullest freedom, then you have remaining in this country, not three branches of our Government but only two-the executive and the judicial. [Applause.]

Now, what is the issue here? The real issue is whether or not this man shall be paid adequate compensation to properly defend this great issue before the Supreme Court of the United States, because Mr. Hearst's counsel, in open court, after this decree was rendered, gave notice that they would appeal to the Supreme Court of the United States.

There is the issue, Mr. Speaker, directly presented, of whether or not the judiciary of this country shall usurp the powers of the Congress. I say, as one who respects the dignity and the constitutional prerogatives of this Government of ours, that a lawyer entrusted with this responsibility should be adequately compensated for the purpose of presenting these issues, and the Senate of the United States, a coordinate branch of our Congress, unanimously, Democrats and Republicans, passed this resolution making this exception to existing law.

I hope you will adopt this rule and vote for the bill. [Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield to the gentleman from New York to offer a resolution.

Mr. O'CONNOR. Mr. Speaker, I offer an amendment to

The Clerk read as follows:

Page 1, line 14, insert "It shall be in order, any rule of the House to the contrary notwithstanding, for the chairman of the Committee on Rules to offer an amendment to the Senate joint resolution granting similar authority to the House of Representa-

Mr. SNELL. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. SNELL. Does that amendment come from the Committee on Rules?

Mr. O'CONNOR. Only after consideration in the Committee on Rules where it was discussed, and it was thought that if a question arose as to the authority of a committee of Congress, the House would necessarily be interested in protecting its rights in any determination of the question.

I have taken up the matter with the gentleman from Alabama [Mr. Bankhead] and one member of the Committee on the Judiciary, and they agree with my plan to offer an amendment to that effect.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. O'CONNOR. Let me continue. The matter has been thoroughly discussed. When the Senate joint resolution came before the Rules Committee it was apparent that a similar committee of the House was engaged in the same sort of an investigation, and although it might not be necessary, it was thought that it might be well to be prepared to preserve the prerogatives of the House of Representatives, irrespective of any attitude of representatives of the other body.

If the rule is adopted making the bill in order, I propose to offer an amendment to that effect, that the House may protect its own prerogatives independently, if necessary, from another body.

Mr. SNELL. How can the gentleman present an amendment now if it is not a committee amendment?

Mr. O'CONNOR. I am presenting it on my own responsibility, the gentleman from Georgia [Mr. Cox], in charge of the rule, having yielded to me for that purpose.

Mr. SNELL. Then the rule is open for amendment.

Mr. O'CONNOR. The gentleman from Georgia yielded to me for this purpose, to offer an amendment.

Mr. COX. Mr. Speaker, I move the previous question. The previous question was ordered.

Mr. HARLAN. A parliamentary inquiry, Mr. Speaker. The SPEAKER. The gentleman will state it.

Mr. HARLAN. Is the previous question ordered on the amendment or on the resolution?

The SPEAKER. On both.

Mr. SNELL. How can the previous question apply to both?

The SPEAKER. That was the motion of the gentleman from Georgia.

Mr. MICHENER. A parliamentary inquiry, Mr. Speaker. The SPEAKER. The gentleman will state it.

Mr. MICHENER. May a Member of the House, a member of the Rules Committee, gain the floor to offer an amendment changing the rule that is privileged without the sanction of the Rules Committee? My thought is that the rule is here because it is privileged, and it can only be here because it has come from the Rules Committee.

The SPEAKER. And it cannot be amended unless the House so votes, but it is certainly within the privilege of any Member, whether he be a member of the Committee on Rules or not, in the absence of the previous question, to move to amend the resolution after it once gets before the House.

Mr. ZIONCHECK. Mr. Speaker, I rise to a point of order. The SPEAKER. The gentleman will state it.

Mr. ZIONCHECK. How does it happen that the Chair recognizes the gentleman from New York when the gentleman from New York does not even address the Chair?

The SPEAKER. The Chair understood that he had addressed the Chair, or he certainly would not have recognized

Mr. BANKHEAD. Mr. Speaker, I call for the regular order. The SPEAKER. The Chair does not want to be captious about this matter, but the rules provide that a Member who

wants to interrupt a Member having the floor shall first address the Chair; and to preserve the dignity of the House. as well as to enforce the rules of the House, the Chair thinks Members should cooperate with the Chair in that respect.

Mr. HARLAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HARLAN. There is considerable confusion among Members here as to whether we are voting for the rule or the amendment.

The SPEAKER. The vote will first come upon the amendment.

Mr. HARLAN. And there will be a separate vote upon the rule?

The SPEAKER. A separate vote upon the adoption of the rule.

Mr. SNELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SNELL. Mr. Speaker, I have always understood that when a rule is presented on the floor and the Member in charge of the rule opens it up for amendment, that it is then open to amendment on the part of anyone who desires to offer an amendment.

The SPEAKER. That is true, until the previous question has been ordered, and the previous question has here been ordered.

Mr. SNELL. It has now, but when I originally asked the question it had not been ordered. I wanted to offer an amendment.

The SPEAKER. The Chair would have been glad to recognize the gentleman at that time, but the previous question which has been ordered prevents that now.

Mr. SNELL. I know that when a rule is opened up for amendment anybody else can offer an amendment.

The SPEAKER. The gentleman's amendment would have been in order if the previous question had not been ordered. provided the amendment were germane.

The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question now recurs upon the resolution as amended.

The question was taken; and on a division (demanded by Mr. SNELL) there were—ayes 91, noes 93.

Mr. BANKHEAD. Mr. Speaker, I demand the yeas and

The yeas and nays were ordered.

Doxey

Drewry

The question was taken; and there were—yeas 147, nays 138, answered "present" 2, not voting 142, as follows:

> [Roll No. 66] YEAS-147

> > Lambeth

Amlie Ayers Bankhead Barden Biermann Binderup Bland Boileau Brown, Ga. Buck Buckler, Minn. Burch Burdick Caldwell Cannon, Mo. Carmichael Carpenter Cartwright Castellow Celler Chapman Colden Colmer Cooper, Tenn. Costello Cox Creal Cross, Tex. Crosser, Ohio Crowe Cummings Daly Dobbins

Doughton

Driscoll Driver Duffy, N. Y. Duncan Eckert Edmiston Eicher Ellenbogen Fletcher Frey Fulmer Gassaway Gehrmann Gillette Goldsborough Gray, Ind. Green Greenwood Haines Hancock, N. C. Hennings Hildebrandt Hill, Ala. Hill, Samuel B. Hobbs Houston Huddleston Hull Johnson, Okla. Johnson, Tex. Jones Keller Kloeb

Kvale

Lanham Lee, Okla. Lewis, Colo. Lewis, Md. Ludlow Lundeen McGehee McSwain Mahon Mansfield Marcantonio Martin, Colo. Mason Maverick Miller Mitchell, Tenn. Moran Murdock Nelson O'Connor O'Malley O'Neal Parks Patman Patterson Pearson Pierce Ramsay Ramspeck Rankin Rayburn Reilly Richards

Ryan Sandlin Sauthoff Schneider, Wis. Schulte Scott Sears Secrest Shannon Sisson Sisson Smith, Va Smith Wash. South Spence Stefan Sumners, Tex. Sweeney Thom Thomason Turner Umstead Utterback Vinson, Ga. Vinson, Ky. Wearin Whelchel White Whittington Williams Wood Woodrum

Rogers, N. H. Rogers, Okla.

NAYS-138 Duffey, Ohio Ekwall Andresen Andrews, N. Y. Arends Lord McClellan Engel McGroarty Ashbrook Englebright McLean Bacharach Evans Fitzpatrick McLeod Barry Beiter Focht Main Ford, Miss. Gambrill Mapes Marshall Blackney Blanton Bloom Boehne Gearhart Gifford Martin, Mass. May Mead Gilchrist Bolton Boylan Goodwin Merritt, Conn. Merritt, N. Y. Greever Griswold Brewster Buchanan Michener Burnham Guyer Millard Gwynne Halleck Hancock, N. Y. Carlson Mott O'Connell O'Leary Palmisano Casey Church Hartley Clark, Idaho Parsons Patton Hess Higgins, Conn. Coffee Cole, Md. Cole, N. Y. Cooper, Ohio Crawford Hoffman Holmes Peterson, Ga. Pettengill Hook Hope Johnson, W. Va. Crowther Culkin Plumley Polk Powers Rabaut Kahn Kennedy, Md. Cullen Curley Kenney Ransley Deen Dempsey Dirksen Dockweiler Kinzer Knutson Reece Rich Kramer Lamneck Richardson Dondero Lesinski Risk

Robertson Robinson, Utah Robsion, Ky. Rogers, Mass. Russell Scrugham Seger Shanley Short Smith, W. Va. Stubbs Sullivan Sutphin Taber Taylor, S. C. Taylor, Tenn. Terry Thompson Thurston Tinkham Tobey Tolan Tonry Treadway Turpin Walter Warren Wilson, Pa. Wolcott Wolfenden Wolverton

Woodruff

ANSWERED "PRESENT"-Massingale Cochran

NOT VOTING-141

Jenckes, Ind. Adair Allen Disney Pfeifer Distier Doutrich Quinn Randolph Jenkins, Ohio Andrew, Mass. Kee Dunn, Miss. Dunn, Pa. Reed, Ill. Reed, N. Y. Kelly Kennedy, N. Y. Beam Bell Berlin Eagle Eaton Kerr Kleberg Kocialkowski Romjue Sabath Sadowski Boykin Faddis Kopplemann Lambertson Farley Brennan Fenerty Brooks Brooks Brown, Mich. Buckbee Buckley, N. Y. Bulwinkle Cannon, Wis. Larrabee Lea, Calif. Lehlbach Ferguson Fernandez Schaefer Schuetz Sirovich Fiesinger Lemke Lucas Fish Flannagan Ford, Calif. Fuller McAndrews Cary Cavicchia Starnes Steagall Gasque Gavagan Gildea Chandler McGrath Christianson McKeough McLaughlin Stewart Taylor, Colo. Citron Claiborne Clark, N. C. Gingery Granfield McMillan Thomas McReynolds Wadsworth Wallgren Maloney Mitchell, III. Monaghan Collins Connery Gray, Pa. Greenway Weaver Welch Cooley Corning Gregory Hamlin Harlan Montague Montet Werner Cravens Crosby Darden Hart Moritz Wilcox Wilson, La. Harter Nichols Darrow Delaney Healey Norton Higgins, Mass. Hill, Knute O'Brien O'Day Oliver Withrow Young Zioncheck DeRouen Dickstein Hoeppel Hollister Dietrich Imhoff Perkins Dingell Peterson, Fla.

Sanders, La. Sanders, Tex. Smith, Conn. Snyder, Pa. Somers, N. Y. West Wigglesworth

So the resolution was agreed to. The Clerk announced the following pairs:

On this vote:

Mr. McFarlane (for) with Mr. Corning (against).
Mr. Massingale (for) with Mr. Wadsworth (against).
Mr. Cochran (for) with Mr. Granfield (against).
Mr. Gildea (for) with Mr. Darrow (against).
Mr. Zioncheck (for) with Mr. Allen (against).
Mr. Withrow (for) with Mr. Ditter (against).
Mr. Snyder of Pennsylvania (for) with Mr. Hollister (against).
Mr. O'Day (for) with Mr. Jenkins of Ohio (against).
Mr. Connery (for) with Mr. McAndrews (against).
Mr. Knute Hill (for) with Mr. O'Brien (against).
Mr. Starnes (for) with Mr. Lehlbach (against).
Mr. Feisinger (for) with Mr. Darden (against).
Mr. Eagle (for) with Mr. Bacon (against).
Mr. Dunn of Mississippi (for) with Mr. Kleberg (against).

General pairs:

Mr. Beam with Mr. Christianson.
Mr. Cooley with Mr. Eaton.
Mr. Dingell with Mr. Lemke,
Mr. Flannagan with Mr. Reed of Illinois.
Mr. Kelly with Mr. Stewart.
Mr. McReynolds with Mr. Wigglesworth.

Mr. Lea of California with Mr. Reed of New York.
Mr. Sabath with Mr. Andrew of Massachusetts.
Mr. Fuller with Mr. Cavicchia.
Mr. Gregory with Mr. Fish.
Mr. Kerr with Mr. Lambertson.
Mr. McMillan with Mr. Buckbee.
Mr. Weaver with Mr. Thomas.
Mr. Taylor of Colorado with Mr. Collins.
Mr. Steagall with Mr. Doutrich.
Mr. Wilcox with Mr. Ferkins.
Mr. Taylor of Colorado with Mr. Collins.
Mr. Steagall with Mr. Perkins.
Mr. Bulwinkle with Mr. Welch.
Mr. Wilcox with Mr. Faddis.
Mr. Gavagan with Mr. Mitchell of Illinols.
Mr. Ford of California with Mr. Adair.
Mr. Owen with Mr. Claiborne.
Mr. Gavagan with Mr. McLaughlin.
Mr. Doen with Mr. Pfeifer.
Mr. Schuetz with Mr. McLaughlin.
Mr. Delaney with Mr. Farley.
Mr. McGeough with Mr. Hamlin.
Mr. Disney with Mr. Sadowski.
Mr. Peterson of Florida with Mr. Berlin.
Mr. Gingery with Mr. Sadowski.
Mr. Quinn with Mr. DeRouen.
Mr. Kennedy of New York with Mr. McGrath.
Mr. Werner with Mr. Lucas.
Mr. Fernandez with Mr. Sirovich.
Mr. Brennan with Mr. Sanders of Louisiana.
Mr. Cravens with Mr. Randolph.
Mr. Brooks with Mr. Sanders of Louisiana.
Mr. Cary with Mr. Randolph.
Mr. Brooks with Mr. Schaefer.
Mr. Buckley of New York with Mr. Higgins of Massachusetts.
Mr. Charler with Mr. Koclalkowski.
Mr. Smith of Connecticut with Mr. Higgins of Massachusetts.
Mr. Charler with Mr. Koclalkowski.
Mr. Speaker of Louisiana with Mr. Citron.
Mr. Dissevith Mr. Koclalkowski.
Mr. Speaker of Louisiana with Mr. Higgins of Massachusetts.
Mr. Charler with Mr. Kochaefer.
Mr. Buckley of New York with Mr. Higgins of Massachusetts.
Mr. Charler with Mr. Kochaefer.
Mr. Buckley of Indiana with Mr. Dietrich.
Mr. Ferguson with Mr. Montet.
Mr. Mortow with Mr. Montet.
Mr. Mortow with Mr. Montet.
Mr. Mortow with Mr. Nichols.
Mr. Acord With Mr. Mortet.
Mr. Mortow with Mr. Nichols.
Mr. COCHRAN. Mr. Speaker, I ask permission to withdraw my vote of "aye" and answer "present", as I am paire Mr. COCHRAN. Mr. Speaker, I ask permission to withdraw my vote of "aye" and answer "present", as I am paired with the gentleman from Massachusetts, Mr. GRANFIELD.

Mr. MASSINGALE. Mr. Speaker, I am paired with the gentleman from New York, Mr. Wadsworth. I was for the bill and voted for it. I notice the gentleman from New York. Mr. Wadsworth, did not vote. I therefore ask to withdraw my vote and answer "present."

Mr. McREYNOLDS. Mr. Speaker, it was impossible for me to get here in time to vote, and therefore I cannot qualify.

Mr. TAYLOR of Colorado. Mr. Speaker, I just came from a conference committee and did not arrive in time to answer to my name. I therefore cannot qualify.

Mrs. NORTON. Mr. Speaker, I was called to the telephone and did not hear my name called.

The SPEAKER. The gentlewoman from New Jersey does not qualify.

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

Mr. MILLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the Senate joint resolution (S. J. Res. 234) authorizing the Senate Special Committee on Investigation of Lobbying Activities to employ counsel. in connection with certain legal proceedings, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 234, with Mr. MERRITT of New York in the chair.

The Clerk read the title of the Senate joint resolution.

Mr. MILLER. Mr. Chairman, I ask unanimous consent that the first reading of the Senate joint resolution be dispensed with.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. MILLER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I realize that there is great concern on the part of some gentlemen with reference to this resolution, but, according to my idea and according to the way I look at the matter, it arises largely because of a misunderstanding of the import of the resolution.

If I may have the attention of the membership, I would like in these few minutes to submit some reasons which, in

my opinion, justify the adoption of the resolution.

The resolution in its present form is a special resolution and applicable only to the operation of the Senate committee in the employment of counsel under only one Senate resolution, namely, no. 165. Under the rules the resolution is, of course, subject to amendment, and an amendment will be offered authorizing the House to employ counsel to protect its committees if and when an occasion might arise.

There is this feeling among the membership of the House: First, that there may be excessive fees allowed by the Senate Committee to Audit and Control, if this resolution is adopted. I do not know whether that will be done or not. The fee that may be allowed to the counsel employed for that committee is, under this resolution, subject to being fixed by the Committee of the Senate to Audit and Control, subject, of course, to the appropriation of last year. We have nothing to do with that. Nobody can honestly say what the fee will be unless the House by amendment limits the fee, and I shall at the proper time offer such an amendment. As it now stands, the fee to be paid to the attorney would be fixed by that committee of the Senate.

For my part, I am willing to leave the matter entirely to the Senate, subject to reasonable limitations, to spend the appropriation that is made for its contingent expenses.

There is another matter that has caused some concern to the Members of the House, and that is, some do not approve of the methods adopted by the so-called Black Lobby Investigating Committee. But the question is not whether we approve of the activities of that committee or whether we disapprove of its activities. It is not for me to say whether I condone or whether I disapprove of the activities of that committee. The question that has arisen and the question that is confronting us is, What is the limitation, what is the constitutional limitation of a committee of Congress engaged in investigations for legislative purposes? That is the question which has been raised by the litigation now pending. Some gentlemen have arguedone gentleman from Connecticut, I believe it was, argued that he stood first and foremost for the liberty of the individual citizen. No man wants to see the liberty of an individual infringed. No Member of this House wants to do anything to curtail the liberties of the American people. But we are facing in this litigation these questions—and I say very frankly to you that in my opinion they are the most momentous questions that have confronted Congress in many decades-that is. What is the limitation, what is the constitutional limitation, of a committee of Congress, and when does that limitation come in conflict with the rights of a citizen as guaranteed by the first and fourth amendments to our Constitution? Those are the questions that are involved in this litigation.

The committee, I presume, could obtain counsel at \$300 a month to represent it, but the committee does not think it can obtain competent counsel to represent it and properly present these issues to the courts of this country for the sum of \$300 per month.

Mr. BANKHEAD and Mr. SNELL rose.

The CHAIRMAN. Does the gentleman yield; and if so, to whom?

Mr. MILLER. I yield first to the gentleman from Alabama [Mr. Bankhead].

Mr. BANKHEAD. Mr. Chairman, one misapprehension about this matter is the impression some gentlemen seem to be under that the attorney employed has been working for the Black committee. He was specially employed for the purpose of defending the committee in this litigation.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. MILLER. I yield.

Mr. SNELL. If he were specially employed for this investigation, he knew at the time he could get only \$3,600 a year. Is not this correct?

Mr. MILLER. Under the law that is correct.

Mr. SNELL. If the gentleman took the job with that knowledge, can the gentleman advance any reason why we should increase it at the present time?

Mr. MILLER. I may say in reply to the gentleman from New York that the provision of the present law with regard to expenditures from the contigent fund of the Senate for these purposes reads:

Provided, That no part of this appropriation shall be expended for services, personally, professional, or otherwise, in excess of the rate of \$3,600 per year.

The immediately preceding provision deals with employees of investigating committees of the Senate.

I do not know whether the gentleman who has represented the committee in the lower court in the District of Columbia was employed before this upon a monthly basis of \$300 to conduct the investigation or whether he was employed to represent the committee in the trial court.

I say to the gentleman from New York, very frankly, that I have serious doubts of any committee of Congress obtaining competent counsel in a suit of this moment, in a suit involving such a great question, at \$300 per month. This is my own idea about the matter.

Mr. SNELL. Mr. Chairman, will the gentleman yield further?

Mr. MILLER. I yield.

Mr. SNELL. I am not going to argue the question with the gentleman, because I was not one of those who was very anxious for the original law, but the situation which confronts us is that this committee has employed a man and he is working for this salary.

Mr. BANKHEAD. Mr. Chairman, if the gentleman from Arkansas will yield—

Mr. MILLER. I yield.

Mr. BANKHEAD. The gentleman from New York is laboring under a misrepresentation; he was employed to represent the committee in this litigation.

Mr. SNELL. In the trial of this particular litigation?

Mr. MILLER. Yes; that is all; and unless this resolution goes through, the committee will be bound by the limitation. I imagine he then would abandon the case.

Mr. SNELL. Did not the chairman of the committee know the provisions of the law? Does not the gentleman suppose the chairman of the committee told this attorney of the limitation?

Mr. MILLER. Be that as it may, Mr. Chairman, the situation is that a branch of this Congress, the Senate, has adopted this resolution asking authority to expend its own contingent fund. For what purpose? For the purpose of obtaining a decision upon a constitutional question that not only affects the power of Congress but also vitally affects the liberty of American citizens. [Applause.] That is what it does. Do not we, as a matter of fact, owe the Senate the comity of giving it authority to use its own judgment in the employment of counsel, especially when they are undertaking to settle a question of such moment as that involved here? [Applause.] Individual citizens, in the exercise of their constitutional rights, must be protected against unlawful search of their files, papers, and documents. On the other hand, Congress, acting through its committees, must know what its limitations are when acting in good faith and for legislative purposes. If citizens, under the claim of constitutional immunity, can wantonly withhold from Congress information that is essential for the Congress to have in order that it may legislate for the benefit of all the people and protect them from organized wealth, greed, and avarice, then the Constitution has become an instrument of oppression in the hands of the rich and powerful. I believe that the Constitution is still a charter of liberty for us all and especially the average citizen, and for those reasons I want the questions involved in this litigation properly presented to the Supreme Court.

gentlewoman from California [Mrs. Kahn].

Mrs. KAHN. In this 1 minute of time, Mr. Chairman, I wish to ask the gentleman from Arkansas if he knows how much they paid Mr. Pecora, who ranks as one of the greatest investigators in the country?

Mr. MILLER. Answering the gentlewoman from California, he was paid \$300 per month. His service was that of an investigator and not of an attorney presenting a case to the court.

Mrs. KAHN. He certainly ranks high as an attorney and as certainly ranks high as an investigator; yet he worked for \$300 a month.

Mr. MILLER. I understand he is a very able lawyer; but the Congress ought to be able to match dollars with such men as Mr. Hearst, and this is involved in this question.

Mrs. KAHN. I do not think the question involved is one of personalities.

Mr. MILLER. I do not either.

Mrs. KAHN. It is a question of employing an attorney and what his compensation should be. It will help us in deciding this to know what other lawyers, whose reputation as attorneys and investigators is as great or greater than the reputation of the gentleman in question, were willing to serve for in other cases.

Mr. HANCOCK of New York. Mr. Chairman, I yield myself 1 minute to ask the gentleman from Arkansas [Mr. MILLER] a question.

Does the gentleman think it is good policy to give this Senate investigating committee a blank check to fill in with any sum it may see fit without any limitation whatever?

Mr. MILLER. I think that any great committee, either of the House or of the Senate, can be trusted to preserve the funds that are appropriated for the special use of that committee.

Mr. HANCOCK of New York. We have had some rather bad experiences in giving blank checks to various executive departments. Personally I do not think we should trust any committee with a blank check, with power to fill in the amount without any limitation, and I do not think the gentleman does, either.

Mr. MILLER. I do not want to do that; but I am not afraid to trust any committee that may be set up by either body.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. Blanton].

Mr. BLANTON. Mr. Chairman, I am one of those who deeply appreciate the work which the Black committee has been doing for the people of the United States in breaking the power of unlawful monopolies.

But I helped to pass a law with my vote which limits the pay of such attorneys to \$3,600 a year, both in the House and in the Senate. If this were just a proposition of one exception to the rule, I would consider it favorably. I would go along with my committee and follow the judgment of our majority leader. But this is not merely a question of one exception to the rule and to the law. This is not merely the exception of paying a good attorney in one case what probably he may earn. If you read this resolution, which was read here by the distinguished gentleman from New York [Mr. TABER], you will see that it is wide open and as broad as is the contingent fund of the United States Senate, and it might mean a fee of \$50,000.

And, to make it worse, the distinguished gentleman from New York, the chairman of the Rules Committee, has caused to be passed an amendment to the rule which will make in order an amendment which he intends to offer, which unwise amendment might pass. His amendment will repeal the law in effect with respect to \$3,600, both as to the House and Senate. It will do away with the law which this House in its calm judgment and in a sedate manner passed, and it should have been passed, because when you adopt the O'Connor amendment and when you adopt the resolution you leave it wide open in the Senate and wide open in the House,

Mr. HOLLISTER. Mr. Chairman, I yield 1 minute to the | Mark my word, there will be exceptions that will arise. There will be some great big astonishing fees paid to lawyers that you will not approve, all because you have opened the

> Mr. Chairman, I am not going to vote for any more laws that are against my judgment. I am responsible for my vote here to the people who sent me to represent them. The time has come when I am going to quit voting for things that do not appeal to me, and this resolution does not appeal to me. I hate to go against my chairman and my majority leader. I hate to go against those who brought this bill in here for consideration. I hate to be placed in an apparent attitude of preventing the Black committee from paying as much as it deems necessary to pay to a lawyer to fight a proposition against someone that probably ought to have all the instrumentalities of the courts arraigned against his proposal. This is an unwise change. This is a wise law and an unwise effort to repeal it.

> What are we going to do? Just because we are friends of Senator Black, just because we are friends of our good leader the gentleman from Alabama [Mr. BANKHEAD], and just because we are friends of the chairman of the Committee on Rules, are we going to vote for something that leaves this matter wide open? Are we going to vote for something that does away with the good judgment and wise action of the House when they put a proper limitation on this amount? I am not going to do it. [Applause.]

> Let me show you something about the vote of this House on the rule. Usually Members do not vote against a rule unless they have some reason for doing so. Did you know this rule passed by only about 8 votes? Is that not astonishing? It shows that deep down in the hearts of the membership of the House they do not believe in opening this thing up and leaving it wide open.

> I have voted for many rules when I did not expect to vote for the resolution that followed and you have done it also. It may be the case that there are Members here who did not see fit to vote against the rule who expect to vote against the resolution. On a close question like that it shows that in the hearts and judgment of the membership there are a great many Members here who do not believe in this proposition and it therefore ought to be defeated.

Mr. WARREN. Will the gentleman yield? Mr. BLANTON. I yield to one of the most valuable Members of this House.

Mr. WARREN. I think the gentleman should emphasize the reason for the passage of the present law. It was passed. as I recall, 3 years ago, and not over 10 or 15 Members of the House voted against it. It was passed because the House was outraged over some of the shocking fees paid by investigating committees to attorneys and employees. [Applause.]

Mr. BLANTON. Mr. Chairman, I wish all the people of the United States knew what good work the distinguished chairman of our Committee on Accounts [Mr. WARREN] has done since becoming chairman of that committee. He has saved a great amount of money from being wasted. He has saved millions of dollars. There never has been a wiser statement made on this floor than the one which the gentleman has just made. We passed that law because we felt outraged at the great sums of money that had been spent. A newspaper intimated this afternoon that probably another body is going to bring in a verdict of not guilty against a judge who has allowed a great big fee of \$75,000.

Mr. RANKIN. Mr. Chairman, I make the point of order that the gentleman has no right to attack the Senate of the United States on the floor of the House.

Mr. BLANTON. I am not attacking the Senate.

Mr. RANKIN. The gentleman is attacking the Senate of the United States, and I make the point of order he is out

Mr. BLANTON. I know the rules of the House.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] will proceed in order.

Mr. BLANTON. Mr. Chairman, it has been stated here that we can depend on the Senate and its committees not so far as the judgment of the committees may be concerned. I to pay enormous fees. If it is even possible that a body

upholds a \$75,000 fee as a reasonable fee, with part of it going back to the judge who allowed the fee, I do not know whether we could depend absolutely upon the good judgment and the wise provisions of that body in arranging

Now, I am going to vote my honest-to-God judgment in this matter. I am going to vote against this proposition, in spite of the fact I am a friend of every man connected with it, in spite of the fact I am a good friend of Senator Black, in spite of the fact I take off my hat to him and his committee for their splendid work. I am going to vote against it because I am not going to vote to repeal the law we passed fixing \$3,600 as the maximum fee either House should pay attorneys.

Mr. Chairman, I yield back the balance of my time.

Mr. MILLER. Mr. Chairman, I yield 10 minutes to the

gentleman from New York [Mr. CELLER.]

Mr. CELLER. Mr. Chairman, I fear the gentleman from Texas [Mr. Blanton] has given a somewhat erroneous impression. This bill does not take away one iota from the bill we passed several years ago limiting counsel fees to \$300 per month. All that it does is to make an exception of this case, and why should we make the exception? We must make it because this is a very momentous question which the Supreme Court will have to pass upon. It is a question that involves the integrity and powers of this House as well as of the other Chamber.

The question to be determined is just this: What are the rights of the investigating committees in either Chamber? I would have wished that the question had not come up. I believe the distinguished chairman of the investigating committee of the Senate, with his colleagues, has done some effective work; but most assuredly some of the actions of these Senators deserve severe rebuke. They are not blameless. The committee's chairman, a worthy, energetic, and sincere gentleman, is guilty, nevertheless, of some grievous wrongs, and had he not conducted himself in the way that he did, subjecting himself to very serious criticism, and justifiable criticism, throughout the length and breadth of the land, this question would have never arisen and we would have been better off for it; but the question having arisen, let us not be penny-wise and pound-foolish. This question will necessitate the employment of the best legal talent in the United States.

Forgive me for saying it, and I am not a crystal gazer, but I believe the question will be determined not in our favor but against us, but nevertheless, in common parlance, we should have a run for our money. We must get the best lawyer in the land to defend our rights, whatever those rights and privileges may be.

I do not know anything about the talent or the ability of the gentleman who may have been the former partner of the distinguished Senator from Alabama. I hope he will rise to necessities of the case and be able to meet squarely and adequately and successfully the momentous issues raised by the very able attorneys on the other side; but I repeat, let us not be penny-wise and pound-foolish and limit counsel fees to the pecunious sum of \$300 a month. That amount is ridiculous. I may say to the distinguished gentlewoman from California that it was shockingly indecent, if I may use that term, to pay that ridiculous fee to a distinguished attorney like Ferdinand Pecora, who is now a justice of our Supreme Court of New York. He was worth \$100,000 of our money, and we should not be so ridiculously economical when it comes to hiring an attorney in a case as important as this one shall be. This bill calls for a legal fee of \$10,000. Let us agree to it.

Mr. HANCOCK of New York. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. HANCOCK of New York. I agree with the gentleman that the attorney employed in this case must prepare a brief and submit an argument, and it must be well done, because the question involved is a very important one; but does the gentleman think that any great amount of work is involved? Can the gentleman give us some estimate of his idea of what I

a proper fee would be for preparing such a brief and delivering such an argument?

Mr. CELLER. That is a rather difficult question to answer, and I would be willing to leave it to the distinguished and responsible members of the Senate committee to pay upward of \$50,000 to defend this case and defend our rights. Surely, fees are difficult to gage or fix. There is no definite yardstick.

Mr. HANCOCK of New York. The gentleman has the usual ideas of a New York lawyer. We country lawyers think \$10,000 is a rather substantial retainer.

Mr. CELLER. No two men could agree as to a proper fee. What is one man's meat is another man's poison.

Mr. BANKHEAD. Mr. Chairman, will the gentleman

Mr. CELLER. I yield to the gentleman from Alabama.

Mr. BANKHEAD. Some question has been raised about the right of this Senate committee to pay more than \$10,000 for this employment. I may say it would be perfectly agreeable to the friends of the bill—and I would suggest that such an amendment be offered—to absolutely limit the maximum amount that may be paid for this purpose to \$10,000, as named in the resolution. This is all that was ever intended to

Mr. CELLER. I thank the gentleman. I may say to the Members of the House with reference to what has been done by the chairman of this investigating committee that he has in his zeal to do good committed several indiscretions. He has impinged upon the constitutional rights of citizens. He has interfered with the right of petition and invaded freedom of press. His committee has raised a question which need not have been raised. But the question is now before the country. We cannot shy away from it. We must meet the issue squarely. We must pay for the privilege.

This investigating committee of the other Chamber made intemperate use of the blanket subpena of personal telegrams and demands for personal papers at wholesale, covering 6 months of time, without regard to their sufficiency, competency, or relevancy to the inquiry. Let us not forget the infamous writs of assistance of prerevolutionary days. Wholesale use of the subpena often can be made an instrument of oppression.

It was to cure such arbitrary power that the fourth amendment was adopted protecting the citizen against unwarranted searches and seizures.

It is not the breaking of doors and rummaging of drawers that constitute the essence of offense, but it is the invasion of the citizens, rights of personal security, personal liberty, and private property that is involved in the wholesale seizure of these telegrams.

I care not whether a well-known Chicago lawyer is implicated. It matters not whether a newspaper owner is implicated. I deplore the committee's action, regardless of personalities.

That committee made public some of the telegrams that had nothing, for example, to do with its inquiry. It had no right to do that. Seizure of 5,000,000 telegrams-nearly all private—has created intense feeling. We cannot disregard such action, such resultant feeling. I fervently hope that this Senate committee will not repeat such actions. I am sure it will not.

It has depended on the Judiciary Committee of the House to point out these wrongs and remind those on the other side of the Chamber that we have a fourth amendment and a first amendment to the Constitution guaranteeing privacy in one's papers and documents, and guaranteeing the right of petition.

Mr. TABER. Will the gentleman yield? Mr. CELLER. I yield.

Mr. TABER. Does the gentleman know whether it is true or not that the gentleman in charge of this particular legislation came to Washington to work for a department within the last 2 months at a compensation of \$5,000 a year?

Mr. CELLER. Well, that is beside the point. I do not care whether he has done that or not. I would give to the

committee on the other side of the House the right to employ adequate counsel for \$10,000 a year.

While I am on that subject I want to remind the House of what the Supreme Court said about the fourth amendment, and it could be well applied to this wholesale seizure of papers.

The Supreme Court said, speaking of the fourth amend-

Its principles reach further than the concrete form of any case before the Court. They apply to all invasions on the part of the Government of the sanctity of a man's home and privacies of life.

I emphasize "all invasions." I cannot see any real difference between the Supreme Court standing between a citizen and the President of the United States and the right to have the Supreme Court to stand between the right of the citizen and the legislative branch of the Government. It is my opinion that the Supreme Court must guard not only against excesses of the executive branch but protect against excesses of the legislative branch as well.

As far as the Constitution is concerned, the citizens' rights must be protected and preserved not only as against the administrative officials but as against Members of Congress. Espionage, spying à la Mussolini or George III, must be guarded against no matter what its source.

Commandeering private papers by the ton cannot be excused by the assertion that private wires are no longer private if they refer to public matters.

It is no excuse to say that the Senate may need them for future use. It cannot need 5,000,000 telegrams.

Has the Supreme Court power to review the actions of the Senate committee? I repeat, it has. Thank God for the wisdom of the fathers. The Constitution said it has.

Article III of the Constitution says, "The judicial power shall extend to all cases in law and equity arising under the Constitution." Thus, a court of equity has power to restrain unconstitutional acts of an executive officer. Why not acts of a legislative officer. Otherwise a House or Senate committee would become court and jury, passing upon its own acts. They would always be right. That is how dictators are born. They are always right. [Applause.]

Mr. MICHENER. Mr. Chairman, on behalf of the gentleman from New York [Mr. Hancock], I yield myself 5 minutes.

Mr. Chairman, This is an important question. It is especially important because this Congress, after considerate and deliberate action but a few months ago, determined upon a policy. It determined upon that policy because of the abuses of committees in matters of this kind. Very important investigations have been conducted since that policy was determined upon, but never before did the occasion arise when we were asked to make an exception in behalf of any particular lawyer. We are told that we should have able counsel, and that this committee should have able counsel. I agree with that statement, but it seems to me that it might have been better, in view of all that has transpired, had able counsel been employed earlier in the committee proceedings. If that course had been pursued, possibly there would be no proceedings in the courts at this time. I think I am in harmony with a large majority in this body when I emphatically disapprove of the attitude of the Black committee in its unwarranted meddling with private telegrams sent to and from Members of Congress. To inspect telegrams dealing with a certain subject is one thing, but for the committee to wrap around itself the cloak of authority and proceed to take over en masse all telegrams sent by and sent to Members of Congress from all sources during a given period is not only unreasonable and unfair but is tyranny. It seems to me that no liberty-loving individual will approve of that type of investigation, whether it be by a committee of the Senate or a committee of the House. Nevertheless, that is not the question before the Congress at this time.

While the committee may have transgressed all rules of propriety in this particular, and while its activities have been halted by the courts, and while it now wants counsel to defend its action, yet it seems to me that it is entitled to no other or different consideration than like committees doing like inquisitorial work. We should either repeal the provi-

sion of the law limiting the amount which can be paid for committee counsel, or we should accept the law as it is. There is no legitimate excuse for making an exception in this particular case.

I do not know whether this lawyer has been employed in the departments for \$5,000 a year or not. The gentleman from Alabama [Mr. Bankhead] would know that, and what he says will be the truth about the matter. I am pleased to yield to him for a statement in this regard.

Mr. BANKHEAD. Mr. Chairman, I think the statement made by the gentleman from New York [Mr. Taber] to that effect is entirely gratuitous and without any foundation in fact, because Senator Black informed me that Mr. Harris was practicing law in Birmingham, Ala., when he was engaged to take care of this particular litigation only a few weeks ago.

Mr. MICHENER. I am glad to hear that, and I know it is so or the gentleman would not say so.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. MICHENER. I do not yield to the gentleman from Mississippi.

The gentleman from Texas [Mr. Blanton], in his speech today, tells us—and I am sure we are all glad to hear it—that, commencing today, he is going to vote his judgment on these matters; that he is not going to be controlled by the leadership or by anyone else in the future, and that from now on he is going to use his judgment and he is not going to stand for anything of this kind. That is a splendid resolution and I am sure that we all look forward to seeing the gentleman from Texas live up to the resolution.

The limitation placed upon the amount of money that might be expended by these investigating committees was determined upon after full debate and careful consideration. The limit was fixed at thirty-six hundred dollars a year, and the Black committee has been proceeding with full knowledge of this limitation. The gentleman who has been employed as counsel by the Black committee for the purpose of handling this matter in question is on the job. He is doing the work, with a full knowledge that his compensation cannot exceed \$300 a month. If this man is doing the work and was willing to accept the task under these circumstances, then I know of no reason why the Congress should at this time voluntarily increase his compensation out of all proportion to compensation paid by other committees for like service.

Investigator Pecora did a splendid work in the last Congress. All recognize his ability and accomplishments, as well as the possible monetary sacrifice made by him while he was doing that particular work. Yet he received but \$300 a month.

Employment of this type is rewarded in several ways: First, the monetary compensation received; second, the publicity and benefit to future practice; and, third, the satisfaction of rendering a service to one's government. The third factor is the one that usually inspires the best service, and as a rule gets the most capable and patriotic counsel.

In short, the Congress should either abolish the limitation and leave the matter of employment of counsel entirely in the discretion of the committee, or to be determined in each specific case, as the occasion arises. The Black committee is entitled to no more consideration than any other investigating committee at this time.

I do not believe that this resolution will pass the House today. This should not be a partisan question, and this precedent should not be established. If it is established we may fully expect other committees to ask like consideration.

The question of counsel or attorneys for the Government, its agencies, and the committees of Congress, is most important at this particular time. I say this in view of the fact that, as a member of the Judiciary Committee, I know we have had several bills before us of late making exceptions so that former attorneys on the part of the Government might be employed in specific pending cases. That is, attorneys come to Washington, accept appointment on the part of the Government, serve for a time, and possibly until they become way-wise in Washington and familiar with the departments.

Thereupon they resign their positions with the Government, paying possibly \$3,600 a year, enter into private practice, and then seek employment as special counsel to carry on cases with which they became familiar while in the Government service. Their services become very valuable when the Government wants to hire them back as special counsel. I am opposed to all of these exceptions and exemptions, and naturally oppose this resolution which is now before us.

In conclusion let me urge upon the House the necessity of pursuing the economy of the present law, and I believe we can do this with the full knowledge that the Black committee or any other committee will not want for proper counsel in these important matters. We are dealing fairly with all of our committees, and if I am correct in this statement, then the Black committee should have every consideration granted to other committees, but no more consideration.

It seems unthinkable that this resolution should make it possible for this committee to pay as much as \$50,000 for this special counsel. Yet, under the resolution as it is brought before us today, that is the fact. In saying this I am not reflecting upon the judgment of the Auditing Committee ir. the Senate, but I just want to make it easy for that committee to keep within the bounds of reason and within the scope of the taxpayers' pocketbooks when hiring special counsel and assistants in these inquisitorial matters. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HANCOCK of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, if we assume that everything the Black committee has done is right, and let us assume that if we may, then we might turn our thoughts for a moment to the proposition that is before us, which is a question of whether the legislation heretofore passed to prevent waste and extravagance should be followed or whether we should go back to the old practice of using these appointments of attorneys for political purposes, and paying the attorneys a fee, the amount determined, perhaps, by the political prominence of the appointee rather than by his legal ability. If the gentleman from Alabama [Mr. BANK-HEAD], the distinguished leader of the majority, is right as a matter of principle, then there is no reason why we should have an amendment limiting the fee to \$10,000, because every lawyer in the House will concede that that fee would not be adequate compensation for properly preparing and presenting the question which we are told is involved. We know that the Supreme Court has been criticized by gentlemen on both sides, only, however, when that decision went contrary to some preconceived notion that the critic held. It is recalled that the gentleman here who has spoken so often in opposition to the power companies came in one day with a smile all over his face and announced with great satisfaction the Supreme Court's decision on the T. V. A., and for 1 day, at least, that Court was, in his opinion, a wonderful body of "grand old men", supreme in their wisdom, sound in their judgment.

We forget sometimes about the Supreme Court. I could not help but think, when the gentleman criticized the Supreme Court so severely, of the Scottsboro case. I do not recall whether it is twice or three times—twice, at least—has that case been to the United States Supreme Court. Each time that Court has held that the defendant—poor, without influential political friends—was entitled to a trial in accordance with the law of the land—upheld the legend over the doorway of that beautiful building: "Equal justice under law."

I do not know of any corporation or any Wall Street or any international bankers or anyone else with money who was interested in that case, but the Court nevertheless protected the constitutional right of those colored men. I have never observed any anxiety or desire on the part of any court to curtail the right of Congress or attempt to take away any of our powers. There are many judges in this body—circuit court judges, judges of the supreme courts of the States. The gentleman from Oregon [Mr. Ekwall], a distinguished jurist, is among those judges who usually decline, very prop-

erly, to hold unconstitutional any law when that result can be avoided, always upholding legislation and acts of Congress when it is possible. So in this case, if we submitted this proposition to the Supreme Court, if there is involved a question of the gravity which the gentleman suggests, do you think for a moment that that Court would curtail the rights of Congress or attempt to take any of our powers? There is nothing in its history that indicates that. So, as far as I am concerned, we might trust our case with almost any lawyer; even a lawyer of the House might handle the matter and get by with it. [Laughter.] The Court, that safeguard of our liberties, would protect this Congress from assaults of outsiders, as it has so recently found it necessary to protect us from ourselves. If I understand correctly, this gentleman came here and accepted certain employment. He knew what the fee was. He is not a welcher. Are we not insulting him by intimating that he ought to go back on his bargain? I do not want to talk politics, but I am sure he recognizes an implied contract.

Mr. FULLER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield for a question.

Mr. FULLER. The gentleman is a member of the Townsend Investigating Committee, is he not?

Mr. HOFFMAN. Yes.

Mr. FULLER. And that committee is bound by law to not pay an attorney more than \$300 a month?

Mr. HOFFMAN. That is right.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. HANCOCK of New York. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. FULLER. As a member of the Real Estate Bond Investigating Committee—

Mr. HOFFMAN. Now, Mr. Chairman, I want to talk. The gentleman from Arkansas can get some time after while and tell us about the King of England.

Mr. FULLER. I am trying to help the gentleman out.

Mr. HOFFMAN. The trouble is I would rather have my friend from Texas [Mr. Blanton] help me out, but I am thankful for the suggestion. This Townsend committee was given something like \$50,000.

Mr. FULLER. But I was talking about the Bond Investigation Committee.

Mr. HOFFMAN. Oh, I am talking about the Townsend committee. The first thing I did was to try to limit the expenditure of that money to \$10,000. Then we tried to get a plan so that we were not spending more than we knew about as we went along. Now, what have we there? The first thing we have a bunch of investigators out in the field, and what do they want? Are they content to take \$300 a month? They all knew when they started that that was the salary. If we change the rule here, they will want more money. The same with the attorneys. That is what I am worrying about.

Let us assume first that the Black committee is all right in every single respect, both in purpose and method. Some of the Members on the Republican side will not agree, but let me be with you Democrats for a few moments and for argument let us assume that to be the fact. If you want to establish this precedent, you will have this Townsend committee and every other committee here asking for more money. You do not want that. So why break the rule here?

Mr. FULLER. I am with the gentleman.

Mr. HOFFMAN. And so are three or four more. You know we are right on this; there should be no political aspect to it. Let us hold to the rule, the law, because if we change it our accountants, our bookkeepers, our reporters, our investigators, all of them, as well as the attorneys, will be wanting more money. Surely, in an administration, in a great party, that believes so much in doing something for the Government, so much for the "under dog", there ought to be a few lawyers scattered along the road who are willing to donate a little of their time and ability to protect even this Congress. I am sure even the Liberty League would furnish a lawyer if there are no real Democrats who want to render this service for the good of the cause. Many attorneys of recognized ability and standing would welcome

the occasion, because of the honor conferred and the opportunity to serve. [Applause and laughter.]

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. MILLER. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. Rankin].

Mr. RANKIN. Mr. Chairman, the gentleman from Michigan, who has just spoken, seems to throw bouquets at the Supreme Court, but at the same time he is opposed to giving the Senate the power to bring this case properly before the Supreme Court. But he is a new man. He does not know the history of Congress, and especially of his own party on such matters.

His colleague from Michigan [Mr. MICHENER] does know. I remember in a former administration when they took lawyers in the Shipping Board who were drawing \$2,500 to \$3,500 a year and raised their salaries to \$35,000 a year, by a roll call. If you desire it, I will insert some of those roll calls in the Record to show you where your side of the House did that very thing over the opposition of Members on the Democratic side.

Now, I want to say a word about the Black committee in the Senate. I believe it has done more for the American people than any other investigating committee I have ever known. It is doing more now. As far as I am individually concerned, I am for the Black committee, and I hope they will continue the splendid work they are now doing.

This is one of the most vital questions that has ever come before the Congress. It is one that goes to the very root of the prerogatives of Congress itself.

Throughout the length and breadth of the land already selfish interests are rushing into court and enjoining the executive departments of this Government. In every State of this Union they are using the courts in an effort to block the will of the Government. But this is the first time they have ever been brazen enough to attempt to enjoin and paralyze the Congress of the United States.

Let us think about this amount of \$10,000. How much do you suppose the lawyers on the other side will get? We found in the T. V. A. case one lawyer standing before the courts, misleading the lower court, showing that the money for their fees was contributed by interested stockholders when he knew at the time that \$50,000 had been contributed by one holding company and that did not even operate in the States.

The lawyer appearing for the Black committee in this case is representing the American people in one of the most vital issues that has ever come before any court; that is, whether the Congress of the United States shall continue to function as the representatives of the American people or shall be paralyzed by some petty court at the instance of some selfish interest that is prostituting the functions of a public utility.

You say you are going to try to hold this man down, to require him to represent us before the Supreme Court of the United States for \$3,600, when on the other side there will be millions of dollars, when on the other side the fees of the attorneys will reach into the hundreds of thousands of dollars, employed for what purpose? Employed in order that they may paralyze the Congress and the Senate of the United States and in this way exercise the powers of government.

You may take your choice; but I tell you now you are voting upon one of the most important questions you will ever face, and one the American people will not forget. It is a question of whether you want to surrender the prerogatives of the House and Senate and capitulate to outside selfish interests, or vote this money for a competent attorney to represent the American people before the Supreme Court of the United States. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. MICHENER. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. Sumners].

Mr. MILLER. Mr. Chairman, I yield the remainder of my time to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, I agree with what has been said, indicating the judgment of the Members that this is a very important matter we are now considering. It is a very simple one, however. As I see the proposition before the Committee today, it is not whether we agree or disagree with the policy of the Black committee; it is not whether we believe or do not believe the Black committee has exceeded the bounds of propriety. We are dealing now with the matter of the contemplated construction of the constitutional powers of the Houses of Congress, the legislative branch of the Government. As I view it, and I believe I have myself properly located in the matter, it would not make any difference to me whether this matter came from a committee with regard to whose work I agreed or did not agree, whether it came from a Democratic or a Republican administration. Those of us now in the House and the Senate are the guardians of the power of the Houses of the Congress.

The question to be decided by the Supreme Court will not deal with the controversy of the Black committee merely; that will fade into insignificance; the decision in this case will have an effect for all time as long as the Government lasts. Let us be candid about it. The question is whether or not we want this question properly presented to the Supreme Court for that body to pass upon. That is all there is in it.

Nobody knows what fate or fortune may bring in the political history of this country; nobody knows who will be in power in the next administration or the administration after that, or what may be future developments; but we all know that if under the Constitution the Houses of Congress possess a power we ought not to surrender by a failure properly to meet the challenge of its existence. Am I not right? The question to be determined is whether under the Constitution the legislative branch of the Government possesses a certain power.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 3 additional minutes to the gentleman from Texas.

Mr. SUMNERS of Texas. I shall hurry along. The sole question is whether we want the Supreme Court, by a proper presentation, to be given a full and fair opportunity properly to pass on the question. I think everybody does. In order that this may be done, that the question of the power of the legislative branch of the Government may be properly presented to the Supreme Court, it must be handled by a man of real ability; and I think it is the practical experience of all of us that a \$300-a-month man is not the proper man to present the subject to the Supreme Court.

Mr. FULLER. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Arkansas.

Mr. FULLER. Why not restrict this to \$5,000 instead of \$10,000? We are appropriating money for various uses and allowing them to throw it away.

Mr. SUMNERS of Texas. I agree with the gentleman.

Mr. FULLER. Then why not amend the bill?

Mr. SUMNERS of Texas. Mr. Chairman, this other matter should be considered. Here is the Senate, one of the legislative Houses, conducting an investigation. By this bill they send what amounts to a request to the House of Representatives to enable them to hire a man at not exceeding \$10,000 a year to present this matter to the Supreme Court. I agree with the gentleman, and we are going to have an amendment offered making it clear that this shall not exceed an allowance of \$10,000 a year to an individual and not cover any further ground.

Mr. MILLARD. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from New York.

Mr. MILLARD. There is a momentous question involved here. We have an Attorney General with an able staff. Why should they not intervene to protect our rights?

Mr. SUMNERS of Texas. I do not know.

Mr. BLANTON. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Texas.

Mr. BLANTON. Then the clarifying amendment will change this law threefold, and instead of making it \$3,600 per annum there will be an increased salary limit of \$10,000?

Mr. SUMNERS of Texas. Yes; that is right.

Mr. BLANTON. That is too big a jump in salary raise all at once.

Mr. TOBEY. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from New Hampshire.

Mr. TOBEY. The gentleman has manifested by his remarks that he is opposed to this restriction in the present statute of \$300 a month, and he bases his argument on that fact. Why does not the gentleman bring in a bill to repeal the existing law and present that bill on its merits?

Mr. SUMNERS of Texas. This is not on ordinary employment; it is a proposal to authorize an appropriation as requested by the Senate of \$10,000 to represent the legislative branch of the Government in the presentation of an important matter to the Supreme Court.

[Here the gavel fell.]

Mr. HANCOCK of New York. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, it seems to me that this resolution and the question involved here is a little different from what has been heretofore discussed. We have before us a resolution that is absolutely wide open and without any limit as to amount. It is absolutely unnecessary, and the proof of that fact is that the man is already working for this committee. He is the man they have picked, and he is already working for the sum which they are authorized to pay. Other able lawyers have accepted work from these committees for what they are authorized to pay. There is no question but what they can go out and present their arguments and get through with this matter without the appropriation of any more money than is presently authorized. But to bring in a resolution here that is wide open, where they can fix the pay at any figure they see fit, is absolutely ridiculous, to my mind, and I do not believe that the Senate joint resolution ought to be passed.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read the Senate joint resolution for amendment.

The Clerk read as follows:

Resolved, etc., That the Senate committee acting under Senate Resolution 165 of the Seventy-fourth Congress is hereby authorized to employ counsel to represent the said Senate committee and the Senate in connection with legal proceedings relative to the powers of the Congress of the United States growing out of legal proceedings instituted in the court to restrain actions of the said Senate committee in connection with the performance of its duties, the total compensation for such legal services to be fixed by the Senate Committee to Audit and Control the Contingent Expenses of the Senate, and the payment of other expenses necessarily incurred in connection with said litigation to be approved by the said Committee to Audit and Control the Contingent Expenses of the Senate, \$10,000 to be immediately available from the contingent fund of the Senate under this joint resolution and to remain available until June 30, 1937.

Mr. MILLER. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MILLER: On page 2, line 1, after the word "services", insert "not to exceed the total sum of \$10,000 for such services."

Also, beginning with the last word "and", in line 2, strike out lines 3, 4, 5, and line 6 to the dollar sign.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the resolution be read as amended by the amendment just offered by the gentleman from Arkansas.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Resolved, etc., That the Senate committee, acting under Senate Resolution 165 of the Seventy-fourth Congress, is hereby authorized to employ counsel to represent the said Senate committee and the Senate in connection with legal proceedings relative to the powers of the Congress of the United States growing out of legal proceedings instituted in the court to restrain actions of the said Senate committee in connection with the performance of its

duties, the total compensation for such legal services not to exceed the total sum of \$10,000 for such services, to be fixed by the Senate Committee to Audit and Control the Contingent Expenses of the Senate, \$10,000 to be immediately available from the contingent fund of the Senate under this joint resolution and to remain available until June 30, 1937.

The CHAIRMAN. The gentleman from Arkansas [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER. Mr. Chairman, the effect of this amendment is to limit the authority of the Senate Committee to Audit and Control the Contingent Expenses of the Senate to the payment of the sum of \$10,000 for legal services in representing the committee in the courts in connection with the litigation that grows out of the investigation under Senate Resolution 165. Not to exceed \$10,000 may be paid to attorneys to represent that committee in litigation that grows out of its activities under Senate Resolution 165.

This is all the amendment does. You will note we also strike out the rest of the language dealing with contingent expenses. This evidently would restore and leave the \$3,600 provision intact for auditors and such other incidental expenses as may be necessary, but so far as the fixing of legal fees or maximum fees may be concerned, it can only be \$10,000 for such services in this particular litigation.

Now, the argument has been made, Mr. Chairman, by learned gentlemen that under the resolution as presented it is wide open. I want to call attention to the provision of the original resolution. The only change that is made in existing law is with respect to the operations of the committee under Senate Resolution 165, and it does not apply to the operations of other committees under any other resolution either of the House or of the Senate. It is not a wide-open resolution and never was a wide-open resolution. Its operation is confined strictly to investigations and litigation under that particular resolution, and by this amendment the expenditure that it can make, and the only expenditure it can make, is not to exceed \$10,000 for legal services.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Arkansas [Mr. Miller]. It was my intention to vote against this resolution unless such an amendment was adopted. If the amendment is adopted, I intend to vote for it.

I served as chairman of a special committee last year, and we had as our counsel one of the most distinguished men of the country, a former Member of this House, a former United States Senator, and a former Governor of the State of Georgia, the Honorable Thomas W. Hardwick, a very distinguished public official of his day and a very distinguished lawyer and American citizen. We were limited to paying him \$300 a month.

I recognize the argument in opposition to this bill. Personally I think \$300 a month is too small an amount to impose upon any special committee in the selection of its counsel. On the other hand, we cannot permit unlimited amounts to be paid, because certain abuses occur, which have existed in the past and which were recognized by the imposition of this \$300 limitation. Yet eminent counsel must be obtained and they must be reasonably compensated, and, on the other hand, they must recognize they are rendering a public service. We must, on the one hand, try to compensate them adequately, and, on the other hand, they must recognize that in accepting such employment they are in the service of the public and they must give of their services under such circumstances without the expectation of receiving the compensation they would ordinarily receive and would ordinarily expect.

Mr. MAY. Mr. Chairman, will the gentleman yield?
Mr. McCORMACK. I will yield to the gentleman in fust a

moment.

This is an exception; and I am going to vote for this resolution, if amended, because it is an unusual exception. I am going to vote for it in order to find out not only what is the authority of the legislative committee, but what my rights are under the Constitution. I want to find out what

Mr. Hearst's rights are under the Constitution in his case. I want to find out what his rights are in order that John McCormack and every other American citizen may find out whether or not committees appointed by Congress can do anything they want under the power of subpena. [Applause.] I do not think a committee can. I do not think it should. A committee is subject to the Constitution just the same as anyone else is subject to the provisions of that great document. Mr. Hearst is perfectly within his rights in raising the question that he has.

Mr. MAY and Mr. SNELL rose.

Mr. McCORMACK. I yield first to the gentleman from Kentucky.

Mr. MAY. The gentleman has stated that \$300 a month is too small a sum for a capable lawyer representing a congressional committee, and with that statement I very heartly agree. We have a committee now investigating the Townsend old-age-pension question, and when they come in at the next session of the Congress and ask for a like innovation, or exception, is the gentleman going to be for that, or not?

Mr. McCORMACK. I will vote for anything which will repeal the \$300 limitation and make it a higher amount, but it should not be unlimited.

I now yield to the gentleman from New York.

Mr. SNELL. If this matter is so important and if it affects the constitutional rights of individuals and of the House itself, why should not the Attorney General of the United States represent us and present the matter to the Supreme Court?

Mr. McCORMACK. I can see a distinction there, although I realize that the gentleman's inquiry is a very pertinent one. I doubt the advisability of having the Attorney General represent the legislative branch of the Government. He is a member of the executive branch of the Government.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. BANKHEAD. One of the very great issues we are seeking to present and to have determined in this litigation is keeping the three branches of our Government separate and distinct, and if we should try to tie-in the Attorney General with the litigation, then we would be violating one of the principles involved in the matter.

Mr. SNELL. I understand that; but we have not been so very fussy about that so far, and if this matter pertains to the constitutional rights of individuals, why should not the Attorney General protect their rights?

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CELLER. Mr. Chairman, will the gentleman yield briefly?

Mr. McCORMACK. Briefly; yes.

Mr. CELLER. I agree with the gentleman that the legislative branch of the Government could not, without let or hindrance, conduct investigations that might infringe the constitutional rights of individuals, because if they could do that, then the legislative branch of the Government would be both judge and jury with respect to its own acts. There must be somebody to impose some restraint, and the Supreme Court is the body to do that.

Mr. McCORMACK. Exactly; the gentleman makes a very powerful contribution. We talk about the Constitution. The Constitution would be meaningless unless we had some agency to interpret it. We talk about it in its relationship to Congress. What about its relationship to the individual? What about my rights as an individual if a legislative body should pass an act taking away, or impairing, my constitutional rights? Where am I going to, who would I go to, unless to the Court which has the power to interpret what my rights as a citizen are under the Constitution and to protect them?

Some agency must be the referee as between the executive and the legislative branch. Some agency must be the referee

between the statutory law and the fundamental law. Some agency must have the right to determine my constitutional rights. Unless there was some agency to determine whether Congress exceeded its power we would have unrestricted legislative power and could have legislative dictatorship. We would have the Constitution guaranteeing us our rights, stating the powers of government and of the Congress, and if the Congress passed an unconstitutional law, no agency to declare it null and void. Under such conditions, a constitution would be unnecessary. We have that agency. It is the Supreme Court of the United States.

Now, I have my personal opinion about the Black committee. I have my personal opinion about the names of 50 or 60 honorable Members of this body being unwarrantedly brought into its hearings. I have my personal opinion about a committee of Congress disregarding the character and reputation of others, whether Members of this House or humblest citizens of the United States. [Applause.]

But this is a different question. We should appropriate this money, \$10,000, not only because Congress wishes to find out what its rights are, but also that we may know what are the rights of the individual under the Constitution when a special committee undertakes to exercise broad and unlimited powers of summoning and examining our papers and effects.

We did not do it in the special committee of which I was chairman. We enumerated what we wanted; we proceeded, as we thought, in accordance with our constitutional powers. What we did was never questioned. Personally I do not think any committee possesses unlimited power to subpena. but we will never know until it is definitely passed upon. I believe in giving to the Senate the ability to employ the counsel they want, so that afterward they cannot say they did not have opportunity to present fully to the Supreme Court the law on the issues involved. I take this course not only for the Black committee, not only that future committees might know their powers, but in order that you and I and all others might know what are our rights when we consider that a committee is acting in violation of our constitutional rights. I want it settled for future committees and for the people of our country. I want to know, so far as the question involved is concerned, what the constitutional powers of a committee are, and equally what the constitutional rights of an individual are. [Applause.]

The CHAIRMAN. The time of the gentleman from Mas-

sachusetts has expired.

Mr. MILLER. Mr. Chairman, I ask unanimous consent that all debate upon this amendment close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. AYERS. Mr. Chairman, I move to strike out the last two words. In addressing the Members of the House on this amendment let us just talk it over as an honest program that is going to be a precedent in the future, not only for this House but for the Senate; and let me preface my remarks by saying that the Senate investigation committee is proper and right, but when we pass a resolution saying that this committee can hire counsel without any limit on salary, that is absolutely wrong. It would be preposterous, would it not, to say that there should not be any limit to the hiring of counsel, and it is preposterous to say also that counsel should come into this investigation for \$300 a month. That is just too little for this class of work, but there should be a limit

Mr. MAVERICK. There is a direct limit.

Mr. AYERS. There is not a direct limit, and that is what I am arguing for.

Mr. BANKHEAD. Mr. Chairman, will the gentleman vield?

Mr. AYERS. Yes.

Mr. BANKHEAD. Was the gentleman present when I made the statement that it was our purpose to offer an amendment specifically limiting the amount to \$10,000?

Mr. AYERS. Yes, sir; and that is what I am arguing for.

Mr. MILLER. That amendment is now pending before the committee.

Mr. AYERS. And I am talking on that amendment, and I want the amount fixed at \$10,000. It is only fair and proper that we should do that. The thought I have and the thought that I know is in the mind of everyone on both sides is to have honest investigations of these matters, but we cannot give a committee authority to hire counsel at an unlimited salary. That would be ridiculous. I am in favor of this amendment to limit it to \$10,000. I want the lawyer properly paid, and with that limit he will be properly paid.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas.

The amendment was agreed to.

Mr. O'CONNOR. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 2, after line 8, insert

Amendment offered by Mr. O'Connor: Page 2, after line 8, insert the following:

"Sec. 2. Notwithstanding the provisions of any existing law, the Committee on Rules of the House of Representatives may employ and fix the compensation of counsel in representing the House of Representatives or any committee thereof in any legal proceedings relative to the powers of the Congress of the United States or the prerogatives and privileges of the House of Representatives. The payment of compensation and expenses necessarily incurred in connection with such legal proceedings shall be paid out of the contingent fund of the House of Representatives on vouchers authorized by the Committee on Rules, signed by the chairman of the Committee on Rules, and approved by the Committee on Accounts: Provided, however, That such compensation shall in no instance exceed the sum of \$10,000."

Mr. SNELL. Mr. Chairman, I make the point of order against the amendment on the ground that it is obnoxious to paragraph 7 of rule XVI:

No motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

Under the specific provision of this rule, under section 795 of the Manual, one individual proposition may not be amended by another individual proposition, even though the two belong to the same class.

A little further down it reads:

To a bill for the relief of one individual an amendment proposing similar relief to another is not in order.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield right there?

Mr. SNELL. I vield.

Mr. O'CONNOR. The rule has been amended making this in order. That was the purpose of my amendment to the rule which was carried, which would make it in order. The gentleman would be correct if the rule had not been amended.

Mr. SNELL. Will the gentleman just explain what he means by that?

Mr. O'CONNOR. An amendment was adopted to the rule. Mr. SNELL. I do not know of any amendment that has been adopted that is broad enough to cover this.

Mr. O'CONNOR. An amendment was adopted to this effect:

It shall be in order, any rule of the House to the contrary notwithstanding, for the chairman of the Committee on Rules to offer an amendment to said Senate joint resolution granting similar authority to the House of Representatives.

Mr. SNELL. I do not think the amendment offered by the chairman of Rules comes within that provision. I think it goes much further and more comprehensive. It has been a specific rule of the House of Representatives for years and years that when we had one specific project before the House we could not amend it by adding another. This rule says specifically that when you have one proposition before the House, even a similar proposition cannot be offered as an amendment. If your amendment just offered had the same limitations as the Senate resolution, it might be protected by the amendment to the rule, but it has no limitations and in effect repeals the whole law and goes so far that in no way does it seem to me to be germane. We have before the House at the present time a bill which pro-

Mr. BANKHEAD. We are going to offer that amendment. Vides that a special investigating committee of the Senate may pay additional compensation to the attorney representing that committee, and to that the chairman of the Rules Committee has offered an amendment, providing that the House may do in the future whatever it desires in regard to counsel to all investigating committees.

In my judgment that has gone far beyond anything provided for in the rule, or even the rule which the chairman of the committee refers to at the time, and is in no way a germane amendment.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield.

Mr. RANKIN. Let me say to the gentleman from New York that this goes far beyond giving this power to the House of Representatives. It is tantamount to an amendment giving the Rules Committee powers over investigations that are not even in contemplation. It is tantamount to an amendment extending the power of the Rules Committee.

Mr. SNELL. Oh, it goes much further than that. It is much broader than anything that has ever been considered, and I am sure it is not covered under the regular rules of the House or the new amendment.

Mr. BLANTON. Mr. Chairman, I make a point of order. Mr. SNELL. Mr. Chairman, I think I still have the floor.

and if so, I yield to the gentleman from Missouri.

Mr. COCHRAN. Under the terms of the amendment, does it not take away the power which this House has placed in the Committee on Accounts?

Mr. O'CONNOR. No: that is not so.

Mr. SNELL. I do not know that it goes that far.

Mr. O'CONNOR. Any compensation would still have to be approved by the Committee on Accounts under that resolution.

Mr. SNELL. I am not sure about that. If the Rules Committee gets the power you desire, it can definitely say the amount to be paid for legal services, regardless of any other committee, and is final; and I believe the point of order is good against your all-comprehensive amendment.

Mr. BLANTON. Mr. Chairman, I make an additional point

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. I make the point of order that under the amendment to the rule offered by the gentleman from New York [Mr. O'CONNOR], which changed the rule, it does not permit of such an amendment as the gentleman from New York now has offered to the Senate joint resolution now under consideration.

In explanation of the point of order, I call the attention of the Chair to the fact that under the Senate joint resolution now before the House the power to fix a fee of \$10,000 is in the Auditing Committee of the Senate. Our committee in the House similar to the Auditing Committee of the Senate is the Committee on Accounts. Our distinguished friend from North Carolina [Mr. WARREN] is chairman of that committee. The language of this authorization for this amendment does not permit an amendment that will take away from the Committee on Accounts this right and give it to the Committee on Rules

Mr. O'CONNOR. It does not take it away from the Committee on Accounts.

Mr. BLANTON. Let me read the language. This is the language of the gentleman's amendment that he passed to the rule:

It shall be in order, any rule of the House to the contrary notwithstanding, for the chairman of the Committee on Rules to offer an amendment to said Senate joint resolution granting similar authority-

Not to the Committee on Rules, butgranting similar authority to the House of Representatives.

The Committee on Rules is not the House of Representatives. Now, we passed that amendment, and it gives to the House of Representatives this authority, and not to the Committee on Rules, and under the rules of the House the authority is vested in the Committee on Accounts, of which the gentleman from North Carolina [Mr. WARREN] is chairman. By passing the amendment offered by the gentleman from New York [Mr. O'CONNOR], we did not authorize any amendment that would give this power to the Committee on Rules. It gave it to the House of Representatives. The amendment offered by the gentleman from New York [Mr. O'CONNOR] takes it away from the House of Representatives, takes it away from the Committee on Accounts, and gives it to the Committee on Rules. It is clearly out of order, and I make the point of order against it.

The CHAIRMAN. Does the gentleman from New York care to be heard on the point of order?

Mr. O'CONNOR. No; I do not care to be heard. I have not heard any point of order stated yet.

The CHAIRMAN (Mr. MERRITT of New York). The Chair is ready to rule. In the opinion of the Chair, if the special rule providing for the consideration of the Senate joint resolution had not been amended, the point of order made by the gentleman from New York [Mr. Snell] would be well taken, but in view of the fact that the special rule has been amended, the Chair overrules the point of order.

Mr. BLANTON. Mr. Chairman, I would like a ruling on my point of order, that the amendment adopted does not authorize taking it away from the House of Representatives.

The CHAIRMAN. The Chair is of the opinion that the same rule holds good, and therefore overrules the point of

Mr. O'CONNOR. Mr. Chairman, permit me to say at the outset that neither I nor the Committee on Rules has any interest in gathering to itself any additional duties. I have heard several statements made, during the discussion of the point of order, which were not in accordance with the language of the Senate joint resolution. The gentlemen have read the resolution but have forgotten what it contains.

My purpose in offering this amendment is out of pride in the only body of which I am a Member, the House of Representatives. I, as a Member of this body, do not propose to have another body retain counsel from any part of this country and possibly get a ruling from a court which may bind this body or any committee of this body.

The question which rose in the Rules Committee and which rises here is, Shall a great question go to the Supreme Court of the United States, a question raised by a committee of another body, which body proposes to obtain its own counsel, the decision in which case may bind this House in its rights and prerogatives without the House being represented? In the Rules Committee there was no opposition to the proposal I make today, and from no one occupying a position of leadership in the House have I heard any opposition to this body being represented when that question is raised affecting our prerogatives.

The Committee on Rules is suggested as the repository of this power, not through any desire on the part of its present members to have additional power but solely because the Committee on Rules creates these special committees of the House. Even in standing committees a question often arises which may be so momentous as to require special counsel. For instance, such a question arose in the Committee on Military Affairs the other day. The Rules Committee is not looking for any extra work; it is the busiest committee in the House; but it thought-and it was because of parliamentary advice we received—that the Rules Committee might well be the vehicle through which counsel be retained to represent other committees in a serious question affecting the rights and privileges of the House of Representatives. Any decision of the Rules Committee in the matter of compensation is subject always to the approval of the Committee on Accounts.

To illustrate, if the Rules Committee should retain counsel in this particular case—and I am speaking of a possibility, not a probability, for it is not our present intention to do so-but if it should-no matter what the Rules Committee might fix as compensation for its counsel, the amount would have to be approved by the Committee on Accounts, headed by the distinguished gentleman from North Caro-

lina [Mr. Warren].
Mr. RAYBURN. Mr. Chairman, will the gentleman yield? Mr. O'CONNOR. I yield.

Mr. RAYBURN. I ask the gentleman this question for information: The pending Senate resolution deals with one case. Does the gentleman's interpretation of his amendment make it apply to one case or is it a continuing power for the Rules Committee to exercise?

Mr. O'CONNOR. It is a continuing power, of course, vested in the Rules Committee; but I would remind the gentleman that the existence of the Rules Committee, the Committee on Interstate and Foreign Commerce, and every other committee expires at the conclusion of the term of the Congress.

I may say further that I am the only Member of the House who opposed the limitation of \$3,600 when the matter was brought up on the floor. I debated it with the distinguished gentleman from Texas, the chairman of the Committee on Appropriations [Mr. Buchanan], and the distinguished gentleman from New York [Mr. TABER]. It was brought in during the closing days of the last Congress, as I recall the facts. I never believed in the limitation. I did not believe that under it proper lawyers, and especially accountants, the greatest difficulty, could be employed at that salary. The gentleman's question has raised the point that this amendment would apply to other matters than the utility lobby investigation.

Mr. RAYBURN. I simply asked the gentleman for information. I made no contention whatever.

Mr. O'CONNOR. This proposal was recommended by everybody who considered it. We did it deliberately. It was our idea that this power should be possessed by the House. All I ask is that the House of Representatives be represented.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Briefly.

Mr. CELLER. In the interest of the bill and its passage, I think it would be better if the gentleman would limit the application of his amendment to this particular case rather than to make it of general import, because I am quite sure a number of Members will vote against the resolution if it contains an amendment giving this sweeping power.

Mr. O'CONNOR. No sweeping power is given to the Committee on the Rules. Another committee might come in here tomorrow with a special resolution to meet this situation.

The sole issue is whether or not some other body is going to speak for this House in a court; whether or not we are proud of our own prerogatives; whether or not we can take care of ourselves.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes. Mr. O'MALLEY. The objection to the Senate resolution was on the ground that it was open and gave a continuing power. We adopted an amendment making it apply to this specific case. The gentleman's amendment is not in harmony with the other amendment, for the gentleman's amendment creates a continuing authority in the Committee on Rules.

Mr. O'CONNOR. That is not so. The objection to the Senate resolution, as I interpret the debate was that the amount was unlimited.

Mr. O'MALLEY. Would the gentleman's amendment, if adopted, create a continuing authority over this subject in the Rules Committee?

Mr. O'CONNOR. It must be put in some committee. Mr. O'MALLEY. Will the gentleman answer my question "yes" or "no"? Does it contain a continuing authority?

Mr. O'CONNOR. Yes. The gentleman from Texas said the House of Representatives could take care of the situation. Replying, let me state that the House of Representatives, like a corporation or other entity, must act through Individuals or a committee.

The House of Representatives cannot do anything except through an individual or through a committee. The authority has to be lodged somewhere. The first thought was to lodge it in the Judiciary Committee, but that was not

deemed satisfactory, because other committees have serious questions raised and the Rules Committee, being the creator of special committees, it was thought wise to lodge the authority there. The Rules Committee has no interest or selfishness about the matter, and we are not looking for extra trouble. We are just trying to protect the prestige of this House and the membership of the House.

Mr. PETTENGILL. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Indiana.

Mr. PETTENGILL. Will the gentleman's amendment continue this authority beyond the expiration of the Seventy-fourth Congress?

Mr. O'CONNOR. Of course, it could not. All our committees expire, and the authority would end within a few

Mr. MILLER. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Arkansas. Mr. MILLER. I think the question I was going to propound has been answered in the reply to the question submitted by the gentleman from Indiana. The only law I know of that limits the expenditures of the committee is the provision which is carried yearly in these appropriation bills.

Mr. O'CONNOR. The gentleman is correct.

Mr. MILLER. So that it is a question of yearly renewal of this restriction anyway, is it not?

Mr. O'CONNOR. The gentleman is correct. Incidentally, I may say, the legislative appropriation bill has not yet been signed, and if the Members interested in this Senate joint resolution want to protect their rights, they must be sure that the legislative appropriation bill is signed before this Senate joint resolution, otherwise the Senate joint resolution will have no effect because it will have been previously

Mr. KELLER. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Illinois. Mr. KELLER. I should like to know why the House itself could not retain this power which is sought to be given to the Rules Committee to be used whenever occasion required?

Mr. O'CONNOR. I do not know how the House could act.

Mr. BLANTON. Will the gentleman yield? Mr. O'CONNOR. I yield to the gentleman from Texas.

Mr. BLANTON. This is not a rule of the House we are changing that expires with each Congress. If this amendment is passed it becomes a part of the law, and it remains the law until repealed by legislative act of Congress.

Mr. O'CONNOR. In the next legislative appropriation bill

it will be automatically repealed.

Mr. BLANTON. How does the gentleman know that, when any such legislation would be subject to a point of order? [Here the gavel fell.]

Mr. MILLER. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the

gentleman from Arkansas? Mr. RANKIN. Mr. Chairman, reserving the right to ob-

ject, I should like to have 5 minutes to speak in opposition to the amendment. I do not care to prolong the proceedings of the House, but I think this is a very dangerous amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

Mr. RANKIN. Why not make it 20 minutes?

Mr. MILLER. There are only three Members who desire

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. WARREN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, except for the amendment offered to the rule, in no conceivable way could the amendment offered by the gentleman from New York be held to be germane, and it would have promptly been ruled out on a point of order. Now, let us take stock of ourselves here for just a minute, and look at the unheard-of thing that is now being proposed. This amendment says that-

Notwithstanding the provisions of any existing law, the Committee on Rules of the House of Representatives may employ and fix the compensation of any counsel in representing the House of Representatives or any committee thereof in any legal proceedings relative to the powers of the Congress of the United States or the prerogatives and privileges of the House of Representatives.

Taking this power, as the gentleman from Illinois [Mr. Kellerl observed, out of the House, where it belongs, and where it should always remain, and delegating it to the Committee on Rules! Why, whoever heard of such an autocratic proposition? Has the House reached the point of abdication?

It further recites, Mr. Chairman:

The payment of compensation and expenses necessarily incurred In payment of compensation and expenses necessarily incurred in connection with such legal proceedings shall be paid out of the contingent fund of the House of Representatives on vouchers authorized by the Committee on Rules, signed by the chairman of the Committee on Rules and approved by the Committee on Accounts: Provided, however, That such compensation shall in no instance exceed the sum of \$10,000. instance exceed the sum of \$10,000.

Pray tell me why the Committee on Accounts was even mentioned in this amendment? It would be simply a rubberstamp affair for that committee to approve anything that happened under the provisions of this amendment.

Mr. O'CONNOR. Will the gentleman yield?

Mr. WARREN. I yield to the gentleman from New York. Mr. O'CONNOR. That is true, of course, with the Committee on Audit in the Senate as to the \$10,000 authorized in the Senate joint resolution?

Mr. WARREN. I do not know anything about the Senate committee. I know the Committee on Accounts has been rested, under the rules of this House, with full control of the contingent fund.

Mr. O'CONNOR. Where it states that the vouchers must be approved by the Committee on Accounts, the gentleman does not say that committee would approve them with a rubber stamp? It would certainly pass upon them, and if that committee did not approve, then the matter would go to the House.

Mr. BLANTON. Will the gentleman yield?

Mr. WARREN. I yield to the gentleman from Texas.

Mr. BLANTON. Is it not a fact that the Committee on Audit in the Senate is exactly identical to the Committee on Accounts in the House?

Mr. WARREN. That is my understanding. Mr. KRAMER. Will the gentleman yield?

Mr. WARREN. I yield to the gentleman from Cali-

Mr. KRAMER. Is it the practice of the Committee on Rules to sign all vouchers approved by the Committee on Accounts?

Mr. WARREN. Of course not. These vouchers are signed by the chairman of the special committees which have already been approved by the House.

Mr. KRAMER. And that has always been the rule? Mr. WARREN. And they are audited by the Committee on Accounts.

Will the gentleman yield? Mr. MAY.

Mr. WARREN. I yield to the gentleman from Kentucky. Mr. MAY. As I understand the amendment offered by the gentleman from New York, it repeals outright the existing statute on the question of lawyers' fees as paid by committees?

Mr. WARREN. Absolutely; and that is the frank purpose

Mr. O'MALLEY. Will the gentleman yield?
Mr. WARREN. I yield to the gentleman from Wisconsin.
Mr. O'MALLEY. If this amendment that the gentleman from New York offers is adopted, it would put all of us who are opposed to opening the thing wide in the position of having to vote against the resolution. I do not say that is the purpose of the amendment, but that is the position it would put us in anyway.

Mr. WARREN. I shall vote against the passage of the resolution regardless, because I think the \$3,600 per annum limitation is wise and necessary, but I shall not vote to load the resolution down and thereby make it more unpopular.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, up to this very minute, during the entire history of the Congress, every fee that has ever been authorized to be paid to a committee employee has had to be authorized by the Committee on Accounts. The Committee on Accounts is the committee of the House that passes on these things. They have the record of all such proceedings back as far as the history of the Congress goes. They are familiar with such things, and our distinguished friend from North Carolina [Mr. Warren] is familiar with every single precedent connected with such matters.

Now, I think it is rather unfair for our distinguished chairman of the great Rules Committee, which, after all, is a political committee, an arm of the House, an arm of the administration of the Government, to provide means for the administration to have its program carried out, to take the position which he has taken here in trying to take over jurisdiction from the Committee on Accounts.

Handling all such matters is the exclusive function of the Committee on Accounts, but the Committee on Rules has nothing to do with that. The Committee on Accounts alone has the right to pass on the propriety of spending money out of the contingent fund of the House.

Why, if you pass this amendment of our friend from New York, it is not a mere change of a rule which dies at the close of the Congress; it is permanent law. It will require the legislative act of some Congress to change it.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?
Mr. BLANTON. In just a minute I will yield; and I will
ask the gentleman, as a good lawyer—and he is a good lawyer—if it is not a fact that until some legislative committee
brings in a proposition here and repeals it, this becomes permanent law and puts this power in the hands of the Committee on Rules throughout all the years; is not that so?

Mr. O'CONNOR. That is so. Now will the gentleman yield for a question?

Mr. BLANTON. Yes.

Mr. O'CONNOR. My amendment provides that all payments and vouchers be approved by the Committee on Accounts. This is in the amendment, and the gentleman can read it.

Mr. BLANTON. Oh, I want to explain what that means. Mr. O'CONNOR. The gentleman from North Carolina [Mr. Warren] did not raise the question that the amendment would take anything away from his committee.

Mr. BLANTON. He said it would make his committee a rubber stamp, and it would, and I will tell the gentleman why.

Mr. RANKIN. Mr. Chairman, will the gentleman yield? Mr. BLANTON. In a minute.

I will tell you why. Say we have 15 investigating committees authorized; under present law they engage their own attorneys and arrange their salaries, but under this amendment that right is taken away from them, and the Rules Committee then does the employing, and the Rules Committee fixes the amount they shall pay, and then the Rules Committee will go to Mr. Warren and say, "Lindsay, we have employed this fellow at \$10,000. The House authorized us to do it. The House put it in our charge. We are the ones responsible, but you have to O. K. this, and here it is. Please O. K. it." Would not Lindsay be put in a terrible situation? Why, he would become a rubber stamp.

Mr. O'CONNOR. Mr. Chairman, will the gentleman vield?

Mr. BLANTON. I yield.

Mr. O'CONNOR. The amendment does not apply to employees of committees at all. It applies solely and entirely to legal services in an extraordinary case, such as the present one, and does not apply at all to investigators, accountants, and so forth.

Mr. BLANTON. We are unable to tell how it might be construed. I cannot yield further.

Our House Committee on Rules is one of the most powerful organizations in the Congress. It is more powerful than any committee they have in the Senate. It can in one moment change and set aside every rule of the House. Let us yote down this amendment. The Rules Committee already

possesses more power than it can exercise with due safety to the rights of all the other Members of the House.

ILLUSTRATING THE PRESENT POWER OF BULES COMMITTEE

In the last session of Congress we had before us what was known as the Ellenbogen rent bill, which quite a number of us firmly believe was unconstitutional, unsound, wasteful, extravagant, and ineffectual. We fought it and stopped it from passing.

There is just such a bill before the House at this time. A number of us firmly believe that it is unconstitutional, that it is unsound, that it is communistic, that it will raise and increase rents instead of lowering them, and that it will create an army of high-salaried employees, with no limit as to number, and no limit as to salaries, and no limit on the amount of expenses that the newly created rent commission could expend. Naturally, a number of us are against that bill and have been doing everything within our power to stop it and keep it from passing.

SISSON BILL, 10,000 TIMES WORSE, JUST BEHIND IT

The District Committee has favorably reported the Sisson bill, which repeals the law that prevents communism from being taught to the 99,000 school children in the 175 public schools of Washington.

In order to prevent the consideration of the Sisson bill until we could have an opportunity to get before the Members of Congress the result of an investigation made by our Subcommittee on Appropriations handling the District supply bill, which caused our subcommittee to refuse to allow \$78,660 for so-called character education, and which hearings show conclusively that the Sisson bill should not pass, several of us having been doing all we could to delay the passage of the Ellenbogen bill, even if we are not able to defeat it, because immediately following its passage the Sisson bill will be called up for passage.

The press today tells us that Chairman Norton announces that she is now assured of the passage of the Ellenbogen bill soon this week, probably Friday, as she has arranged with the Rules Committee to grant her a rule, allowing only an hour and a half for the consideration of all amendments. Under the rules of the House at least 10 hours would be necessary to consider all amendments, as quite a number of Members have numerous amendments they want to debate and want considered. If the Rules Committee grants this rule, it probably means the passage of both the Ellenbogen bill as well as the Sisson bill, for such action of the Rules Committee would be construed and claimed as administration endorsement of the two bills, and probably this caused Chairman Norton to announce with such assurance that the Ellenbogen bill now would be passed.

I HAVE PERFORMED MY FULL DUTY

I have done everything that one man could do to stop the Ellenbogen bill and the Sisson bill from passing. On April 2, 1936, I made a speech in the House explaining fully the position of our Subcommittee on Appropriations, and quoting from our hearings, showing why we refused the \$78,660 for so-called "character education", and why the Sisson bill should not pass, and I urge all of our colleagues in both the House and Senate, and all persons who may read this Record, to look in the Record of April 2, 1936, beginning with page 4837, and they will, if they read same with an open mind, see clearly why both the Ellenbogen bill and the Sisson bill should not be passed.

If Rules Committee grants a rule on the Ellenbogen bill, I want it to assume full responsibility for it should the bill pass, for I know without such a rule it would not be passed. And if we are limited to 1½ hours for amendments, I do not intend to make any effort whatever to stop its passage, for effort would be futile with that limited time allowed to present numerous amendments and the chairman controlling most of the time. And I want it to assume responsibility for the Sisson bill.

The above is a clear-cut illustration of the power of Rules Committee. It can change all rules at will. I think that it now possesses enough power, and all the power that it should possess, and I am not in favor of allowing it to take

Whole.

Coffee

Clark, Idaho

over the jurisdiction of the Committee on Accounts. I urge my colleagues to vote against this amendment, and after we defeat the amendment I am going to vote against the Senate resolution.

Mr. RANKIN. Mr. Chairman, I hope the House will vote this amendment down. I am as strong for this resolution as any man in either House of Congress, but this amendment is entirely unnecessary and is reposing in the Rules Committee additional powers, the like of which no committee of Congress has ever assumed before, or at least since the change of the rules in 1909 or 1910

Why not wait until an occasion arises? Why delegate all this power to the Rules Committee in advance, when there is nobody in the Congress, including those now conducting investigations, asking for it? I presume, as chairman of the Committee on Veterans' Affairs, I am conducting one of the most important investigations that will come before any committee in this Congress. If I should want this authority, I do not want to go to the Rules Committee and have them say whom I shall employ. I want to come to the House of Representatives for my authority and not to the Committee on Rules

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MARCANTONIO. As a matter of fact, if this amendment is adopted, will it not have the effect of adding too heavy a tail to the kite and therefore bring about the defeat of the original resolution?

Mr. RANKIN. I thank the gentleman from New York; I think that will be the result if this amendment is adopted. That may be the object of it.

Now, you gentlemen who are in favor of this resolution who want the Congress of the United States properly represented in this great litigation that is now on its way to the Supreme Court of the United States, if you want to kill the resolution the best way you can do it is to adopt this unnecessary amendment. I, for one, shall oppose its adoption; and I shall demand a roll call upon it if it is put on in the Committee of the Whole. I say vote this amendment down, and then let us vote for the resolution.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield? Mr. RANKIN. Yes.

Mr. O'CONNOR. I hope the gentleman does not lose sight of the fact that at the present time the Committee on Rules, and every committee, is limited to \$3,600 a year. If the Rules Committee conducts a similar investigation and, like the Senate, desires to retain counsel to act in the case in behalf of the House, we would be limited to \$3,600 a year, while the counsel for the Senate in similar proceedings would receive \$10,000.

Mr. RANKIN. And if the Rules Committee will come to the House and show a legitimate reason, we will give them what money they need and the Senate will concur without a dissenting vote.

Mr. AYERS. Mr. Chairman, will the gentleman yield? Mr. RANKIN. Yes.

Mr. AYERS. Is not the proposition right now, that we are studying a resolution on one particular phase of the

Mr. RANKIN. Yes.

Mr. AYERS. And now they are trying to make it a general law in the House.

Mr. RANKIN. Yes; they are trying to change the rules of the House of Representatives and give this one committee power that no committee ought to have. If the chairman of a committee making an investigation needs counsel, let him come to the floor of the House, as the gentleman from New York [Mr. SNELL] demanded the other day that I do, when we had such a proposition under consideration. The gentleman asked us to come back to the House and get authority if it became necessary to spend any money in conducting our investigation.

He was right. I agreed with that policy then and I agree with it now. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. Martin of Massachusetts) there were—ayes 48, noes 85. So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee will rise. Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MERRITT of New York, Chairman of the Committee of the Whole House on the state of the Union. reported that that Committee had had under consideration Senate Joint Resolution 234, and, pursuant to House Resolution 475, he reported the joint resolution back to the House with an amendment adopted in the Committee of the

The SPEAKER. Under the rule, the previous question is ordered. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question now recurs upon the third reading of the Senate joint resolution.

The question was taken; and the joint resolution was ordered to be read a third time, and was read the third time. The SPEAKER. The question is on agreeing to the resolution.

Mr. SNELL. Mr. Speaker, I demand the yeas and nays The yeas and nays were ordered.

The question was taken; and there were-yeas 137, navs 153, answered "present" 4, not voting 134, as follows:

[Roll No. 67] VEAS-137

	4.44	101	
Amlie	Duffy, N. Y.	Lewis, Colo.	Sadowski
Ayers	Duncan	Lewis, Md.	Sauthoff
Bankhead	Eckert	Luckey	Schneider, W
Barden	Eicher	Lundeen	Schulte
Biermann	Ellenbogen	McCormack	Scott
Binderup	Fletcher	McGehee	Sears
Boileau	Frey	McReynolds	Shannon
Boland	Gassaway	McSwain	Sisson
Brown, Ga.	Gehrmann	Mahon	Smith, Va.
Buck	Gillette	Mansfield	Smith, Wash.
Buckler, Minn.	Goldsborough	Marcantonio	South
Caldwell	Gray, Ind.	Martin, Colo.	Spence
Cannon, Mo.	Green	Maverick	Stefan
Cartwright	Greenwood	Mead	Sumners, Tex
Celler	Haines	Meeks	Sweeney
Chapman	Hancock, N. C.	Miller	Tarver
Citron	Hildebrandt	Moran	Taylor, Colo.
Colden	Hill, Ala.	Nelson	Thom
Colmer	Hill, Samuel B.	O'Connell	Thomason
Cooper, Tenn.	Hobbs	O'Connor	Turner
Costello	Hook	O'Malley	Umstead
	Huddleston	Patterson	Utterback
Cox Creal	Hull	Pearson	
	Jacobsen		Vinson, Ga.
Cross, Tex.		Peterson, Fla.	Vinson, Ky.
Crosser, Ohio	Johnson, Okla.		Wearin
Cummings	Johnson, Tex.	Ramsay	Weaver
Deen	Jones	Ramspeck	Whelchel
Dingell	Keller	Rankin	Whittington
Dobbins	Kloeb	Rayburn	Williams
Dorsey	Kniffin	Reilly	Wilson, La.
Doughton	Kvale	Richards	Wood
Doxey	Lambeth	Richardson	Zimmerman
Driscoll	Lanham	Robinson, Utah	
Driver	Lee, Okla.	Rogers, N. H.	
Duffey, Ohio	Lesinski	Ryan	

Knutson

	NA	YS-153
Andresen	Cole, Md.	Gambrill
Andrew, Mass.	Cole, N. Y.	Gearhart
Andrews, N. Y.	Cooper, Ohio	Gifford
Arends	Crawford	Gilchrist
Bacharach	Crowe	Goodwin
Barry	Crowther	Greenway
Beiter	Culkin	Greever
Blackney	Cullen	Griswold
Bland	Curley	Guyer
Blanton	Darrow	Gwynne
Bloom	Dempsey	Halleck
Bolton	Dirksen	Hancock, N. Y
Boylan	Ditter	Hartley
Brewster	Dockweiler	Hennings
Buchanan	Dondero	Hess
Burch	Drewry	Higgins, Conn
Burnham	Edmiston	Hoffman
Carlson	Ekwall	Holmes
Carpenter	Engel	Hope
Carter	Englebright	Houston
Casey	Evans	Johnson, W. V
Castellow	Fitzpatrick	Kahn
Chandler	Focht	Kennedy, Md.
Church	Ford, Miss.	Kenney
Clark Take	Thallow	Wingor

Fulmer

Kramer Lambertson Lamneck Lemke Lord Ludlow McClellan McGroarty McLeod Maas Main Mapes Marshall Martin, Mass. Martin, Mass. Mason May Merritt, Conn. Merritt, N. Y. Michener Millard Mitchell, Tenn. Mott Norton O'Leary O'Neal

fan nners, Tex.

neider. Wis.

Parsons	Rich	Snell	Tonry
Patton	Risk	Stack	Treadway
Peterson, Ga.	Robertson	Stubbs	Turpin
Pettengill	Robsion, Ky.	Sutphin	Walter
Peyser	Rogers, Mass.	Taber	Warren
Pittenger	Rogers, Okla.	Taylor, S. C.	Wilson, Pa.
Plumley	Russell	Taylor, Tenn.	Wolcott
Polk	Scrugham	Terry	Wolfenden
Powers	Secrest	Thompson	Wolverton
Rabaut	Seger	Thurston	Woodruff
Ransley	Shanley	Tinkham	
Reece	Short	Tobey	
Reed, N. Y.	Smith, W. Va.	Tolan	

NOT VOTING 194

ANSWERED "PRESENT"-4 Boehne Cochran Massingale Zioncheck

	TIOT II	DIIII IOI	
Adair	Dies	Jenckes, Ind.	Perkins
Allen	Dietrich	Jenkins, Ohio	Pfeifer
Ashbrook	Disney	Kee	Quinn
Bacon	Doutrich	Kelly	Randolph
Beam	Dunn, Miss.	Kennedy, N. Y.	Reed, Ill.
Bell	Dunn, Pa.	Kerr	Romjue
Berlin	Eagle	Kleberg	Sabath
Boykin	Eaton	Kocialkowski	Sanders, La.
Brennan	Faddis	Kopplemann	Sanders, Tex
Brooks	Farley	Larrabee	Sandlin
Brown, Mich.	Fenerty	Lea, Calif.	Schaefer
Buckbee	Ferguson	Lehlbach	Schuetz
Buckley, N. Y.	Fernandez	Lucas	Sirovich
Bulwinkle	Fiesinger	McAndrews	Smith, Conn
Burdick	Fish	McFarlane	Snyder, Pa.
Cannon, Wis.	Flannagan	McGrath	Somers, N. Y
Carmichael	Ford, Calif.	McKeough	Starnes
Cary	Gasque	McLaughlin	Steagall
Cavicchia	Gavagan	McMillan	Stewart
Christianson	Gildea	Maloney	Sullivan
Claiborne	Gingery	Mitchell, Ill.	Thomas
Clark, N. C.	Granfield	Monaghan	Wadsworth
Collins	Gray, Pa.	Montague	Wallgren
Connery	Gregory	Montet	Welch
Cooley	Hamlin	Moritz	Werner
Corning	Harlan	Murdock	West
Cravens	Hart	Nichols	White
Crosby	Harter	O'Brien	Wigglesworth
Daly	Healey	O'Day	Wilcox
Darden	Higgins, Mass.	Oliver	Withrow
Dear	Hill, Knute	Owen	Woodrum

Dickstein Imhoff So the Senate joint resolution was rejected. The Clerk announced the following pairs:

Hoeppel Hollister

On this vote: On this vote:

Mr. McFarlane (for) with Mr. Corning (against).

Mr. Withrow (for) with Mr. Stewart (against).

Mr. Gildea (for) with Mr. Wigglesworth (against).

Mr. Zioncheck (for) with Mr. Allen (against).

Mr. Massingale (for) with Mr. Boehne (against).

Mr. Patman (for) with Mr. Boehne (against).

Mr. Cochran (for) with Mr. Granfield (against).

Mr. Snyder of Pennsylvania (for) with Mr. Hollister (against).

Mr. Sonder of Pennsylvania (for) with Mr. Hollister (against).

Mr. Connery (for) with Mr. Jenkins of Ohio (against).

Mr. Knute Hill (for) with Mr. O'Brien (against).

Mr. Starnes (for) with Mr. Darden (against).

Mr. Flesinger (for) with Mr. Darden (against).

Mr. Eagle (for) with Mr. Bacon (against).

Mr. Crosby (for) with Mr. Sullivan (against).

Mr. Dunn of Mississippi (for) with Mr. Kleberg (against).

Mr. Murdock (for) with Mr. Larrabee (against).

Parks

Patman

Young

Delaney DeRouen

General pairs:

Mr. Sabath with Mr. Perkins.
Mr. Oliver with Mr. Reed of Illinois.
Mr. Steagall with Mr. Welch.
Mr. Gregory with Mr. Thomas.
Mr. Cary with Mr. Fish.
Mr. Bulwinkle with Mr. Eaton.
Mr. Fernandez with Mr. Christianson.
Mr. Maloney with Mr. Covichia.
Mr. Woodrum with Mr. Doutrich.
Mr. Cooley with Mr. Collins.
Mr. Kerr with Mr. Buckbee.
Mr. McMillan with Mr. Burdick.
Mr. Gavagan with Mr. Mitchell of Illinois.
Mr. Gasagan with Mr. Adair.
Mr. Nichols with Mr. Young.
Mr. Ford of California with Mr. Claiborne,
Mr. Sanders of Louisiana with Mr. Hart.
Mr. Beam with Mr. Gingery.
Mr. Palmisano with Mr. Bell.
Mr. Gray of Pennsylvania with Mr. Hamilin.
Mr. Parks with Mr. Flannagan.
Mr. Wilcox with Mr. Montet.
Mr. Wilcox with Mr. Montet.
Mr. Mr. Wite with Mr. Doar.
Mr. Lea of California with Mr. Sirovich.
Mr. Clark of North Carolina with Mr. Harter,
Mr. Cark of North Carolina with Mr. Berlin. General pairs:

Mr. Boykin with Mr. Pfeifer.
Mr. Imhoff with Mr. Romjue.
Mr. Kocialkowski with Mr. Daly.
Mr. Kecugh with Mr. Faddis.
Mr. Werner with Mr. Faddis.
Mr. Disney with Mr. Somers of New York.
Mr. Lucas with Mr. Kee.
Mr. Ferguson with Mr. Delaney.
Mr. McLaughlin with Mr. Smith of Connecticut.
Mr. Kelly with Mr. Quinn.
Mr. DeRouen with Mr. Brennan.
Mr. Carmichael with Mr. Randolph.
Mr. Dickstein with Mr. Sandlin.
Mr. Kennedy of New York with Mr. Dies.
Mr. Schuetz with Mr. Healey.
Mr. Brooks with Mr. Montague.
Mr. Dietrich with Mr. West.
Mr. Wallgren with Mr. Monaghan.
Mr. Brown of Michigan with Mr. Ashbrook.
Mr. Buckley of New York with Mr. Cannon of Wisconsin.
Mr. Kopplemann with Mrs. Jenckes of Indiana.
Mr. Moritz with Mr. Higgins of Massachusetts.
Mr. LUDLOW changed his vote from "ave" to "nav.

Mr. LUDLOW changed his vote from "aye" to "nay."

Mr. LESINSKI changed his vote from "nay" to " aye."

Mr. ZIONCHECK. Mr. Speaker, I had a pair with the gentleman from Illinois, Mr. Allen. I voted "aye" on the passage of the resolution. I wish to withdraw that vote and answer "present."

Mr. WHITE. Mr. Speaker, I desire to vote "aye."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. WHITE. I was not.

The SPEAKER. The gentleman does not qualify.

Mr. MASSINGALE. Mr. Speaker, I am paired with the gentleman from New York, Mr. Wapsworth. I was not here when the last roll call was made. If the gentleman from New York was not present, I ask to withdraw my vote on this resolution.

The SPEAKER. The Chair is informed that the gentleman from New York, Mr. Wadsworth, did not vote.

Mr. MASSINGALE. Then I ask to withdraw my vote of "aye" and answer "present."

Mr. MURDOCK. Mr. Speaker, I desire to vote "aye."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. MURDOCK. I was not.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

Mr. FULLER. Mr. Speaker, I move to reconsider the vote by which the Senate joint resolution was rejected and lay that on the table

The motion was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. LEE of Oklahoma. Mr. Speaker, I ask unanimous consent that on Monday next, after the reading of the Journal and the conclusion of business on the Speaker's table, I may have permission to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CHAIRMAN OF THE COMMITTEE ON INVALID PENSIONS

Mr. DOUGHTON. Mr. Speaker, I offer a resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 488

Resolved, That John Lesinski, of Michigan, be, and he is hereby, elected chairman of the standing Committee of the House of Representatives on Invalid Pensions.

The resolution was agreed to.

THE UPRIGHT JUDGE-OLIVER WENDELL HOLMES

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my own remarks on the late Associate Justice Oliver Wendell Holmes, and to include brief extracts from remarks I made concerning him on this floor, and remarks made yesterday by the gentleman from Texas [Mr. Sumners] before the Senate.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. McSWAIN. Mr. Speaker, long before election to Congress in 1920 I had been an ardent admirer of Oliver Wendell Holmes from a distance. As a young lawyer I had carefully read, 25 years ago, his philosophic book entitled "The Common Law." In the same spirit I had read the Lives of the Lord Chancellors of England and the Lives of the Lord Chief Justices of England, by Lord Campbell. It was then I first learned of the rules of conduct laid down by Sir Matthew Hale to govern his conduct as a judge.

I think the best preparation for a judgeship is to read and comprehend the lives of great judges. Sir Matthew Hale, Chief Justice of England, was great not alone in intellect, but he was greater still in character. The wife of John Bunyan, then imprisoned in Bedford jail, appeared before the court of which Judge Hale was a member, and she asked that her husband be released from jail. Under the law as it then was Bunyan was detained by order of the King, as there was no right of release under the writ of habeas corpus from such order of detention; the court could not release the good man John Bunyan, but Judge Hale expressed great sympathy for the poor woman and regretted that he had no power to grant necessary relief.

Mr. Speaker, I never became an intimate of Justice Oliver Wendell Holmes. I never met him but one time, and that was while the celebration of the one hundredth anniversary of the opening of the Cumberland Canal up Potomac River was being held. I introduced myself to him out on the bank of the canal, and we had a very delightful conversation. He was as simple, natural, and unassuming, and as practical as any farmer or businessman. All truly great men are marked by genuine simplicity. My admiration was then intensified into love, and I am as ardently attached to his memory as I was to him before he passed from this earth. I admired his intellect, I greatly respected his public service, I reverenced his judicial qualities, but I loved his character.

BIRTHDAY OF JUSTICE HOLMES

For many years, I spoke upon the floor upon March 8, which was his birthday, about Justice Holmes. I find by reference to the Congressional Record that I thus addressed the House in March 1925, as will appear upon page 5161 of the Congressional Record. At that time I used in part the following language concerning Justice Holmes:

It is fitting, though at first blush incongruous, that a son of South Carolina and a son and a grandson and near relative of Confederate soldiers should go out of his way to utter words of commendation for a son of Massachusetts, who served in the Union Armies throughout the entire war period of '61 and '65, and was wounded at Ball's Bluff, Antietam, and Fredericksburg. The passions of that time have passed. The prejudices growing out of that conflict have practically all gone. The sons and grandsons of those engaged in that civil strife have since joined their efforts, mingled their joys and hardships, commingled their blood, and consecrated their lives in two great wars for the common country.

But I am especially persuaded to speak of Mr. Justice Holmes, because it seems to me that his services as a member of the Supreme Court have been conspicuously devoted to the preservation of the old original and true ideals of our confederated Republic. These efforts have been directed to maintaining unimpaired the powers and duties of the States to govern their own people by such laws as shall seem to the majority of the people of the respective States best calculated to promote their respective social, economic, and moral well-being. Mr. Justice Holmes has stood for those principles of State autonomy popularly described by the words "State rights." He has had the vision to understand the philosophy back of our dual system of government. He has understood that there was and is a profound reason for a sharp line of division between the powers of the Federal Government and those of the several States. He can truthfully maintain that he offered his young life and gave much of his youthful strength and energy and some of his blood to preserve the Union indissoluble. In like manner he can truthfully declare that the mature and ripened judgment of his manhood has been devoted, wherever the opportunity of the cases coming before the Court offered to preserve with vigor and energy the States of the Union as indestructible foundations upon which the whole Federal superstructure must rest and without which the same superstructure must fall.

Whether we contemplate Mr. Justice Holmes as the product of a home of great culture and character as a sign of one whose name

will live in the hearts of men so long as the English language survives, or as the student of America's oldest and most powerful educational institution, or as the young soldier winning promotion after promotion by his own bravery and performances of duty and rising grade by grade from second lieutenant to colonel, or as the wise counselor and clean advocate at the bar, or as the learned and inspiring teacher of law students, or as the justice or chief justice of the highest court in Massachusetts, or as an Associate Justice of the great tribunal that commands the respect of this Nation and the admiration of the whole world, we are made to marvel at his achievements and to stand with reverence in contemplation of his character and intellectual accomplishments.

THE QUALITY OF A GREAT JUDGE

Again on March 8, 1926, on page 5222 of the Congressional Record, I addressed the House on the subject of Mr. Justice Holmes

Again on March 8, 1928, on page 4343 of the Congressional Record, I spoke with reference to Mr. Justice Holmes, and used, in part, the following language:

I rejoice to bear testimony as a South Carolinian to the magnificent public services of this distinguished son of Massachusetts. The example of Mr. Justice Holmes illustrates the obvious truth that you cannot fix an arbitrary point in the life of the individual when his usefulness shall end. Both the Army and the Navy have an arbitrary age of 64 fixed by a statute for the retirement of their officers. Some men are younger at 64 than others are at 54, and yet some men are older at 64 than others are at 74. If a man has been temperate in his habits, if his emotions have not from time to time overwhelmed him, it is entirely reasonable to expect from him useful service after he passes the age of 64.

him useful service after he passes the age of 64.

For this reason I have advocated the repeal of the existing law requiring Army and naval officers to retire at 64, and have urged instead the enactment of a provision requiring all officers above 60 years of age to appear annually before a medical board for thorough and careful examination as to their physical and mental strength. If deterioration be found, then let the board recommend retirement. But if the officer be found vigorous and hale, physically and mentally, let him continue to serve the Government just so long as he is able to render full service. Surely wisdom and knowledge come with experience. Certainly calmness and understanding should accompany age. Surely both the Army and the Navy need a certain percentage of the officer personnel composed of men of well-balanced judgment, of seasoned understanding, and of ripened wisdom.

standing, and of ripened wisdom.

Furthermore, it will be better for the officer himself. If he loves his profession he will be saddened by being separated from the service, if he be still in sound health and sufficient strength. Too old to take up a new business or profession, he must drag out a discontented existence of idleness. If Marshal Foch had been retired at 64 he never would have commanded 5,000,000 men on the western front. If Marshal Von Hindenburg had been retired at 64 he would never have driven the Russian armies into the Masurian Lakes, and he never would have held, in 1917 and until November 11, 1918, his western lines against the almost irresistible onrushing of allied soldiery.

But to return to Mr. Justice Holmes. I call attention to the

But to return to Mr. Justice Holmes. I call attention to the fact that his case demonstrates that age and experience do not necessarily bring on a reactionary and ultraconservative attitude of mind. His decisions show the greatest degree of mental hospitality. His mind is receptive to new ideas and to the impulses of progress. It is remarkable how often Mr. Justice Holmes concurs in some separate opinion by Mr. Justice Brandeis and how often Mr. Justice Brandeis adopts the opinion of Mr. Justice Holmes as his own.

It will be recalled that when Mr. Justice Brandeis was nominated for the Supreme Court he was attacked by certain groups as so progressive as to be almost radical; he was regarded as so forward-looking that he never looked back. Since the Anglo-Saxon system of jurisprudence is based upon precedent, it is necessary that a judge should be looking backward most of the time. But it is well that any judge should look forward half the time at least. He must look backward to study the trend and tendency of decisions, to catch the current of opinion, and to discern the underlying philosophy of the law. But having done this much he should turn his eye to the future, and, following the course and direction set by the backward glance, should shape decisions and opinions to fit facts and conditions and circumstances as they are about us and as they certainly will be about us in the immediate future.

A PHILOSOPHIC JUDGE

Again on March 7, 1930, at page 4989 of the Congressional Record, I spoke concerning the life and services of Mr. Justice Holmes, and used in part the following language:

By this test Mr. Justice Holmes is a philosopher. Such a philosopher must understand history, not the history merely of a period nor of one nation, nor of a race only, but all history. Such knowledge drives out dogmatism; such knowledge sets the mind free; such knowledge reflects itself in the living and the thinking of a man. Every human being is to a limited extent a philosopher, and certainly sufficiently to recognize another person who possesses philosophy to a preeminent degree. For this rea-

son all classes, educated and uneducated, rich and poor, socially prominent and socially obscure, recognize that Mr. Justice Holmes is in the highest and truest sense a philosopher. They believe that no extraneous dust interferes with his judicial eyes; they feel that justice is safe in his hands. They have had repeated proofs of his toleration and broadmindedness.

proofs of his toleration and broadmindedness.

They know that he believes in freedom—freedom of speech, freedom of action, freedom of competition, freedom for individual development. They know that he has the strength and courage to defend freedom of speech, even when he does not agree with the opinions uttered by the speaker. Our people may not all know what Voltaire said when he wrote, "I do not agree with what you say, but I would give my life to protect your right to say it", but in the heart of every free man this sentiment lies implicit and rises to respond to its every utterance.

Mr. Justice Holmes certainly comprehends the true philosophy of the American Federal system. He is a genuine defender of the

Mr. Justice Holmes certainly comprehends the true philosophy of the American Federal system. He is a genuine defender of the Anglo-Saxon doctrine of local self-government. The preservation of that doctrine as applied to the practical administration of government is essential to the perpetuity of free America. Consequently we find Mr. Justice Holmes insisting that the fourteenth amendment should not be used to shut off the right of experimentation in legislative matter in the several States. Wisely he insists that each State must be permitted to determine its own policies as to domestic matters. Though one or more or many of the States may enact internal legislation repugnant to their individual conception of what is best, he refuses to exercise his power as a part of the Supreme Court of the United States to deny the right of the several States to adopt governmental practices, novel and unusual, and perhaps radical, though they are.

TWO KINDS OF JUDGES

Again on page 4991 of the Congressional Record you will find that I used the following language:

These are two classes of judges; the first made up of the states-man-lawyer type, who takes a broad and liberal view of his obliga-tions, not only as to the litigants in the case before the court but also to society generally, and especially to future generations. John Marshall was an outstanding example of this type of judge. Fortu-nately for our Nation, we have had many such judges on our State supreme courts and on the United States Supreme Court. Outstanding among all such is Mr. Justice Holmes. He does not Outstanding among all such is Mr. Justice Holmes. He does not regard the Constitution as a strait jacket, setting up a multitude of inhibitions to prevent States and the Federal Government from

of inhibitions to prevent States and the Federal Government from discharging obligations to the day and generation in which we live. The other group of judges may be described generally as mere lawyer type. With ample knowledge of the doctrines and decisions of the law, with highly trained and discriminating minds, they never exactly get out of the habit of advocacy. It is so natural to form a conclusion of how a case ought to be decided and then to bend all energies by searching the face of the earth for decisions and commentaries to establish the particular thesis prematurely arrived at. These judges are just as honest and just as patriotic as the first class mentioned, but, not possessing the true philosophical spirit, they cannot throw off the restraints of intellectual habits and cannot forget the impressions acquired during a long, successful practice.

But we need more judges of the type first mentioned on both our State supreme courts and the United States Supreme Court. State constitutions and the Federal Constitution ought to be construed in the light of common sense and with the understanding that their makers used general language wherever possible, and where particular language was used they generally intended that such particular language should have a general interpretation so that such constitutions may continue as a framework of government from one generation to another and be so elastic as to meet the changing conditions of society and to apply to the changing instrumentalities of economical life.

Mr. Speaker, it is a liberal education for anyone to follow the judicial career of Mr. Justice Holmes. He was a great seeker after truth. It is even said that he was a liberal. If he was, it was because he lived to exemplify what Jesus of Nazareth meant when he said, "Ye shall know the truth, and the truth shall make you free." A liberal is one who is free from the restraints of tradition, of prejudice, of false ideals, and of self-interest. One who seeks the truth and follows the truth, when found, is a "liberal." I especially call attention to that compilation of the dissenting opinions of Mr. Justice Holmes, collected and arranged by Alfred Lief and published by the Vanguard Press, of New York. The soundness of the legal philosophy of Mr. Justice Holmes rings in his dissents as much as it does in the decisions where he voiced the views of the majority of the Court.

IMPEACHMENT OF JUDGES

Mr. Speaker, the office of judge is the greatest office with which a human being may be vested. The office of President is a truly great office, but circumscribed in jurisdiction and limited as to time of tenure. The same is true of a Senator and of a Representative in the Congress of the United States. But a Federal judge, appointed for life, or,

at least, during good behavior, possesses a power and prestige and an opportunity to render service to his fellow men of all ranks and stations of life, unmatched by any other office. The Honorable Hatton W. Sumners, chairman of the Judiciary Committee of the House of Representatives, in addressing the Senate of the United States, sitting as a Court of Impeachment in the trial of Federal Judge Ritter, of Florida, offered some grand thoughts in his address on April 14, 1936, found at page 5469 of the Congressional Record, and in order to emphasize these marvelous views, so aptly and lucidly expressed, I am quoting them at this point:

The respondent must be protected against those who would make him afraid. But we take the position that when a judge on the bench, by his own conduct, does that which makes an ordi-

The respondent must be protected against those who would make him afraid. But we take the position that when a judge on the bench, by his own conduct, does that which makes an ordinary person doubt his integrity, doubt whether his court is a fair place to go, doubt whether he, that ordinary person, will get a square deal there; doubt whether the judge will be influenced by something other than the sworn testimony, that judge must go. This august body writes the code of judicial ethics. This Court fixes the standard of permissible judicial conduct. It will not be, it cannot be, that someone on the street corner will destroy the confidence of the American people in the courts of this country. That cannot happen if the courts are kept clean. If confidence in the courts of this country is destroyed, it is going to be destroyed from within by the judges themselves. I declare to you, standing in my place of responsibility, that that is one thing which neither the House nor the Senate can permit to be tampered with or which they can be easy about.

Now let us see what are the facts in this case. We are sorry to go into a case like this. It is not a pleasant matter to stand here and ask that an incumbent of the Federal bench be separated from his responsibilities. The Government has been very good to this respondent a position for life, subject to but one condition. He does not have to undertake any campaign. When he grows old he continues to draw his salary. What does the Government ask? It imposes just one condition, and that is that the judge shall behave himself, that his conduct shall be good. Is that too much to ask? Destroy the confidence of the people in those who occupy judicial positions, and you destroy the confidence of the people in the courts. That is a high crime.

He takes "the veil"; he cuts himself loose. That is the plan of the Constitution; it is the plan and the philosophy of any government of a free people. He does not have to bother about his income. His office, his place of business, his help, e

In my address to the John Randolph Neal College of Law, Knoxville, Tenn., January 8, 1936, and inserted in the Con-GRESSIONAL RECORD, January 13, 1936, I used this language as to our Federal Constitution, considered as a "living, growing organism":

TALK OF AMENDMENT IS NOT TREASON

TALK OF AMENDMENT IS NOT TREASON

To talk of amending the Constitution by no means implies irreverence for that great instrument, nor for its great framers. It is true they themselves doubted the adoption and the permanency of their proposal. Fortunately, as often happens in human affairs, "they builded better than they knew." Amendment is the very life principle of the Constitution. It was itself an amendment to, in the form of a substitution for, the Articles of Confederacy. The Declaration of Independence had said, among other things, that "when any government becomes destructive of these ends (life, liberty, and the pursuit of happiness) it is the right, it is the duty, of the people to after or to abolish it, and to institute in its stead a new government."

Edmond Randolph, of Virginia, author of the Virginia plan, said: "Provision ought to be made for the amendment of the Articles of Union." Charles Pinckney, of South Carolina, credited by many as being the originator of the peculiar idea of dual sovereignty over the same people at the same time, had a provision for amendment in his plan.

George Mason, of Virginia, author of the first Bill of Rights, said:

George Mason, of Virginia, author of the first Bill of Rights, said: "Amendments will be necessary, and it will be better to provide for them in an easy, regular, and constitutional way than to trust to chance and violence." In this sentiment Edmond Randolph

concurred.

James Madison, commonly called the Father of the Constitution, in the Federalist, No. 41, said: "It is in vain to oppose constitutional barriers to the impulse of self-preservation", and again James Madison, in the Federalist, No. 43, said: "Useful alterations will be suggested by experience that could not be foreseen."

George Washington in his Farewell Address of September 17, 1796, said: "The basis of our political system is the right of the people to make and to alter their Constitution which at any time exists;

until change by an explicit and authentic act of the whole people, it is sacredly obligatory upon all." Again Washington in speaking of the benefits of the new system of government which he was commending with fatherly solicitude to his fellow citizens and

their posterity, called attention to the fact that the Constitution contains "within itself a provision for its own amendment."

Thomas Jefferson in a letter written September 7, 1803, said: "Our peculiar security is in the possession of a written Constitution. Let us not make it a blank paper by construction."

The courts and, therefore, judges, are absolutely necessary, because even honest disputes are inevitable. Again I quote from my remarks, printed in Congressional Record of January 13, 1936, as follows:

All lawsuits must be finally decided by somebody. Even athletic contests, sports, and games require umpires. In a baseball game, where the ball reaches the home plate when the forced runner is halfway between bases, no one questions that he is out, and in such case no umpire is necessary. All players on both sides readily acquiesce in the obvious result. But where the runner is sliding to the home plate just as the ball reaches the hands of the catcher, and where movements are so quick that it is difficult for the other players to do their duty, and yet decide the question of out or safe. and where movements are so quick that it is difficult for the other players to do their duty, and yet decide the question of out or safe, then the function of the umpire begins, and his decision, right or wrong, must stand. He must be assumed to be honest, conscientious, and competent. It is the same way with the courts. They umpire all cases, and nobody questions the rightness of their decisions except in a few border-line cases.

Again I quote from my remarks of January 13, 1936, as follows:

GOVERNMENT MUST REFLECT NEEDS AND WISHES OF THE PEOPLE

That any government in these modern times must ultimately respond to the demands of people is testified to by Elihu Root,

respond to the demands of people is testified to by Elihu Root, speaking in 1906, as follows:

"The governmental control which they (the people) deem just and necessary they will have. It may be that such control would better be exercised in particular instances by the governments of the States, but the people will have the control they need either from the States or from the National Government; and if the States fail to furnish it in due measure, sooner or later constructions of the Constitution will be found to vest the power where it will be exercised—in the National Government. The true and only way to preserve State authority is to be found in the awakened conscience of the States, their broadened views and higher standard of responsibility to the general public; in effective legislation by the States in conformity to the general moral sense of the country; and in the vigorous exercise for the general public good of that State authority which is to be preserved."

ard of responsibility to the general public; in effective legislation by the States in conformity to the general moral sense of the country; and in the vigorous exercise for the general public good of that State authority which is to be preserved."

But until the great change is made to conform to the solemn will of the people, I feel we should heed the warning of John Fiske, who wrote in The Critical Period of American History, published nearly 50 years ago, as follows:

"If the day should ever arrive (which God forbid) when the people of the different parts of our country shall allow their local affairs to be administered by prefects sent from Washington, and when the self-government of the States shall have been so far lost as that of the Departments of France, or even so far as that of the counties of England—on that day the progressive political career of the American people will have come to an end, and the hopes that have been built upon it for the future happiness and prosperity of mankind will be wrecked forever."

But above the bony structure of the human body, above flesh and blood, even above nerve and nerve centers, is the spirit of man. Nations have something analogous to the individual spirit. It must be the composite of all the spiritual forces of a people. It is difficult to define in words this spirit of a nation. Of course, it is many-sided and multiform. But I think Julian Hawthorne expressed it well, writing in the introduction of his History of the United States in 1898, as follows:

"In these volumes I have taken the view that the American Nation is the embodiment and vehicle of a divine purpose to emancipate and enlighten the human race. Man is entering upon a new career of spiritual freedom; he is to enjoy a hitherto unprecedented condition of political, social, and moral liberty, as distinguished from license, which in truth is slavery. The stage for this grand evolution was fixed in the Western Continent, and the ploneers who went thither were inspired with the desire to escape from t that any given individual is unconscious of the spirit that moves within him, for it is the way of that spirit to subordinate its manifestations to its ends, knowing the frailty of humanity. But it is there, and its gradual and cumulative results are seen in the retrospect, and it may perhaps be divined as to the outline of some of its future developments.

Some sort of recognition of the American idea and of the American destiny affords the only proper ground for American patriotism.

We talk of the size of our country, of its wealth and prosperity, of its physical power, of its enlightenment; but if these things be all that we have to be proud of we have little. They are in truth but outward signs of a far more precious possession within. We are the pioneers of the new day or we are nothing worth talking about. We are at the threshold of our career. Our record thus far is full of faults and presents not a few deformities due to our human frailties and limitations, but our general direction has been onward and upward.

and upward.

The poet epitomizes the whole idea in a few words:

"America hath a mission all her own, to preach and practice before the world the dignity and divinity of man, the glorious claims of human brotherhood, and the soul's allegiance to none but God."

EXTENSION OF REMARKS

Mr. MILLER. Mr. Speaker, I ask unanimous consent that all Members who spoke on the Senate joint resolution and the rule may have 5 legislative days within which to revise and extend their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

RENT COMMISSION FOR THE DISTRICT OF COLUMBIA

Mr. O'CONNOR, from the Committee on Rules, submitted the following resolution (H. Res. 489, Rept. No. 2414), for printing in the RECORD:

House Resolution 489

House Resolution 489

Resolved, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11563, a bill "declaring an emergency in the housing condition in the District of Columbia; creating a rent commission for the District of Columbia; prescribing powers and duties of the commission, and for other purposes", and all points of order against said bill are hereby waived. General debate on said bill shall be considered as closed, and the bill shall be considered as having been read the second time. Amendments may be offered to any section of the bill, but debate under the 5-minute rule shall be closed within one hour and a half. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. mit with or without instructions.

PERMISSION TO ADDRESS THE HOUSE

Mr. LORD. Mr. Speaker, I ask unanimous consent that on tomorrow morning, after the reading of the Journal, disposition of matters on the Speaker's table, and the special order, that I may address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as

To Mr. Dunn of Pennsylvania, for a few days, on account of illness.

To Mr. Boykin (at the request of Mr. Hill of Alabama), indefinitely, on account of important business.

To Mr. Mott, until April 16, on account of absence from the

IRELAND'S CONTRIBUTION TO AMERICA

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and insert therein a speech made by a former Congressman recently in the city of Scranton.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BOLAND. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of His Excellency James M. Curley, Governor of Massachusetts, at a banquet of the Irish-American Association of Lackawanna County, Hotel Casey, Scranton, Pa., March 17, 1936:

The poet priest of the Southland, Father Ryan, spoke with a voice of prophecy when he wrote the poem—

"A LAND WITHOUT RUINS

"A land without ruins is a land without memoriesout memories is a land without history. A land that wears a laurel crown may be fair to see; but twine a few sad cypress leaves

around the brow of any land, and be that land barren, beautiless, and bleak, it becomes lovely in its consecrated coronet of sorrow, and it wins the sympathy of the heart and of history. Crowns of roses fade, crowns of thorns endure; Calvaries and crucifixions take deepest hold of humanity, the triumphs of might are transient, they pass and are forgotten, the sufferings of right are graven deepest on the chronicle of nations.

"Yes, give me the land where the ruins are spread And the living tread light on the hearts of the dead; Yes, give me a land that is blest by the dust, And bright with the deeds of the downtrodden just.

"Yes, give me the land where the battle's red blast, Has flashed to the future the fame of the past; Yes, give me the land that hath legends and lays. That tell of the memories of long vanished days; Yes, give me the land that hath story and song, Enshrine the strife of the right with the wrong.

"Yes, give me a land with a grave in each spot,
And names in the graves that shall not be forgot;
Yes, give me the land of the wreck and the tomb,
There is grandeur in graves—there is glory in gloom;
For out of the gloom future brightness is born,
As after the night comes the sunrise of morn;
And the graves of the dead with the grass overgrown
May yet form the footstool of liberty's throne,
And each single wreck in the war path of might
Shall yet be a rock in the temple of right."

The futility of persecution and oppression is perhaps more abundantly proved in the case of Ireland and its people than in the case of any other country or people in the history of the world. Notwithstanding a program of savagery that would shame the wild Indian of the western plain of early days, the people of Ireland have remained faithful to the teaching of St. Patrick and loyal to the principles of liberty. No darker page has ever been written in the history of the world than that which was written by Oliver Cromwell, whose sole purpose apparently was the extermination of the Irish race. The atrocious and horrible character of his infamy is forcibly brought home to a traveler who has occasion to visit the island of Haiti. With a view to the destruction of the race, Cromwell shipped 50,000 boys and girls destruction of the race, Cromwell shipped 50,000 boys and girls between the ages of 12 and 18 to the island of Haiti. Those who survived the voyage and the climate were required in the course

survived the voyage and the climate were required in the course of time to marry Negroes, constituting the population of Haiti, and a visitor even at the present day will find Negroes with skin as black as any African Negro speaking with a brogue and bearing the names Murphy, O'Brien, McCarthy, and Sullivan, and other names prominent among persons of Irish extraction.

Not content with persecution of such atrocious character as to put to shame either Nero or Herod, the Irish people were subjected to engineered famines, with the result that a population at one time in excess of 12,000,000 is today less than 3,000,000. The singular feature has been that regardless of persecution or oppression, nearly every generation has contributed to the list of martyrs and every decade has produced its group of intellectuals, not swash-bucklers, but courageous, gallant men who, like their forebears, were not afraid to die in the sacred name of liberty and for the honor and glory of the land of their fathers. The list is exceedhonor and glory of the land of their fathers. The list is exceedingly large, but on an occasion of this character we would be remiss in an obligation and duty if we failed to direct attention to those who have made luminous the pages of Ireland's history, preserving by their courage and leadership, faith, and principle.

We have Rory O'Moore, 1576, and in 1641 his namesake, Roger O'Moore; and 1778 Henry Grattan, in 1798 the valiant Wolfe Tone, and 1803 the martyred Robert Emmett, followed by that great leader through whose genius, without the firing of a shot, Catholic emancipation was secured for the people of Ireland—Daniel O'Connell; the brilliant John Mitchell in 1848, and the talented James Stewart in 1865, the mailtread was recovered for the people of Ireland—Daniel O'Connell; the brilliant John Mitchell in 1848, and the talented James Stewart in 1865, the mailtread was recovered for the people of Ireland—Daniel O'Connell; the Daniel O'Connell; the Daniel O'Connell of the Post of

nell; the brilliant John Mitchell in 1848, and the talented James Stevens in 1865; the parliamentary genius, Charles Stewart Parnell, in 1881, and the more recent martyrs to Irish independence on Easter Sunday in 1916—Shoeby Skeffington, Thomas McDonough, Patrick Pearce, James Connelly, Sir Roger Casement, and others. The persecution and oppression and war of extermination against Ireland by the British Empire has been the most potential factor to the development of liberty and free government in the world. The wild-geese followers of Sarsfield scattered throughout the world by a decree of Cromwell shed luster and made luminous the pages of the history of every land which they graced with their presence and their sword. Every pledge and every promise made to the Irish people through seven centuries of control by Great Britain has been callously violated.

When the American Revolution broke out the restrictions upon Ireland were removed and Grattan, at the head of 80,000 men in

When the American Revolution broke out the restrictions upon Ireland were removed and Grattan, at the head of 80,000 men in open revolt, was lulled into the belief that Ireland's wrongs were to be righted, but, the war over, witnessed the return of the jailer and the enactment of laws even more oppressive than those which formerly existed. During the Napoleonic wars Ireland was again promised home rule, and permitted to enlist to save the Empire, and at Waterloo the Iron Duke of Wellington, an Irishman, defeated Napoleon, and again the Irish were rewarded by the restoration of the shackles and return to their accustomed place—Ireland.

Yes; from Waterloo to the Crimean Peninsula; from the cotton bales of New Orleans under the Irish Andrew Jackson; from Cedar Creek, under the Irishman Sheridan, to the field of Appomattox, under Grant; from Kjartoum to Pekin; from India to South Africa; from the dust of the unnumbered dead there arises like incense a demand for the absolute independence of Ireland.

There were many Americans of Irish extraction who were loud in

their condemnation and protest of the insurrection in Dublin in 1916, but personally I do not believe there was justification for protest upon the part of any right-thinking American, since the insurrection in Dublin in 1916 did not differ either in purpose or principle from the insurrection in America on April 19, 1775, and

principle from the insurrection in America on April 19, 1775, and men with Irish blood in their veins might well hold their heads in shame were it not for the fidelity and the courage of the group of intellectuals responsible for the revolt of 1916, which compelled the granting by the British Government of the autonomous form of government now enjoyed by Ireland.

It has been my privilege recently to visit Ireland for the first time and to marvel at the progress that has been made in a short period of 15 years. The one- and two-room houses are disappearing, giving way to modern, healthful places of habitation, and more schoolhouses have been erected in 15 years under the Free State Government than during the seven centuries of British misrule. The men constituting the Dail in Ireland are the equal if not the peers in intelligence of any legislative group to be found in the peers in intelligence of any legislative group to be found in the world. They are sincere, unselfish, patriotic, devoting time, energy, and talent to the welfare of the people and the land which they have been chosen to govern. They are making genuine progress and are still idealists.

and are still idealists.

We have been accustomed to regard Ireland in the past as the land of saints and of scholars. Perhaps a little might be said of the artistic side of the race. It has been my privilege to visit both Trinity College and Dublin Museum and to gaze upon the Book of Kells, the most beautiful example of book illuminating ever produced in the history of the world, and produced eight centuries before the Pilgrims landed at Plymouth Rock. To gaze upon the chalice of Ardagh, the cross of Clon Mac Noise, and the Bell of Patrick, the most wonderful examples of the art of the silversmith ever produced, and turned out in the seventh century. Yes, when the rest of the world was wandering down a blind alley in despair, Ireland was keeping alive the torch of Christianity, and civilization and culture of which we in America have been the beneficiaries.

The constructive character of Ireland's contribution to Amer-

The constructive character of Ireland's contribution to Amerthe constructive character of freights contribution to America's progress and prosperity has unquestionably been greater than that of any other race, but unfortunately, too little attention has been given this phase of Irish progress, and too much attention has been bestowed upon other phases.

We have been prone to take such pride in the martial achievements of the Irish as to cause the impression to become deepments of the Irish as to cause the impression to become deep-

rooted that in their prowess as a fighting people alone have they been of value. It is not my purpose to detract from the tremendous contribution to American history by gallant men of Irish blood, but, if possible, to clear the atmosphere of the impression blood, but, if possible, to clear the atmosphere of the impression that they have been purely a one-sided people. As soldiers, statesmen, poets, inventors, and orators they have been a contributing factor to human progress. As soldiers, even prior to the conception of liberty in the Colonies, they had achieved fame, and it is pleasing for us, in the month which marks the anniversary of Ireland's patron saint, to assemble as American citizens of Irish blood and rejoice in those achievements which make luminous the pages of the Republic's history.

It is gratifying to know that the ember igniting liberty's torch emanated from that distinguished Irishman, whose fiery utterances furnished the text which resulted in the Republic's birth, when, as a member of the Virginia House of Burgesses, those prophetic

as a member of the Virginia House of Burgesses, those prophetic words were uttered, "As for me, give me liberty or give me death",

as a member of the Virginia House of Burgesses, those prophetic words were uttered, "As for me, give me liberty or give me death", Patrick Henry.

The evacuation of Boston by the British and armed resistance at Bunker Hill was in a large measure due to the ammunition and arms secured through the daring of Capt. John Sullivan in consequence of the capture of Fort William and Mary, December 11, 1774, more than 4 months before the shot was fired at Lexington and "heard 'round the world."

As Americans of Irish blood visiting our northern neighbor, Canada, it is most interesting to gaze at those rugged heights, rising almost perpendicularly from the St. Lawrence, and there find inserted a bronze tablet sacred to the memory of the first general who died in the struggle for liberty, and but for whose untimely death, in all probability, Canada would today be under the American flag, General Montgomery.

Ships were necessary to combat the mighty power of England, and it remained for Michael O'Brien, of Machias, Maine, with his six sons, to capture an English convoy, and, in return for their signal act of gallantry, for the Continental Congress to christen the first ship of the American Navy Liberty and the second ship Hibernia, the first in command of Jack O'Brien, the second in command of his brother, Jerry O'Brien, and the Navy in command of that dauntless hero, whose service to America has only recently received due recognition at the Capitol in Washington, the first commodore of the American Navy, John Barry.

It is pleasing to us as men of Irish blood, proud of our American citizenship, to know that the great Father of his Country, Gen. George Washington, on the eve of St. Patrick's Day, 1776, placed in command of the Continental forces at Dorchester Heights Gen. John Sullivan, and the password on that memorable occasion which marked the departure of vested British tyranny and oppression from these shores was "St. Patrick."

It is refreshing to recall that when the army of Washington encamped at Valley Forge in th

It is refreshing to recall that when the army of Washington encamped at Valley Forge in the dread winter of 1778, after surviving reverse after reverse for a period of nearly 2 years, when,

as historians tell us, the trail of the army could be traced for hundreds of miles by the blood left on the snow and ice by those who had neither shoes nor stockings; when rumors of desertion were rife, and when the cause of liberty was apparently to be lost, an assemblage of Irishmen in Philadelphia raised the princely sum of \$515,000 that the war might continue; that the troops might be supplied with food, raiment, shelter, and munitions of war, and that the gloom of a Valley Forge might be dispelled by the radiant suppurst of a triumphant victory at Yorktown and

war, and that the gloom of a Valley Forge might be dispelled by the radiant sunburst of a triumphant victory at Yorktown and the liberty of the American people assured for all time.

Much stress has been laid for nearly a century upon the contribution of the French people to American liberty, and it was, indeed, a tremendous contribution, and one worthy of a great people, but let it not be forgotten that the Irish regiments in the service of France pleaded that they might be selected, because of a hereditary hatred of the English, to serve under Washington, and that prominent among the regiments were the regiment de Dillon, the regiment de Walsh, and the regiment de Lacey, made up wholly of the descendants of that Spartan-like band known as the wild geese, who, rather than serve under the conquering Cromwell, took service under the colors of France.

The most courageous document ever known in the world's his-

conquering Cromwell, took service under the colors of France.

The most courageous document ever known in the world's history was the Declaration of Independence, and it is pleasing for us to know that Charles Thompson, an Irishman, was secretary at the first meeting of the Continental Congress and continued in that capacity until, at the close of the war, Washington tendered him his sword when liberty had been secured; that among those men who signed the Declaration of Independence 10 were of Irish blood; that 142 of the Minute Men who fought at Lexington and Concord were Irish, and of those who participated in the Battle of Bunker Hill, 228 were of Irish blood; that the White House at Washington was designed by William Hogan and is an ington and Concord were Irish, and of those who participated in the Battle of Bunker Hill, 228 were of Irish blood; that the White House at Washington was designed by William Hogan and is an exact reproduction of the home seat of the Duke of Leinster, near Dublin, Ireland; that the seat of our National Government was originally the farm of Daniel Carroll, brother of Charles Carroll, signer of the Declaration of Independence, who, at the conclusion of the war, tendered his farm as a seat for the American Government; that the figure of Liberty which surmounts the National Capitol was designed by the Irishman, Crawford, and that the Congressional Library, with its matchless mosaics, its fairylike colorings, its incomparable marble staircase, stands as a monument to the ability, the honesty, and the honor of its designer, an Army engineer named Casey.

Every great privation visited upon the Irish people has proved a blessing in disguise for America. Persecution and oppression in the seventeenth and eighteenth centuries furnished America with valiant sons and pure daughters, inured to poverty, born to privation, and eminently fitted for the blazing of a broad highway to progress and liberty in a new and strange land.

The famine of '48 marked the beginning of a stream of immigration such as has seldom been witnessed in the history of any land. From 1848 to 1870 more than two and one-half million Irish men and women came to these shores, not the infirm and the decrepit but the staunch and sturdy manhood and the wholesome and nurse womenbood the flower of Ireland; and these were the

decrepit but the staunch and sturdy manhood and the wholesome and pure womanhood, the flower of Ireland; and these were the men that aided in making possible Grant's campaign in the Wilderness, Sherman's march from Atlanta to the sea, and Sheridan's master stroke at Cedar Creek. They were lovers of liberty first and Ireland second.

What a wonderful heritage is ours when we contemplate the character, the courage, and the manhood of these mighty men!

Picture the gallant Gen. Michael Corcoran on the occasion of the visit of Prince Albert to America in 1860, ordered by the Governor of New York to do escort duty with his regiment, and the manly Corcoran dashing his sword to the ground, stating: "I refuse to do honor to the representative of a government that for seven centuries has persecuted and oppressed my race"; and for this utterance the Sixty-ninth Regiment disbanded by order of the Governor of New

Then picture Fort Sumpter fired upon and the gallant American general, Corcoran, tendering the Governor of New York the services of the Sixty-ninth Regiment in defense of the Union, and this regiment later welded into that fighting machine of imperishable memory, the Irish Brigade, first under Corcoran and later under the immortal general, Thomas Francis Meagher, adding fresh laurels on every bloody field to the Stars and Stripes of our country until in 1864, when the fighting was most severe, historians tell us the Irish Brigade in that year captured more flags and standards than the remainder of the Union Army combined and never lost one flag or standard.

We may well say with him who honored both the land of his birth and the land of his adoption, the lamented O'Reilly:

"No treason we bring from Erin—nor bring we shame or guilt, The sword we hold may be broken, but we have not dropped the hilt.

The wreath we bear to Columbia is twisted of thorns, not bays; And the songs we sing are saddened by thoughts of desolate days.

But the hearts we bring for Freedom are washed in the surge of tears;

And we claim our rights by a people's fight, outliving a thousand years."

The chaste, humble, and Christlike life of St. Patrick and his teachings are the most treasured heritage of the Irish people. They have proved an adamantlike force in the pathway of mate-

rialism, atheism, and chaos in the life of this Republic. They stand for the purity of womanhood and for the sanctity of American home life, and there is no method by which their benefit and blessing to this Republic may be gaged. What shall be said of the blessing to this Republic may be gaged. material contribution?

material contribution?

The first Iron furnace in America was conducted by George Taylor, a signer of the Declaration of Independence, born in Ireland, and whose establishment during the Revolutionary War turned out shot and shell for the Continental forces. America today leads the world in the manufacture of steel and iron products, and this great industry, through whose existence prosperity and happiness is made possible for thousands of American families, at its birth had an Irish father.

The railroads of the United States furnish means of communication, development, and prosperity for the American people, and

The railroads of the United States furnish means of communication, development, and prosperity for the American people, and are in all probability even a larger contributing force to national prosperity than any other single institution.

The first spike driven to hold in place the first rail of our great railroad system was driven by Charles Carroll of Carrollton, Md., in 1809, and the first steam engine built in the United States was the work of Christopher Colles, who was born in Ireland in 1738. It would be an utter impossibility for this Nation to develop in the short space of years necessary for our present commercial greatness were it not for the inventive genius of the Irishman, Robert Fulton. who built the first steamboat.

ert Fulton, who built the first steamboat.

Dean Swift said that the real benefactor of the human race is Dean Swift said that the real benefactor of the human race is the man who can make two blades of grass grow where only on grew before. What shall we say of the great McCormack family, whose harvesting and reaping machinery is today found in every portion of the world, and through the use of which millions of bushels of corn, wheat, rye, and oats are today grown where only stubble, stones, and weeds previously existed? The backbone of this and of any other nation is agricultural prosperity, and this prosperity annually trickling down the avenues and arteries of trade and endeavor, whose reflex is happy homes, educated citizenship, and healthy children, has been rendered possible through the inventive genius of the McCormack family.

America is proud of her great candy industry, the manufacture of which annually adds millions of dollars to the wealth of the people, and this great industry had its birth in the genius of the Irishman John Hannon, first manufacturer of chocolate in America.

In our hours of leisure we enjoy companionship with music,

In our hours of leisure we enjoy companionship with music, thanks to Thomas Crehore, first manufacturer of the piano in

The prosperity of America is in a large measure due to our leadership in textile industries, and the first to introduce the manufacture of cotton in America was Patrick Tracy Jackson, while the Irish colonists in 1718, emigrating to America, were the first to introduce the manufacture of linen.

A recognized world institution today is the daily newspaper, and the first daily newspaper in this land was published by John Dunlap,

of Strabane, Ireland.

I believe it needless to refer to Ireland's contribution to America in the field of statesmanship. Eleven Presidents of the United States gloried in the Irish blood which coursed through their veins. It has been truly said of the Irish race:

"We have run the gamut of want and woe, Of hunger and pain and dearth; The century's flood of our tears and blood Has deluged the plains of the earth.

There was never a wine press in all the world
By those of our race untrod;

Now we claim the price of our sacrifice
From the bar of the watching God."

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3806. An act to establish a commercial airport for the District of Columbia;

H. R. 4387. An act conferring jurisdiction upon the United States District Court for the Western District of Michigan to hear, determine, and render judgment upon the claim of Barbara Blackstrom;

H. R. 11691. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1937, and for other purposes; and

H. R. 11968. An act relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Thursday, April 16, 1936, at 12 o'clock noon.

COMMITTEE HEARING

COMMITTEE ON THE PUBLIC LANDS

The Committee on the Public Lands will meet Thursday, April 16, 1936, at 10:30 a.m., in room 328, House Office Building, to consider, in executive session, H. R. 10357, and other matters.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

778. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 14, 1936, submitting a report, together with accompanying papers, on a preliminary examination of Rock Harbor, Mass., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

779. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 13, 1936, submitting a report, together with accompanying papers, on a preliminary examination of Bayou St. John, La., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

780. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 13, 1936, submitting a report, together with accompanying papers, on a preliminary examination and survey of Olcott Harbor, N. Y., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

781. A letter from the Chairman of the Federal Trade Commission, transmitting an interim report of the Federal Trade Commission with respect to the sale and distribution of milk products (H. Doc. No. 451); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WALTER: Committee on the Judiciary. S. 3434. An act to provide for the appointment of one additional judge for the district of Kansas; without amendment (Rept. No. 2405). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 8525. A bill prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore, and for the purpose of promoting the safety of navigation; with amendment (Rept. No. 2407). Referred to the Committee of the Whole House on the state of the Union.

Mr. STUBBS: Committee on Indian Affairs. S. 2047. An act to promote the general welfare of the Indians of the State of Oklahoma, and for other purposes; with amendment (Rept. No. 2408). Referred to the Committee of the Whole House on the state of the Union.

Mr. PALMISANO: Committee on the District of Columbia. H. R. 12242. A bill to provide for lunacy proceedings in the District of Columbia; without amendment (Rept. No. 2409). Referred to the Committee of the Whole House on the state of the Union.

Mr. IMHOFF: Committee on Foreign Affairs. Senate Joint Resolution 233. Joint resolution providing for the participation of the United States in the Great Lakes Exposition to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purpose; with amendment (Rept. No. 2411). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. Senate Joint Resolution 248. Joint resolution to provide for participation by the United States in an inter-American conference to be held at Buenos Aires, Argentina, or at the capital of another American republic, in 1936; with amendment (Rept. No. 2412). Referred to the Committee of the Whole House on the state of the Union,

Mr. KELLER: Committee on the Library. H. R. 10544. A bill authorizing the erection of a memorial to those who met their death in the wreck of the dirigible *Shenandoah*; without amendment (Rept. No. 2413). Referred to the Committee of the Whole House on the state of the Union.

Mr. GEHRMANN: Committee on Indian Affairs. S. 2715. An act conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi; with amendment (Rept. No. 2415). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII.

Mr. BEITER: Committee on War Claims. H. R. 785. A bill for the relief of Bertram Lee Schoonmaker; with amendment (Rept. No. 2410). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KNIFFIN: A bill (H. R. 12294) to promote the conservation and profitable use of agricultural land resources by Federal aid to farmers, and to reestablish farmers' purchasing power by making payments in connection with the increase in domestic consumption of agricultural commodities, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 12295) to protect domestic producers of sugar beets and sugar cane and to encourage the domestic production thereof by the regulation of foreign and interstate commerce in sugar; to provide for the fixing and revision of yearly quotas of sugar that may be imported into, transported to, or received in continental United States; to maintain a continuous and stable supply of sugar in continental United States for the benefit of both producers and consumers; and for other purposes; to the Committee on Agriculture.

By Mr. BARRY: A bill (H. R. 12296) to provide for the local-delivery rate on certain first-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. CELLER: A bill (H. R. 12297) to establish a United States Administrative Court to expedite the hearing and determination of controversies with the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. DEMPSEY: A bill (H. R. 12298) to provide a civil government for the Virgin Islands of the United States; to the Committee on Insular Affairs.

By Mr. POWERS: A bill (H. R. 12299) to authorize a preliminary examination of the Delaware River with a view to the control of its floods; to the Committee on Flood Control.

By Mr. SMITH of Washington: A bill (H. R. 12300) to provide a uniform rate of pension for single Spanish-American War veterans without dependents while hospitalized, to extend hospitalization to persons recognized as veterans of the Spanish-American War under laws in effect prior to March 20, 1933, and for other purposes; to the Committee on Pensions

By Mr. THOMASON: A bill (H. R. 12301) to authorize an appropriation for the purpose of establishing a national cemetery at Fort Bliss, Tex.; to the Committee on Military Affairs.

By Mr. WHELCHEL: A bill (H. R. 12302) to provide annuities for widows of retired civil-service employees of the United States and District of Columbia; to the Committee on the Civil Service.

By Mr. RAMSPECK: A bill (H. R. 12303) to amend section 11 of the act of March 1, 1919 (40 Stat. 1270); to the Committee on Printing.

By Mr. ROBSION of Kentucky: A bill (H. R. 12304) amending the Federal Trade Commission Act to give the Federal Trade Commission jurisdiction where unfair acts of competition or unfair practices are involved in the importation and sale of articles from abroad; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND: A bill (H. R. 12305) to extend the jurisdiction of the Coast Guard; to the Committee on Merchant Marine and Fisheries.

By Mr. KING: A bill (H. R. 12306) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes; to the Committee on the Public Lands.

By Mr. DRISCOLL: A bill (H. R. 12307) to amend section 3 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U.S.C., title 15, sec. 14); to the Comittee on the Judiciary.

By Mr. GEHRMANN: A bill (H. R. 12308) to enable farmers who are unable to pay emergency seed and feed loans in full when due, to work out the amounts due thereon; to the Committee on Agriculture.

By Mr. WEARIN: A bill (H. R. 12309) to amend the Federal Farm Loan Act, as amended, to provide for an interest rate not in excess of 3 percent in the case of installments payable during the period of 2 years commencing July 1, 1936; to the Committee on Agriculture.

By Mr. WIGGLESWORTH: A bill (H. R. 12310) for the protection of laborers and mechanics on public buildings or public works of the United States; to the Committee on Labor

By Mr. BUCHANAN: Joint resolution (H. J. Res. 568) to provide an additional appropriation for fees of jurors and witnesses, United States courts, for the fiscal year 1936; to the Committee on Appropriations.

By Mr. McREYNOLDS: Joint resolution (H. J. Res. 569) to authorize an appropriation for the expenses of participation by the United States in a conference at Brussels to revise the Convention for the Protection of Literary and Artistic Works concluded at Bern, September 9, 1886, and revised at Rome June 2, 1928; to the Committee on Foreign

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY: A bill (H. R. 12311) for the relief of the P. L. Andrews Corporation; to the Committee on War Claims.

By Mr. DITTER: A bill (H. R. 12312) granting a pension to Katherine Myers; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 12313) for the relief of James L. Barnett; to the Committee on the Civil Service.

Also, a bill (H. R. 12314) granting an increase of pension to Hannah Gibbs; to the Committee on Invalid Pensions.

By Mr. KRAMER: A bill (H. R. 12315) for the relief of George W. Jeffords; to the Committee on War Claims.

Also, a bill (H. R. 12316) for the relief of Victor Bert Smith; to the Committee on Military Affairs.

By Mr. PATTERSON: A bill (H. R. 12317) granting a pension to Isabel Bennett; to the Committee on Invalid Pensions.

By Mr. SMITH of Washington: A bill (H. R. 12318) for the relief of George T. Heppenstall; to the Committee on Claims. By Mr. THOM: A bill (H. R. 12319) granting a pension to

James A. Lenhart; to the Committee on Invalid Pensions. By Mr. TONRY: A bill (H. R. 12320) for the relief of Men-

del Leibick: to the Committee on Immigration and Naturalization.

By Mr. WERNER: A bill (H. R. 12321) granting an increase of pension to Charles Face; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10729. By Mr. ROGERS of New Hampshire: Petition of the Mayor and Board of Aldermen of the City of Manchester, N. H., requesting and urging that a full-time Weather Bureau station be established in New Hampshire; to the Committee on Merchant Marine and Fisheries.

10730. Also, petition of the Mayor and Board of Aldermen of the City of Manchester, N. H., requesting and urging

that Federal authorities take steps to prevent floods in the Merrimack River watershed; to the Committee on Flood Control.

10731. By Mr. SADOWSKI: Petition of the Yugoslav Workers' Club Oreski, of Detroit, Mich., protesting against the Kramer sedition bill; to the Committee on Military

10732. Also, petition of the Yugoslav Workers' Club Oreski, protesting against the Tydings-McCormack disaffection bill; to the Committee on Military Affairs.

10733. Also, petition of the board of directors of the Wayne County Federal Savings & Loan Association, protesting against Senate bill 2914; to the Committee on the

10734. By the SPEAKER: Petition of the Cragin State Bank Depositors Justice Committee; to the Committee on Banking and Currency.

SENATE

THURSDAY, APRIL 16, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian for deliberation with closed doors.

At 5 o'clock and 48 minutes p. m. the doors were reopened. Mr. ASHURST. I send to the desk an order, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. BACHMAN in the chair). The clerk will read the order submitted by the Senator from Arizona

The legislative clerk read as follows:

Ordered, That upon the final vote in the pending impeachment of Halsted L. Ritter each Senator may, within 4 days after the final vote, file his opinion in writing, to be published in the printed proceedings in the case.

The PRESIDING OFFICER. Without objection, the order is agreed to.

Mr. ASHURST. I present another order and ask for its consideration.

The PRESIDING OFFICER. The clerk will read the

The legislative clerk read as follows:

Ordered, That upon the final vote in the pending impeachment of Halsted L. Ritter, the Secretary shall read the articles of impeachment separately and successively, and when the reading of each article shall have been concluded the Presiding Officer shall

each article shall have been concluded the Presiding Omcer shall state the question thereon as follows:

"Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty?"

Thereupon the roll of the Senate shall be called, and each Senator as his name is called, unless excused, shall arise in his place and answer "guilty" or "not guilty."

The PRESIDING OFFICER. Is there objection to the order? The Chair hears none, and the order is agreed to.

Mr. VAN NUYS. I submit an order and ask for its immediate consideration.

The PRESIDING OFFICER. The proposed order will be read.

The legislative clerk read as follows:

Ordered, That the Secretary be, and he is hereby, directed to return to A. L. Rankin, a witness on the part of the United States, the two documents showing the lists of cases, pending and closed, in the law office of said A. L. Rankin, introduced in evidence during the trial of the impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida

The PRESIDING OFFICER. Without objection, the order is agreed to.

Mr. ASHURST. I submit a further order, and ask for its immediate consideration.

The PRESIDING OFFICER. The order proposed by the Senator from Arizona will be read.

The legislative clerk read as follows:

Ordered, That the Secretary of the Senate be, and he is hereby, directed to return to the clerk of the United States District Court

for the Southern District of Florida and the clerk of the circuit court, Palm Beach County, Fla., sitting in chancery, the original papers filed in said courts which were offered in evidence during the proceedings of the Senate sitting for the trial of the impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the order is agreed to.

Mr. ASHURST. Mr. President, that concludes all the orders requisite to the procedure at this time. I assume the Senate may want to go into legislative session.

Mr. ROBINSON. Let me say that the Senator from Oregon [Mr. McNary], who left the Chamber a few moments ago, asked that no legislative session be held this evening, and I shall not, therefore, move a legislative session.

NOTICE OF MOTION TO SUSPEND RULE XL

Mr. BYRNES. Mr. President, I ask unanimous consent that, as in legislative session, I be permitted to file notice of a motion to suspend the rule for the consideration of an amendment of House bill 12098, being the appropriation bill for the Departments of State, Justice, Commerce, and Labor.

The PRESIDING OFFICER. Is there objection?

Mr. AUSTIN. Mr. President, reserving the right to object, I inquire if the matter presented by the Senator from South Carolina calls for action this afternoon.

Mr. BYRNES. No; simply under the rule I must file notice of a motion a day previous to the consideration of the appropriation bill.

Mr. AUSTIN. Very well.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and permission to file the notice is granted.

The notice filed by Mr. Byrnes is as follows:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI, for the purpose of proposing to the bill (H. R. 12098) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1937, and for other purposes, the following amendment, viz:

At the end of the bill insert the following:

"That in passing upon applications made for compensation under the provisions of the item for 'Payment to cotton ginners' contained in title I of the Supplemental Appropriation Act, fiscal year 1936 (Public Law No. 440, 74th Cong.), and in making payments pursuant to such applications, the Secretary of Agriculture is authorized and directed, in the interest of saving as much administrative expense as possible and in order to avoid delay in passing upon such applications, to accept as sufficient proof in connection with any such application, proof of the number of bales ginned by the applicant during the period June 1, 1935, to February 10, 1936, inclusive: Provided, That no payment shall be made on any application for such compensation unless the application is filed prior to September 1, 1936."

ADJOURNMENT

Mr. ROBINSON. I move that the Senate, sitting for the trial of the articles of impeachment, stand adjourned until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate, sitting for the trial of the articles of impeachment, adjourned, the adjournment being, under the order heretofore entered, until tomorrow, Friday, April 17, 1936, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 16, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in Heaven, we pray that the word of the prophet may be our guide and inspiration: "He hath showed thee, O man, what is good; and what doth Jehovah require of thee but to deal justly and to love mercy and to walk humbly with thy God." In life and in thought let these words be held in all reverence. We pray that Thy will may be our law, our strength, and our influence. Let it be a

life. Almighty God, just let this teaching run through our daily conduct, giving it power, purpose, and giving to others the inspiration of a fine example. O burst our bonds and set us free; touch our souls and heal them; speak, and the clashing between our lives and Thine will be no more. As thanksgiving and praise is the language of heaven, we join with the Psalmist: "Oh, praise the Lord, all ye nations; praise Him all ye peoples." In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 11327. An act to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles.

MONUMENT SITE COMMEMORATING FIRST ENTRANCE INTO THE CITY OF WASHINGTON OF A STEAM BAILROAD

Mr. LEWIS of Maryland. Mr. Speaker, I rise to propound a unanimous-consent request which concerns House Joint Resolution 362, providing for the selection of a site and the erection thereon of a suitable monument to the first entry of a railroad into the District of Columbia. This joint resolution has been taken off the Consent Calendar on account of repeated objections. The gentlemen who made these objections were under a misapprehension as to the cost involved, it being their thought that the Government would have to bear the expense. This is not a correct view of the situation.

Mr. Speaker, I ask unanimous consent that House Joint Resolution 362, to authorize the selection of a site and the erection thereon of a suitable monument indicating the historical significance of the first entrance into the city of Washington of a steam railroad, and for other purposes, be restored to the Consent Calendar, and when the Consent Calendar is again considered these gentlemen will have an opportunity to explain to the House their motives in making the objections,

The Clerk read the title of the joint resolution.

The SPEAKER. The gentleman from Maryland asks unanimous consent that House Joint Resolution 362 be restored to the Consent Calendar. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I object.

The SPEAKER. Under the special order for today the Chair recognizes the gentleman from Oklahoma [Mr. Mas-SINGALE] for 20 minutes.

Mr. MASSINGALE. Mr. Speaker, I am going to devote the time allotted to me this morning in trying to bring to you the feeling that the people of my section of the country entertain in regard to the situation which confronts the Nation at the present time. I share the sentiments that my people have; in fact, I believe as strongly as they do in regard to the matters about which I am going to talk.

Newspaper accounts of prosperity are appearing every morning. These accounts evidently reflect what is happening among the big industries in certain sections of the country. Probably all sections of the country have felt the stimulus given to business by the outpouring of billions of Government money in the nature of aid. Personal observation, visiting among the people, talking with them, and innumerable letters received from them make me bold to assert that things lack much of being what the papers claim they are. The sources of newspaper information are too much localized—car loadings, ship tonnage, and stock markets may be unerring indices for big business transactions, but they fail to sound out the little fellow not engaged in such businesses. His condition, I would say, is some little better but not much. Though his group comprises approximately 100,000,000 of our population, he is not enumerated nor considered in making estimates in our race to outrun and overtake prosperity. Living among that large percent of our unenumerated and having firsthand information of their economic plight and of their mental attitude, I am here to say to you that the newspapers are wrong and our beloved challenge to our obligation to live a good, wholesome, honest | President is wrong in stating that we are all happy because

prosperity is just the same as already here. If the President | should go in person to the Midwest farm area, drive the section lines in any direction, take a look into every home he might come to on his journey, look into the faces of the children, talk for a short while with the small-town folks, including the country doctor and school teacher, he would not find it necessary to prolong his journey beyond one day before he would be ready to return to Washington with the determination to kick out of the way the real barrier that makes recovery impossible. When newspapers telling about recovery and return of happy days are read by those people they doubtless think of the advice they got several years ago to go buy at least two new automobiles. If it should be suggested to them that it would be glorious to take their families up to New York for a fortnight at the new Waldorf-Astoria, they would be equally enthused as by reading about their present happiness and prosperity. The time has arrived when the people can no longer be fooled. Congress has the power to wield the ax; it remains to be seen if we have the courage to do the cutting.

Since coming to Congress I have made it my daily routine to attend the sessions. I have failed to respond to but one roll call. My purpose for staying on the floor was to learn what was going on in different parts of America and what was of greatest concern to the people. Naturally, a real recovery from economic woes was uppermost in thought. If I have correctly judged the sentiment of the Members on recovery there is perfect unanimity in the conclusion that the people should have restored to them a purchasing power sufficient to enable them to acquire, and if needful to consume, all the products of industry; that when purchasing power is high and liberally diffused among the people, buying of goods will be brisk; that when this purchasing power is low and confined to a comparatively few people there is a lessening in demand for goods; and that when the demand for goods lessens, production is curtailed and unemployment results. It is important, therefore, that a sane, sensible, and living balance be established between consumer or purchaser and producer. When one of these is throttled down the other cannot regularly function and the machine will jump or run irregularly. Man power has so far exceeded the demands for production that millions are out of employment and the Nation is dissatisfied and unhappy. Many attribute this condition of unemployment largely to invention and use of machinery and equipment that replaces labor. That this does contribute to some extent there is no doubt, for machines are in daily use as evidence of the fact that they are substituting for man power. We may expect further invention of machines to cheapen and expedite production, and there will result a corresponding further unemployment unless there is a reduction in the hours constituting a day's work, these hours to be adjusted to changing conditions due to further labor-saving machines.

Illustrative of the ravages of invention on employment it is estimated that the completion of the Norris Dam, and similar projects, will furnish sufficient power to take the place of the equivalent of all the labor performed by every slave set free by Abraham Lincoln. Science and invention are together apparently making their greatest effort to relieve man from toil. The greatest incentive in the field of endeavor is to do something that adds to man's comfort, happiness, and general welfare, and we may depend upon the genius of America to continue to invent, supply, and use every kind of device that will tend to relieve life of as many burdens as it can suggest. Knowing this, we are bound to admit that unemployment, as we now use the word, is going to increase. Unemployment is a great social problem that projects itself so largely into our economic affairs as to dwarf economy, measured in money terms, and make it subservient to sociology, the science of human society. This means, according to my view, that we are face to face with the fact that America must be more concerned with human welfare as a whole than with giving financial primacy to a comparatively few business tycoons.

The people of this country are, of course, aware of the fact that for years there has been an unequal distribution

of the products of industry, and they are likewise aware that under the present money machinery a few people are reaping all the profiting while many millions are destitute. They realize that that property which is the product of industry is lawful property and that any property which is the product of law is unlawful, and is unfair property, and is a discrimination against all who are not its beneficiaries. They know that when Congress relinquished to the bankers of the country its right to coin money and fix its value it thereby gave the bankers the power of life and death over them. They know that these bankers by a stroke of the pen can raise or lower the prices of their products. They have seen the mere pronouncement of these bankers sweep away every vestige of property that frugal families and good husbandmen have worked for a lifetime to accumulate. Without warrant Congress delegated this right to bankers, and bankers have exercised it. Bankers deal in money, and it is from its interest-bearing qualities and its manipulation that profit comes to them. It ought to be obvious that of all classes they should not be given the right to coin it and to fix its value. In fact, no private person or corporation should be given that right. It is a Government right. There should be no speculative incentive in its issuance. It should be sound and of stable and unchanging value. The bushel, the yardstick, the pound, and other measures do not change. Money, being a measure or standard of value, should not change. Stabilizing the dollar will prevent manipulation. and no agency will be able to precipitate a panic by increasing its value or by causing its value to be lowered to an inflationary point. Changing the value of the dollar has pauperized the common people of this country. With knowledge of such operations, and in the light of present conditions in America, it is but natural that people might be expected to grow restive. The poor people of this country are rich in faith, and they are looking hopefully to this Congress to enact some law that will help them find jobs. They are grateful to our President and to you for public benefactions in the last 3 years, without which they would have died, but they know that with all the billions spent on direct and work relief there is as yet little hope for them, and they are wondering if there is no end to the misery and suffering which they have endured for the past 6 years. Surcease from want of food and clothing, added to the fear that their children may become detached from home influence and cast out as driftwood into an unsympathetic world has perhaps had a marked effect on their mental attitude and recast their entire psychology. I am not surprised that many movements, or thought waves, along lines of relief have originated among the people and that some of them have found fertile soil in their hearts. Such movements may not stand the test of criticism of the leading economists and university professors, but an impoverished and exhausted hope has no time to wait on the support of logic and experience. Remember the old adage that a drowning man will grasp at a straw.

I live among and represent in this House a large number of fine but financially distressed people. They are as loyal to the Government of the United States as is any Member of this Congress. They know they can no longer afford to raise families; they are afraid to embark in such an undertaking. The bitter experience of farm life has transformed them. Many of them see in the Townsend plan a rift in the enveloping clouds of despair. They have read of a plan emanating from Washington to take their young daughters from them and have them trained at Government expense to become domestics, servant girls, and maids for the rich. The Government is to pay these girls \$1 a week for carfare while in training to learn how to carry tea trays at bridge parties. Think of the once proud and honorable American family forced to the dole by an archaic economic set-up and then barbarously drag out of that home what used to be the jewels in it, the little girls, so they may be trained for menial service to the rich! I do not believe that anyone is so bereft of the natural virtues as to think that law-made poverty carries a virus that kills mother love. Have we worshiped at mammon's altar so long that Americans will tolerate a condition

of this sort and vouchsafe its growth and continuance without courage to attempt to correct it? The Members of Congress may prefer further to endure what we have in an economic way, for it is an easy thing for a Congressman to get along. It does not require any effort to have a credit of \$10,000 entered up in his name by the Sergeant at Arms, but this is not the case with but few other Americans. Something, some force, some power, works to starve and impoverish 70,000,000 of the people of our country, and we are either unwilling or unable to grapple with it. Are we going to permit 70,000,000 of our people to continue in poverty and despair or 10,000,000 old people suffer for the bare comforts of life when plenty abounds but not a bite to eat or a garment to wear? Will we see untold millions of our school children go undernourished to school, clad only in rags, sleeping in hovels and faltering in step, simply because no economist has figured out an approved plan for their betterment? Why waste our time in abusing or making an effort to belittle any new thought suggested for the relief of the poor?

Would it not be the wiser course to take an inventory of what we have, and is it not more becoming in the Congress to make a fair and sane and frank approach to the principle of any proposed measure for, or supposedly for, the general welfare? I should think that all differences of economic thought, inherited or acquired, should be dissolved in favor of bringing to our people release from the stark specter of starvation and want. This era of crime and surly unrest and the enforced humiliation that comes from the dole are all due to unemployment. Such problems are haunting us today, and they loom larger perhaps than we want to admit, but they loom nevertheless. The more clearly we permit ourselves

to see the better we can do the job.

Why does it become necessary for the economists, and even Members of Congress, to call a man a buzzard or a demagogue or a charlatan or an idiot simply because, forsooth, he may be groping around in the dark hoping to find a way out? It surely is more constructive to point out his error than to unlimber all the batteries of billingsgate against him. Do not mistake the fact that the approaching storm has been seen and heard by every Member in this House. We cannot play the ostrich by sticking our heads in the sand so we may not see the lightning's flash, nor can we become permanently deaf to the thunder's roar by sticking cotton in our ears. Whether right or wrong, millions of people are earnestly asking this body to recognize them for a hearing on their demands for what they regard an adequate social security. I concede that if the demand is recognized there must be an upheaval in our economic program, and this leads to the question: Is not the present economic set-up equal to the task of guaranteeing to our people a fair and equitable division of all the products of industry? Let us see what this system has done, is doing now, and will continue to do, confining the scope of inquiry largely to the past 6 years, thus placing the facts as we find them under 3 years of Republican and 3 years of Democratic rule.

WHAT IS THE STATE OF THE UNION?

The year 1929 was the peak year for all kinds of business. The national income for that year was \$83,000,000,000. This dropped to the low of \$39,400,000,000 in 1932, and in 1934 was \$47,600,000,000. This income represents all money received by all kinds of business in a given year and is the jackpot out of which must come the distributive part of every person or corporation engaged in business. It is the purchasing power of the people of the United States. From this national income every laborer must get his pay, every merchant must get his pay for goods sold, every farmer must get his pay for his crops and farm produce, and every person must depend upon the size of the income as to whether prices shall be high or low.

If this income is kept big and the distribution of it not unfair, people will be prosperous and there will be no losses. The average yearly loss in purchasing power to our people in every year since 1929 has been \$40,000,000,000. Remember, this is an economic loss, actual and direct. It can never be recovered. It is money gone from us by reason of the operation of our economic system. From 1920 to 1935 values of dependent on others for support. To illustrate his thought

farm lands declined \$45,000,000,000. These losses may be recouped if we have the wisdom and courage to enact legislation that will do it. The loss in urban real-estate values during the same time is estimated to be \$30,000,000,000. It is conservative to say that since 1929 the average number of unemployed has been 10,000,000. Allowing them a minimum of \$2 per day, their loss in 1 year would be \$7,200,000,000 and for the 6 years \$43,000,000,000, and this is a permanent loss that had better be forgotten. The only hope for this class, as well as for society, is to provide jobs for those who want to work. There have been other losses due to bank failures, suspension of mercantile firms, and the like that are directly chargeable to our break-down in economics, and staggering amounts have been lost through foreclosures on both city and country real estate. Some writer has made the statement that the loss in money values sustained during this panic is in excess of the cost to the United States of all wars in which this country has been engaged and in excess of all the property damage inflicted by cyclones, floods, earthquakes, and other disasters since the beginning of the Government. In addition to direct losses mentioned, we are facing constantly increasing indirect losses. The John Price Jones Corporation reports show that private philanthropies in 1935 increased 40 percent over 1934. Grace Abbott, the United States delegate to the International Labor Conference, is authority for the statement that between three and four million young men and women graduates of secondary colleges and of universities cannot find work and most of them have never had a job. In addition to that there are 8,000,000 boys and girls between the ages of 19 and 26 who are unemployed, and the list of unemployed in the country is stated to be at this time 12,500,000.

The annual interest bill of the Government of the United States is \$1,000,000,000. The annual tax bill of the Nation is \$12,000,000,000. According to J. Edgar Hoover and his associates, the crime bill in America is \$15,000,000,000 annually. I have not been able to obtain statistics on our cost for caring for the poor in almshouses or supported by private charity, but it is an enormous amount. From February 1932 to July 1936 it is estimated that the Government will have spent in relief \$20,000,000,000, not more than half of which, such as loans to banks and railroads, is subject to repayment. In addition to the above, the annual interest rate on all debts is \$15,000,000,000. This interest, however, is not chargeable to governmental functions and should be attributed to bad business judgment.

HOW DO OUR PEOPLE LIVE?

According to Harry Hopkins there are 21,000,000 people on the dole. There are on the Federal pay rolls 3,000,000; on other Government pay rolls, 6,000,000; on C. C. C. pay rolls, 500,000; on W. P. A. pay rolls, estimated, 3,000,000; those receiving A. A. A. benefits, 15,000,000. Thus we see there are nearly 50,000,000 people drawing salaries from the Government, receiving Government benefits, and on the dole. In addition to this 50,000,000 people there are large numbers of others who are dependent either wholly or in part upon other individuals for a living. Faced with this appalling situation there has sprung up a large group of earnest men and women who are protesting its continuance. They advocate the Townsend plan-the plan embodied in H. R. 7154, known as the McGroarty bill. Its advocates believe they are presenting a proposal for Government finance that will so augment the flow of money as to approach stabilization in prices, and that it will not only bring security to the aged but that it will end unemployment, destroy incentive for crime, and meet the demand of youth for opportunity to work. Though the hands of youth are idle its mind is active, it is irrepressible, it quickly discerns, is impatient at delay, and is not afraid of new thought. I am in favor of joining hands with youth and pulling America out.

CRITICISM OF THE M'GROARTY BILL

Perhaps the most illuminating speech in criticism of the McGroarty bill was made by a distinguished member of the California delegation, Congressman Lea. He states that 70,000,000 people in the United States are wholly or partially

of the vast amount of money estimated as necessary to be collected each year-\$24,000,000,000-to pay the pensioners under the McGroarty bill, he says if this money should be collected in \$1 bills, and these bills laid end to end they would make a highway around the world 18 feet wide. I am assuming he is correct about the number of dependents in the United States and about the width of the money-covered highway circling the earth. In the one item of loss to Americans by reason of the shrinkage of the National income from the good year 1929 to date we find that that amount is 10 times the amount of money that would be required to pay this pension for 1 year, for we have lost in those 6 years on this item alone \$240,000,000,000. It is not material whether we take 1929 as a basis or not, we may take 1926; and figured from that year the loss per year in the national income due to our economic condition will be near \$40,000,000,000.

This loss of \$240,000,000,000 would make a highway 180 feet wide instead of 18 feet wide, so if we consider this loss alone, Congressman Lea's money-paved highway would look like a sidewalk compared to this loss item. Just the loss in decreased value of farm lands would make this 18-foot highway almost 33 feet wide. If all the losses sustained in the last 6 years, and which must be attributable to the present economic set-up, were paid in \$1 bills, it would require the services of all expert economists on the pay roll of the Liberty League to figure the width of the world-encircling highway that these bills would cover. The saddest part of the Congressman's argument is that we have the 70,000,000 people in distress.

The usual argument made by the economists is that if the McGroarty bill should be enacted into law it would absolutely destroy the bond market in America, and to them that is the ultima Thule beyond which nothing further should or could be said. If the American people were satisfied that they could get rid of the burden that comes from the sale of Government bonds, the people would flock to the Townsend plan or any other plan that would stop such traffic. One of the strange things among the critics is that no one has offered any remedy for the relief of conditions, which means that they are all satisfied with what we have. The fact remains, however, that the poor are getting poorer and the rich are getting richer. Corporations are piling up larger dividends, but the 70,000,000 cannot make a living. Such being the condition confronting us, what message are we to leave to our successors? Do we expect to hand the mess over to our children, and thus confess our incompetency to deal with it? Their future is dark enough with no jobs for 6 years past, and they are poverty choked to the point that such noble sentiments as used to inspire us to higher citizenship are denied

I am one who prefers to make an effort to find jobs for 12,500,000 out of work by proving unorthodox to the present system rather than to sit supinely by and let our children become pariahs because I want to be regular and conventional. I know it is more economical to provide the 12,500,000 with jobs than it is to continue to tax the Nation to support its 70,000,000 dependents.

IS IT NOT TIME TO TRY SOMETHING ELSE?

It must be borne in mind that while the amount of the national income declined per year in the enormous sums above shown, there has been a corresponding increase in the amount of this income that has gone to people engaged in distributing it. Stuart Chase—Government in Business—says that in 1917 people got \$1 for making or producing goods and dealers and other overhead people got \$1 for distributing goods to the consumer; that in 1932 for every dollar the producer received, people in overhead positions received \$2.30; and the distributing class now get about twice as much for their services as the producer gets. The same system permits 500 rich men to have an income in one year of better than \$1,000,000,000,000, an average of \$2,000,000 each, while the average per-capita farm income is \$273, and the average per-capita income of the rest of the population is \$908.

The system under which we are operating shows that the net farm income shrank \$3,500,000,000 from 1919 to 1929, while the incomes to other occupations rose in the same

period \$20,000,000,000. The shrinkage in farm incomes doubtless contributed to some extent to swelling the incomes of those engaged in other occupations. It is evidence of the fact that some manipulation is being done.

It may be good economy to disregard the 130,000,000 and to think in terms of the 500 rich, but I do not think so. Someone has said:

A state can be laid low just as effectively by wrong ideas as by an invading army; and there is no agency of destruction known to chemists that is half as formidable as the TNT of bad economics.

If, as suggested by some of the economists, the McGroarty bill would operate as an entering wedge to destroy the power of the money manipulators, it certainly would not serve a bad purpose, for the coinage and value fixing of money is essentially and positively a constitutional legislative grant to Congress, and is not a power conferred on bankers.

CARE FOR THE DISTRESSED IS A GREATER OBLIGATION THAN BALANCING THE BUDGET

As things now stand, the only method of taking care of the distressed people is by appropriation of public money, because they cannot get work. The President is in sympathy with our distressed, and on his initiative billions of dollars have been poured out for their relief. Attempts have been made to thwart his efforts in this direction by the big business interests of the country. About a year ago, from White Sulphur Springs, they sent him this significant note:

It is folly to continue relief so extravagant that it undermines the morale of those who receive it.

This was accompanied with a threat that if their views were not heeded they would desert him, and many of them have said an affectionate good-bye to him. In the Washington Herald of March 26, 1936, Big Business issued a statement saying that so long as the New Deal places social reform ahead of recovery it will continue to refuse to allow from fifty to eighty billion dollars of money under its control to be used by industry for reemployment. This is a challenge from the cold-blooded and heartless money-control crowd to the President of the United States daring him to further try to help the distressed, and a warning that any program or formula must first be approved by Big Business. It means that the destitute must be left to suffer and that the President must give his immediate attention to business. There is no doubt that the President is going to further carry on with his policy of bringing them relief, but every Member of Congress, and in fact all people, must be aware of the fact that this policy of making appropriations for the support of our people cannot go on indefinitely.

All of us are proud of our Nation, which is the greatest, the richest, and the most powerful in resources of farm and factory on earth, and until a few years ago was a land of almost unlimited opportunity. The load of favoritism we have carried has told on our good nature and we are not happy and cheerful like we used to be. Well might we ponder on the very recent observation of the new King of England. In Glasgow, a few days ago, after inspecting the new big and costly ship, the Queen Mary, he visited among the poor of that city. He found them living in miserable surroundings with scant food and clothing, and with undernourished and anemic children. He was so impressed with the contrast that he asked one of his officers how they could reconcile the building of such a ship in the midst of such surroundings, and stated in effect that the British Empire could not be expected to go forward until the condition of her wretched poor was first corrected.

I am wondering if we in this country are going to blindly follow in the way we have gone, or do we have the courage to do as the King of England did, take a look into the homes of our poor. True, what is revealed to us may not make any impression, for we seem to be wedded to the past and inclined to follow the advice of the few rugged individualists who seem to dictate to America. However, we should not forget that only 3 years ago these rugged ones were themselves suppliants for Government aid and assistance. They have become haughty since they got theirs. Congressman Amlie [Wisconsin] very cleverly expressed the situation of relief clients

by saying the only difference between the big boys and the little fellows was that the big boys were invited in at the front door of the Treasury and told to help themselves, while the little fellows were ordered to stand in line at the relief stations and wait for theirs. I am sure that no man, economist, or Congressman, may be able to prophesy just what a reversal of our economic program might bring about. The Townsend plan may be a phantasy and the delirium of the people may not be of long duration, but we must remember that the unfortunate condition of our Nation will justify most any imaginable proposal for betterment. There is assuredly nothing in our present economic condition, as revealed by the above statistical facts, that would tend to make us feel satisfied with what we have.

There is something in the proposal made by Dr. Townsend that appeals with a religious fervor to its many adherents. If the plan is as wild and impractical and as visionary as most economists assert, then the only excuse for the extent of its almost universal appeal must lie in the conscious knowledge of the people that the present economic program has failed this Nation and has left them without jobs, without money, without food, without clothing, and without anything except a fast fading hope that Congress may act favorably in their behalf. If a Congressman regards the plan as unworkable, he at least must take it as such a tremendous protest against economic conditions as to cause him to want to make a very careful inventory of the state of the Union. The people who elect us are of far greater value to this Nation than we are. Some make the statement that further and protracted continuance of our present money set-up will lead to revolution. I do not believe that, for there is no need of revolution where we have an honest exercise of the ballot. True the economists threaten revolution by the big taxpayers if the Townsend plan of taxation should be imposed upon them. These economists must be in error. I cannot believe the big taxpayers are about to revolt the Government of the United States. The last account I saw about their activities was a full newspaper column of very distinguished names in American finance who had given away, or pretended that they had given away, billions of dollars worth of their stocks and bonds to escape paying their part of the tax authorized by this Congress for operation of the security bill. This is a revolution of a modern American turn. These revolters start on a run for the tall timbers. The only danger from them is that they may permanently hide out from the Government and no taxes be collected from them. The economists must have meant that the big shots are going to retreat instead of revolt. In nearly every attack made on the Townsend plan the economists were uneasy lest our big taxpayers should be driven to lying and tax dodging to escape their part of the burden. Had they read the papers of less than 2 months ago this fear of theirs would have been allayed, for the big ones were publishing to the world that they had already been dodging taxes. This probably was done in order that the prophecy of the economists might be fulfilled.

The Townsend plan contains several noteworthy thoughts that may mean restoration to America: (1) The primary duty of Congress to provide an adequate pension for the aged, regardless of State participation; (2) the pension to be in the nature of an annuity insurance removing its beneficiaries from the competitive field of labor and making more room for the expansion of the ambitions of youth; (3) a proposal for increasing the volume of credit by use of more money. The mechanics of the bill embodying the plan are for Congress to make. If I could amend the bill, I would entirely eliminate the provision imposing any tax on the laborer's wage, make the tax inoperative on any transaction of less than \$500, and increase the tax on gifts and inheritance.

As it now is expressed in the McGroarty bill I shall support it, for in it is a leaven of hope. There is no hope for the common man or his family in the present money economics of the country. If the plan becomes law, it is sure to take some millions from the ranks of the unemployed. It surely cannot exact in taxes and cost any more than is now being filched from the people. It will help to deplete the dole; for if 10,000,000 of our old are going to get the

benefits of a pension, it must be admitted that a large percent of these are on the dole. If sociologists had not all gone awry in former days, and are not now cockeyed, it will materially cut the annual \$15,000,000,000 crime cost; for they have been and now are in agreement on the statement that unemployment or idleness is the breeding ground of crime. Work to do and ability to obtain bread and meat and other essentials of ordinary living will largely destroy crime incentive.

Mr. Speaker, there is no doubt in your mind that every Member who has the honor of serving under you loves America. Each of us has, perhaps, just a little different slant on economics, and while trying for the same goal we feel justified in holding to honest conviction. In this crisis-for it is a great crisis-it seems meet to me that we implore the highest source of wisdom and strength that we may have the will and the courage to do that thing which will abolish such shameful poverty and such unnecessary distress from the confines of our beloved country. Personally, the joy and thrill that should come to me by virtue of citizenship is drowned by the voices of children crying for bread and by the sight of our pitiable old. Membership in this honorable body will be a reproach to all of us if we fail to respond to the unmistakable summons of the great body of our citizenship. There is no proffered plan that will help to break away from the thralldom of the power that enslaves us except the plan embraced in the McGroarty bill. If the plan should prove so utterly fantastic, ridiculous, and unworkable as its critics claim, there would be nothing to prevent Congress from repealing it, for my observation is that only those laws benefiting the powerful are difficult to repeal. The people are tired of favoritism. They want laws that will restore equality of opportunity. They want their just part of what they produce. Congress can make the McGroarty bill respond to the demand of the people. The basic principles upon which to build a decent old-age-pension law are in this bill. The tax rate and method of taxation are subjects for Congress to determine. Half of the unemployed of the entire world are living in the United States. I fear we cannot long continue to pay the price.

FAILURE OF RELIEF AND UNEMPLOYMENT PROGRAM

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered by my colleague [Mr. Arends] over WJBC, on April 12.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered over the radio by Hon. L. C. ARENDS, of Illinois, on April 12, 1936:

To my friends and listeners I wish to review to some extent, if I may, the condition of our country as I now view it, with its acute manifold problems directly before our eyes. The two foremost questions, confronting us 3 years ago, still remain unsolved, namely, relief and unemployment. Does it surprise you to know that even manifold problems within the last 14 months we have not gained a foot in the solution of relief; if anything, we have lost ground? According to the American Federation of Labor, in figures released in January 1936, we now have over 20,000,000 people on relief and 12,600,000 unemployed. That means 1,229,000 more unemployed now than in January 1935. uary 1935. You might well ask, Why such results when we are literally spending billions to alleviate this condition? The quesliterally spending billions to alleviate this condition? The question might also be asked, Did the present administration attack this problem from the wrong angle? My answer to that is "yes." In the first place, you cannot spend your way into prosperity. You should remember that "the greatest danger of bad times is bad remedies and bad laws." Money properly directed and spent for useful and permanent good might have kept us from the chaos we still find confronting us.

It is hard to expect beneficial results from using money as follows:

There has been allocated \$25,000 of W. P. A. money to build a dog pound in Memphis, Tenn. The artist's sketch of this project shows us that the dogs will have individual pens, with fresh bedding every day, exercise and runways, shower baths, and every other imaginable comfort of home, which reminds us of the poem on the dog house we noticed the other day, starting like this:

Fido, what a break for you, Under the red, white, and blue. No more days of storm and strife; Yours the more abundant life.

Another startling example of unexcusable waste of money is the Passamaquoddy project in Maine. There the administration (because Maine votes early, and as Maine goes so goes the Nation) wants to spend \$36,000,000 in the construction of a dam to impound the tidal waters in the bay, so its ebb and flow may be used to create hydroelectric power. Foremost engineers in the used to create hydroelectric power. Foremost engineers in the country all agree that the plan is not feasible in that the cost of the dam would make the cost of the power so created prohibitive for commercial use. It is interesting to note the present work carried on there in the building of settlement houses for relief workers. Recently the Government advertised for bids to furnish these homes. The furnishings are to be in colonial style. They must be of dull, old-fashioned maple, and the all-wool blankets on the beds must be pastel green in color, with a wide taffeta binding. In each reception room there must be two grandfather clocks that strike chimes on the quarter, half, and on the hour. Love seats, davenports, coffee and card tables must be in colonial style. Floor lamps must match. As a public servant and charged with a responsibility as to how the taxpayers' money is spent, I feel that I would be untrue to the trust you have imposed in me if I did not raise my voice in protest to such

a program.

Another instance worthy of note is the Florida ship canal, 200 miles long from the east to west coast, originally started by the President as a relief measure by the allotment of \$5,000,000. Later \$400,000 more of relief money was used in furthering the work. All this without asking Congress that they study the matter and come to some decision thereon. Now, your Government is being asked to foot the bill at a cost of \$200,000,000. Happily, both the Senate and House of Representatives as of recent date have turned thumbs down on this scheme. What future action will take place a promains to be seen. will take place remains to be seen.

will take place remains to be seen.

So we go on and on, recklessly and extravagantly wasting money and not getting anywhere. Whose money is it? Not your Uncle Sam's, for he does not have any money. Listen, friends, it is your money and mine. Recently someone told me that only about 1 percent of the people either knew or cared to know more about this Government of ours. I trust that statement is incorrect. The time is here when we as good citizens must take an active interest in our Government and what it is doing.

It may shock you to know that your Government 3 years ago

this Government of ours. I trust that statement is incorrect. The time is here when we as good citizens must take an active interest in our Government and what it is doing.

It may shock you to know that your Government 3 years ago had a debt of approximately \$20,000,000,000; today it is near thirty-one billion, and may reach thirty-six billion at the close of this year, with a possible \$40,000,000,000 deficit in sight by the end of next year. Some folks say, "What of it; we can stand such a debt", thinking, of course, that the so-called rich will have to pay the bill. That fallacy must be corrected, for just as sure as day follows the dawn the plain, everyday, average American citizen is the one who must eventually pay the price. Not only that, but your children and your children's children will be called on to help carry this burden. And speaking of children, how are these youngsters ever to help pay the burden of these heavy taxes unless they are able to find steady, good-paying positions? From a recent survey made in this country I read that we now have approximately 8,000,000 boys and girls between the ages of 17 and 24 who are unable to find work of any kind. I cannot swear to the accuracy of that statement; but, assuming it to be fairly authentic, I ask you. What are we going to do about the youth of today who tomorrow must rise to their place of responsibility and carry on where the older folk leave off? They will carry on if we give them a chance. But we must refrain from placing millstone after millstone around their necks, in the form of taxes and huge deficits, which tends to hinder the return of confidence and prosperity, which return alone can make possible the employment of these young folks.

You will be surprised to learn that, while you may not think you are paying anything in taxes, let me impress this thought indelibly upon your mind: It is estimated that the average American family pays an annual indirect tax of \$400 which he at the moment does not see or feel. This indirect or hidden tax w

which no rent is charged. The merit system in Government service has been discarded to a large extent. At the close of the previous administration 80 percent of Government employees were under civil service. The figure today would astound you. All of which makes for decreased efficiency with an attendant increased cost to the taxpayer.

So I restate that today we still find ourselves confronted with the same problems that were with us in 1932, many of them not solved and some more serious than before the so-called New Deal became effective. With unemployment and relief costs mounting, we can come to but one conclusion—that, regardless of the often repeated plea for the forgotten man, the following out of the pleaned seconomy and utorian experiments of the favorish minds planned-economy and utopian experiments of the feverish minds

of the "brain trust", we find the rich getting richer and the poor getting poorer.

We oftentimes criticize, which is supposed to be our right as free-born American citizens. The few brief examples of what is going on, and there are many more that I could give, if time permitted, are given with the sincere hope that in my calling your attention to them I would be doing you a service. I want to approach our many problems from the viewpoint of an interested American citizen rather than from a political angle. I firmly believe that we should get head, to earth and the third its firmly American citizen rather than from a political angle. I firmly believe that we should get back to earth and to the faith of our fathers. Hard work and self-denial will be necessary, but it can and will be done. As a Republican candidate for Congress, I think the best interests of our country dictate that we balance our Budget, that we encourage private enterprises, rigid government economies must be initiated, useless bureaus and commissions must be abolished, development of new domestic uses for our surplus farm products, establishment of a coordinated land policy, not spending millions bringing arid lands into production until we have an absolute need for it, adequate tariff protection of all our products, the development of foreign markets, proper enforcement of our antitrust laws, and the return to local supervision of our relief problems. I have told you some of the remedies I would propose, I wonder what you have to suggest. It is your problem as well as mine.

To the Republican Party let me say this: The Democratic Party,

your problem as well as mine.

To the Republican Party let me say this: The Democratic Party, at bat, has hit the ball. It is up to us to catch this ball for the third and final out. We dare not fail. We dare not go back to where we left off in 1932. We must start fresh from here and should develop a new leadership if we are to succeed in a time like this. We all want to see ample relief available where honestly needed, but we must take politics out of relief and move forward under the American system of free enterprise, free thought, free speech, and free press, remaining steadfast to the principles laid down in our Constitution, that ours is a government by law, not men.

down in our Constitution, that ours is a government by law, not men.

It is remembered that Professor Tugwell, brain truster no. 1, has written "I shall roll up my sleeves and make America over." I for one am not willing to entrust that sacred and all-important duty to him. This afternoon, I ask you, who wants it made over? I think we have the best nation on the face of the globe and am willing to live in it a little while longer with a sense of security in my person and property, and feel that with the leadership and management of honest, clear-thinking, common-sense Americans, whose motives are actuated by love of country and not party, that we can continue to say ours is the best system of government ever devised by the mind of man. Our people are tired of the trial and error system of government. They find that there is no short cut to normal times. We are not yet doomed to go over the dam, but we must act before it is too late. I have unbounding faith in the good judgement of our people and I am sure that when once awakened and they come face to face with the dangers and pitfalls with which we are now confronted that they will take a hand to see to it that their Government is managed by the right and proper officials, and that the waste, destruction, and utter disregard of the rights of others, the setting of class against class and mass against mass, the usurpation of power, and the using of human suffering for personal or party gain has no place in our American system of government. can system of government.

LAYING CORNERSTONE, DEPARTMENT OF INTERIOR BUILDING, APRIL 16, 1936, WITH ADDRESSES OF PRESIDENT ROOSEVELT, SECRETARY ICKES, AND MR. DELANO

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the order of exercises this morning in placing the cornerstone of the Department of the Interior Building, including an address delivered by the President and one also delivered by the Secretary of the Interior, Mr. Ickes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, this morning I attended the ceremony of the laying of the cornerstone, Department of the Interior Building, here in Washington, this April 16. It was a colorful proceeding, attended by President Roosevelt; Secretary Ickes; the Honorable Frederic A. Delano, Chairman of the National Resources Committee; most of the diplomatic staff in Washington; Government officials. Among the Representatives present was the distinguished assistant leader of the majority, Hon. EDWARD T. TAYLOR, of Colorado, father of the Taylor Grazing Act, and many other Members of both branches of Congress. There were seats inside an enclosure near the building where the ceremony was held, and sitting close to the front were a group of Hopi Indians, and high above the cornerstone of the building was a balcony of stone, where the Marine Band, under the leadership of Capt. Taylor Branson, played several pieces of beautiful music. They made a striking picture in their brilliant red uniforms. As the President approached, the Marine Band gave four flourishes and ruffles with trumpets and drums,

and then, as the President took his seat, the band played Hail to the Chief and the Franklin D. Roosevelt March.

The weather was perfect and somewhat cool, and the sky was blue and clear. The President looked healthier than at any time since his inauguration, with a full sun tan gotten on his vacation in southern waters. Gus Gennerich, his guard and friend, was with him, and the President sat while Mr. Delano and Mr. Ickes spoke.

Thereafter, as the President concluded his address, the band played The Star-Spangled Banner, and high on the top of the building I saw a member of the Washington police force, who stood silhouetted against the sky at right-hand

salute. It made a striking picture.

This building is one of the finest examples of modern architecture. The architect is Hon. Waddy Wood, a resident of the District, and formerly of Charlottesville, Va. It is one of the greatest buildings ever erected in America, and is about the first big building erected in Washington by anyone who came from south of the Mason and Dixon's line.

The program was as follows:

The trowel used in this ceremony was used by President Washington in laying the cornerstone of the United States Capitol on September 18, 1793. It was loaned by courtesy of Alexandria-Washington Lodge, No. 22, A. F. and A. M., of Virginia.

ORDER OF EXERCISES

Music, United States Marine Band.

Music, United States Marine Band.
Invocation, Rev. Dr. Joseph R. Sizoo.
Introductory remarks, Hon. Frederic A. Delano, Chairman, National Capital Park and Planning Commission. (See I.)
Address, Hon. Harold L. Ickes, Secretary of the Interior. (See II.)
Music, United States Marine Band.
Address, the President of the United States. (See III.)

PLACING OF THE STONE BY THE PRESIDENT OF THE UNITED STATES

The national anthem, United States Marine Band.

Benediction, Rt. Rev. Patrick J. McCormick, acting rector, the Catholic University of America.

Music, United States Marine Band.

MUSICAL PROGRAM-MARINE BAND

The musical program, from 10:30 to 11, presented by the Marine Band, under Capt. Taylor Branson, was as follows:

American Patrol, Bagley. Favorites, Victor Herbert Song of the Marching Men, Hadley.
Grand march, Pomp and Circumstance, Elgar.
Mine Own United States, Edwards.
Hail to the Spirit of Liberty, Sousa.

INVOCATION BY REV. JOSEPH R. SIZOO

Invocation pronounced by Rev. Joseph R. Sizoo, D. D., pastor of the New York Avenue Presbyterian Church, was

Everlasting, ever-living God, who hath set Thy glory upon this day, in whom our fathers trusted and were not put to shame, we thank Thee that in times of crises, when the resources of men shrivel, the resources of God unfold. Hold our faces with ever-increasing purpose to the assurance that that nation alone is great whose God is the Lord. Hallow with Thy presence what we do here this day. May this building bear witness to an ever-increasing concern of the Nation for its people and an ever-enlarging service of Government to its citizens.

May Thy grace rest upon all who labor here. Prosper them in their undertaking; preserve them by Thy providence unto the end of their work. Shield them from danger and accident. May all who begin the task rejoice at last in the fulfillment of their purposes.

God bless our country. Give us to know that Thy love falls across the busy tideways of our lives. Grant to all who lead the Nation toward the more abundant living the vision of One whose hand no panic can shorten, whose light no darkness can dim.

And unto Thy illimitable love, Father, Son, and Holy Ghost, shall we give all the praise, world without end. Amen.

ADDRESS BY HON. FREDERIC A. DELANO

Hon. Frederic A. Delano, Chairman of the National Capital Park and Planning Commission, spoke as follows:

It should go without saying that I feel greatly honored at pre-It should go without saying that I feel greatly honored at presiding at this meeting on the occasion of laying the cornerstone of the new Interior Department Building. However, I must admit that I have had only a very small part in a very big project, and yet I am glad to record my interest in it. My contact with the project was all in its initial stages when the Secretary of the Interior asked me as Chairman of the Park and Planning Commission to suggest a suitable site for a building of large capacity. A number of sites were investigated and the site chosen, occupying two

city blocks between Eighteenth and Nineteenth Streets, was recommended. It was recommended, first, because there are not many sites where two large city blocks can be found where an intervening street could be abandoned. Secondly, the site was located in a rectangle where it will become an important element in a larger composition, and where it will for all time have ample light, air,

rectangie where it will become an important element in a large composition, and where it will for all time have ample light, air, and open space about it.

I claim no credit for the architecture of this building—that credit goes to the architect. However, it was with the Secretary's permission that I was able to secure from Mr. Waddy B. Wood preliminary drawings and estimates showing the type of building which would be advantageous in this location; and on the strength of these preliminary sketches, Mr. Wood was designated as the architect for the building, and details of the plan were worked out by him in conjunction with the staff of the Procurement Division of the Treasury Department.

One feature of the plan to which I would particularly call attention is the economy and efficiency of the plan as a whole. Whereas it has been the custom of Government buildings in the past to occupy the entire area with large interior courts, I fully concurred with Mr. Wood's idea that the building should have no closed courts. As now being constructed, the building has no interior courts—no office above the ground floor which does not have light, sun, and air, and, in many cases, a fine view. By this type courts—no office above the ground floor which does not have light, sun, and air, and, in many cases, a fine view. By this type of construction Mr. Wood has secured many other incidental economies. In passing, I may say that I know an important Government building not so far from here occupying only one city block which frequently requires one to walk two and three city blocks to call on another office, whereas in Mr. Wood's plan the maximum distance from one office to another will average far less in proportion to its size. This is brought about by a central main corridor which enables every office to be reached with the minimum distance. Furthermore, this central-corridor plan takes care of the elevators in the most economical way, so that I venture to predict that an efficient elevator service will be secured with the minimum of expense. minimum of expense.

I would not like to give the impression here that I am indifferent to the appearance of Government buildings. I have many friends among the architects, and I am an admirer of good architecture, but I am quite hostile to those architects who design buildings with little regard to the requirements of the building or the functions it is to perform.

Not long ago I had occasion to visit a very beautiful hotel in Florida built in the Spanish style of architecture. I have rarely seen a more beautiful building, but the manager of the hotel told Florida built in the Spanish style of architecture. I have rarely seen a more beautiful building, but the manager of the hotel told me that after encountering heavy deficits in operation, it had been necessary to spend a large sum of money in rearranging the facilities so that breakfast could be served in the rooms of guests without excessive delays, rehandling costs, and expenses. There are ample data in the possession of the Bureau of Public Buildings to illustrate the great disparity that there is between the cost of operating and maintaining our great public buildings. Those, for example, having excessive height of ceilings are far more expensive to maintain and keep clean than buildings of moderate heights. That is one of the reasons why the ordinary commercial office buildings are often far more economical to operate and maintain than the more monumental buildings built by the Government; and while I would not like to see the Government lower its standards to those of most commercial office buildings, there is at least a golden mean between the extremes one finds. As the matter stands, I do not hesitate to say that this building will be a notable advance in Federal office-building design, and while it will maintain the standards of architecture for which Washington is so renowned, it will also prove to be in every sense a practical building, reasonable in cost, considering what it furnishes, and economical both in operation and in maintenance.

[Applause.]

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ADDRESS BY HON. HAROLD L. ICKES, SECRETARY OF INTERIOR

Hon. Harold L. Ickes, Secretary of the Interior and Administrator of Public Works, spoke as follows:

The Treasury Department in 1849 came to feel that, with its other heavy duties, it could no longer administer the vast public domain that still constituted, so far as national revenues and acreage went, the richest part of the United States. So the Department of the Interior came lato being. The chief function of this newest of the departments was to administer the public domain, and implicit in the mandate to do this was the obligation to see to it that new lands should be taken up by settlers as soon as possible and the resources of the public domain minted into the coin of the realm at a rapid rate. into the coin of the realm at a rapid rate.

ICKES RECITES HISTORY OF WANTON DESTRUCTION OF RESOURCES

Frankly, the Department of the Interior was set up-to use language with which today we are so familiar—to be the "exploiting" Department of the Government. If anyone sounded a note of caution as to the rate at which exploitation was to take note of caution as to the rate at which exploitation was to take place; if anyone expressed a belief in the principle of conservation of our natural resources, his voice was not heard above the general refrain. We were still a race of eager, restless, pushing pioneers. A land-hungry people to begin with, our appetite for land grew on what it fed upon. Only in the rarest instances did it ever occur to anyone to attempt to abate this consuming hunger. Nor was this surprising. So far as our ancestors could see, there never could be any question that there would be enough land to go around; the only problem was what we could do with all that

We saw the vast domain that stretched ever westward, not only We saw the vast domain that stretched ever westward, not only limitless wealth for America but the means of adding to our human resources so as to make the United States at the same time the richest and most powerful nation in the world. We encouraged the settlement of these lands by soldiers who had fought in our wars, by immigrants from foreign lands, and by farmers from farther east who were looking for new lands in place of those the fertility of which had become exhausted as a result of their careless husbandry.

It might be said that the Department of the Interior was the It might be said that the Department of the Interior was the sales agency of a Government so rich in lands and natural resources that it was willing to sell them for only a fraction of their real value, willing to give them away on the slightest pretext, willing even to close its eyes in order that it might not see that some of the most rugged of our rugged individualists were literally stealing large sections of the rich heritage of the American people.

The confession that I am making is not a pleasant one for one who holds the views that I do on the subject of conservation, and yet it seems fitting that frank statement should be made in order that we may understand the record and thereby chart the course for a more statesmanlike policy for the future.

When the conscience of the country began to appraise through slowly opening eyes the wanton destruction, the insistent exploitation of the patural riches with which God had and owned this

slowly opening eyes the wanton destruction, the insistent exploitation of the natural riches with which God had endowed this country, we began to look about, in true American fashion, for a victim who could be held up to contempt and scorn for that exploitation. The Department of the Interior supplied the need, and citizens came to criticize its policies without comprehending the reason for or the origin of those policies.

Even today self-righteous critics, some of them with an ulterior representation of the Interior cannot be approximated that the Department of the Interior cannot be

purpose, insist that the Department of the Interior cannot be intrusted with any of the natural resources of America because of the national policy in the past, and particularly because of the misdeeds of one or two men.

CONGRESS GUIDES POLICY OF DEPARTMENT

After all, it was the Congress that guided the policy of this Department and enacted the laws to which it must conform. It partment and enacted the laws to which it must comform. It was the Congress that decreed how and when and in what manner the public domain should be exploited. Nor should all the blame rest upon Congress, for it was but carrying out the will of the sovereign people. So far as I know, that great President, John Quincy Adams, whose luster as a statesman will grow in brightness as people come to study his career and thus to form a more just appraisement of his unusual qualities, was the only national leader until comparatively recent times who, as the result of quiet, de-tached, far-visioned thinking, evolved a policy which, if it had been adopted by the Nation, would probably have meant less flush wealth for present easy dissipation, but more solid, more enduring, and, in the aggregate, greater wealth for the people as a whole in the long run.

and, in the aggregate, greater wealth for the people as a whole in the long run.

Accepting the fact, as the record clearly establishes, that the Department of the Interior was created in the beginning to exploit the resources of America, what is the most effective step that can be taken to put an end to a policy that has become suicidal? The answer is plain. Let the Congress decree a final end to the era of reckless exploitation and announce adherence to the policy of conservation of our national resources which, as I understand conservation, means the prudent use of those resources. And as an effective means of declaring this change of policy so that all may clearly understand it, let the Congress enact the bill that is now pending, changing the name of this Department to that of Department of Conservation.

The mere passage of this bill would be declaratory of the intention of the United States Government henceforth to go forward with a policy of conservation of our natural resources. It stands to reason that until we consciously and deliberately, with our eyes on the future, make some such affirmative declaration the stupid waste of those resources will continue.

waste of those resources will continue.

WE NEED ORDERLY AND LOGICAL ARRANGEMENT OF CONSERVATION ACTIVITIES

From the point of view of the future, I can see nothing more worth while that America could do at this time than to charge a great department of the Government with responsibility for such development and use of our natural resources as is consistent with development and use of our natural resources as is consistent with their preservation for the benefit and continued use of future generations. Not only should there be such a declaration of purpose, there should also be an orderly and logical arrangement of conservation activities. There is grave doubt in my mind that conservation will ever become the major policy of government that it should be until some such action is taken.

If I were one of those interested in the continued exploitation of our comparatively few remaining riches of mine and forest and extreme and multip domain I would resist with all my might any

our comparatively few remaining riches of mine and forest and stream and public domain I would resist with all my might any mandate by Congress that conservation should be made a principal function of government under the charge of a responsible Cabinet officer. I would be satisfied with the irresponsible policy of division and spoliation that has prevailed in the past. I would want activities relating to conservation to remain scattered. I would encourage the misunderstandings, the jealousies, the overlappings, and the wasteful expenditures of public funds that have grown up in the past and which were the inheritance of this administration. We conservatives are like a posse comitatus, following each other with fitful lanterns while the thief that we were sent out to apprehend slips away to safety. hend slips away to safety.

THEODORE ROOSEVELT HINTED NEW NATIONAL POLICY

THEODORE ROOSEVELT HINTED NEW NATIONAL POLICY
We in the Department know that a definite stop to ill-advised exploitation has been too long deferred. The first faint flickering of a belief that perhaps after all we had not been altogether wise in putting all of our natural resources on the table and yelling in a voice that could be heard around the world, "Come and get it", began to manifest itself somewhat less than two generations ago. Theodore Roosevelt hinted that a new national policy might be necessary, and while it was only a hint it expressed a sentiment much more advanced than the current one of the period. As a matter of fact, opinion favoring the prudent management of our natural resources was almost nonexistent. There were still forests much more advanced than the current one of the period. As a matter of fact, opinion favoring the prudent management of our natural resources was almost nonexistent. There were still forests to be fed into the sawmills; there was still a public domain to be destroyed by overgrazing; there was still oil for flush production while billions of cubic feet of natural gas were allowed to be wasted into the air; there were still rivers and lesser streams to be polluted by the effluent from our sewers and by the refuse from our mills and factories; there were still apparently countless game birds and wildlife with which to fill the bags of the game hogs; there was still arable land to be homesteaded, to have its soil fertility exhausted and then to be deserted.

Notwithstanding the widespread hunger for more land and selfish greediness for more wealth at whatever cost to the Nation, there grew into a steady blaze the spark that was struck by the flint of far-seeing statesmanship in the hand of Theodore Roosevelt from the tinder of hard fact that the way we were headed led toward the eventual impoverishment of our people. More and more people began to recognize the wisdom and the foresight of the early conservationists who had firmly stood their ground, despite the ridicule and contumely that were heaped upon them. The new cause gained friends not only among the rank and file of the people but among the statemen of the New York and the control the statemen of the New York and the control the statemen of the New York and the foresight of the people but among the statemen of the New York and the control the statemen of the New York and the foresight of the people but among the statemen of the New York and the control the statemen of the New York and the York and Y

The new cause gained friends not only among the rank and file of the people but among the statesmen of the Nation, until it came

to pass that the principle of conservation began to find expression in the platforms of political parties.

I am afraid, however, that in many instances this was merely lip service. There has been observed no concentrated effort, resulting from a burning zeal for conservation, to make it, as it should have been mede long ago, a major policy of our forms. have been made long ago, a major policy of our Government. We have done quite a lot of wishful thinking about conservation, but so far active foes from without and muddle-headed friends within the ranks have formed an unnatural but powerful opposition that has been of benefit only to the exploiter.

DEPARTMENT OF CONSERVATION

Yet it is heartening that the sentiment to prevent further waste is growing and there is reason to hope that before a great while the Congress will respond to that sentiment by setting up a department of conservation and thus reverse the policy of exploitation that has existed heretofore. More and more the real statesmen of the country have come to believe in the preservation of what is left of the natural wealth of America. Nothing could be more encouraging than to realize that the present Chief Executive of the Nation not only believes as ardently as any conservationist could possibly believe in this theory, he himself has actually practically practically and the sentence of the country here. could possibly believe in this theory, he himself has actually practiced conservation. He has practiced it on his own extensive farm lands in New York State. As a member of the New York State Senate he was one of the leaders in the fight for conservation legislation. As Assistant Secretary of the Navy he helped to protect and preserve the naval oil reserves. He made it a major policy as Governor of the State of New York. During his administration

as Governor of the State of New York. During his administration of the affairs of that State he did more for conservation than had all of his predecessors combined.

Naturally when he came to Washington as President he brought with him his belief in the principle of conservation. As a result, more has been done during the slightly more than 3 years of the present administration in the direction of preserving and rebuilding the natural resources of America than has been done in any comparable time in our history. As a matter of fact, I am well within the bounds in saying that more has been done under this administration in this regard than during all preceding administrations.

EIGHTY MILLION ACRES PUBLIC DOMAIN; SOIL CONSERVATION SERVICE Vast additions have been made to the areas of the national forests. New reclamation districts have been organized and additional water provided for others already in existence. Under the Taylor grazing law signed by President Roosevelt, 80,000,000 acres of the public domain that are useful chiefly for grazing have been set up into grazing districts under Federal regulations. This does not mean the taking out of use of these lands, which are indispensable to the stockmen of the West, but it does mean the prevention of overgrazing with its threatened destruction of the range. It means also that, wherever possible, not only will deterioration of the range be stopped, it will actually be rebuilded so that our grazing area may be preserved and enlarged.

Under this administration the Soil Conservation Service was set up in this Department but later was transferred to the Depart-Vast additions have been made to the areas of the national

up in this Department but later was transferred to the Department of Agriculture. This Service, by actual demonstration, is making it clear to the farmers of America that their own economic welfare, as well as the happiness and well-being of their children, depend upon using their lands so that they will not be washed

or blown away.

Proof is being made that soil erosion, which has taken such a heavy toll of our fertile lands, can be prevented or counteracted. Large sums of money have been spent under this administration in flood-prevention work. Under the Petroleum Code of the National Industrial Recovery Act and under the Connally Act, at least, a beginning has been made toward stopping the reckless overproduction and consequent waste of petroleum and its products, which are exhaustible and irreplaceable resources upon which not only the prosperity but the very life of the Nation depends.

FLOOD CONTROL; CONSERVATION; WATER POWER

As a byproduct of the work this administration has obligated itself to do for the control of floods and to aid navigation, great water-power projects, such as Boulder Dam and the Tennessee Valley undertaking, have been completed or are being developed, the energy from which is available to the people at a cost within the means of all. Reforestation and afforestation have made tremendous strides. The Guffey Coal Act represents an effort to conserve our coal supply and protect our miners. Realizing the important place of wildlife, not only in our domestic economy but as related to the health and general welfare of the people, wildlife and bird refuges have been set up under this administration to an extent never before known. A notable start has been made toward solving the almost overwhelming problem of stream pollution. Submarginal lands from which farmers have struggled in vain to make a decent living are being purchased by the Government and taken out of agricultural use. Additional areas have been added to old national parks and new national parks have been brought into the system. into the system.

And to implement his conservation policies in an effective and hitherto unthought-of way President Roosevelt conceived the brilliant idea of setting up C. C. C. camps, so that hundreds of thousands of the youth of the land, who otherwise would not be employed, might have the chance of building up their own bodies while grafting new skin to cover the scars and the burns from which our land has suffered at the hands of man and the forces of nature.

PRESIDENT F. D. ROOSEVELT GREATEST CONSERVATIONIST IN AMERICAN HISTORY

This bare recital of actual achievements is ample proof of the statement that this administration has done more to advance the cause of conservation than all preceding administrations put together. Where others have torn down, Franklin D. Roosevelt has built up; where others have closed their eyes to reckless and oftenbuilt up; where others have closed their eyes to reckless and often-times illegal exploitation, he has been alert in the public interest; where others have done lip service to the principle of conserving our national wealth, while expressing regret that nothing could be done about it, President Roosevelt has not only found a way, he has insisted that it be taken. Having already fairly won the right to be ranked as the greatest conservationist in American history, President Roosevelt will continue to give ample proof not only of his theoretical interest in this policy but of his practical ability to give effect to it.

his theoretical interest in this policy but of his practical ability to give effect to it.

Years ago I joined the ranks of the conservationists. That was during the administration of President Theodore Roosevelt. When the present President of that name did me the honor to invite me to Washington as head of the Department of the Interior I came as a convinced and steadfast believer in the proposition that our natural resources should be carefully conserved and prudently used in the interest, not only of every American of this generation but of every American of the generations to come. No opportunity to advance the cause of conservation has been overlooked by the Department of the Interior under this administration. While the laws of the land have been conscientiously adhered to, all questions of doubt have been resolved in favor of the public as against any selfish private interest.

COMING GENERATIONS MUST BE CONSIDERED

It always has been, and it probably always will be true, that those who stand vigilant guard over our treasures of forest and land and stream in order to protect them from the predators will be openly condemned and cunningly attacked. Notwithstanding, we must bear in mind that the true function of Government is to see beyond the current month or the present year. Casting our eyes into the future, we must think of the coming generations, remembering that the imprecations that are hurled today at those who would protect our national wealth tomorrow will reecho as the plaudits of a grateful Nation.

SECRETARY ICKES CONCLUDES WITH HOPES OF DEPARTMENT

Mr. President, whether the Department that is to occupy this splendid new building, which in itself represents an outstanding accomplishment of your administration, is to be christened with the name that we would be so proud to bear, that of the Department of Conservation, or whether it is to continue to be known as the Department of the Interior, as the head of the Department, I pledge to you our active support and unwavering loyalty in advancing the cause that is as dear to our hearts as it is to your own. Under your leadership and with your encouragement every member of the staff has come to realize that all problems brought to us for solution must be considered, so far as may be possible under the law, from the point of view of the interests of the people as a whole and all doubts resolved in that same interest. same interest.

same interest.

As is well known, most of the major activities of the Department of the Interior at this moment are touched with a conservation interest. This new building represents much more to us than merely better and more desirable office space; it means something besides relieving the overcrowded conditions in our present building; it is to us a symbol of a new day; a turning in the long road that we have traveled since the time when the Treasury Department, with its blessing, sent us forth to do a work that was already cluttering up that Department in a manner that could no longer be tolerated. Let us hope that a great new adventure lies ahead of us at a significant time in the in-

ternal affairs of the United States; that a definite and final re-

ternal affairs of the United States; that a definite and final reversal of our course of heedless exploitation of our national assets is at hand, to be followed by the adoption of a policy of prudent use of those same assets, which is true conservation. To this new policy, in grateful recognition of its adoption, belated though it may be, let us then dedicate this new building. And, more importantly still, let those of us who, as members of the Department of the Interior, have the great privilege of serving the people, rededicate ourselves anew to that service. In doing so may we ever have in mind that our supreme duty is to do all that we possibly can to advance the welfare of mankind.

[Applause.]

III

ADDRESS BY FRANKLIN D. ROOSEVELT, PRESIDENT OF THE UNITED STATES The President spoke as follows:

Mr. Chairman, Mr. Secretary, and all of you who are present at this dedication of the first large monumental building that was started in this administration and is being completed in this started in this administration:

PRESIDENT PRAISES WADDY WOOD AND ADMIRAL PEOPLES

On behalf of the Government, I want to extend my thanks and extend my appreciation to those who have taken part in the actual construction of the new Interior Department Building—my old friend, Waddy Wood, architect; my old friend, Admiral Peoples, head of the Procurement Division [applause]; and also to those who have been in charge of procuring material and undertaking the contract, and especially to the workmen who have done the job.

[Applause.]
I think that every American who loves his country ought to take to heart the earnest and sensible plea of the Secretary of the Interior for a vigorous, continuing national policy of conservation. As for myself, I am dedicated to the cause. And the Department of Interior, as now constituted, is fully alive to the imperative necessity of protecting and preserving all of our natural resources. A nation less bountifully endowed than ours without a national policy of conservation would have ceased to exist a long time ago. The remarkable thing was that the people of the United States were so complacent for so long in the face of exploitation and waste and mismanagement, yes, and even largeny of the national

waste and mismanagement, yes, and even larceny of the national wealth that belongs to all the people.

PRESIDENT URGES CONSERVATION OF OUR GOD-GIVEN WEALTH

But not everybody remained insensible to what was happening. On occasion there came, as cries from the wilderness, warnings against the ravaging of our forests, the waste of our topsoil and our water supplies, and the dissipation of our oil reserves and mineral deposits. Theodore Roosevelt, when I was a very young man, rose up and battled against this squandering of our patrimony. He, for the first time, made the people as a whole conscious that the vast national domain and the natural resources of the country were the property of the Nation itself and not the property of any

the vast national domain and the natural resources of the country were the property of the Nation itself and not the property of any class, regardless of its privileged status.

Supported by an awakened country, which we find now is beginning to realize the truth of the old warnings, we in our later days have devoted our thoughts and energies to the conservation of our God-given wealth. Employing every agency of Government at hand to protect our birthright, we have in the past several years made advances far beyond the hopes of earlier-day conservationists. But the battle goes on, and, as in the case of other battles, it is a battle against the law of opposition. That battle must be carried forward with renewed vigor if future generations are to receive the full benefits that are their due.

full benefits that are their due.

COMPARES WAR AND CONSERVATION

This Department, the Department of the Interior, was first known as the Home Department, and it was a pretty good name. It was established fourscore and seven years ago, and since that time its activities have been intertwined with the internal development of the Nation itself. I found a few days ago the report of the committee of the House of Representatives which favored creation of the Department. Nearly a century ago that report was made, and it gives us an interesting picture of the times. The report said this:

"The general fact remains unaffected that war and preparations for war have been practically regarded as the chief duty and end

of this Government, while the arts of peace and production, whereby nations are subsisted, civilization advanced, and happiness secured, have been esteemed unworthy the attention or foreign to the subjects of this Government. It seems to us that this should not always continue, but that we should as a wise people reorganize the Government so far as to fulfill these duties also, which are suggested by the next results and wants of our which are suggested by the nature, aspirations, and wants of our race as physical, moral, and intellectual beings; that it should do something toward protecting the people against those internal enemies, ignorance, destitution, and vice, as well as against those foreign foes who may invade or who it is apprehended may assail us." That was written nearly 100 years ago. Think of the progress since those days!

And so the Department of the Interior, Secretary Ickes, came into being with a Secretary in the President's Cabinet, with jurisdiction over four people—the Commissioner of the General Land Office, the Commissioner of Patents, the Commissioner of Indian Affairs, and the Commissioner of Pensions. I am wrong; he had jurisdiction over one other person, the only employee, a chief clerk at \$2,000 a year. Secretary Ickes, you have more than five people under you today. [Laughter and applause.]

GROWTH OF INTERIOR DEPARTMENT

As the country expanded and the needs of the people grew, the activities of the Interior Department broadened to new fields of endeavor. I like to think that this speaks for the progress that we are making—the design for this building—architects have been guided by sound principles of utility and economy. Without sacrificing any of the dignity deserving of a great department of the Federal Government, they have conceived a useful building of practical simplicity. They have been sparing in the application of rich ornament, but convenience, comfort, and sunlight have not been sacrificed been sacrificed

I think that we have acted wisely in erecting this new building at this time. We have incorporated it in our public-works program that was established as a means of providing sorely needed employment in the building trades and the industries that supplied them, and which has already been successful in aiding the return of the Nation to better times. This building rising above

return of the Nation to better times. This building rising above us is but one unit of our great public-works program—a program which is erecting thousands of schoolhouses, hospitals, and other public buildings in every city of the Union.

Other factors in addition to the problem of relieving unemployment influenced our decision to erect this building without further delay. This great Federal family of ours in Washington, like other large families, has its own serious housing problem. We have grown over a long period of years until governmental buildings have been taxed to capacity, and every available square foot of space put to necessary use.

Government departments have been forced to seek space in

Government departments have been forced to seek space in buildings other than those owned by the Federal Government, and, as you know, we are now leasing several million square feet of office space in over 100 privately owned office buildings, and have been obliged in a few cases even to find quarters in residences and apartment houses. So we are eager to complete this building for a practical purpose—to reduce the rent bill of the family. When it is used, many Government workers will be gathered back in a building under a roof owned by the Government of the United

So, as I view this serviceable new structure, I like to think of it as symbolical of the Nation's vast resources that we are sworn to protect, and this stone that I am about to lay, as the cornerstone of a conservation policy that will guarantee to future Americans the richness of their heritage. [Extended applause.]

The President then proceeded in the laying of the cornerstone. Turning to the crowd, and holding a trowel above his head, the President said:

It may interest you to know that this same trowel was used by the first President of the United States in 1793 in laying the Capitol cornerstone itself. I think it is a good augury. [Continued extended applause.]

BENEDICTION BY RT. REV. P. J. M'CORMICK

Benediction pronounced by Rt. Rev. P. J. McCormick, acting rector of the Catholic University of America:

Almighty and eternal Father, who dost not despise the least of the undertakings of Thy children here on earth nor deny Thy of the undertakings of Thy children here on earth nor deny Thy favor to any efforts for human betterment and welfare, we beseech Thee to bless us today as we solemnly proceed under Thy auspices to erect an edifice the better to enable us as a people to conserve and to use the resources which Thou hast confided to our keeping. May we, with Thy light and grace, rightly estimate them in their spiritual and material values and, through a faithful stewardship of them, promote the ends for which our Nation was founded and which, with Thy assistance and favor, it must attain. Through Jesus Christ our Lord. Amen.

Mr. Speaker, the Department of the Interior issued a statement for the press previous to the laying of the cornerstone. The memorandum is as follows:

President Roosevelt is expected to lay the cornerstone of the new Interior Department Building Thursday, April 16, at 11 a. m., in the presence of a distinguished audience. He will use the trowel wielded by President George Washington in laying the cornerstone of the Capitol of the United States in 1793. The President will make a brief address, as will Secretary Ickes. Hon. Frederic A. Delano, Chairman of the National Capital Park and Planning Commission, will act as master of ceremonies. Rev. Joseph R. Sizoo, D. D., pastor of the New York Avenue Presbyterian Church, will offer the invocation; Rt. Rev. Patrick J. McCormick, acting rector of Catholic University of America, will pronounce the benediction. Music will be furnished by the United States Marine Corps Band and C. C. C. enrollees will serve as ushers. and C. C. C. enrollees will serve as ushers.

Fifteen Hopi Indians, in tribal costume, will give a colorful touch

Fifteen Hopf Indians, in tribal costume, will give a colorful touch to the dedicatory ceremonies.

Erected as a P. W. A. project, the new Interior Building represents the first major Federal Government structure in Washington authorized, designed, and built under the present administration. Its cost was estimated at \$12,000,000. Excavation was started August 12, 1935. The contract calling for completion on December 17, 1936—16 months—will constitute a record for a building of this size and type. size and type.

Two city blocks of 5½ acres, extending from C to E Streets, and from Eighteenth to Nineteenth Streets NW., are covered by the structure, which is 575 feet long by 383 feet wide. It will be

seven floors in height, with an eighth floor above the central unit, and a basement. Utility and maximum comfort for the personnel are expressed in the plan of the building. It consists of a center wing, two blocks long, extending from C to E Streets, with six wings on each side, extending through from Eighteenth to Nineteenth Streets. Every room is an outside room, the courts between the wings opening them. teenth Streets. Every room is an outside room, the courts between the wings opening upon Eighteenth and Nineteenth Streets and providing maximum light and air. There are 2 miles of corridors altogether. Twenty high-speed large capacity elevators, opening from the main or center corridor, and two escalators operating from basement to second floor, provide for the traffic between floors. On the roof will be modern broadcasting studios with the most modern of equipment.

Exclusive of corridors, toilet rooms, elevators, stairways, machinery space, and the like, the net usable area is approximately 700,000 square feet. The gross area is 1,050,000. Features that will be especially appreciated by the personnel are the cafeteria, one of the largest in the National Capital, and the large basement

parking space

In a specially constructed copper box, to be placed in the cornerstone of the new Interior Department Building, will repose a file of documents sufficiently varied to give archeologists of the future a comprehensive close-up of official duties and civic accomplishments carried on in the year 1936 by one of the largest departments of the Federal Government.

ments of the Federal Government.

Approximately 3 feet long by 1¾ feet wide, and 7 inches deep, the box will have as contents a Bible; a silk American flag; a pamphlet on the Constitution of the United States; a bronze medallion of President Franklin D. Roosevelt; an autographed photolion of President Franklin D. Roosevelt; an autographed photograph of Secretary Ickes; miniature drawings of the new building showing the architectural, structural, and mechanical details; service monographs of the Bureau of Mines, Office of Education, Reclamation Service, National Park Service, and Office of Indian Affairs; a historical outline of the public-land system; copy of the Congressional Directory for the Second Session, Seventy-fourth Congress; laws relating to the National Park Service; Glimpses of Our National Parks, a publication of current information; current newspapers and coins. Also enclosed will be copies of the act approved June 16, 1933, under which funds for the building were authorized; of the latest annual report and telephone directory of the Department of the Interior; of the 1892 hearings before a House Committee on Appropriations for the Department of the House Committee on Appropriations for the Department of the Interior and of the hearings on the Department of the Interior appropriation bill for 1937; of the publication The Department of the Interior, Its History and Proper Functions; of the invitation to the cornerstone ceremony and program; and a photograph and short history of the present Interior Department Building.

Twelve departmental units, numbering some 5,000 persons, will be housed in this structure, into which will move the Office of the Secretary of the Interior, the General Land Office, Office of Indian Affairs, Office of Education, Bureau of Reclamation, National Park Service, Division of Territories, Division of Grazing, Division of Geographic Names, Bureau of Mines, National Capital Park and Planning Commission, and the Commission of Fine Arts.

Planning Commission, and the Commission of Fine Arts.

The old Interior Building, however, will continue in use. The Geological Survey, one of the principal bureaus of the Department of the Interior, will be maintained in the old Interior Building, where its many laboratories and operating facilities will find expanded space when the above units have been evacuated.

Cut limestone over a granite base, finished with classic detail, yet modernized in design, is the material utilized for the new building, which will be a serviceable structure. Its architectural massing and proportions will fully accord with the group of Government buildings and formal parks planned for the new triangle area now taking shape between E Street, Constitution Avenue, Eighteenth Street NW., and the Potomac River. New buildings for the War and Navy Departments have been proposed for this group.

The erection of the new Interior Building, on its mammoth scale, was found advisable in view of the fact that at least 15 Federal buildings scattered through the District of Columbia now

house the Department's various bureaus.

Altogether the Federal Government now is renting for its own use a total of 2,723,000 square feet of private building space in the District of Columbia—in 121 different buildings. When the new building is occupied it will be possible to reduce the Federal monthly rent roll in the District of Columbia.

THEY KEPT THE FAITH

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, under permission kindly granted me by the House, I herewith insert in the Con-GRESSIONAL RECORD a copy of some remarks made by me in Statuary Hall, Capitol, on April 6, same being the nine-teenth anniversary of America's entrance into the World

It is entirely fitting that we should gather before the statue of the late Senator Robert M. La Follette upon this occasion. He was one of the six Senators who had the courage to vote against our entrance into the war 19 years ago today. There are but

three men now in Congress who voted against our entrance into |

the war—Senator Norris, Mr. Lundeen, and myself.

I well recall that occasion. We were told that it was a war to make the world "safe for democracy"; also that it was "a war to end all wars." Now, we know that these were empty and meaningless phrases. Democracy is in a more precarious condition today than ever before. Dictators rule with an iron hand, and we have war and threats of war.

I well recall the tremendous pressure that was applied to an unwilling Congress to vote as the international bankers and munitions makers dictated. We were deluged with bushels of telegrams demanding that we "stand by the President." As a matter of fact, we are going through a similar hysteria in our country at the present time, only now the very foundation of constitutional

government is threatened.

My friends, I hope that we may have one more amendment to our Constitution, and I refer to the Ludlow resolution, which would submit to a vote of the people all proposals for war, save when our country is actually being invaded. Had we had such a provision in the Constitution back in 1917, the American people would have overwhelmingly repudiated the proposal that we enter a provision in the Constitution back in 1917, the American people would have overwhelmingly repudiated the proposal that we enter the World War, and we would have been spared all the suffering and anguish that has resulted from our participation in that great conflict. If a vote on war could be submitted to those who made the supreme sacrifice, or who came home blinded and maimed, the result would be the same and equally decisive.

Wars settle nothing. They are futile, stupid, and expensive, and of all the wars of which there is record in history, the World War was the most stupid and indefensible. I hope that not in your time or mine we will commit or repeat that colossal blunder

of April 6, 1917.

It is to promote a better understanding of what war implies and the sufferings and misery that follow all wars that we assemble today to honor those 56 who had the foresight and courage to vote "no" on that fateful day, 19 years ago. May their memory never grow dim.

THE NEW DEAL

The SPEAKER. Under a special order the Chair recognizes the gentleman from Massachusetts [Mr. Gifford] for 25 minutes.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent that my time be extended 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. Mr. Speaker, in his address at Baltimore, on the evening of April 13, the President made the following somewhat startling statements:

We shall press ahead with new experiments; the period of social pioneering is just beginning; retire all over the age of 65; forbid those under 18 to undertake employment.

He did not tell those young people assembled there to hear him that his administration has already mortgaged them and their children to an amount which must necessarily carry the Nation's indebtedness up to \$40,000,000,000. A beautiful example of how easy it is to make glowing promises and carry on costly experiment with no regard for how the cost thereof is to be met. He declared that industry had really reached the high point formerly attained by it, but that now only 80 percent as many human beings are necessary to achieve the same amount of production.

He declared:

That we do something and when we have done something, if it works, do it some more; and if it does not work do something else.

In other words, he keeps on experimenting and experimenting. Keep up trial by error; submit the people further as guinea pigs for the "brain trusters" to operate upon; continue the wild and impractical schemes now so prolific under the encouragement of this administration. Hardly could we be surprised if we should find him endorsing the Townsend plan, social credit insurance, and many of the other panaceas now prevalent. He ridicules those accustomed to sound reasoning when they urge that we put the Federal finances in order and return to those principles of government which made us the greatest nation on earth. He did not tell these young people that but a few years ago only 1 dollar out of 13 was needed for taxes, while now 1 dollar out of every 4 is taken forcibly for that purpose. He did not encourage debate, that these young people might have a right to see whether they are willing to bear the heavy burden fastened upon them in the future to carry out his own particular ideas of social planning.

ficiaries" of kindred so-called cultural boondoggling schemes now parading over the country in the guise of made-work relief. It is estimated that nearly one-quarter of our population is the recipient of some form of Government relief and largesses. It may be that the other three-fourths of our population who pay the bills will suddenly become actively interested in these proceedings. We know that the President has recognized the failures of the relief set-ups as the years have gone by. We recall the P. W. A. in 1933 and, because of its slowness in getting into operation, the mad attempts of the C. W. A. to distribute Federal funds as fast and widely as possible, at least to prove to the country that we could really get rid of money hurriedly. We recall the vast sums allocated to municipalities, without any reference whatever as to their need, and the daily wage paid in large sections of the country amounting to three times the accustomed prevailing wage in such sections. The next step was the F. E. R. A., which was more sensible but resulted in the carrying on of many wild and fantastic schemes of no permanent value whatever. Finally there was evolved the W. P. A., which, after the previous experiences, for a while seemed to be a material improvement. Under this plan many worth-while projects have been undertaken by the municipalities. Nevertheless, a great many of these have been undertaken by communities financially unable to carry them on but held to the temptation of the 55-percent grant by the Federal Government.

However, under the W. P. A. it seems that it has been possible to knit together a vast and powerful political machine, the existence of which no one will have the temerity to deny. The loud protestations of those in charge of relief funds that politics will not enter into the question of relief sounds but a hollow mockery in the ears of those over the entire Nation who are now made familiar with its workings. It would, indeed, be silly to believe that the thousands directly in charge in the different municipalities could not have been instructed by those higher up before they would even dare to pursue the present political methods. A recent instance in my own State serves but as one small illustration of what must be now prevalent over the entire country. A member of the Governor's council of my own State made public the text of a letter written to an applicant for employment and signed by the president of a county Democratic league. It read as follows:

I have sent your name through for highway work. If you are not a registered Democrat, kindly visit the town clerk before 5 p. m., March 18, and have your party designation changed to

Such action by these small Democratic organizations makes it a fair assumption that the approval of those above them had been secured. It is to be expected that the spoilsman will have his due when it comes to the distribution of patronage, even under the protection of the civil-service laws, but it is nothing short of a damnable outrage when relief money is used for political purposes. Thus far only denials and whitewashing have been the answer by those in power. It is peculiarly within my province as the ranking Republican on the Expenditures Committee to make protest. You will recall that I did so in no uncertain manner while the wasteful and absurd practices of the C. W. A. were in operation. The Committee on Expenditures has failed to function. I have a high regard and real affection for its chairman, who, if allowed to do so, would make a most excellent investigator. Surely he has these extravagant and wasteful expenditures much on his mind. He has amply proved this by his devotion to his work and the attention he has paid and the fights he has made on the floor to prevent improper expenditures carried in bills on the Consent and Private Calendars. He has greatly desired that Government activities be coordinated, even though his committee dismissed-with but little attention-the recommendations made to it by the outgoing President in 1932.

We have recently noted the attempts to investigate relief activities by the Senate. It seems to be well understood at They might well be consulted as to whether they really the moment that this is not at all desired by the administra-desire to become a nation of tap dancers and the "bene- tion, and that the composition of the committee does not

lead us to expect anything except another dose of white-

Let us see for a moment what the President has had to say on the subject of relief:

[Excerpts from the President's annual message to the Congress, Jan. 4, 1935]

Jan. 4, 1935]

More than \$2,000,000,000 have been expended in direct relief to the destitute. Local agencies of necessity determined the recipients of this form of relief. With inevitable exceptions, the funds were spent by them with reasonable efficiency * * *; but the stark fact before us is that great numbers still remain unemployed. * * * To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. * * * Work must be found for able-bodied but destitude workers. The Federal Government must and shall quit this business of relief.

It is my thought that * * * all emergency public works shall be united * * * in a new system to supersede the Federal Emergency Relief Administration with coordinated authority which will be charged with the orderly liquidation of our present relief activities * * * and to be governed by a number of practical principles

practical principles.

The first two which the President enumerated were:

(1) All work undertaken should be useful, not just for a day or a year-

And-

(2) compensation should be in the form of security payments, larger than relief dole, but not so large as to encourage the rejection of opportunities for private employment.

The following excerpt is taken from a radio address delivered by the President April 28, 1935:

I call upon my fellow citizens everywhere to cooperate with me in making this the most effective and cleanest example of public enterprise the world has ever seen. If you will help, this can be done. Feel free to criticize.

We all know that criticism is not truly desired. Most of us know how rash it is to make any criticisms of relief measures. I can only hope that my own constituents who have known me for a lifetime will realize that my temperament makes me eager to assist those in need of assistance and that my criticisms are not captious ones.

But it is now high time, after the experience of the past and in view of the three billion or more dollars now made available for relief, that a more sensible and honest expenditure of these funds be made. In spite of the President's opinion, and that of Administrator Hopkins, real consideration must be given to the opinion of the businessmen of the country, to whom we must look to bring us out of the depression. Again I refer you to the meeting at White Sulphur Springs some 2 years ago of the great industrialists of the Nation, and supposedly having met at the President's request, and who practically unanimously recommended the system of direct relief. I invite your attention to a timely editorial in the last issue of the Saturday Evening Post which referred to the survey of the problem by Mr. Howard Bruce, banker and industrialist, and for 8 years a member of the Democratic National Committee. He says:

If I were undertaking to write a formula for the next 12 months, work relief of the W. P. A. type would play but a small part, and the formula would provide that the Federal Government should supply a portion of the funds for direct relief, and that each State and its political subdivisions would supply the remainder.

He points out

That relief should be given according to the individual need and that made work does not add to the self-respect of the individual; he knows he is on relief and his effort will be to obtain a meager security wage with a minimum effort.

It is well known that the social-security bill, which is supposed to be the President's brain child, aims at unemployment insurance. Yells of "Dole" will probably emanate from the throats of those who now favor boondoggling. But, if it can be called insurance later on, it can be called insurance now. See that this fund is used according to the need of the individual. It can be reasonably expected that the citizen so helped will use the time released to himself for material and cultural benefits of his own choosing and add vastly more to the permanent material and spiritual welfare of the Nation.

Somehow all too many of our citizens seem to believe that the Federal Government has money in limitless supply. They

understand that when aid is granted locally it must be paid for by direct taxes. However, the Federal Government is so far removed from them and Federal income taxes fall directly on so few, relatively speaking, that the realization that it, too, must eventually be repaid for all it expends by way of relief does not prevail. There is not even the realization that they are now paying, through the medium of indirect or hidden taxes. Likewise, certain legislators advocate issuing additional printed money, and this gives the impression to many that all the Government at Washington need to do is set the printing presses into faster operation.

But we really have no money. The power to raise it by taxation has been exercised almost to the breaking point. We have borrowed and must continue to borrow to an extent that may bring disaster even in the immediate future. May I quote from a statement recently made before a committee by Mr. Morgenthau? He said:

What I might say, if it became public property, might have a very adverse effect on the Government's credit. Now, that whole question of Government credit is such a delicate thing. One day there is confidence, and the people who buy bonds are with you. Then overnight something happens and they won't buy. * * * The minute I cannot raise the money to finance the Government, that minute you will have complete chaos.

Under questioning he conceded that the Treasury now faces the problem of raising around \$12,000,000,000 within the next year and a half.

Are not the arguments of Lew Douglas persuasive? In the light of what he said months ago, Mr. Douglas would appear to see only repudiation ahead. Is there to be another dose of coin clipping?

It is estimated that direct relief would cost not much more than one-half of the sum contemplated for expenditure under the present wasteful system. Among many Members there is a strong sentiment for the earmarking of most of these measures for P. W. A. projects to assure their being of at least some permanent value. But such projects could not wholly take care of the vast army now in need of relief. Many people are unfitted, or for various reasons unable, to work on such projects. Moreover, not a few of them-such as Passamaquoddy and the Florida canal—are themselves of doubtful merit or worse.

May we not well take a lesson from England? She some time ago abandoned such schemes for relief and for the fourth successive year has achieved a balanced budget, all under a system of direct relief. We, on the other hand, have registered failure. Why not, then, adopt a method which has worked successfully there? The answer would seem to be, simply because it is not compatible with the highly socialized aims, experiments, and notions fostered by this administration.

Subsistence homesteads! Resettlement vagaries! Satellite cities! Tree belts stretching from Canada to the Gulf, and many, many other grandiose but impractical schemes. Slum-clearance projects like those condemned on the floor recently by New York City Democrats. Boondoggling monstrosities too numerous to enumerate.

Does not the colossal failure to solve the unemployment question by such methods, tried over a period of 3 years, move you to demand a return to good old-fashioned ideas?

Blind, indeed, are they who do not realize that the one thing that is still lacking to assure true recovery is confidence. Well, it is small wonder that such confidence is lacking—that in the light of what has happened during the past 3 years business and finance hesitates and actually shudders at what may be done by this President of ours and the advisers to whom he has clung so tenaciously. Or who have clung so tenaciously to him.

Those who have will invest only in commodities of present value and will not invest in the future of the Nation for fear that their money will not return because of the possibility of further devaluation and more taxes and stifling legislation which continue to threaten the very existence of corporate business.

Conditions were indeed desperate early in 1933. However, nothing could keep America from forging ahead toward eventual recovery from the world-wide depression, and it has done so despite the retarding effects of many of the legislative acts which have been written on the statute books. Our recuperative power is truly great. I personally recovered from a very severe sore throat a short time ago, although, contrary to the advice of my physician, I smoked constantly. Nearly always the inherent power of recuperation overcomes even retarding actions; and there is a ray of hope for a return to sanity. I venture to suggest that the coming political race may be exceedingly interesting, even though it is run on a rather "muddy" track. Certainly the President, as such, has been treated most considerately by the opposite party. As "Candidate Roosevelt", however, it will be different; but, if he is attacked with some vigor, please remember the days when the cry was, "Smear Hoover!" Reread the Democratic speeches made on the floors of Congress during the days preceding the Tugwellian socialistic era. Let us hope that you Democrats can "take it" as well as hand it out.

In one thing the Republicans are indeed fortunate. Exceedingly effective fire is being directed at you by the most able of your own former leaders. Such Democrats as the great Senator from Virginia, who are faced with the necessity of seeking reelection, will again climb on the donkey's back and join the parade for the sake of the party and their own political interests, of course. However, even if the present administration should be returned to power, you may anticipate from such Democrats an insistent demand that the President finally depart from his costly experiments and pursue a saner and safer course.

Let me quote to you from remarks made by Senator Carter Glass:

The New Deal, taken all in all, is not only a mistake; it is a disgrace to the Nation. The time is not far distant when we shall be ashamed of having wandered so far from the dictates of common sense and common honesty. I would rather have died than live to see the disgrace of this era. Perhaps it would be better to drop the expression "brain trust" and substitute a word more apt. As for the New Deal, thousands of struggling industries are being driven out of business. * * I have not had anything to do with it, nor have I permitted it to have anything to do with my business.

Are not the rebukes which have been administered by Glass, Byrd, Douglas, Johnson, Al Smith, Jim Reed, Bainbridge Colby, John W. Davis, Ritchie, Tydings, Ely, Raskob, Shouse, and even Moley—and many other nationally known Democratic heroes of other days—still ringing in your ears?

O people of this Nation, return to the faith of your fathers. There has often been a sharp cleavage between the two major parties but never before has a party been willing to put in jeopardy the very liberties of our people, so dearly bought for us by those forefathers. Mark well the state of many of the other nations of the world, already beneath the iron heel of dictatorships. Let us rather endure a little longer these temporary ills and hardships than embark on the kind of craft, no matter how attractively it may be painted, which has borne those other countries to the shores of communism, nazi-ism, and fascism. Spurn the future guidance of men whose names were better known in red Russia than they were here before they were placed in charge of some of the branches of our Government. If your Presidential candidate must be Roosevelt, do not again write an appealing platform and pledge him to it, as you did 4 years ago, and then-should he be reelected-permit him not only to break the promises which he may personally make but repudiate and make a mockery of the party platform by which the votes of a misguided and trusting electorate shall have been secured.

To me it is almost beyond comprehension that the present Democratic Party believes that it can successfully go again to the people, in view of the great betrayal which has occurred. Let us rather hope and believe that the withering fire of criticism, condemnation, and ridicule that has already been poured in upon this administration from true Democrats, as well as Republicans, will at least force the abandonment of the weird and unworkable plans of those leaders who have set as their prime object the making over of America.

How tenderly, indeed, have we to date treated this President of ours! It has thus far been only his advisers who

have been castigated. Tugwell, Wallace, Hopkins have felt the lash of an aroused public opinion, but thus far the only suggestion made is the semiapologetic statement that these things cannot have reached certain ears.

The people must now be made to realize who is the master mind that appoints these chosen vassals and approves their un-American policies and performances. I am not a lawyer, but I understand that one legal axiom is that the principal is responsible for the acts of his agents performed in the course of their employment. And that even if an act was not specifically authorized in advance, its consequences are just as binding on that principal if later ratified. Failure to disaffirm and fire the offender may be such ratification. The President must assume all responsibility. He cannot escape it; and now that the facts of these repeated wild and wasteful experiments and repeated failures are being brought home to the consciousness of the people, it may not this time be so easy for you to build up a personality which shall remain sacrosanct.

Relief has indeed been distributed. But not only has far too much of the money failed to reach its intended beneficiaries and the waste and inefficiency been deplorable, but very soon the tax collector will start coming around with his demands that the money all be repaid and interest added. Our children and our children's children will hear his knock on their doors.

Moreover, the realization that the surrender of a goodly portion of our liberties has been the price which we have had to pay for this governmental assistance in our time of need will bring its rude awakening. Even the farmer will rebel against being told just how much, or how little, he may sow and reap.

Even a majority of the people can be blinded for a time by dazzling promises of immediate and personal benefits. But the realization must eventually come that those who dance must pay the piper. And then loyal Americans of all political faiths will join the chorus of protest until its volume reaches those ears that now hear only the pleasing tones of flattery and adulation.

Self-interest is, indeed, a mighty motivating power and it may sway a great many for a little while longer, but sooner or later the revulsion must come. And a prominent Democrat has stated that, after being reelected, large numbers of them would desert such an administration like rats leaving a sinking ship.

In concluding I wish to remind you that the remarks which I have made have not been partisan in the sense that they were uttered by a Republican assailing Democratic policies and performances. They have been strictly in line with what innumerable Democrats have likewise said—sincere Democrats who have become seriously disturbed by the present trends of our Government and greatly fear for the future well-being and liberties of our States and citizens alike. They, too, abhor the subtle persuasive methods which have been and are being employed to subvert the people and by the granting of largesses under the cloak of relief—a mess of pottage—to induce them to surrender their birthright of individual liberty granted and guaranteed under the Constitution. I quote ex-Senator Reed, "Destroy the Constitution and liberty is dead."

FLORIDA SHIP CANAL

The SPEAKER. Under special order, the Chair recognizes the gentleman from Florida [Mr. Green] for 10 minutes.

Mr. GREEN. Mr. Speaker, the subject of the canal across Florida is one of great importance and to thoroughly discuss it would take far more time than has been allotted to me this morning. Therefore, I shall not attempt to make a general discussion of it in this limited time, but I ask unanimous consent that in my time the Clerk may read a letter which I have today received on this subject and which is of vital interest, I am sure, to all Members of the House. At a later date, when more time is available, it is my purpose to discuss at length this subject.

The SPEAKER. Is there objection to the Clerk reading the letter referred to?

There was no objection.

The Clerk read the letter, as follows:

THE SHIP CANAL AUTHORITY OF THE STATE OF FLORIDA, Washington, D. C., April 15, 1936.

Member of Congress, House of Representatives.

MY DEAR MR. GREEN: I note from today's press dispatches that the President has intimated that, in the absence of a specific appropriation for the Florida ship canal by the Congress, he feels that he will be unable to make further allotments to this project from relief funds.

from relief funds.

If this is true, it serves to emphasize the desirability of congressional action on this matter during the present session. This is not a proposed project or one which is being contemplated, but a work which is well under way. The enormous excavations which have been made by the Army engineers in charge represent a ditch comparable in size with the Panama Canal and nearly 16 miles in length. Approximately 12,000,000 cubic yards of earth have been removed, and excavation is going on at the rate of 100,000 cubic yards per day. There are more than 6,000 men employed on this work, substantially all of whom come from the relief rolls. It cannot be the intention of Congress to fail to provide for this enterprise which was undertaken pursuant to policy laid down by it, nor does it seem possible that the Congress will permit the throwing out of work of this great amount of labor and the distress and chaos which would result.

I am satisfied that if the facts relating to the Florida Canal were known to the Members of Congress, the project would long since have been provided for by adequate appropriation. It has

were known to the Members of Congress, the project would long since have been provided for by adequate appropriation. It has been the object of vicious attack by interests which are opposed to the economies which the canal would bring about, and it has been subject to a barrage of misleading propaganda which has probably been unequalled since the attempt to defeat the Panama Canal. Even the official acts of record of the Congress and the Canal. Even the official acts of record of the Congress and the Federal agencies have been misquoted and given a warped inter-pretation with a view to misleading Members of Congress and the

You will recall that this project was exhaustively examined by the War Department, through the Corps of Engineers, pursuant to act of Congress. The national benefits which will result from the canal have been determined and reported by the special board of survey of the Corps of Engineers, and the cost estimate of \$140,-000,000 has been approved by the Chief of Engineers. The Engineering Division of the Public Works Administration approved the project and recommended its construction. A special board of review appointed by the President, composed of Army engineers and engineers of the Public Works Administration, has unanimously approved the project and recommended its construction. The Congress, acting through the Emergency Appropriation Act of 1935, has authorized the project. Its construction is well under way. The Chief of Engineers has recommended, the Director of the Budget has approved, and the President has transmitted to Congress an appropriation item of \$12,000,000 for prosecution of the work during the fiscal year ending June 1937. canal have been determined and reported by the special board of

work during the fiscal year ending June 1937.

When the House acted upon the War Department appropriation bill it did not see fit to include at that time the specific items of bill it did not see in to include at that time the specinc items of appropriation for this and a number of other projects, although the chairman of the subcommittee in charge of the bill, in entire fairness and frankness, stated: "I think it has been held that any project that actually has been begun and on which money has been expended, stands on the same level with projects authorized by Congress. Of course, that does not mean that we have to do it, but so far as the authorization is concerned it is there." and again he pointed out in his report to the House that the omission of these projects from the bill was without prejudice to their merits. The Senate decided by a majority of 10 votes that these projects were duly authorized and were appropriate items for appropriation should the Congress see fit to include them in an appropriation measure. The Senate by a majority of only one vote failed to amend the War Department appropriation bill passed by the House to include the specific budgetary item for the Florida Canal.

The above is the brief history of legislation on this project to date. The plain facts of the matter are that Congress has authorized the project, but has not yet seen fit to make specific appropriations for it. Any attempts by individuals to construe the legislative history of the canal to mean that it has been

the legislative history of the canal to mean that it has been disapproved by Congress are gratuitous and contrary to the record. In view of the above, I trust that you will make every effort to bring to the attention of the House the true facts in this case and to remove from it the vell of false propaganda which has undoubtedly confused the issue in the minds of so many of the Members. If you can succeed in doing this, I am satisfied that appropriate provision will be made to prevent the disastrous results to labor and industry which will inevitably follow failure to provide funds for the prosecution of what is undoubtedly the greatest and most worth-while project which the Congress has authorized in this generation. Very truly yours,

H. H. BUCKMAN, Engineering Counsel, The Ship Canal Authority of the State of Florida.

Mr. RICH. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.

Mr. RICH. Would it be appropriate to congratulate the President at this time on discontinuing the Florida ship

The SPEAKER. That is not a parliamentary inquiry.

FLOOD CONTROL

The SPEAKER. Under the special order of the House the Chair recognizes the gentleman from New York [Mr. LORD]

Mr. LORD. Mr. Speaker, I want to call attention of the House at this time to the results of the flood condition in New York, Pennsylvania, and other sections of the country that have suffered so greatly. I traveled through Pennsylvania to my home in New York during the last days of last week. I could see the results of that flood standing out very clearly. Many houses have been washed away. In others the underpinning is washed out, and those houses are lying in the cellars, totally destroyed, all as the result of high waters.

In New York State last July we had terrible floods which cost the lives of some 50 people and caused property damage of some \$30,000,000. Again, in November we had a terrible flood and again this spring. As a result of the floods we prevailed on the President of this Nation to have the Army Engineers make a survey of that section and propose some plan to prevent floods of this kind in the future. The survey has been made. The plans are about completed, and the appropriation for the work is the next step.

There has been before the Senate for some time a bill proposing flood control, but that bill has been loaded up with other than emergency projects until I fear it stands some chance of being defeated. But, in fact, there has been very little activity on this legislation. In 1927 there were terrible floods in the State of Vermont. After that time they erected flood-control dams, as they propose to erect them in New

York, Pennsylvania, and other States.

During the recent floods, while there was a great fall of water, even greater than in 1927, those dams held the water, and there was very little damage done. We believe if we could get these retaining dams erected in the State of New York and in the other States which need them we could prevent floods like the recent one. If we could hold back the water in New York State that comes down and overflows Wilkes-Barre, Harrisburg, and those other cities, a great deal of that damage, if not all of it, could be prevented. What we need now is action in this case.

I notice in the morning press a quotation, said to be from the President, where he said "he was not acquainted with any special flood-control appropriation bills on Capitol Hill." I think it is time that somebody did acquaint themselves with the flood-control situation. I think it is time the President of the United States interested himself in this legislation. I believe it is of enough importance to the sections that have been flooded that it should be one of the all-important measures, and that we should have relief at the present time. It is time the work was started, for we do not know when these floods will recur. If we can have the protection we should have, we believe that floods in the future will be eliminated.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. LORD. I am sorry, but I do not have time.

I want to urge upon the Members of Congress who come from these flooded areas, especially those from New York, Pennsylvania, the New England States, and other States that have been affected, to take some action upon this subject. I am going to ask those Members to meet in the well of the House at the close of the session today that we may formulate some plan that we may encourage and hurry on this control, which I believe is so important to all of us, and especially so in the East. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 485.

The Clerk read as follows:

House Resolution 485

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 230, a Senate joint resolution

amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Reserve and Committee on chairman and ranking minority member of the Committee on Banking and Currency, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the Committee shall rise and report the same to the House with such amend-ments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent for the adoption of an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'Connor: On page 1, in line 6, after the word "amended", insert a comma and "and all points of order against said joint resolution are hereby waived:"

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MICHENER. Mr. Speaker, reserving the right to object, what is the purpose of the amendment?

Mr. O'CONNOR. The Senate passed Senate Joint Resolution 230. The House reported H. R. 11844, an identical bill. The Rules Committee was asked to report out Senate Joint Resolution 230, but there is no report accompanying that particular resolution. The report accompanying the House bill furnishes the information. They are identical bills.

Mr. MICHENER. It was just a clerical error in the committee?

Mr. O'CONNOR. Not in the Rules Committee. [Laugh-

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The amendment was agreed to.

Mr. O'CONNOR. Mr. Speaker, this is an open rule for the consideration of a Senate joint resolution to extend the time of the Federal Deposit Insurance Corporation to take over the assets of defunct banks.

Mr. Speaker, I move the previous question on the resolution

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. GOLDSBOROUGH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 230, amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the Senate Joint Resolution 230, with Mr. Crowe in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield myself 5

Mr. Chairman, under the provisions of the Federal Deposit Insurance Act the Federal Deposit Insurance Corporation has the right to buy up the assets of closed banks when by so doing it thinks it can save itself a loss and effect a consolidation with another institution. This power expires on July 1, 1936. This resolution extends the time to July 1, 1938.

Unless there are some questions, I reserve the balance of my time.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. TAYLOR of Tennessee. To what extent are deposits in national banks guaranteed at the present time?

Mr. GOLDSBOROUGH. Up to \$5,000.

Mr. TAYLOR of Tennessee. When does it become \$10,000? Mr. GOLDSBOROUGH. The \$5,000 is permanent law.

Mr. MICHENER. Mr. Chairman, will the gentleman yield? Mr. GOLDSBOROUGH. I yield.

Mr. MICHENER. I notice the form of the resolution is incorrect, in that it states the procedure to be followed in the House to bring about what the gentleman attempts to do. The resolution states simply that paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, is amended by striking out "July 1, 1936" and inserting in lieu thereof "July 1, 1938."

The gentleman realizes, of course, that if this becomes law in this form, no one will know what the law is, and that there will be no law until the court gets the two enactments of Congress together and codifies them and does the mechanics which the House is presumed to do when it enacts legislation.

I would suggest to the gentleman that he offer as an amendment to the resolution language like this:

That section 4 of the Federal Reserve Act be amended to read as follows.

Then the gentleman will find in the Ramseyer rule in the report just what should appear in the new statute. All the gentleman needs to do is to strike out that which is in the parenthesis, or "July 1, 1930" of the Ramseyer report, and he will have a properly drafted statute. Is there any objection?

Mr. GOLDSBOROUGH. I do not know that there is any objection, but I think the joint resolution is all right as it is.

Mr. MICHENER. Yes; any statute may be said to be all

Mr. GOLDSBOROUGH. I think it means what we intend it to mean.

Mr. MICHENER. Yes; but if you just offer a statute to amend the law by saying that after a certain comma you strike out a word and insert a semicolon, then you go down four or five lines and strike out something else, then insert another semicolon, the court on the bench when asked to pass upon the law must do all this mechanical work before he knows what the law is. No member of the drafting service prepared this resolution, did they?

Mr. GOLDSBOROUGH. Yes; the drafting service of the Senate drew the resolution. As far as I am concerned, it is all right. I think the gentleman's criticism is without

Mr. MICHENER. I will offer the amendment. The gentleman having charge of the bill thinks my suggestion is without merit. This is the first time I have ever heard that what I have just suggested is not the correct procedure.

Mr. GOLDSBOROUGH. The gentleman insisted upon my answering. I did not want to say that, but the gentleman made me say it.

Mr. Chairman, will the gentleman yield? Mr. COLDEN.

Mr. GOLDSBOROUGH. I yield.

Mr. COLDEN. Has the gentleman any information as to the success of the Federal Deposit Insurance Corporation in salvaging the assets of defunct banks?

Mr. GOLDSBOROUGH. It has salvaged something like 47

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. GOLDSBOROUGH. I yield.

Mr. CRAWFORD. To what extent can the F. D. I. C. salvage these banks? As an illustration, in my home town there are two closed banks now in the hands of receivers. Can the Federal Deposit Insurance Corporation buy up the assets of these banks and take them out of the receivership?

[Here the gavel fell.]

Mr. GOLDSBOROUGH. I am sorry, my time has expired. Mr. CRAWFORD. Perhaps the gentleman may be able to answer me later.

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. Spence].

Mr. SPENCE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert a statement of Hon. Leo C. Crowley, chairman of the board, Federal Deposit Insurance Corporation, prepared for the Committee on Banking and Currency of the United States Senate on Senate Joint Resolution 230. This statement has never been printed

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The statement referred to follows:

Statement of Leo T. Crowley, chairman of the board, Federal Deposit Insurance Corporation, prepared for the Committee on Banking and Currency of the United States Senate on Senate Joint Resolution 230

The pending resolution provides for extending for a period of 2 years the loaning powers of the Corporation under paragraph (4) of subsection (n) of the deposit insurance law (sec. 12B of the Federal Reserve Act, as amended).

Under this provision, the Corporation may make loans to an insured bank provision first the loan will reduce the risk or exert

Under this provision, the Corporation may make loans to an insured bank, provided, first, the loan will reduce the risk or avert a threatened loss to the Corporation; and second, the loan will facilitate a merger or consolidation of the borrowing bank with another insured bank, or the sale of its assets and the assumption of its liabilities by another insured bank. Under like conditions, the Corporation may purchase assets from an insured bank or guarantee one insured bank against loss by reason of its assuming the liabilities and taking over the assets of another insured bank.

As advances by the Corporation under this section and accounts the section and the s

As advances by the Corporation under this section ordinarily will be in the form of loans, its powers under this section are referred to as its loaning powers. However, the power to pur-chase assets is of equal importance with its power to make loans. Assets may be purchased in cases where, by limitations imposed by State law or by charter, the bank is prevented from borrowing money or pledging assets beyond a specified amount, or where the existence of mortgage moratoria laws embodying restrictions on foreclosure make it impracticable to loan money on such security.

security.

In the course of hearings before this committee last year on title I of the Banking Act of 1935, the Corporation recommended that it be given these powers. At that time we recommended that the powers be granted only for a temporary period to expire on July I, 1936. Our purpose in suggesting this time limit was, first, to induce prompt action by insured banks and supervising authorities in formulating plans for rehabilitating banks needing these loans; and second, to furnish the Corporation a trial period for testing the results of these loans.

for testing the results of these loans.

When the Federal Deposit Insurance Corporation was created,
Congress provided that all national banks and State banks mem-When the Federal Deposit Insurance Corporation was created, Congress provided that all national banks and State banks members of the Federal Reserve System should automatically be admitted to insurance. Congress also provided that any solvent State bank not a member of the Federal Reserve System should be admitted to insurance after examination and approval by the Corporation. Under this provision a bank found by examination to have assets with sufficient value to cover all liabilities to depositors and other creditors was admitted to insurance even though the capital of the bank might be impaired or exhausted. During the year 1934 and the first half of 1935 the Corporation concentrated its energies upon improving the capital structure of insured banks, and many of those which had been admitted with impaired capital corrected this condition. In other cases their capital had been strengthened by an increase in the value of their investments. However, on August 22, 1935, when the temporary Federal deposit-insurance fund terminated, there still remained a number of insured banks with a deficient capital; and there were also a number of insured institutions which because of basic economic weaknesses are destined to fall eventually unless mergers or consolidations can be effected. Some of these institutions are the residue of the large number of uneconomic banks indiscriminately chartered during the years preceding and immediately following 1920.

The problem of making the banking structure sound in com-

1920.

The problem of making the banking structure sound in communities where there are now more banks than can be supported can be met only by the ultimate liquidation of some of these institutions or by programs for consolidation. As time passes the condition of some of these banks tends to grow progressively worse. By periodic contributions to capital or reductions in capital and other makeshift remedies, these institutions may be able to forestall liquidation proceedings but are unable to remedy their basic weaknesses. Because of the inability of the supervising authorities to close them as long as they maintain the minimum standards required by law, banks in this category continue in weak condition. If the Corporation adopts a passive attitude toward these banks, they will be permitted to operate until they are forced to suspend and larger losses will be sustained than if the situation is rectified at the present time.

By aid of loans from the Corporation communities with banks

aid of loans from the Corporation communities in this condition can be given at least one sound bank. This procedure also enables the Corporation to take its losses currently instead of permitting them to accumulate and to fall heavily upon its reserves during a period of financial stress.

Use of the loaning powers of the Corporation also averts the deflationary effects on local values and the disturbance to the locality which result from the receivership and liquidation of a

locality which result from the receivership and liquidation of a suspended bank. Sound assets are taken over by the purchasing

bank at going bank values rather than at forced sale values. Only the unacceptable assets, taken as collateral on the Corporation's loan, are placed in liquidation. The percentage of recovery of the bank's total resources is substantially increased. The business affairs of depositors and borrowers are not subject to the interruption which follows the closing of any bank, even an insured institution.

The formulation of plans for using the loaning powers of the Corporation has entailed surveys and analyses which have required more time than was anticipated when the limit for making these loans—July 1, 1936—was first suggested to the committee. The Corporation has exercised these powers in six cases. It has made six loans, aggregating \$7,289,492 and in three of these cases \$436,139 has also been expended in the purchase of assets. The deposits in these banks approximated \$17,300,000. Six other loans, aggregating \$273,000, have been approved by the board of directors but have not yet been disbursed. In addition, the Corporation has made commitments to supervising State authorities, or has proposals under consideration, involving the making of loans to about 100

It will not be possible before July 1, when the loaning power expires under the law as now written, to prepare plans and carry them out in many of the cases where we believe this procedure should be followed. It seems desirable, therefore, that the time limit be extended.

We do, however, again recommend that a time limit be fixed for the exercise of this power. There may be a question as to the desirability of the Corporation having permanent loaning powers, and the suggested period of extension will provide further opportunity for testing the effects of these powers. A time limit will serve as an incentive to the weak banks to work out their problems promptly rather than to postpone them indefinitely in the helief

promptly rather than to postpone them indefinitely in the belief that the Corporation will always make a loan as a last resort.

For these reasons, it is recommended by the Federal Deposit Insurance Corporation that the time limit on its loaning power be extended for an additional 2 years from July 1, 1936, as provided in the joint resolution under consideration. in the joint resolution under consideration.

Mr. SPENCE. Mr. Chairman, I know there will be no opposition to the Senate resolution that is being considered at this time. It is my own thought that of all the constructive legislation passed by the Congress, none has had such a farreaching effect as that creating the Federal Deposit Insurance Corporation. It has restored the confidence of the people of America in their financial institutions, and the effect of that confidence has been felt every day since the passage of the act.

I want to read a significant statement as to the deposits in the banks and how they have increased since this bill was

The total assets of insured banks were approximately as

On June 30, 1934, forty-three and one-half billion dollars. December 31, 1934, forty-six and one-half billion dollars. June 29, 1935, forty-seven and one-fourth billion dollars.

December 31, 1935, \$51,000,000,000.

Now, referring to demand deposits, they were as follows: June 30, 1934, \$14,000,000,000.

December 31, 1934, sixteen and three-fourths billion dol-

June 29, 1935, \$18,000,000,000.

The time deposits were as follows:

June 30, 1934, eleven and one-fourth billion dollars. December 31, 1934, eleven and one-half billion dollars. June 29, 1935, twelve and one-fourth billion dollars.

On December 31, 1935, the total assets of insured commercial banks approximated \$51,000,000,000. The total deposits of insured banks exceeded \$44,000,000,000-more than had ever been deposited in the banks of America.

Mr. Chairman, I think this is largely the result of the confidence that the passage of this bill brought to the people of America, and as long as we are on the subject, it seems to me it is not inappropriate to speak with reference as to where the credit for the passage of this bill should be placed. It certainly should not be placed to the credit of the bankers.

In his statement before the Committee on Banking, Mr. O'Connor, Comptroller of the Currency, stated:

With reference to the attitude of the bankers, both from the standpoint, as I see it, of the office of the Comptroller of the Currency and as a member of this board, the American Bankers Assorency and as a member of this board, the American Bankers Association held their convention in Chicago in September of 1933, 4 months before the law was to take effect; and I believe only about 5 percent of the bankers in that meeting approved the law. A resolution was passed with an overwhelming majority denouncing the law and asking the President of the United States to delay its taking effect.

Mr. Chairman, we saved the bankers of America, notwithstanding their protests. While I do not want to indulge in partisanship, and while I give full credit to our colleagues on the other side of the aisle who supported the Federal Deposit Insurance Corporation law, certainly the Republican Party deserves no credit for the passage of this law, because in their platform of 1932 we find the following:

In contrast with the Republican policies and record we contrast those of the Democratic Party as evidenced by the action of the House of Representatives under Democratic leadership and control, which includes the guaranty of bank deposits.

Mr. COLDEN. Will the gentleman yield?
Mr. SPENCE. I yield to the gentleman from California. Mr. COLDEN. Does not the gentleman believe that William Jennings Bryan, as an exponent of that doctrine, should receive some credit for this measure?

Mr. SPENCE. Yes; I remember Mr. Bryan advocated the insurance by the National Government of bank deposits. any event, I simply want to say that for the passage of this particular act the Democratic Party should receive full and exclusive credit. [Applause.]

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, there is not very much to add to what has already been said by the gentlemen in connection with this bill. I merely want to take a minute to point out to the members of the Committee exactly what this bill does and quote some of the language in it, so you will see that it only covers certain particular kinds of contingencies.

The Federal Deposit Insurance Corporation is, of course, in the business of insuring deposits up to \$5,000, but, naturally, is trying to do this job in as cheap a way as possible and to avert losses as far as possible. It was realized after the original deposit-insurance law was adopted that there might be times when, by proper and judicious intervention by the Federal Deposit Insurance Corporation, prior to the time of making payment of the insured accounts in a bank in difficulties, the necessity of making these payments might cease, and therefore the deposit-insurance fund, which was available to pay insured deposits, might be held intact and might not have any loss whatsoever, or at least not as great a loss as it would have had in the event all the insured deposits of that particular bank had to be paid.

It was for this reason that paragraph 4 of subsection (n) of section 12B of the Federal Reserve Act, which is the section dealing with deposit insurance, was passed, and those of you who have the report before you will note that the paragraph in question gives the right to the board of directors of the Corporation to take this action whenever, in their opinion, the risk will be reduced or a threatened loss will be averted. They may make loans secured by the assets of closed or open banks, they may purchase those assets, or they may guarantee the value of those assets to another bank, which gives a certain flexibility to the Corporation.

When the Corporation sees that a loss is very liable to be incurred because of the situation of some insured bank, knowing that certain insured deposits must be paid, the act gives the Corporation the right to make some kind of a deal, perhaps to advance money on the strength of the assets, perhaps to purchase those assets outright and hold them for liquidation by the Corporation itself or through another bank, or perhaps to guarantee them to some other bank which may take over the business of the bank which has been in difficulties.

All this bill asks is that this right, which has been of considerable value and which is now in the law, be extended for another 2 years from July 1, 1936.

Mr. KOPPLEMANN. Mr. Chairman, will the gentleman

Mr. HOLLISTER. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. I understand the gentleman is in favor of this joint resolution?

Mr. HOLLISTER. Absolutely.

Mr. KOPPLEMANN. May I offer this comment: There are two States in the Union, one of them, unfortunately, the

State of Connecticut, where the State banks do not subscribe to this measure and have not joined the Federal Deposit Insurance Corporation. In view of the fact that the gentleman is in favor of this joint resolution and was in favor of the original bill, and undoubtedly knows of the great benefits that have accrued to the depositors of America, and to the banks as well, I wonder if the gentleman would state why it is that any bank in any State would object to becoming a member of the Federal Deposit Insurance Corporation.

Mr. HOLLISTER. The gentleman, as a good citizen of Connecticut, would certainly not ask me, as a citizen of Ohio, to say why certain institutions in the State of Connecticut do or do not subscribe to a certain act, would he?

Mr. KOPPLEMANN. Then, I take it, the gentleman knows of no reason why they should not?

Mr. HOLLISTER. I would be the last person in the world to try to deal with a Connecticut matter, on which the gentleman must be better informed than I.

Mr. KOPPLEMANN. May I ask, further, whether the gentleman knows of any reason why any bank in the Nation should stay out?

Mr. HOLLISTER. Oh, a great many reasons. I could talk for half an hour or an hour on that subject. There are reasons both for and against deposit insurance. It is a very highly controversial subject, and I am not prepared to give all the arguments against it to the gentleman, because there are a great many of them. There are also a great many arguments in favor of deposit insurance, and, as the gentleman will recall, the present act is a kind of compromise between those who objected to any insurance at all and those who wanted 100-percent insurance with full liability on the Government. The gentleman knows that the present bill is a compromise, and certainly I cannot answer his question without going into considerable more detail with respect to the whole proposition.

Mr. KOPPLEMANN. And yet the gentleman is in favor of this measure and was in favor of the Federal Deposit Insurance Act.

Mr. HOLLISTER. As to the measure now before the committee, I am decidedly in favor of it.

Mr. CRAWFORD. Mr. Chairman, will the gentleman vield?

Mr. HOLLISTER. I yield.

Mr. CRAWFORD. In view of the fact that this section of the act expires on July 1, 1938, do we understand that if, say, on August 31, 1938, a bank, the deposits of which are insured by the F. D. I. C., gets into trouble or is closed, we will say, or becomes insolvent, the F. D. I. C. will then not have an opportunity or be authorized by law to take over the assets of that bank in order to reduce the losses that might occur?

Mr. HOLLISTER. It would not be able to proceed under this section, but let me say to the gentleman that he knows, of course, as well as I do, that there will be two sessions of Congress before July 1, 1938. I personally would have preferred to have this extension made only to July 1, 1937, as it is still in the experimental stage, perhaps, but 2 years is certainly sufficient, and much better than making it permanent, because making it permanent would make it very hard to change the law.

Mr. CRAWFORD. The thing I was trying to clear up in my own mind is that this is not what we might call emergency legislation, but is something to go along with Federal deposit insurance as time indicates the way it should travel.

Mr. HOLLISTER. It has worked out very satisfactorily so far as to this particular section, and the directors have asked that it be extended for a certain length of time. I see no need to extend it beyond that time, because there will be two sessions of the Congress in the meanwhile.

Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech delivered by me before the John Marshall Club in St. Louis on April 4.

The CHAIRMAN. Without objection, it is so ordered.

THE BOAD WE ARE TRAVELING

Mr. WADSWORTH. Mr. Chairman, under the leave to extend my remarks in the Record, I include the following speech which I delivered on April 4, 1936, before the John Marshall Club of St. Louis, Mo.:

When one looks back to March 4, 1933, and attempts to review the events which have transpired since that day—and it is a terrific job—one cannot help being impressed by one fact, and that is that not once during this hectic period have the President or any of his principal lieutenants used the word "thrift." I submit that the omission of that simple word from the New Deal vocabulary is significant. It denotes a habit of thought; it helps to identify a philosophy. Let us look into it for a moment. For generations the average American has lived in the belief that the best measure of security he could achieve for himself and his family must come from his own efforts. If he were wise and provident, he tried to put away savings against a rainy day. He preferred to depend upon himself rather than upon government, and in doing so he enjoyed a degree of satisfaction which in itself became a spiritual asset of great value. It is fair to say that the American conception of life has, generally speaking, been built upon such a foundation. The New Deal offers no encouragement to such a conception. Directly, or by implication, it preaches the doctrine that security from the cradle to the grave should be conferred upon the individual largely by an all-wise and all-powerful Government. The Government's function in this respect is implied in several phrases which have come to our ears during the last 3 years. I shall mention but two of them. The President uses the term "planned economy." His chief lieutenant, Dr. Tugwell, mentions a "disciplined democracy." These two phrases, together with others of a like nature used frequently by the President and his principal supporters, indicate very clearly what they are driving at. And, moreover, a long succession of legislative enactments, many of them contrived to plan the economy of the people and to discipline them under governmental control, completes the vivid picture. The element of thrift does not appear in that picture at all, whether it be governmental thrift or thrift

exercised by the individual.

You may think that I am placing too much importance upon this matter and that I am allowing myself to reach an unwarranted conclusion. Nevertheless, I entertain the belief that, through the omission of any appeal for thrift, it is expected that the individual will the more easily drift into a state of dependence upon government and acquiesce finally into becoming its disciplined subject. You may doubt that there is any such intention in the mind of the President and the new dealers, but make no mistake about it—that is the road along which the American people are traveling today. Whether we think it wise or unwise to pursue such a course, it must be conceded that it is not the American way; that it closely parallels the modern European way—the way of Hitler and Mussolini. The public appeals, the lingo, the phrases, the signposts are all alike. A comparison of Fascist, Nazi, and, indeed, Communist writers with the utterances and writings of the apostles of the New Deal in America exposes a startling similarity. I want to call your attention to an element ever present in the European picture. It is the element of force—force applied against the individual in order to compel his obedience to the plans of government—and to remind you that we have already encountered that same element here in the United States. In fact, it threatened to dominate our lives until of a sudden it was wiped out, for the time being at least, by the Supreme Court of the United States. What do I mean by this? Obviously, if the Government is to plan the way in which people are to earn their living, it cannot permit any individual or group of people to deviate from the path marked out for them lest the whole plan of the Government break down. To save the plan obedience is demanded, and if obedience is lacking then force must be employed. That is inevitable. In other words, our democracy must be disciplined and a bureaucratic Government at Washington must perform the functions of a policeman. Some people will say,

Lewis' recent book.

The answer is, it has already happened here in several different ways—this employment of force against the individual who declines to earn his living in a way prescribed. We found it in the famous N. R. A. codes as expounded and applied in the thunderings of Gen. Hugh Johnson. Those pseudo laws contained provisions to the effect that if the people engaged in a certain industry or in the performance of a certain service charged a price for their goods or services different from that fixed in the code, or, in some cases, if they produced and sold more than the quantity fixed in the code, they were to be punished through prosecution, finally, in the Federal courts with fines, and, if they proved obstinate, with imprisonment. Some unsuspecting individuals were actually thus punished, and a large number of prosecutions were pending in the Federal courts when the Supreme Court, in the case of Schechter, the Brooklyn chicken merchant, stepped in and reminded the administration and the country that under the supreme law of the land—the law which is above Presidents and Congresses—the Federal Government has no power to do such things. Thus, in one field, the field of industry, the element of force was withdrawn for the moment. This unanimous decision of the Court tended to clarify the hitherto confused thinking of a great many people and to bring them to a better realization of what this movement really means. It did not, however, deter the President from his determination to go ahead with it. Indeed, he protested against the decision and made perfectly clear his inten-

tion to establish his kind of government in America even though he resort to roundabout paths. As an example of this continued effort, I cite a measure now pending in the House of Representatives known as the Walsh bill, a bill which has already passed the Senate. It provides, in effect, that every contractor furnishing material or supplies to the Government must, as a condition of his contract, conduct his business in accordance with codes prescribed by the Government. More than that, this obligation to comply with Government-made codes extends to all subcontractors and to their subcontractors in turn.

In fact, under this proposed law an N.R. A code system would

In fact, under this proposed law an N. R. A. code system would extend through all processes of production from raw material to finished product. Consider the ramifications of this thing. The Government purchases thousands and thousands of different articles and enters into contracts for the erection of scores of different sorts of structures. Take an Army post, for example. It is like a small town. To build it, stone, cement, brick, steel, lumber, and plaster are needed. The codes will apply to the people supplying those materials and to the subcontractors from whom they are obtained. To equip the post, heating plants, power plants, plumbing fixtures, electric lights, telephone, and other installations are required. The men who furnish them must all be under the code. Among the necessary expendable articles are sheets and pillow slips, mattresses, blankets, and towels. Thus practically the whole textile industry is involved. The soldiers must be clothed with underwear, outer uniforms, shoes, overcoats, and hats. The soldiers must be fed bread, beef, butter, fruits, vegetables, coffee, tea, sugar, and other articles of food. The kitchens must be equipped with ranges and kitchen utensils. The messroom tables must be set with china and glass and tin. The hospital must be supplied with medicines, surgical instruments, and appliances. Under this Walsh bill every person who furnishes any one of these articles (and I have scarcely scratched the surface) and every person from whom he purchases them in semimanufactured form or in the form of raw material must bow to the will of the code authority established in Washington. One could tell a similar story about the building and equipment and maintenance of a battleship. Suffice it to say that if the Walsh bill should be passed you would find for all practical purposes N. R. A. reestablished, despite the decision of the Supreme Court. And, mark my words, if this administration is given another 4 years to work its will, the Walsh bill will pass and "crack-down" tactics will

Following the collapse of N. R. A., the famous Triple A attracted more and more attention. It was the companion piece to N. R. A. and potentially affected all agriculture. Under that extraordinary law the Government resorted to two weapons to secure obedience. With one hand it sought to purchase obedience by the payment of money to farmers as a reward for running their farms in the way the Government wanted them run. And it taxed another part of the people in order to pay the bill. With the other hand it employed force to compel obedience in certain branches of agriculture. For example, if a cotton farmer presumed to raise and sell more bales of cotton than the Secretary of Agriculture allowed, and did so without paying the prohibitive tax sought to be imposed upon him, he could be prosecuted, and, upon conviction, fined or sent to jail. Next door to the cotton farmer is the tobacco farmer. Idle cotton acres were transferred to the raising of tobacco, with a resultant increase in the supply and decrease in the price. So the Tobacco Control Act was passed, and in it we found again the element of force imposed in just the same way. Idle cotton lands and idle tobacco lands were transferred to the raising of potatoes, with the inevitable result that potatoes flooded the market and the price per bushel reached a pitiably low figure. Then came the famous Potato Control Act, under which it was actually provided that no person in the United States should raise and sell in the crop year of 1936 more than five bushels of potatoes without the permission of the Secretary of Agriculture. That laughable law clothed the Secretary with power to tell everybody just how many bushels he might sell, and if a grower presumed to sell more potatoes than his permit provided for and failed to pay the prohibitive tax, he could be fined for the first offense and sent to jail for a year for the second offense. And then to make assurance doubly sure, the law provided that the purchaser of illegal potatoes, whether individual housewife or w

It is all about.

Now, one would suppose that with the collapse of the old Triple A, with the failure of this particular attempt to regiment all industry and all agriculture, the President and his advisers would desist. Not so. They are today just as intent upon putting their theories into practice as they ever were. In the field of agriculture they have dressed up the old Triple A in a new suit of clothes labeled "Soil Conservation and Prevention Erosion." The new act has reached the statute books. Concededly it will involve the expenditure of \$500,000,000 during this crop year—just in time for the elections. The money is to be spent to purchase compliance with the Government's plan to regulate agriculture. And please remember that the Secretary of Agriculture can do anything he pleases in pouring out this money. Call it what you will, it is merely another attempt to control the production of the soil by artificial means. Sooner or later the whole thing will break down.

Perhaps I can illustrate the reason. Let us visualize the agricultural production of the country as confined in the form of gas within a toy balloon. The surface of the balloon is marked out and divided into a number of areas, each labeled with the name of a certain crop. Along comes a professor and says we have too much cotton, and he takes his thumb and presses inward on that portion of the surface labeled "cotton." He makes a dent in it and sighs with satisfaction. Strange to say, the balloon bulges out at another point on its surface labeled, we will say, "tobacco." So the professor takes his other thumb and pushes in at that point. He makes another dent. The two indentations result in an extension of the balloon at the point marked "potatoes." That is disconcerting, but it must be stopped; so he summons another professor and gets him to push his thumb in at the potato point. Each indentation produces another swelling. It may be cabbages or fruits or onions. Who can tell? Whatever it is it is inevitable that once you start such a process and are determined to adhere to it you must follow it to its bitter end, at which point the pressures upon the balloon, each of them representing the employment of force, become so numerous that finally the balloon bursts. It may take years, but we will learn the lesson eventually. In the meantime, it will cost billions of the taxpayers' money.

may take years, but we will learn the lesson eventually. In the meantime, it will cost billions of the taxpayers' money.

The most precious things in life are the things of the spirit. Such is liberty. Men have struggled for it for centuries. In its best sense it is enjoyed here in America today to a degree never before equaled in all history. You and I know that the laborer, the clerk, the shopkeeper, the merchant, the small-business man cherishes liberty in his heart, for he knows that only through freedom from oppression may he work his way upward. And there is no man on God's footstool who loves liberty as does the farmer. Farming is more than a mere business; it is a habit of life. A good farmer reads and studies that he may be the better prepared to do battle with the elements, to understand the soil, the seed, the crops as they grow, the animals as they develop. He plans his work months ahead and lives with it day and night. He loves it and refuses to abandon it except under dire compulsion. Take away his independence and you have reduced him to the status of serfdom and have destroyed his very soul. Many of them today have little left except that independence. If they would preserve it as a spiritual asset let them beware of becoming the habitual recipients of governmental subsidy, and, finally, the victims of force. I shall be entirely frank about the farm problem. I do not believe that the Congress, or any other power, can circumvent economic law. I do not believe that agriculture can be placed upon a stable and prosperous basis by the employment of artificial devices. As to four or five crops we produce more than we consume. True, a great expansion in some crops resulted from the World War with its insistent demand for more and more food and its resultant high prices. I admit that to readjust the structure following the collapse of prices after the war is difficult at best, but I insist that that readjustment can be brought about the more quickly by reopening the doors of foreign trade. Only through

I can understand how desperate people may resort to the weapons of economic nationalism, but I am convinced that in the long, long run those weapons cannot prevail against the stern insistence of economic law. The thing has been overdone. Perhaps we ourselves are guilty somewhat. At any rate, the whole world is suffering as a result, and among the sufferers is the American farmer. The situation is made more acute by reason of the fact that we have become the great creditor nation of the world, as contrasted with our aforetime position as a debtor nation. As a creditor we may not expect the payment of debts due to us unless we permit the debtor to do business with us to a reasonable extent at least. A protective-tariff system is the legitimate weapon of a debtor nation. We employed it and as a result have built up a marvelous industrial structure and a standard of living never approached in the history of the world. I would not lower that standard of living nor undermine that industrial structure. I still believe in a protective tariff, but I would adjust it to meet our changed conditions, provided—and this is vital—other nations make similar adjustments along with us and thus enable us to preserve our standards. Let us remember that those standards are not to be measured by the number of 59-cent dollars contained in the pay envelope but rather by what those dollars will purchase. Obviously, no such thing as this can be done overnight nor should it be done with an axe. If done at all, it must be done slowly and patiently and in cooperation with others of like mind. Furthermore, it must be done by acts of Congress, out in the open where everybody can see what is going on. The present administration has not had the courage, despite its huge majorities in both Houses, to tackle the thing, and has preferred to nibble at it in the dark, behind closed doors, without giving either the farmer or the industrialist a decent hearing. As a matter of fact, in the trade agreements thus far reached through the star-chamber pro

While we are trying to look ahead let us give consideration to another element in the future. The Government is going on with its spending program. Something like 60 cents out of every dollar it spends is borrowed. By the end of this calendar year the national debt will have reached the neighborhood of \$35,000,000,000.

Not a word is being said about thrift. If our present generation is to acquiesce in this financial debauch which involves, inevitably, the continued piling up of debt and the increasing of taxes, what of the next generation? Should we not concern ourselves about the youth of today, those young men and young women who, a few years from now, will be carrying the burden and who, in the ordinary course of nature, will carry it for something like 40 working years of their lives? Already the sum total of taxes in this country exceeds 25 percent of the total income of the country. Already the national tax bill equals the national food bill. Actually we are paying as much for government as we are paying for our daily bread. What will the percentage be if this orgy goes on for another 4 years? Those of us who have passed the half-century mark can probably stagger along for the rest of our journey, but what of the men and women of tomorrow? Is it not inevitable that taxes will absorb all their savings? Do not pending tax proposals relative to the taxation of the surplus of corporations lead in that very direction? Of what avail is thrift if the possessor of that quality, the truly forgotten man, is to be destroyed? I venture the assertion that if this present program of Europeanizing the United States and this orgy of expenditure were abandoned this very night, even then the burden which must be borne by the next generation will be well-nigh unbearable. How any young person just coming out of high school or college can view the future with anything but concern approaching dismay passes my comprehension.

It may be that the idea prevails here and there that these debts

just coming out of high school or college can view the future with anything but concern approaching dismay passes my comprehension. It may be that the idea prevails here and there that these debts need never be paid; that they can be repudiated in whole or in part; that by some device other than the imposition of more taxes the Government can find a way to pay them. Repudiation is dishonor and brings economic and spiritual collapse to the people that indulges in it. The device is currency inflation, another form of repudiation, which, once started, drags the whole population over the precipice. And, gentlemen, we have only to observe what has happened in Europe in the last 15 years in order to learn that the complete collapse of an economic system, with all its distress and desperation, inevitably results in a similar collapse of political institutions. If one goes the others go. Thus democracy is perishing in Europe. I appeal to the young people of today to understand that this dollars-and-cents side of government may become of vast importance, not only with respect to the material things of life but actually with respect to the preservation of their very libertles. Indeed, I make my first and last appeal to youth, and I ask, "Are you going to stand for this?" If not, then you must use the only political instrument that lies ready to your hand—the Republican Party. Go to its leaders, go to its elderly members, if you please, and insist that the party face this situation bravely; that it meet all these issues out in the open without evasion, without pussy-footing; that it put aside considerations of merely local political advantage and devote itself to national service. In a word, that it fight to save this country. Only in this way shall we continue our journey along the American road.

The Clerk, proceeding with the reading of the bill, read as follows:

Resolved, etc., That paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, is amended by striking out "July 1, 1936" and inserting in lieu thereof "July 1, 1938."

Mr. MICHENER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 1, line 2, after the comma on line 2, strike out the remainder of the resolution and insert in lieu thereof the following:

institute of the resolution and hiself in het altered are following:

"That paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, be amended to read as follows:

"(4) Until July 1, 1938, whenever in the judgment of the board of directors such action will reduce the risk or avert a threatened loss to the corporation and will facilitate a merger or consolidation of an insured bank, or will facilitate the sale of the assets of an open or closed insured bank to and assumption of its liabilities by another insured bank, the Corporation may, upon such terms and conditions as it may determine, make loans secured in whole or in part by assets of an open or closed insured bank, which loans may be in subordination to the rights to the depositors and other creditors, or the Corporation may purchase any such assets or may guarantee any other insured bank against loss by reason of its assuming the liabilities and purchasing the assets of an open or closed insured bank. Any insured national bank or district bank, or, with the approval of the Comptroller of the Currency, any receiver thereof, is authorized to contract for such sales or loans and to pledge any assets of the bank to secure such loans."

Mr. MICHENER. Mr. Chairman, the amendment I have offered simply carries out the mandate set forth in the resolution presented by the committee. The resolution provides that something be done to the statute, to wit, that it be amended by doing certain things. The resolution which I have offered carries out the desire of the committee as

expressed in the resolution which they have brought to the floor of the House.

No new language is added to paragraph (4) of subsection (n) of section 138 of the Federal Reserve Act other than to substitute "July 1, 1938" for "July 1, 1936." I offer the amendment and hope it will be accepted.

For the last couple of years it has been the custom of certain departments to send legislation drawn in this manner to the committees of Congress. Some committees apparently are afraid to change the form, and this custom is liable to become a fixed habit and should be stopped now. No draftsman or other person familiar with the matter will take any other view.

Mr. GOLDSBOROUGH. Mr. Chairman, the amendment offered by the gentleman from Michigan conveys exactly the same meaning as the joint resolution which has passed the Senate and is now under consideration in this body. The Senate Committee on Banking and Currency saw fit to use the language employed in the resolution, which serves every conceivable purpose. There is absolutely no difference between this resolution and the amendment offered by the gentleman from Michigan except that he uses more words. The resolution is in the usual form of resolutions of this kind offered by the Committee on Banking and Currency of the Senate and the Committee on Banking and Currency of the House. The language is entirely satisfactory to both committees. Both committees feel that they are fully competent to pass upon the meaning of a simple resolution, and we ask that the amendment be voted down. If the amendment should be adopted, the bill would have to go back to the Senate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The CHAIRMAN. Under the rule the Committee will rise. Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Crowe, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration Senate Joint Resolution 230, and, pursuant to House Resolution 485, he reported the joint resolution back to the House.

The SPEAKER. Under the rule the previous question is ordered. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question now is on agreeing to the Senate joint resolution.

The Senate joint resolution was agreed to.

A motion to reconsider the vote by which the joint resolution was agreed to was laid on the table.

A similar House bill was laid on the table.

AMENDING THE FEDERAL HIGHWAY ACT

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 484, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11687, a bill to amend the Federal Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 1, line 8, strike out the word "two" and insert "one."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. O'CONNOR. Mr. Speaker, if the gentleman from Pennsylvania [Mr. Ransley] does not desire any time, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resoution.

The resolution was agreed to.

Mr. CARTWRIGHT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 11687) to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11687, with Mr. Scrugham in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, the action that is taken by the present Congress upon the bill now under consideration—H. R. 11687—will determine whether the national-highway program for the next 3 years will be progressive and of the greatest possible benefit or whether an uncertain, hand-to-mouth policy must be pursued by the various State highway departments.

It is true that the highway program for the next fiscal year is not directly involved in this bill, but the sound, economical planning of road building is a long-range task. Construction programs for 1937 will be affected by action on this bill, because this action will tell the States whether they can operate under a stabilized 3-year program or whether they must lay out their construction schedules on a 1-year basis.

For the purpose of emphasizing the fundamental necessity of giving immediate and favorable consideration to H. R. 11687, I remind you that the American system of developing highways is a Federal-State road-building partnership. The Federal Government sets the pace by authorizing and allocating Federal-aid funds that are matched by the States. In order to make their highway program function most efficiently, the States must know in advance what the Federal Government intends to do.

Forty-four of the State legislatures will convene next January, and 40 of these legislatures will not meet again in regular session for 2 years. Hence, unless Federal aid is authorized as provided in the bill now before us, these 40 States will not be able to make provisions for continued highway programs with confidence that they are in step with the Federal Government.

The present bill does not make an appropriation. It is simply an authorization, providing the legal framework for a continued Federal-State highway program, but leaving the State provisions and supervision up to the various States themselves. The history of road building in America since the enactment of the first Federal-aid act in 1916 proves that the States are diligent in matching Federal funds.

In considering the necessity for a continued highway program we should keep in mind three major features of road-building operations: (1) The imperative need for more and better roads to accommodate the Nation's ever-increasing motor-vehicle traffic; (2) the absolute necessity of providing maximum employment at the present time; and (3) the fact that highway users themselves more than pay for all road construction and maintenance.

Information presented by the most competent highway authorities at committee hearings on this bill supplied conclusive evidence that interruption of an adequate highway program would be an outright menace to motor-vehicle transportation in America.

The latest official figures show that there are approximately 3,068,000 miles of rural roads in America. Of this total, State systems, including Federal-aid systems, compose approximately 324,000 miles at the beginning of 1935. An additional 170,244 miles of secondary roads were under State

control in 14 States. Only slightly more than 160,000 miles of highways outside of municipalities are hard-surfaced. Approximately 900,000 miles have received low-cost improvement of some kind. From these figures it is evident that approximately 2,000,000 miles of rural roads in America have received no improvement whatsoever other than the handmethod, makeshift type of work that is done by individuals and communities directly concerned. With these facts before you, it is plain to be seen that highway improvement in America is in its infancy, and no person familiar with mudroad conditions that prevail in most rural communities would take the position that there can be any interruption of the national highway program.

Hon. Thomas H. MacDonald, Chief of the United States Bureau of Public Roads, has furnished me a report showing that, of the \$125,000,000 approved under the 1936 Federal-aid program, the States had, as of April 13, submitted and received approval of programs totaling \$102,840,000, of which \$74,512,000 was obligated or under contract. Corresponding progress is being made with works program highway funds, and favorable progress also being made with works program grade-crossing funds. I am submitting for the Record a tabulation showing the status by States of these various highway appropriations, together with a summary of the program for the last 3 years.

Summary status of Federal highway funds as of Mar. 31, 1936

Appropriation	Number of projects	Estimated total cost	Federal funds allotted	Miles
Plans and estimates approved: Regular Federal aid Public works, 1934 and 1935	244	\$21, 940, 685	\$11, 005, 495	966. 6
	110	4, 468, 139	3, 625, 804	144. 0
Works program: HighwaysGrade crossings	871	29, 574, 423	28, 686, 885	2, 246. 9
	311	26, 445, 358	25, 122, 619	178. 7
Total	1, 536	82, 428, 605	68, 440, 803	3, 536. 2

control in 14 States. Only slightly more than 160,000 miles | Summary status of Federal highway funds as of Mar. 31, 1936—
of highways outside of municipalities are hard-surfaced | Continued

Appropriation	Number of projects	Estimated total cost	Federal funds allotted	Miles
Contracts awarded not yet under con- struction:	vetfix			
Regular Federal aid.	296	\$22, 354, 004	\$11, 232, 920	903. 8
Public works, 1934 and 1935 Works program:	214	4, 744, 265	3, 996, 935	146. 9
Highways	938	25, 005, 234	24, 029, 159	2, 284. 8
Grade crossings	242	15, 841, 412	15, 160, 057	214.1
Total	1,690	67, 944, 915	54, 419, 071	3, 549. 1
Under construction: Regular Federal aid Public works, 1934 and 1935 Works program:	883 943	84, 966, 516 59, 593, 111	44, 585, 941 55, 084, 689	3, 689. 2 1, 678. 7
HighwaysGrade crossings	1, 576 500	77, 957, 558 47, 018, 811	75, 907, 907 46, 196, 527	5, 146. 3 390. 6
Total	3, 902	269, 535, 996	221, 775, 064	10, 904. 8
Completed: Regular Federal aid Public works, 1934 and 1935 Works program:	246 12, 744	10, 645, 760 569, 158, 957	5, 678, 463 520, 417, 724	1, 065. 8 33, 259. 6
Highways. Grade crossings	88 8	1, 603, 972 369, 023	1, 590, 144 368, 719	283. 1 24. 9
Total	13, 086	581, 777, 712	528, 055, 050	34, 633. 4

SUMMAR

	anaa.		
Appropriation	Amount	Unprogrammed balance	Unobligated balance
Regular Federal aid. Public works, 1934 and 1935	\$125, 000, 000 600, 000, 000	\$19, 035, 452 415, 000	\$49, 372, 181 10, 874, 848
HighwaysGrade crossings	200, 000, 000 200, 000, 000	17, 810, 268 17, 269, 359	64, 785, 905 109, 152, 078
Total	1, 125, 000, 000	54, 530, 079	234, 185, 012

Summary of funds apportioned to all States-Status as of Apr. 1, 1986

	Emergency relief high- way funds		Emergency relief grade- crossing funds		1936 Feder	1936 Federal-aid funds		funds Public-works funds (1935)		Public- works funds	
	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	(1934): Balance of funds available for new projects	Not programmed	Balance of funds available for new projects
Alabama	\$216,815	\$488, 589		\$360, 820	\$2,604,320	\$2, 604, 320		\$264, 541	\$36, 488	\$2, 821, 135	\$3, 754, 758
Arizona		543, 984		543, 872	96, 931	211, 957			8, 031	96, 931	1, 356, 441
Arkansas		580, 778		1, 522, 902	2, 142, 723	2, 142, 723			104, 377	2, 142, 723	4, 407, 578
California	1,800,350	2, 240, 034	-2:-000-105	1, 712, 181	602, 757	1, 594, 107			5, 522	2, 403, 107	5, 583, 830
Colorado		1, 622, 340	\$1,393,167	1, 536, 024	527, 326	943, 182 228, 104		33, 421	43, 099	1, 920, 493	4, 178, 066
Colorado. Connecticut Delaware. Florida		1, 123, 931	015 014	1, 712, 684	2,854			86, 551	40, 661	2,854	3, 191, 931
Delaware	- 11,009	330, 227 460, 998	315, 014	418, 239 1, 169, 862	335, 179	369, 179 1, 138, 923		91, 702	40 405	721, 702	1, 117, 645 2, 904, 920
Georgia	9 250 767	4, 252, 277	1, 843, 510	4, 540, 510		1, 135, 925	\$415,000	1, 160, 864	43, 435 289, 481	4, 618, 277	12, 206, 358
Idaho	- 4,009,101	824, 868	1,040,010	822, 388		382, 362	\$410,000	61, 215	24, 023	4, 010, 211	2, 114, 856
Illinois		1, 925, 173		5, 466, 223		1, 613, 379		288, 938	111, 891		9, 405, 604
Indiana		142, 059	322, 670	1, 854, 671		45, 100			126, 367	322, 670	2, 229, 467
Iowa	664	2, 443, 865		3, 407, 429		289, 900			2, 101	664	6, 188, 143
Iowa Kansas Kentucky	534, 601	534, 601		728, 299	660, 553	1, 389, 153			15, 589	1, 195, 154	2, 685, 189
Kentucky	501, 171	1, 059, 648	298, 862	1, 505, 133	160, 553	548, 243		88, 899	48, 269	960, 586	2, 685, 189 3, 250, 192
Louisiana		2, 139, 293		2, 158, 265	130, 802				61, 504	130, 802	5, 005, 741
Maine		199, 243	112, 389	820, 573	113, 861	203, 638		57, 218	29, 786	226, 250	1, 310, 458
Maryland Massachusetts Michigan	794, 753	1, 296, 353	193, 973	1, 058, 973		1, 025, 870		498, 782	65, 166	988, 726	3, 945, 144
Massachusetts	_ 298, 885	3, 145, 285		3, 254, 595		1, 574, 909		340, 250	113, 198	298, 885	8, 428, 237
Michigan		138, 773		1, 529, 445		286, 188			29, 511		2, 022, 548 7, 122, 430
Minnesota		1,757,743	58, 950	3, 968, 575		1,009,950		260, 583	125, 579	58, 950	7, 122, 430
Mississippi Missouri		535, 672		1, 446, 909	2, 196, 524	2, 196, 524			121, 836	2, 196, 524	4, 367, 813
Missouri		1, 912, 833		1, 867, 423	47, 121	1, 464, 152		29, 505	102, 986	47, 121	5, 376, 899 758, 867
Montana	991 705	253, 334	005 049	115, 424	36, 543	165, 668			100, 457	36, 543	758, 867
Nebraska Nevada	- 331, 780	1, 045, 648 620, 868	225, 043	1, 426, 685 505, 292	1, 130, 173 1, 435	1, 681, 173 541, 662			33, 056 29, 481	1, 687, 001	1 720 601
New Hempshire	EQ 000	463, 577	34, 469	599, 953	147, 030	164, 530			396	233, 519	1, 702, 091
New Hampshire New Jersey	100 040	1, 403, 686	685, 057	2, 926, 790	147,000	42, 514		185, 774	168, 421	791, 097	4, 195, 432 1, 732, 691 1, 260, 176 4, 727, 185
New Mexico	100,010	574, 853	174, 753	1, 046, 760	31, 116	471, 024			160, 389	205, 869	2 244 650
New York	187 458	2, 377, 379	1, 331, 189	6, 916, 194	44, 202	1, 168, 034			54, 421	1, 562, 849	2, 344, 650 10, 586, 568
North Carolina	1.830.832	1, 830, 832	1, 729, 162	3, 426, 989	402, 362	1, 827, 562		79,000	316, 815	3, 962, 356	7, 481, 196
North Dakota	_ 1, 348, 036	1,842,772	2, 407, 057	2, 784, 557	1, 960, 162	1, 960, 162			121, 863	5, 715, 255	7, 323, 573
Ohio	1.028.414	3, 598, 159	96, 799	7, 611, 349	102, 289	1, 898, 478			47, 051	1, 227, 502	7, 481, 198 7, 323, 578 13, 320, 568
Oklahoma	31, 311	1, 523, 043		3, 246, 101	102, 519	1, 706, 870		240, 629	9, 034	133, 830	6, 725, 677
Oregon Pennsylvania Rhode Island		730, 046		789, 982		164, 051			66, 377		1, 841, 181 18, 921, 772
Pennsylvania	_ 1, 907, 461	7, 517, 529	895, 359	9, 127, 890	108, 045	1, 627, 945			262, 716	2, 910, 865	18, 921, 772
Rhode Island		190, 261		43, 122	609, 375	609, 375		26,050		609, 375	868, 808
South Carolina	676 034	1, 222, 034	1, 468, 598	1, 985, 598	1, 667, 503	1, 667, 503		423, 529	175, 126	3, 812, 135	5, 473, 790
South Dakota Tennessee	- 313, 621	1, 356, 621	412, 729	2, 664, 829	784, 142	1, 444, 072		103, 259	163, 579	1, 510, 492	5, 732, 360 7, 421, 707
Tennessee	- 2, 133, 032	2, 133, 032	2, 513, 632	3, 294, 647	1, 765, 893	1, 853, 393		139, 310	1, 325	6, 412, 557	7, 421, 707
Texas		1, 541, 183		6, 206, 774	51, 870	2, 176, 393		112, 003	61, 024	51, 870	10, 097, 377
Utah		847, 252		709, 762		171, 814			32, 291		1, 763, 200
Vermont Virginia	1 100 517	120, 444 1, 198, 517		218, 892 2, 442, 082 1, 341, 585	2, 532 422, 791	8, 625 1, 007, 861		4, 456	121	2, 532 1, 621, 308	352, 538
Washington	-1 1, 100, 01/	542, 242		2, 332, 082	12, 638	1,007,001		238, 588 31, 350	73, 633 17, 333	210, 458	4, 960, 681 2, 322, 948

Summary of funds apportioned to all States-Status as of Apr. 1, 1936-Continued

	Emergency relief high- way funds		Emergency relief grade- crossing funds		1936 Federal-aid funds		Public-works funds (1935)		Public- works funds	Total	
	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	Not programmed	Balance of funds available for new projects	(1934): Balance of funds available for new projects	Not programmed	Balance of funds available for new projects
West Virginia	\$65,001	\$887, 473 660, 220	\$160, 350 87, 883	\$2, 483, 396 2, 612, 883		\$880, 908 1, 558, 997		\$116, 845 67, 422	\$43, 902 40, 052	\$225, 351 87, 883	\$4, 412, 524 4, 939, 574
Wyoming	22, 191	319, 852 10, 660	237, 750	1, 059, 179 5, 491	\$3, 101 28, 227	18, 695 476, 493		35, 773 35, 904	20, 745 8, 885	263, 042	1, 454, 244 60, 940
Total	17, 810, 268	275, 821 64, 785, 905	73, 174	153, 877	19, 035, 452	49, 372, 181	\$415,000	35, 607 7, 308, 715	8, 740 3, 566, 133	101, 4Q1 54, 530, 079	950, 538 234, 185, 012

Mr. MacDonald stated that all present available funds are being taken up by approved plans and the awarding of contracts at a rate which will exhaust them, or largely exhaust them, within the coming year, being now allocated at the rate of about \$1,000,000 a day. The authorization for \$125,000,000 of regular Federal aid is the same amount that is now in force. This bill does not increase the authorization, although the needs might justify such a course of action on the part of the Congress.

I think it timely that I repeat to you one very significant statement made by Mr. MacDonald. He said:

The reasonable limit I suggest for Federal-aid appropriations is the amount necessary to give direction and to keep on a uniform basis the methods of utilization of the funds that are coming to the Public Treasury, both State and Federal, from the road users.

The bill now under consideration is squarely in line with the recommendation thus made by the Chief of the Bureau of Public Roads. It does not propose to authorize more Federal funds than the States will match from revenues derived from gasoline taxes and motor-vehicle license fees. In fact, as I shall show presently, these taxes and fees greatly exceed the amount now being expended for highway construction and maintenance.

There are approximately 26,000,000 motor vehicles in use in America today. The number is increasing at a recordbreaking rate. A press report from Detroit on April 13 stated that new passenger-car sales during the month of March totaled 300,000 units, the highest figure for March in all history, with the exception of 1929. Trucks and commercial cars for the month totaled 52,000 units, according to this same report, exceeding any previous March figure.

I cite this information to show that the trend in America is toward more motor vehicles, with the direct resulting demand for more and better highways.

Safety of the American motoring public makes a continued highway program necessary. The traffic toll is nothing short of alarming. Modern automobiles are safe when operated by careful drivers over safe roads. Safety has been built into the automobile. It must be built into more and better roads.

From the standpoint of adequacy or safety of highways, it is essential that I quote to you another statement made by Chief MacDonald. He said:

In the States that are commonly referred to as having completed their roads, there are some of the most difficult and expensive problems ahead that we have anywhere in the United States. Many miles of the roads in the Eastern States, or in the States east of the Mississippi River, were completed 10, 15, or 20 years ago. Many of them are still horse-and-buggy roads. In those States a large mileage of main roads are just as far from being complete as in the new State systems.

You will observe that the present bill authorizes \$25,-000,000 for 1938 and a similar sum for 1939 for secondary or feeder roads, these sums to be matched by the States. This is the first time such a proposal has been incorporated into a Federal-aid bill. It is true that Federal funds are being applied to secondary roads under rules and regulations governing the expenditure of the current works program highway funds, but that was under a temporary legislative enactment applying only to the emergency fund. There is a widespread and well-founded demand for ex-

tension of Federal aid to the secondary or farm-to-market road system. It is apparent that improvement of secondary roads cannot await completion of the primary highway system for the reason that the primary system never will be completed. Highway improvement is a permanent, ever-continuing task. Roads that are adequate today will have become obsolete before enough mileage is completed to serve present and future demands. Hence, it is necessary that organized Federal-State improvement must be extended to secondary roads simultaneously with development of the primary system.

For the first time in regular Federal-aid legislation provision is made in this bill for a separate and definite amount for grade-crossing elimination and protection. Out of the emergency funds now available there was an amount of \$200,000,000 set aside for this purpose. These funds will be entirely exhausted in 1937, hence this bill makes provision for 1938 and 1939, although for a greatly reduced amount.

The State highway departments informed us at the hearing held on this bill that during the past year they eliminated 480 railroad crossings in the various States, but they also informed us that there still remained 17,879 railroad crossings on the State highway systems and 120,670 crossings on the county and township systems. While it is realized that all of these crossings will not be eliminated, at least not for many years to come, the task before us is quite evident, and the seriousness of the situation demonstrates to us that the task is large and must be met. These funds need not be matched by the States.

Before passing to other phases of this subject, permit me to mention a few of the accomplishments of Federal aid as it has been operated in conjunction with the States.

The administration of Federal aid for highways has provided the instrument through which the country has benefited far more than by the actual roads and bridges constructed. It has provided the engineering and administrative backbone about which all of our progressive highway policies for almost two decades have been developed. Without the incentive for definite planning set up by Federal aid working through the United States Bureau of Public Roads, we as a nation should have wasted many years and much money in trying to get our highway systems on a rational basis.

Prior to the advent of Federal aid we were working in an aimless, hit-or-miss fashion. Roads were improved, or not, at the dictates of local expedience with no thought of their relationship to the broad problem of supplying an integrated system of highway arteries. This was true even within the local units such as townships and counties and was much more true with respect to the States. No other move of any kind had been made to provide such a system on a national basis

In appraising the cost of Federal aid it is well to remember that the operation of Federal aid control in road building has resulted in actual savings on construction work of sums far in excess of the portion set aside from year to year to assist the States. Policies governing design, construction material, bidding, award of contracts, all worked out jointly by the several States and the United States Bureau of Public Roads, have put road building on a basis comparable with the best business methods and the best business practice.

As a factor in employment the highway industry, including all allied operations, holds first place among American industries. The latest statistics on this subject show that 1 person out of every 10 employed in the United States is employed in some phase of highway construction, highway transportation, or occupations directly relating to them. When we consider that the gigantic automotive industry, petroleum industry, and a multitude of other industries are directly or indirectly dependent upon highway development, we can readily see that any interruption of the highway program would prove disastrous to millions of workers.

From 85 percent to 90 percent of every dollar used in high-way construction goes into pay rolls, either directly on the construction job or in the production of equipment and materials, and the transportation of these products to points where they are needed. Direct employment provided by highway construction exceeds the number of jobs provided by any other form of public works, and it is the most popular form of public works, and the number of workers indirectly employed exceeds the number directly engaged on the highway construction job. The most severe blow that could be delivered to American industry today would be the failure of the bill now before us.

Furthermore, and of vast importance to the American public, is the fact that highway users pay for all highway development. Let us consider the figures on Federal-aid highway expenditures for the last 3 years and the Federal tax income from motor vehicles and gasoline for the same period. Federal-aid expenditures for 1933 totaled \$165,-868,106, while Federal revenue derived from motor vehicles and gasoline totaled \$173,967,660; expenditures for 1934 were \$224,488,814, while revenue from the above-mentioned sources was \$298,731,067; for 1935 expenditures were \$277,-788,551, with revenue of \$266,587,597; for the current fiscal year up to January 31 expenditures totaled \$137,352,803, with revenue of \$174,704,723. The grand total of expenditures for the 3 years and up to the end of the last January was \$805,498,274, with gasoline and motor-vehicle revenue of \$913,991,047. Thus highway users paid \$108,492,773 more than they received as benefits from Federal aid.

I shall not recite the figures at this time, but I should like to have the Record show the comparison of Federal-aid highway expenditures and Federal-tax income from motor vehicles, gasoline, and so forth, from 1917 to the early part of 1936, and for this purpose I am submitting the appropriate table of figures.

This excess of highway revenue over highway expenditures is duplicated in practically every State. The most tragic phase of State highway financing is that approximately \$150,000,000 a year is being diverted from gasoline tax and motor-vehicle license fees to purposes totally unrelated to highway construction or maintenance. This diversion of highway funds was "frozen" by the Hayden-Cartwright Act of 1934 at the level then prevailing, but every effort should be made to discourage all diversion of highway funds for any purpose other than road building.

Comparison of Federal-aid highway expenditures and Federal-tax income from motor vehicles, gasoline, etc.

[Cumulative figures for expenditures and receipts]

June 30, 1918 June 30, 1919 June 30, 1920 June 30, 1921 St. 3	eral an	mergency d public works	Total	on motor vehicles, gasoline, etc.	come greater (+) or less (-) than expend- iture	
June 30, 1918 June 30, 1919 June 30, 1920 June 30, 1921 3, 5 23, 8 June 30, 1921 81, 3	34, 338					
June 30, 1923. 242, 8 June 30, 1924. 323, 3 June 30, 1925. 420, 7 June 30, 1926. 510, 1 June 30, 1927. 593, 1 June 30, 1927. 593, 1 June 30, 1929. 759, 6 June 30, 1930. 837, 5	09, 154 24, 437 65, 211 274, 583 79, 292 27, 115 99, 622 61, 732 39, 298 39, 298 59, 751 51, 943		\$34, 338 609, 154 3, 524, 437 23, 865, 211 81, 327, 979 171, 274, 553 242, 879, 292 323, 327, 115 420, 799, 622 510, 161, 732 563, 139, 298 675, 653, 139, 278 759, 659, 751 837, 551, 943 903, 439, 582	\$23, 981, 268 72, 815, 540 216, 738, 332 332, 284, 581 436, 718, 344 581, 008, 834 739, 023, 544 863, 710, 289 1, 001, 865, 484 1, 068, 303, 365 1, 119, 931, 631 1, 119, 931, 631 1, 119, 931, 631	+69, 291, 103 +192, 873, 121 +250, 956, 602 +265, 443, 761 +338, 129, 542 +415, 696, 429 +442, 910, 667 +491, 703, 752 +475, 164, 067 +444, 278, 499 +360, 271, 880 +282, 379, 688	

Comparison of Federal-aid highway expenditures and Federal-iax income from motor vehicles, gasoline, etc.—Continued

		ral-aid highves to date sh	vay expendi- own	Federal tax	Amount in-
Date	Regular Federal aid	Emergency and public works		on motor vehicles, gasoline, etc.	(+) or less (-) than expend- iture
June 30, 1932 June 30, 1933 June 30, 1934 June 30, 1935 Jan. 31, 1936	\$1,102,948,504 1,206,689,629 1,250,159,050 1,263,448,665 1,273,164,422	141, 335, 680 322, 355, 073 586, 854, 009	1, 572, 514, 123 1, 850, 302, 674	1, 293, 899, 291 1, 592, 630, 358 1, 859, 217, 955	

Our committee received from the American Association of State Highway Officials, the American Road Builders' Association, and other responsible organizations, an abundance of evidence showing that the present prosperous condition of industries directly dependent upon a continued highway program is directly attributable to the fact that the Hayden-Cartwright Act of 1934 provided for a 3-year program, just as the present bill would operate as the supplement to legislation now in effect. Scores of industrial plants that produce highway equipment and materials were prostrate at the time the 1934 act became operative. Today practically all of these organizations are operating at full speed, employing thousands of workers, and contributing to national recovery.

Of primary importance, of course, is the fact that highways are being improved so as to provide avenues of travel for motor vehicles and to get the farmers out of the mud, but the employment phase also is of great importance. Immediate enactment of this bill is necessary in order to avert the major calamity that would result from a demoralization of the highway industry. I have not discussed all the provisions of the bill, but the report takes the bill up by sections and explains it in a concise manner. [Applause.]

Mr. TURPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. Blanton].

IMPORTANCE OF ALL-WEATHER SECONDARY HIGHWAYS TO FARMERS

Mr. BLANTON. Mr. Chairman, I am proud of what the Congress of the United States has accomplished during the last 20 years in the construction of splendid highways in each and all of the 48 States. In all of such work I have had a deep interest and have actively supported every measure providing funds used in building highways.

CONGRESS HAS PROVIDED \$200,000,000 FOR SECONDARY ROADS

It is the secondary or rural roads that farmers must use in going from farm to market. In the days of bad roads I can remember when it would require an entire day, and once in a while 2 days, for a farmer living not more than 10 miles from his county seat to go to town. And then part of the day before would be used in making preparations. Now, where accessible to modern highways, which Congress has provided, a farmer in bad weather can go to town and return in less than 2 hours.

THIS BILL ASSURES COMPLETION OF RURAL HIGHWAYS

I am proud of the work of this committee in getting this secondary-highway bill before the House for passage. It will make possible the completion of good rural roads for farmers everywhere. It will facilitate and better furnish to farmers more expeditious means of marketing their produce with greater convenience and less cost and trouble.

JUNKET TO WASHINGTON BY SOME COUNTY JUDGES

There is a county judge of Eastland County named Clyde L. Garrett, who several months ago announced against me for Congress, presumably running upon the Townsend platform, he being the president of the County Judges' Association, W. R. Nelson, of Carthage, being its secretary. During the last days of February they, with a few others, came on a junket trip to Washington. Shortly after his arrival here Clyde Garrett had his picture taken walking down the front outside steps of the House of Representatives, bareheaded, with his hat in his hand, and his overcoat off, braving the cold weather. I knew immediately that his trip was political, and that his real mission was to gather campaign material, although he claimed they were here to urge good roads,

and to try to get relief from Harry Hopkins' W. P. A. rulings. Nevertheless, and notwithstanding he was my opponent, I invited him to have lunch with our Texas delegation, and I cordially introduced him to all of our Texas Members, and he was my guest at such luncheon.

HIGHWAY APPROPRIATION THEN ALREADY IN BILL

I called their attention to the fact that while they would not be able to accomplish anything by their visit, we were glad to see them and would be glad to show them every courtesy and do all we could to entertain them.

At that time the hearings had been concluded on the Agricultural Appropriation bill in charge of Chairman CLARENCE CANNON, of Missouri, which bill embraced the appropriation for highways, and the bill and report had been

prepared and were ready to be passed by Congress.

I also told them at said luncheon that the Members of the Texas delegation had been doing everything within their power to get both Harry Hopkins, and President Franklin D. Roosevelt, to modify the order which prevented a man from being employed on W. P. A. works unless he had been on relief, and that while we had succeeded in getting slight modifications, it was impossible to get Harry Hopkins to change his ruling. I reminded them I had made a speech on the subject February 3, 1936.

Neither Clyde Garrett nor Secretary Nelson ever saw Harry Hopkins or Chairman Cannon while they were in Washington, and aside from having an enjoyable junket and seeing Walter Johnson throw a dollar across the Rappahannock, Clyde Garrett accomplished absolutely nothing, but wasted the money of whoever was paying the junket expenses.

CAMPAIGN MATERIAL IMMEDIATELY FORTHCOMING

The home papers were asked to carry the large picture of Clyde Garrett walking down the House of Representatives steps, with a glowing write-up of their trip, and stating that he was a candidate for the House seat now held by Representative Tom Blanton, but wholly failed to mention that he had been my guest at the luncheon, or any courtesies shown them by the Texas delegation.

FLUENT AND EFFUSIVE PUBLICITY AGENT

Someone signing himself Julien Capers, Jr., sent to my district papers from Austin a fancy write-up of Garrett's accomplishments (?) in Washington, stating:

A favorable report from the House Ways and Means Committee on an appropriation for \$125,000,000 to State highway programs marked a victory for the Texas Association of County Judges, headed by Judge Garrett. They appealed directly to Congressman

My secretary, Mrs. Marx, immediately checked up on the matter, and the following is what was said about it by Chairman Cannon, who had charge of the roads appropriation, and who framed and passed the bill:

WASHINGTON, D. C., March 16, 1936.

Dear Mrs. Marx: The article Julien Capers, Jr., sent your Texas newspapers is so absurd it is ridiculous. The Ways and Means Committee made no report whatever on the road provision in my recent bill passed by the House, and has nothing whatever to do with appropriations. Neither Clyde Garrett, nor any other county judge from Texas, had anything whatever to do with the appropriation for public roads carried in my bill, and in no way influenced any item in it. any item in it.

During the years Judge BLANTON has been on the Appropriations Committee he has heartily supported the appropriation made each year for improved highways in Texas, and he helped me to pass our bill in the House. The appropriation for public roads in Texas would have been in the bill if Clyde Garrett had never been born. CLARENCE CANNON, Chairman.

INVITING STATEMENT FOR LATER USE

These county judges went home. I heard nothing from Clyde Garrett. To my surprise I received a letter from N. R. Nelson, undoubtedly written inviting an answer and a design to use both later. I didn't answer it. Then I got a second letter from Nelson, stating he had mislaid my first one (there being none) and asking that I send him a copy. Anyone could see through his scheme.

DENIAL ENTERED BEFORE COCK CREW ONCE

As the people in my district understood Clyde Garrett was running on the Townsend platform, during our luncheon Congressman Milton West asked Clyde Garrett the pointed

question whether he was supporting the Townsend plan, and Clyde Garrett answered very emphatically that he was not. My secretary sent Chairman Cannon's statement to my home papers and called attention to the above, which was a proper correction of the unwarranted Capers article.

CONFESSION AND AVOIDANCE

Entering a plea of "guilty" and admitting that they in no way influenced the appropriation for roads, but offering excuses, T. R. Nelson got a few papers last week to publish a long letter he wrote to and published in the Cisco Daily Press, stating that he-

Was at a loss to understand just why Congressman Blanton is so excited over who receives credit for the road appropriation, unless it is due to the fact that he and Garrett are seeking the same office.

BLANTON was not at all excited over anything. But he did have the right, when he is busy here 2,000 miles from his district attending to the people's business, not to allow Nelson and Garrett to publish false articles stating that "Garrett was running against Blanton for Congress", and that "Garrett had gotten a \$125,000,000 appropriation for public roads". when Garrett had not had one thing to do with it.

SOME OF THEIR FUNNY EXCUSES

In trying to render excuses of why they had not done anything, Nelson said:

Congressman Cannon's office was called in regard to the sub-committee's report on the highway bill but the Congressman was committee's report on the highway bill but the Congressman was not in. Congressman Sandlin's office was also called, but he was in Louisiana at that time. Congressman Tarver's office was also called but he too was not in at that time. A short time later the same day, I met Congressman Tarver in the subway between the Capitol and the new House Office Building and there Congressman Tarver told me of the proposed report which the subcommittee would make would make.

Thus, Campaign Manager Nelson by the above clearly shows that he had absolutely nothing whatever to do with the roads appropriation which was already in Chairman Cannon's bill, at the time they reached Washington.

MY SPEECH AGAINST HARRY HOPKINS

The RECORD for February 3, 1936, on page 1367, shows my speech then made against the ridiculous ruling Harry Hopkins had made, denying work to all Americans who had not been on relief rolls. I then asked how much longer is the Congress of the United States going to stand for an un-American, inexcusable, intolerable situation? I then called attention to the fact that many Americans, through no fault of their own, had been compelled to accept relief from their Government. And for them, I said, every American had deep sympathy and understanding.

BUT MANY SACRIFICED, STINTED, DENIED THEMSELVES, AND EVEN STARVED TO KEEP OFF OF RELIEF

I then called attention to the fact that their wives and children wore shabby clothes and went barefooted; that they denied themselves the ordinary pleasures of life: that they ate cheap food and not enough of that; that they even went hungry, and did all of the above to keep off of relief; and that now Harry Hopkins was punishing them for making sacrifices and holding they were not entitled to be given work, simply because they had kept off of relief rolls.

ABOVE WORK BEING DONE BEFORE JUDGES THOUGHT OF WASHINGTON

We Members of the Texas delegation had been doing everything within our power to get Harry Hopkins to change his foolish ruling, long before Clyde Garrett and his county judges ever thought of their junket trip to Washington.

In conclusion, I want to thank my friend from Oklahoma, Mr. Cartwright, and his committee for their untiring work on this measure, and I am glad of the opportunity of helping them to pass it.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Blanton] has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. TURPIN. Mr. Chairman, I yield an additional 5 minutes to my colleague from Mississippi [Mr. WHITTINGTON].

FEDERAL AID FOR HIGHWAYS CONSTRUCTIVE AND BENEFICIAL

Mr. WHITTINGTON. Mr. Chairman, the first Federal Aid Highway Act was passed on July 11, 1916; it provided for authorizations for 5 years ranging from \$5,000,000 the first year to \$25,000,000 the fifth year. The Federal aid highway system, however, was perfected and the highways of the Nation coordinated by the Federal Highway Act of November 9, 1921. The authorization for 1921 was increased from \$25,000,000 to \$100,000,000.

Authorizations for periods of 2 years, with two exceptions, have been passed for the last 14 years. The existing authorization will expire with the close of the fiscal year 1937.

The bill under consideration provides primarily for the same authorizations that were contained in the act approved June 18, 1934, for the fiscal years 1936 and 1937; the amount of the authorizations is the same; there is substantially no difference in the other material provisions of the bill from existing law.

The legislatures of 40 of the 48 States will meet in January 1937. The legislatures of 4 States meet annually, and the legislatures of only 4 States met during the year 1936. In many cases legislatures do not remain in session longer than 60 days. It is imperative that the legislatures know in advance as to Federal aid so that adequate provision may be made for matching Federal aid; moreover, the States as well as highway builders should know in advance what they may expect. It takes time to project and perfect plans; surveys are necessary; definite commitments are imperative.

Again, in 1934 and in 1935, when there was no Federal aid, all Federal road work being done under emergency appropriations, the gasoline taxes were diverted in many States. Highway builders sought other work; highways were neglected; there was a setback in the Federal highway program.

The bill contains an authorization which appears for the first time in regular aid legislation for feeder or secondary roads and for the elimination of railroad grade crossings.

PROGRESS

Prior to the Federal Highway Act there was no system of interstate highways. No standard type of construction obtained; each State and each district adopted its own methods; construction was often wasteful and extravagant.

Under Federal control and supervision the Federal Highway Act resulted in the formulation and coordination of a Federal highway system; national highways were fostered; citizens can now reach practically every part of the country over the highways.

Highway construction has contributed to American progress during the past 25 years more greatly than almost any other factor. Without a correlated and coordinated system of Federal roads, national highways would be impossible.

Federal aid, while not the only factor, has contributed to the development of the country. Additional highway mileage is but a part of the development.

Prior to 1916, when the Federal program was initiated, only a few of the States had well-organized highway departments. There was no connected system; road designs varied; road location building was largely a matter of "pork barrel." With the advent of Federal aid marked improvement took place; roads were established for the benefit of the greatest number; contracts were awarded to the lowest competitive bidder; better engineering standards were adopted; types of highways were improved; accounting systems were installed; highways were connected; main thoroughfares were built. The citizenship of the Nation has profited; rural life has been made more attractive; commerce and agriculture have been promoted.

THE NEED

Twenty-five million automobiles and trucks are today using the highways of the Nation. Highways present a continuous problem. The need for Federal aid is really greater than it has ever been; traffic is increasing; the problems of traffic are multiplying.

There are 226,000 miles in the Federal-aid program; 21,000 miles have not been surfaced. About half of the entire mileage is of high-type construction; 88,000 miles are of inferior or of low-type construction, have been in use from

11 to 20 years and must be replaced. Machinery in the factory becomes obsolete; it must be replaced, so highways must be replaced. Many roads are too narrow; others are worn out. In motoring from Washington to New York one recent week end, I passed over one of the roughest stretches I have observed in the country.

A few years ago it was said that some States had completed their program. On investigation the assertion was found to be without foundation. The larger and more populous States really have greater needs than the States with smaller population; they are among the first to match Federal aid.

Then again, under the emergency appropriation by virtue of the Emergency and Relief Act of 1935, the highway funds were used primarily to provide for employment. The question of labor was foremost. Because of the restrictions the emergency funds were largely used in constructing grades and in building foundations. The roads remain to be surfaced. The larger and more populous of the States are really in greater need of Federal aid now than formerly. Grades that have been constructed must be topped. It will be remembered that the restrictions governing the expenditure of emergency road funds do not apply to Federal-aid funds and that Federal-aid funds can be used for surfacing.

Political problems are constantly changing, so are highway problems. Highway problems have changed materially in the past 20 years.

There are many needs. I mention but a few. Substantially one-half of the main roads must be completed or rebuilt; a sound policy for the development and expansion of secondary roads is imperative; careful surveys, studies, and traffic investigations must be made; conditions that are dangerous and that lead to highway accidents must be removed; improved administrative policies and practices must be continued; investigations and research with testing and experiment respecting design, construction, and administration are greatly needed. The interests of the taxpayers will be promoted by the continuation of Federal aid which provides for Federal control and Federal supervision in the construction of the main highways of the country.

Normal employment will be given to contractors. Economy of construction will thus be aided. When deficits in the States obtain, the temptation to divert gasoline taxes and motor taxes is great.

There is, therefore, vital need for Federal aid to prevent the diversion of gasoline taxes. The advancement of standards of living in the rural areas is being promoted by highways. The people of the United States are more and more becoming neighbors.

I have already emphasized that highways are not local institutions. The main thoroughfares are used by the people of the whole country; they should be expanded, enlarged, and improved. I have emphasized the need for replacing the low-cost roads on our thoroughfares.

The Department of Agriculture reports that the improvement of rural roads is scarcely beyond the pioneer stage. The main roads have been constructed, but the initial improvements must be replaced; much remains to be done on the main highways.

The Department further reports that improved roads constitute less than one-third of the country's total highways and that the remaining two-thirds, including a large mileage of vitally useful secondary roads, are either wholly unimproved or without surfacing.

The work of highway improvement must be continued; the demands of traffic have become more exacting. The Federal Government must take an increasing part in highway construction.

MILEAGE

The total road mileage in the United States is estimated at 3,068,919 miles. The States system, including Federal-aid roads, consists of 382,688 miles; the mileage of county roads is 1,071,530 miles and local or township roads aggregate 879,630 miles. The total States system is 432,282 miles, but only 382,688 miles of the system, which includes the Federal-aid roads, have been improved.

I have already pointed out that of the system of 226,000 miles in the Federal-aid high program, approximately one-half is of high-type construction.

In 1921 there were approximately 185,000 miles in the Federal-aid system. The mileage has increased. Under the act of 1932, when 90 percent of the original 7 percent of the total highway mileage in any State has been completed, an additional 1 percent of the State mileage may be added to the system. The addition of 1 percent may be repeated as circumstances require.

PAYS ITS WAY

From June 30, 1917, following the Highway Act of 1916, up to and including January 31, 1936, the Federal Government had collected taxes on gasoline and excise taxes on motor vehicles to the amount of \$2,033,922,678. During the same period the United States expended for regular Federal aid and for emergency and public-works highway construction a total of \$1,986,655,477; in other words, the people who used the roads—the motorists of the country—paid \$46,-267,201 more than Congress appropriated for highway construction.

The bill under consideration involves an authorization of approximately \$220,000,000. The anticipated revenues from gas and motor vehicles for the fiscal year 1936 will exceed \$300,000,000. In this connection, during the emergency period for the fiscal years 1933, 1934, 1935, and for the fiscal year 1936, to January 31, 1936, the Federal Government had expended for Federal aid, emergency, and public-works highway projects a total of \$805,498,274 against which the Federal Government collected in gasoline and motor taxes, \$913,991,047. If all of the programs of the Federal Government paid their way as does the Federal-aid program there would be fewer deficits. Federal-aid highways pay their own way.

UNEXPENDED FUNDS

Generally more progress was made in the expenditure of emergency highway funds than in other permanent improvement funds. As of March 1, 1936, there remained available for new projects out of all emergency Federal-aid and public-works funds for highway construction, \$272,-679,066. It takes time to make surveys, prepare plans, and acquire rights-of-way. The elimination of grade crossings is especially difficult and the progress is rather slow. Since March 1 contracts for highways and crossings have been made at the rate of \$1,000,000 per day.

There remained unobligated of the 1936 Federal-aid funds in the sum of \$125,000,000, as of March 1, 1936, \$56,791,032; of the \$200,000,000 for Works Progress highway funds, there remained unobligated \$81,989,263; of the road grade crossing \$200,000,000 fund there remained unobligated \$122,019,-410; of the 1934 and 1935 public-works funds there remained \$11,879,361

It will be remembered that \$80,000,000 were appropriated for emergency funds in 1930; \$125,000,000 in 1932; \$400,000,000 in 1933; \$200,000,000 in 1934; and that under the Emergency and Relief Act of 1935, \$400,000,000 were allocated out of an authorization of \$800,000,000, for highways and railway grade crossings.

EXTENSIONS

Mr. Chairman, I ask unanimous consent to revise and extend my remarks generally and to revise and extend my remarks to include therein a statement furnished me by Thomas H. MacDonald, Director of the Bureau of Public Roads, covering paragraph (b) of section 1 of the bill; a statement showing State gas taxes for 1935; a statement showing State per-vehicle taxes for 1934; a statement showing the apportionment of the \$125,000,000 Federal-aid authorization; a statement showing the apportionment of the \$25,000,000 authorization for secondary roads; a statement showing the estimate of the number of grade-separation projects under the \$200,000,000 allocated under the act of 1935; a statement showing the approximate apportionment of the \$50,000,000 for elimination of railroad grade crossings; and excerpts from the decision of the Supreme Court of the United States in the case of the Nashville, Chattanooga &

St. Louis Railway v. Herbert S. Walters (294 U. S. 405, 55 S. C. T. 486).

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. SHORT. Mr. Chairman, will the gentleman yield?
Mr. WHITTINGTON. I will yield as soon as I have analyzed the bill.

ANALYSIS

Section 1 of the bill is in reality a continuation of the authorizations in the act of June 18, 1934. The amount of the authorization is the same, as I have already indicated.

Paragraph (a) is a continuation of existing law.

Paragraph (b) is in reality a continuation of the act of 1915 as it has been interpreted by the Bureau of Public Roads. In this connection I include the following statement furnished me by Thomas H. MacDonald, Director, Bureau of Public Roads, respecting paragraph (b), to wit:

Paragraph (b) of section 1 provides for the apportionment of the funds authorized for any fiscal year not later than January 1 next preceding the beginning of such fiscal year. It also directs the Secretary of Agriculture to act upon projects submitted to him under his apportionment of the authorization, and provides that his approval of any project shall become a contractual obligation of the Federal Government for the payment of its share of the cost.

The Federal Government boxing on July 1, which comes in the

The Federal fiscal year begins on July 1, which comes in the middle of the construction season, and if the authorization for any fiscal year were not available for obligation through approval of projects until the beginning of the fiscal year, the construction season, particularly in the Northern States, would be approaching its close before the program could be well started. Section (b), by authorizing the approval of projects and the starting of construction during the 6-month period prior to the beginning of the fiscal year, makes it possible to take full advantage of the construction season. While this paragraph would permit the approval of projects and the starting of construction, the last provise limits the payments to any State on account of all projects that have been placed under construction to the total of all apportionments, excluding the one for the ensuing fiscal year. It may be further explained by stating that before July 1, 1936, projects could be approved and construction started under the 1937 authorization, but total payments to any State before July 1, 1936, on account of all projects under construction under both the 1936 and 1937 authorizations would be limited to the total of the 1936 apportionment. This permits both a sound construction program and a sound financial procedure. The construction of many of the 1936 projects will extend into the fiscal year 1937.

The committee amended section 1 by striking out paragraph (c). In all Federal-aid and emergency highway legislation a definite yardstick has been fixed for allocation among the several States. The proposed paragraph would eliminate this requirement. The result would be discriminations. If one State received Federal aid without matching it, other States would adopt measures that would result in their not being required to match. The program would thus be endangered; funds would be diverted; waste and extravagance would be condoned; the very purposes of the legislation would be defeated.

I include herewith a statement showing the State motorfuel taxes for the calendar year 1935 and the reported and estimated receipts furnished by Thomas H. MacDonald, of the Bureau of Public Roads, and I also include statement showing the State per-vehicle taxes for 1934, as follows:

State motor-fuel taxes, calendar year 1935 1

State	Motor-fue per g		Net receipts (reported) \$10, 269, 421 3, 278, 598 8, 193, 789	Net receipts
	Jan. 1	Dec. 31		(estimated)
Alabama	Cents 6 5 6 2 3 4 2 3 7 6 5 3 4 3 3 5 5	Cents 6 5 6 4 3 4 7 6 5 3 4 3 3 3 5 5	3, 278, 598	\$5, 230, 00

¹ From Automotive Industries, Feb. 22, 1936.

State motor-fuel taxes, calendar year 1935-Continued

State				Net receipts (estimated)
	Jan. 1	Dec. 31	(topoliou)	Committee
Louisiana Maine Maryland Maryland Massachusetts Michigan Missouri Missouri Missouri Montana Nebraska New Hampshire New Jersey New Mexico New York North Carolina North Dakota Ohio Ooklahoma Oregon Pennsylvania Rhode Island South Carolina South Carolina South Dakota Tennessee Texas Utah Vermont Virginia Washington Westingina Westingina Wisconsin Wyoming District of Columbia	Cents 4 4 3 3 6 2 5 4 4 4 3 5 3 6 6 6 7 4 4 4 5 5 4 4 4 4 4 4 4 4	Cents 5 4 4 3 3 6 2 5 5 4 4 3 3 4 4 5 4 4 5 4 4 4 4 4 4 2	\$9, 345, 922 4, 572, 827 8, 278, 025 17, 334, 090 22, 790, 51 11, 241, 029 3, 844, 542 962, 040 2, 868, 166 2, 877, 605 56, 311, 245 2, 373, 316 39, 004, 488 11, 877, 151 7, 942, 853 40, 708, 840 4, 200, 994 14, 966, 016 33, 606, 085 2, 714, 341 12, 568, 379 6, 102, 941 16, 236, 347 1, 897, 790	\$7,000,000 9,974,000 9,500,000 17,953,000 18,373,000 2,130,000 8,598,000 2,046,000 13,238,000
	11111111	- 2 - 10	510, 190, 740	106, 093, 000
Total			\$616,2	83,740

Per vehicle taxes, calendar year 1934 [Property taxes on automobiles not included]

	State gas tax	Registra- tion fee	Total State tax
	A41 00	A14.10	Arr 20
Alabama	\$41. 20	\$14.12	\$55.32
Arizona	31. 35	7.86	39. 21
Arkansas	39.70	11.02	50.72
California	17.93	5.05	22.98
Colorado	23.61	7.91	31, 52
Connecticut.	13. 90	22. 21	35. 11
Delaware	21.85	16. 27	38, 12
District of Columbia	12, 65	4. 15	16.80
Florida	49. 22	13. 18	62.40
Georgia	38.11	3.17	41. 28
Idabo	26.38	14.32	40.70
Illinois	20.00	12.52	32. 52
Indiana	21.85	9.05	30, 90
Iowa	16.88	15, 05	31.93
Kansas.	16.11	6, 20	22.31
Kentucky	27.75	9.06	36, 81
Louisiana	36. 57	18.32	54. 89
Maine	25. 06	17.70	42.76
Maryland		10.59	34. 05
	21, 65	8.44	30.09
Massachusetts		13. 85	32.11
Michigan	18. 26		
Minnesota.	15. 55	9.85	25. 40
Mississippi	39.38	11. 17	50. 55
Missouri	12.94	9.92	22.86
Montana	28. 55	8.41	36.96
Nebraska	21.08	4.78	25, 86
Nevada	27.74	7.70	35. 44
New Hampshire	24. 27	21, 82	46.09
New Jersey	19.70	18.06	37.76
New Mexico	30.85	10.18	41.03
New York	19, 36	18.39	37.75
North Carolina	37.52	15, 80	53, 32
North Dakota	14.48	8, 26	22.74
Ohio.	23, 32	12, 36	35, 68
Oklahoma	22, 66	6, 81	29, 47
Oregon	26, 46	14.82	41.28
Pennsylvania	19.87	18, 35	38, 22
Rhode Island	14. 45	16, 22	30, 67
South Carolina.	38.06	13. 93	51. 99
South Dakota	22. 15	7.74	29.89
	41.97	9, 90	51.87
Tennessee	24. 11		
Texas		11.38	35. 49
Utah	24. 67	9.48	34.15
Vermont	24. 92	27. 68	52.60
Virginia	33.37	12.96	46, 33
Washington	28. 32	6. 46	34. 78
West Virginia	29. 28	10. 21	39.49
Wisconsin	21.71	14.17	35.88
Wyoming	27.15	6.73	33.88
National	22.66	12. 23	34.89

This table shows that the average of both gasoline tax and registration fee per vehicle for all States and the District of Columbia was \$34.89 in 1934. Twenty States were below to forest highways.

this average. They are listed in the following table, and the amount by which they were below the average is also given:

California	\$11.91
Colorado	3.37
District of Columbia	18. 09
Illinois	2.37
Indiana	3.99
Iowa	2.96
Kansas	
Maryland	
Massachusetts	
Michigan	2. 78
Minnesota	9.49
Missouri	
	9.03
Nebraska	See
North Dakota	
Oklahoma	5. 42
Rhode Island	4. 22
South Dakota	
Utah	
Washington	. 11
Wyoming	1.01
Amount below average	34. 89

Paragraph (d) is a reenactment of a similar provision in the act of 1934. The approximate apportionment of the \$125,000,000 authorization among the States is as follows:

Approximate apportionment of \$125,000,000 regular Federal aid (sec. 1, H. R. 11687)

(sec. 1, H. R. 11687)	
	Amount
Alabama	\$2,600,000
Arizona	1, 780, 000
Arkansas	2, 130, 000
California	4, 750, 000
Colorado	2, 290, 000
Connecticut	790,000
Delaware	610,000
Florida	1,660,000
Georgia	3, 170, 000
Idaho	1,530,000
Illinois	5, 170, 000
Indiana	3, 100, 000
Iowa	3, 230, 000
Kansas	3, 310, 000
Kentucky	2, 310, 000
Louisiana	1, 780, 000
Maine	1,090,000
Maryland	1,030,000
Massachusetts	1, 740, 000
Michigan	3, 830, 000
Minnesota	3, 430, 000
Mississippi	2, 190, 000
Missouri	3, 800, 000
Montana	2, 560, 000
Nebraska	2, 590, 000
Nevada	1, 590, 000
New Hampshire	610, 000
New Hampshire	1, 680, 000
New Jersey	1, 990, 000
New Mexico	
New York	6, 160, 000
North Carolina	2,940,000
North Dakota	1,960,000
Ohio	4, 570, 000
Oklahoma	2,940,000
Oregon	2,050,000
Pennsylvania	5, 350, 000
Rhode Island	610,000
South Carolina	1,690,000
South Dakota	2, 040, 000
Tennessee	2, 630, 000
Texas	7, 770, 000
Utah	1,420,000
Vermont	610,000
Virginia	2, 280, 000
Washington	1,950,000
West Virginia	1,360,000
Wisconsin	3,040,000
Wyoming	1,560,000
Hawaii	610,000

Section 2, as amended by the committee, is a continuation of previous appropriations in the sum of \$10,000,000 for forest traffs and highways.

Section 3 is a continuation of the authorization heretofore made for roads through unappropriated or unreserved public lands, Indian lands, and other Federal reservations other than forest reservations.

Section 4 is a continuation of the existing authorization for national parks, monuments, and other areas administered by the National Park Service. The program is about 50 percent complete so far as roads and trails in national parks are concerned, and the same situation obtains with respect to forest highways.

Connections

The committee eliminated section 5 of the bill. Personally, I favored its retention. It had not obtained in previous authorizations, and the committee undertook to restrict its recommendations, as far as possible, to previously approved legislation. I trust that section 5, insofar as national parkways are concerned, will be restored.

Section 6 was eliminated, inasmuch as the committee thought there was no occasion for such an authorization, although it was contained in the Authorization Act of 1934. The act of May 26, 1928, is an authorization and without limit; moreover, it is continuing.

Section 7 is new legislation. It obtains for the first time in a Federal highway appropriation authorization act. It provides for secondary or feeder roads; the funds are to be matched just as Federal highway funds must be matched. The following is the approximate apportionment of the funds among the several States, to wit:

Approximate apportionment of \$25,000,000 for secondary or feeder roads (sec. 5, H. R. 11687)

	Amount
Alabama	\$520,000
Arizona	360,000
Arkansas	430,000
California	950,000
Colorado	460,000
Connecticut	160,000
Delaware	120,000
Florida	330, 000
Georgia	630, 000
Idaho	310,000
Illinois	1,030,000
Indiana	620,000
Iowa	650, 000
Kansas	660,000
	460,000
Kentucky	
Louisiana	360,000
Maine	220,000
Maryland	200,000
Massachusetts	350, 000
Michigan	770,000
Minnesota	680,000
Mississippi	440,000
Missouri	760,000
Montana	510,000
Nebraska	520, 000
Nevada	320,000
New Hampshire	120,000
New Jersey	330,000
New Mexico	400,000
New York	1, 230, 000
North Carolina	590,000
North Dakota	390,000
Ohio	910,000
Oklahoma	590,000
Oregon.	410,000
Pennsylvania	1,070,000
Rhode Island	120,000
South Carolina	340,000
South Dakota	410,000
Tennessee	530,000
Texas	1,560,000
Utah	280, 000
Vermont	120,000
Virginia	460,000
Washington	390,000
West Virginia	270,000
Wisconsin	610,000
Wyoming	310,000
Hawaii	120,000

Section 8 of the bill is also new legislation. It provides for an authorization of \$50,000,000 for each of the fiscal years 1938 and 1939 to eliminate railroad crossings, and the funds are not to be matched. This is a departure from Federal aid; it stands somewhat on the same footing as the authorizations for forest highways, national parks, and public lands. Such authorizations do not have to be matched.

Under the \$200,000,000 allocated for grade separation projects in 1935, a total of 2,307 crossings in all of the States will be eliminated. I enclose the following estimate, by States, furnished to me by the Bureau of Public Roads, to wit:

Estimate of the total number of highway railroad grade separation projects to be financed from the \$200,000,000 allocated by the President under the Emergency Relief Appropriation Act of 1935

Albert School School
45
1:
58
40
20

Estimate of the total number of highway railroad grade separation projects to be financed from the \$200,000,000 allocated by the President under the Emergency Relief Appropriation Act of 1935—Continued

Connecticut	11
Delaware	2
Florida	33
Georgia	98
Idaho	24
Illinois	83
Indiana	45
Iowa	113
Kansas	54
Kentucky	36
Louisiana	42
Maine	19
Maryland	19
Massachusetts	27
Michigan	44
Minnesota	145
Mississippi	
Missouri	49
Montana	49
Nobrocko	84
Nebraska	
Nevada	11
New Hampshire	13
New Jersey	31
New Mexico	
New York	97
North Carolina	77
North Dakota	72
Ohio	53
Oklahoma	88
Oregon	22
Pennsylvania	86
Rhode Island	5
South Carolina	70
South Dakota	56
Tennessee	51
Texas	154
Utah	13
Vermont	17
Virginia	71
Washington	32
West Virginia	29
Wisconsin	40
Wyoming	13
District of Columbia	2
Hawaii	5
Total	9 907

Grade crossings contribute to the hazards of highway travel, and, especially on the trunk-line railways, should be eliminated. These railways are frequently paralleled by main highways. The railways, in many cases, have been taxed to construct the highways. Again, in many instances, grade crossings can be eliminated by continuing the highways parallel with the railways. There is thus indirect elimination that is within the terms of the act.

On the State highway systems there remained as of January 1, 1935, according to the best estimates obtainable, 17,879 railroad crossings that have not been eliminated; on the county and township systems there remained 120,670. The 2,307 crossings eliminated under the Emergency Relief Act of 1935 are but a small part of the total crossings, but their elimination is most helpful.

Again, the need for the elimination of grade crossings is probably greater in the more populous States. While Federal aid is allocated upon the basis of one-third area, one-third population, and one-third mileage, the authorization for the elimination of crossings will be allocated upon a more favorable basis to the more populous States. The apportionment will be on a basis of one-half population, one-fourth highway mileage, and one-fourth railroad mileage.

Formerly in many of the States the railroads were required to pay one-half the costs of the elimination of railroad crossings. The authorization is really an emergency one and is made necessary in the program of grade eliminations under the recent case of the Nashville, Chattanooga & St. Louis Railway v. Herbert S. Walters (294 U. S. 405, 55 S. C. T. 486).

This was a case involving a grade crossing in Lexington, Tenn. Justice Brandeis, of the Supreme Court, rendered the opinion. It was held in that case that railroads could not be arbitrarily forced to contribute one-half of the cost of the elimination of grade crossings. The opinion of Justice Brandeis is most interesting and very illuminating. The com-

parative progress of railroads and highways is vividly traced and described. I quote from the said decision as follows:

parative progress of railroads and highways is vividly traced and described. I quote from the said decision as follows:

Federal-aid highways are designed so that motor vehicles may move thereon at a speed commonly much greater than that of railroad trains. The main purpose of grade separation, therefore, is now the furtherance of uninterrupted, rapid movement by motor vehicles. In this respect grade separation is a desirable engineering feature comparable to removal of grades and curves, to widening the highway, to strengthening and draining it, to shortening distance, to setting up guardrails, and to bridging streams. The railroad has ceased to be the prime instrument of danger and the main cause of accidents. It is the railroad which now requires protection from dangers incident to motor transportation. Prior to the establishment of the Federal-aid system, Tennessee highways were built under the direction of the county courts and paid for out of funds raised locally by taxation or otherwise. They served, in the main, local traffic. The long-distance traffic was served almost wholly by the railroads and the water lines. Under those conditions the occasion for separation of grades was mainly the danger incident to rail operations; and the promotion of safety was then the main purpose of grade separation. Then, it was reasonable to impose upon the railroad a large part of the cost of eliminating grade crossings; and the imposition was rarely a hardship. For the need for eliminating existing crossings, and the need of new highways free from grade crossings, arose usually from the growth of the community in which the grade separation was made; this growth was mainly the result of the transportation facilities offered through the railroad; the separation of grade crossings was a normal incident of the growth of rail operations; and as the highways were then feeders of rail traffic, the community's growth and every improvement of highway facilities benefited the railroad. The effect upon the railroad of constructin

Again I quote:

Unless the evidence and the special facts relied upon were of such a nature that they could not conceivably establish that the action of the State in imposing upon the railway one-half of the cost of the underpass was arbitrary and unreasonable, the Supreme Court obviously erred in refusing to consider them. The charge of arbitrariness is based primarily upon the revolutionary changes incident to transportation wrought in recent years by the wideincident to transportation wrought in recent years by the wide-spread introduction of motor vehicles; the assumption by the Fed-eral Government of the functions of road builder; the resulting depletion of rail revenues; the change in the character, the con-struction, and the use of highways; the change in the occasion for elimination of grade crossings, in the purpose of such elimination, and in the chief beneficiaries thereof; and the change in the rela-tive responsibility of the railroads and vehicles moving on the highways as elements of danger and causes of accidents.

I quote further:

The Supreme Court of Tennessee erred in refusing to consider whether the facts relied upon by the railway established as arbitrary and unreasonable the imposition upon it of one-half the cost of the underpass. The promotion of public convenience will not justify requiring of a railroad, any more than of others, the expenditure of money, unless it can be shown that a duty to provide penditure of money, unless it can be shown that a duty to provide the particular convenience rests upon it (Missouri Pacific Ry. v. Nebraska, 164 U. S. 403; Missouri Pacific Ry. v. Nebraska, 217 U. S. 196; Great Northern Ry. v. Minnesota, 238 U. S. 340; Great Northern Ry. v. Cahill, 253 U. S. 71). These were the authorities relied upon by this court in Chicago, St. Paul, Minneapolis & Omaha Ry. v. Holmberg (282 U. S. 162, 167), where it held that to require a railroad to provide, at its own expense, an underpass, not primarily as a safety measure but for private convenience, was a denial of the process.

of due process.

The Supreme Court of Tennessee did not consider whether, in The Supreme Court of Tennessee did not consider whether, in view of the facts relied upon, it was arbitrary and unreasonable to impose upon the railway one-half the cost of the underpass. It assumed that the State action was valid because it found that the action was taken "to promote the safety of persons traveling the highways at grade crossings as well as to promote the safety of persons traveling the railroads at such crossings by eliminating dangerous grade crossings"; and added: "Admitting the insistence of complainant that the primary object of highway construction and the object of Federal contribution to highways is to invite and stimulate interstate traffic or travel upon the highways, it does not follow that the State roads are not primarily designed to serve the people of the State."

We have also no occasion to consider whether the railway should

We have also no occasion to consider whether the railway should We have also no occasion to consider whether the railway should bear a proportion of the cost of the underpass less than one-half. The propriety of a lesser charge was not, and could not have been, considered by the Commission; and it was not considered by either of the lower courts. It was conceded by counsel for the State that the only questions now reviewable are the validity of the statute which compelled the State highway commission to impose upon the railway one-half of the cost, and the validity of the order made thereunder. Compare Norwood v. Baker (172 U. S.

269, 290-294); Schneider Granite Co. v. Gast Realty Co. (245 U. S. 288); Thomas v. Kansas City Southern Ry. (261 U. S. 481); Road Imp. District No. 1 v. Missouri Pacific Railroad Co. (274 U. S. 188); Rowley v. Chicago & Northwestern Ry. (293 U. S. 102, 112).

The judgment of the Supreme Court of Tennessee is reversed, and the cause is remanded to it for further proceedings not inconsistent with this contains.

sistent with this opinion.

The following is an apportionment of the \$50,000,000 among the several States covering hazards at grade crossings,

Approximate apportionment of \$50,000,000 for elimination of hazards at railroad grade crossings (sec. 6, H. R. 11687)

the author 2 new 1 propried to the Santuculo	Amount
Alabama	\$1,010,000
Arizona	310,000
Arkansas	890,000
California	1,870,000
Colorado	660,000
Connecticut	430,000
Delaware	100,000
Florida	710,000
Georgia	1, 220, 000
Idaho	420,000
Illinois	2, 580, 000
Indiana	1, 280, 000
Iowa	1, 400, 000
Kansas	1, 310, 000
Kentucky	920,000
Louisiana	800,000
Maine	360,000
Maryland	520,000
Massachusetts	1, 050, 000
Michigan	1, 690, 000
Minnesota	1, 350, 000
Mississippi	
	810,000
Missouri	1,540,000
Montana	680,000
Nebraska	890,000
Nevada	220,000
New Hampshire	210,000
New Jersey	1,000,000
New Mexico	430,000
New York	3, 390, 000
North Carolina	1, 210, 000
North Dakota	800,000
Ohio	2, 110, 000
Oklahoma	1, 250, 000
Oregon	580,000
Pennsylvania	2,870,000
Rhode Island	180,000
South Carolina	770,000
South Dakota	810,000
Tennessee	980,000
Texas	2,710,000
Utah	310,000
Vermont	180,000
Virginia	940,000
Washington	770, 000
West Virginia	670,000
Wisconsin	1, 260, 000
Wyoming	340,000
District of Columbia	100,000
Hawaii	
110 A OTT	110,000

The final section in the act is really a continuation of existing law. It provides for investigations of Federal-aid highways and secondary or feeder roads. In this connection, the committee inserted a proviso in section 7 of the original bill for the establishment of a section of rural roads in the Bureau of Public Roads. I do not think that this proviso was wise; moreover, I think it was unnecessary. The Bureau has established divisions whenever and wherever needed; there are divisions of design, construction, bridges, highway laws and contracts, control, information, tests, high-way transport, and management. While personally I think the matter of the establishment of a division of rural roads was unnecessary, the insertion will not require an additional appropriation. The divisions of construction and design are able to cope with the problems. Inasmuch as the objection is not material, the committee recommended the insertion of the amendment providing for the establishment of a section or division of rural roads.

[Here the gavel fell.]

Mr. TURPIN. Mr. Chairman, I yield 1 additional minute to the gentleman from Mississippi.

CONCLUSION

Mr. WHITTINGTON. The Federal Government promoted the progress and advancement of the country in initiating the Federal highway system; national highways have resulted; agriculture and industry have benefited; rural conditions have improved; country life is becoming more and more attractive; travel has been encouraged. But there is a further obligation on the Federal Government. The program should be extended; the needs are multiplying; traffic is increasing; the development must be continued; the policy must be expanded. The national responsibility can be met by the prompt passage of the authorizations in the pending bill. [Applause.]

[Here the gavel fell.]

Mr. CARTWRIGHT. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. Robinson].

Mr. ROBINSON of Utah. Mr. Chairman, I appreciate that we cannot discuss a bill such as we now have under consideration in 5 minutes, but I will take sufficient time to assure the committee that we have gone into the matter contained in this bill in great detail. We have had long and extensive hearings, and if you will read the hearings that were had on this bill you will understand that a great deal of work has been done in committee. I think you will appreciate this fact when you compare the original bill with the bill finally reported by the committee.

Mr. Chairman, it seems to me that a reasonable limit in Federal-aid appropriation is the amount of funds that are coming to the Public Treasury, both State and Federal, from the road users themselves.

The bill under consideration authorizes the expenditures of \$220,000,000 per annum for the years 1938–39. During the year 1935 there was collected directly from automotive taxes by the Federal Government the sum of \$296,086,984; therefore, based upon the above principle, we are still within our limit in this bill.

In my opinion, there is no money expended by the Federal Government that has accomplished better results than the money expended by the Bureau of Public Roads. This Department has not only been extremely careful and wise in its own expenditures, but it has also set up organizations throughout the United States which have cooperated with the various State organizations in such a way that the whole road program of the United States has become correlated. People can now travel almost any place in the United States on a fairly reasonable road and under fair conditions. It is true that the highways of our Nation are not all that we would desire them to be, but the passage of such bill as this has for its purpose the bringing about of better roads in every State in the Union; also of placing the road-building program throughout the United States, not only so far as the Federal Government is concerned, but also so far as the States are concerned, on a more permanent basis. When this bill is passed, each State will know exactly what contributions it will receive from the Federal Government for its roadbuilding program covering the time specified in the bill.

From the beginning of the Federal-aid program until 1933 the money allocated for Federal highways was distributed to the States on the basis of one-third in the ratio which the area of each State bears to the total area of all the States; one-third in the ratio which the population of each State bears to the total population of all the States, as shown by the latest available Federal census; one-third in the ratio which the mileage of rural delivery routes and star routes in each State bears to the total mileage of rural delivery and star routes in all the States at the close of the next preceding fiscal year. During the Seventy-third Congress this allocation was changed so that seven-eighths of the money is appropriated under this plan, while one-eighth is based entirely upon population. This, of course gives the populous States an advantage they did not have under the previous appropriations. However, due to the fact that it was thought that unemployment existed to a larger extent in the more populous district, that this apportionment was fair to all of the States. Therefore the large item in this bill of \$125,-000,000 will be apportioned under the law as amended in the Seventy-third Congress.

The bill also carries an appropriation of \$10,000,000 for forest highways. In my opinion, this sum is wholly inade-

quate for this particular purpose and should be at least \$15,000,000, as provided in the bill when it was first introduced. However, the committe took the position that inasmuch as \$10,000,000 was the amount previously allocated, that due to the financial condition of the Government at the present time it would be unwise to increase this sum.

There are at least three types of roads in the forest: First, gravel and macadam roads, on which there is a large amount of travel; second, truck roads, on which travel is limited, but which roads are reasonably safe for automobile travel at 15 miles per hour; and, third, forest trails, used for horses and foot travel.

There are 53,000 miles of roads in the forest which have already been built and which it is necessary to maintain. It is estimated that there are 121,000 miles of roads planned in the forests. This leaves 68,000 miles of roads in the forest yet to be constructed. There are 121,000 miles of trails completed which need to be maintained and 32,000 miles of trails which should be built. During the depression more than ever before the forests have come to be a camping or picnicking grounds. Last year 17,000,000 people camped in the national forests. It is necessary to construct new and better roads in order to make the present camps accessible and to distribute the great group of people who use the forests for this purpose,

The money authorized for this particular work is different from the regular Federal highway authorization in that the roads constructed in the forest must be maintained largely at the expense of the Government, and, since we are constantly building more roads, the maintenance naturally is increasing. It is estimated that it will cost at least \$3,500,000 annually to maintain the roads and trails that are now constructed; therefore, if only \$10,000,000 is appropriated, it will leave but six and one-half million dollars which can be utilized for new construction.

I think it will help us to visualize this immense tract of land if we consider the gross area of the national forest as about one-tenth of the area of continental United States. Combined this would equal the area of Texas and Oklahoma. Or starting from Maine, along the Atlantic seaboard, the forests would run down the coast through North Carolina and take in West Virginia, Pennsylvania, and Ohio, and including all of New England.

These forest roads have two very important purposes: In the first place, many of these roads are very helpful to the people locally; in the next place, they are essential as a fire protection. We have vast areas of timber to protect from fires. When these fires start it is necessary that they be reached with dispatch. In order to do this, a reasonably safe and fast road to the various areas is necessary. A large amount of the money appropriated for this purpose is used in construction of truck roads, which are made available and used primarily when there are fire hazards. Through this method fire hazards are greatly reduced, and the saving that has been made in preventing fires amounts to many times more than these roads cost.

I was of the opinion in the committee, and am of the opinion now, that \$15,000,000 should be appropriated annually for this purpose. I hope that when the bill goes to the Senate that this amount will be put in by that body or will be put in in conference.

The bill also carries an appropriation of \$7,500,000 annually for the construction and improvement of roads and trails in national parks. This is the same amount that has been authorized for the past 2 years.

There are two items in this appropriation bill which are new and which have not heretofore appeared in the regular road appropriation bill, namely, \$25,000,000 for the year 1938 and \$25,000,000 for the year 1939 for feeder roads, including rural-free-delivery and farm-to-market roads. This sum will be apportioned among the States the same as other Federal highways appropriations, and it will be necessary for the State to match this sum in order to receive the benefit of this money. However, it is thought that the time has come when the Federal Government should aid in establishing suitable roads for farm-to-market roads, which roads are

not on the regular "through highway" system. Most of these roads, of course, are rural mail roads, and the expenditure of this money can be justified from the fact that the mails should be delivered with less cost to the Government and

with greater dispatch.

The other item which is not in the regular appropriation bill is \$50,000,000 for 1938 and \$50,000,000 for the year 1939 for grade crossings. This appropriation is made to the States on the basis of one-half on population, as shown by the latest decennial census; one-fourth on the mileage of the Federalaid highway system; and one-fourth on the railroad mileage, as determined by the Interstate Commerce Commission. This appropriation gives a very decided advantage to the populous States. There was \$200,000,000 allocated for this purpose in the emergency act, most of which is now under contract; and while it will take many years to complete this program, it was thought by the committee that at least \$50,000,000 annually should be used for this purpose. This money is not matched by the States nor by the railroads. It is really a grant from the United States to the various States to aid in eliminating railroad crossing hazards. [Applause.]

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include as part of my remarks some excerpts from the opinion of the Supreme Court of the United States holding a State statute requiring the railroads to contribute 50 percent invalid.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, I ask unanimous consent that all Members who have spoken on this bill may have 5 legislative days in which to revise and extend their

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. TURPIN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, when the bill was before the House appropriating \$4,800,000,000 to be turned over to the President to spend as he saw fit, I endeavored at that time, as did some others, to have the fund earmarked so that we could take care of grade crossings; in fact, carry out the program that had been formulated by our State engineers. We were unsuccessful in having the funds earmarked.

Mr. Chairman, I am very much interested in this bill for two reasons.

The committee report in reference to section 7 reads as follows:

Section 7 of the bill provides an authorization of \$50,000,000 for the fiscal year ending June 30, 1938, and the sum of \$50,000,000 for the fiscal year ending June 30, 1939, for the elimination of railroad grade crossings. These funds need not be matched by the States and are distributed to the States according to the method adopted in connection with the emergency highway funds now in operation.

Of course, I am also interested in the question of highways and country roads which the farmers need in order to carry their products to market.

Mr. Chairman, I have another interest in this bill. I am particularly interested in it because it does earmark funds for the elimination of grade crossings. The Members of the House will remember that after a very tragic bus accident on a grade crossing out here at Rockville, Md., the President made the statement to the country that he was prepared to allocate funds to eliminate all grade crossings where the communities were ready to proceed. On the very day that the President made that announcement I wrote this letter:

APRIL 13, 1935.

The President of the United States,

The White House. My Dear Mr. President: The appalling and tragic disaster at the Rockville, Md., grade grossing has focused the attention of the country on the menace of grade crossings to public safety.

This brings vividly to my mind the situation that exists in the city of Dunkirk, N. Y. The grade crossings in my home city have taken a long toll of lives, among them my law partner, Hon. Rollin W. Snow, his wife, and aunt, and many of my other friends.

I believe that the city of Dunkirk, the railroads, and the State are now prepared to take immediate action, with the assistance of the Federal Government, to eliminate the grade crossings, or at least the more dangerous ones. I am prompted to place this situation before you because of the announcement that money will be made available to communities from the public-works funds to remove these hazards to human life.

The mayor of the city, Hon. W. L. Roberts, the chamber of commerce, the service clubs—in fact, every organization and the citizens generally—are vitally interested and are supporting this request. I respectfully request and urge your cooperation.

Respectfully yours,

DANIEL A. REED.

I received a reply from the Secretary to the President dated April 17, 1935, as follows:

My Dear Congressman: The President asks me to acknowledge receipt of your letter of April 13 and to assure you that your request with respect to the grade crossing at Dunkirk, N. Y., will be given consideration.

Sincerely yours,

M. H. MCINTYRE Assistant Secretary to the President.

Up to date this matter has received no further consideration, except that the President shortly thereafter reduced the grade-crossing allotment by half and transferred the money to other projects.

I think it is a very wise provision to have the funds definitely earmarked.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. May I call the gentleman's attention to the fact that there is a change in the distribution of these grade-crossing funds, so that instead of being based on the matter of Federal aid, 50 percent of these funds are allocated on the basis of population, the purpose being to eliminate the grade crossings in the more populous States of the Union.

Mr. REED of New York. I do not have the figures showing the number of people that have been ruthlessly killed at grade crossings in my home city, but they show a very tragic history in this respect based on population, and the worst, I believe, of any city in the State of New York: therefore I shall support this bill in an effort to protect my home city and other communities similarly situated from further tragedies.

The elimination of grade crossings in my home community and in other communities throughout my district has become of vital interest to almost every family where grade crossings are a constant menace to the life of the people. Every workman who goes to and from his work over grade crossings, over which passenger trains travel at terrific speed, endangers his life. There is not a mother who does not feel deep concern when her children leave for school in the morning and return in the afternoon if they reside where it is necessary for the children to cross the railroad at grade.

I have been urging action for the elimination of these hazards to human life with all the vigor at my command. I hope that this bill providing funds for this purpose will make it possible to protect the people of my communities from the risk to life and limb to which they are now subjected.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include some very brief letters from officials with reference to this situation.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CARTWRIGHT. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. Secrest]

Mr. SECREST. Mr. Chairman, the need of road construction arose with the general advancement in the automotive trade. In the beginning of the road program the landowners adjoining the proposed road paid practically all the cost. This old system was abolished several years ago when the States and the Federal Government levied gasoline taxes and used the money in the construction of State and Federal roads.

Any road program has a number of advantages. In the first place, you make a permanent improvement, in the second place you furnish direct labor, and in the third place

you furnish indirect labor to thousands and thousands of people in the cement industry, the brick industry, and in other allied industries affecting road building.

The pending bill provides in one section for the main Federal roads. It also provides a \$50,000,000 appropriation for the elimination of grade crossings, both of which I subscribe

The bill also provides for the first time in a regular Federal appropriation bill, in one of its sections, \$25,000,000 for rural farm-to-market roads, including school-bus routes and other rural roads.

We have provided in this section that there shall be established in the Bureau of Public Roads a section of rural roads, and I want to make it clear that it is not the intention of the committee, and I want the RECORD to show that it is not the intention of the House, that these people shall be new employees. It is the intention of the committee that certain engineers now employed by the Bureau of Public Roads shall be designated or assigned the task of handling rural-road problems.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman vield?

Mr. SECREST. I yield.

Mr. WHITTINGTON. Nor will it increase the cost of administration or the cost of this bill.

Mr. SECREST. Certainly not.

The Bureau of Public Roads for the past year has been making in the States throughout the Union a survey of rural roads to determine the number of homes on these roads, to determine the amount of improvement necessary to determine by a traffic count what rural roads in the country are the more important, and in every county of my district this survey has been practically completed. We now know when we attack our rural-road problem exactly which roads are deserving of primary consideration from the standpoint of lending assistance to the farmers and the general public using these roads. It is intended by this provision that this material shall be established in the Bureau of Public Roads in a division or branch to be known as the section on rural roads. This will render to the people of the Nation interested in rural roads an invaluable opportunity.

The 50,000 letter carriers in America, when they have any rural-roads problem, can then direct their inquiries or present their needs to this one focal point. The Members of Congress interested in the rural roads in their districts can go to this one branch on rural roads, which will have the sole task of carrying out this program and expending this \$25,-000,000 assigned for this purpose. [Applause.]

[Here the gavel fell.]

Mr. TURPIN. Mr. Chairman, I yield 10 minutes to my colleague the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Chairman, the bill before us has been well explained by the chairman of our committee and I do not need to go further into the details of the measure.

I simply want to say that we had a discussion of this bill in committee during sessions which consumed about 3 days, completing it and getting it in its present form. I believe the bill is now in as good shape as such legislation can be.

We are providing the regular appropriation to the States for the State highways and for the other highways through the forests, and so forth. We are also providing for gradecrossing eliminations and we have provided for farm-tomarket roads. To my mind, this is one of the most important parts of this bill.

It has been a lifetime work with me to "get the farmer out of the mud." We have made a start in setting up a special fund for farm-to-market roads.

Last year a number of us were interested in allotting some of the W. P. A. money for farm-to-market roads and we went to the President and to Harry Hopkins and others and secured their cooperation, and in the past year we have spent, perhaps, \$150,000,000 on farm-to-market roads. We feel that this was money well expended, because any money that went into roads benefited the farmer, benefited the worker, and resulted in a lasting benefit.

If we can only build roads to every back farm in the coun-

be within half an hour or so of some village. The farmers, with their automobiles, can get to town very easily, and it will not matter whether they are 10 or 20 miles from town or 2 miles away, because they can reach their town or village in a short space of time. So what we have set up in this bill is the beginning of what is going to be a great success in the end.

It is going to be a great relief to the farmers of this section when they know that they are on the way to good roads.

Mr. PEARSON. Will the gentleman yield?

Mr. LORD. I yield to the gentleman.

Mr. PEARSON. The gentleman knows that his State and my State and most of the States have a satisfactory system of primary roads. What we are interested in now is what is referred to as secondary roads. Will the gentleman explain what the term "secondary roads" embraces?

Mr. LORD. Mr. Chairman, I understand that secondary roads are roads of importance but not as important as the main thoroughfares, but I do not think they reach back to what is called the real back roads.

Mr. CRAWFORD. Will the gentleman yield?

Mr. LORD. I yield.

Mr. CRAWFORD. Section 5 provides for \$25,000,000 for 1938 and a like sum for 1939, and it is conditioned that there shall be established a Bureau of Public Roads and a section of rural roads subject to the direction of the Chief of the Bureau of Public Roads. Has it been discussed or have you any concrete idea of how this fund will be distributed among the different States?

Mr. LORD. It will be distributed on the same basis as is the \$125,000,000—area, population, and mileage.

Mr. HAINES. Will the gentleman yield?

Mr. LORD. I yield.

Mr. HAINES. I know the gentleman is an expert road builder. I wish to ask him if the sum authorized in the bill is \$220,000,000 or \$125,000,000.

Mr. LORD. It is \$220,000,000 altogether. before, I think we have started on the right track. We have started out to recognize and help the farmer who lives on the back roads in the country. While we have been building the main thoroughfares, we have not included but have neglected the back roads. This legislation makes a start to help get the rural mail carrier, the school bus, and the farmer "out of the mud." [Applause.]

Mr. TURPIN. Mr. Chairman, how much time is left on

The CHAIRMAN. The gentleman has 7 minutes.

Mr. TURPIN. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman and members of the Committee, I am particularly interested in the provisions of this bill. A great deal has been said about the importance of road construction connecting the sections of the country, and I want to remind the Committee that in the early days of our history, in connecting the East with the West with a road across the mountains into the Pacific coast, the Government gave away an empire just to get a railroad through the Northwestern States. It gave the Northern Pacific Railroad every other section in a strip 20 miles wide on each side. No one can compute the value of that land and its undeveloped resources that was donated to this company just to get one railroad across the United States. The building of roads is one of the most important things we have to do, and I want to talk to the Committee for a minute about the importance of opening up the resources and utilizing them in the great areas of the country that have been set aside in the national forests. When all this land that was in the rugged sections of the country covered by timber, unappropriated public domain, was withdrawn by the Government and placed in the national forest, where we permitted miners to locate mining claims, land rich in mining resources and mineral deposits, the Government by that act assumed the responsibility to build roads into that country to afford transportation for the development of those great resources; and out in the Northwest, in the Mountain States of the Rocky Mountains, we have great areas of country that are closed, absotry there will not be any back farms. Every farm will then lutely inaccessible, in a primitive state, where the miners

and prospectors have penetrated and located mining claims, and there is no opportunity to develop them. The State cannot go into these national forests there and build roads, nor can the county; and if the Federal Government does not come to the assistance of the miners and prospectors and build the necessary roads within that country, then the country is simply locked up. In the district that I represent in Idaho we have one of the greatest undeveloped gold fields in the United States. We have a country out there in those mountains, in the forest, that has produced \$300,000,000 in placer gold. If that had been on the Canadian side of the line, the Canadian Government would have built roads there. because they have a law that when a prospector or a miner makes application to the Minister of Mines and examination is had, and then, if the development warrants it, the Canadian Government will build a road in, and most of that country is far less populated and developed than the country on our side of the line.

In Idaho, and in Utah and Colorado and those Western States, we need the development of the country, and at the proper time I propose to offer an amendment to put back this section that authorizes the appropriation of \$15,000,000 a year for constructing and maintaining forest roads and trails, because the committee has stricken that provision out of the bill which permits the development of new roads. The \$10,000,000 in that item will not maintain the roads that are built through the forests, because it must be remembered that in the national forest many of the arterial trunk highways cross them and must be maintained by the Forest Service.

Mr. WHITTINGTON. Mr. Chairman, the hearings disclose that the Director of Parks stated that not exceeding one-third, not exceeding \$5,000,000, would be needed.

Mr. WHITE. Oh, the national forest and the national parks are entirely two different functions. Seventy-two percent of Idaho is owned by the Federal Government, most of it embraced in the national forest, and the miners up in that country are dependent on the Federal Government for assistance in building roads. The committee has struck out that provision, and by not permitting the development of new roads they are tying up the resources of the country.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. CARTWRIGHT. Mr. Chairman, I yield the remainder of my time to the gentleman from Missouri [Mr. ZIMMER-MAN].

Mr. TURPIN. Mr. Chairman, I yield the gentleman 1 minute remaining to me.

The CHAIRMAN. The gentleman from Missouri is recognized for 2 minutes.

Mr. ZIMMERMAN. Mr. Chairman, as a member of the Committee on Roads, I am very much interested in the passage of this bill. It not only provides for the continuation of Federal aid in our road-building program among the States but provides for the inauguration of a program which will in fact lift the farms of our country out of the mud where we have left them up to this time.

I desire to especially call your attention to section 5 in the bill, which provides, among other things, as follows:

Provided further, That there shall be established in the Bureau of Public Roads a section of Rural Roads, subject to the direction of the Chief of the Bureau of Public Roads.

Up to this time the Bureau of Public Roads has been concerned with the building of through or main highways connecting centers of population and designed to accommodate the tourist and through traffic. Under this provision the Bureau of Public Roads will study the farm-to-market road problem, the proper mode of construction of such type of road, and cooperate with local agencies in the building of the same.

This section further provides for the authorization of the expenditure of \$25,000,000 for the fiscal years ending June 30, 1938 and 1939, respectively, for the construction of "secondary or leader roads, rural free-delivery mail roads, and public-school bus routes." I am sorry the amount provided for this purpose is not larger, but it is the beginning

of a program which will lift our rural inhabitants out of the mud and enable them to reach in comfort and safety the principal highways now established in most States. Nothing affects the comfort and happiness of the farmer, and even his prosperity, more than his ability to receive his daily mail on time, have his children transported safely to school, and to transport his products conveniently to the market. In this age of the automobile and motor truck the distance of a few miles from a main highway means, for many weeks during the year, seclusion and inability to get off of the farm. We have built all the main highways we need for the present. We should now give our attention to the building of rural, farm-to-market roads and really help that large class of our population—the farmer—which has been paying taxes all these years for road improvement and which has received few benefits.

There are other provisions of this bill which I would like to discuss, but lack of time forbids. I sincerely hope we pass this bill and that it becomes a law.

The CHAIRMAN. The time for general debate is exhausted, and the Clerk will read the bill for amendment.

The Clerk read as follows:

The Cierk read as ionows:

Be it enacted, etc., That for the purpose of carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, and all acts amendatory thereof and supplementary thereto, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following sums, to be expended according to the provisions of such act as amended: The sum of \$125,000,000 for the fiscal year ending June 30, 1938, and the sum of \$125,000,000 for the fiscal year ending June 30, 1939.

(a) All sums authorized in this section and apportioned to the States shall be available for expenditure for 1 year after the close of the fiscal year for which said sums, respectively, are authorized,

of the fiscal year for which said sums, respectively, are authorized, and any sum remaining unexpended at the end of the period during which it is available for expenditure shall be reapportioned among the States as provided in section 21 of the Federal Highway Act of 1921 (42 Stat. 212).

of 1921 (42 Stat. 212).

(b) On or before January 1 of each year the Secretary of Agriculture shall apportion among the several States, as provided in section 21 of the Federal Highway Act of 1921, the sums authorized for the fiscal year immediately following. When said apportionment has been made for any fiscal year, the State highway departments may submit projects to the Secretary of Agriculture for his approval. The Secretary of Agriculture shall act upon projects submitted to him under any such apportionment and his approval of any such project shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto: Provided, That projects approved under any apportionment before the beginning of the fiscal year for which such apportionment has been made may be contracted for by the States and construction thereon may be begun, but the total reimbursements to any State or Territory before the beginning of such fiscal year shall not exceed the total of all previous apportionments to such State or Territory.

not exceed the total of all previous apportunities.

(c) If within any fiscal year the Secretary of Agriculture shall find with respect to any State that the laws of such State provide that the proceeds of all taxes on motor-vehicle transportation, as referred to in section 12 of the act of June 18, 1934 (48 Stat. 993), shall be applied to highway purposes, as defined in said section, and that the average of all such taxes per motor vehicle registered in such State is at least equal to the average of all such taxes per motor vehicle registered in all of the States, and shall further find that after having so applied such proceeds to such highway purposes other than construction there will be insufficient balance poses other than construction there will be insufficient balance remaining for construction with which to match all or any part of the regular Federal-aid road funds apportioned to such State for such fiscal year in accordance with the provisions of the Federal Highway Act of 1921, as amended and supplemented, all or such portion of such apportionment as the State is unable to match shall be available for expenditure in such State in accordance with said Federal Highway Act without being metabod by the State with State Federal Highway Act without being matched by the State with State

funds.

(d) The term "highway" as defined in the Federal Highway Act, approved November 9, 1921, as amended and supplemented, shall be deemed to include such main parkways as may be designated by the State and approved by the Secretary of Agriculture as part of the Federal-aid highway system.

With the following committee amendment:

Beginning in line 6, on page 3, strike all of subsection (c), and on line 1, page 4, strike out "(b)" and insert "(c)".

Mr. McCLELLAN. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, I certainly favor the passage of this bill. There is no greater evidence of or index to the progress of any community than the building and construction of good roads. This is, in most respects, a good bill and one that should have the unanimous vote of the membership of this House.

I am opposed, however, to the committee amendment. I object to striking out and eliminating subsection (c) of section 1 of this bill, which has for its purpose to make available to those States that are not in position to match Federal aid, their proportionate share of the Federal-aid funds for the construction of highways. There are but few States that are not any longer in position to match Federal aid, but there are a few that cannot. My State cannot. It has not been able to for the past 2 years. Under the present program it will probably be 5 or 10 years before it can again match Federal aid. But it is not due, primarily to the lack of effort of the State. It is not the fault of the State. In the past we inaugurated a program of road construction, and as a result we have many good roads; but we have taxed ourselves to the point where we cannot now raise additional revenue to match Federal aid. I say that to you with the record to support it. We today pay on each automobile an average of more than \$50 per annum in license fees and taxes on gasoline and oil, whereas the general average for the United States is only \$32 and a few cents per year. Therefore, we have taxed ourselves 44 percent more than the average tax paid by the other States of the Union. May I say to you that all of these revenues are pledged for the payment of indebtedness that has been incurred in the construction of the present system of roads which we have.

It will be argued, I assume, by some member of the committee in support of this amendment, desiring to strike out this section, that this provision would be giving an advantage to some of the States that cannot match Federal aid. This section has the endorsement of the Chief of the Bureau of Public Roads, as you will observe by reading his testimony in the published hearings on the bill.

My answer to this argument is that we have taxed ourselves to the limit in order that we might provide you and others of the traveling public throughout the Nation with good roads so that you may pass through our State. Having gone our limit, no longer able to match Federal funds, the highway system in no State being completed, neither in Arkansas nor in any of these other States, which are unable to match Federal aid, if this money were expended now we would be able to carry on the work. Otherwise it must stop.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. McClellan] has expired.

Mr. McCLELLAN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

Mr. WOLCOTT. Reserving the right to object, are these bonds that the gentleman referred to retired? Are they bonds for carrying on other projects than road building, and are they retired?

Mr. McCLEILAN. No. I would like to answer the gentleman. I ask unanimous consent to proceed for 5 additional minutes, Mr. Chairman, in order that I may answer these questions.

Mr. WOLCOTT. I have asked my question under a reservation of objection so that it would not come out of the gentleman's time.

Mr. McCLELLAN. Yes. We have \$145,000,000 worth of bonds, the proceeds of which have all been expended for highway purposes. All of it went into highways. We have had to refund this indebtedness, and therefore all of the money that we are able to raise with this excessive taxation is pledged to the retirement of that debt and maintenance of the highways, and we are unable to provide any additional funds to carry on new construction.

Mr. WOLCOTT. My point was that the bonds of which the gentleman spoke are not bonds for institutions or for carrying on any other work?

Mr. McCLELLAN. None whatever. All are road bonds, and spent for road construction.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. McCLELLAN. I have just explained to the gentleman the condition that obtains. In our expansion program, our road-building program, we probably overbuilt, and when the depression came and those bonds became due we made default and had to refinance them, and in doing so we have raised our gasoline tax to 6½ cents a gallon and pledged all of that revenue to the liquidation of this refunded indebtedness, all of which went for the construction of roads.

It may be argued that this would be unfair. Let me call this to your attention: This section should be left in that bill. Any money that is subject to allocation to a State like Arkansas, which cannot match Federal aid, will go back into the Treasury and be reallocated to other States. It will not amount to a saving to the Federal Government. All these funds will be expended. I believe it is a better policy to spend Government money through an established agency of the Government, like the Bureau of Federal Roads, than it is to allocate it out to emergency agencies and have it spent for projects that are not worthy of the expenditure. If you will place this money at the disposal of States like Arkansas, under the supervision and direction of the Bureau of Public Roads, when it is expended we will be getting something for the Government's money. It will not be spent on boondoggling projects, as they are often referred to. May I say to you every dollar you spend down there through the Bureau of Federal Roads, as far as labor is concerned, and most of it will be for labor, will be spent in the employment of those who are unemployed and on relief and who the Government will likely have to provide jobs for anyway. The money will not be wasted.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. WHITTINGTON. Mr. Chairman, I rise in support of the committee amendment.

Mr. Chairman, this section was stricken out by the committee, as I stated in my presentation of the bill, because it would violate the fundamental principle that has characterized all Federal-aid highway legislation. It would result in a discrimination against the other 47 States of the Union.

The gentleman [Mr. McClellan], my distinguished colleague from Arkansas, is a member of the committee. The committee considered most carefully this section. We knew it was for the benefit of Arkansas. I represent Mississippi in part. Mississippi was unable to match her Federal aid last year. I think a lot more of the continuance and permanence of the Federal system than I do of the inability of any one State for any one year to match its funds.

If this amendment is not adopted, it will be a blow at the system. The chief virtue of the system is that all the States, the rich and the poor, the populous and the sparsely settled

are treated exactly alike.

The gentleman from Arkansas spoke of taxes. I can appreciate that the taxes on gasoline and automobiles are high in the gentleman's State. I have before me the figures for 1935. But what about the State of Tennessee? gasoline tax in Arkansas, according to the figures of the Bureau of Roads for 1935, was 61/2 cents a gallon, whereas in Tennessee and Florida it was 7 cents. The gentleman stated in the excellent argument he made on behalf of the great State he so ably represents that gasoline and other taxes on automobiles are around \$50 per year. They are largely in excess of this amount in other States. I have the statement for the calendar year 1934. Take, for instance, the great State of Florida. There they amount to around \$62 per annum. According to the figures of the Bureau of Roads to which I am referring, the State of Tennessee has a tax in excess of that of Arkansas, the average per vehicle tax in Tennessee being \$51.87 per annum. The tax in Mississippi equals the Arkansas tax and the tax in Louisiana exceeds it.

Mr. McCLELLAN. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. McCLELLAN. The gentleman spoke of the State of Florida. This State was not able to match Federal aid last year, was it? At least it was not able to match very much of it.

State may not have fully matched funds last year, but I am sure this year it will do as Mississippi intends-match the Federal funds.

Mr. McCLELLAN. But they were not able to match funds last year.

Mr. WHITTINGTON. I do not know the reason of the inability to fully match the funds. The gentleman must bear in mind that inability rises from different causes. Frequently it comes from poor financial management. Again it may be as in the case of the State of Mississippi, where we have been paying as we built our roads. Instead of pledging our gasoline income for years to come, we try to pay as we go.

If this section remains in the bill, Mr. Chairman, it will encourage States to divert their gasoline taxes and will absolutely break down and destroy the Federal-aid highway system. For this reason I feel that the amendment of the committee, thoroughly and carefully considered, should be

adopted.

Mr. McCLELLAN. Mr. Chairman, will the gentleman yield further?

Mr. WHITTINGTON. I yield.

Mr. McCLELLAN. The gentleman spoke of departure from policy and principle. I ask the gentleman if during this whole administration the policy of the Democratic administration has not been to depart from previous precedent, principle, and policy?

Mr. WHITTINGTON. I confine myself in answering, Mr. Chairman, to saying that in Federal-aid highway legislation-and I must not be diverted-whenever there has been a departure it has been a departure for the benefit of all 48 States, not for the benefit of Arkansas, Mississippi, or any other State. We canceled the requirement to match Federal aid in the emergency highway legislation, but it applied not alone to the magnificent State of Arkansas but equally to every State in the Union.

Mr. McCLELLAN. Mr. Chairman, will the gentleman yield further?

Mr. WHITTINGTON. Yes.

Mr. McCLELLAN. Is it the gentleman's construction that Federal-aid highways are of local benefit to the States, or is it of universal benefit to all the people of the Nation to have a system of national highways over which they may

Mr. WHITTINGTON. Otherwise there would not be a Federal-aid highway policy and program. Being a national policy, it must be a policy whereby all of the States are treated alike. There must be no discrimination in favor of one State. The very thing that affects Arkansas would affect Mississippi and every State in the Union.

Mr. Chairman, I ask that the committee amendment be adopted.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 2. For the purpose of carrying out the provisions of section 23 of the Federal Highway Act of 1921, there is hereby authorized to be appropriated for forest highways, roads, and trails the following sums, to be available until expended in accordance with the provisions of said section 23: The sum of \$15,000,000 for the fiscal year ending June 30, 1938; the sum of \$15,000,000 for the fiscal year ending June 30, 1939: Provided, That one-third, but not less than \$3,000,000, of the appropriation made for any fiscal year for carrying out the provisions of said section 23 may hereafter be expended for the purposes enumerated in the first paragraph of clause (a) of for the purposes enumerated in the first paragraph of clause (a) of said section 23.

Committee amendment:

Page 4, line 12, strike out "\$15,000,000" and insert in lieu thereof "\$10,000,000."

Mr. WHITE. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, this amendment goes directly to the proposition of building forest roads and trails. It is my information from the Forest Service that the \$10,000,000 included in this bill, if the committee amendment is adopted, will barely

Mr. WHITTINGTON. Florida matched partially. That | maintain the forest roads. We must remember in dealing with the forest roads and trails that we are now concerned with arterial roads that cross the Western States. Many sections of these roads are through the forest and must be maintained by the Forest Service. They are arterial highways. When we consider the extent of the roads maintained by the Forest Service we will realize that \$10,000,000 is a very small sum.

> I am told that the amount included in the committee's amendment will not take care of any new construction, and that the provision in the bill which provides that one-third, or not less than \$3,000,000, made for each fiscal year for the carrying out of the provisions of section 23 will authorize new construction and open up new country in the national forests, which is very vital to the development of the West. It is vital to the resources of the national forests. It is vital to the transportation needs of the people of the communities that are dependent upon forest roads that the provisions of the bill remain intact and the committee amendment be not

> Mr. Chairman, I urge that the Members vote for the bill in its present form and vote down the committee amendment, because the provisions of this bill were drafted after careful consideration of the recommendations of the Bureau of Public Roads and the Forest Service. Opening of forest areas and development of reserves in the national forest is one of the most important things to aid business recovery. This means more than may be imagined. We should open up and utilize the resources of the national forests, and I refer particularly to the mineral resources contained in areas that are now barred from transportation, locked up as it were. We need every dollar that has been authorized in this bill for the utilization of these resources. Let me point out to you that durable goods and heavy machinery, including diesel engines and diesel fuel oil, will move into that country in large quantities with the improvement of these forest roads and trails. There will be an increase in the employment of labor. There has not been an item of appropriation considered by the House that means more to the recovery of that country than does this item which has to do with forest roads and trails. I, therefore, urge the membership to vote down the amendment and permit the opening of that country through this small appropriation of \$3,000,000 annually.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I rise in favor of the committee amendment.

Mr. Chairman, the distinguished gentleman from Idaho [Mr. White], my good friend, unwittingly, but, nevertheless, very accurately, stated that this committee amendment was well considered. Therefore, Mr. Chairman, I insist that the committee amendment be adopted.

There are 3,000,000 miles of roads in the United States. Less than 1,000,000 miles have been improved. Nearly onehalf, or, to be accurate, according to the statements made before our committee, 49 percent, of the forest highways dealt with in this item have been improved. The forest highways have been most generously provided for during the emergency legislation. The committee recommends that the authorization be reduced to \$10,000,000. That is the amount contained in the authorization now in force and that has been in force during the past 2 years. That is the relative figure, and I ask that the committee amendment be adopted.

Mr. WHITE. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Idaho.

Mr. WHITE. The gentleman quoted me as saying that I stated previously this amendment was well considered. My statement was that the provisions of the original bill were well considered by the Director of the Bureau.

Mr. WHITTINGTON. I made the observation that the gentleman unwittingly made a correct statement. I know he did not mean it.

Mr. WHITE. I think, if the gentleman will inspect the RECORD, he will find that I said the provisions of the bill were well considered.

Mr. WHITTINGTON. The Director of the Bureau of Roads had nothing to do with this recommendation. That recommendation was from the Forest Service, and the bill was introduced by the chairman of the committee.

Mr. WHITE. Is it the gentleman's contention that representatives of the Bureau of Roads did not appear before the

committee and give testimony?

Mr. WHITTINGTON. Of course, they did; but those officials did not undertake to tell the committee what the committee should do as to amount. All bureaus want everything they can get, and this includes the Forest Service; but your committee thought in fairness to the people of the country and all the States that this authorization should be reduced.

Mr. Chairman, I insist upon the adoption of the amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 13, strike out "\$15,000,000" and insert "\$10,000,000."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 14, after "1939", strike out the colon and the proviso down to the end of line 19.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. For the purpose of carrying out the provisions of section 3 of the Federal Highway Act of 1921, as amended June 24, 1930 (46 Stat. 805), there is hereby authorized to be appropriated for the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations other than the forest reservations, the sum of \$2,500,000 for the fiscal year ending June 30, 1938, and the sum of \$2,500,000 for the fiscal year ending June 30, 1939, to remain available until expended. expended.

expended.

SEC. 4. For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the act of January 31, 1931 (46 Stat. 1053), as amended, there is hereby authorized to be appropriated the sum of \$7,500,000 for the fiscal year ending June 30, 1938, and the sum of \$7,500,000 for the fiscal year ending June 30, 1939.

SEC. 5. For the construction and maintenance of parkways, to SEC. 5. For the construction and maintenance of parkways, to give access to national parks, or to become connecting sections of a national parkway plan, over lands to which title has been transferred to the United States by the States or by private individuals, there is hereby authorized to be appropriated the sum of \$7,500,000 for the fiscal year ending June 30, 1938, and the sum of \$7,500,000 for the fiscal year ending June 30, 1939: Provided, That the location of such parkways upon public lands, national forests, or other Federal reservations shall be determined by agreement between the department having jurisdiction over such lands and the National Park Service.

With the following committee amendment:

Beginning in line 17 on page 5 and ending in line 3, page 6, strike out all of the section \bar{b} .

The committee amendment was agreed to. The Clerk read as follows:

SEC. 6. For construction and improvement of Indian reservation roads under the provisions of the act approved May 26, 1928 (45 Stat. 750), there is hereby authorized to be appropriated the sum of \$4,000,000 for the fiscal year ending June 30, 1938, and the sum of \$4,000,000 for the fiscal year ending June 30, 1939.

With the following committee amendment:

Beginning on line 4, page 6, strike out all of section 6.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 7. In addition to any other authorizations which have been made, there is hereby authorized to be appropriated to the several States, to be apportioned and expended under the provisions of the Federal Highway Act of 1921, as amended and supplemented: The sum of \$25,000,000 for the fiscal year ending June 30, 1939; the sum of \$25,000,000 for the fiscal year ending June 30, 1939; Provided, That the sums herein authorized shall be applied to secondary or feeder roads, including farm-to-market roads, rural free delivery mail roads, and public-school bus routes.

With the following committee amendment:

On page 6, line 10, strike out "7" and insert "5", and at the end of line 19 insert a colon and the following: "Provided further, That there shall be established in the Bureau of Public Roads a section of rural roads, subject to the direction of the Chief of the Bureau of Public Roads."

Mr. WILLIAMS. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman or a member of the committee a question regarding the section of rural roads which is provided for in this section. What consideration did the committee give to the functions that should be performed by this body?

Mr. CARTWRIGHT. I will ask the gentleman from Ohio

[Mr. Secrest] to answer that question.

Mr. SECREST. The Bureau of Public Roads for the past year has been conducting various surveys. Some States have not yet started the work, while others have practically finished such surveys with respect to rural roads in order to determine the number of houses on each mile of such roads in each county, and also to determine the traffic that goes over each one of these rural roads, trying to set up a method whereby they can intelligently approach the rural-roads problem and looking at it as a 10- or 15- or 20-year program.

Mr. WILLIAMS. And this provides, as I understand it, for aid to farm-to-market roads, or the ordinary rural roads?

Mr. SECREST. That is right. The section provides that there shall be three or four engineers, or perhaps a group of them, now employed by the Bureau of Public Roads set aside in a separate section to handle farm-to-market road problems. The township trustees of any township, the road supervisors of any county, the county commissioners of any county, and the 50,000 mail carriers in the United States can then write to this one place for information, and this one group will be designated to do nothing else.

Mr. WILLIAMS. The main thing I have in mind is whether or not this particular body set up here in connection with the public roads would have the say-so as to the location of these farm-to-market roads.

Mr. SECREST. They would not. They would have an influence only in approving them, but no more say-so than there is now in the Bureau.

Mr. WILLIAMS. The county court or the State, as the case may be, or the appropriate local authority would locate the road.

Mr. SECREST. That is right.
Mr. WILLIAMS. That is the main thing I was inter-

Mr. SECREST. This provision has nothing to do with that whatever.

Mr. GREEN. And the State road department would retain its authority, and the matter would be handled just as other Federal funds are handled.

Mr. SECREST. That is right.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman vield?

Mr. WILLIAMS. I yield.

Mr. WHITTINGTON. I should like to call the gentleman's attention to the fact that this proviso stipulates that a section devoted to the study of rural roads shall be established in the Bureau of Public Roads, and shall be under their supervision.

Mr. WILLIAMS. Yes.

Mr. WHITTINGTON. It is my personal view that there is no occasion for this proviso, but our colleague the gentleman from Ohio proposed it, and inasmuch as under existing law, I think, the Bureau would have authority to establish such a section or division, there is no objection to it.

I may say to the gentleman from Missouri, if he will pardon me for detaining him further in his own time, there are at present divisions of design, construction, bridges, highway laws and contracts, control, information, tests, highway transport, and management. These divisions were set up without legislative authorization under the highway act, and I think this provision for future studies, with respect to secondary roads, is in order, and I may say that this was the view of the committee.

Mr. WILLIAMS. I can see no objection to the provision, | provided they do not assume authority to go down into a locality where they are establishing a farm-to-market road and say, "You have got to build it here", regardless of what the local authorities may think about it.

Mr. WHITTINGTON. May I say to the gentleman that under our Federal aid for highways legislation the location of all highways and grade crossings must be initiated by the State and local authorities, and I favor this principle and think it should be preserved.

[Here the gavel fell.]

Mr. DEROUEN. Mr. Chairman, I move to strike out the last two words in order to ask the gentleman a question.

I am wondering if the gentleman can tell us whether this language will necessitate the employment of additional employees or whether the establishment of this section on rural roads will cost the Government more money?

Mr. WHITTINGTON. It will not, and it was so stated in the argument on the bill in chief.

Mr. DEROUEN. Could they not do this without the authority contained in this proviso?

Mr. WHITTINGTON. Undoubtedly, and I have so stated. Mr. MITCHELL of Tennessee. Mr. Chairman, I rise in opposition to the pro-forma amendment, and I do this for the purpose of asking the chairman of the committee a

Referring to section 5 of the bill, can the committee give me definite figures as to what amount would be allocated to Tennessee for farm-to-market roads?

Mr. CARTWRIGHT. I may say to the gentleman that we have a break-down of that here, and the gentleman from Mississippi [Mr. Whittington] will tell the gentleman what Tennessee gets. They get plenty.

Mr. MITCHELL of Tennessee. I am interested in seeing

that they do.

Mr. WHITTINGTON. Mr. Chairman, I may state in response to the inquiry of the gentleman from Tennessee that I shall insert a table in the RECORD showing not only what Tennessee will receive but the amount that all the States in the Union will receive.

Mr. MITCHELL of Tennessee. And this is allocated under

a definite program?

Mr. WHITTINGTON. There is a definite yardstick set up under the Federal Highway Act and all States are treated

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 8. For the elimination of hazards to life at railroad grade crossings, including the separation or protection of grades at crosscrossings, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade-crossing structures, and the relocation of highways to eliminate grade crossings, there is hereby authorized to be appropriated, to be apportioned on or before the 1st day of January of each year preceding the fiscal year for which it is authorized among the several States (including the Territory of Hawaii and the District of Columbia) in accordance with the provisions of the Federal Highway Act of 1921, as amonded and supplemental ascent that such apportionment shall. amended and supplemented, except that such apportionment shall be one-half on population as shown by the latest decennial census, one-fourth on the mileage of the Federal-aid highway system as determined by the Secretary of Agriculture, and one-fourth on the railroad mileage as determined by the Interstate Commerce Commission, and to be expended in accordance with said Federal Highway Act, as amended and supplemented, except that no part of such funds apportioned to any State need be matched by the State: The sum of \$50,000,000 for the fiscal year ending June 30, 1938; the sum of \$50,000,000 for the fiscal year ending June 30, 1939.

With the following committee amendment:

Page 6, line 23, strike out the figure "8" and insert the figure "6."

The committee amendment was agreed to.

Mr. GREEN. Mr. Chairman, I move to strike out the last word. I understand the funds in the bill would allow about as much money for road purposes this year as was allowed last year.

Mr. CARTWRIGHT. Yes.

Mr. GREEN. The rural farm market roads provision is new in this bill.

Mr. CARTWRIGHT. In a way we have always got it under an emergency amendment. This is new inasmuch as

the rural farm market roads are now recognized in the regular bill.

Mr. GREEN. In passing this bill our plan is to go back to the old method of authorizing Federal road funds and do away with the emergency funds that we have been using.

Mr. WHITTINGTON. This is a continuation of the aid which we have been giving in the past.

Mr. GREEN. Except for the past 3 years we have used some emergency fund, and now you revert to our established method of appropriation and allocation. Will there be any change in the distribution?

Mr. CARTWRIGHT. No.

Mr. GREEN. Public funds spent for roads represents one of the very best investments made by the Government. Mr. CARTWRIGHT. Mr. Chairman, I offer the follow-

ing amendment.

The Clerk read as follows:

After section 6, page 7, line 19, insert a new section, as follows:

"Sec. 7. Every contract for the construction or repair of any highway growing out of an appropriation of Federal funds made under this act, heretofore made or hereafter to be made, shall contain a provision that in the performance of the work the contractor, subcontractors, materialmen, or suppliers shall use only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States. The fact that articles, materials, or supplies have been produced or manufactured in this country from articles, materials, or supplies which have been imported into this country shall not make them eligible for use in the performance of any such contract. This section shall not apply to articles, materials, or supplies which are not mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality: Provided, however, That before the use of any such imported articles, materials, or supplies is authorized under any contract the head of the department or the independent establishment making a contract for such imported supplies shall give public notice that such an exemption is being contemplated, and after due opportunity has been given for domestic suppliers of such articles, materials, or supplies to be heard, a public record shall be made of the findings which justify such exception."

Mr. WHITTINGTON. Mr. Chairman, I make the point of After section 6, page 7, line 19, insert a new section, as follows:

Mr. WHITTINGTON. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill nor to any section of the bill. The bill is formulated upon the theory that the Federal Government, as a Federal matter, is interested in national highway construction and in the maintenance of the system. The proposed amendment, I may say parenthetically, was offered by the distinguished chairman of the committee, considered by the committee, and rejected. The amendment is for the benefit of certain oil producers in the United States. It undertakes to deal with the question of materials and whether foreign or domestic shall be used. This bill has nothing to do with materials. The provisions of the bill are limited to the matter of Federal financing of highway construction. I make the point of order that the amendment is wholly foreign and not germane to the bill or any part of it.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. CARTWRIGHT. Mr. Chairman, I wanted to get that before the Committee of the Whole. If it is not in order. I ask for a ruling.

Mr. WOLCOTT. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. WOLCOTT. Mr. Chairman, I believe the amendment is in order, inasmuch as this is a bill to amend the Federal act as approved July 11, 1916. In that act and acts amendatory thereto we provide that this allotment of funds may be made under certain conditions, under regulations promulgated by the Department of Agriculture, and this amendment merely writes into the law certain restrictions and certain regulations which the Secretary of Agriculture is now authorized under the general law to do at the present time. Surely, if we have the authority to give the Secretary of Agriculture power to regulate the disbursements, we have the authority to write into the act the conditions under which this money shall be distributed, and for that reason I think it is germane.

Mr. WHITTINGTON. Mr. Chairman, I may say in response that the pending legislation does not undertake in any manner to amend or to alter any part of previous highway legislation with respect to the power and authority of the Secretary of Agriculture or the Director of the Bureau of Roads, to promulgate any necessary regulations, and in this connection I remind the Chair that Congress a few years ago passed substantive legislation providing for the use, as far as Congress intended to go, of domestic materials in manufactures or Government expenditures. This amendment has no place in this bill, it is not germane to the bill, and it is not germane to any section of the original highway act brought forward and amended in the bill. It is in no sense a limitation, as it in nowise contemplates any reduction whatsoever in the authorization or the appropriation.

Mr. WOLCOTT. Mr. Chairman, this is merely a limitation. We have the authority to and do frequently limit the use to which appropriations are put, and in this particular are merely providing a limitation under which the money

authorized under this act shall be expended.

Mr. O'MALLEY. Mr. Chairman, I believe this amendment is entirely germane, because the bill itself is an amendment to the Federal Highway Act of 1916, and that act specifies the terms and conditions under which Federal allotments shall be given to the States. The amendment of the gentleman from Oklahoma under consideration merely adds another term or condition to those allotments. I believe it is germane.

The CHAIRMAN. The Chair rules that the amendment is not germane to the bill, and, therefore, is out of order. The

Clerk will read.

The Clerk read as follows:

SEC. 9. With the approval of the Secretary of Agriculture, not to exceed 1½ percent of the amount apportioned for any year to any State under sections 1, 7, and 8 of this act may be used for surveys, plans, engineering, and economic investigations of projects for future construction in such State, either on the Federal-aid highway system and extensions thereof or on secondary or feeder roads.

With the following committee amendment:

Page 7, line 20, strike out the figure "9" and insert "7", and in line 22, strike out the figures "1", "7", and "8" and insert in lieu thereof the figures "1", "5", and "6."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent to include in the extension of my remarks a table showing the number of grade-crossing eliminations which have been made under the \$200,000,000 under the Relief and Emergency Acts for railway and highway crossings.

Mr. CARTWRIGHT. Mr. Chairman, I have already inserted that in my remarks and it will not be necessary.

Mr. WHITTINGTON. Very well, I withdraw my request.

Mr. COLE of Maryland. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. In section 1 (a) of this bill, as I understand, all Federal-aid money must be expended within 1 year from June 30; that is, the fiscal year for which it is appropriated, and I ask some member of the committee to answer that question.

Mr. WHITTINGTON. If I may be permitted, it does not have to be spent in the 1 year. Subparagraph (a) provides that the funds must be matched in 1 year from the expiration of the fiscal year. Congress appropriates funds for the current year. That year will expire June 30. The State of Maryland will have 1 year thereafter within which to

match these funds.

Mr. COLE of Maryland. In the case of my own State, it is a matter of common knowledge that money available under the Federal Highway Act for the past year has not been expended as it should have been. Roads are not being built. Under this provision, as I interpret it, I am wondering if, because of the failure of the State Commission of Maryland, for instance, to use this money and expedite the road program which has been approved in Washington months ago, that money will revert to the Treasury and be reapportioned as the act provides, and the State of Maryland will lose money by it?

Mr. WHITTINGTON. The gentleman is correct. If the State of Maryland, or any other State, fails to comply and match the Federal aid, it reverts to the Treasury and is distributed among all the other States of the Union. That is a penalty. That provision has obtained in all Federal highway legislation. The limitation at one time was 2 years, but, in order to do just what the gentleman has in mind, Congress in recent years provided that the limitation should be 1 year instead of 2 years which previously obtained.

Mr. COLE of Maryland. I can say that if in every State of this Union there was the laxity in meeting the Federal program that there is in my own State at the present time, I have little doubt there would be some mandatory provision in this legislation to compel the more expeditious expenditure of the money. For instance, in Maryland, we have this situation today. Although Congress, almost 1 year ago, made available for the elimination of grade crossings, as an outright gift to the States, \$200,000,000, with a total allocation to Maryland of \$1,025,870, not one single dollar of that money is under contract today. Of the \$200,000,000 additional funds available for other road construction, \$1,296,000 is now available to Maryland, but not a single dollar of it is under contract.

In the case of the annual Federal-aid funds of \$125,000,000 per year, which law has been in effect for some time, and Maryland's proportionate share thereof being available in June 1935, which fund must be matched, and I understand has been matched and the money is now available in the State treasury, more than \$1,000,000 of that money is not under contract. This makes a total of \$3,945,000 available to the State of Maryland for grade-crossing elimination and other road-construction work of every kind for more than 1 year and not under contract today. This is totally inexcusable, in my judgment. It is easy for one to appreciate what the use of this money at the present time, or, in fact, for some time past, would have meant to unemployment and elimination of some of the disgraceful road conditions now existing in my State. I hope, in view of what the gentleman from Mississippi has said, he being a prominent member of the Roads Committee of the House, that the State Road Commission of Maryland will take to heart the inexcusable conditions now existing and realize that immediate action is demanded on their part to put into early operation every dollar now available for grade-crossing and highway-construction work in Maryland.

Mr. WHITTINGTON. There is a mandatory provision in the act. If any State diverts the gasoline funds to other purposes, that State forfeits one-third of its Federal-aid money.

Mr. COLE of Maryland. I mean in more definite terms than this bill provides.

The pro-forma amendment was withdrawn.

The CHAIRMAN. Under the rule the Committee will now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Scrugham, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 11687, pursuant to House Resolution 484, he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded upon any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the

The bill was passed.

On motion by Mr. Cartwright, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS-H. R. 11687

THE DEVELOPMENT AND IMPROVEMENT OF FARM-TO-MARKET AND RURAL
POST ROADS AND SCHOOL-BUS ROUTES SHOULD BE A MAJOR PART OF
PRESENT AND FUTURE STATE AND FEDERAL HIGHWAY PROGRAMS

Mr. BUCKLER of Minnesota. Mr. Speaker, without minimizing the importance of continuing the primary or trunk highway program it can be said with all truth that the phase of highway improvement that is attracting greatest interest today is that of farm-to-market road development.

This country needs more farm-to-market and better schoolbus and rural post roads. The passage of H. R. 11681, known as the Cartwright roads measure, will be a great step in the right direction and a great advance for better rural and country roads.

The highest authority that I can give as an indication that this subject is commanding the attention of America's foremost highway officials is to quote from an address delivered by Mr. A. W. Brandt, commissioner of highways of New York and immediate past president of the American Association of State Highway Officials, when he spoke at the last annual convention of the association at Miami, Fla., in December. Mr. Brandt said, in part:

Most of the States in the past have had a large majority of the motor-vehicle and gas-tax revenues for use on their State highway systems. The demand in many States is becoming more and more insistent that a certain definite percentage of these funds be allocated to the towns and counties for farm-to-market roads and to the cities not only for main arterial streets but for residential streets as well.

What should the attitude of the highway administrator be toward such proposals? Should he oppose them? I think not. He will only be butting his head against the proverbial stone wall. Rather than fight such proposals, we should take the lead in preparing the necessary legislation whereby the highway departments of the country, comprised, as they are, of the best-informed engineers and economists, will either construct farm-to-market roads and city streets or see to it that the money is spent in an efficient and economical manner. We are and should be leaders in not only highway construction but in highway economics and highway thought. City streets and farm-to-market roads are just as much arteries of transportation as are State highways, and the highway engineer should be as much interested in their proper and economical development and construction as he is in main State trunk lines. My advice to every highway administrator, therefore, is not to fight the inevitable, but to carefully work out the proper type of legislation for his particular State and work it out in such a way that he will have a great deal to do with its administration.

Naturally farmers are strongly in favor of improvement of the roads that connect them with their markets. County officials, for many years, have carried the burden of trying to improve farm roads, but their efforts have not been organized, and the results have been insufficient from a national standpoint. However, the demand for improvement of these roads has been so insistent that today we have the highest authorities in the highway world taking recognition of the fact that farm-to-market roads must be improved, as is evidenced by the above excerpt quoted from Mr. Brandt's recent address.

For purposes of getting the proper perspective of the task that lies ahead of those who are conducting the fight for improvement of farm-to-market roads, let us look at highway figures that bear directly upon this subject:

Rural highways in America—that is, highways outside of municipalities—total 3,065,000 miles. Of this total, approximately 423,000 miles are on the Federal and State systems.

Of the remaining approximately 2,646,000 miles of highways, 464,000 miles have been improved to some extent.

This leaves 2,000,000 miles of what are properly called "mud roads"—roads that are passable under favorable weather conditions, but which are virtually impassable for a considerable portion of each year.

More than 4,000,000 farms are located on these unimproved roads, which provide the only means of communication, and transportation of crops from farm to market.

It is readily apparent from these figures that most American farms still are on mud roads. Keep in mind that this tremendous road mileage has never received any improvement other than that provided through primitive methods, such as hand shovels, hand scrapes, and such drainage as is provided by these and machinery of the type that is used in

farm work. It is an alarming thing to consider that the marvelous, efficient highway machinery that is so well known on America's trunk highway system is almost entirely unknown to more than 2,000,000 miles of roads in this country.

Figures obtained by me from the National Rural Letter Carriers' Association and the American Road Builders' Association disclose that 43,000 mail carriers each weekday use 1,250,000 miles of roads for the delivery of mail to 30,000,000 rural population; that the average route traveled by these carriers is 37.9 miles, of which the average mileage of hard surface is 7.5; that the average mileage of improved roads is 12; and the average mileage of mud roads is 18.4 miles.

In other words, America's rural mail carriers, like America's farmers, are more in the mud than out, from the standpoint of roads.

Reports made by these carriers list mud as the greatest single obstacle to travel, with the allied obstacles of snow, rutted roads, and bad drainage.

It is a fact that farmers and rural mail carriers today are paying the greatest penalty for delay in improving farm-to-market roads. This penalty, of course, is extended to rural school children. The drivers of 60,000 school busses that carry 2,000,000 pupils to rural schools could tell an amazing story of the handicaps suffered by those who must traverse mud roads to these schools—a report that would be confirmed by rural school teachers throughout America. A mere recitation of these discouraging statistics will get us nowhere unless it permits us to do our utmost to get the farmer and his family out of the mud. The question is, How can we do it with greatest speed and greatest efficiency?

Fortunately, in approaching this great task we are not without guidance. The United States Bureau of Public Roads and its allied organizations, the various State highway departments, and so forth, are conducting surveys that ought to make it easy to obtain a quick start in improving these roads when appropriate financial provision has been made. Also, the Works Progress Administration is in a position to supply information of great value in drafting a permanent program for farm-to-market roads.

Without going into the merits or demerits of the Works Progress Administration's operations in general, I am certain that all informed Americans can agree that the W. P. A. has performed a worthy task within recent months in connection with this farm-to-market road program. Thousands of miles of rural roads that heretofore never have received any organized improvement have been benefited through work carried on by the Works Progress Administration in every State. Thousands of farmers thus have received a taste of what improved roads mean, and it is a certainty that these farmers, along with thousands who have not yet received any such benefits, will never be content to be left out of consideration as highway programs are drafted.

The exact procedure under which farm-to-market road development can be financed is something that must be determined by highway officials and legislators, State and national. Opinion on this subject appears to be divided principally into two schools of thought. One is that the present set-up of Federal and State highway organizations should be permitted to extend operations to farm-to-market roads on a basis of gradual expansion. The other is that this work can be expedited most satisfactorily by extending Federal aid to counties and permitting county officials to conduct their own highway programs, subject, of course, to supervision by Federal highway officials. I shall not attempt to express an opinion relative to the merits of these proposals at present, but I do think it timely to say to State highway officials that unless they expand their programs more speedily than has developed to date, the demand for farm-to-market road improvement will move swiftly in another direction and undoubtedly counties will make progress in obtaining Federal highway aid. If this appears to be a rash statement, then let me ask that you take another look at the quotation from Mr. Brandt's speech, and you will see that he said virtually as much.

Getting away from the controversial phases of farm-tomarket road development, I now want to emphasize some of the reasons why rural-road improvement must not and will not be delayed longer than is necessary to provide the proper financial support.

Social welfare of the rural communities has always been hindered by lack of transportation and communication.

Relatively small amounts of money, properly spent on farm-to-market roads, will provide means of communication for communities that, due to lack of roads up to this time, have been impeded in their natural, social, and communal development.

Farm-to-market road systems coordinate with and extend the State and Federal systems, thus completing a highway transportation system which provides a means of bettering the social and commercial life of the rural sections.

The farm-to-market roads furnish facilities not heretofore provided for the development of educational advantages, as has been demonstrated in the few localities that enjoy these roads at the present time.

Improved farm-to-market roads mean improved rural mail service. Where there has been an improvement in the roads there has always followed a corresponding improvement in mail service, which has resulted in quicker mail delivery and a more economic operation, both for the mail carrier and the United States Government, under all weather conditions.

There are approximately 5,000,000 motor vehicles owned by farmers who are not now enjoying the advantages of improved roads, and who are compelled to endure the handicap of marketing crops when the weather permits, regardless of price range or glutted markets.

The poor condition of the farm-to-market roads further penalizes the farmer by compelling him to endure additional operating expense for his vehicle.

Prosperity follows improved roads, as is evidenced by the fact that there are fewer automobiles owned by the farmers on dirt roads than by those on improved roads.

The farmers on improved roads are able to haul full loads on twice as many days during the year as those who reside on the unimproved roads.

The improvement of rural roads will increase the value of farm lands. It will raise community standards and remove the isolation in the agricultural areas.

Improved rural roads will make possible fire protection and medical attention in rural areas.

Money used in highway construction is an investment, and returns higher dividends than any other form of public construction.

The farmers in my congressional district—the Ninthwhich consists of 15 counties in northwestern Minnesota, want better farm-to-market, rural post, and bus-route roads. As their Representative in the National Congress, I am glad to support and vote for this Cartwright-Hayden bill, which provides for increased additional rural roads in Minnesota and the Nation.

FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. FORD of California. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on House Resolution 485.

The SPEAKER. Without objection, it is so ordered. There was no objection.

Mr. FORD of California. Mr. Speaker, I am going to vote for House Resolution 485 because I believe that the F. D. I. C. is one of the greatest pieces of banking legislation that this House has passed and that the clause which we are extending for 2 years has added to its effectiveness. I want to make this observation: Every argument that is made here advocating the extension of this provision of the law is valid in support of the proposition for making that provision

The thing that troubles me most is that the expiration date arrives at a time when Congress is not in session. That, I am convinced, is unwise and dangerous.

Suppose, for argument's sake, that a crop failure occurred in some region or section dependent, let us say, on wheat, or cotton, or corn.

Farmers in debt to banks find themselves unable to meet their notes. The banks are forced to call the notes. Failure

to collect would bring about a crisis. The provision authorizing the F. D. I. C. to meet this situation having expired, these banks would be permitted to fail, with tremendous loss to the stockholders-unnecessary loss at that-and some loss to depositors whose accounts were in excess of \$5,000.

The contingency that this provision was designed to meet may arise any time. I am merely making this statement to keep the record clear.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1937-CONFERENCE REPORT

Mr. TAYLOR of Colorado, from the Committee on Appropriations, submitted a conference report on the bill (H. R. 10630, Rept. No. 1927) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes.

EXTENSION OF REMARKS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, today is really a historic day in the Department of the Interior. The President of the United States, Cabinet officials, and many other distinguished officials and representatives of a large number of foreign governments and many thousands of citizens were present at the dedication of the wonderful new Interior Department Building. Upon that occasion the President of the United States and the Secretary of the Interior delivered most eloquent, patriotic, and inspiring addresses. I feel that those addresses are historic documents. With the express permission of both the President and the Secretary of the Interior, I ask unanimous consent to extend my remarks by inserting in the RECORD those two addresses.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, those speeches have already been inserted in the RECORD. The gentleman from Texas [Mr. MAVERICK] inserted them.

Mr. TAYLOR of Colorado. Very well; if they have already been inserted in the RECORD, I, of course, do not want to insert them again.

INSPECTION OF STEAMBOATS AT MILWAUKEE, WIS.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, in going over the daily paper from my city I came across an item today that greatly aroused my interest. This item was headed:

Boats delayed at port of Milwaukee because not enough inspectors were available in the Steamboat Inspection Service to inspect all boats that will put out in the next few days as the result of the breaking up of the ice.

My first impulse was to "cuss out" the Department of Commerce because they were tying up in the port of Milwaukee nearly 50 vessels and thereby endangering the investment of the owners of those vessels, endangering the jobs and wages as well as lives of scores of seamen and other persons who work on those vessels when they cruise the Great Lakes.

We have heard a great deal about the Steamboat Inspection Service, particularly because of the disasters to the Morro Castle and the Mohawk. I represent a city that I say is one of the greatest ports on the Great Lakes; and when we get the St. Lawrence waterway it will probably be one of the greatest ports in the world. Incidentally, we are going to get the St. Lawrence waterway under a Democratic administration, since our great President will, I am sure, submit the question to the Senate again.

The newspaper article on the Steamboat Inspection Service at Milwaukee says this:

The situation, as explained by Abraham Auld, inspector of boilers,

and Capt. Henry Erichsen, inspector of hulls, is this:

Thirty-seven freighters, mostly coal carriers, are prepared to leave port as soon as the ice breaks up, which will be within a week or 10 days. Another 15, general merchandise haulers, are also set for

sailing. But until the Government inspection is completed they remain in port.

"And with our present inadequate force the inspections cannot be completed for at least another month", Capt. Erichsen said.

The Bureau force now consists of Auld, Erichsen, two assistant inspectors of hulls, an assistant inspector of boilers, and a temporary assistant. They can complete two inspections every 3 days.

This means it will take the present force nearly a month to complete the inspections of ships now ready to leave our port for various ports on the Great Lakes. The representative of the Steamboat Inspection Service goes on to say that the Department needs at least four assistants in each division.

We do not want any Morro Castle or Mohawk disaster on the Great Lakes, but it is perfectly conceivable that if this small force of inspectors have to rush the work-and there are thousands of dollars of tonnage tied up by any delaythat the work is not going to be well done; and it is also conceivable that some of these boats may put on the Lakes without proper inspection. I hope this will not occur and that no disastrous accidents will be charged up against our Great Lakes safety record.

In going over the Department of Commerce appropriation bill I find that the head of the Steamboat Inspection Service brought to the attention of the Appropriations Committee the total inadequacy of his force.

The Appropriations Committee raised the amount for traveling inspectors by some \$22,000. This will provide for only eight more inspectors over the entire country. Right in Milwaukee, only one of the Great Lakes ports, we need four inspectors to get these ships out on the Lakes at a time when profits can be made from operating them. I hope the other body, in considering the Department of Commerce appropriation bill, will take into consideration the plea of the Steamboat Inspection Service for adequate personnel as provided in the House bill. It is costing my district and other Great Lakes ports thousands of dollars because boats are delayed awaiting inspection. To cut down the appropriation is to be penny-wise and pound-foolish; it is to charge the Department of Commerce with inspecting these boats and then not give them sufficient personnel to make the inspection.

Mrs. KAHN. Mr. Speaker, will the gentleman yield? Mr. O'MALLEY. I yield.

Mrs. KAHN. Had the gentleman been present during the discussion of the appropriation bill for the Department of Commerce and listened to the very illuminating speech made by the gentleman from New York [Mr. Bacon] on this very subject and then noticed the item in the appropriation bill for the fiscal year beginning July 1, 1936, I think he would have found that a very substantial increase was made to take care of additional personnel in this Service.

Mr. O'MALLEY. I may say to the gentlewoman from California that all I can read is the completed bill and the committee report, in which I find \$22,000 of increased appropriation. This is the amount for additional traveling inspectors. I am hoping they will travel to Milwaukee and get these boats out on the Lakes in time for the early shipping business of the season.

[Here the gavel fell.]

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mrs. KAHN. If the gentleman will yield further, he will find in the additional report that several new inspectors were provided for.

Mr. O'MALLEY. How many more?

Mrs. KAHN. I do not remember the exact number, but I will try to get it for the gentleman.

Mr. O'MALLEY. I hope they will travel to my city and get our boats out of port so the owners and seamen can make some money this year. The new inspectors will not be available this year in any event, but a deficiency bill item would help solve our problem.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. O'MALLEY. Yes.

Mr. MARCANTONIO. I simply want to observe that on Tuesday two bus loads of seamen who have received medals for heroic service at sea will call on the Secretary of Commerce to give him some first-hand information on the so-called safety at sea about which we hear so much.

Mr. O'MALLEY. I know there are operating on our Great Lakes today some boats that are not fit for operation. I know further that it is impossible for the owners and the seamen of the seaworthy boats to get employment unless they can get the boats inspected and out of the port of Milwaukee.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield? Mr. O'MALLEY. I yield.

Mr. BANKHEAD. Is not the gentleman's difficulty, and that of his constituents, due to an unusual situation arising from the fact of the exceptionally severe weather conditions that have prevailed, the ice-locked condition of the Lakes?

Mr. O'MALLEY. The situation in the port of Milwaukee is the same as it is in all ports of the Great Lakes; inspections must be made just as soon as there is knowledge when the Lakes are going to be open for transportation. and they know fairly accurately for a month in advance when the ice will go out.

The Weather Bureau is pretty good at predicting the day. Mr. BANKHEAD. Has the gentleman taken this matter up with the Department of Commerce?

Mr. O'MALLEY. I have addressed the Department a letter about the matter, seeking the temporary services of additional inspectors for the coming weeks, and I hope the Department will take some recognition of the matter and send traveling inspectors in there. Ours is a seasonal port, and it would seem logical that extra help could be assigned for the opening of each shipping season.

RELIEF OF UNEMPLOYMENT

Mr. SCRUGHAM. Mr. Speaker, I ask unanimous consent that the bill (H. R. 12245) to amend the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933, be rereferred from the Committee on Labor to the Committee on Mines and Mining. This action has the approval of the chairman of both committees.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, has the chairman of the Labor Committee been consulted?

Mr. SCRUGHAM. Yes. It was at his suggestion that I make this request.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. KAHN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. KAHN. Mr. Speaker, I should like to state to the gentleman from Wisconsin [Mr. O'MALLEY] that in order to be perfectly sure I just went over to the Appropriation Committee room and I find that \$167,000 has been added to the appropriation in this bill and earmarked, which will give between 40 and 50 additional inspectors and assistant inspectors.

Mr. O'MALLEY. Does the gentlewoman know whether those additional inspectors will be made available right now? Mrs. KAHN. This applies to the beginning of the next

fiscal year. Mr. O'MALLEY. I know, but it will not have any effect

on this year's business.

Mrs. KAHN. Retroactive legislation cannot be had in an appropriation bill.

Mr. O'MALLEY. But perhaps additional help could be taken care of in the next deficiency bill to provide for extra help used this year.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Shanley, for 1 day, on account of important business.

To Mr. Seger (at the request of Mr. Cavicchia), indefinitely, on account of the death of his wife.

To Mr. Farley, for 5 days, on account of important business

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6544. An act to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public lands included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws;

H.R. 9997. An act granting a leave of absence to settlers

of homestead lands during the year 1936; and

H.R. 11327. An act to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 3806. An act to establish a commercial airport for the District of Columbia;

H. R. 6544. An act to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public lands included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws;

H. R. 9997. An act granting a leave of absence to settlers

of homestead lands during the year 1936;

H. R. 11327. An act to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles:

H. R. 11691. An act making appropriations for the legislative branch of the Government for the fiscal year ending

June 30, 1937, and for other purposes;

H. R. 11968. An act relating to the authority of the Reconstruction Finance Corporation to make rehabilitation loans for the repair of damages caused by floods or other catastrophes, and for other purposes;

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock p. m.) the House adjourned until tomorrow, Friday, April 17, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

782. A communication from the President of the United States, transmitting for the consideration of Congress supplemental estimates of appropriations for the fiscal year 1936 in the sum of \$60,000, and draft of a proposed provision pertaining to an existing appropriation, for the Department of State (H. Doc. No. 452); to the Committee on Appropriations and ordered to be printed.

783. A letter from the Secretary of Commerce, transmitting, pursuant to the provisions of the act of Congress entitled "An act to authorize and provide for the disposition of the state of the Union.

useless papers in the executive departments", approved February 16, 1889, amended March 2, 1895, and June 19, 1934, a list of documents and files of papers which are not needed nor useful in the transaction of the current business of the Department of Commerce; to the Committee on Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. H. R. 11688. A bill providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of the State of Arkansas into the Union; with amendment (Rept. No. 2418). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 12212. A bill to quiet title and possession with respect to certain lands in Tuscumbia, Ala.; without amendment (Rept. No. 2419). Referred to the Committee of the Whole

House on the state of the Union.

Mrs. NORTON: Committee on the District of Columbia. House Joint Resolution 465. Joint resolution to amend the joint resolution of July 18, 1935, relating to the Seventieth National Encampment of the Grand Army of the Republic, to be held in the District of Columbia in September 1936; with amendment (Rept. No. 2420). Referred to the Committee of the Whole House on the state of the Union.

Mr. CARPENTER: Committee on the District of Columbia. S. 3161. An act to amend section 13 (c) of the act entitled "An act to provide for the regulation of motor-vehicle traffic in the District of Columbia, etc", approved March 3, 1925, as amended; without amendment (Rept. No. 2421). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. S. 4229. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the incorporation of Bridgeport, Conn., as a city; with amendment (Rept. No. 2422). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. Senate Joint Resolution 231. Joint resolution to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the landing of the Swedes in Delaware; with amendment (Rept. No. 2423). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. S. 4335. An act to authorize the coinage of 50-cent pieces in commemoration of the centennial celebration of Cleveland, Ohio, to be known as the Great Lakes Exposition; with amendment (Rept. No. 2424). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 11371. A bill to authorize the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of the founding of the borough of Wilkinsburg, Pa.; with amendment (Rept. No. 2425). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 11533. A bill to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg; with amendment (Rept. No. 2426). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 11555. A bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the arrival of Marcus and Narcissa Whitman in the Walla Walla Valley, Wash., and the founding of the Wailatpu Mission; with amendment (Rept. No. 2427). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 12168. A bill to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam; with amendment (Rept. No. 2428). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. S. 3842. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the establishment of the Territorial government of Wisconsin, and to assist in the celebration of the Wisconsin Centennial during the year of 1936; with amendment (Rept. No. 2429). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TOLAN: Committee on Claims. H. R. 12322. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 2416). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 12323. A bill for the relief of sundry claimants, and for other purposes; with amendment (Rept. No. 2417). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK: A bill (H. R. 12324) to amend section 723 (a) of the Revenue Act of 1932, as amended; to the Committee on Ways and Means.

By Mr. DICKSTEIN: A bill (H. R. 12325) to protect, for American actors, vocal musicians, operatic singers, and orchestral conductors, the artistic and earning opportunities in the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. McSWAIN (by request): A bill (H. R. 12326) for the relief of certain officers on the retired list of the Army, who have been commended for their performance of duty in actual combat with the enemy during the World War; to the Committee on Military Affairs.

By Mr. BACON: A bill (H. R. 12327) to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. BURNHAM: A bill (H. R. 12328) to authorize the acceptance of certain lands in the city of San Diego, Calif., by the United States, and the transfer by the Secretary of the Navy of certain other lands to said city of San Diego; to the Committee on Naval Affairs.

By Mr. DUFFY of New York: A bill (H. R. 12329) to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges; to the Committee on the Judiciary.

By Mr. TONRY: A bill (H. R. 12330) relating to personalinjury suits by seamen; to the Committee on the Judiciary.

By Mr. BLAND: A bill (H. R. 12331) to amend certain of the navigation laws of the United States, to remove inconsistencies and inequalities therein, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LEWIS of Maryland: A bill (H. R. 12332) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam; to the Committee on Coinage, Weights, and Measures.

By Mr. McLEOD: A bill (H. R. 12333) to protect witnesses called by committees of the House and Senate to testify and furnish information concerning matters before such committees; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of South Carolina, expressing faith and confidence in the Honorable J. J. McSwain, Congressman from the Fourth Congressional District; to the Committee on Military Affairs. I zation having as its object the destruction of the American

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KENNEDY of Maryland: A bill (H. R. 12322) for the relief of sundry claimants, and for other purposes; to the Committee on Claims.

Also, a bill (H. R. 12323) for the relief of sundry claimants, and for other purposes; to the Committee on Claims.

By Mr. BACHARACH: A bill (H. R. 12334) granting a pension to Mary A. M. Lafferty; to the Committee on Pensions.

Also, a bill (H. R. 12335) granting an increase of pension to Jennie Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12336) granting an increase of pension to Mary J. Goodwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12337) granting an increase of pension to Rachel P. Thomas; to the Committee on Invalid Pensions. Also, a bill (H. R. 12338) granting an increase of pension to Amanda L. Dare; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12339) granting an increase of pension to Cora C. Cheever; to the Committee on Pensions.

Also, a bill (H. R. 12340) granting an increase of pension to Eliza Adams; to the Committee on Invalid Pensions.

By Mr. COLMER: A bill (H. R. 12341) for the relief of F. W. Elmer; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 12342) granting an increase of pension to Elizabeth M. Cox; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 12343) for the relief of certain property owners within the Old Harbor Village area of Boston, Mass.; to the Committee on Claims.

By Mr. McMILLAN: A bill (H. R. 12344) for the relief of Benjamin Hume Simons; to the Committee on Military Affairs.

By Mr. McSWAIN: A bill (H. R. 12345) for the relief of J. Roy Workman; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 12346) for the relief of Leah Levine; to the Committee on Claims.

Also, a bill (H. R. 12347) for the relief of William Allen;

to the Committee on Military Affairs. Also, a bill (H. R. 12348) granting a pension to Carl D.

Waters; to the Committee on Pensions. Also, a bill (H. R. 12349) granting a pension to Lena M.

Burnett; to the Committee on Pensions. By Mr. TINKHAM: A bill (H. R. 12350) for the relief of John Lopez; to the Committee on Claims.

PETITIONS, ETC. Under clause 1 of rule XXII, petitions and papers were laid on the Clerks' desk and referred as follows:

10735. By Mr. BEITER: Petition of L. T. Fox, president of the Bison City Lodge, No. 922, Brotherhood of Railway and Steamship Clerks, urging the enactment of the Wheeler-Crosser bill (S. 4174 and H. R. 11609); to the Committee on Interstate and Foreign Commerce.

10736. Also, petition of T. R. Gibbons, legislative representative of the Bison City Lodge, No. 922, Brotherhood of Railway and Steamship Clerks, urging the enactment of the Wheeler-Crosser bill (S. 4174 and H. R. 11609); to the Committee on Interstate and Foreign Commerce.

10737. By Mr. CULLEN: Resolution adopted by the New York City Housing Authority, endorsing the Wagner-Ellenbogen housing bill, which will help to improve housing conditions; to the Committee on Appropriations.

10738. By Mr. FITZPATRICK: Petition of the New York City Housing Authority, supporting the Wagner-Ellenbogen bill for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity; to the Committee on Appropriations.

10739. By Mr. FULMER: Resolution of the House of Representatives, South Carolina Legislature, heartily endorsing the action of Senator REYNOLDS and Congressman STARNES in proposing legislation to the effect that aliens convicted of crime in the United States, aliens belonging to any organi-

Government, and aliens afflicted with certain diseases be deported and returned to the country from which they came; to the Committee on Immigration and Naturalization.

SENATE

FRIDAY, APRIL 17, 1936

(Legislative day of Monday, Feb. 24, 1936)

IMPEACHMENT OF HALSTED L. RITTER

The Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida, met at 12 o'clock meridian.

The PRESIDENT pro tempore. The Sergeant at Arms will make proclamation.

The Sergeant at Arms made the usual proclamation.

The respondent, Halsted L. Ritter, with his counsel, Frank P. Walsh, Esq., and Carl T. Hoffman, Esq., appeared in the seats provided for them.

On request of Mr. ASHURST, and by unanimous consent, the reading of the Journal of the Senate, sitting for the trial of the articles of impeachment, for Thursday, April 16, 1936, was dispensed with, and the Journal was approved.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Holt	Overton
Ashurst	Coolidge	Johnson	Pittman
Austin	Copeland	Keves	Radcliffe
Bachman	Couzens	King	Revnolds
Bailey	Davis	La Follette	Robinson
Barbour	Dickinson	Lonergan	Russell
Benson	Dieterich	Long	Schwellenbach
Bilbo	Donahey	McAdoo	Sheppard
Black	Duffy	McGill	Shipstead
Bone	Fletcher	McKellar	Smith
Borah	Frazier	McNary	Stelwer
Brown	George	Maloney	Thomas, Okla.
Bulkley	Gerry	Metcalf	Thomas, Utah
Bulow	Gibson	Minton	Townsend
Burke	Glass	Moore	Truman
Byrd	Guffey	Murphy	Vandenberg
Capper	Hale	Murray	Van Nuvs
Caraway	Harrison	Neely	Wagner
Carey	Hastings	Norris	Walsh
Chavez	Hatch	Nye	Wheeler
Clark	Hayden	O'Mahoney	White

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. COSTIGAN], the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL] are detained from the Senate because of illness.

I further announce that the Senator from Oklahoma [Mr. GORE], the senior Senator from Kentucky [Mr. BARKLEY], the junior Senator from Kentucky [Mr. Logan], the Senator from South Carolina [Mr. Byrnes], and the Senator from Idaho [Mr. Pope] are unavoidably absent.

The Senator from Colorado [Mr. Costigan] and the Senator from Maryland [Mr. Typings] have been excused from voting on the impeachment articles, having personally in the Senate made the request to be excused and assigned reasons therefor.

I have been asked to announce also that pairs are not recognized in this proceeding.

Mr. DIETERICH. I announce that my colleague the senior Senator from Illinois [Mr. Lewis] is detained on important public business.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

Mr. ASHURST. I ask that the Secretary read the order entered yesterday by the Senate.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read as follows:

Ordered, That upon the final vote in the pending impeachment of Halsted L. Ritter, the Secretary shall read the articles of impeachment separately and successively, and when the reading of each article shall have been concluded the Presiding Officer shall state the questions thereon as follows:

"Senators, how say you? Is the respondent, Halsted L. Ritter,

"Senators, how say you? Is the respondent, Haisted L. Ritter, guilty or not guilty?"

Thereupon the roll of the Senate shall be called, and each Senator as his name is called, unless excused, shall arise in his place and answer "guilty" or "not guilty."

The PRESIDENT pro tempore. The Secretary will read the first article of impeachment.

The legislative clerk read article I, as follows:

That the said Halsted L. Ritter, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and while acting as a United States district judge for the southern district of Florida, was and is guilty of misbehavior and of a high crime and misdemeanor in office in manner and form as follows, to wit: On or about October 11, 1929, A. L. Rankin (who had been a law partner of said judge immediately before said judge's appointment as judge), as solicitor for the plaintiff, filed in the court of the said Judge Ritter a certain foreclosure suit and receivership proceeding, the same being styled "Bert E. Holland et al. v. Whitehall Building & Operating Co. et al." (No. 678-M-Eq.). On or about May 15, 1930, the said Judge Ritter allowed the said Rankin an advance of \$2,500 on his fee for his services in said case. On or about July 2, 1930, the said Judge Ritter by letter requested another judge of the United States District Court for the Southern District of Florida, to wit, Hon. Alexander Akerman, to fix and determine the total allowance for the said Rankin for his services in said case for the reason as stated by Judge Ritter in said letter, that the said Rankin had formerly been the law partner of the said Judge Ritter, and he did not feel that he should pass upon the total allowance made said Rankin in that case and that if Judge Akerman would fix the allowance it would relieve the writer, Judge Ritter, from any embarrassment if thereafter any question should arise as to his, Judge Ritter's, favoring said Rankin with an exorbitant fee.

Thereafterward, notwithstanding the said Judge Akerman, in compliance with Judge Ritter's request, allowed the said Rankin a fee of \$15,000 for his services in said case, from which sum the said \$2,500 theretofore allowed the said Rankin by Judge Ritter as an advance on his fee was deducted, the said Judge Ritter That the said Halsted L. Ritter, having been nominated by the

said \$2,500 theretofore allowed the said Rankin by Judge Ritter as an advance on his fee was deducted, the said Judge Ritter, well knowing that at his request compensation had been fixed by as an advance on his fee was deducted, the said Judge Ritter, well knowing that at his request compensation had been fixed by Judge Akerman for the said Rankin's services in said case, and notwithstanding the restraint of propriety expressed in his said letter to Judge Akerman, and ignoring the danger of embarrassment mentioned in said letter, did fix an additional and exorbitant fee for the said Rankin in said case. On or about December 24, 1930, when the final decree in said case was signed, the said Judge Ritter allowed the said Rankin, additional to the total allowance of \$15,000 theretofore allowed by Judge Akerman, a fee of \$75,000 for his services in said case, out of which allowance the said Judge Ritter directly profited. On the same day, December 24, 1930, the receiver in said case paid the said Rankin, as part of his said additional fee, the sum of \$25,000, and the said Rankin on the same day privately paid and delivered to the said Judge Ritter the sum of \$2,500 in cash; \$2,000 of said \$2,500 was deposited in bank by Judge Ritter on, to wit, December 29, 1930, the remaining \$500 being kept by Judge Ritter and not deposited in bank until, to wit, July 10, 1931. Between the time of such initial payment on said additional fee and April 6, 1931, the said receiver paid said Rankin thereon \$5,000. On or about April 6, 1931, the said Rankin received the balance of the said additional fee allowed him by Judge Ritter, said balance amounting to \$45,000. Shortly thereafter, on or about April 14, 1931, the said Rankin paid and delivered to the said Judge Ritter, privately, in cash, an additional sum of \$2,000. The said Judge Halsted L. Ritter corruptly and unlawfully accepted and received for his own use and benefit from the said A. L. Rankin the aforesaid sums of money, amounting to \$4,500.

Wherefore, the said Judge Halsted L. Ritter was and is guilty of

money, amounting to \$4,500.

Wherefore, the said Judge Halsted L. Ritter was and is guilty of misbehavior and was and is guilty of a high crime and misde-

The PRESIDENT pro tempore. Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty? The clerk will call the roll.

The Chief Clerk called the roll, which resulted as follows:

	G	OTT 1 09	
dams	Chavez	Hatch	O'Mahoney
shurst	Clark	Hayden	Radcliffe
achman	Connally	Holt	Reynolds
ailey	Coolidge	La Follette	Robinson
ilbo	Couzens	Lonergan	Russell
lack	Dieterich	McAdoo	Schwellenbach
one	Donahey	McGill	Sheppard
orah	Duffy	McKellar	Shipstead
rown	Fletcher	McNary	Thomas, Utah
ulkley	Frazier	Maloney	Truman
ulow	George	Murphy	Wagner
lyrd	Glass	Murray	Walsh
apper	Guffey	Neely	Wheeler
araway	Harrison	Norris	
	NOT	CITIT TO 20	

BBB

BBBBBBC

Austin	Carey	Gerry	Johnson
Barbour	Copeland	Gibson	Keyes
Benson	Davis	Hale	King
Burke	Dickinson	Hastings	Long

Metcalf Steiwer Vandenberg Overton Thomas, Okla. Townsend Van Nuys White Minton Pittman Moore Nve

ABSENT, NOT VOTING, OR EXCUSED-12

Logan McCarran Bankhead Costigan Pope Trammell Barkley Gore Tydings Byrnes Norbeck

The PRESIDENT pro tempore. On the first article of impeachment 55 Senators have voted "guilty" and 29 Senators have voted "not guilty." Less than two-thirds of the members present having voted "guilty", the Senate adjudges that the respondent, Halsted L. Ritter, is not guilty as charged in this article.

The clerk will read the second article of impeachment. The Chief Clerk read article II, as follows:

ARTICLE II

That the said Halsted L. Ritter, while holding the office of United States district judge for the southern district of Florida, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and while acting as a United States district judge for the southern district of Florida, was and is guilty of misbehavior and of high crimes and misdemeanors in office in manner and form as of high crimes and misdemeanors in office in manner and form as

On the 15th day of February 1929 the said Halsted L. Ritter, having been appointed as United States district judge for the southern district of Florida, was duly qualified and commissioned to serve as such during good behavior in office. Immediately prior thereto and for several years the said Halsted L. Ritter had practiced law in said district in partnership with one A. L. Rankin, which partnership was dissolved upon the appointment of said Pitter as said United States district judge.

which partnership was dissolved upon the appointment of said Ritter as said United States district judge.

On the 18th day of July 1928 one Walter S. Richardson was elected trustee in bankruptcy of the Whitehall Building & Operating Co., which company had been adjudicated in said district as a bankrupt, and as such trustee took charge of the assets of said Whitehall Building & Operating Co., which consisted of a hotel property located in Palm Beach in said district. That the said Richardson as such trustee operated said hotel property from the time of his said appointment until its sale on the 3d of January 1929, under the foreclosure of a third mortgage thereon. On the 1st of November and the 13th of December 1929 the said Judge Ritter made orders in said bankruptcy proceedings allowing the said Walter S. Richardson as trustee the sum of \$16,500 as compensation for his services as trustee. That before the discharge of said Walter S. Richardson as such trustee, said Richardson, to the said Walter S. Richardson as trustee the sum of \$16,500 as compensation for his services as trustee. That before the discharge of said Walter S. Richardson as such trustee, said Richardson, together with said A. L. Rankin, one Ernest Metcalf, one Martin Sweeny, and the said Halsted L. Ritter, entered into an arrangement to secure permission of the holder or holders of at least \$50,000 of first-mortgage bonds on said hotel property for the purpose of filing a bill to foreclose the first mortgage on said premises in the court of said Halsted L. Ritter, by which means the said Richardson, Rankin, Metcalf, Sweeny, and Ritter were to continue said property in litigation before said Ritter. On the 30th day of August 1929 the said Walter S. Richardson, in furtherance of said arrangement and understanding, wrote a letter to the said Martin Sweeny, in New York, suggesting the desirability of contacting as many first-mortgage bondholders as possible in order that their cooperation might be secured, directing special attention to Mr. Bert E. Holland, an attorney, whose address was in the Tremont Building in Boston, and who, as cotrustee, was the holder of \$50,000 of first-mortgage bonds, the amount of bonds required to institute the contemplated proceedings in Judge Ritter's court.

On October 3, 1929, the said Bert E. Holland, being solicited by the said Sweeny, requested the said Rankin and Metcalf to prepare a complaint to file in said Judge Ritter's court for foreclosure of said first mortgage and the appointment of a receiver. At this time Judge Ritter was holding court in Brooklyn, N. Y., and the said Rankin and Richardson went from West Palm Beach, Fla., to Brooklyn, N. Y., and called upon said Judge Ritter a short time previous to filing the bill for foreclosure and appointment of a receiver of said hotel property.

On October 10, 1929, and before the filing of said bill for foreclosure and receiver, the said Holland withdrew his authority to said Rankin and Meccalf to file said bill. Notwithstanding the said

States District Court for the Southern District of Florida, but with the specific request to said clerk to lock up the said bill as soon as it was filed and hold until Judge Ritter's return, so that there would be no newspaper publicity before the matter was heard by Judge Ritter for the appointment of a receiver, which request on the part of the said Rankin was complied with by the said clerk.

On October 16, 1929, the said Holland telegraphed to the said Rankin referring to his previous wire requesting him to refer in

On October 16, 1929, the said Holland telegraphed to the said Rankin, referring to his previous wire requesting him to refrain from filing the bill and insisting that the matter remain in its then status until further instruction was given; and on October 17, 1929, the said Rankin wired to Holland that he would not make an application on his behalf for the appointment of a receiver. On October 28, 1929, a hearing on the complaint and petition for receivership was heard before Judge Halsted L. Ritter at Miami, at which hearing the said Bert E. Holland appeared in person be-

fore said Judge Ritter and advised the judge that he wished to withdraw the suit and asked for dismissal of the bill of complaint on the ground that the bill was filed without his authority.

But the said Judge Ritter, fully advised of the facts and circumstances hereinbefore recited, wrongfully and oppressively exercised the powers of his office to carry into execution said plan and agreement theretofore arrived at, and refused to grant the request of the said Holland and made effective the champertous undertaking of the said Richardson and Rankin and appointed the said Richardson and Rankin and appointed the said Richardson. son receiver of the said hotel property, notwithstanding that objection was made to Judge Ritter that said Richardson had been active in fomenting this litigation and was not a proper person to act as receiver.

On October 15, 1929, said Rankin made oath to each of the bills

On October 16, 1929, Said trained made data to each of the bills for intervenors which were filed the next day.

On October 16, 1929, bills for intervention in said foreclosure suit were filed by said Rankin and Metcalf in the names of holders of approximately \$5,000 of said first-mortgage bonds, which intervenors did not possess the said requisite \$50,000 in bonds required by said first mortgage to bring foreclosure proceedings on the part. by said first mortgage to bring foreclosure proceedings on the part the bondholders.

The said Rankin and Metcalf appeared as attorneys for com-plainants and intervenors, and in response to a suggestion of the said Judge Ritter, the said Metcalf withdrew as attorney for com-plainants and intervenors and said Judge Ritter thereupon ap-pointed said Metcalf as attorney for the said Richardson, the

receiver.

And in the further carrying out of said arrangement and under-And in the further carrying out of said arrangement and understanding, the said Richardson employed the said Martin Sweeny and one Bemis, together with Ed Sweeny, as managers of said property, for which they were paid the sum of \$60,000 for the management of said hotel for the two seasons the property remained in the custody of said Richardson as receiver.

On or about the 15th day of May 1930 the said Judge Ritter allowed the said Rankin an advance on his fee of \$2,500 for his

Services in said case.

On or about July 2, 1930, the said Judge Ritter requested Judge Alexander Akerman, also a judge of the United States District Court for the Southern District of Florida, to fix the total allowance for the said Rankin for his services in said case, said request and the reasons therefor being set forth in a letter by the said Judge Ritter in words and figures as follows, to wit:

JULY 2, 1930.

Hon. Alexander Akerman,

United States District Judge, Tampa, Fla.

My Dear Judge: In the case of Holland et al. v. Whitehall Building & Operating Co. (No. 678-M-Eq.), pending in my division, my former law partner, Judge A. L. Rankin, of West Palm Beach, has filed a petition for an order allowing compensation for his services on behalf of the plaintiff.

I do not feel that I should pass, under the circumstances, upon the total allowance to be made Judge Rankin in this matter. I did issue an order, which Judge Rankin will exhibit to you, approving an advance of \$2,500 on his claim, which was approved by all attorneys.

by all attorneys.

You will appreciate my position in the matter, and I request you to pass upon the total allowance which should be made Judge Rankin in the premises as an accommodation to me. This will relieve me from any embarrassment hereafter if the question should arise as to my favoring Judge Rankin in this matter by an exorbitant allowance.

Appreciating very much your kindness in this matter, I am,

Yours sincerely,

HALSTED L. RITTER.

In compliance with said request the said Judge Akerman allowed the said Rankin \$12,500 in addition to the \$2,500 theretofore allowed by Judge Ritter, making a total of \$15,000 as the fee of the said Rankin in the said case.

But notwithstanding the said request on the part of said Ritter and the compliance by the said Judge Akerman and the reasons for the making of said request by said Judge Ritter of Judge Akerman, the said Judge Ritter, on the 24th day of December 1930, allowed the said Rankin an additional fee of \$75,000.

And on the same date when the receiver in said case paid to the said Rankin as a part of said additional fee the sum of \$25,000, said Rankin privately paid and delivered to said Judge Ritter out of the said \$25,000 the sum of \$2,500 in cash, \$2,000 of which the said Judge Ritter deposited in a bank and \$500 of which was put in a tin box and not deposited until the 10th day of July 1931, when it was deposited in a bank with an additional sum of \$600.

On or about the 6th day of April 1931 the said Rankin received

sum of \$600.

On or about the 6th day of April 1931 the said Rankin received as a part of the \$75,000 additional fee the sum of \$45,000, and shortly thereafter, on or before the 14th day of April 1931, the said Rankin paid and delivered to said Judge Ritter, privately and in cash, out of said \$45,000 the sum of \$2,000.

The said Judge Halsted L. Ritter corruptly and unlawfully accepted and received for his own use and benefit from the said.

Rankin the aforesaid sums of \$2,500 in cash and \$2,000 in cash, amounting in all to \$4,500.

amounting in all to \$4,000.

Of the total allowance made to said A. L. Rankin in said foreclosure suit, amounting in all to \$90,000, the following sums were
paid out by said Rankin with the knowledge and consent of said
Judge Ritter, to wit: To said Walter S. Richardson, the sum of
\$5,000; to said Metcalf, the sum of \$10,000; to Shutts & Bowen,
also attorneys for the receiver, the sum of \$25,000; and to said
Halsted L. Ritter, the sum of \$4,500.

In addition to the said sum of \$5,000 received by the said Richardson, as aforesaid, said Ritter, by order in said proceedings, allowed said Richardson a fee of \$30,000 for services as such

The said fees allowed by said Judge Ritter to A. L. Rankin (who

receiver.

The said fees allowed by said Judge Ritter to A. L. Rankin (who had been a law partner of said judge immediately before said judge's appointment as judge) as solicitor for the plaintiff in said case were excessive and unwarranted, and said judge profited personally thereby in that out of the money so allowed said solicitor he received personally, privately, and in cash \$4,500 for his own use and benefit.

While the Whitehall Hotel was being operated in receivership under said proceeding pending in said court (and in which proceeding the receiver in charge of said hotel by appointment of said Judge was allowed large compensation by said judge) the said judge stayed at said hotel from time to time without cost to himself and received free rooms, free meals, and free valet service, and, with the knowledge and consent of said judge, members of his family, including his wife; his son, Thurston Ritter; his daughter, Mrs. M. R. Walker; his secretary, Mrs. Lloyd C. Hooks; and her husband, Lloyd C. Hooks, each likewise on various occasions stayed at said hotel without cost to themselves or to said judge, and received free rooms, and some or all of them received from said hotel free meals and free valet service—all of which expenses were borne by the said receivership, to the loss and damage of the creditors whose interests were involved therein. therein.

therein.

The said judge willfully failed and neglected to perform his duty to conserve the assets of the Whitehall Building & Operating Co. in receivership in his court, but, to the contrary, permitted waste and dissipation of its assets, to the loss and damage of the creditors of said corporation, and was a party to the waste and dissipation of such assets while under the control of his said court, and personally profited thereby in the manner and form hereinabove specifically set out.

Wherefore the said Judge Halsted L. Ritter was and is guilty of misbehavior, and was and is guilty of a high crime and misdemeanor in office.

The PRESIDENT pro tempore. Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty? The clerk will call the roll.

The legislative clerk called the roll, which resulted as

	GU	JILTY-52	
Adams Ashurst Bachman Bilbo Black Bone Borah Brown Bulkley Bulow Byrd Capper Caraway	Chavez Clark Connally Coolidge Couzens Dieterich Donahey Duffy Fletcher Frazier Glass Guffey Harrison	Hatch Hayden Holt King La Follette Lonergan McAdoo McGill McKellar Maloney Murphy Murray Neely	Norris O'Mahoney Radcliffe Reynolds Robinson Russell Schwellenbach Sheppard Shipstead Thomas, Utah Wagner Walsh Wheeler
Caraway		GUILTY-32	Wilderer Charles
Austin Bailey Barbour Benson Burke Carey Copeland Davis	Dickinson George Gerry Gibson Hale Hastings Johnson Keyes	Long McNary Metcalf Minton Moore Nye Overton Pittman	Smith Steiwer Thomas, Okla. Townsend Truman Vandenberg Van Nuys White

	ADSENT, NOT VOING, OR EACOSED—12		
Bankhead Barkley Byrnes	Costigan Gore Lewis	Logan McCarran Norbeck	Pope Trammell Tydings
Dylues	TICATO	ATOL DOCK	-1 4

The PRESIDENT pro tempore. On the second article of impeachment 52 Senators have voted "guilty" and 32 Senators have voted "not guilty." Less than two-thirds of the members present having voted "guilty", the Senate adjudges that the respondent, Halsted L. Ritter, is not guilty as charged in this article.

The clerk will read the third article of impeachment. The legislative clerk read article III, as follows:

ARTICLE III

That the said Halsted L. Ritter, having been nominated by the

That the said Halsted L. Ritter, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and, while acting as a United States district judge for the southern district of Florida, was and is guilty of a high crime and misdemeanor in office in manner and form as follows, to wit:

That the said Halsted L. Ritter, while such judge, was guilty of a violation of section 258 of the Judicial Code of the United States of America (U. S. C., Annotated, title 28, sec. 373) making it unlawful for any judge appointed under the authority of the United States to exercise the profession or employment of counsel or attorney, or to be engaged in the practice of the law, in that after the employment of the law firm of Ritter & Rankin (which, at

the time of the appointment of Halsted L. Ritter to be judge of the United States District Court for the Southern District of Florida, was composed of Halsted L. Ritter and A. L. Rankin) in the case of Trust Co. of Georgia and Robert G. Stephens, trustee, against Brazilian Court Building Corporation and others, no. 5704, in the Circuit Court of the Flitteenth Judicial Circuit of Florida, and after the fee of \$4,000 which had been agreed upon at the outset of said employment had been fully paid to the firm of Ritter & Rankin, and after Halsted L. Ritter had, on, to wit, February 15, 1929, become judge of the United States District Court for the Southern District of Florida, Judge Ritter on, to wit, March 11, 1929, wrote a letter to Charles A. Brodek, of counsel for Mulford Realty Corporation (the client which his former law firm had been representing in said litigation), stating that there had been much extra and unanticipated work in the case, that he was then a Federal judge; that his partner, A. L. Rankin, would carry

had been representing in said litigation), stating that there had been much extra and unanticipated work in the case, that he was then a Federal judge; that his partner, A. L. Rankin, would carry through further proceedings in the case, but that he, Judge Ritter, would be consulted about the matter until the case was all closed up; and that "this matter is one among very few which I am assuming to continue my interest in until finally closed up"; and stating specifically in said letter:

"I do not know whether any appeal will be taken in the case or not, but, if so, we hope to get Mr. Howard Paschal or some other person as receiver who will be amenable to our directions, and the hotel can be operated at a profit, of course, pending the appeal. We shall demand a very heavy supersedeas bond, which I doubt whether D'Esterre can give"; and further that he was "of course, primarily interested in getting some money in the case", and that he thought "\$2,000 more by way of attorneys' fees should be allowed"; and asked that he be communicated with direct about the matter, giving his post-office box number. On, to wit, March 13, 1929, said Brodek replied favorably, and on March 30, 1929, a check of Brodek, Raphael & Eisner, a law firm of New York City, representing Mulford Realty Corporation, in which Charles A. Brodek, senior member of the firm of Brodek, Raphael & Eisner, was one of the directors, was drawn, payable to the order of "Hon. Halsted L. Ritter" for \$2,000, and which was duly endorsed "Hon. Halsted L. Ritter"—H. L. Ritter", and was paid on, to wit, April 4, 1929, and the proceeds thereof were received and appropriated by Judge Ritter to his own individual use and benefit, without advising his said former partner that said \$2,000 had been received, without consulting with his former partner thereabout, and without the knowledge or consent of his said former partner, appropriated the entire amount thus solicited and received to the use and benefit of himself, the said Judge Ritter.

At the time said letter was

amount thus solicited and received to the use and benefit of himself, the said Judge Ritter.

At the time said letter was written by Judge Ritter and said \$2,000 received by him, Mulford Realty Corporation held and owned large interests in Florida real estate and citrus groves, and a large amount of securities of the Olympia Improvement Corporation, which was a company organized to develop and promote Olympia, Fla., said holdings being within the territorial jurisdiction of the United States district court, of which Judge Ritter was a judge from to wit February 15, 1929

tion of the United States district court, of which Judge Ritter was a judge, from, to wit, February 15, 1929.

After writing said letter of March 11, 1929, Judge Ritter further exercised the profession or employment of counsel or attorney, or engaged in the practice of the law, with relation to said case.

Which acts of said judge were calculated to bring his office into disrepute, constitute a violation of section 258 of the Judicial Code of the United States of America (U. S. C., Annotated, title 28, sec. 373), and constitute a high crime and misdemeanor within the meaning and intent of section 4 of article II of the Constitution of the United States the United States.

Wherefore the said Judge Halsted L. Ritter was and is guilty of a

high misdemeanor in office

Adams

The PRESIDENT pro tempore. Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty? The clerk will call the roll.

The Chief Clerk called the roll, which resulted as follows: GUILTY-44

AAUGHAN	Cupper	duncy	MOGTA
Ashurst	Caraway	Harrison	Norris
Bachman	Chavez	Hayden	Pittman
Bilbo	Clark	Holt	Radcliffe
Black	Connally	La Follette	Reynolds
Bone	Coolidge	Maloney	Robinson
Borah	Couzens	McAdoo	Sheppard
Brown	Dieterich	McGill	Shipstead
Bulkley	Donahev	McKellar	Thomas, Utah
Bulow	Fletcher	Murphy	Walsh
Byrd	Frazier	Murray	Wheeler
	NOT	GUILTY-39	
Austin	George	Long	Smith
Bailey	Gerry	McNary	Steiwer
Barbour	Gibson	Metcalf	Thomas, Okla.
Benson	Hale	Minton	Townsend
Burke	Hastings	Moore	Truman
Carey	Hatch	Nye	Vandenberg
Copeland	Johnson	O'Mahoney	Van Nuys
Davis	Keyes	Overton	Wagner
Dickinson	King	Russell	White
Duffy	Lonergan	Schwellenbach	
A	BSENT, NOT VO	OTING, OR EXCU	SED—13
Bankhead	Glass	Logan	Pope
Barkley	Gore	McCarran	Trammell
Byrnes	Lewis	Norbeck	Tydings
Costigan	THE RESERVE THE PERSON NAMED IN		The state of the s

Murray

The PRESIDENT pro tempore. On the third article of impeachment 44 Senators have voted "guilty" and 39 Senators have voted "not guilty." Less than two-thirds of the members present having voted "guilty", the Senate adjudges that the respondent, Halsted L. Ritter, is not guilty as charged in this article.

The clerk will read the next article of impeachment. The Chief Clerk read article IV, as follows:

ARTICLE IV

That the said Halsted L. Ritter, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and, while acting as a United States district judge for the southern district of Florida, was and is guilty of a high crime and misdemeanor in office in manner and form as follows, to wit:

That the said Halsted L. Ritter, while such judge, was guilty of a violation of section 258 of the Judicial Code of the United States of America (U. S. C., Annotated, title 28, sec. 373) making it unlawful for any judge appointed under the authority of the United States to exercise the profession or employment of counsel or attorney, or to be engaged in the practice of the law, in that Judge Ritter did exercise the profession or employment of counsel or attorney, or engage in the practice of the law, representing J. R. Francis with relation to the Boca Raton matter and the segregation and saving of the interest of J. R. Francis therein, or in obtaining a deed or deeds to J. R. Francis from the Spanish River Land Co. to certain pieces of realty, and in the Edgewater Ocean Beach Development Co. matter, for which services the said Judge Ritter received from the said J. R. Francis the sum of \$7,500.

Which acts of said judge were calculated to bring his office into disrepute, constitute a violation of the law above recited, and constitute a high crime and misdemeanor within the meaning and intent of section 4 of article II of the Constitution of the United States.

Wherefore the said Judge Halsted L. Ritter was and is guilty of a

Wherefore the said Judge Halsted L. Ritter was and is guilty of a

The PRESIDENT pro tempore. Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty? The clerk will call the roll.

The legislative clerk called the roll, which resulted as follows: GUILTY-36

Ashurst	Capper	Frazier	Murray
Bachman	Caraway	Guffey	Neely
Bilbo	Chavez	Hayden	Norris
Bone	Connally	Holt	Reynolds
Borah	Coolidge	La Follette	Robinson
Brown	Couzens	McAdoo	Sheppard
Bulkley	Dieterich	McGill	Thomas, Utah
Bulow	Donahey	McKellar	Walsh
Byrd	Fletcher	Murphy	Wheeler
	NOT	GUILTY-48	
Adams	Duffy	Lonergan	Russell
Austin	George	Long	Schwellenbach
Bailey	Gerry	McNary	Shipstead
Barbour	Gibson	Maloney	Smith
Benson	Glass	Metcalf	Steiwer
Black	Hale	Minton	Thomas, Okla.
Burke	Harrison	Moore	Townsend
Carey	Hastings	Nye	Truman
Clark	Hatch	O'Mahoney	Vandenberg
Copeland	Johnson	Overton	Van Nuys
Davis	Keyes	Pittman	Wagner
Dickinson	King	Radcliffe	White
A	BSENT, NOT VO	OTING, OR EXCU	SED-12
Bankhead	Costigan	Logan	Pope
Barkley	Gore	McCarran	Trammell

The PRESIDENT pro tempore. On the fourth article of impeachment 36 Senators have voted "guilty" and 48 Senators have voted "not guilty." Less than two-thirds of the members present having voted "guilty", the Senate adjudges that the respondent, Halsted L. Ritter, is not guilty as charged in this article.

Norbeck

Tydings

The clerk will read the next article of impeachment. The Chief Clerk read article V, as follows:

Lewis

ARTICLE V

That the said Halsted L. Ritter, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and, while acting as a United States district judge for the southern district of Florida, was and is guilty of a high crime and misdemeanor in office in manner and form as follows, to wit:

That the said Halsted L. Ritter, while such judge, was guilty of violation of section 146 (b) of the Revenue Act of 1928, making it unlawful for any person willfully to attempt in any manner to evade or defeat the payment of the income tax levied in and by said Revenue Act of 1928, in that during the year 1929 said Judge Ritter received gross taxable income—over and above his salary as judge—to the amount of some \$12,000, yet paid no income tax thereon.

Among the fees included in said gross taxable income for 1929 were the extra fee of \$2,000 solicited and received by Judge Ritter

in the Brazilian Court case as described in article III, and the fee of \$7,500 received by Judge Ritter from J. R. Francis.

Wherefore the said Judge Halsted L. Ritter was and is guilty of a

high misdemeanor in office.

The PRESIDENT pro tempore. Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty? The clerk will call the roll.

The Chief Clerk called the roll, which resulted as follows:

Glass

GUILTY-36

Byrd

Ashurst	Caraway	Guffey	Neely
Bachman	Chavez	Harrison	Pittman
Bilbo	Coolidge	Hayden	Reynolds
Black	Couzens	Holt	Robinson
Borah	Dieterich	La Follette	Sheppard
Brown	Donahey	McAdoo	Shipstead
Bulkley	Fletcher	McKellar	Walsh
Bulow	Frazier	Murphy	Wheeler
	NOT	GUILTY-48	
Austin	Dickinson	Long	Russell
Bailey	Duffy	McGill	Schwellenbach
Barbour	George	McNary	Smith
Benson	Gerry	Maloney	Steiwer
Bone	Gibson	Metcalf	Thomas, Okla.
Burke	Hale	Minton	Thomas, Utah
Capper	Hastings	Moore	Townsend
Carey	Hatch	Norris	Truman
Clark	Johnson	Nye	Vandenberg
Connally	Keyes	O'Mahoney	Van Nuys
Copeland	King	Overton	Wagner
Davis	Lonergan	Radcliffe	White

ABSENT, NOT VOTING, OR EXCUSED-12

Costigan Bankhead Logan McCarran Pope Gore Lewis Trammell Tydings Norbeck Byrnes

The PRESIDENT pro tempore. On the fifth article of impeachment 36 Senators have voted "guilty", and 48 Senators have voted "not guilty." Less than two-thirds of the members present having voted "guilty", the Senate adjudges that the respondent, Halsted L. Ritter, is not guilty as charged in this article.

The clerk will read the next article of impeachment. The Chief Clerk read article VI, as follows:

That the said Halsted L. Ritter, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and, while acting as a United States district judge for the southern district of Florida, was and is guilty of a high crime and misdemeanor in office in manner and form as follows, to wit:

That the said Halsted L. Ritter, while such judge, was guilty of violation of section 146 (b) of the Revenue Act of 1928, making it unlawful for any person willfully to attempt in any manner to evade or defeat the payment of the income tax levied in and by said Revenue Act of 1928, in that during the year 1930 the said Judge Ritter received gross taxable income—over and above his salary as judge—to the amount of, to wit, \$5,300, yet failed to report any part thereof in his income-tax return for the year 1930, and paid no income tax thereon.

Two thousand and five hundred dollars of said gross taxable

Two thousand and five hundred dollars of said gross taxable income for 1930 was that amount of cash paid Judge Ritter by A. L. Rankin on December 24, 1930, as described in article I. Wherefore the said Judge Halsted L. Ritter was and is guilty of a high misdemeanor in office.

The PRESIDENT pro tempore. Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty? The clerk will call the roll.

The Chief Clerk called the roll, which resulted as follows:

GUILTY-46

Adams Ashurst Bachman Bilbo Bilbo Black Borah Brown Bulkley Bulow Byrd Caraway Chavez	Connally Coolidge Couzens Dieterich Donahey Duffy Fletcher Frazier Glass Guffey Harrison Hayden	Holt La Follette Lonergan McAdoo McGill McKellar Maloney Murphy Murray Neely O'Mahoney Pittman	Radcliffe Reynolds Robinson Schwellenbach Sheppard Shipstead Thomas, Utah Truman Walsh Wheeler
CHAVEA	Total Carrier Control		
	NOT	GUILTY—37	
Austin Bailey Barbour Benson Burke Capper Carey	Dickinson George Gerry Gibson Hale Hastings Hatch	Long McNary Mctcalf Minton Moore Norris Nye	Steiwer Thomas, Okla. Townsend Vandenberg Van Nuys Wagner White

ABSENT, NOT VOTING, OR EXCUSED-13

Pope Trammell Tydings Bankhead Costigan Logan McCarran Barkley Gore Lewis Bone Norbeck Byrnes

The PRESIDENT pro tempore. On the sixth article of impeachment 46 Senators have voted "guilty" and 37 Senators have voted "not guilty." Less than two-thirds of the members present having voted "guilty", the Senate adjudges that the respondent, Halsted L. Ritter, is not guilty as charged in this article.

Mr. ROBINSON. Mr. President, I ask unanimous consent for the modification of the order under which the Senate, sitting for the trial of the articles of impeachment, is proceeding, and that the order for recess at 1:30 be vacated, so that the Senate may conclude its procedure in connection with the articles of impeachment.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will read the seventh article of impeachment. The legislative clerk read article VII, as follows:

ARTICLE VII

That the said Halsted L. Ritter, while holding the office of United States district judge for the southern district of Florida, having been nominated by the President of the United States, confirmed by the Senate of the United States, duly qualified and commissioned, and, while acting as a United States district judge for the southern district of Florida, was and is guilty of misbehavior and of high crimes and misdemeanors in office in manner and form as follows, to wit:

The reasonable and probable consequence of the actions or conduct of Halsted L. Ritter, hereunder specified or indicated in this article, since he became judge of said court, as an individual or as

duct of Halsted L. Ritter, hereunder specified or indicated in this article, since he became judge of said court, as an individual or as such judge, is to bring his court into scandal and disrepute, to the prejudice of said court and public confidence in the administration of justice therein, and to the prejudice of public respect for and confidence in the Federal judiciary, and to render him unfit to continue to serve as such judge:

In that the said Halsted L. Ritter, while such Federal judge, accepted, in addition to \$4,500 from his former law partner as alleged in article I hereof, other large fees or gratuities, to wit, \$7,500 from J. R. Francis, on or about April 19, 1929, J. R. Francis at this said time having large property interests within the territorial jurisdiction of the court of which Judge Ritter was a judge; and on, to wit, the 4th day of April 1929 the said Judge Ritter accepted the sum of \$2,000 from Brodek, Raphael & Eisner, representing Mulford Realty Corporation, as its attorneys, through Charles A. Brodek, senior member of said firm and a director of said corporation, as a fee or gratuity, at which time the said Mulford Realty Corporation held and owned large interests in Florida real estate and citrus groves, and a large amount of securities of the Olympia Improvement Corporation, which was a company organized to develop and promote Olympia, Fla., said holdings being within the territorial jurisdiction of the United States district court of which Judge Ritter was a judge from, to wit, February 15, 1929. By his conduct as detailed in articles I, II, III, and IV hereof, and by his income-tax evasions as set forth in articles V and VI hereof. Wherefore the said Judge Halsted L. Ritter was and is guilty of misbehavior, and was and is guilty of high crimes and misdemeanors in office.

misbehavior, and was and is guilty of high crimes and misdemean-

The PRESIDENT pro tempore. Senators, how say you? Is the respondent, Halsted L. Ritter, guilty or not guilty? The clerk will call the roll.

The Chief Clerk called the roll, which resulted as follows:

GUILTY-56

Adams	Chavez	Hatch	O'Mahoney
Ashurst	Clark	Hayden	Pittman
Bachman	Connally	Holt	Radcliffe
Bailey	Coolidge	La Follette	Reynolds
Bilbo	Couzens	Lonergan	Robinson
Black	Dieterich	McAdoo	Russell
Bone	Donahey	McGill	Schwellenbach
Borah	Duffy	McKellar	Sheppard
Brown	Fletcher	Maloney	Shipstead
Bulkley	Frazier	Minton	Thomas, Utah
Bulow	George	Murphy	Truman
Byrd	Glass	Murray	Wagner
Capper	Guffey	Neely	Walsh
Caraway	Harrison	Norris	Wheeler
	NOT	GUILTY-28	
Austin	Dickinson	King	Smith
Barbour	Gerry	Long	Steiwer
Benson	Gibson	McNary	Thomas, Okla.
Burke	Hale	Metcalf	Townsend
Carey	Hastings	Moore	Vandenberg
Copeland	Johnson	Nye	Van Nuvs
Davis	Keyes	Overton	White
	BSENT, NOT VO	TING, OR EXCU	SED—12
Bankhead	Costigan	Logan	Pope
Barkley	Gore	McCarran	Trammell
Byrnes	Lewis	Norbeck	Tydings

The PRESIDENT pro tempore. On the seventh article of impeachment, 56 Senators have voted "guilty" and 28 Senators have voted "not guilty." Two-thirds of the members present having voted "guilty", the Senate adjudges the respondent guilty as charged in this article.

Mr. AUSTIN. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state the point of order.

Mr. AUSTIN. I make the point of order that the respondent is not guilty, not having been found guilty by a vote of two-thirds of the Senators present.

Article VII is an omnibus article, the ingredients of which. as stated on page 36, paragraph 4, are-

Mr. LA FOLLETTE. Mr. President, I rise to a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. LA FOLLETTE. Is debate upon the point of order

The PRESIDENT pro tempore. It is not in order.

Mr. LA FOLLETTE. I ask for the regular order.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. AUSTIN. In stating a point of order, is it not appropriate to state the grounds of the point of order?

The PRESIDENT pro tempore. Providing the statement is not argument.

Mr. AUSTIN. That is what the Senator from Vermont is undertaking to do, and no more.

The PRESIDENT pro tempore. If the statement is argument, the point of order may be made against the argument.

Mr. AUSTIN. The first reason for the point of order is that here is a combination of facts in the indictment, the ingredients of which are the several articles which precede article VII, as seen by paragraph marked 4 on page 36. The second reason is contained in the Constitution of the United States, which provides that no person shall be convicted without the concurrence of two-thirds of the members present. The third reason is that this matter has been passed upon judicially, and it has been held that an attempt to convict upon a combination of circumstances

Mr. McGILL. Mr. President, a parliamentary inquiry.

Mr. AUSTIN. Of which the respondent has been found innocent would be monstrous. I refer to the case of Andrews v. King (77 Maine, 235).

Mr. ROBINSON. Mr. President, I rise to a point of order. The PRESIDENT pro tempore. The Senator from Arkansas will state the point of order.

Mr. ROBINSON. The Senator from Vermont is not in

The PRESIDENT pro tempore. The point of order is sustained. The Senator from Vermont is making an argument on the point of order he has made.

Mr. AUSTIN. Mr. President, I have concluded my motion. The PRESIDENT pro tempore. A point of order is made as to article VII, in which the respondent is charged with general misbehavior. It is a separate charge from any other charge, and the point of order is overruled.

JUDGMENT

Mr. ASHURST. Mr. President, I send to the desk an order for judgment, and ask that the order be read by the

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read as follows:

The Senate hereby orders and decrees and it is hereby adjudged that the respondent, Halsted L. Ritter, United States district judge for the southern district of Florida, be, and he is hereby, removed from office, and that he be, and is hereby, forever disqualified to hold and enjoy any office of honor, trust, or profit under the United States, and that the Secretary be directed to communicate to the President of the United States and to the House of Representatives the foregoing order and judgment of the Secreta and sentatives the foregoing order and judgment of the Senate, and transmit a copy of same to each.

Mr. LA FOLLETTE. Mr. President, I ask for a division of the question.

Mr. ASHURST. Mr. President, to divide the question is perfectly proper. Any Senator who desires that the order be divided is within his rights in thus asking that it be divided. The judgment of removal from office would ipso facto follow the vote of guilty.

Mr. BORAH. Mr. President, do I understand there is to be a division of the question?

Mr. LA FOLLETTE. I have asked for a division of the question.

Mr. NORRIS. Mr. President, it seems to me the chairman of the Committee on the Judiciary should submit two orders. One follows from what we have done. The other does not follow, but we ought to vote on it.

Mr. ASHURST. I accept the suggestion. I believe the Senator from Nebraska is correct. Therefore, I withdraw the order sent to the desk and, in its stead, present the one

The PRESIDENT pro tempore. The Senator from Arizona, having withdrawn the first order, submits another one, which the clerk will read.

The legislative clerk read as follows:

Ordered, That the respondent, Halsted L. Ritter, United States district judge for the southern district of Florida, be removed from office.

The PRESIDENT pro tempore. Are the yeas and nays desired on the question of agreeing to the order?

Mr. ASHURST. The yeas and nays are not necessary.

Mr. JOHNSON. Mr. President, how, affirmatively, do we adopt the order, unless it is put before the Senate, and unless the roll be called upon it or the Senate otherwise

The PRESIDENT pro tempore. The Chair is of the opinion that the order would follow the final vote as a matter of course, and no vote is required.

Mr. ASHURST. Mr. President, the vote of guilty, in and of itself, is sufficient without the order, under the Constitution, but to be precisely formal I have presented the order, in accordance with established precedent, and I ask for a vote on its adoption.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. ASHURST. I yield. Mr. HASTINGS. Just what is the language in the Constitution as to what necessarily follows conviction on an article of impeachment?

Mr. McGILL. It is found in section 4, article II, of the

Mr. HASTINGS. What is the language of the Constitution which makes removal from office necessary, and to follow as a matter of course?

Mr. McGILL. Mr. President— Mr. ASHURST. If the Senator from Kansas has the reference, I shall ask him to read it.

Mr. McGILL. Section 4 of article II of the Constitution

The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for, and conviction of treason, bribery, or other high crimes and misde-

Mr. HASTINGS. I thank the Senator. Then may I suggest was not the Chair correct in the first instance? Does not the removal from office follow without any vote of the Senate?

The PRESIDENT pro tempore. That was the opinion of the Chair.

Mr. HASTINGS. I think the President pro tempore was correct.

The PRESIDENT pro tempore. The Chair will then direct that the order be entered.

Mr. NORRIS. Mr. President, upon the action of the Senate why does not the Chair make the proper declaration without anything further?

The PRESIDENT pro tempore. The Chair was about to do so. The Chair directs judgment to be entered in accordance with the vote of the Senate, as follows:

JUDGMENT

The Senate having tried Halsted L. Ritter, United States district judge for the southern district of Florida, upon seven several articles of impeachment exhibited against him by the House of Representatives, and two-thirds of the Senators present having found him guilty of charges contained therein: It is therefore

Ordered and adjudged, That the said Halsted L. Ritter be, and he is hereby, removed from office.

Mr. ASHURST. Mr. President, I send to the desk an order, which I submit in accordance with the suggestion of the Senator from Nebraska [Mr. Norris]. I think he is more nearly correct in the matter than I was. I ask that the order be read by the clerk.

The PRESIDENT pro tempore. The Senator from Arizona submits an order, which will be read.

The legislative clerk read as follows:

Ordered further, that the respondent, Halsted L. Ritter, United States district judge for the southern district of Florida, be forever disqualified from holding and enjoying any office of honor, trust, or profit under the United States.

Mr. HASTINGS. Mr. President, I understand that matter is subject to debate.

Mr. ASHURST. No, Mr. President. The yeas and nays are in order, if Senators wish, but it is not subject to debate.

Mr. HASTINGS. Will the Chair state just why it is not subject to debate?

The PRESIDENT pro tempore. The Chair is of opinion that the rules governing impeachment proceedings require that all orders or decisions be determined without debate, but the yeas and nays may be ordered.

Mr. DUFFY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it. Mr. DUFFY. Upon this question is a majority vote sufficient to adopt the order, or must there be a two-thirds vote?

Mr. ASHURST. Mr. President, in reply to the inquiry, I may say that in the Archibald case that very question arose. A Senator asked that a question be divided, and on the second part of the order, which was identical with the order now proposed, the yeas and nays were ordered, and the result was yeas 39, nays 35, so the order further disqualifying respondent from holding any office of honor, trust, or profit under the United States was entered. It requires only a majority vote.

The PRESIDENT pro tempore. The question is on agreeing to the order submitted by the Senator from Arizona.

Mr. HASTINGS. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll, which resulted—yeas 0, nays 76, as follows:

NAYS-76

Adams	CHECK	nayuen	Overton
Ashurst	Connally	Johnson	Pittman
Austin	Coolidge	Keyes -	Radcliffe
Bachman	Copeland	King	Reynolds
Bailey	Davis	La Follette	Robinson
Barbour	Dickinson	Lonergan	Schwellenbach
Benson	Dieterich	Long	Sheppard
Bilbo	Duffy	McGill	Smith
Black	Fletcher	McKellar	Steiwer
Bone	Frazier	McNary	Thomas, Okla.
Borah	George	Maloney	Thomas, Utah
Brown	Gerry	Metcalf	Townsend
Bulkley	Gibson	Minton	Truman
Bulow	Glass	Murphy	Vandenberg
Byrd	Guffey	Murray	Van Nuys
Capper	Hale	Neely	Wagner
Caraway	Harrison	Norris	Walsh
Carey	Hastings	Nve	Wheeler
Chavez	Hatch	O'Mahoney	White
A	BSENT, NOT VO	TING, OR EXCU	SED-20
		_	

Banknead	Couzens	Logan	Pope
Barkley	Donahey	McAdoo	Russell
Burke	Gore	McCarran	Shipstead
Byrnes	Holt	Moore	Trammell
Costigan	Lewis	Norbeck	Tydings

So the order was rejected.

The PRESIDENT pro tempore. What is the further pleasure of the Senate?

Mr. ASHURST. Mr. President, I send to the desk an order which I ask to have read.

The PRESIDENT pro tempore. The clerk will read the proposed order.

The legislative clerk read as follows:

Ordered, That the Secretary be directed to communicate to the President of the United States and to the House of Representatives the order and judgment of the Senate in the case of Halsted L. Ritter and transmit a certified copy of same to each.

Mr. ASHURST. I move the adoption of the order.

The PRESIDENT pro tempore. The question is on agreeing to the order.

The order was agreed to.

Mr. ASHURST. Mr. President, unless some Senator has an inquiry to make, or some motion or order he desires to enter, this is an appropriate time to move that the Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, adjourn sine die.

I wait for a moment to see if any Senator wishes to make a motion or present an order. [After a pause.] Hearing none, I move that the Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, adjourn sine die.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Arizona.

The motion was agreed to; and (at 1 o'clock and 50 minutes, p. m.) the Senate, sitting for the trial of the articles of impeachment against Halsted L. Ritter, adjourned sine

Pursuant to the order entered on the calendar day Thursday, April 16, 1936, allowing each Senator 4 days after the final vote on the articles of impeachment against Halsted L. Ritter, United States district judge for the southern district of Florida, within which to file his individual opinion, the following opinion by Mr. PITTMAN was filed and ordered to be printed in the RECORD:

STATEMENT OF SENATOR KEY PITTMAN SETTING FORTH THE REASONS FOR HIS VARIOUS VOTES IN THE MATTER OF THE IMPEACHMENT OF HALSTED

There were seven articles of impeachment. An affirmative vote by two-thirds of the Senate sustaining any one of the charges results in the removal of the judge. The Constitution of the United States provides for the removal of a judge by impeachment for "high crimes and misdemeanors." The words "high crimes and misdemeanors." The words "high crimes and misdemeanors." ment for "high crimes and misdemeanors." The words "high crimes and misdemeanors" were adopted from the old English law. A definition of legal language is that which was intended by the makers of the law, and as construed by the authority, granted such power. This language in the old English law was uniformly construed to include crimes and misdemeanors other than those defined and prohibited by statute. It was construed to include malfeasance and misfeasance in office, such as misbehavior and neglect of duty in addition to crimes and misdemeanors prohibited and punishable by statute. Such construction has been universally adopted by the House of Representatives in making impeachment charges, and in the trial of such impeachments by the United States Senate sitting as a Court. This was an essential and reasonable construction, as there exists under our Constitution no power to remove a judge except by under our Constitution no power to remove a judge except by impeachment.

Again, a judge, under the Constitution, holds office during "good behavior", which means for life unless he is adjudged guilty of misbehavior. The procedure is criminal in its nature, for, upon conviction, requires the removal of a judge, which is the highest punishment that could be administered such an

officer.

The Senate, sitting as a Court, is required to conduct its proceedings and reach its decisions, in accordance with the customs of our law. In all criminal cases the defendant comes into court enjoying the presumption of innocence, which presumption continues until he is proven guilty beyond a reasonable doubt. The decision of the court must be based upon the evidence adduced and accepted at the trial. No outside information nor ulterior facts may be considered in arriving at such a decision. On the other hand, no prescribed form prevails for the impeachment and the technicalities with regard to indictments under the and the technicalities with regard to indictments under the statute. It has been uniformly held that if the facts upon which statute. It has been uniformly held that if the facts upon which the impeachment is based are sufficiently set out to place the respondent on notice, and he joins issue upon such facts, that then the impeachment is sufficient. This construction of the impeachment articles is reasonable in that the Senate, sitting as a Court, is both the judge of the law and the facts and competency, relevancy, and materiality of the testimony adduced at the trial.

It is admittedly a great power placed in the hands of the House of Representatives, to present the impeachment, and in the Senate, which adjudicates it. It should not be treated trivially either by the House or the Senate. It should not be used to regulate the conduct of a judge, but only for the purpose of punishing him for malfeasance or misfeasance in office where his conduct brings into contempt his court. The proceeding is not in the nature of a recall. It should not be permitted to be used for such purpose. I was not convinced beyond a reasonable doubt that the moneys

I was not convinced beyond a reasonable doubt that the moneys admitted to be received by the judge from his former law partner were corruptly received, and that they were received as a consideration for the granting of a fee to a former partner in the Whitehall case.

I could not vote for the conspiracy charge in view of the posi-tion I held with regard to the first charge. The charge that the

judge had received a gift of \$7,500 was admitted. While such act is reprehensible, I am unwilling to remove a judge upon such a charge, because there is high example for such act. Other judges have been known to receive gifts, and no impeachment has been made. In my opinion Congress should enact a statute making it a crime for a judge to receive gifts. It was charged that the judge had failed, in his income-tax return, to return \$2,500 that he had had failed, in his income-tax return, to return \$2,000 that he had received from his law partner. This was admitted by Judge Ritter on the stand. He attempted to justify the act, however, by stating that, even if he had made a return of such item and a further sum of \$2,000 that he received from his law partner, that still it would have been offset by losses that were admitted by the Treasury Department, and, therefore, he would not have been obligated to pay any income tax to the Government.

ury Department, and, therefore, he would not have been obligated to pay any income tax to the Government.

While the concealing of such gross income might not have been for the purpose of avoiding payment of the tax to the Government, nevertheless it was a violation of the income-tax statute, which absolutely commanded the judge to fully and completely set out in his income-tax return all of his gross income, so that the Treasury Department, and not the maker of the income-tax return, could determine whether or not the income tax was due the Government. The evidence and admissions of the judge show that the failure to return, in a sworn statement, such admitted items of gross income was not through oversight but was done for a deliberate purpose. He knowingly and deliberately swore falsely to his income-tax return. This may not, in my opinion, be permitted of a judge who may be called upon to pass upon such questions in criminal proceedings.

The judge was charged with practicing law after going upon the bench in violation of the statutes in connection with a case in which his firm of Ritter & Rankin were attorneys before he went on the bench. I believe that in impeachment proceedings the Court should be quite liberal in these matters. It is, in my opinion, permissible for a judge to give to his former law partner or former associates in a case such information and knowledge that he had acquired while a legal attorney in a proceeding. There was an agreed fee of \$4,000 for the trial of such case.

After the judge went upon the bench he, individually, and without consultation with his former law partner.

After the judge went upon the bench he, individually, and without consultation with his former law partner, wrote to his clients asking them for an additional \$2,000 attorney fee. In that letter he stated that he intended to go on with the case; that he and his former law partner intended to insist upon a high supersedeas hand on appeal for the purpose of making such hand so high bond on appeal for the purpose of making such bond so high that it could not be given, and no appeal would be taken in the case. He further stated in the letter that in the event of an appeal he, with Rankin, hoped to obtain the appointment of a receiver that would be amenable to their instructions and advice. He carried out his promise contained in that letter to continue in the case. Judge Chillingworth, before whom the case was tried, testified that after he had notified Ritter and Rankin of his intention to enter a decree in their favor that his docket shows that he had an appointment with Judge Ritter before the entry of the decree, and that Judge Ritter submitted to him a reference to the decree, and that Judge Ritter submitted to him a reference to a case wherein the Supreme Court of Florida had held that a \$25,000 supersedeas bond in a case which involved only approximately \$112,000 was a reasonable bond. Other evidence further discloses that Rankin urged that the bond be fixed at \$35,000. Judge Chillingworth, however, fixed the bond at \$7,500, and the appeal was taken. Rankin, alone, appeared in this appeal and received \$2,000 additional for services in this appeal. The evidence in this matter was admitted. Therefore the question of reasonable doubt does not arise. In my opinion the evidence clearly shows that the judge did continue to practice law in this case until the appeal was taken. His proposal of action in such matter was not only unethical on the part of a lawyer but after it was made public was such as to destroy confidence in Judge's Ritter's court and to reflect upon the judge's integrity.

I voted for article VII because it contains a general charge that the judge, by reason of his conduct in the various matters charged, has raised a substantial doubt as to the integrity of the judge and destroyed confidence in such court and in the efficiency of the judge.

There are cited, however, in this article charges that I have voted against in the vote upon the separate articles of impeachment. Therefore my vote for article VII is not to be deemed an approval of such matters in article VII.

KEY PITTMAN.

LEGISLATIVE SESSION

Mr. ROBINSON. Mr. President, I move that the Senate proceed to the consideration of legislative business. I will state that when that motion shall have been agreed to, and certain matters which are more or less emergent shall have been disposed of, it is my purpose to move a recess in order that Senators may have the opportunity of having lunch. It is also my purpose to call for the regular order, the regular order being the flood-control bill introduced by the Senator from Louisiana [Mr. Overton].

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 230) amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 6544. An act to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public lands, included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws; and

H. R. 9997. An act granting a leave of absence to settlers of homestead lands during the year 1936.

The message further announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 11687. An act to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes; and

H. J. Res. 568. Joint resolution to provide an additional appropriation for fees of jurors and witnesses, United States courts, for the fiscal year 1936.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 6544. An act to conserve the water resources and to encourage reforestation of the watersheds of Santa Barbara County, Calif., by the withdrawal of certain public land, included within the Santa Barbara National Forest, Calif., from location and entry under the mining laws;

H.R. 9997. An act granting a leave of absence to settlers of homestead lands during the year 1936;

H. R. 11327. An act to exempt from taxation receipts from the operation of Olympic Games if donated to the State of California, the city of Los Angeles, and the county of Los Angeles: and

S. J. Res. 230. Joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended.

MESSAGES FROM THE PRESIDENT-APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On April 13, 1936:

S. 2288. An act to provide for the measurement of vessels using the Panama Canal, and for other purposes.

On April 14, 1936:

S. 903. An act for the relief of the Holyoke Ice Co.;

S. 1824. An act for the relief of Abraham Green;

S. 2682. An act for the relief of Chief Carpenter William F. Twitchell, United States Navy;

S. 2942. An act for the relief of John Hoffman;

S. 2943. An act for the relief of John Morris;

S. 3367. An act for the relief of James Gaynor;

S. 3655. An act for the relief of the Vermont Transit Co.,

S. 3684. An act to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War;

S. 3777. An act to authorize the Secretary of the Treasury to execute an agreement of indemnity to the First Granite National Bank, Augusta, Maine;

S. 3872. An act for the relief of the present leader of the Army Band: and

S. 4232. An act to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects.

On April 15, 1936:

S. 536. An act for the relief of Ada Mary Tornau; and S. 2021. An act to recognize the service of Brig. Gen. Edward H. Chrisman.

On April 16, 1936:

S. 754. An act to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States;

S. 1152. An act relating to the carriage of goods by sea; S. 2524. An act to amend section 51 of the Judicial Code of the United States (U. S. C., title 28, sec. 112); and

S. 2922. An act for the relief of Rose Stratton.

DISPOSITION OF EXECUTIVE PAPERS

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of Commerce, reporting, pursuant to law, that there are on the files of the Department an accumulation of documents and papers which are not needed in the conduct of business and have no permanent value, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. COPELAND and Mr. McNary members of the committee on the part of the Senate.

REPORT OF PERRY'S VICTORY MEMORIAL COMMISSION

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Library, as follows:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Sixteenth Annual Report of the Perry's Victory Memorial Commission for the year ended December 1, 1935.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 17, 1936.

LAWS, ETC., OF TENTH PHILIPPINE LEGISLATURE

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying documents, referred to the Committee on Territories and Insular Affairs, as follows:

To the Congress of the United States:

As required by section 19 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands", I transmit herewith copies of the laws and resolutions enacted by the Tenth Philippine Legislature during its second special session (from June 12 to June 22, 1935), its second regular session (from June 24 to Oct. 17, 1935), and its third special session (from Nov. 12 to Nov. 14, 1935), which was the final session of the bicameral legislature created by the abovementioned act of Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 16, 1936.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following concurrent resolution of the Legislature of the State of New York, which was referred to the Committee on Appropriations:

Whereas industrial, legal, and financial conditions created by the whereas industrial, legal, and infancial conditions created by the prolonged economic depression have dislodged thousands of men, women, and children from their normal occupations and places of legal settlement and have thrown them in their extremity into communities where they are alien and have no legal right to relief;

Whereas the Federal Government in the last 2 years by its program of relief and work for transients has demonstrated that it is possible on a national scale to alleviate the condition; and Whereas the experience of these 2 years has further demonstrated that transiency is an interstate problem and that it has its migratory labor and other situations that are beyond the control of the individual States; and

Whereas the abandonment by the Federal Government of the relief program for those persons is returning these unfortunate, unsettled people to chaos and hopelessness, since they and the communities in which they find themselves lack the means to

solve their problems; and
Whereas most States cannot legally use State funds to relieve
unsettled persons, and residual Federal funds in the hands of State

unsettled persons, and residual Federal funds in the hands of State agencies are now practically exhausted; and
Whereas the Interstate Conference on Transient Relief, held on March 6 and 7, 1936, at Trenton, N. J., represented by 21 States east of the Mississippi, unanimously agreed to press the Federal authorities to take such action: Now, therefore, be it

Resolved (if the senate concur)*, That the Legislature of the State of New York by concurrent resolution hereby memorializes the Federal Works Progress Administration and the Congress of the United States to accept immediate responsibility for relief and employment of transients, and we urge that this relief in employment be made effective through permanent departments of State government and coordinate local units of administration, and that funds be made available by the Federal Government on a grantfunds be made available by the Federal Government on a grant-

in-aid basis; be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the Federal Works Progress Administrator, the Secretary of the Senate, the Clerk of the House of Representatives, and to each Member of Congress duly elected

from the State of New York.

The PRESIDENT pro tempore also laid before the Senate the following cablegram from the president of the Senate of Puerto Rico, which was ordered to lie on the table:

SAN JUAN, P. R., April 17, 1936.

Honorable President of the United States Senate,

Washington, D. C .:

Senate of Puerto Rico unanimously requests that the United States Senate, over which you preside, take no action on House bill 12037 or Senate bill 4430, in regard to the control of tobacco production of Puerto Rico, until producers in this island are heard. Said bill will greatly injure our second source of agricultural wealth. Favorable consideration of this petition by the upper House will be greatly appreciated.

RAFAEL MARTINEZ NADAL President of the Senate of Puerto Rico.

The PRESIDENT pro tempore also laid before the Senate the petition of members of the Second District Board, Wisconsin Federation of Women's Clubs, praying for the repeal of section 213 of the Economy Act of 1932, known as the married persons' clause, which was referred to the Committee on Appropriations.

He also laid before the Senate the petition of Southwest Lodge No. 149 (St. Louis-San Francisco Railway Co.) of the Brotherhood of Railway Clerks, Springfield, Mo., praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a cablegram, in the nature of a memorial, from Hon. Miguel A. Garcia Mendez, speaker of the House of Representatives of Puerto Rico, remonstrating against the enactment of the bill (H. R. 12037) relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such States, and for other purposes, and stating that Mr. Nolla, assistant commissioner of agriculture and an expert in tobacco questions, had left for Washington to present the case of the tobacco growers of Puerto Rico, which was ordered to lie on the table.

Mr. COPELAND presented a petition of sundry citizens, being railroad employees, of Buffalo, N. Y., praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which was referred to the Committee on Interstate Commerce.

Mr. GIBSON presented a resolution adopted at a meeting of the Vermont Planning Board with the heads of various departments, favoring appointment by the Governor of Vermont of a commission for Vermont, constituting such members of the planning board, or advisory members, as the Governor may designate, to cooperate with the commissions of the other States and report their findings and recommendations to the Governor and legislature in 1937, which was referred to the Committee on Commerce.

He also presented a resolution adopted by a conference in Boston, Mass., of State health officers of the New England States, favoring the taking of steps to promote the betterment of New England streams and shore water by antipollution measures, which was referred to the Committee on Commerce.

He also presented a resolution adopted by the Vermont State Planning Board, favoring the making of an adequate appropriation for completing the survey and mapping of continental United States, which was referred to the Committee on Appropriations.

Mr. WALSH presented the petition of the congregation of the Loring Street A. M. E. Church, of Springfield, Mass., favoring the adoption of the so-called Van Nuys resolution, being the resolution (S. Res. 211) authorizing an investigation in connection with certain lynchings in the United States, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also presented a letter in the nature of a memorial from the Peabody (Mass.) Chamber of Commerce, remonstrating against the enactment of Senate bills 3958 and 3969 (introduced by Mr. Lonergan), relative to stream pollution, which was referred to the Committee on Commerce.

He also presented a resolution of the United Session of the New England Conference of the Methodist Episcopal Church, meeting in Melrose, Mass., protesting against the enactment of Senate bill 2253, the so-called military disaffection bill, which was referred to the Committee on Military Affairs.

He also presented a letter in the nature of a petition from the Boston Typothetae, Inc., of Boston, Mass., praying for the enactment of the bill (S. 4296) to amend section 11 of the act of March 1, 1919 (40 Stat. 1270), pertaining to Government printing, which was referred to the Committee on Printing.

ANTIPRICE DISCRIMINATION BILL

Mr. WALSH. Mr. President, I ask that a letter I have received from Prescott Bigelow, chairman, Committee on Commercial and Industrial Affairs of the Boston Chamber of Commerce, together with a report of the committee on the so-called Robinson-Patman bill, be inserted in the Congres-SIONAL RECORD and lie on the table.

There being no objection, the letter and report were ordered to lie on the table and to be printed in the RECORD, as follows:

> BOSTON CHAMBER OF COMMERCE Boston, Mass., April 3, 1936.

> > MARCH 26, 1936.

Hon. DAVID I. WALSH,

Senate Office Building, Washington,

My Dear Senator Walsh: On authority of the board of directors of the Boston Chamber of Commerce, please let me record with you the Boston Chamber's opposition to the adoption at this session of Congress of any of the pending measures seeking amendment of section 2 of the Clayton Act to abolish the present system of

or section 2 of the Clayton Act to abolish the present system of price differentials on goods bought and sold in commerce.

The chamber believes that legislation such as the Robinson-Patman bill (S. 3154), which would make unlawful price discounts based on quantity of merchandise sold, would not only tend to increase the cost of all merchandise to consumers but would force the abandonment of many sound practices to the detriment of business and employment.

A summary of the chamber's views is contained in the enclosed report prepared by our committee on commercial and industrial affairs.

affairs.

We respectfully ask your cooperation to the end that the Robinson-Patman and other "price discrimination" bills may be disapproved by Congress. Very truly yours,

PRESCOTT BIGELOW Chairman, Committee on Commercial and Industrial Affairs.

BOSTON CHAMBER OF COMMERCE

Report of the committee on commercial and industrial affairs in opposition to the Robinson, Patman, and other bills to abolish price differentials

To the Executive Committee and Board of Directors:

Several measures pending in Congress to outlaw so-called price-discrimination methods, originating with the Robinson-Patman bill, have aroused a great deal of apprehension among manufac-turers and distributors, especially larger retailers, because of the revolutionary changes in business methods which these measures

The bills would revise section 2 of the Clayton Antitrust Act to apply more stringent restrictions against granting price differentials based upon quantity shipments of merchandise. The more drastic of these bills, such as the Robinson and Patman drafts, would practically eliminate all price discounts having to do with the size of orders which a manufacturer receives.

While commonly believed to be directed against the buying open while commonly believed to be directed against the buying operations of chain stores, these measures would in reality affect all lines of business and would react with especial severity upon retailers and others who are accustomed to buy merchandise on a large scale. The present Clayton Act permits differences in price at which merchandise may be sold on account of variations in grade, quality, or quantity of a commodity; or differences in the cost of selling or transportation; or in the same or different communities when price differentials are made in good faith to meet competition.

In the Robinson, Patman, and some other versions a seller would

In the Robinson, Patman, and some other versions a seller would be compelled to charge the same price per unit to a larger as to a smaller buyer of merchandise, except that the Federal Trade Commission might, after investigation, establish "quantity limits" within which certain price differentials might apply.

These bills would prohibit the payment of brokerage fees to a purchasing agent or representative of retailers, thus eliminating the economically useful retailers' buying organizations. They would also prevent manufacturers from granting advertising, or other service allowances to large buyers unless these allowances were available on proportionately equal terms to all customers.

It can scarcely be questioned that the effect of these bills would be to increase the cost of merchandise to the consumers. Such legislation would practically compel retailers to buy through middlemen. It would in many cases force the abandonment of unemployment stabilization methods which manufacturers have built up because of their ability to dispose of large quantities of merchandise during off-peak seasons at somewhat reduced prices. It would also attack, among other sound business practices, the discretion permitted to a manufacturer in selling to customers with varying credit risks; would eliminate sales and contracts based on competitive bidding, and would make no allowances for the savings to a manufacturer which retailers' warehouse and storage facilities provide. Nor would it permit price concessions based on out-of-season or overstocked merchandise, forced sales, or other emergency conditions.

Other versions of the bill, notably drafts filed by Senators Borah conditions.

Other versions of the bill, notably drafts filed by Senators BORAH and Van Nuys, are considerably more moderate in their intended effect, and reports from Washington this week indicate that a measure based on the Borah bill is likely to prevail if any legislation is to be adopted at this session of Congress.

The Borah bill would revise the Clayton Act to prevent discrimination as between different customers of the same seller with

respect to any discount, rebate, allowance, or advertising service not available to all customers involving goods of like grade, quality, and quantity. It would also prevent sales in any section or to any customer for the purpose of eliminating competition or destroying a competitor.

Even the Borah bill is unnecessary, in the opinion of the committee on commercial and industrial affairs, because the Clayton Act at present makes unfair methods of competition unlawful and prohibits price discrimination between different purchasers of commodities which may substantially lessen competition or tend

to create a monopoly.

The committee on commercial and industrial affairs does not believe that any necessary or useful improvement in business methods would be accomplished by the adoption of any of the somethods would be accomplished by the adoption of any of the so-called price discrimination bills; and, on the other hand, feels that an increase in the price of merchandise and disruption of basic business practices would result, without economic justifica-tion, from the adoption of the more drastic of these measures.

The committee on commercial and industrial affairs recommends that the chamber oppose all of these measures and that the chamber's views be submitted to Congress.

Respectfully submitted.

Committee on commercial and industrial affairs; Prescott mittee on commercial and industrial affairs; Prescott Bigelow, chairman; Stoughton Bell; Edmund J. Bran-don; Julius Daniels; Maurice W. Dennison; Harold S. Fulier; William A. Heffer; T. Frank Joyce; John S. Lawrence; Charles E. Mason; Louis W. Munro; Albert N. Murray; Samuel Pinanski; John A. Sargent; James H. Walsh, secretary.

AMENDMENT TO PACKERS AND STOCKYARDS ACT, 1921

Mr. COOLIDGE presented a letter from James H. Ferguson, of Worcester, Mass., which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

New England Sausage Manufacturers' Association, Worcester, Mass., April 15, 1936.

Hon. MARCUS A. COOLIDGE,

United States Senate, Washington, D. C.

My Dear Senator: Senate bill 4455, a bill to amend the Packers and Stockyards Act of 1921, introduced by your colleague Senator Walsh, at the request of myself on behalf of our association, is of extreme importance to the independent manufacturers of pre-

pared meat, as well as the wholesalers and operators of small market

markets.

This bill merely asks that the trade practices of the industry be transferred from the Department of Agriculture, whose chief business is the production of livestock and agriculture, to the Federal Trade Commission, a judicial body set up by legislative enactment for the express purpose of enforcing fair trade methods in competition in industry.

Up to 1921 the Federal Trade Commission had jurisdiction over this industry, but in that year, with a favorable Congress and the help of leading politicians, the Big Four packers of Chicago had the Packers and Stockyards Act passed, which placed judicial powers in the Department of Agriculture, giving them entire control of this industry. The passage of this legislation, in my opinion, is comparable only to the President, with the consent of the Senate, placing a farmer on the Supreme Court.

I am writing to ask you to support this amendment, for I am convinced if this bill falls of passage many of our small manufacturers of prepared meat will be forced out of business and that a monopoly will be created with the big packers in full control of the industry.

the industry.

the industry.

In our organization we are represented by the following racial groups: German, Irish, Jewish, Swedish, Polish, American, French, Italian, and Portuguese. We have 192 manufacturers in the State, with a total membership in the other New England States—Maine, New Hampshire, Vermont, Rhode Island, and Connecticut—187, making a grand total number of manufacturers 379, with a total number of employees of nearly 10,000. In Massachusetts we employ nearly 4,800 men and women, which include 252 salesmen. From the foregoing you will readily understand the importance of the industry and what this legislation means to us.

Trusting that you will support this bill with your vote when it comes to the Senate, thanking you for your interest in this matter, I am, with every good wish,

Sincerely,

James H. Ferguson,

JAMES H. FERGUSON, 53 Queen Street, Worcester, Mass.

REPORTS OF COMMITTEES

Mr. BURKE, from the Committee on Claims, to which was referred the bill (H. R. 4148) for the relief of the Thomas Marine Railway Co., Inc., reported it with an amendment and submitted a report (No. 1832) thereon.

Mrs. LONG, from the Committee on Claims, to which were referred the following bills, reported them severally without

amendment and submitted reports thereon:

H. R. 2622. A bill for the relief of M. Waring Harrison (Rept. No. 1833);

H. R. 4362. A bill for the relief of Patrick J. Leahy (Rept. No. 1834); and

H. R. 5974. A bill for the relief of Thelma L. Edmunds, Mrs. J. M. Padgett, Myrtis E. Posey, Mrs. J. D. Mathis, Sr., Fannie Harrison, Annie R. Colgan, and Grace Whitlock (Rept. No.

Mrs. LONG also, from the Committee on Claims, to which was referred the bill (S. 3824) for the relief of Maud Kelley Thomas, reported it with an amendment and submitted a report (No. 1836) thereon.

She also, from the same committee, to which was referred the bill (S. 3850) for the relief of Mrs. Foster McLynn, reported it with amendments and submitted a report (No. 1837) thereon.

Mr. GIBSON, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2609. A bill for the relief of Charles G. Johnson, State treasurer of the State of California (Rept. No. 1838):

S. 3645. A bill for the relief of Dampskib Aktieselshap Roskva (Rept. No. 1858);

H. R. 2623. A bill for the relief of J. W. Hearn, Jr. (Rept. No. 1839)

H.R. 8039. A bill for the relief of John B. Meisinger and Nannie B. Meisinger (Rept. No. 1840); and

H. R. 10991. A bill for the relief of Harry Wallace (Rept. No. 1841).

Mr. LOGAN, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3573. A bill for the relief of Jens H. Larsen (Rept. No.

H. R. 3673. A bill for the relief of Bernard V. Wolfe and the Dixon Implement Co. (Rept. No. 1843);

H. R. 4031. A bill for the relief of Stanley T. Gross (Rept. No. 1844);

¹Did not have an opportunity to pass on this report.

H. R. 4999. A bill for the relief of Marie Linsenmeyer (Rept. No. 1845); and

H.R. 6698. A bill for the relief of Mae C. Tibbett, admin-

istratrix (Rept. No. 1846).

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (H. R. 7468) for the relief of Izelda Boisoneau, reported it with an amendment and submitted a report (No. 1847) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which were referred the following bills, reported them each with-

out amendment and submitted reports thereon:

S. 3075. A bill for the relief of John L. Summers, former disbursing clerk, Treasury Department, and various former Treasurers of the United States (Rept. No. 1848); and

H.R. 4725. A bill for the relief of Catherine Donnelly, Claire E. Donnelly, John Kufall, Mary F. Kufall, and Eliza-

beth A. Tucker (Rept. No. 1849).

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H.R. 2189. A bill for the relief of Julia M. Ryder (Rept. No. 1850):

H.R. 3152. A bill for the relief of Joseph Jochemczyk (Rept. No. 1851);

H.R. 4277. A bill for the relief of James R. Russell (Rept. No. 1859);

H.R. 4411. A bill for the relief of Mary L. Munroe (Rept. No. 1852):

H.R. 4571. A bill for the relief of William W. Bartlett (Rept. No. 1860);

H.R. 4779. A bill for the relief of Capt. Chester Gracie (Rept. No. 1861):

H. R. 5827. A bill for the relief of Elizabeth Wyhowski, mother and guardian of Dorothy Wyhowski (Rept. No. 1862);

H. R. 5874. A bill for the relief of Hugh B. Curry (Rept. No. 1863);

H.R. 6520. A bill for the relief of Preston Brooks Massey (Rept. No. 1853);

H. R. 6599. A bill for the relief of Florence Helen Klein, a minor (Rept. No. 1864);

H. R. 6821. A bill for the relief of Alfred J. White and M. J. Banker, and Charlyn DeBlanc (Rept. No. 1865);

H.R. 6828. A bill for the relief of George H. Smith (Rept. No. 1866);

H.R. 7861. A bill for the relief of Mrs. J. A. Joullian (Rept. No. 1867);

H.R. 7904. A bill for the relief of the Grant Hospital and Dr. M. H. Streicher (Rept. No. 1868);

H. R. 8034. A bill for the relief of Mae Pouland (Rept. No.

H.R. 8088. A bill for the relief of Nahwista Carr Bolk (Rept. No. 1855);

#I.R. 8113. A bill for the relief of Louis George (Rept. No. 1869):

H.R. 8320. A bill for the relief of Mrs. John H. Wilke (Rept. No. 1870);

H. R. 8486. A bill for the relief of John A. Baker (Rept. No. 1871);

H. R. 8510. A bill for the relief of John Hurston (Rept. No. 1856):

H.R. 8551. A bill for the relief of J. C. Donnelly (Rept. No. 1872);

H.R. 8685. A bill for the relief of Edwin Pickard (Rept. No. 1873):

H.R. 8706. A bill for the relief of Frank Polansky (Rept. No. 1874).

H.R. 9076. A bill for the relief of W. H. Dean (Rept. No.

H.R. 9171. A bill for the relief of Myrtle T. Grooms (Rept. No. 1876);

H.R. 9190. A bill for the relief of J. P. Moore (Rept. No.

H. R. 9208. A bill for the relief of Foot's Transfer & Storage Co., Ltd. (Rept. No. 1878); and

H. R. 9380. A bill for the relief of Edgar M. Barber, special disbursing agent, Paris, France, and Leo Martinuzzi, former customs clerk (Rept. No. 1879).

Mr. BAILEY also, from the Committee on Claims, to which was referred the bill (H. R. 396) for the relief of the Virginia Engineering Co., Inc., reported it with amendments and submitted a report (No. 1857) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment

and submitted reports thereon:

H. R. 8262. A bill for the relief of Tom Rogers et al. (Rept. No. 1880); and

H. R. 9125. A bill for the relief of Dr. F. U. Painter, Dr. H. A. White, Dr. C. P. Yeager, Dr. W. C. Barnard, Mrs. G. C. Oliphant, Amelia A. Daimwood, the Sun Pharmacy, Bruno's Pharmacy, Viola Doyle Maguire, Louise Harmon, Mrs. J. B. Wilkinson, Sisters of Charity of the Incarnate Word, Grace Hinnant, and Dr. E. O. Arnold (Rept. No. 1881).

Mr. ADAMS, from the Committee on Banking and Currency, to which was referred the bill (S. 3721) to provide for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of independence of the State of Texas, reported it with amendments and submitted a report (No. 1882) thereon.

He also, from the same committee, to which was referred the bill (H. R. 9673) to authorize the recoinage of 50-cent pieces in connection with the California-Pacific International Exposition to be held in San Diego, Calif., in 1936, reported it with an amendment and submitted a report (No. 1883) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 4115) for the relief of Charles D. Birkhead, reported it without amendment and submitted a report (No. 1884) thereon.

Mr. CAREY, from the Committee on Military Affairs, to which was referred the bill (H. R. 1963) for the relief of Edgar H. Taber, reported it without amendment and submitted a report (No. 1885) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. COOLIDGE:

A bill (S. 4483) to authorize the issuance of a special series of postage stamps commemorative of the three hundredth anniversary of the founding of Harvard University; to the Committee on Post Offices and Post Roads.

By Mr. CLARK:

A bill (S. 4484) to amend the act of June 30, 1906, entitled "An act creating a United States Court for China and prescribing the jurisdiction thereof"; to the Committee on the Judiciary.

By Mr. SHEPPARD:

A bill (S. 4485) to amend articles of war $50\frac{1}{2}$ and 70; to the Committee on Military Affairs.

By Mr. McNARY:

A bill (S. 4486) for the relief of Allie F. Muth; to the Committee on Claims.

A bill (S. 4487) to provide for a preliminary examination and survey of Smugglers Cove, Oreg.; to the Committee on Commerce.

By Mr. TYDINGS and Mr. RADCLIFFE:

A bill (S. 4488) authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay from a point in Baltimore County, Md., over Hart Island and Millers Island, to a point near Tolchester, Kent County, Md.; to the Committee on Commerce.

By Mr. HATCH:

A bill (S. 4489) to provide compensation for enrollees in the Civilian Conservation Corps suffering disability or death resulting from injury while in the performance of duty; to the Committee on Claims.

(Mr. Bilbo introduced Senate bill 4490, which was referred to the Committee on Claims, and appears under a separate heading.)

By Mr. RUSSELL:

A bill (S. 4491) for the relief of Arthur Lee Dasher; and A bill (S. 4492) authorizing an appropriation of \$25,000 for the erection of a suitable memorial at Rome, Ga., in honor

of Pvt. Charles W. Graves, known soldier of the World War, | and for other purposes; to the Committee on Military Affairs.

By Mr. THOMAS of Utah:

A bill (S. 4493) to provide for the construction, extension, and improvement of public-school buildings in Uintah County, Utah; to the Committee on Indian Affairs.

By Mr. ROBINSON:

A bill (S. 4494) to provide for the sale of postal-savings stamps and certificates to children in school, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. COPELAND:

A bill (S. 4495) to amend certain of the navigation laws of the United States to remove inconsistencies and inequalities therein, and for other purposes: to the Committee on

A bill (S. 4496) to authorize the acquisition of land for cemeterial purposes in the vicinity of New York City, N. Y.; to the Committee on Military Affairs.

By Mr. JOHNSON:

A joint resolution (S. J. Res. 251) granting the consent of Congress to the city and county of San Francisco to construct a causeway and highways on Yerba Buena Island in San Francisco Bay, and for other purposes; to the Committee on Naval Affairs.

By Mr. HARRISON:

A joint resolution (S. J. Res. 252) extending for 2 years the time within which American claimants may make applications for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1938, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbiter; to the Committee on Finance.

F. W. ELMER

Mr. BILBO. I ask consent to introduce a bill for reference to the Committee on Claims, and ask also that a statement prepared by me relative to the bill be printed in

The PRESIDENT pro tempore. Without objection, the bill will be received and referred, and the statement will be printed in the RECORD, as requested by the Senator from Mississippi.

The bill (S. 4490) for the relief of F. W. Elmer was read twice by its title and referred to the Committee on Claims. The statement presented by Mr. Bilbo is as follows:

I should like to make the following brief statement with response the bill which has just been introduced by me. This is would appropriate \$2,500 to pay Mr. F. W. Elmer, of Biloxi, Miss., for valuable legal services rendered by him in the defense of one S. M. Taylor, a Federal prohibition officer, who, in the performance of his official duty, shot and killed one George Hammond in self-defense. Taylor was acquitted of the charge of murder in the United States District Court for the Southern District of

Mr. Elmer is a reputable citizen of Biloxi, Miss., and is a skilled lawyer with many years' experience in the trial of cases, both in the State and Federal courts. On December 23, 1928, Taylor accompanied Prohibition Agent James R. Goff to Terry's Wharf Biloxi, they having previously been informed that a boatload of liquor was about to be landed at that wharf. Upon their arrival at the wharf they found a man named Dowan Terry engaged in transferring pint bottles of whisky from an automobile to a Ford truck. Agent Goff arrested Terry and placed him in the custody of Taylor while he continued his investigation on and around of Taylor while he continued his investigation on and around the wharf relative to the reported boatload of whisky. While he was absent for a few minutes a gang of liquor sympathizers gathered around Taylor, and Hammond at the time approached Taylor with an oyster knife in his hand threatening Taylor's life. Taylor, believing that his life was in immediate danger, shot Hammond, who died about 3 days later. Immediately after the shooting, Taylor was arrested by the State authorities and charged with shooting with intent to kill. When Hammond died the charge was changed to murder and Taylor was indicted by the grand jury of Harrison County. Miss. for murder The then charge was changed to murder and Taylor was indicted by the grand jury of Harrison County, Miss., for murder. The then United States attorney, E. E. Hindman, resided at and had his office in Jackson, Miss., and the then prohibition administrator for the southern district of Mississippi, M. H. Dally, also resided and had his office in Jackson, Miss., about 200 miles from Biloxi, where Taylor was held by the State authorities. Mr. Hindman, the United States attorney, and Mr. Dally, the prohibition administrator, joined in a request to Mr. Elmer, because of his known ability as a criminal lawyer, to defend Taylor, and Mr. Elmer,

relying upon the authority of those officers to make the request in question, proceeded thereafter without interruption to represent Taylor. Before Hammond died, Mr. Elmer appeared before a justice of the peace and obtained Taylor's release upon bond. After Hammond died, Taylor was charged with murder and again taken in custody. Mr. Elmer then applied for bond, which was refused. He then prepared and filed a petition for writ of habeas refused. He then prepared and filed a petition for writ of habeas corpus and obtained Taylor's release on ball in the habeas-corpus proceeding. After Taylor's indictment by the grand jury, the State of Mississippi employed one of the outstanding criminal lawyers of the State to assist the State prosecuting attorney in the prosecution of Taylor. It then appearing that it would be difficult to obtain a fair trial in the State court, Mr. Elmer prepared the necessary papers for and obtained the removal of the case from the State court to the United States District Court for the Southern District of Mississippi, where Taylor was tried before a jury. Mr. Elmer conducted the defense of the case in the Federal court, and as a result of his efforts Taylor was acquitted by a jury in the Federal court.

At that time national prohibition was in full force and effect

time national prohibition was in full force and effect At that time national prohibition was in full force and energy and its enforcement was under the control and jurisdiction of the Treasury Department. It appears that the matter of the employment of Mr. Elmer as special counsel should have been made at the direction of the Attorney General of the United States. Through an inadvertence the United States attorney for the southern district of Mississippi and the prohibition administrator did not obtain an authorization from the Attorney General at the time for the employment of Mr. Elmer, and it appears that the matter was not brought to the attention of the Attorney General until after Taylor's acquittal and the appropriation for that year had lapsed. Mr. Elmer has never been paid anything for his services in the defense of Taylor, and it appears that the only way he may be paid now is by a special bill enacted by Congress

for that purpose.

This matter was carefully investigated by the Bureau of Pro-hibition of the Department of Justice under the direction of Mr. A. W. W. Woodcock, Director of Prohibition, who made a report to the Attorney General, in which it is stated that the United States attorney, not being able to be present himself in the defense of Taylor after the shooting of Hammond, requested Mr. Elmer to defend him; that Mr. Elmer handled the case from the date of Taylor's that Mr. Elmer handled the case from the date of Taylor's arrest until his acquittal in the Federal court, and that "his efforts resulted in a verdict of acquittal of the defendant Taylor"; that Taylor was acting as an officer of the United States at the time; and that the sum of \$2,500 is a fair and reasonable payment for the services rendered by Mr. Elmer in the defense of Taylor.

The Federal prohibition administration of the Court of the Court

The Federal prohibition administrator at New Orleans, La., who made a report on the matter, said, "An extraordinary showing has been made to substantiate the claimant's petition for reimbursebeen made to substantiate the claimant's petition for reimbursement in the defense of the defendant Taylor, who secured an acquittal against what first seemed insurmountable obstacles as to his release, however justifiable the homicide was in defense of his life." Mr. E. E. Hindman, the then United States attorney, in his report to the Attorney General, dated April 3, 1929, said that Mr. Elmer worked continuously on this case from February 24, 1928, until February 16, 1929, when Taylor was acquitted in the Federal court searching and interview of the search report of the search in the following down

until February 16, 1929, when Taylor was acquitted in the Federal court, searching and interviewing witnesses and running down every piece of evidence that would help out at the trial, and that, in his opinion, Mr. Elmer should be compensated, and concluded his report with the following recommendation:

"I recommend that Mr. Elmer be paid the sum of \$2,500 for his services in behalf of Taylor * * *, and I request that the Department take such steps as may be necessary to pay Mr. Elmer this sum, or such sum as the Department may consider to be proper in the premises. Mr. Elmer has received no compensation from any source, nor can he expect to be compensated from any other source."

I am advised and informed that on a number of occasions while I am advised and informed that on a number of occasions while national prohibition was in force special counsel were employed to defend prohibition officers and deputies who were compelled to use firearms upon people in the performance of their official duties, and that such counsel have always been paid. Mr. Elmer performed his part of the contract, and successfully, and his claim is just and it ought to be paid. When responsible officers of the Government call upon an attorney in an emergency to perform legal service and that service is done successfully, the attorney not only has the right to expect to be paid but it is the duty of the Government to pay him a fair and reasonable fee for his services. HOUSE BILL REFERRED

The bill (H. R. 11687) to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes, was read twice by its title and referred to the Committee on Post Offices and Post Roads.

AMENDMENT TO REVENUE BILL OF 1936

Mr. McNARY submitted an amendment intended to be proposed by him to the revenue bill of 1936, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENT TO RIVER AND HARBOR FLOOD CONTROL BILL

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 8455) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes, which was referred to the Committee on Commerce and ordered to be

TAXES ON CERTAIN OILS-AMENDMENT

Mr. COPELAND submitted an amendment intended to be proposed by him to the bill (S. 4267) to increase the processing tax on certain oils, to impose a tax upon imported soybean oil, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

AMENDMENT TO STATE, JUSTICE, ETC., DEPARTMENTS APPROPRIA-TION BILL

Mr. ROBINSON (for Mr. Byrnes) submitted an amendment intended to be proposed by him to House bill 12098, the State, Justice, etc., Departments appropriation bill, which was ordered to lie on the table and to be printed, as follows:

At the end of the bill to insert the following:

At the end of the bill to insert the following:

"That in passing upon applications made for compensation under the provisions of the item for "Payment to cotton ginners" contained in title I of the Supplemental Appropriation Act, fiscal year 1936 (Public Law No. 440, 74th Cong.), and in making payments payable pursuant to such applications, the Secretary of Agriculture is authorized and directed, in the interest of saving as much administrative expense as possible and in order to avoid delay in passing upon such applications, to accept as sufficient proof in connection with any such application, proof of the number of bales ginned by the applicant during the period June 1, 1935, to February 10, 1936, inclusive: Provided, That no payment shall be made on any application for such compensation unless the application is filed prior to September 1, 1936."

INVESTIGATION OF RECEIVERSHIP AND BANKRUPTCY PROCEEDINGS-INCREASE IN LIMIT OF EXPENDITURE

Mr. McADOO submitted the following resolution (S. Res. 282), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the special committee authorized by Resolution Resolved, That the special committee authorized by Resolution No. 78, Seventy-third Congress, to investigate the administration of receivership and bankruptcy proceedings in the courts of the United States, and other matters pertaining thereto, and continued in full force and effect by Resolution No. 72, Seventy-fourth Congress, hereby is authorized to expend from the contingent fund of the Senate the sum of \$10,000 in addition to the amount heretofore authorized for said purpose.

PRODUCTION COSTS OF CANVAS RUBBER-SOLED FOOTWEAR AND WATERPROOF FOOTWEAR

Mr. WALSH submitted the following resolution (S. Res. 283), which was referred to the Committee on Finance:

Resolved. That the United States Tariff Commission is directed, under authority conferred by sections 332 and 336 of the Tariff Act of 1930 to investigate the differences in costs of production of the following domestic articles and of any like or similar products of the Philippine Islands together with comparative wage rates:

All types of canvas rubber-soled footwear and waterproof foot-

SENATOR GIBSON, OF VERMONT-ARTICLE FROM WASHINGTON TIMES

Mr. McNARY. Mr. President, I ask unanimous consent to insert in the Congressional Record an impressive article published in the Washington Times of April 3, 1936, entitled "Illustrious Exception."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ILLUSTRIOUS EXCEPTION

By James T. Williams, Jr.

"A complete and generous education is that which fits a man to perform justly, skillfully, and magnanimously all the offices, both private and public, of peace and war."—Milton.

There is at least one member of the so-called "lobby" committee of the Senate who still prides himself upon being all that Daniel

Webster declared the Members of the Senate ought always to be "men of individual honor and personal character" and "of absolute independence", who "know no masters and acknowledge no independence", who

This illustrious exception is Senator Gibson, of Vermont.

Although admitting that this notorious committee still has 1,000 telegrams in its possession after returning numbers of others which it seized, Senator Gisson declares:

"But I haven't looked at a single one of them and I don't intend

to look at one."

This assurance will not be surprising either to his fellow Americans of the Green Mountain State, who know him best, or to the Members of the Senate and House of Representatives, whose respect

Mr. Gisson has earned by his record of public service. But it will be none the less gratifying to all Vermonters and, most of all, to the fellowship of Norwich alumni, north, east, south, and west,

SENATOR GIBSON

Norwich University, of which Senator Gibson is a distinguished graduate, was founded as the American Literary, Scientific, and Military Academy in 1819 by a former superintendent of the United States Military Academy at West Point, Capt. Alden Partridge.

The founder of Norwich was, indeed, a foresighted educator. It was his firm conviction that a citizen soldiery is essential to the maintenance of free government.

It was his firm conviction that a citizen soldiery is essential to the maintenance of free government. This is the principle which Norwich University has maintained and applied throughout more than 100 years of useful service to the Republic.

At Norwich University, in Northfield, Vt., her sons, year after year, learn the supreme lesson that obedience to law is liberty. In peace and war the graduates of Norwich University have kept the faith of the founder of that institution. From her gates have gone out north, east, south, and west not only good engineers and capable businessmen and trusted leaders of their fellow citizens but, above all, men of honor who command the respect of honorbut, above all, men of honor who command the respect of honorable men.

It is true that Norwich University is, physically speaking, what is known as a small college. It always has been and it was the purpose of Captain Partidge that it always should be. He learned at West Point the fundamentals of character building. He knew that a college should be a place where youth could enjoy close association during the formative period of their lives with older and wiser men.

Throughout the more than 100 years in which Norwich University has been sending forth to the service of the Republic leaders trained in the school of the soldier, the Norwich student leaders trained in the school of the soldier, the Norwich student has benefited by personal contact with his fellows, his instructors, his university, and the Vermont community of which it is the center. His surroundings, geographically and otherwise, have always contributed to the cultivation of character. In the lexicon of Norwich University character is long-standing habit.

At Norwich University it is impressed upon every student that no man is fitted to command who has not first learned to obey.

BENEATH HIS DIGNITY

When a Norwich student takes the oath of allegiance he does not take it with his fingers crossed. When he swears to uphold the Government of the Constitution he does not secretly exempt from

that obligation support of the Bill of Rights.

Kluxer methods and Kluxer cowardice have always been conspicuous by their absence from Norwich University. No one of her graduates ever sanctioned or led a lynching bee. At Norwich University the flag is never carried by masked men.

No one of her graduates ever took advantage of the protection of his public office to assassinate the character of his fellow men.

Norwich University is an institution in which the people of the Green Mountain State take a pride that is shared not only by their neighbors of the other New England States but by the fathers and mothers of other States of the Union whose sons have been fortunate enough to make Norwich training the foundation for their service as citizens and soldiers of the Republic in peace and war. and war.

Senator Gibson did not need to reassure any Norwich man the seizing and reading of private telegrams and the use of their contents to vilify others was beneath his dignity as a Senator and his honor as a man. And no American who knows what Norwich stands for would need to be reassured on this score by her illustrous son in the Senate of the United States.

OPERATIONS OF WORKS PROGRESS ADMINISTRATION IN WEST VIRGINIA

Mr. NEELY. Mr. President, I ask to have printed in the RECORD a recent statement by E. C. Smith, Jr., deputy State administrator, regarding the operations of the Works Progress Administration in West Virginia.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF OPERATIONS OF WORKS PROGRESS ADMINISTRATION IN WEST VIRGINIA

By E. C. Smith, Jr., deputy State administrator

Relief workers received in wages 60.5 cents of every dollar spent by the West Virginia Works Progress Administration up to March 31. Nonrelief workers, including foremen, timekeepers, professional and skilled workers, not available from relief rolls but vital to the operation of projects, received 9.3 cents.

This shows 69.8 cents of each dollar has gone to relief and non-

relief project employees.

For materials, equipment, etc., on projects, 23.9 cents.

Administrative employees received 4.1 cents in salaries.

Administrative costs, other than salaries, such as rent, necessary supplies and equipment, communications, travel, etc., 2.3 cents.

That is where every one of the \$13,516,056.81 the West Virginia Works Progress Administration had spent at the close of business on March 31, 1936, had gone. This sum includes \$12,666,521.92 spent on actual project operations and the separately allocated \$849,534.89 for all administrative purposes, including the National

Youth Administration's \$16,658.

Relief workers employed on March 28 totaled 52,631. Nonrelief project supervisory and skilled-worker personnel totaled 3,734, or 6.6 percent, while a 10-percent maximum of nonrelief personnel is

allowable. Administrative personnel totaled 556, of which 141 were State-office employees, where general control of the entire program is centered. Administrative employees are but 1 percent of the total employment. State office administrative employees are but three one-hundredths of 1 percent.

At the close of March 1,641 separate jobs or projects were in operation. About 450 project foremen and timekeepers were from relief rolls and a large number of the nonrelief skilled workers also formerly were of relief status. Many more were border-line cases. Naturally, a portion of these, chosen for their skill, were not in desperate need of W. P. A. employment, but well-trained, experienced technical men are vital to a construction program.

Only the foremen, timekeepers, and administrative workers could be selected by name. Nonrelief project workers must come through the National Reemployment Service, an entirely separate agency, under the United States Department of Labor. The relief workers certified by the West Virginia Relief Administration as to the priority of their needs, eligibility, and employability were assigned indiscriminately, without regard to their identity.

Washington releases project money from time to time on the basis of need, computed in the light of the employment quota and other governing conditions. At the present time we are under

other governing conditions. At the present time we are under orders from Washington to reduce our employment quota to 43,900 by June 30, and cannot assign new workers. Workers must be reassigned from other projects, either those finished or from which workers can be spared, when additional labor is needed on specific

Administrative funds are released by Washington monthly, en tirely separately from project funds, and on the basis of an estimated Budget, to which we must make expenditures conform.

For those who prefer figures to percentages, \$8,177,943.08 in security wages were paid relief clients from the \$13,516,056.81. Of this they received \$1,017,773.40 for time credited but not worked because of severe winter weather or other conditions beyond their control. Total administrative salaries were \$552,296.09.

Wages to nonrelief workers, foremen, timekeepers, \$1,250,552.33, who drew only \$7,215.01 for time credited but not worked because of conditions beyond their control.

Material and equipment costs for projects were \$3,238,026.51.
Administrative costs, other than salaries, such as office rent, necesoffice equipment and supplies, communications, etc., \$297,sary of 238.80.

What has the administration to show for this money?

Fifty-eight percent of it is going to projects sponsored by the State government, and the remainder to those sponsored by cities, counties, and boards of education, with the exception of a very small percentage of professional projects, sponsored by Federal Government agencies other than the Works Progress Administration.

This W. P. A. is: Building approximately 300 miles of farm-to-market roads—State primary, secondary, class A, B, and C—at an estimated average cost of \$10,000 per mile.

of \$10,000 per mile.

Improving nearly 500 creek and hollow roads, from 1 to 8 miles in length, to make them usable, at a cost of about \$3,500,000.

Building approximately 100 miles of paved streets in municipalities, costing the Government about \$3,295,000. These are replacing worn-out, heavily used business-section streets in a number of cities, but especially outstanding projects are located in Huntington, Wheeling, Morgantown, and Fairmont.

Building, reconstructing or otherwise improving or extending seven city water systems; Federal cost, \$73,000.

Building 504,847 linear feet of storm or sanitary sewers, giving many small communities their first adequate sanitation systems, \$1.359,000.

\$1,359,000.

Repairing, improving, or painting buildings and equipment of practically all of the State's institutions, such as colleges and hospitals, \$313,510.

hospitals, \$313,510.

Constructing four major publicly owned buildings: Marshall College elementary training school, \$172,000; Western State Hospital (reconstruction), \$61,519; Morris Memorial Hospital Treatment Building, \$38,763; Morgantown Negro High School, \$24,880.

Building or improving municipal airports at Clarksburg, Morgantown, Elkins, and Martinsburg, Federal cost, \$204,000.

Cooperating with city in building new South Side bridge at Charleston, costing \$770,000, Federal funds \$440,000, and rebuilding Davis Avenue bridge across Tygart River, Elkins, Federal funds, \$8,472.

\$8,472

\$8,472.

Building 20 parks, playgrounds, or swimming pools in various sections of the State, \$330,000.

Construction of five community buildings, \$54,083.

Construction of 21 high school, college, or community athletic fields or stadiums in various sections of the State, \$267,130.

Repairs and improvements to 22 county and municipal buildings, grounds, and institutions, including construction of a new municipal fire house at Mannington, \$15,000.

pal fire house at Mannington, \$125,000.

Repairing, painting, and improving public schools and grounds in all sections of the State, \$357,754.

Making garments for distribution to the needy through county courts or relief administrations employing 3,849 women in sewing rooms, \$666,000

Erection of shelters for children along school bus routes, \$25,700. Erection of sanitary privies under a community sanitation program proposed by State health department, \$639,000. (The W. P. A. had built 21,170 privies at a \$22.41 average cost by Mar. 15.)
Sealing abandoned coal mines to eliminate acid discharge into

streams proposed by State health department as means of saving several million dollars annually to public when completed, in water treatment, plumbing, and other costs due to mine acid damage getting into water systems, Federal cost \$48,400.

This does not include a great many smaller projects of various

This does not include a great many smaller projects of various types or those of the professional and education divisions to employ white-collar persons from the relief rolls.

The farm-to-market roads are graded to 22 feet in width, with 14 feet of 8-inch stone base, in ordinary cases. However, in instances where roads must carry unusually heavy traffic loads the grade is 26 feet wide and the stone base 16 feet by 9 inches thick.

Although funds are not available for surfacing these roads, they are so treated to be usable and prevent deterioration. When it is available gravel, shale, "red dog," fine stone is rolled into the road to present a smoother surface. In other cases the stone merely is rolled smoothly with fine rock on top.

to present a smoother surface. In other cases the stone merely is rolled smoothly with fine rock on top.

Creek and hollow roads are not entirely reconstructed. Only the sections that become unusable are rebuilt, while sections that remain good the year around are not improved. Construction of culverts or small bridges often is necessary. Construction of this type of road usually is 9 feet in width, with gravel, shale, or red-dog surface, where these materials are available. Stone is knapped in where necessary. Improvements of these roads will give many small communities and a large rural population year-around communication for the first time. Also they have been a means of providing nearby work for rural relief clients, where otherwise they might have had to travel long distances on foot each day.

The major part of the street construction is of knapped stone

The major part of the street construction is of knapped stone base with tar or asphalt concrete surface treatment. A certain amount of entirely concrete or other types of construction have been used. In some cases brick streets were relaid, using only the good bricks and replacing the worn ones.

Of the water-system improvement projects, the Whitesville (Boone County) one is unusually interesting. Here the Works Progress Administration is building a newly incorporated municipality its first waterworks system, including a cement reservoir on the hill above the town, a \$3,000 brick pump and machinery

pality its first waterworks system, including a cement reservoir on the hill above the town, a \$3,000 brick pump and machinery building, water treatment, and pumping equipment, 10,350 feet of cast-iron water mains and meters and connections to serve 250 of the town's 300 places of business or residences.

Of the school repair projects, the Mercer School in Charleston is typical of the outstanding work. Twenty-four men were given 3 months' work at a Federal cost of \$7,900.

The building was erected in 1903 for a high school. An addition was built in 1925 and it was changed to a graded school. Electric service was not provided in the original building, but was installed in later years. The old blackboards were much too high for children and there were no cloakrooms. The old plastering was unsafe and large areas were in danger of falling. The walls were dingy. Light was poor. Woodwork was in bad repair.

W. P. A. workers overhauled the electric wiring, eliminating fire hazards, and installed modern fixtures. They built cloakrooms and restored the plastering. They redressed the slate blackboards and built them lower for younger children. They built display boards above. The woodwork was repaired, scraped, and varnished. The interior of the building was repaired.

Tests made by the Appalachian Electric Power Co. showed that classroom light has been increased five times. Where the light meter read "1-foot candlepower" in classrooms before the work was started, it read "6¾-foot candlepower."

Following is some of the work being done for the State board of control's institutions:

West Liberty College, Ohio County: Building roads, improving

control's institutions:

control's institutions:

West Liberty College, Ohio County: Building roads, improving grounds, repairing and improving grounds, repairing and improving buildings, and landscaping, \$20,308.

West Virginia University, Morgantown, Monongalia County: Building tunnel for steam-heating lines connecting central heating plant with new dormitories built by the P. W. A. In addition, the Works Progress Administration is spending \$10,000 painting university buildings and \$6,000 indexing records and documents.

West Virginia State Industrial School for Girls, Salem, Harrison County: Constructing stone measury well \$7,500.

County: Constructing stone masonry wall, \$7,500.

Fairmont State Hospital, Fairmont, Marion County: General repairs, painting, and improvements, \$4,476.

Fairmont State College: Construction of field house, \$12,000, and

other improvements

other improvements.

West Virginia Industrial School for Boys, Prunytown: Reconstruction of water filteration plant and water mains, \$26,683.

Concord State College, Athens, Mercer County: Construction of recreation center, \$24,200; and campus streets, \$6,000.

Negro Tuberculosis Sanitarium, Denmar, Pocahontas County: Painting, repairing, and improving building and equipment, \$2,500.

Glenville State College, Glenville, Gilmer County: Repairs and improvements, \$8,538.

Weston State Hospital, Weston, Lewis County: Rebuilding hospital wing destroyed by fire \$61,519.

pital wing destroyed by fire, \$61,519.

Four-H camp, Jackson's Mills: Construction of exhibit building,

\$7,465.

Huntington State Hospital, Huntington: General repairs, \$12,000; completing hospital farm buildings, \$18,900.

Marshall College, Huntington: Improvements to buildings and grounds, \$15,132; building school, \$172,271.

New River State College, Montgomery: General repairs, \$12,400.

McKendree State Hospital, Fayette County: Repairs, \$12,000. Pinecrest Hospital, Beckley: Repairs and improvements, \$20,000. Welch Emergency Hospital, McDowell County: Repairs, \$6,300.

PROVISION TO PAY JURORS AND WITNESSES IN FEDERAL COURTS

Mr. GLASS. Mr. President, in conjunction with the ranking minority member of the Appropriations Committee, I ask unanimous consent that House Joint Resolution 568 be laid before the Senate and considered at this time.

There being no objection, the President pro tempore laid before the Senate the joint resolution (H. J. Res. 568) to provide an additional appropriation for fees of jurors and witnesses, United States courts, for the fiscal year 1936, which was read twice by its title.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which is as follows:

Resolved, etc., That for an additional amount for fees of jurors and witnesses, United States courts, including the same objects specified under this head in the Department of Justice Appropriation Act, 1936, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$900,000 for the fiscal year 1936.

Mr. GLASS. Mr. President, I have here a letter from the Attorney General setting forth that funds have been exhausted for the payment of jurors and witnesses in the Federal courts, and this joint resolution, passed by the House and sent to the Senate, provides an appropriation of \$900,000 for that purpose.

The PRESIDENT pro tempore. The question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

CONTROL OF FLOODS ON THE MISSISSIPPI RIVER

Mr. ROBINSON. Mr. President, I call for the regular order, being the unfinished business.

The Senate resumed the consideration of the bill (S. 3531) to amend the act entitled "An Act for the control of floods on the Mississippi River and its tributaries, and for other purposes" approved May 15, 1928.

ORDER OF BUSINESS

Mr. REYNOLDS. Mr. President, it was my understanding that when the Senate should conclude the impeachment proceedings against Judge Ritter, I should be in possession of the floor. I wish to state, however, that I am perfectly willing to yield the floor in order that the Senate may proceed with legislative business, particularly emergency legislation. I understand that our floor leader has moved that the Senate resume the consideration of the regular order of business, which is the bill in which the Senator from Louisiana [Mr. Overton] is interested, having to do with emergency flood relief.

Like other Senators, I am greatly interested in the consideration of the tobacco compact control bill, being House bill 12037, a similar bill before the Senate being Senate bill 4430, which I trust will be reached immediately after action shall have been taken on the bill of the Senator from Loui-

I make that statement for the purpose of the RECORD.

Mr. KING. Mr. President, lest silence on my part might be deemed acquiescence in the statement of the Senator from North Carolina, I desire to say that as soon as the consideration of the measure which has been made the unfinished business shall have been concluded, I think the consideration of the measure which was before the Senate anterior to that should be resumed; namely, the deportation

RECESS

Mr. McNARY. Mr. President, the Senator from Arkansas should now, I think, make his motion with respect to a recess.

Mr. ROBINSON. Mr. President, I had intended to do so. I now move that the Senate take a recess until 2:45 o'clock p. m.

The motion was agreed to; and (at 1 o'clock and 56 minutes p. m.) the Senate took a recess until 2 o'clock and 45 minutes p. m.

On the expiration of the recess the Senate reassembled.

BARBARA BACKSTROM

Mr. ROBINSON. Mr. President, I submit a concurrent resolution and ask unanimous consent for its present consideration. The object of the concurrent resolution is to correct the spelling of a name in a bill which has passed both Houses.

The VICE PRESIDENT. The clerk will read the concurrent resolution

The legislative clerk read the concurrent resolution (S. Con. Res. 36), as follows:

Resolved by the Senate (the House of Representatives concurring), That the action of the Vice President and of the Speaker of the House of Representatives in signing the enrolled bill (H. R. 4387) entitled "An act conferring jurisdiction upon the United States District Court for the Western District of Michigan to hear. determine, and render judgment upon the claim of Barbara Blackstrom" be rescinded, and that in the reenrollment of said bill the Clerk of the House of Representatives is authorized and directed to insert the name "Backstrom" in lieu of the name "Blackstrom" where it appears in section 1 of the amendment of the Senate to the text of said bill and in the amended title.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

INTERIOR DEPARTMENT APPROPRIATIONS-CONFERENCE REPORT Mr. HAYDEN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 15, 16,

That the Senate recede from its amendments numbered 15, 16, 17, 19, 21, 26, 27, 40, 51, 60, 64, 79, 90, and 91.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 6, 12, 13, 20, 22, 23, 25, 28, 29, 30, 34, 37, 38, 41, 42, 43, 44, 45, 47, 48, 49, 55, 58, 59, 61, 62, 63, 65, 66, 67, 68, 69, 70, 73, 74, 75, 76, 77, 78, 81, 82, 34, 85, 86, 88, and 89, and agree to the same.

Amendment numbered 4: That the House recede from its dis-

agreement to the amendment of the Senate numbered 4, and agree agreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: ": Provided, That no part of this appropriation shall be expended for work on any figure, in addition to the four figures authorized by law, upon which work has not commenced as of the date of enactment of this Act", and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$587.700", and the Senate agree to the same

sum proposed, insert: "\$587,700", and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$77,500", and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree

agreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$160,000", and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$75,000", and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "\$159,200, of which amount \$10,000 shall be immediately available", and the Senate agree to the same.

Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$260,000", and the Senate agree to the

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$356,000", and the Senate agree to the

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "\$2,375,-000, of which amount \$10,000 shall be immediately available", and

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$140,000", and the Senate agree to the same

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$75,000", and the Senate agree to the

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and

agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$2,807,817", and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "\$2,093,200", and the Senate agree to the same.

The committe of conference report in disagreement amendments numbered 1, 7, 24, 31, 32, 33, 35, 39, 46, 50, 52, 53, 54, 56, 83, and 87.

CARL HAYDEN,

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
FREDERICK STEIWER,
Managers on the part of the Senate.

EDWARD T. TAYLOR,
B. M. JACOBSEN,
JED JOHNSON,
W. P. LAMBERTSON,
Managers on the part of the House.

Mr. HAYDEN. Mr. President, I should like to have the conference report on the Interior Department appropriation bill considered at this time.

Mr. McNARY. Mr. President, if that is to be done, I think we should have a quorum present.

Mr. ROBINSON. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Holt	Overton
Ashurst	Coolidge	Johnson	Pittman
Austin	Copeland	Keyes	Radcliffe
Bachman	Couzens	King	Reynolds
Bailey	Davis	La Follette	Robinson
Barbour	Dickinson	Lonergan	Russell
Benson	Dieterich	Long	Schwellenbach
Bilbo	Donahey	McAdoo	Sheppard
Black	Duffy	McGill	Shipstead
Bone	Fletcher	McKellar	Smith
Borah	Frazier	McNary	Steiwer
Brown	George	Maloney	Thomas, Okla.
Bulkley	Gerry	Metcalf	Thomas, Utah
Bulow	Gibson	Minton	Townsend
Burke	Glass	Moore	Truman
Byrd	Guffey	Murphy	Vandenberg
Capper	Hale	Murray	Van Nuys
Caraway	Harrison	Neely	Wagner
Carey	Hastings	Norris	Walsh
Chavez	Hatch	Nye	Wheeler
Clark	Hayden	O'Mahoney	White

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

Mr. HAYDEN. Mr. President, I renew my request for the present consideration of the conference report on the Interior Department appropriation bill.

Mr. McNARY. Mr. President, I stated a moment ago that on so important a matter we ought to have a roll call. I think the Senator from Arizona should make a statement, even though brief, concerning the attitude of the Senate conferees in the conference.

Mr. HAYDEN. Mr. President, I shall be glad to give the Senator from Oregon any information he may desire with respect to the conference report.

Mr. McNARY. I recall that when the bill was before the Senate it contained certain legislative matter which ran counter to the views of the House. I assume the House conferees are going to take those projects back to the House for a vote?

Mr. HAYDEN. The rules of the House prohibit House conferees from agreeing to any legislation incorporated by the Senate in an appropriation bill. For that reason this conference report does not include any items of legislation adopted by the Senate. All such items must be taken back to the House of Representatives, and the House will vote upon them.

Mr. McNARY. What are those items? I think the Senator, when he submits a conference report, should be willing—I know he is able—to specify what occurred in conference.

Mr. HAYDEN. The principal items in disagreement between the House and the Senate with respect to the legislation are the provisions adopted by the Senate authorizing the construction of certain reclamation projects. The Senator will remember that the Senate listed seven projects for authorization which heretofore have not been constructed with money appropriated by Congress. Each one of those

projects has been begun with money allocated by the President of the United States from relief funds. This being the first year when Budget estimates were submitted for the construction of such projects, the Senate considered the Budget estimates, and, in addition thereto, decided that it was proper that there be regislative authorization for the projects. That action was taken by the Senate. It was a matter which could not come before the conferees owing to the House rule that any legislation on an appropriation bill must go back to the House for action. So there has been no final action as yet with respect to those projects.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. JOHNSON. Can the Senator advise us when it is likely that the House will act upon the contested matters?

Mr. HAYDEN. It is expected that the House will act upon them early next week. I made inquiry today, and it is probable that the House will not be in session tomorrow, but it is expected that the measure will be disposed of promptly in the House of Representatives.

The VICE PRESIDENT. Is there objection to the consideration of the conference report?

There being no objection, the conference report was considered and agreed to.

Mr. HAYDEN. Mr. President, one amendment to the appropriation bill recommended by the Committee on Appropriations was not agreed to in conference. The Senate adopted amendment no. 60, asking for information with respect to a method of expediting topographic mapping and with respect to the cost thereof. In order to obtain that information I offer a resolution for which I ask immediate consideration.

I ask that the resolution be read.

The VICE PRESIDENT. The clerk will read the resolution. The resolution (S. Res. 281) was read, as follows:

Resolved, That the Secretary of the Interior is hereby requested to submit to the Senate at the beginning of the next session of Congress a program for expediting the topographic mapping of the United States in an economical manner within a period of years and the estimated total and annual cost thereof both in the field and in the District of Columbia.

Mr. HAYDEN. Mr. President, in explanation of the resolution I may say that the committee came to the conclusion that the method now employed in preparing these maps is entirely too expensive, and that there is a better and a more economical way of doing the work. We wish to obtain information on that point for the benefit of the Senate. That is why I have offered the resolution.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 568) to provide an additional appropriation for fees of jurors and witnesses, United States courts, for the fiscal year 1936, and it was signed by the Vice President.

MISSISSIPPI RIVER FLOOD CONTROL

The Senate resumed the consideration of the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes, approved May 15, 1928."

Mr. OVERTON. Mr. President, the bill now before the Senate is, as its title indicates, a bill to amend what is known as the Flood Control Act of May 15, 1928. The bill is designed solely to amend the Flood Control Act of 1928.

Mr. CONNALLY. Mr. President-

The PRESIDING OFFICER (Mr. Johnson in the chair). Does the Senator from Louisiana yield to the Senator from Texas?

Mr. OVERTON. I yield.

Mr. CONNALLY. This bill, then, does not relate to anything except the Mississippi River and its tributaries?

Mr. OVERTON. That is all.

Mr. CONNALLY. It provides no flood control of other |

Mr. OVERTON. It does not. It relates exclusively to what is known as the alluvial valley of the Mississippi River. The Senator from Texas will observe that there is hung upon the wall of this Chamber a map showing the extent of the project to which the bill relates. That project extends from Cape Girardeau in Missouri on down to the Gulf of Mexico.

The Flood Control Act of 1928 adopted a plan known as the Jadwin plan. That plan embraces only the flood-control problem of the lower Mississippi Valley. It is a plan of levees and of floodways. The pending bill does not undertake to modify that plan in respect to its basic principles. It undertakes to modify the plan in certain particulars in accordance with the recommendations made by the Mississippi River Commission and the Chief of Army Engineers.

Mr. VANDENBERG. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Michigan?

Mr. OVERTON. I yield.

Mr. VANDENBERG. Will the Senator tell me this: When the Jadwin plan was created, was there in contemplation the new idea of reservoir protection at the source of the stream and its tributaries?

Mr. OVERTON. There was not.

Mr. VANDENBERG. In the Senator's judgment, does the new method of approach to flood control, involving the construction of reservoirs at the source and on the tributaries. change, in any degree, the necessity for the Jadwin plan as originally created?

Mr. OVERTON. It does not.

Mr. VANDENBERG. The Senator is going to discuss that question before he concludes?

Mr. OVERTON. I shall do so in, perhaps, a few minutes. Mr. VANDENBERG. I thank the Senator.

Commission and by General Markham, Chief of Army

Mr. OVERTON. So this bill undertakes to modify in certain incidental particulars the Jadwin plan in accordance with the recommendations made by the Mississippi River

Engineers.

The Flood Control Act of 1928 adopted as a national policy the assumption of responsibility on the part of the Federal Government for the control of floods in the lower valley of the Mississippi. It declared, among other things, that, in view of the fact that the States bordering upon the Mississippi River in the lower valley and their local subdivisions had contributed the sum of \$292,000,000 to flood protection in the valley, there would not be required any further local contributions. There are certain exceptions, however, set forth in the act of 1928, and among these exceptions is the obligation that is imposed upon the local subdivisions of the different States to provide rights-of-way for levees and levee foundations on the main stem of the Mississippi River, and also the obligation, resting upon States and local subdivisions, to maintain the levees after they shall have been constructed.

The Flood Control Act of 1928 further declared that the Federal Government assumed responsibility of providing flowage rights for the floodways proposed in the adopted plan. It declared in section 4 of that act:

The United States shall provide flowage rights for additional flood waters that will pass by reason of diversions from the main channel of the Mississippi River.

It provided a method of condemnation of such flowage rights and of all easements required in the prosecution of the plan by condemnation proceedings to be instituted in the

These, Mr. President, are the "high lights" of the Flood Control Act of 1928. That act adopted a plan for flood control in the lower valley. It assumed national responsibility for the prosecution of that work, with the exceptions that I have mentioned; it provided for the acquisition by the United States of flowage rights that were necessary in the construcundertake to add to the principle of responsibility on the part of the Federal Government and it does not undertake to detract from the obligations imposed upon the State and local governments. The purpose of the bill is simply to amend the Flood Control Act of 1928 in accordance with the engineering recommendations of the Army engineers, and to provide for an authorization of what is estimated to be a sufficient amount to complete the plan.

That project is about half completed. It was stated at the time the Flood Control Act was reported to the Senate that the sum authorized in that act, namely, \$325,000,000, would, in all probability, be insufficient to complete the work.

General Markham, in the course of the hearings conducted by the subcommittee of the Commerce Committee of the Senate, declared that no one at the time ever supposed that \$325,000,000 would be sufficient to do the work; and that it was thought by the Mississippi River Commission: by the then President of the United States, President Coolidge; by General Jadwin, Chief of Engineers; and by everyone else who had given any thought or study to this question that it would cost approximately somewhere between \$700,000,000 and \$750,000,000.

This bill, as I have stated, is restricted to the alluvial valley. It is a plan of levees and of floodways. It has nothing to do with reservoirs. It has been suggested that by the construction of reservoirs at the headwaters of the tributaries of the Mississippi River these floodways might be dispensed with, but the floodways have been recommended by the Mississippi River Commission, by the Chief of Engineers. General Markham, by General Jadwin, and by General Brown, and it is the firm conclusion of the Army engineers that the reservoirs will not dispense with the necessity of the construction and operation of the floodways.

In response to the query addressed to me a few minutes ago by the Senator from Michigan, I will say that the Flood Control Act of 1928 provided in section 10 that the Chief of Engineers and the Mississippi River Commission were to make a study of flood control in the lower valley with respect to reservoirs and submit a report thereon; and last year, in 1935, the Secretary of War submitted a comprehensive report on reservoirs in the Mississippi River basin. That report declares, in effect, that in order that there may be fair protection by the construction of reservoirs on the tributaries of the Mississippi River, it will be necessary to construct 151 reservoirs, at a cost of \$1,250,000,000, and that such reservoirs should be used as detention reservoirs; in other words, they should be used as flood-control reservoirs, and that with the construction of these reservoirs it might not be necessary to use the floodways in the adopted plan; but the report declared, in effect—and General Markham so testified—that during the prolonged period when these different reservoir projects are being surveyed and are being considered by the engineers and by the Mississippi River Commission and are being recommended to Congress and being acted upon and are being built the lower Mississippi Valley is in imminent danger and peril at any time of a devastating flood.

Mr. ROBINSON. Mr. President, will the Senator yield there?

Mr. OVERTON. I yield.

Mr. ROBINSON. The report to which the Senator is referring, as I recall, is to the effect that 1,000,000 cubic feet per second must be taken out of the river at some point near or below the mouth of the Arkansas River and must be diverted into the floodway in order to enable the channel of the river, within the highest levees that it is safe to construct, to carry the remainder of the flood waters in time of high floods. Is not that correct?

Mr. OVERTON. The Senator is correct.

Mr. ROBINSON. The statement, as I remember, also is that the reservoirs would prove a substantial additional factor of safety, that they would reduce the floodwaters by about 385,000 cubic feet per second, leaving between 600,000 and 700,000 cubic feet per second, which would still need to be cared for by floodways in the event of such a flood as occurred in 1927. The conclusion of the engineers was expressly upon tion of the various floodways. The pending bill does not the point to which the Senator from Michigan has so properly referred, and was that the reservoirs without spillways | would not insure safety or adequate protection.

It was further said, as stated by the Senator from Louisiana, that it might be, after the reservoirs are constructed, that it would not be necessary, except in the cases of what we call superfloods, to employ the floodway. But the plain conclusion of the engineers is that the floodways are essential for the protection of that lower valley region.

Mr. OVERTON. I thank the Senator for his contribution. Mr. VANDENBERG. Mr. President, may I ask the Senator a further question in this connection?

Mr. OVERTON. I yield.

Mr. VANDENBERG. Did the survey for the prospective reservoir to which the Senator refers include the new contemplation of reservoirs which are now being planned in the upper regions of the Ohio River?

Mr. OVERTON. It did not. The Senator means the comprehensive report?

Mr. VANDENBERG. Yes.

Mr. OVERTON. It took in the Ohio River and some of its tributaries, the Missouri River and some of its tributaries, and the Arkansas and the White Rivers.

Mr. VANDENBERG. Yes; but what I am trying to discover is this: As the Senator knows, our Commerce Committee is now surveying flood control on a much wider far-flung basis than ever before, and among the other factors involved in the tentative discussion is a system of extended reservoirs which, as I understand, were never in contemplation when the reservoir survey to which the Senator from Louisiana

referred was made. Am I correct about that?
Mr. OVERTON. The Senator is correct. As I understand the Senator from Michigan, the engineers made no recommendation that any specific reservoir be constructed. They simply made a survey of reservoirs on the tributaries and made the report, without making a recommendation for the construction of any specific reservoir. They stated, in effect, that they submitted the information for the benefit of Congress in order that at future times we may make up the different projects referred to in their report.

Mr. ROBINSON. Mr. President— Mr. OVERTON. I yield to the Senator from Arkansas.

Mr. ROBINSON. I believe the Senator from Louisiana did not understand the question of the Senator from Michigan. His question is whether the surveys that were made under the 1928 act comprehended the tributary streams of the Mississippi River which are now under consideration by the Commerce Committee. I think it is true that the instruction to the engineers in the act-I believe section 10 of the act of 1928—was to make a survey of the tributary streams of the Mississippi River, and, pursuant to that instruction, the surveys were made. There were 308 separate reports made under that act. They related not only to the principal main-stem tributaries but also to tributaries of lesser importance.

The information which the Commerce Committee now has before it contained in reports, according to my understanding, was produced as a result of that provision in the act of 1928. The information is now available to the committee

Mr. OVERTON. The Senator from Arkansas is correct. That information is before the Commerce Committee and is being considered, as the Senator from Michigan [Mr. Vanden-BERG] knows, in connection with the omnibus flood-control bill. As I understood the Senator from Michigan, he desired information as to whether the report specifically recommended the inclusion of any specific reservoirs in the floodcontrol plan for the Mississippi River.

Mr. VANDENBERG. Mr. President, if the Senator will forgive me, the thing that perplexes me-and I might as well say it now as at any other time-is the sudden expansion, which we find in the Commerce Committee, of flood-control plans in areas that never were heretofore contemplated as being within Federal jurisdiction and with a basis of noncontribution which has no precedent.

In connection with some of the plans which are sifting in upon us, for example, I may illustrate by referring the

Senator to the Ohio witnesses who appeared at our last meeting, presenting a reservoir scheme in central Ohio which would substantially remove water from the Ohio River at flood time, but which never has been even surveyed by the engineers because it is a new comprehension and is a part of the new conception of a larger flood-control scheme.

I am just wondering, inasmuch as the figures are mounting to such Gargantuan size, whether or not in attempting to deal with one piece of property piecemeal we are not calculated to be exceedingly wasteful in net results as compared with the possibility of between now and next December perhaps having the advantage of just such a comprehensively created survey as I understand the President of the United States himself has in mind, so we might deal with the thing as a

Mr. ROBINSON. Mr. President, if the Senator from Louisiana will permit me, I think that is a very pertinent suggestion. However, in answer to the inquiry submitted by the Senator from Michigan, if I may in the time of the Senator from Louisiana make a statement, the view that underlies the so-called Overton bill is that no matter what plan may be worked out as to other areas, this plan is mature, essential. and indispensable, and any delay would merely protract the very long period which has already elapsed since the plan was adopted.

This plan would have been consummated and completed some time ago but for the fact that the original Jadwin plan located the spillway in what is known as the Boeuf Basin. and the owners of land within that basin were so dissatisfied with having that area made a floodway that the engineers simply did not proceed to carry out in its entirety the plan which was adopted in 1928. They were ordered in some instances to make a review of that feature of the so-called Jadwin plan, and the result is the Markham plan, which is incorporated in the bill of the Senator from Louisiana.

The Markham plan represents the conclusion of the engineers after the study had been made of the subject of reservoirs in relation to the lower Mississippi Valley and after the Jadwin plan or the Boeuf Basin floodway plan had been reviewed. The Markham plan is in lieu of a part of the Jadwin plan.

Mr. VANDENBERG. Mr. President, will the Senator yield? Mr. ROBINSON. I have not the floor.

Mr. OVERTON. I yield to the Senator from Michigan.

Mr. VANDENBERG. The Senator will see my point if I may say that obviously the measure of need for a spillway is reduced in proportion as effective reservoirs are created in the upper reaches of the stream and its tributaries. It seems to me that in our enlarged flood-control scope in the Commerce Committee we are now considering an infinitely larger measure of reservoirs in the upper reaches of the tributaries than was ever contemplated when this particular spillway scheme was devised and recommended.

So until we know the precise and conclusive extent to which a reservoir system is to be expanded, even beyond the Jadwin and the Markham plans, I am wondering how we can economically and conclusively determine the extent of the need for the spillway. That is the problem that is bothering me at the moment.

Mr. OVERTON. Mr. President, in response to the statement of the Senator from Michigan, I shall say to him that we have all the information that can possibly be given us upon that subject. We have back of the recommendations of General Markham, General Brown, General Jadwin, and the Mississippi River Commission an experience of over 200 years in fighting floods in the lower Mississippi Valley.

We have considered levees and we have considered floodways and we have considered reservoirs, and the Mississippi River Commission for over 50 years has been giving as constant and as thorough and as able study to that problem as has ever been given to any engineering problem in all the history of the United States. After 50 years' study by the Mississippi River Commission and after the study made by all these different Chiefs of Engineers, they come before the Senate today and say that reservoirs will not dispense with the necessity of levees; that reservoirs will not dispense with

the necessity of floodways; that there is only one solution of the problem of flood control in the lower Mississippi River Valley, and that is a system of levees built as high as it is practicable and economical and safe to build them, supplemented by the floodways recommended by the Army engi-

Now, let me read to the Senator from Michigan the statement by General Markham in that connection, made before the Senate Committee on Commerce when they had under consideration this particular bill:

As to the contention of those who think that the lower valley can be protected within the levees of the main stem, I would state our conclusion that in order to take care of floodwaters there must be taken out of the river a million cubic feet a second. There is no conclusion that in order to take care of floodwaters there must be taken out of the river a million cubic feet a second. There is no means that we know about of holding any such amount of water, except and unless the United States would take up reservoirs throughout the entire country and, for the single purpose of withholding water, expend about \$1,260,000,000. We said to the House committee last year that the reservoirs proposed for the Arkansas and the White Rivers, at, I think, an estimated cost of \$126,000,000, could be reckoned to withhold between 330,000 and 365,000 cubic second-feet, leaving still 700,000 or 650,000 cubic second-feet to be removed from the river by floodways.

If there is any other answer having to do with protection of the lower valley, we do not know it, we cannot uncover it, and we cannot discover it.

Let me supplement that statement with General Markham's written report. When General Markham submitted his report last year in connection with this project, he likewise submitted and endorsed the recommendations and the statements made by the Mississippi River Commission, which are as follows:

This Commission has submitted recently a separate report on a comprehensive system of tributary reservoirs for control of floods in the lower Mississippi River. In this report it was shown that, in connection with the existing levee system, substantially complete protection, except backwater areas, might be obtained by such a tributary reservoir system. Substantial local benefits would also be obtained. The cost is estimated at approximately \$1,250,000,000.

\$1,250,000,000.

A project of such magnitude and diversification, even if justified in its entirety, would require a long period of years to complete. Some of these reservoir projects have already been undertaken by the United States. The Commission recommended that, under certain conditions, others be undertaken by the United States for progressive construction over a period of years. With the reservoirs already under construction some reduction in flood discharges on the Mississippi River is anticipated. As additional reservoir projects are authorized and completed, progressive educations. reservoir projects are authorized and completed, progressive education in flood flows may be expected.

Mr. VANDENBERG. Mr. President, may I ask the Senator another question at that point, for information?

Mr. OVERTON. I yield.

Mr. VANDENBERG. When the Senator quotes the necessity for relief in terms of a million cubic second-feet or more, is it the annual flood need or the superflood need to which the engineers refer?

Mr. OVERTON. The million feet is the superflood need.

Mr. VANDENBERG. And, according to the engineers, are we to understand that they use "superflood" in the sense of the flood which they expect once in 16 years?

Mr. OVERTON. No; that is the maximum predicted flood. Let me say to the Senator, however, that in the judgment of the engineers the floodwaters of the lower valley can be retained within the leveed channels until the Mississippi River reaches a latitude opposite the mouths of the Arkansas and the White Rivers. When the Mississippi River reaches that point the leveed channels have a hydraulic capacity of only 2,000,000 cubic feet per second.

The flood of 1927 brought down into that area 2,477,000 cubic feet per second. The 1928 levees are built as high as they can safely be built; and when I say that the carrying capacity of the leveed channels of the Mississippi River from the mouth of the Arkansas on down to Red River is 2,000,000 second-feet, I mean the levees that are built to the 1928 grade and section, which represent the highest that it is practicable to build.

Any flood, whether it be called a maximum flood or a superflood or a major flood, which brings the waters of the Mississippi River down to the mouth of the Arkansas River in excess of 2,000,000 cubic feet per second, means a devastating flood in the lower reaches of that valley unless floodways are provided to take care of the excess waters.

Mr. VANDENBERG. Mr. President, as a matter of experience, how often does that happen?

Mr. OVERTON. It will happen once in 15 years, according to the judgment of the engineers. That is, it will be necessary to use these floodways once in 15 years, and another floodway-the Morganza floodway, lower down-probably once in 10 years.

Mr. ROBINSON. But, Mr. President, it is liable to happen at any time. The difficulty about the matter is that there is no way of determining in advance when it will happen

Mr. COPELAND. Mr. President-

Mr. OVERTON. I yield to the Senator from New York. Mr. COPELAND. There is one thing I can say which perhaps will assist the debate at this point.

I fear there is a misconception of what will be accomplished on the upper reaches of the Mississippi and the Ohio Rivers by such flood-control protection as we are seeking to provide. For example, if we spend the money to which we are giving consideration in connection with the pending omnibus bill, I do not want the people in Pittsburgh to think they are not going to get their feet wet the next time there is high water.

The most enthusiastic report I remember in connection with reservoir and dam control on the upper reaches of the Ohio and its tributaries, running up into my own State, is that the possible flood will be lowered about 5 feet. If we have sufficient rains to go beyond that point of protection, there will still be floods on the river. So my judgment is that all we may do over the period of the next quarter of a century on the upper reaches of the Mississippi system and the Ohio system will be materially to protect localities; but I think that in the last analysis there must be made some provision such as is made in the Overton bill to take care of the extreme cases when the water is unusually high.

Mr. OVERTON. I thank the Senator from New York for his contribution, and I agree with him in the statement he

Mr. VANDENBERG. Mr. President, will the Senator from Louisiana permit me to make a statement for which he will thank me also?

Mr. OVERTON. Indeed, I will; most cheerfully.

Mr. VANDENBERG. I have not the slightest opposition in the world to the successful completion of this superfloodcontrol program for Arkansas and Louisiana.

Mr. OVERTON. I am very glad to hear the Senator say so; but it is not altogether a superflood program.

Mr. VANDENBERG. I thought I could probably win a little commendation at that point. My only interest is in the problem as a whole which confronts the balance of the United States, which is the taxpaying portion of the United States, in respect not only to this problem but to the utterly enormous flood problem which is now flooding the Commerce Committee. If I seem to be rather eager for a comprehensive answer instead of a piecemeal answer, I trust the Senator will not think I am unfriendly to the thing for which he is pleading.

Mr. OVERTON. Let me say to the Senator from Michigan that I do not think he is unfriendly—at least I hope he is not unfriendly-toward my bill and the project which it proposes. But let me say to him that if it is economy he is thinking of, I present a plan, through the recommendations of the Army engineers, which will cost for its completion approximately \$272,000,000.

Mr. VANDENBERG. May I interrupt the Senator just once more at that point?

Mr. OVERTON. Let me finish the thought.

Mr. VANDENBERG. Very well.

Mr. OVERTON. As against that plan comes the suggestion that there be constructed reservoirs costing \$1,250,000,-000, and on top of that comes the report from the engineers that that will not dispense with the necessity not only of the levees, but also of the floodways. As against the \$1,250,000,000 plan, we have the \$272,000,000 plan.

Mr. VANDENBERG. Mr. President, I am assuming in our entire discussion of the matter that the Senator is proposing to present amendments to the bill as printed in line with our discussion which would lead to some warrantable and predictable limit of \$272,000,000 upon the pending bill. Am I correct in that?

Mr. OVERTON. The Senator is correct in that; and I shall say for the information of the Senator that at a well-attended meeting of the Committee on Commerce a few days ago, and just before he had reached the committee meeting, the committee considered those amendments, and authorized me to present them on the floor; and I expect to do so.

Mr. KING. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. KING. In the light of the statement just made by the Senator relative to the costs, and, as he contends, the economies which will be effectuated under his bill, may I be permitted to read the concluding paragraph of a letter written by General Markham dated March 6, 1936, addressed to the Senator from New York [Mr. COPELAND]?

Mr. OVERTON. Permit me to say, if I may interrupt the Senator, that that letter was written before the compromise amendments had been agreed upon between General Markham, Chief of Engineers, and myself and others interested in the bill, and now the Chief of Engineers has submitted those amendments in a letter, which I have had printed in the Record, and has stated that those amendments, if adopted, will remove all objections he and the Secretary of War have had to the bill as contained in that letter.

Mr. ROBINSON. Mr. President, the Senator intends to propose those amendments?

Mr. OVERTON. Indeed I do propose to submit them.

Mr. KING. Having started to read this paragraph, may I complete it?

Mr. OVERTON. Certainly.

Mr. KING. It reads:

It appears obvious that the total cost of the Overton bill is likely to be a very much larger sum than the \$275,000,000 authorization proposed. I am unable to estimate what the ultimate expense may be and thus can but state that it is indefinite and immeasurable.

The Senator states that amendments have been prepared since this letter was written. May I ask the Senator whether those amendments will make it clear that there are not uncertainties with respect to the cost of the projects? In other words, is he certain that with the adoption of the amendments he will offer the uncertainty with regard to the costs will be removed?

Mr. OVERTON. It will be removed to the satisfaction of the Chief of Engineers and of the Secretary of War.

Mr. VANDENBERG. And of the Senator from Michigan. Mr. OVERTON. And of the Senator from Michigan. I thank him for that contribution.

I did not think that under the original bill there would be the excessive costs which were dreaded by the Secretary of War and the Chief of Engineers. The Senator from Utah being a very able and distinguished lawyer, I may, perhaps, in a very few words, explain the disagreement between the Chief of Engineers and the committee in reference to that provision.

Section 12 of the bill provided for condemnation and acquisition of the flowage rights for these floodways by the Federal Government, and provided that for the properties so taken just compensation should be paid. That is the constitutional rule, as the Senator well knows, the Constitution declaring that no property shall be taken for public purposes without just compensation. It was my thought that any attempt on the part of Congress to limit that liability would be unconstitutional.

It was suggested by the Chief of Engineers and the Secretary of War that the bill should adopt as a yardstick for compensation the assessed values of the properties in Arkansas and in Louisiana where these floodways are to be constructed. In the first place, I considered that such a provision would be repugnant to the Constitution of the United States, because the Supreme Court of the United States has held that Congress has the authority to determine what property shall be taken, but it is for the courts to determine what

compensation shall be paid for the property so taken. The one is a legislative discretion; the other is a judicial function. The second objection was that assessed values do not reflect true values. They vary from State to State, from county to county, and from parish to parish.

We then prepared an amendment, and after considerable negotiation it was agreed upon, and the Senator from Utah will observe how it restricts the liability of the Government.

It is provided that the Eudora floodway and its northern extension and the Morganza floodway shall not be constructed until the Secretary of War has obtained options covering 75 percent of the value of these flowage rights, as estimated by him, at a cost not to exceed \$20,000,000. That provision has the effect of holding down the liability of the Federal Government. The floodways shall not be constructed unless 75 percent or more of the estimated value of the flowage rights can be obtained at a cost not to exceed \$20,000,000. Therefore it is estimated that the flowage rights and easements necessary to the construction of the floodways will not cost in excess of, say, \$30,000,000. The Senator from Utah can readily comprehend this constitutional method of limiting liability, and why it is that the Chief of Engineers in submitting the amendments to me stated that they removed all objection the Secretary of War had to the bill.

Mr. KING. Mr. President, will the Senator yield again? Mr. OVERTON. I yield.

Mr. KING. In view of the statement just made by the Senator and the statement made by the Senator from Arkansas a moment ago, may I call the attention of the Senator to what I understand to be the fact, that when the plan was first determined upon it embraced 1,200,000 acres. Because of objections made by residents of the section of the State affected, the Eudora plan was agreed upon in the pending bill. The point I am making is that as I understand the testimony-and I have only hastily glanced at it today—the lands which will be covered by water at some period in the Eudora floodway are worth approximately \$75 to \$100 per acre. If the full value were paid it would cost perhaps a hundred million dollars. I am wondering how the value will be determined, or how to obtain from the owners of the land an estimate of the damage that will reduce the hundred million to \$20,000,000 or less, the amount indicated by the Senator. In other words, is there any certainty that those people having those valuable lands—Senator Ransdell stated they have been the most valuable agricultural lands in the United States-will consent to have those lands under this perpetual menace? Is there any certainty that they can be persuaded to reduce the contemplated damage to \$20,000,000 so that they will give a perpetual easement for flowage rights over that vast area?

Mr. OVERTON. I am advised by those who are thoroughly familiar with the situation that there will be no difficulty in obtaining the flowage rights within the limitations to be proposed by the amendment.

Mr. VANDENBERG. Mr. President, will the Senator yield? Mr. OVERTON. I should like to make an additional observation before I yield. The Boeuf floodway contained within its area something over a million acres. Senators will understand that these floodways are leveed floodways. The levees are located, say, 10 miles or 9 miles or 7 miles apart, as the case may be. The Boeuf floodway proposed by General Jadwin took in more territory than the Eudora floodway. Eudora floodway has some eight-hundred-and-some-oddthousand acres in it. I cannot at the moment give the Senator the exact figure, but the Eudora floodway and the Morganza floodway and the northern extension of the Eudora floodway combined contain approximately 1,000,000 acres. These floodways are so located as not to take in the most valuable land. On the contrary, they are so located as to take in the least valuable land. The land within the confines of the proposed Eudora floodway is 75-percent woodland and uncultivated land, and only 25 percent is cultivated, and that notwithstanding the fact that it lies within this rich alluvial valley. It is because the Eudora floodway is so laid out that it is going to follow down the Tensas Basin, and will run through a large portion of land which is swamp or woodland.

Therefore the cost will not be nearly so great as perhaps the Senator from Utah [Mr. KING] anticipates it will be. The same is true with respect to the Morganza floodway and the floodways of the Atchafalaya River.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. ROBINSON. The Senator from Utah, of course, understands that it is not proposed to take the land. What is proposed to be taken is an easement or a flowage right, and under those circumstances the amount that would have to be paid for the easement would be much less than the full value of the land.

I see in the proposition which the Senator from Utah has raised considerable difficulty.

It is one, however, which would arise in any plan which might be agreed to, namely, effecting the prompt and amicable arrangements for the acquisition of these rights-of-way. But the theory of the bill is, as I understand it, that local institutions and agencies of the State, such as levee districts, will be used to secure these grants within limits that would bring the aggregate amount of the 75 percent of the grants within \$20,000,000. Then as to the other 25 percent, recognizing the fact that there will be some-perhaps many-who will not be quick to make contracts, the Chief of Engineers must proceed in court to condemn.

Mr. OVERTON. Mr. President, in other words, we will not let a small minority interfere with the execution of the

Mr. ROBINSON. Yes; but it will be only as to 25 percent. If he should fail to get the 75 percent within the limitations

provided in the bill, the whole project would fail. Mr. OVERTON. Let me say to the Senator from Utah further in this connection that although these floodways necessarily run through Louisiana, yet the people of that State, after so many generations, having been afflicted with these devastating floods, are willing patriotically to cooperate with the Federal Government in the granting of the necessary rights and easements for levees and for floodways in order that that valley may be protected from further floods. I understand that, for instance, down in the Atchafalaya River there is scarcely any property owner who objects to granting, for a reasonable price, flowage rights in the Morganza and the West Atchafalaya floodways. I further understand that the majority of the people in the Eudora floodway favor the construction of the Eudora floodway, and that they are not going to ask such excessive prices as to operate as a stumbling block in the acquisition of the necessary rights for the construction of the Eudora.

Now I yield to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, the Senator has stated that the amendments which he is submitting will bring the bill into complete harmony with the viewpoint of the engineers. If that is so, that is conclusive so far as I am concerned. I desire to ask the Senator specifically if his amendments have cured the Secretary of War's complaint and the Chief of Engineers' complaint against section 5 of the original bill.

Mr. OVERTON. It has not. That is excepted in the letter written by the Secretary of War. The provisions of section 5 represent a project which has been recommended by the Mississippi River Commission. It is not recommended by the Chief of Engineers. I shall get to that later, unless the Senator desires me to discuss that one particular project at the present time.

Mr. VANDENBERG. No; except that I should like to have it clear in my mind as to what the status is. I am afraid I did not understand the Senator. Am I to understand that, so far as the War Department's objection to section 5 of the original bill is concerned, it still stands against the Overton bill as it will be amended?

Mr. OVERTON. Yes; it still stands.

Mr. KING. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. KING. I invite the Senator's attention-and I ask him for information-to the letter of the Secretary of War, which seems to be without date, addressed to the Senator from New York [Mr. Copeland], with respect to section 12.

Mr. OVERTON. Mr. President, that objection has been removed, I may say to the Senator from Utah, by the amendment which has been agreed upon between the Chief of Engineers, myself, as the author of the bill, and the

Mr. KING. Will it remove the objection which I infer is leveled against the bill, found in the following sentence:

This responsibility will involve claims not only for the flood-ways proper, but for the Red River backwater area, and for the lands frequently overflowed in the lower Atchafalaya Basin from south of Krotz Springs to the Gulf of Mexico. It will also involve the damage claims for railways, highways, pipe lines, telegraph, telephone, and power lines, and other utilities. Timber interests in the lower Atchafalaya Basin and elsewhere have advanced the claim that proposed modification of overflow conditions will injure timber growth. timber growth.

Will the objections which are offered in the light of this challenge to section 12 by the Secretary of War be removed by the amendment which the Senator tenders?

Mr. OVERTON. Of course, the Senator will understand that that report made by the Secretary of War was prepared by the Chief of Engineers. The Chief of Engineers has written to me, stating as follows:

Dear Senator Overton: You will find enclosed a copy of S. 3531, entitled "A bill to amend the act entitled 'An act for the control of floods on the Mississippi River and its tributaries, and for other purposes', approved May 15, 1928", into which have been incorporated certain amendments, as follows:

(1) A complete revision of section 7.

(2) An amendment to section 10.

(3) A complete redraft of section 12.

This bill with these amendments avecant as to section 5, each

This bill, with these amendments, except as to section 5, conforms to the views of the Chief of Engineers, and, in my opinion, satisfies the objections urged to the bill in the report thereon made by the Secretary of War.

Does that answer the Senator's question?

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names.

Adams	Coolidge	Keves	Reynolds
Ashurst	Copeland	King	Robinson
Austin	Couzens	La Follette	Russell
Bachman	Davis	Lonergan	Schwellenbach
Bailey	Dickinson	Long	Sheppard
Barbour	Dieterich	McAdoo	Shipstead
Benson	Donahey	McGill	Smith
Bilbo	Duffy	McKellar	Steiwer
Black	Fletcher	McNary	Thomas, Okla.
Bone	Frazier	Maloney	Thomas, Utah
Borah	George	Metcalf	Townsend
Brown	Gerry	Minton	Truman
Bulkley	Gibson	Moore	Tydings
Bulow	Glass	Murphy	Vandenberg
Burke	Guffey	Murray	Van Nuys
Byrd	Hale	Neely	Wagner
Capper	Harrison	Norris	Walsh
Caraway	Hastings	Nye	Wheeler
Carey	Hatch	O'Mahoney	White
Chavez	Hayden	Overton	
Clark	Holt	Pittman	
Connally	Johnson	Radcliffe	

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present. The Senator from Louisiana will proceed.

Mr. OVERTON. Mr. President, recurring to the necessity of constructing floodways, I desire to read a statement made by General Markham during the hearings by the Senate Commerce Committee when it had under consideration, as it still has, for that matter, the omnibus flood-control bill. I propounded this question to General Markham:

I want to ask you the direct question, and I think you have already given an unequivocal answer to it: Can floods in the lower Mississippi Valley be controlled successfully without the construction of either the Boeuf or the Eudora floodways?

General Markham. They cannot be.

Senator Overton. And after you and the Army engineers and the Mississippi River Commission have made a further study of this situation, you have come to the conclusion that the Eudora floodway, as a substitute, is better than the Boeuf floodway?

General Markham. For the reasons that I stated early this

morning.

Senator Overton. It is more economical; it is less damaging; it takes in less property?

General Markham. It has a higher conservation in it.

Further in the hearings, on page 65, General Markham | testified as follows:

Senator Overton. Therefore neither the combination of the use of cut-offs nor of reservoirs on the White and Arkansas Rivers will suffice to keep sufficient water out of the main channel, or so increase the hydraulic energy of the Mississippi River proper as to dispense with the Eudora floodway?

General MARKHAM. We think not.

Mr. President, I think I have covered the question of floodways, viewed from the standpoint of the necessity of their construction and of their operation.

I wish to say, as a Senator from Louisiana, that if I had not reached the deliberate judgment that these floodways are not necessary. I certainly would not have incorporated them in any bill or advocated them in any bill that provided for their construction. Why? Because these floodways are all located on Louisiana soil. The Eudora floodway starts in southeastern Arkansas, flows down through southeastern Arkansas and eastern Louisiana into the Red River backwater area, and thence on down into the Atchafalaya floodway, where the water is taken into the Gulf of Mexico.

The Atchafalaya floodways are located exclusively on Louisiana soil. The Bonnet Carre floodway is located exclusively on Louisiana soil. The reason is that the hills on the east side of the Mississippi River come down to the river so that these floodways and diversion channels cannot be constructed on the east side of the river, but must be constructed upon the west side of the river.

I wish now to invite the attention of the Senate to what has been done under the Jadwin plan, and as I proceed I shall undertake to show what is proposed under the modifications suggested by General Markham. On the wall of the Chamber is a map showing this great project. It starts at Cape Girardeau, which is located at the top of the map, and extends down to the head of the passes at the Gulf of Mexico. There has been constructed at the head of that alluvial valley a floodway known as the Birds Point-New Madrid floodway. This is not a diversion channel, for the reason that the water which will be emptied into this floodway will go back into the Mississippi River at its southern end. levees on the Mississippi River from Cape Girardeau down to the White and Arkansas Rivers have been practically completed.

To the right of the descending bank of the Mississippi River on its west side is the St. Francis River. That river is an alluvial plain river. It runs parallel to the Mississippi River. That area is now successfully protected from the floodwaters of the Mississippi River by the levees which have been constructed on it under the adopted plan. But that territory is subject to frequent floodage by the waters of the St. Francis River. It is futile, Mr. President, for the Government to protect that territory with these expensive levees on the west side of the Mississippi River opposite the St. Francis Basin and then permit that territory to be flooded by the waters of the St. Francis River. Therefore, General Markham and the Mississippi River Commission have suggested, as a modification of the plan, that floodcontrol works be constructed on the St. Francis River at a cost of \$16,000,000. The people in that area have taxed themselves to the extent of \$20,000,000 to provide protection from the floods of the Mississippi River. They are not getting protection on account of the territory being flooded by the waters of the St. Francis.

The same is true in respect to the Yazoo Valley. Yazoo River is another river which is an alluvial plain river. It parallels the Mississippi River. The people in that valley have contributed the great sum of \$50,000,000 in undertaking to protect themselves from the floodwaters of the Mississippi River, but after they have obtained this protection they are still subject to overflow in that rich Mississippi Delta country by the floodwaters of the Yazoo. Therefore, General Markham has suggested that the Jadwin plan be further modified by the construction of flood-control works in the Yazoo Valley at a cost of around \$48,000,000.

What is proposed to be done in order to protect those great, rich, and fertile basins, the St. Francis and the Yazoo,

was done, Mr. President, under the Jadwin plan in order to protect the Tensas Basin. In order to rescue the Tensas Basin from floodage, levees were constructed on the south banks of the Arkansas River, from Pine Bluff to its mouth, up to 1928 grade and section. These levees insure the safety of all the area extending from the south bank of the Arkansas River down to the Red River backwater area in central Louisiana. That territory was protected by the levees of the Mississippi River. After being so protected, they were in constant menace of being overflowed by the waters of the Arkansas River. For a similar reason a line of levees was likewise constructed on the south bank of the Red River in order to protect from overflow not only the valley of the Red River but also the valley of the Atchafalaya River not taken up by the floodways.

I requested General Markham to write to me stating exactly his view in reference to the construction of floodcontrol works on the Yazoo and on the St. Francis, because the objection had been made in the course of the hearings that if these tributary rivers were to obtain flood protection, all other tributaries on the Mississippi River should likewise be embraced within the plan. I read the letter of General Markham, written to me under date of March 12, 1936, as follows:

Dear Senator Overton: I am in receipt of your letter of March 11, 1936, saying that flood-control works by the Federal Government had been recommended by me on the Yazoo and St. Francis Rivers and asking me to differentiate these two tributaries from such tributaries as the White and Arkansas Rivers in their respective relation to the flood-control plan recommended by me.

My report of February 12, 1935, recommends flood-control works in the alluvial valley of the Mississippi River. Laws enacted and precedents set by Congress indicate a material Federal interest in the alluvial valley of the lower Mississippi.

The St. Francis River flows through a large area west of the Mississippi River near the head of and within the alluvial valley. Some 4.684 square miles in the St. Francis Basin have been protected by levees from Mississippi floods, the residents of the basin contributing \$20,000,000 toward the work. Nearly one-half of this area is still subject to flooding from the headwaters of the St. Francis River. The Yazoo Basin is a large lowland area within the alluvial valley on the east side of the Mississippi River. The Yazoo River drains this area. Some 4,900 square miles of this territory have been protected by levees from Mississippi floods. The inhabitants of the basin have contributed over \$50,000,000 toward the execution of these works. Part of the s50,000,000 toward the execution of these works. Part of the area, however, is subject to floods from the Yazqo itself, since the discharge capacity of the channels of that river in the low-lands is insufficient to carry off the flood waters. Approximately \$20,000,000 have been expended by a number of local districts to remedy this flood situation, but the work accomplished has been insufficient. ineffective.

Under the provisions of section 7 of the Flood Control Act of May 15, 1928, the United States has repeatedly expended funds for the repair of flood-control works along the St. Francis and Yazoo

Rivers. These periodic expenditures indicate that it would be advantageous to permanently correct the situation along these rivers. The above-described conditions with respect to the St. Francis and Yazoo Rivers place these rivers in a category different from tributaries outside of the alluvial valley of the Mississippi River.

Mr. VANDENBERG. Mr. President, will the Senator

Mr. OVERTON. I yield.

Mr. VANDENBERG. Is the White River considered to be in the alluvial valley?

Mr. OVERTON. It is not, except in reference to its lower

Mr. VANDENBERG. Am I correct in my information that the White River project has not yet been finally approved by the Board of Engineers?

Mr. OVERTON. The Senator is correct.

Mr. VANDENBERG. But it is included in the pending Overton bill. Is that correct?

Mr. OVERTON. I thought the Senator was referring to the reservoirs on the upper White River.

Mr. VANDENBERG. I am.

Mr. OVERTON. Those reservoirs are located in the upper reaches. They are in the alluvial plain. They are not inincluded in this bill.

The next provision of the pending bill, which undertakes to modify the Jadwin plan, is the construction of the White River reservoir. This is not a detention reservoir in the sense of accumulating floodwaters that flow down into the main stem of the Mississippi River. That reservoir is an emergency reservoir located at or near the mouth of the White River down in the alluvial plain.

The purpose of that reservoir is simply this: When the crest of the Mississippi River flood stage is critically high, at the proper crucial moment, through a controlled intake, the reservoir will be opened, and the water will flood the area contained within the reservoir. That will have the effect of reducing the flood stage anywhere from 4, 5, or 6 inches to 2 feet, depending upon the duration of the flood.

It is readily conceivable that if the flood should last for some time after that reservoir had been filled, it would lose its effect on reducing the flood levels; but when the crest stage is of comparatively short duration it will have a very substantial effect on reducing the flood levels of the Missis-

Mr. VANDENBERG. Mr. President, may I ask the Senator a further question?

Mr. OVERTON. The Senator may.

Mr. VANDENBERG. As I understand, the pending Overton bill, in respect to the White River sector, abandons any requirement for contributions. Is that correct?

Mr. OVERTON. In the construction itself; yes. The local interests are to relieve the Government of any damage. They are to provide, without any cost to the United States Government, all the flowage rights rendered necessary whenever the reservoir is used. They are to provide all other easements. The sole burden that will be placed upon the Federal Government in respect to the White River reservoir will be the cost of construction, and that only.

Mr. VANDENBERG. May I ask the Senator one further question? To what extent is that a departure from the traditional method of dealing with flood control in this area? Is it any departure?

Mr. OVERTON. In my humble judgment, it is not a departure. We have, on down the valley, what are commonly known as backwater areas. They are unleveed. There in my own State of Louisiana is the great Red River backwater area. That is not leveed, or only partially leveed. It is left open as a reservoir to hold an appreciable amount of floodwaters of the Mississippi River. The White River Reservoir is to serve that purpose, and I think in a much more effective way, because it is to be used at the critical, crucial moment when the flood stage is high on the Mississippi River. Then the intake of the White River Reservoir will be opened, allowing the spilling of the waters from the Mississippi and the White Rivers into the reservoir, and thereby reducing the flood stages, just as other backwater areas reduce the flood stages.

Mr. ROBINSON. Mr. President, will the Senator yield at that point?

Mr. OVERTON. I yield.

Mr. ROBINSON. And this reservoir, being located close to the river, will reduce the high-stage level more than perhaps any other reservoir that could be established in the alluvial valley.

Mr. OVERTON. In my opinion, more than any other single reservoir.

Mr. ROBINSON. I recall that while the Mississippi River Commission did not estimate the reduction to be so much, the chief engineer of Louisiana, Mr. Jacobs-who, as the Senator knows, is a very great engineer—estimated that the effect of the White River Reservoir would be to reduce the level of the river somewhere in the neighborhood of 2 feet, which, of course, is a very great amount at a time of high-

Mr. OVERTON. Indeed, as General Markham has observed, perhaps a reduction of 6 inches would save the situation at a critical time.

Mr. ROBINSON. The lowest estimate was six-tenths of a

Mr. OVERTON. That was the lowest estimate. Mr. ROBINSON. The highest was 2 feet.

Mr. KING. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. KING. Perhaps I am disturbing the continuity of the Senator's observations.

Mr. OVERTON. Not at all.

Mr. KING. I was called from the Chamber; but I was interested in the statement of the Senator when he was describing the flow of the river and the failure of the construction of reservoirs in the upper reaches of the Missouri and Mississippi Rivers to mitigate conditions, or at least to save the situation in Louisiana. I do not quite understand it.

It seems to me that if an adequate number of reservoirs were constructed, beginning up in the Rocky Mountains with the Missouri River, and then up in Minnesota and Wisconsin with the Mississippi River, and those reservoirs were adequate to hold back the floodwaters, there would be no menace to the lowlands in Louisiana and to the lands which are expected to be protected by the project which is now under consideration.

Mr. OVERTON. I may say to the Senator that that observation is in conflict with the thoroughly studied views of the Mississippi River Commission and of the Corps of Army Engineers. After studying the Mississippi River for years and years and years, they have come to the conclusion that the only sure plan and the only safe plan by which the lower valley can be protected is not by reservoirs but by the construction of levees as high as they can be built safely and economically, to be supplemented by the construction of

General Markham, in his statement which I read awhile ago-perhaps the Senator was not present-stated, after I put that theory to him, that this plan of levees and floodways was the only answer that the Mississippi River Commission and the Corps of Army Engineers had been able to discover, or to uncover, or to make.

Mr. KING. Is it not a fact, however, that the major part of the waters of the Mississippi River, let us say at the lower part of the State of Missouri and the beginning of the State of Arkansas, come from the Mississippi and the Missouri Rivers? In other words, are not the main tributaries, so far as the floods down in Louisiana are concerned, attributable to the Mississippi and the Missouri Rivers, in contradistinction to the White River, or the Ohio River, or any other of the tributaries?

Mr. OVERTON. No; our greatest floods come from the Ohio River.

Mr. ROBINSON. Just the reverse is true in the lower valley. The tributaries which contribute to the floods are the Ohio, the White, the Arkansas, the Red, and some others.

Mr. OVERTON. The Ohio is the principal offender.

Mr. KING. More so than the Mississippi?

Mr. OVERTON. The Mississippi takes in the Ohio, because, of course, as the Senator well knows, the Ohio is tributary to the Mississippi.

Mr. KING. Of course, I understand that.

Mr. OVERTON. I shall give the Senator my thought about this whole matter of reservoirs. Down in the lower valley there is a bottleneck through which these flood waters have to pour. It will remain a bottleneck, a dangerous, superflooded bottleneck, unless we secure a method of permanently diverting a certain amount of water from the Mississippi River. It will remain a serious, unsolved problem until we divert the surplus waters of the Mississippi River into the Gulf of Mexico through other channels.

Why is that? Into that bottle neck there comes the run-off from an area which extends from the Alleghenies to the Rocky Mountains, which extends from western New York to far-off Montana. It is an area drained by thousands upon thousands of streams and rivulets, which find their way into various tributary rivers and thence into other and larger tributaries and thence into the Mississippi itself, and this accumulated flow in times of great precipitation comes from this vast area, covering 41 percent of the entire continental United States, embracing in whole or in part 31 or more States of the Union. It comes, in the flood stages, right down into the lower valley and into that necessarily narrow channel

represented by the Mississippi River with the levees on both sides.

What is to be done? Are reservoirs to be constructed from New York to Montana in order to hold back these floodwaters? My answer to that is that it would take years and years and years, and the only successful way to do it would be by spending not merely the \$272,000,000 represented by the pending bill but by expending far in excess of a billion dollars.

The further answer is that the engineers reported at the last session of Congress, in a written report entitled "A Comprehensive Study of Reservoirs on the Tributaries of the Mississippi River", that these reservoirs if constructed could not be used for anything else but detention reservoirs; that they could not be used for purposes of manufacturing power, that they could not be used for purposes of irrigation, that they would be constructed and exist merely as a negative and restraining influence, and would have no constructive force and uses in upbuilding the areas in which they are located.

Mr. ROBINSON. Mr. President, would the Senator from Louisiana care to suspend his remarks now and let us take a recess?

Mr. OVERTON. I should be glad to do so.

UNITED POCAHONTAS COAL CO.-VETO MESSAGE (S. DOC. NO. 195)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed, as follows:

To the Senate:

I return herewith, without my approval, S. 2697, entitled "An act for the relief of the United Pocahontas Coal Co., Crumpler, W. Va."

This bill authorizes and directs the Secretary of the Treasury and/or the Commissioner of Internal Revenue to receive and consider, without regard to any statute of limitations, any claim filed by the United Pocahontas Coal Co., of Crumpler, W. Va., within 6 months after passage of the bill, for the refund of any income and excess-profits taxes overpaid by the company for the year 1919. The bill would authorize and direct the refund of such taxes regardless of the fact that the period of limitations for filing such claim by this taxpayer has long since expired.

On several occasions there have been submitted to me other bills which proposed to except certain taxpayers from the operation of the statutes of limitations pertaining to the revenue laws by extending the time for the refunding of amounts paid by such taxpayers. On those occasions I expressed my accord with the enacted policy of Congress that it is sound to include in all revenue acts statutes of limitations, by the operation of which, after a fixed period of time, it becomes impossible for the Government to collect additional taxes or for the taxpayer to obtain a refund of an overpayment of taxes. I pointed out in each instance that such legislation selects a small class of taxpayers for special treatment by excepting them from that policy, thus discriminating against the whole body of Federal taxpayers, and establishing a precedent which would open the door to relief in all cases in which the statute operates to the prejudice of a particular taxpayer, while leaving the door closed to the Government in those cases in which the statute operates to the disadvantage of the Government.

In this regard the instant measure, S. 2697, does not differ in principle from the bills which were under consideration on those prior occasions. I know of no circumstances which would justify the exception made by S. 2697 to the long-continued policy of Congress. Again I must express my belief that the field of special legislation should not be opened to relieve special classes of taxpayers from the consequences of their failure to protect their claims for the refund of taxes within the period fixed by law.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 16, 1936.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing a nomination, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the Committee on Appropriations, reported favorably the nominations of the following persons to be State directors of the Public Works Administration:

P. Francis Hopkins, Iowa; Robert A. Radford, Minnesota; John Hirst Caton, 3d, Rhode Island; James A. Anderson, Virginia; and Malcolm L. O'Neale, West Virginia.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of Brig. Gen. Newell Castle Bolton, Ohio National Guard, to brigadier general, National Guard of the United States.

He also, from the same committee, reported favorably the nominations of sundry officers for appointment in the Regular Army.

He also, from the same committee, reported favorably the nominations of sundry officers for appointment, by transfer, in the Regular Army.

He also, from the same committee, reported favorably the nomination of Capt. Donald Van Niman Bonnett, Infantry, to be major in the Regular Army from March 1, 1936.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

PUBLIC WORKS ADMINISTRATION

The legislative clerk read the nomination of Alvin D. Wilder, of California, to be State director in California.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Forrest M. Logan, of Indiana, to be State director of Indiana.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George H. Sager, Jr., of Kentucky, to be State director in Kentucky.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Louis A. Boulay, of Ohio, to be State director in Ohio.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William F. Cochrane of South Dakota, to be State director in South Dakota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Richard A. Hart, of Utah, to be State director in Utah.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Eugene R. Hoffman, of Washington, to be State director in Washington.

The VICE PRESIDENT. Without objection, the nomination is confirmed. That completes the calendar.

RECESS TO MONDAY

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate took a recess until Monday, April 20, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 17 (legislative day of Feb. 24), 1936

APPOINTMENT IN THE REGULAR ARMY

MEDICAL CORPS

To be first lieutenant with rank from date of appointment First Lt. Howard Amos Van Auken, Medical Corps Reserve.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO CAVALRY

Second Lt. David Lyon Hollingsworth, Infantry, with rank from June 12, 1934, effective June 20, 1936.

PROMOTIONS IN THE REGULAR ARMY

TO BE LIEUTENANT COLONEL

Maj. Thomas Bernard Larkin, Corps of Engineers, from April 11, 1936.

TO BE MAJOR

Capt. Gordon Hall Steele, Quartermaster Corps, from April 11, 1936.

MEDICAL CORPS

To be colonels

Lt. Col. Albert Sidney Bowen, Medical Corps, from April 15, 1936.

Lt. Col. Ernest Robert Gentry, Medical Corps, from April 16, 1936.

Lt. Col. Roy Cleveland Heflebower, Medical Corps, from April 17, 1936.

Lt. Col. George Martin Edwards, Medical Corps, from April 18, 1936.

POSTMASTERS

ALABAMA

Grace Ward to be postmaster at Brent, Ala., in place of W. W. James. Incumbent's commission expired February 8, 1936.

Cora A. Lee to be postmaster at Town Creek, Ala., in place of E. E. Etheredge. Incumbent's commission expired February 9, 1936.

Maggie Winningham to be postmaster at York, Ala., in place of Maggie Winningham. Incumbent's commission expires May 19, 1936.

ALASKA

Mrs. Owen E. Meals to be postmaster at Valdez, Alaska, in place of Mrs. O. E. Meals. Incumbent's commission expired March 10, 1936.

ARIZONA

Paul D. Snyder to be postmaster at Ajo, Ariz., in place of P. D. Snyder. Incumbent's commission expires June 1, 1936. John R. Livingston to be postmaster at Chloride, Ariz., in place of J. R. Livingston. Incumbent's commission expired

January 22, 1936.

Francis K. Pomeroy to be postmaster at Mesa, Ariz., in place of H. M. Hall. Incumbent's commission expired January 7, 1936.

James A. Metzger to be postmaster at Grand Canyon, Ariz., in place of J. A. Metzger. Incumbent's commission expired April 14, 1936.

Martin Layton to be postmaster at Safford, Ariz., in place of J. R. Welker. Incumbent's commission expired January 7, 1936.

Charles G. Montgomery to be postmaster at Whiteriver, Ariz., in place of C. G. Montgomery. Incumbent's commission expired January 7, 1936.

ARKANSAS

Albert L. White to be postmaster at Lepanto, Ark., in place of E. A. Murphy. Incumbent's commission expired February 5, 1936.

Kenneth W. Crook to be postmaster at Pangburn, Ark., in place of J. J. Capps. Incumbent's commission expires July 7, 1936.

CALIFORNIA

George M. Belles to be postmaster at Bloomington, Calif., in place of T. T. Workman, Incumbent's commission expires April 27, 1936.

Ira H. Arbuckle to be postmaster at Clovis, Calif., in place of R. E. Thomas. Incumbent's commission expired February 9, 1936.

Mary B. Janeiro to be postmaster at Decoto, Calif., in place of J. L. Olson. Incumbent's commission expired January 9, 1936.

Dwight E. Knapp to be postmaster at Garberville, Calif., in place of D. E. Knapp. Incumbent's commission expires June 1, 1936.

Lillie Evadell Chapman to be postmaster at Gerber, Calif., in place of M. H. Parsons. Incumbent's commission expired March 17, 1936.

Lillian G. Brackett to be postmaster at Geyserville, Calif., in place of L. G. Brackett. Incumbent's commission expired January 9, 1936.

William R. Bernard to be postmaster at Gonzales, Calif., in place of C. H. Coffey, Jr. Incumbent's commission expires April 27, 1936.

V. Betty Doheney to be postmaster at Hynes, Calif., in place of T. J. Brown. Incumbent's commission expired March 10, 1936.

Clarence Taylor Manville to be postmaster at Lawndale, Calif., in place of M. W. Bessom. Incumbent's commission expires May 10, 1936.

Claude T. Gadwood to be postmaster at Los Molinos, Calif., in place of I. B. Jones. Incumbent's commission expired January 26, 1936.

Rose C. Tarwater to be postmaster at Murrieta, Calif., in place of A. K. Small. Incumbent's commission expired March 17, 1936.

Delmo Bernard Badasci to be postmaster at Riverdale, Calif., in place of William Henson. Incumbent's commission expires June 1, 1936.

Cornelius D. Mangan to be postmaster at St. Mary's College, Calif., in place of J. J. O'Connor, resigned.

Hazel E. Avise to be postmaster at Walnut Creek, Calif., in place of H. E. Avise. Incumbent's commission expired January 9, 1936.

Harold E. Rous to be postmaster at Yucaipa, Calif., in place of W. J. Murray. Incumbent's commission expired January 26, 1936.

COLORADO

John Bowman to be postmaster at Aspen, Colo., in place of T. F. Beck. Incumbent's commission expires April 27, 1936.

Christella N. Funk to be postmaster at Calhan, Colo., in place of P. P. Huston, removed.

William Jacob Pings to be postmaster at Carbondale, Colo., in place of W. L. Thurston. Incumbent's commission expires June 20, 1936.

Vernon Peiffer to be postmaster at Cripple Creek, Colo., in place of R. A. Weisgerber, deceased.

Harry K. Balvin to be postmaster at Elizabeth, Colo., in place of A. A. Blazer. Incumbent's commission expired March 18, 1936.

Martin J. Dugan to be postmaster at Fleming, Colo., in place of C. L. Rudel. Incumbent's commission expired January 28, 1936.

Arthur S. Gustafson to be postmaster at Fort Lupton, Colo., in place of A. G. Johnson. Incumbent's commission expired January 22, 1936.

William M. Jones to be postmaster at Hugo, Colo., in place of C. D. Hathaway. Incumbent's commission expired February 17, 1936.

James Fenolia to be postmaster at Louisville, Colo., in place of L. D. Watson. Incumbent's commission expired February 26, 1936.

Charles Leonard Drage to be postmaster at Lyons, Colo., in place of C. V. Engert. Incumbent's commission expires June 20, 1936.

Dacie S. Johnson to be postmaster at Mount Harris, Colo., in place of J. H. Mallot, resigned.

Wright O. Ball to be postmaster at Meeker, Colo., in place of T. B. Scott. Incumbent's commission expired March 18, 1936.

James M. McLearn to be postmaster at Rifle, Colo., in place of J. R. Munro. Incumbent's commission expired March 18, 1936.

CONNECTICUT

Robert M. Smith to be postmaster at East Haddam, Conn., in place of Marshall Emmons. Incumbent's commission expired March 10, 1936.

Edmond J. Jodoin to be postmaster at Jewett City, Conn., in place of P. W. Chase. Incumbent's commission expired January 9, 1936.

Gertrude C. Wood to be postmaster at Noroton, Conn., in place of M. C. Kelly. Incumbent's commission expires June

Thomas F. Murray, to be postmaster at Noroton Heights, Conn., in place of J. V. Golden. Incumbent's commission expires May 23, 1936.

Walter P. Moran to be postmaster at Norwich, Conn., in place of C. K. Bailey. Incumbent's commission expired January 9, 1936.

Arthur W. Carmody to be postmaster at Sandy Hook, Conn., in place of A. C. Tucker, resigned.

Daniel P. Hurley to be postmaster at Terryville, Conn., in place of C. B. Emery. Incumbent's commission expires April 27, 1936.

DELAWARE

James L. Smith to be postmaster at Greenwood, Del., in place of W. H. Morris. Incumbent's commission expired February 9, 1936.

GEORGIA

C. Leland Paris to be postmaster at Alpharetta, Ga., in place of R. A. Waters. Incumbent's commission expired January 7, 1936.

Virginia E. Holder to be postmaster at Jefferson, Ga., in place of V. E. Holder. Incumbent's commission expired March 22, 1936.

D. Alton Willis to be postmaster at Meigs, Ga., in place of Effie Hambleton. Incumbent's commission expired January 7, 1936.

Seaborn H. Coker to be postmaster at Sycamore, Ga., in place of S. H. Coker. Incumbent's commission expired March 29, 1936.

HAWAII

Solomon Burke to be postmaster at Honokaa, Hawaii, in place of M. S. Botelho. Incumbent's commission expired May 29, 1934.

IDAHO

Stella Hurst to be postmaster at Carey, Idaho. Office became Presidential July 1, 1935.

ILLINOIS

Clarence D. Lawson to be postmaster at Aledo, Ill., in place of W. G. Black. Incumbent's commission expired January 7, 1936.

John M. Vandaveer to be postmaster at Greenfield, Ill., in place of G. F. Batty. Incumbent's commission expires April 27, 1936.

Helen C. Mowen to be postmaster at Macon, Ill., in place of D. M. Uphaus. Incumbent's commission expired January 28, 1936.

Clare A. Ruffner to be postmaster at Mason, Ill., in place of C. L. Hodge, removed.

Herman J. Hemann to be postmaster at New Baden, Ill., in place of William Georger. Incumbent's commission expires April 27, 1936.

INDIANA

James C. McKillip to be postmaster at Charlestown, Ind., in place of H. C. Dodd. Incumbent's commission expires July 13, 1936.

Oscar J. Fueger to be postmaster at Chrisney, Ind., in place of James Adams. Incumbent's commission expired February 5, 1936.

Merlyn R. Elliott to be postmaster at Dale, Ind., in place of J. H. Medcalf. Incumbent's commission expired February 5, 1936.

Frank M. Davis to be postmaster at Fort Branch, Ind., in place of A. E. Dill. Incumbent's commission expired January 9, 1936.

Eugene W. Felkner to be postmaster at Milford, Ind., in place of C. D. Barnes. Incumbent's commission expired January 9, 1936.

Lester B. Dickey to be postmaster at Parker, Ind., in place of P. H. Moulton. Incumbent's commission expired January

Paul D. Pugh to be postmaster at Upland, Ind., in place of O. C. Bowen. Incumbent's commission expired February 5, 1936.

Thelma F. Shuff to be postmaster at Van Buren, Ind., in place of W. W. Creviston. Incumbent's commission expired February 17, 1936.

Russell J. Dunn to be postmaster at Waterloo, Ind., in place of C. H. Fee. Incumbent's commission expired December 20 1934.

Ruby G. Nusbaum to be postmaster at Winona Lake, Ind., in place of W. I. Ellison. Incumbent's commission expired March 10, 1936.

IOWA

Sydney B. Dailey to be postmaster at Allison, Iowa, in place of Eugene Owen. Incumbent's commission expired April 12, 1936.

Frances F. Baldwin to be postmaster at Cascade, Iowa, in place of J. T. Bevan. Incumbent's commission expired April 12, 1936.

Charles J. Murphy to be postmaster at Chester, Iowa, in place of Freddie Baldwin. Incumbent's commission expired February 19, 1936.

Clarence L. Herren to be postmaster at Clarinda, Iowa, in place of A. B. Clark. Incumbent's commission expired March 29, 1936.

John F. Alexander to be postmaster at Conrad, Iowa, in place of W. E. Clayman. Incumbent's commission expired April 12, 1936.

Herbert L. Smith to be postmaster at Dewitt, Iowa, in place of H. A. Grantham. Incumbent's commission expires April 29, 1936.

A. George Ross to be postmaster at Doon, Iowa, in place of R. R. Ray. Incumbent's commission expired January 12, 1936.

Kathryn D. Finn to be postmaster at Dumont, Iowa, in place of I. B. Wilcox. Incumbent's commission expired April 12, 1936.

John J. Langenfeld to be postmaster at Earling, Iewa, in place of J. D. Schaben. Incumbent's commission expired March 17, 1936.

Gerald Elias Faust to be postmaster at Earlville, Iowa, in place of H. C. Snyder. Incumbent's commission expired January 12, 1936.

James N. Kinney to be postmaster at Elliott, Iowa, in place of R. J. Viner. Incumbent's commission expired March 29, 1936.

Paul E. Morf to be postmaster at Fredericksburg, Iowa, in place of W. C. Upham. Incumbent's commission expires April 27, 1936.

Loren L. Maher to be postmaster at Gilmore City, Iowa, in place of C. C. Knoll. Incumbent's commission expires June 10, 1936.

Harry D. Hines to be postmaster at Humeston, Iowa, in place of F. R. Foster. Incumbent's commission expires June 1, 1936.

George Harder to be postmaster at Keystone, Iowa, in place of D. M. Schenken. Incumbent's commission expired January 12, 1936.

Julia Loretta Hurley to be postmaster at Laurens, Iowa, in place of C. E. L. See. Incumbent's commission expired April 12, 1936.

Louis E. Maxfield to be postmaster at Malcom, Iowa, in place of T. A. Sanders. Incumbent's commission expired February 19, 1936.

William Harry Thompson to be postmaster at Mapleton, Iowa, in place of E. G. Tripp. Incumbent's commission expired March 29, 1936.

Mae K. Wilson to be postmaster at Monroe, Iowa, in place of R. L. Rinehart. Incumbent's commission expires June 23, 1936.

James D. Minnes to be postmaster at Moravia, Iowa, in place of J. F. Albert. Incumbent's commission expired February 19, 1936.

Mabel E. Buchanan to be postmaster at Plover, Iowa, in place of S. T. Grove. Incumbent's commission expired April 12, 1936.

Herbert Ward Alexander to be postmaster at Thornton, Iowa, in place of C. B. Alberty. Incumbent's commission expires May 10, 1936.

Linus L. Powers to be postmaster at Vail, Iowa, in place of L. L. Hoffman. Incumbent's commission expired January 12, 1936.

Francis A. Gallagher to be postmaster at Walnut, Iowa, in place of J. E. D. Palmer. Incumbent's commission expired February 24, 1936.

Charles E. Lynch to be postmaster at Waucoma, Iowa, in place of C. M. Burnside. Incumbent's commission expired February 24, 1936.

Edward B. Wittrig to be postmaster at Wayland, Iowa, in place of C. A. Sodergren. Incumbent's commission expired April 12, 1936.

Bernice Green to be postmaster at Winfield, Iowa, in place of J. A. Smiley. Incumbent's commission expired January 12, 1936.

KANSAS

Anna Gradie DeBolt to be postmaster at Altoona, Kans., in place of F. H. Dodd. Incumbent's commission expired January 8, 1936

Charles T. Hill to be postmaster at Arkansas City, Kans., in place of L. B. Mohler. Incumbent's commission expired January 25, 1936.

Peter D. Spellman to be postmaster at Beloit, Kans., in place of J. G. Hyde. Incumbent's commission expired January 8, 1936.

Anna L. Miller to be postmaster at Bushton, Kans., in place of A. L. Miller. Incumbent's commission expired March 10, 1936.

James B. Searle to be postmaster at Cawker City, Kans., in place of C. W. Simpson. Incumbent's commission expired January 8, 1936.

Max Montgomery to be postmaster at Cedar Vale, Kans., in place of J. D. Ferrell. Incumbent's commission expires May 10, 1936.

Virgil F. Young to be postmaster at Clearwater, Kans., in place of G. G. Griffin. Incumbent's commission expired February 5, 1936.

John E. Brogan to be postmaster at Coffeyville, Kans., in place of F. C. Oehler. Incumbent's commission expired January 25, 1936.

Ada S. George to be postmaster at Lebo, Kans., in place of R. W. Gault. Incumbent's commission expires April 27, 1936.

Albert T. Campbell to be postmaster at Marion, Kans., in place of W. C. Loveless. Incumbent's commission expired January 8, 1936.

Selma E. Kaufman to be postmaster at Moundridge, Kans., in place of Anna Smith. Incumbent's commission expired March 23, 1936.

Thomas J. Cummings, Jr., to be postmaster at Ottawa, Kans., in place of John Quin. Incumbent's commission expired January 25, 1936.

Helena W. Anderson to be postmaster at Peru, Kans., in place of W. M. McDannald. Incumbent's commission expired March 23, 1936.

Jay T. Hill to be postmaster at Wamego, Kans., in place of M. O. Bittmann, transferred.

Thomas E. Van Meter to be postmaster at Winfield, Kans., in place of J. H. O'Connor. Incumbent's commission expired June 20, 1934.

KENTHOKY

Elizabeth R. Smith to be postmaster at Irvine, Ky., in place of A. G. Powell. Incumbent's commission expired January 27, 1936.

John A. Gross to be postmaster at Vine Grove, Ky., in place of H. H. Hargan. Incumbent's commission expires June 1, 1936.

LOUISIANA

Pierre O. Broussard to be postmaster at Abbeville, La., in place of P. O. Broussard. Incumbent's commission expired February 21, 1935.

Ruth W. Monroe to be postmaster at Elton, La., in place of R. W. Monroe. Incumbent's commission expired January 9, 1936.

Rena Tate to be postmaster at Eunice, La., in place of S. J. Morris. Incumbent's commission expired June 6, 1934.

James H. Gray to be postmaster at Pollock, La., in place of J. H. Gray. Incumbent's commission expired April 5, 1936.

Berenice K. Schuchs to be postmaster at St. Joseph, La., in place of M. J. Goodwin. Incumbent's commission expired December 16, 1934.

Leroy C. Miles to be postmaster at Slidell, La., in place of A. E. Harding. Incumbent's commission expired January 22, 1935

MAINE

Anna M. McCann to be postmaster at Bucksport, Maine, in place of C. M. Wilson. Incumbent's commission expired December 20, 1934.

Francis P. Foloy to be postmaster at Winterport, Maine, in place of C. E. Young. Incumbent's commission expired April 12, 1936.

Harry Clair Miller to be postmaster at Winthrop, Maine, in place of L. B. Jones. Incumbent's commission expired April 14, 1936.

MARYLAND

Charles A. Stewart to be postmaster at North East, Md., in place of J. S. Dean. Incumbent's commission expired February 27, 1935.

MASSACHUSETTS

Aloysius B. Kennedy to be postmaster at Rochdale, Mass., in place of A. B. Kennedy. Incumbent's commission expired April 27, 1936.

Susan F. Twiss to be postmaster at Three Rivers, Mass., in place of S. F. Twiss. Incumbent's commission expired February 9, 1936.

Edward J. O'Day to be postmaster at West Brookfield, Mass., in place of W. L. Kendrick. Incumbent's commission expired March 8, 1934.

MICHIGAN

Theodore M. Lampert to be postmaster at Ada, Mich., in place of W. M. Sinclair. Incumbent's commission expired February 28, 1933.

Nora Donovan to be postmaster at Bangor, Mich., in place of H. E. Ward. Incumbent's commission expired January 23, 1935.

Roy W. Maddock to be postmaster at Benzonia, Mich., in place of R. W. Maddock. Incumbent's commission expired January 7, 1936.

John L. Burkart to be postmaster at Big Rapids, Mich., in place of A. W. Miles. Incumbent's commission expired January 25, 1936.

Mildred C. Lesh to be postmaster at Blanchard, Mich., in place of L. C. Snyder. Incumbent's commission expired April 12, 1936.

Cecil Plum to be postmaster at Bloomingdale, Mich., in place of B. F. Scamehorn, removed.

Margaret Ackerson Rush to be postmaster at Clarksville, Mich., in place of F. E. Richards, deceased.

Edward Nelson to be postmaster at Coleman, Mich., in place of G. E. Daniells. Incumbent's commission expired January 7, 1936.

Irving L. Dixon to be postmaster at Concord, Mich., in place of E. L. Groger. Incumbent's commission expired April 12, 1936.

Laura J. Diver to be postmaster at Deerfield, Mich., in place of C. C. Beach. Incumbent's commission expired March 22, 1936.

Charles A. Bigelow to be postmaster at East Tawas, Mich., in place of Arthur Dillon. Incumbent's commission expired March 22, 1936.

Leo J. Navarro to be postmaster at Essexville, Mich., in place of A. J. Van Wert. Incumbent's commission expired February 5, 1936.

Judson E. Richardson to be postmaster at Evart, Mich., in place of H. A. McLachlan. Incumbent's commission expired January 25, 1936.

Earl Hudson to be postmaster at Gobles, Mich., in place of H. E. McElheny, removed.

Homer Fisher to be postmaster at Grand Haven, Mich., in place of G. L. Olsen. Incumbent's commission expired January 25, 1936.

Michael E. Mussatto to be postmaster at Gwinn, Mich., in place of C. J. Hart, removed.

Frank L. Friend to be postmaster at Harbor Springs, Mich., in place of W. DeM. Wright. Incumbent's commission expired February 5, 1936.

William C. Radue to be postmaster at Hermansville, Mich., in place of Harold Stecker. Incumbent's commission expired April 16, 1934.

Alfred H. Pfau to be postmaster at Howell, Mich., in place of B. L. Hight. Incumbent's commission expires April 29, 1936

Stephen F. Jakobowski to be postmaster at Inkster, Mich., in place of H. L. Brown. Incumbent's commission expired January 28, 1934.

Hazel B. Erickson to be postmaster at Le Roy, Mich., in place of E. R. Newcomb. Incumbent's commission expires April 27, 1936.

Bert Lowery to be postmaster at Manchester, Mich., in place of F. G. Leeson. Incumbent's commission expired February 5, 1936.

Walter R. Mason to be postmaster at Milan, Mich., in place of N. J. Laskey. Incumbent's commission expired February 17, 1936.

Bartlett E. O'Grady to be postmaster at Paw Paw, Mich., in place of W. C. Mosier, deceased.

Karl E. H. Beyer to be postmaster at Remus, Mich., in place of C. M. Colegrove. Incumbent's commission expired March 22, 1936.

Adelbert L. Stebbins to be postmaster at Sheridan, Mich., in place of E. D. Greenhoe. Incumbent's commission expired February 5, 1936.

Lewis L. Peterson to be postmaster at Springport, Mich., in place of Nora Covert. Incumbent's commission expired February 5, 1936.

Lydia T. Bing to be postmaster at Tawas City, Mich., in place of M. C. Musolf. Incumbent's commission expired February 5, 1936.

Franc S. Gillespie to be postmaster at Tecumseh, Mich., in place of H. H. Hanna. Incumbent's commission expires June 23, 1936.

Adam Przybylski to be postmaster at Wyandotte, Mich., in place of A. E. Baisley. Incumbent's commission expired February 5, 1936.

MINNESOTA

Ward E. Willford to be postmaster at Canton, Minn., in place of W. E. Willford. Incumbent's commission expired June 20, 1934.

Vera M. Parks to be postmaster at Nisswa, Minn., in place of V. M. Parks. Incumbent's commission expired March 17, 1936.

Alice M. Freeman to be postmaster at Olivia, Minn., in place of S. M. North, resigned.

John A. Hilden to be postmaster at Oslo, Minn., in place of J. A. Hilden. Incumbent's commission expired March 31, 1936.

Werl I. Smith to be postmaster at Proctor, Minn., in place of W. I. Smith. Incumbent's commission expired February 3, 1936.

Mary A. Bradford to be postmaster at Verndale, Minn., in place of M. A. Bradford. Incumbent's commission expired April 12, 1936.

Jennie M. Wurst to be postmaster at Watkins, Minn., in place of J. M. Wurst. Incumbent's commission expired April 12, 1936.

Joseph Trojohn to be postmaster at Woodlake, Minn., in place of Joseph Trojohn. Incumbent's commission expires April 27, 1936.

MISSISSIPPI

Mills T. Williams of be postmaster at Durant, Miss., in place of M. T. Williams. Incumbent's commission expires June 1, 1936.

MISSOURI

Walter Bartlett to be postmaster at Bethany, Mo., in place of H. L. Collins. Incumbent's commission expires June 28, 1936.

Zola B. Reynolds to be postmaster at Humansville, Mo., in place of A. P. Renfrow. Incumbent's commission expires May 10, 1936.

Fay R. Webb to be postmaster at Miller, Mo., in place of R. J. Smith. Incumbent's commission expired May 12, 1932.

Marcus J. Heathman to be postmaster at Paris, Mo., in place of J. A. Varney. Incumbent's commission expired March 10, 1936.

Cora Hibbard Peter to be postmaster at Saint Clair, Mo., in place of O. S. Cardwell. Incumbent's commission expired March 29, 1936.

Fred Blattner, Jr., to be postmaster at Wellsville, Mo., in place of A. B. Keadle. Incumbent's commission expired March 10, 1936.

MONTANA

William G. Kelly to be postmaster at Kalispell, Mont., in place of H. St. J. Cannon, resigned.

Ethel H. Burchak to be postmaster at Stanford, Mont., in place of C. C. Alexander, deceased.

Reginald W. Spangler to be postmaster at Superior, Mont., in place of R. C. Spangler, resigned.

NEBRASKA

Mina E. Andersen to be postmaster at Bristow, Nebr., in place of A. B. Enborg, transferred.

Harry H. Row to be postmaster at Davenport, Nebr., in place of R. H. Surber. Incumbent's commission expired June 2, 1934.

Isaac D. Brownfield to be postmaster at Hershey, Nebr., in place of A. L. Coker, removed.

Frederick J. Eichenberger to be postmaster at Kimball, Nebr., in place of M. A. Brady. Incumbent's commission expired February 5, 1936.

NEW HAMPSHIRE

Eli J. King to be postmaster at Berlin, N. H., in place of A. R. Chapman. Incumbent's commission expired February 5, 1936.

William P. Nolin to be postmaster at Claremont, N. H., in place of H. L. D. Severance. Incumbent's commission expired February 5, 1936.

J. Edward Damour to be postmaster at Henniker, N. H., in place of E. H. Beane. Incumbent's commission expired May 10, 1936.

Georgia DuDevoir to be postmaster at Hooksett, N. H., in place of G. W. Robie. Incumbent's commission expired April 15, 1934.

Arthur A. Groteau to be postmaster at Marlboro, N. H., in place of C. L. Bemis. Incumbent's commission expired February 5, 1936.

James E. Shepard, 2d, to be postmaster at New London, N. H., in place of A. J. Gould. Incumbent's commission expired February 5, 1936.

Albert F. Priest to be postmaster at Newmarket, N. H., in place of H. B. Pinkham, resigned.

Edward A. Davis to be postmaster at North Conway, N. H., in place of H. D. Eastman, deceased.

Martin J. Keenan to be postmaster at Peterborough, N. H., in place of H. F. Smith. Incumbent's commission expired February 5, 1936.

Patrick J. Duffy to be postmaster at Salmon Falls, N. H., in place of E. F. Tosier. Incumbent's commission expires April 27, 1936.

William H. Pascoe to be postmaster at West Ossipee, N. H., in place of A. L. Coughlin, Incumbent's commission expired March 10, 1936.

NEW JERSEY

Raymond J. Hughes, Sr., to be postmaster at Beachwood, N. J., in place of W. B. Brown. Incumbent's commission expired February 28, 1933.

Samuel Munyan to be postmaster at Gibbstown, N. J., in place of Samuel Munyan. Incumbent's commission expired January 9, 1936.

Richard F. Holt to be postmaster at Kenvil, N. J., in place of R. F. Holt. Incumbent's commission expired January 9, 1936.

Charles V. L. Booream to be postmaster at Milltown, N. J., in place of C. M. Hermann, removed.

John A. Smith to be postmaster at Wrightstown, N. J., in place of J. A. Smith. Incumbent's commission expired February 19, 1936.

NEW YORK

Edward T. Morrissey to be postmaster at Baldwin, N. Y., in place of H. E. Whealey, resigned.

Emma Reynolds to be postmaster at Brightwaters, N. Y., in place of H. W. Becker. Incumbent's commission expired February 4, 1935.

Jay C. Fox to be postmaster at Brocton, N. Y., in place of L. R. Ryckman. Incumbent's commission expired February 17, 1936.

George F. Green to be postmaster at De Kalb Junction, N. Y., in place of C. S. Johnson. Incumbent's commission expired January 18, 1936.

George W. Seibert to be postmaster at Narrowsburg, N. Y., in place of H. W. Koster. Incumbent's commission expired January 18, 1936.

Patrick J. O'Leary to be postmaster at Perry, N. Y., in place of Read Clarke. Incumbent's commission expired January 18, 1936.

Harry S. New to be postmaster at Valatie, N. Y., in place of H. C. McNamara. Incumbent's commission expired April 28, 1934.

Jack Batt to be postmaster at Woodmere, N. Y., in place of M. C. Seaman, resigned.

NORTH CAROLINA

Walling D. Vreeland to be postmaster at Fort Bragg, N. C., in place of W. D. Vreeland. Incumbent's commission expired February 25, 1935.

Fred H. Holcombe to be postmaster at Mars Hill, N. C., in place of P. E. Bruce. Incumbent's commission expired March 17, 1936.

Fuller T. Currie to be postmaster at Pinehurst, N. C., in place of Frank Dudgeon. Incumbent's commission expires May 19, 1936.

Perla H. Brey to be postmaster at Roper, N. C., in place of C. L. Walker. Incumbent's commission expired March 17, 1936.

Charles O. Cooper to be postmaster at Saluda, N. C., in place of Walter Thompson. Incumbent's commission expired March 10, 1936.

James Russell Wiggins to be postmaster at Wake Forest, N. C., in place of Lawrence Harris. Incumbent's commission expired February 24, 1936.

William M. Sutton to be postmaster at Windsor, N. C., in place of W. P. King. Incumbent's commission expired February 9, 1936.

Selvin N. Blanchard to be postmaster at Woodland, N. C., in place of W. F. Outland. Incumbent's commission expired February 25, 1935.

NORTH DAKOTA

Volrath H. Carlson to be postmaster at Drayton, N. Dak., in place of A. E. Gutekunst. Incumbent's commission expired February 9, 1936.

Ole H. A. Larson to be postmaster at Killdeer, N. Dak., in place of O. H. A. Larson. Incumbent's commission expired March 10, 1936.

Richard T. Burke to be postmaster at Langdon, N. Dak., in place of L. L. Gardner. Incumbent's commission expired January 7, 1936.

Florence R. Makee to be postmaster at Noonan, N. Dak., in place of W. E. Bowler, deceased.

Leah R. Huffman to be postmaster at Rugby, N. Dak., in place of E. J. Elstad. Incumbent's commission expired December 18, 1934.

Albert H. Baumann to be postmaster at Westhope, N. Dak., in place of A. J. Drake. Incumbent's commission expired January 7, 1936.

OHIO

Orville T. Castor to be postmaster at Arlington, Ohio, in place of Franklin Fasig. Incumbent's commission expired February 5, 1936.

James M. McClure to be postmaster at Ashtabula, Ohio, in place of M. E. Miller. Incumbent's commission expired January 7, 1936.

Earl C. Hillyer to be postmaster at Atwater, Ohio, in place of C. E. Spiers. Incumbent's commission expires May 23, 1936.

Albert P. Hahn to be postmaster at Baltic, Ohio, in place of C. E. Richardson. Incumbent's commission expired March 23, 1936.

William P. Ziegler to be postmaster at Belle Center, Ohio, in place of F. O. Simpson. Incumbent's commission expired February 5, 1936.

Mary Costigan to be postmaster at Berlin Heights, Ohio, in place of H. R. Hebblethwaite. Incumbent's commission expires July 13, 1936.

Robert Waugh to be postmaster at Brilliant, Ohio, in place of E. W. Mansfield. Incumbent's commission expired January 7, 1936.

Jeanette Long to be postmaster at Brunswick, Ohio, in place of O. A. Ridiker. Incumbent's commission expired December 16, 1933.

Joseph W. Johnston to be postmaster at Coshocton, Ohio, in place of H. M. Hay. Incumbent's commission expires May 3, 1936.

Francis P. Hayes to be postmaster at Crestline, Ohio, in place of S. F. Trimble. Incumbent's commission expired January 7, 1936.

Mary Ester Dunn to be postmaster at Cygnet, Ohio, in place of A. M. Eidson. Incumbent's commission expired January 7, 1936.

William E. Haas to be postmaster at Delaware, Ohio, in place of H. A. Spaulding, retired.

Ora DeVere Blizzard to be postmaster at Frazeysburg, Ohio, in place of Elizabeth McNaught. Incumbent's commission expired February 24, 1936.

Mary J. Rosebraugh to be postmaster at Hebron, Ohio, in place of C. H. Morrison. Incumbent's commission expired March 10, 1936.

Blanche L. Geiger to be postmaster at Lakeview, Ohio, in place of H. H. Hover. Incumbent's commission expired February 5, 1936.

Earl R. Leach to be postmaster at Lima, Ohio, in place of G. H. Metheany. Incumbent's commission expired January 8, 1936.

Henry Beuchat to be postmaster at Louisville, Ohio, in place of L. A. Slusser. Incumbent's commission expired January 7, 1936.

Herman C. Doellinger to be postmaster at Marysville, Ohio, in place of W. H. Snodgrass. Incumbent's commission expired March 10, 1936.

Glen F. Carver to be postmaster at Mentor, Ohio, in place of W. F. Lyons. Incumbent's commission expired February 14, 1935.

Roy C. Walker to be postmaster at Milan, Ohio, in place of R. F. Judge. Incumbent's commission expires April 27, 1936.

Ralph M. Connolly to be postmaster at Milford Center, Ohio, in place of F. C. Stillings. Incumbent's commission expired January 7, 1936.

Fred C. Banister to be postmaster at New Richmond, Ohio, in place of H. M. Day. Incumbent's commission expired January 7, 1936.

January 7, 1936.

Nellie Y. Roberts to be postmaster at North Baltimore, Ohio, in place of G. B. Fulton, deceased.

Irvin H. Menter to be postmaster at Pemberville, Ohio, in place of M. E. Foster. Incumbent's commission expired April 14, 1936.

Milton C. Hickman to be postmaster at Perry, Ohio, in place of H. L. Vesey, retired.

David K. De Long to be postmaster at Perrysville, Ohio, in place of W. E. Whitcomb. Incumbent's commission expired March 10, 1936.

Cary B. Holycross to be postmaster at Plain City, Ohio, in place of F. B. McCullough, deceased.

Estella Holter to be postmaster at Racine, Ohio, in place of J. E. Simpson, Jr. Incumbent's commission expired February 24, 1936.

William B. Swonger to be postmaster at Sidney, Ohio, in place of Harry Oldham. Incumbent's commission expired January 22, 1936.

Chester A. Hostetler to be postmaster at Strasburg, Ohio, in place of A. H. Bash, retired.

Samuel A. Smith to be postmaster at Sugarcreek, Ohio, in place of E. E. Weaver. Incumbent's commission expired January 7, 1936.

John H. Petitjean to be postmaster at Versailles, Ohio, in place of R. L. Stamm. Incumbent's commission expired January 7, 1936.

Fred N. Ney to be postmaster at Weston, Ohio, in place of E. G. Lergier. Incumbent's commission expires April 27, 1936.

OKLAHOMA

Anson J. Woods to be postmaster at Arnett, Okla., in place of W. S. Sibley. Incumbent's commission expired March 18, 1936.

Ruth Hinds to be postmaster at Bethany, Okla , in place of S. H. Bundy, removed.

Joseph R. Homsey to be postmaster at Depew, Okla., in placed of C. E. Werrell. Incumbent's commission expired February 5, 1936.

Blanche Zoellner to be postmaster at Mountain View, Okla. in place of Theodosia Parsons. Incumbent's commission expires June 28, 1936.

William G. Bunyard to be postmaster at Roff, Okla., in place of L. M. Merritt. Incumbent's commission expired February 5, 1936.

Oscar Speed to be postmaster at Sayre, Okla., in place of E. D. Rook. Incumbent's commission expired February 5, 1936.

Charles Walter Johnston to be postmaster at Seminole, Okla., in place of J. O. Seger. Incumbent's commission expired March 17, 1936.

Roy C. Bennett to be postmaster at Vian, Okla., in place of Ira Thatcher. Incumbent's commission expired April 5, 1936.

Blaine M. Skidmore to be postmaster at Vici, Okla., in place of H. E. Sowle. Incumbent's commission expires May 3, 1936.

Frank Bailey to be postmaster at Vinita, Okla., in place of L. L. Stryker. Incumbent's commission expires June 28, 1936. Henry L. Neal to be postmaster at Wanette, Okla., in place of H. E. Williamson. Incumbent's commission expired March 18, 1936.

OREGON

Blanche E. North to be postmaster at Bonneville, Oreg. Office became Presidential January 1, 1935.

Sanford Stanley Partridge to be postmaster at Garibaldi, Oreg., in place of Don Ellis. Incumbent's commission expired March 10, 1936.

Glen A. Henderson to be postmaster at Houlton, Oreg., in place of L. B. Frizzell. Incumbent's commission expired February 5, 1936.

Susie B. Dillard to be postmaster at St. Helens, Oreg., in place of C. E. Lake. Incumbent's commission expired March 23, 1936.

Rosemary Schenck to be postmaster at Toledo, Oreg., in place of G. W. Trommlitz. Incumbent's commission expired March 10, 1936.

Roy G. Magnuson to be postmaster at Warrenton, Oreg., in place of Cora Eames. Incumbent's commission expired February 5, 1936.

PENNSYLVANIA

James M. Donahue to be postmaster at Coaldale, Pa., in place of Daniel Jones. Incumbent's commission expired January 28, 1935.

Ferdinand O. Niebauer to be postmaster at Fairview, Pa., in place of L. S. Schaefer, removed.

Allen R. Brumbaugh to be postmaster at Greencastle, Pa., in place of W. R. Grove. Incumbent's commission expired February 10, 1936.

William M. Cramer to be postmaster at Mifflin, Pa., in place of S. C. McClellan. Incumbent's commission expires July 15, 1936.

Margaret C. Souders to be postmaster at Mount Holly Springs, Pa., in place of W. F. Hartzell. Incumbent's commission expired July 1, 1934.

James H. Stewart to be postmaster at Tarentum, Pa., in place of I. L. Humes, retired.

SOUTH CAROLINA

Henry N. Folk to be postmaster at Bamberg, S. C., in place of H. N. Folk. Incumbent's commission expires June 28, 1936.

SOUTH DAKOTA

James T. Homme to be postmaster at Bison, S. Dak., in place of W. O. Dailey. Incumbent's commission expired February 9, 1936.

Martha Nieveen to be postmaster at Corsica, S. Dak., in place of Frank Den Beste. Incumbent's commission expired January 25, 1936.

A. Harold Hoffman to be postmaster at Frederick, S. Dak., in place of L. E. Gorder. Incumbent's commission expired January 25, 1936.

Fred Shroyer to be postmaster at Gettysburg, S. Dak., in place of L. E. Swift. Incumbent's commission expired January 25, 1936.

James A. Robertson to be postmaster at Sisseton, S. Dak., in place of P. M. Rickert. Incumbent's commission expires June 1, 1936.

TENNESSEE

William Davis Dulaney to be postmaster at Blountville, Tenn., in place of J. V. Lady. Incumbent's commission expired February 5, 1936.

William L. Moore to be postmaster at Selmer, Tenn., in place of C. A. Scott. Incumbent's commission expired February 5, 1936.

TEXAS

Oliver A. Hale to be postmaster at Abilene, Tex., in place of L. C. Payton. Incumbent's commission expired January 8, 1936.

Annie K. Turney to be postmaster at Alpine, Tex., in place of A. K. Turney. Incumbent's commission expired April 4, 1936.

Pearl Knox to be postmaster at Anson, Tex., in place of J. R. Martin. Incumbent's commission expired January 8, 1936.

Angus G. Vick to be postmaster at Belton, Tex., in place of F. W. Guffy. Incumbent's commission expired January 8, 1936.

Wilson Bradley to be postmaster at Bryan, Tex., in place of C. S. Myers. Incumbent's commission expired January 8, 1936.

Eunice C. Burroughs to be postmaster at Buffalo, Tex., in place of G. N. Merrill. Incumbent's commission expired February 5, 1936.

Erin M. McAskill to be postmaster at Edinburg, Tex., in place of A. C. Oyler. Incumbent's commission expired April 14, 1936.

Daisy E. Billingsley to be postmaster at Eliasville, Tex., in place of H. W. Cunningham. Incumbent's commission expired February 20, 1935.

Robert B. Truett to be postmaster at Franklin, Tex., in place of Ferman Carpenter. Incumbent's commission expired January 8, 1936.

Kirby J. Preston to be postmaster at Gladewater, Tex., in place of V. G. Pritchett. Incumbent's commission expired January 8, 1936.

Crown Dickson to be postmaster at Kilgore, Tex., in place of A. D. Barker. Incumbent's commission expired January 8, 1936.

Roger S. Guyton to be postmaster at McCamey, Tex., in place of Tryon Lewis. Incumbent's commission expired January 3, 1936.

William E. Thomason to be postmaster at Nacogdoches, Tex., in place of H. A. Williamson. Incumbent's commission expired January 8, 1936.

Elbert L. Tubb to be postmaster at Oakwood, Tex., in place of D. B. Scarborough. Incumbent's commission expired April 4, 1936.

John E. Cooke to be postmaster at Rockdale, Tex., in place of H. H. Turner. Incumbent's commission expired April 4, 1936.

Nora B. Starnes to be postmaster at Winona, Tex., in place of A. S. Butler. Incumbent's commission expired February 5, 1936.

Brett Hargrove to be postmaster at Woodsboro, Tex., in place of Tom Hargrove, resigned.

UTAH

Robert H. Barton to be postmaster at Layton, Utah, in place of J. W. Johnson, removed.

Vernal Twede to be postmaster at Payson, Utah, in place of A. C. Page. Incumbent's commission expired January 13, 1935.

VERMONT

Cornelius Buckley to be postmaster at Barton, Vt., in place of G. E. King. Incumbent's commission expires April 27, 1936.

Patrick Mahoney to be postmaster at Burlington, Vt., in place of P. E. Bevins. Incumbent's commission expired March 22, 1936.

Roy P. Skinner to be postmaster at Newport, Vt., in place of R. W. Buzzell, transferred.

John B. Flanagan to be postmaster at Proctor, Vt., in place of P. W. Higbee. Incumbent's commission expires April 29, 1936.

Harold J. Sheehan to be postmaster at Richmond, Vt., in place of D. L. M. Phelps. Incumbent's commission expired April 12, 1936.

Ella M. Martin to be postmaster at Rochester, Vt., in place of E. W. Chase. Incumbent's commission expired January 26, 1936.

George M. Goodrich to be postmaster at South Royalton, Vt., in place of R. A. Slater, resigned.

Marjorie M. Duval to be postmaster at West Burke, Vt., in place of C. C. Duval. Incumbent's commission expires April 27, 1936.

VIRGINIA

Rudolph Shiffer to be postmaster at Claremont, Va., in place of W. H. Haney. Incumbent's commission expired March 10, 1936.

Charlotte E. Jackson to be postmaster at Ivanhoe, Va., in place of R. S. Jackson, removed.

WASHINGTON

Aaron W. Wilson to be postmaster at Clarkston, Wash., in place of J. C. Raaberg, transferred.

LeRoy R. Reynolds to be postmaster at Concrete, Wash., in place of N. E. Merryweather, resigned.

John A. Bush to be postmaster at Dishman, Wash., in place of Nellie Tyner. Incumbent's commission expired March 10, 1936.

James H. Van Gesen to be postmaster at Ellensburg, Wash., in place of A. E. Emerson. Incumbent's commission expired January 8, 1936.

Robert Kinzel to be postmaster at Entiat, Wash., in place of C. C. King, resigned.

Selma Peterson to be postmaster at Marcus, Wash., in place of H. L. Lockhart. Incumbent's commission expired January 28, 1936.

William B. Dingle to be postmaster at Newport, Wash., in place of C. A. Fiedler. Incumbent's commission expired February 5, 1936.

George Allan Carlin to be postmaster at Port Ludlow, Wash., in place of A. F. Learned. Incumbent's commission expired January 28, 1936.

Henry Thom to be postmaster at Ritzville, Wash., in place of R. E. Edwards. Incumbent's commission expires May 2, 1936.

Thomas Woodward to be postmaster at Roslyn, Wash., in place of James Lane. Incumbent's commission expired February 5, 1936.

James F. Brislawn to be postmaster at Sprague, Wash., in place of R. O. Logsdon. Incumbent's commission expired January 28, 1936.

Arthur R. Schooler to be postmaster at Tieton, Wash., in place of F. H. Lester. Incumbent's commission expired March 10, 1936.

May Hanson to be postmaster at Touchet, Wash., in place of O. L. Renn. Incumbent's commission expired January 8, 1936.

Genevieve C. Maurer to be postmaster at White Salmon, Wash., in place of R. J. Robertson. Incumbent's commission expires April 27, 1936.

WEST VIRGINIA

Arthur Jackson to be postmaster at Littleton, W. Va., in place of G. S. Stidger. Incumbent's commission expired January 7, 1936.

John R. Plattenburg to be postmaster at New Cumberland, W. Va., in place of G. B. Beebout. Incumbent's commission expired January 7, 1936.

Claude E. Mills to be postmaster at Newell, W. Va., in place of A. H. Brown. Incumbent's commission expired February 9, 1936.

Denvil G. Dillion to be postmaster at Whitesville, W. Va., in place of A. R. Bibby, deceased.

WISCONSIN

Lawrence Willkom to be postmaster at Boyd, Wis., in place of P. E. Korb, deceased.

Albert A. Beck to be postmaster at Dorchester, Wis., in place of H. E. Garbisch, resigned.

Leonard P. Sheehy to be postmaster at Ettrick, Wis., in place of C. M. Johnson. Incumbent's commission expired January 22, 1935.

Aloys H. Vos to be postmaster at Kansasville, Wis., in place of L. W. Daniels. Incumbent's commission expired February 10, 1936.

Richard H. McCarty to be postmaster at Kaukauna, Wis., in place of A. R. Mill. Incumbent's commission expires May 19, 1936.

William H. Brown to be postmaster at Laona, Wis., in place of Anton Schiesl. Incumbent's commission expired January 18, 1936.

Marion L. Shafer to be postmaster at Muscoda, Wis., in place of H. J. Vruwink. Incumbent's commission expired June 19, 1933.

Lorraine M. Lannoye to be postmaster at Oostburg, Wis., in place of H. W. Nyenhuis. Incumbent's commission expired January 22, 1936.

Raymond Novotny to be postmaster at Oshkosh, Wis., in place of A. H. Gruenewald, resigned.

Jennie C. Thomm to be postmaster at Oxford, Wis., in place of N. E. McNutt. Incumbent's commission expires April 27, 1936.

John M. Kippenhan to be postmaster at Slinger, Wis., in place of John Feutz. Incumbent's commission expired January 22, 1936.

Harvey S. Northrup to be postmaster at Waupun, Wis., in place of C. C. Harris. Incumbent's commission expires June 1, 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 17 (legislative day of Feb. 24), 1936

PUBLIC WORKS ADMINISTRATION

Alvin D. Wilder to be State director of the Public Works Administration in California.

Forrest M. Logan to be State director of the Public Works Administration in Indiana.

George H. Sager, Jr., to be State director of the Public Works Administration in Kentucky.

Louis A. Boulay to be State director of the Public Works Administration in Ohio.

William F. Cochrane to be State director of the Public Works Administration in South Dakota.

Richard A. Hart to be State director of the Public Works Administration in Utah.

Eugene R. Hoffman to be State director of the Public Works Administration in Washington.

WITHDRAWAL

Executive nomination withdrawn from the Senate April 17 (legislative day of Feb. 24), 1936

POSTMASTER

NORTH CAROLINA

Olivia A. Oppelt to be postmaster at East Flat Rock, in the State of North Carolina.

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 17, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our gracious Father in Heaven, be pleased to hear us as we wait at the altar of prayer. Grant grace, mercy, and peace to each of us and withdraw not the shield of Thy holy presence. We pray Thee, blessed Lord, to give us rich conceptions of the constancy of Thy goodness, which is woven of the silver and golden threads of divine affection. We entreat Thee to enlighten us in all our labors and inspire us to wise action, and may we seek to embody the truth in our thoughts and deliberations. We would hear the vow of the teacher of Israel: "I will behave myself wisely in a perfect way. I will set no wicked thing before mine eyes. I will hate the work of them that turn aside; it shall not cleave to me; a froward heart shall depart from me and I will not know wickedness." In the name of our Lord and Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on April 13, 1936, the President approved and signed bills and a joint resolution of the House of the following titles:

H.R. 11323. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of the first settlement on Long Island, N. V.:

H. R. 11849. An act to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925; and

H. J. Res. 526. Joint resolution to authorize the Librarian of Congress to accept the property devised and bequeathed to the United States of America by the last will and testament of Joseph Pennell, deceased.

FEES OF JURORS AND WITNESSES IN UNITED STATES COURTS

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 568, to provide an additional appropriation for fees of jurors and witnesses, United States courts, for the fiscal year 1936.

The Clerk read the title of the joint resolution.

Mr. TABER. Mr. Speaker, reserving the right to object, the hearings before the Appropriations Committee indicate that the appropriation, as I understand it, is exhausted or will be within a week and they have not the money to pay the jurors and the witnesses for the rest of this fiscal year. Is it not true, may I ask the gentleman from Texas, that they will have to shut down the courts if we do not do this?

Mr. BUCHANAN. I am advised by the Attorney General that they will have to shut down the courts unless the appropriation is made. The appropriation is now \$100,000 in the red.

Mr. RICH. Mr. Speaker, reserving the right to object, I should like to ask the gentleman the amount of the appropriation.

Mr. BUCHANAN. Nine hundred thousand dollars.

Mr. RICH. And that is for witnesses?

Mr. BUCHANAN. Witness fees and fees of jurors in all United States courts.

Mr. RICH. And this is absolutely necessary in order to conduct the business of the courts?

Mr. BUCHANAN. Certainly, and Congress cannot control the amount, because the cases are called for trial and the judges approve the bills; and whatever bills are approved, we have to pay. The fees are fixed by law.

Mr. RICH. I may say to the gentleman that I appreciate the work the gentleman is doing to keep down the expenses of government, but the gentleman ought to let the judges of this country know also that they are bringing in here exorbitant bills that they want us to approve, and it is our duty not only to look after the expenses we are incurring but the expenses incurred by other people who are coming here to ask for the money of the taxpayers, and I hope the gentleman will insist that they keep this expense down to the minimum.

Mr. BUCHANAN. We try to do that.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, I should like to ask the gentleman why one statement was made that unless this appropriation is provided we would have to close up the courts within a week, and another statement was made that we are now \$100,000 overdrawn. Which statement is correct?

Mr. BUCHANAN. They are both correct.

Mr. BOILEAU. If we have gone \$100,000 in the red so

far, how has that happened?

Mr. BUCHANAN. Obligations have been incurred by various courts in holding scheduled trials. There is no more money to pay jurors and witnesses and we cannot ask them to continue to hold court and tell jurors and witnesses they have no money to pay them. The overobligation of \$100,000 distributed among all our courts is not very embarrassing, but it does become so if it increases very much more without funds.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, if the courts were closed for a year, would we not be better off?

Mr. BUCHANAN. I think not. I am in favor of law and order.

Mr. ZIONCHECK. I differ with the gentleman, but I am not going to object.

There being no objection, the Clerk read the House joint resolution, as follows:

House Joint Resolution 568

Resolved, etc., That for an additional amount for fees of jurors and witnesses, United States courts, including the same objects specified under this head in the Department of Justice Appropriation Act, 1936, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$900,000 for the fiscal year 1936.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL AND SELECT COMMITTEES OF THE HOUSE

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 567) to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936.

The Clerk read the title of the joint resolution.

Mr. TABER. Mr. Speaker, as I understand it, this is required as a result of the deficiency that is in prospect as a result of the action of the House in giving this authority to spend money.

Mr. BUCHANAN. I will state to my colleague that it is the result of the action of the House in authorizing these investigations and then fixing by resolutions the amount that may be expended by the several investigating committees. The Appropriations Committee and the Accounts Committee have no control over it after the House authorizes it. The special committees can incur the expenses and they

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, may I ask the gentleman from Texas why it is necessary to continue to have \$3,600 as a limitation on any legal talent that is retained by these committees?

Mr. BUCHANAN. Thirty-six hundred dollars applies to any talent, legal or otherwise, and I think it is a very wise provision. What called for the enactment of that clause, for which I am partially responsible, was that we found out one select committee was paying \$14,000 a year for a man to help them. The Senate had a similar provision before the House adopted this.

Mr. ZIONCHECK. If the gentleman will allow me, I should like to ask this question: Why should a committee of the House or Senate be limited to paying only \$3,600 for an attorney to fight an attorney of William Randolph Hearst who is getting \$75,000? Are we not entitled to as good talent as they are?

Mr. BUCHANAN. They can make special arrangements when it becomes necessary.

Mr. ZIONCHECK. They tried to make special arrangements the other day to pay \$10,000 for an attorney and the House voted it down, and I am going to object to this.

Mr. Speaker, I object.

DISTRICT OF COLUMBIA RENT BILL

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution

The Clerk read as follows:

House Resolution 489

Resolved, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 11563, a bill declaring an emergency in the housing condition in the District of Columbia; creating a Rent Commission for the District of Columbia; prescribing powers and duties of the commission, and for other purposes; and all points of order against said bill are hereby waived. General debate on said bill shall be considered as closed, and the bill shall be considered as having been read the second time. Amendments may be offered to any section of the bill, but debate under the 5-minute rule shall be closed within one hour and a half. At the conclusion of the contideration of the bill or amendment. sideration of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY].

Mr. Speaker, this is a rule for the consideration of the District of Columbia rent bill. The bill has been debated for 3 whole days. There was an obvious filibuster carried on against it, and it was thought best to bring in a rule to bring the matter to an issue.

This rule is not strictly a gag rule. There has been more debate on this bill than on any other ordinary bill. So debate has not been gagged.

All this rule does is to provide for an hour and a half of debate on amendments, and that the debate shall then close. That same results could be accomplished by a motion in the Committee of the Whole at any time, when debate could be shut off. The rule is in that respect more liberal than the general rules. It is true that the rule provides that the bill shall be considered as having been read the second time. The bill has been read in full the first time before the filibuster, and the waiver of reading the bill a second time denies no one any rights.

Under the rule the House automatically resolves itself into Committee of the Whole House on the state of the Union. and amendments are then in order to any part of the bill. Debate on these amendments must close within an hour and a half, but that does not cut off the offering of any amendment to the bill. There is no gag in the rule. A gag rule prevents or limits amendments. The rule is simply an attempt to expedite the business of the House. It does not go into the merits of the measure, but simply provides that, after due consideration, this House must function and that no fili- | rule which makes its fair consideration absolutely impos-

bustering can be permitted to interfere with the orderly, expeditious, and respectable conduct of the proceedings in this House.

Mr. RICH. Will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. RICH. A few minutes ago the chairman of the Appropriations Committee asked for additional funds for the various committees of the House. During the past few years we have had set up 41 organizations of the Government that are now functioning, and you are now asking for another commission.

Mr. O'CONNOR. As Major Bowes would say, "All right; all right; all right." [Laughter.]

Mr. RICH. I say, "All right"; but I want to say to you as chairman of the Rules Committee that the Rules Committee and you as chairman and leaders on that side must assume the responsibility for these appropriations.

Mr. O'CONNOR. Will not the gentleman as a patriotic citizen help us to bear some of that responsibility?

Mr. RANSLEY. Mr. Speaker, I yield 3 minutes to the

gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, the Republican members of the Committee on Rules find themselves in a somewhat awkward position. We are opposed to the legislation because we believe that nothing will come of the bill except more taxes for the people and jobs for a few privileged ones who may be selected. Notwithstanding our opposition, we are quite in sympathy with bringing the measure to a vote. We think a vote should always be possible in a parliamentary body. However, I cannot let this stringent and unusual rule be presented and adopted without at least voicing a protest. Our good chairman, the gentleman from New York [Mr. O'CONNOR] says the rule is not strictly a gag rule. If it is not strictly a gag rule, then I do not know what a gag rule is. There is to be no debate on the bill which, if it is to be enacted into law, should be materially amended. Any amendments proposed will only have a debate of 90 minutes. This is certainly not sufficient debate for a bill of this character. Finally, we do want to impress on the membership of the House that, at least so far as the Republican members of the Committee on Rules are concerned, we sincerely hope the rule will not be a precedent for future actions of the House. It would be most unfortunate if it was to become a habit.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. RICH. Does the gentleman believe that we ought to establish any more commissions or set up a lot more organizations to investigate the Government and conditions in Washington when the law of supply and demand will regulate the housing conditions here probably just as well as it will in any other part of the country, and more so when we eliminate about 150,000 workers on the Government pay roll who ought to be back in our own districts instead of being in Washington and increasing the Government expense?

Mr. MARTIN of Massachusetts. If that is a question, I will say that if I had my own way I would eliminate 90 percent of the commissions already in existence.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Yes.

Mr. O'CONNOR. Let me assure the gentleman from Massachusetts that this is not a precedent, and, so far as I am concerned, will not be considered as such. We do not intend to bring District of Columbia bills in under rules. The District has 2 days a month for the purpose of legislation. The purpose of this rule is to perform a major operation in a very serious malady.

Mr. MARTIN of Massachusetts. The statement of the chairman of the Committee on Rules placates us a great deal.

Mr. RANSLEY. Mr. Speaker, I yield 20 minutes to the gentleman from New York [Mr. Taber].

Mr. TABER. Mr. Speaker, this bill comes up under a

sible. In fact, the only way that a bill of this character can be properly considered is by having reasonable debate and reasonable opportunity for amendment, which is denied by the rule, and the debate and opportunity for amendment ought to run along in order on 1 day. That has not happened in this case; but owing to the parliamentary situation which has resulted, it is impossible that it should come in that way.

The bill itself is an orphan. The gentleman who introduced it told the House that the bill is nothing to him. The chairman of the committee spent a very considerable time in abusing those who are opposed to it, without presenting any legitimate argument in its favor. In fact no one has presented here on the floor any legitimate argument in favor of the bill. I am in hopes that the membership of the House will cast their votes on the measure upon its merits and not because this man or that man has been abused and not because of any resentment against anyone. As a matter of fact, it is a bill of very considerable importance. Objections were made to this bill of a very valid character by the gentleman from Illinois [Mr. DIRKSEN]. Its constitutionality was discussed by the gentleman from Illinois [Mr. DOBBINS] last Monday, and he presented absolutely conclusive reasons why this House should not from a constitutional standpoint vote for any such bill as this. I do not want to have it charged to me when I am through in this House that in violation of what I regard my constitutional oath to be I deliberately voted for a measure knowing it to be unconstitutional.

This is not the first experience we have had with this kind of a bill. Such a bill was enacted into law in wartimes, which hung over us for several years and there never were any rent reductions under that bill. But it is a nice juicy bill to provide nice juicy jobs and that is the only possible excuse for voting for it. Then, the folks who vote for those jobs have the additional excuse to carry back home to their constituents that their constituents do not have to pay for these jobs, because we saddle those jobs on the taxpayers of the District of Columbia. Is not that a nice situation? No possible excuse for the bill except the creation of jobs, and we duck out from any responsibility for creating the jobs and say to our constituents that we saddle the expense on the taxpayers of the District of Columbia. Is not that a nice picture for us to carry back, and will not we look proud when we carry it back?

Mr. RICH. Mr. Speaker, will the gentleman yield? Mr. TABER. Yes.

Mr. RICH. If the statement made is correct that they are going to saddle the expense on the taxpayers of the District of Columbia, then eventually we will have to make a greater contribution to the District of Columbia, because the people here will not be able to carry on the affairs of the Government.

Mr. TABER. Oh, I hardly believe that the Members in the House would have the nerve to raise the amount of the Federal contribution above what it is in the District of Columbia appropriation bill for this year, because the folks back home would have to pay some of those taxes, and I do not believe that the folks back home want to pay any more taxes for the benefit of the taxpayers of the District of Columbia. There will be considerable hesitancy when it comes to that proposition.

In addition to creating a nice lot of juicy jobs, I think I should like to call attention of the House to some of the high spots in this bill.

For the purposes of this act the commission or any officers, examiners, engineers, appraisers, attorneys, or such other employees or agents shall at all reasonable times have access to, for the purpose of examination, and the right to copy, any books, accounts, records, papers, or correspondence relating to any matter which the commission is authorized to consider or investigate.

They can look over an applicant's income tax to see whether he is in a position to pay the rent. They can look over all the books of anybody who owns any property at any time. I do not know whether other Members want to vote for that. I do not.

Here is another nice thing, on page 8:

Complaints may be made and filed by or on behalf of any tenant and by or on behalf of the owner of any rental property, notwithstanding the existence of a lease or other contract between the tenant and the owner or between the owner or any guest. The commission may, and if requested shall, file with its determination a finding of the facts on the evidence presented, and upon which its determination is based.

That means if you have a lease and the landlord wants to get rid of you he can go before this commission, which, as you know, will have a great lot of District of Columbia people on it, and he can try to get rid of you, notwithstanding the fact that you have a lease. Suppose you come down here when Congress meets and make a lease on an apartment to carry you through the winter and the landlord has two or three more come in who will pay more, and he goes to the commission and says that he has been renting you this apartment at a lower rate than will justify giving him a return. He can take you before that commission. He can show that he is losing money on the job, and he can throw your lease out, and you can move out in the middle of your term. You have absolutely no protection on a contract with this sort of thing. The same thing applies to the landlord.

If the commission determines that such rents, charges, service, or other terms or conditions are unfair, or unreasonable it shall determine and fix such reasonable rent or charges therefor, and fair and reasonable service, terms, or conditions of use, or occupancy, and may also order and require the furnishing of such service by the owner as it shall lawfully determine to be fair and reasonable for the particular premises involved.

That means that they can go to a piece of property, and they can require the owner to give service by installing elevators, by doing any and all sorts of things that will cost him money, without regard to whether that owner can stand the expense, or whether he can borrow the money for it or not, and they can wipe out the total value of that owner's property by that operation. I do not believe in turning over to any commission the power to do anything of that kind.

Again, on page 11:

The termination of the relation of landlord and tenant between the parties to any cause pending before the commission shall not deprive either party of the right to a hearing; or subsequent to the commission's determination therein, to a rehearing; or the right to recover in any action any sum which may be found to be due to either of the parties under such determination.

On page 13 they have some nice provisions:

The right of the tenant to the use or occupancy of any rental property existing at the time this act takes effect, or thereafter acquired, under any lease, or agreement for such use, or occupancy, or under any extension thereof by operation of law shall, notwithstanding the expiration of the term fixed by such lease or contract, continue at the option of the tenant subject, however, to any determination, or regulation of the commission relevant thereto—

Notwithstanding that the lease had expired-

and such tenant shall not be evicted or dispossessed so long as he pays the rent and performs the other terms and conditions of the tenancy as fixed by such lease or contract or, in case such lease or contract is modified by any determination or regulation of the commission, then as fixed by such modified lease or contract.

That means that a tenant can remain in possession of the property notwithstanding his lease has expired, notwithstanding the fact that the landlord has rented it to somebody else, notwithstanding, perhaps, that at the time that tenant hangs over, you or I have come down here a month or so ahead of time and have bargained for the apartment. If some tenant starts one of these proceedings, he can hang over and keep us from getting possession of a property that we have leased in good faith on our part from the landlord and which the landlord in good faith has leased to us. I do not believe the House of Representatives likes that kind of business.

Those are just a few of the things that are covered in this bill. I am not going to call attention to any more of them, because it seems to me the whole thing is absolutely ridiculous.

On page 23 there is a provision in section 21, as follows: The provisions of this act shall not apply to a new building in the course of construction at the time of the enactment of this act or commenced thereafter.

Now, that is a sop to the fellow who is apt to build a building. Relief for tenants has always come in the regular way as a result of landlords building more buildings. If the landlord is making an excessive profit, he will build more buildings. You try to destroy what the landlord has, and at the same time you try to delude him into building more apartments or houses. Do you suppose that will fool anybody? This bill will do more than anything else to keep people from building buildings, to keep people from building apartment houses and houses, and to keep the rents up. I do not think the House of Representatives wants to pass any such a bill. It is clearly in violation of the Constitution.

The assertion has been made, in an attempt to fool the membership of the House, that this bill is opposed by realestate agents. Personally, I know no real-estate agents in Washington. The gentleman from Texas [Mr. Blanton], who made a very good argument against this bill on the first day it was being considered, told us that he knew none of these real-estate agents. Frankly, I do not make it my practice to spend my time going to real-estate agents' banquets in the District of Columbia, nor to banquets given by any other outfit that would embarrass me in any way in performing my legislative duties here in this House. I do not believe the majority of the Members of the House spend their time this way; I do not believe the majority of our Members or any substantial number of them do. I think they want to meet what problems are theirs honestly, fairly, and face to face.

Summarizing in just a word, we have here, first, a bill that is unconstitutional; secondly, we have the experience with a previous bill which resulted in raising rents instead of lowering them and giving no relief to the tenants; thirdly, we have a bill containing a lot of absolutely ridiculous and unworkable provisions; fourthly, this bill is an orphan, the sponsor of which does not come out and tell us what the bill is, what it will do, fairly and straightforwardly. This is a bill in which abuse of those opposed to it is relied on as an argument for your support-nothing else; just bare abuse.

I hope the House will beat this bill. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia 'Mr. Coxl.

Mr. COX. Mr. Speaker, I did not have occasion to read this bill until this morning. Frankly I am astounded that such a proposal as this should be seriously presented to this House with the expectation of favorable action.

This bill is State socialism with a vengeance. It violates every property right known to the law. Nothing worse has ever come out of Russia. It is an effort to shackle American freedom. In spite of this statement I am supporting the rule, for I want the question brought to an issue in this House for final determination one way or the other.

The rent commission to be set up under this bill will be able to establish complete dominion over the property rights of the people of the District of Columbia. The bill declares that all rental property in the District is affected with a public interest. A more absurd statement I do not think it possible for an intelligent mind to utter.

Do you know what is involved? Are you acquainted with the provisions of the bill? If you are not, then, in justice to yourself, I urge that you hurriedly scan the language of the bill before you go on record.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. COX. With pleasure.

Mr. BLANTON. Yet, regarding such a bill as the gentleman has denounced, his great Rules Committee has brought in a rule stating that all points of order against the bill are waived, although points of order are to protect Members and to give them means to stop such outrageous bills.

Mr. COX. Let me say to the gentleman that I am meeting my responsibility as I understand it. The committee voted out this rule because of what has heretofore taken place with respect to the effort to get the bill to consideration in the House. While I do not like the bill or a single declaration contained in it—it is wholly and absolutely repugnant to my

sense of justice-yet I think there was justification for the Rules Committee voting out this rule, because it brings the question to a vote in the House in the event the rule is adopted.

Mr. BLANTON. Mr. Speaker, will my colleague yield?

Mr. COX. I yield.

Mr. BLANTON. Has anything been done by any of us not in accordance with the rules?

Mr. COX. No; that is true.

Mr. BLANTON. And the gentleman helped make the rules. Mr. COX. My committee reported the rule and for that reason I shall vote for it, but I shall vote against the bill if the rule is adopted, and hope it will be defeated. Rental charges in Washington are far too high, but we cannot afford to violate all property rights as a means of rectifying the evil. [Here the gavel fell.]

PRESIDENT ROOSEVELT'S OBJECTIVE

Mr. ROGERS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address on the subject of President Roosevelt's objectives, delivered by my colleague the gentleman from Massachusetts [Mr. McCormack] on the radio over the Yankee network on April 14 last.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. ROGERS of New Hampshire. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered over the radio on April 14 last by the gentleman from Massachusetts [Mr. McCormack]:

Ladies and gentleman of the radio audience, at the outset I want to express my appreciation to the officials of station WNAC, Boston, and of the Yankee network for affording me the use of their facilities on this occasion, enabling me to speak to my friends and to the people of my district, comprising South Boston, Dorchester, Mattapan, and Hyde Park, and to the people of New England, from the Capital City of Washington.

In the brief time allotted to me I am going to discuss the objective of the present Democratic administration, under the constructive and courageous leadership of President Roosevelt. The

structive and courageous leadership of President Roosevelt. observations that I will make are based on my studies and experiences as a Member of the Congress during the present Democratic

ences as a Member of the Congress during the present Democratic and the past Republican administrations.

What is the objective of President Roosevelt and the present Democratic administration? That is a question that one hears on every hand. It is on everyone's lips. It is a proper and natural question to ask. In a few words, the objective is greater economic security and greater social justice for our people. When we view the legislation recommended by President Roosevelt, this objective is apparent. tive is apparent.

tive is apparent.

In looking over an administration, the same as looking over any person's public record, and just the same as another looking over our own record of life to date, the whole picture should be viewed and passed upon. To form and pass judgment on one act, either in public or private life, is not the correct and fair premise upon which to proceed. The whole picture should be viewed and honest judgment passed upon that picture instead of forming judgment upon one act that may not be approved in disregard to all others. As we look over the picture of this administration we see one of courageous leadership, of honest effort, of the attempt on the part of President Roosevelt to do the best that he possibly could under the existing circumstances. That is all that can be expected of anyone.

In considering what I have to say I call to your attention that every person, whether in or out of public life who has ever led and who in the future will lead the fight for the average person, will be attacked, villified, and subjected to every effort and charge try and inflame the people's minds against him in order that his efforts in behalf of the people will be defeated. It must be borne in mind that economic insecurity is a dreadful condition for any person to undergo. It is one of the curses of mankind. It is the duty of our Government to try as far as possible and proper within constitutional means to minimize the distressful condition of economic insecurity. It must also be borne in mind that economic insecurity can be decreased by the elimination of certain abuses which the present administration has undertaken to remove or control for the general welfare of our people. I will refer to them

as I proceed.

I have said that the objective of President Roosevelt is to obtain greater economic security and greater social justice for the American people. I am now going to mention the legislation proposed by him and passed by a Democratic Congress in support of that assertion.

The present administration is divided into two parts: (1) Emergency legislation and (2) permanent legislation. The present depression, out of which we are emerging, brought economic insecurity to millions of our people who, in normal times, with employment, would be in a fairly satisfactory economic position. The depression

affected this great class adversely, and something had to be done for them and for all others similarly affected.

To clearly appreciate the problems that faced President Roosevelt when he was inaugurated on March 4, 1933, we must permit our minds to go back to those trying days in order to understand the objective that he had in mind—greater economic security and social justice for our people. At that time the country was facing chaos. Over 5,000 banks had failed or had been suspended during the previous year; the deposits of 20,000,000 of our people, their life's savings in most cases, were threatened with loss. Our banking system, the economic lifeblood of our Nation, was imperiled. ing system, the economic lifeblood of our Nation, was imperiled. The Federal Government under the previous Republican administration had failed to act in behalf of human suffering. Local govtration had failed to act in behalf of human sthering. Local government—State and municipal—and local charities which had been carrying the relief burden for over 3 years, were unable to meet the demands. Around 15,000,000 of our people were unemployed. The abuses of the stock exchanges, which had contributed to bringing about the depression, still existed; nothing had been done to regulate or control them. The sale of fictitious stock, as a result of which our people were robbed of hundreds of millions of dollars each near was still permitted. of which our people were robbed of hundreds of millions of dollars each year, was still permitted. Foreclosure of home and farm and bankruptcy of business were general. Agriculture was in a terrible condition. Despair existed everywhere. Business leadership had failed to assume its duties and responsibilities. The air of defeatism prevalled. Some were even saying that we could not survive this depression. I refer to these facts to indicate the conditions and the feelings of fear that existed. In brief that was the situation that faced President Roosevelt. Under his leadership these conditions have changed. He undertook to meet the problems of the day. He gave to us what we were seeking and praying for—courageous leadership. courageous leadership.

It must also be remembered that today we are looking back, while in 1933 we were looking forward. It must also be borne in mind that hindthought is always better than forethought. It is the easiest thing in the world to be a critic. It must be remembered also that we have been enveloped in the greatest economic catastrophe that has ever confronted the world in its entire history. It must also be remembered that the problems of government are

It must also be remembered that the problems of government are many in days of adversity—they are few in days of prosperity. The only real problem in days of prosperity is to prevent the unreasonable expenditure of the taxpayers' money.

The first act of President Roosevelt was to save our banking system and the life's savings of 20,000,000 of our people. That act of his electrified the country. By saving our banking system and the deposits of millions he also saved our insurance companies, our entire financial and business life, which are dependent upon the existence of proper banking facilities. Certainly his act in the banking situation, constructive and courageous, meant greater ecobanking situation, constructive and courageous, meant greater economic security for all of our people, without regard to whether or not we had any money on deposit in any bank at that time. This courageous act alone entitles President Roosevelt to the everlasting gratitude of our people.

lasting gratitude of our people.

In addition, and to assure greater economic security to our people, he strengthened cur banking laws, so that we will not be faced in the future with a destruction of our banking system and of the wiping away of the life's savings of millions of our people. Not content with that, and in addition, he recommended, and the Congress passed, a law guaranteeing deposits in banks up to \$5,000. Over 15,000 banks are members of the Federal Deposit Insurance Corporation, and all depositors of those banks are guaranteed payment of their deposits up to the sum of \$5,000, and at no expense ment of their deposits up to the sum of \$5,000, and at no expense

ment of their deposits up to the sum of \$5,000, and at no expense to the taxpayers. He not only met the emergency situation by closing all banks to prevent chaos, but President Roosevelt has obtained the passage of permanent legislation assuring protection of deposits and greater economic security for the American people. I next refer to the unemployment problem. What about their insecurity, due to no fault of their own? What about the results of undernourishment that are passed on from parents to children, the effects of which take at least two generations to die out? Faced with the inability of local government and of charitable organizations to carry on, President Roosevelt acted. He recommended and the Congress responded in order that emergency security, pending the return to normalcy, might be given to the unfortunate victims of the depression—millions of American citizens—of human beings. Relief had to be extended, and it was extended, to relieve human suffering and distress and to prevent the long-time effects of suffering and distress and to prevent the long-time effects of

undernourishment.

The legislation to protect homes and farms against foreclosure, and to also save our banks, insurance companies, financial and business activities of all kinds, necessary for employment of millions—all have as their objective greater economic security and social justice. His efforts to stimulate business through increased consumption, and thereby increased production, resulting during the past 3 years in the reemployment of over 5,000,000 persons, also assure greater security to those benefited. That great battle, the complete return to normalcy and on a sounder basis, with the resultant reemployment of the still unemployed, is still going on. Better understanding between employer and employee through the labor legislation that has been passed is also a part of this protection. picture. That is a very important part of his objective. Improved business profits, which all right-thinking people want to see, have occurred since his inauguration, resulting in reemployment and greater security for both employer and employee. The attempt to obtain a greater distribution of earnings, an important and necessary part of any social-justice plan, aims toward greater economic security for all.

Social-security legislation providing for old-age pensions for the needy—the first time in our history that the Federal Government has done this—which can at a later date be somewhat increased as conditions improve; unemployment insurance, to reduce the hardships of a future depression; old-age contributory annuities, enabling employees to obtain an earned annuity when their years of productivity are over—are also powerful evidences of his objective of greater economic security and of greater social justice.

Stock exchanges—a means of the purchase and sale of corporate securities—have a useful and necessary place in our finan-

rate securities—have a useful and necessary place in our financial and business life. However, abuses have no place therein. Such abuses have been a contributing factor to most of the depressions that we have had. Such abuses played an important part in bringing about the present depression. The regulation or part in bringing about the present depression. The regulation or control of such abuses is necessary for our future welfare—and for our national economic security. Over 20 years ago a congressional committee recommended legislation regulating the abuses of stock exchanges. It was under the leadership of President Roosevelt, despite powerful opposition, that it was accomplished.

The legislation to prevent the watering of stock and to prevent the fraudulent issuance and sale of stock was passed under his leadership, saving the American investors hundreds of millions of dollars each year, thereby assuring greater protection and greater economic security.

The effort to shorten the workweek as one of the means of means.

economic security.

The effort to shorten the workweek as one of the means of preventing displacement of human labor by labor-saving machinery, the elimination of child labor, of the sweatshop, started by President Roosevelt, the victory of which he is fighting to achieve, and will, with your help and support, are also important parts of his great objective. The regulation and control of the abuses of finance and of industry, the prevention of monopoly, the effort to enable the small-business man to continue in competitive business, are known by all and are necessary for the economic security of are known by all, and are necessary for the economic security of our people.

In a troubled world, filled with selfish nations, with no regard for In a troubled world, filled with selfish nations, with no regard for international agreements and treaties, and the necessity of our national defense, of means to assure our national security, have received his consideration, resulting in a proper increase of our Army and Navy to assure adequate national defense in case of attack. It is the duty of a nation to preserve its own existence to retain its place among the nations of the world, and to employ such means as will assure its continued existence. That has been done. I call to your attention the fact that while a Congressman represents a district—a Senator a State—the President represents the whole United States. He must view the country and the people as a whole. It is only natural to expect that there are some parts of

a whole. It is only natural to expect that there are some parts of the program of President Roosevelt with which some do not agree. the program of President Roosevelt with which some do not agree. However, the objective of greater economic security is one, I am sure, with which we all agree. As we look over the whole picture, when we compare the conditions of today with those of March 1933, which President Roosevelt inherited, I submit to all honest and fair-minded persons that it is a fine picture to view. Some complain about expenses. That will probably be the main issue next fall. In this connection, let me remind you that when sickness comes into our family—when someone of our loved ones is seriously ill—the family expenses go up rapidly. We will do anything spend next fall. In this connection, let me remind you that when sickness comes into our family—when someone of our leved ones is seriously ill—the family expenses go up rapidly. We will do anything, spend all we have, and borrow, if necessary, to save our leved one. In March of 1933 we were a sick Nation—very ill—seriously afflicted with a disorganized economic system and its dreadful results. Under the leadership of President Roosevelt we are now recovering from that condition. By the election of 1932 we sought a different leadership and treatment of our national sickness and its problems. As a Nation and as a people we did not want to leave our illness subject only to the treatment of past depressions and the leadership that we had received from 1929 to 1933, with the harshness and suffering of the cold and destructive policy of do nothing—of letting the natural laws of economics run their course.

With the mandate of the people, President Roosevelt gave leadership and treatment to the sick Nation that have brought results. That policy, of necessity, called for large expenditures to bring the patient back to health. Now that we are convalescing let us not forget the acute pain and suffering of those days. Let us realize that money had to be spent, and will have to be spent, to obtain for our people the complete recovery that we are all seeking. The economic illness of a nation brings unexpected and unusual expenses just the same as the illness of a loved one brings it to the family.

Therefore, as we view the emergency and permanent policies of President Roosevelt, we see that their objective is greater economic security and greater social justice for all of our people. That is a fight which has been waged from time immemorial—it will continue as long as the human race exists. Those who lead this fight must expect to meet strong opposition—the attempt to instill fear of such leadership in the minds of the people whom they seek to assist—the determined effort to create misunderstanding as to their motives and objec

motives and objectives. President Roosevelt has met and will continue to meet such opposition. However, with an understanding on the part of our people of his great objective—greater economic security and greater social justice for our people—with the realization on your part that he is leading your fight—with your help and support—he will continue to wage this fight to obtain for us, in our day, improved conditions—bringing to us a stronger feeling of protection and a greater feeling of spiritual and material happiness and contentment, and passing on to the future generations the knowledge that we of this generation met and determined our problems in a manner that was for the best interests of this and future generations of America.

DISTRICT OF COLUMBIA RENT BILL

Mr. RANSLEY. Mr. Speaker, I yield 7 minutes, the balance of my time, to the gentleman from Michigan [Mr. Hoff-

Mr. HOFFMAN. Mr. Speaker, had this bill been considered on its merits, the first time it came up it would, in my judgment, have been overwhelmingly defeated. We should now lay aside all personal feeling and defeat it today. But we all know what happened, those opposing it, believing it unconstitutional, started and carried on a filibuster and because of the delay, because of the many roll calls, and of the personalities which were indulged in, because of the filibuster, this rule became necessary. The rule is a practical answer to the filibuster and will enable the House to dispose of this legislation and to do it at once, though it should be remembered that the gentleman from Texas in opposing this bill only exercised his rights under the rules of this House, and believing as he undoubtedly does that the bill is unconstitutional, and being perhaps somewhat in doubt as to the ultimate outcome, characteristically and very vigorously and tenaciously stuck to his plan of attempting to defeat it at all hazards, regardless of any inconvenience he might cause.

There is no question in the minds of those who come from outside the District and who have not been in the habit of paying exorbitant rates that we should have legislation which would accomplish the purpose which presumably is the object of this bill.

There is no question, there can be no question, in the minds of those familiar with rents charged for homes, apartments, rooms, and with the rates charged by hotels in other cities of like size for accommodations similar to those offered in Washington, but that we who are called here on Government business are being unmercifully gouged. There should be, and there is, a way to overcome this condition. For my part, if this District is under control of the Congress. I cannot understand why we who are forced to come here in order to perform our duties, why those who come to assist us, those who come to visit us on business or pleasure, those who have business with the departments which can only be transacted here in the Nation's Capital should not have living accommodations and have them at a reasonable price. Some of the people who live here, some of those who own and rent this real estate, who operate the hotels, reply, "We do not ask you to come here; you do not need to come here; if you do not like it, you should go elsewhere." But that is not the situation, that is not altogether true. We have no choice. The District happens to be the seat of the National Government. It is here that the larger portion of the Nation's business must be transacted. There is no other place to which we can go and perform our duties. There is no other location where this business can be transacted.

Nor is there any question but that the rents charged are exorbitant—that advantage is taken of the situation. Last year some of us were charged almost twice as much for the rooms we occupied as were those who occupied them the preceding year. This year rates are still higher. Some of the rooms I have been in were small, altogether too small for a large man, a trunk, or a suitcase.

Mr. HAMLIN rose.

Mr. HOFFMAN. Yes; I see the gentleman from Maine, who has arisen. The small rooms do not bother me, because I am a little fellow, and I can crawl into almost any place, but my good friend the gentleman from Maine, 6 feet 3 inches, and 240 pounds of a big fellow from top to bottomhe is big, not only physically but intellectually, greatest of all, perhaps, in his kindly good-fellowship. He should have a room in which he can move about, in which he could not only move but breathe. It may be all right to put a little fellow in a cell, but a big man like my friend should have room and plenty of it.

Mr. Speaker, after all, is the District of Columbia controlled by the Government, by the Congress—is it the place set apart for the transaction of the Nation's business, for the residence, temporary though it may be, of those who come the gentleman from Texas and from New York in their efforts

here as officials, of those who come to assist in carrying on the governmental work? Or is it only the property of the individuals who come here to profit from the salaries and the wages of the employees?

Mrs. NORTON. Will the gentleman yield?
Mr. HOFFMAN. I yield to the gentlewoman from New

Mrs. NORTON. Of course the gentleman knows that every Member on the floor of the House has constituents here in Washington who are being gouged.

Mr. HOFFMAN. Certainly. We are all glad to have the home folks visit us and to be privileged to show them the historic places in the city. But we do not wish to see them overcharged. Today three of the loveliest young women from my home town, Miss Cordelia Lockner, Miss Helen Lockner, and Miss Mildred Schelhas, two of whom have been associated with the home office for a number of years, are here. When they came to Washington they discovered that the hotels were filled. There was no place for them, and so it became necessary that I give up to them the place which I had in this fine building just across the park because they could not get a place elsewhere. This, of course, was a pleasure; but when you reach my age, after you have become eligible to the Townsend pension, just any place to sleep will not do. And good rooms are hard to find. This thing of going out and sleeping in your car or crawling into a barrel or a box or an old building is not altogether agreeable to an old man. Others of the home folks went down to Alexandria and to other points outside the city because they could not find accommodations in Washington.

Mr. COX. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Georgia.

Mr. COX. Does the gentleman realize that the rights of the property owners here in the District of Columbia are taken away from them under the provisions of this bill?

Mr. HOFFMAN. Yes; I realize that full well. In my judgment those provisions and the other which would impair the obligation of a contract render the bill unconstitutional and will force many to vote against it. I am only speaking now for the moment of the conditions which exist here in the District.

Mr. COX. We concede that the condition exists, but does the gentleman want to take one's property rights away from him in order to remedy that situation?

Mr. HOFFMAN. No; but here is the answer to that. Those people who own this property came here from choice. You may say, "We come for the same reason", but that is not strictly accurate. We seek office or employment from choice, but we have no choice as to the place where the service is to be rendered. We are servants of the people, the people established this location as the seat of government. and here we must serve. Carry the thought to its logical conclusion: the Government will grow, the number of employees will increase, the size of the District remains the same. If a real-estate speculator or a group of speculators purchased the available property, a monopoly would be created, rents might be raised, Congressmen, the secretaries, Government employees, and officials, unless unbelievably wealthy, would have no place to stay. Such a situation is a possibility. There must some day be regulation to prevent monopoly and extortion. If someone's property rights must be destroyed, then the rule of necessity must be applied. If one of two innocent persons must suffer, then, of necessity, the Government must protect itself, its officials, its employees, and those who come here to profit in a business way, either through real estate or otherwise, must be regulated. The charges must be limited.

This bill is bad as drawn, its provisions unconstitutional. Another bill should be brought in which will be just, equitable, and accomplish the designed purpose. Most assuredly, if the Congress controls the territory within the District of Columbia, emergency or no emergency, it has the right, the duty, to protect itself and those who are necessary to its existence.

For this rule I cannot vote for the reason that it is merely a device, expedient for the moment, to thwart the purpose of to defeat this unconstitutional legislation. For the bill itself I cannot vote, though I believe in the purpose which presumably is sought to be accomplished, because I believe the bill is not constitutional, and there is no reason why we should shirk our responsibility and throw upon the Supreme Court of the United States, already overburdened, the task of considering legislation which we believe to be legally unsound. plause.]

Mr. O'CONNOR. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

The SPEAKER. Will the gentleman from Texas yield to the gentleman from Louisiana for a unanimous-consent request?

Mr. BLANTON. I yield to the gentleman from Louisiana [Mr. WILSON].

IMPROVEMENT OF NAVIGABILITY, ETC., OF THE CONNECTICUT RIVER AND ITS TRIBUTARIES

Mr. WILSON of Louisiana. Mr. Speaker, I ask unanimous consent that the bill (H. R. 4979) to insure domestic tranquillity, to provide for the common defense, and to promote the general welfare of the United States by improving the navigability, controlling the flood waters, and eliminating the pollution of the Connecticut River and its tributaries; by providing for the development and improvement of forest reserves, recreational grounds, parks, and highways, and the preservation of wildlife; by promoting agriculture and industry, and by producing electrical energy for interstate transmission, and also by providing healthy water supplies; and for the relief of unemployment among the people in the Connecticut River Valley and neighborhood; and further, for the creation of a corporation to carry out the aforesaid be rereferred from the Committee on Flood Control to the Committee on Rivers and Harbors.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. DONDERO. Mr. Speaker, reserving the right to object, is this the same bill to which the gentleman referred this morning in committee?

Mr. WILSON of Louisiana. It is the same bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

ROOSEVELT, DEMOCRACY'S GREAT LEADER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio speech made recently by the gentleman from Massachusetts [Mr. Granfield].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a speech delivered by my colleague, Hon. WILLIAM J. GRANFIELD, of Massachusetts, over the Yankee network in Washington, D. C., on April 16, 1936, on Roosevelt, Democracy's Great Leader, as follows:

Ladies and gentlemen, upon the approaching election will depend whether this Nation is to go forward to the great destiny which our forefathers conceived for it. That President Roosevelt will be renominated is a foregone conclusion, and I very much doubt if any other name will be presented to the Democratic convention in Philadelphia for this high honor. More than that, I am firmly convinced that under his banner Democracy will triumph in November and the great reforms he has initiated carried through to reverse.

through to success.

It is interesting to note the reaction of what is generally known as big business to the coming election. Three years ago, when as big business to the coming election. Three years ago, when President Roosevelt assumed office, the country was on the verge of chaos. Industry, commerce, and agriculture were all but prostrate. At that time, the men representing big business came to Washington and pleaded with President Roosevelt to do something to save them. Their one fear, very privately expressed, was that he would not prove strong enough for the task, and they demanded that Congress stand back of him to a man. One after another of the so-called New Deal measures were enacted and placed in operation, and slowly but surely the Nation began to climb out of the depression into which it had been plunged by 12 years of Republican misrule. Harkening to the pleas of big busiyears of Republican misrule. Harkening to the pleas of big business, the functions of the Reconstruction Finance Corporation, which had been created during the Hoover regime, were greatly enlarged and expanded. This agency, pouring out millions to

banks, insurance companies, railroads, and industry generally, saved the situation for them, and firms which were on the brink of bankruptcy found a new measure of hope as earnings increased and dividends became something more than a mirage. No sconer had this been accomplished, however, than many of the men, beneficiaries of this governmental aid, grew resentful of restrictions placed on them by other measures, such as the National Recovery Administration and the Agricultural Adjustment Administration. It was then they began muttering against President Roosevelt and demanding that the Government turn business "loose." To them he became a Stalin, a Hitler, a Mussolini. The accomplishments of the President and his Democratic Congress were termed "communistic, socialistic, and paternalistic." They wanted to be saved, but were unwilling to aid in saving the rest of the country, at least if it was going to cost them anything to do it.

Although the Supreme Court declared the National Recovery Although the Supreme Court declared the National Recovery Administration and the Agricultural Adjustment Administration unconstitutional, big business was still dissatisfied, and it refused to play the game fairly. As it has been pointed out by President Roosevelt, after the Supreme Court decision declaring the National Recovery Administration unconstitutional industry began to tighten up all along the line, and it increased hours of labor and reduced wages wherever and whenever it was possible. Many of the big concerns which under the Agricultural Adjustment Act were called upon to pay processing taxes either passed them on to the consumers or back to the producers, and when this act was declared unconstitutional they were in the fine position of the man who may unconstitutional they were in the fine position of the man who may eat his cake and have it, too. The refunds to the meat packers alone were \$51,000,000; and, since contracts had been made with the farmers, this had to be made good through new taxes, some of which are now being considered by the Congress.

which are now being considered by the Congress.

Even this bounty did not satisfy some of them, however, and they are demanding that the Nation go back to what President Roosevelt had graphically described as the "rule of the fang and claw." Executives of big business, bankers, Wall Street operators, and industrialists such as the Du Ponts, and a few high-priced lawyers are bemoaning the loss of their so-called liberties and the alleged invasion of the Constitution. They are shedding tears over regimentation. Yet, in spite of their constant opposition, the country has been foreing ahead.

country has been forging ahead.

country has been forging ahead.

That the great corporations, many of whose executives are numbered among the opponents of the present administration and outstanding critics of the New Deal, are tilting at windmills is manifest by stock-market reports. Since the inauguration of President Roosevelt and the return of confidence among investors, as well as increased business due to New Deal measures, the gain in stock values listed upon the New York Exchange would more than pay the national debt. A statement has just been issued which shows that 1,148 corporations during the last year alone showed net gains in their earnings of 47½ percent. In items of dollars this report, which was compiled by the Standard Statistics Co. of New York, shows total net earnings of these concerns amounted to \$2,029,999,000 for the year 1935. This may be compared with the net earnings of the same concerns during 1934 of \$1,481,551,000. Certainly no one in authority or in his right mind could contend that these concerns are not in a more healthy and flourishing condition than they were a year ago, and yet the critics flourishing condition than they were a year ago, and yet the critics of the New Deal insist it is hurting business. The officers of these corporations may oppose President Roosevelt, but it will be difficult, indeed, for them to convince their stockholders that the administration which restored dividends is not entitled to support.

Among the outstanding critics of the administration are some Among the outstanding critics of the administration are some of the large, heavily financed, and well-entrenched newspapers of the country. Their writers, columnists, and cartoonists are bending every effort at their command and exerting all their talents to belittle the various New Deal agencies so instrumental in recovery, and editorial columns ring with charges that the Government is driving us to ruin, business gone to the dogs, and national credit wrecked. Yet their advertising pages of the stock-market reports belie everything they say, and their own advertisements urging advertisers to avail themselves of opportunity to reap the rich rewards of salesmanship through their columns reveals that they don't believe their own editorials.

One of the slogans upon which Republican spellbinders are relying to win voters in the approaching campaign is "balance the

One of the slogans upon which Republican spellbinders are relying to win voters in the approaching campaign is "balance the Budget." No one can deny that it would be a fine thing if the National Budget could be balanced, but if this must be done at the expense of business recovery, hunger and suffering, and human misery, it had better stay unbalanced for a while at least. It should be borne in mind, moreover, that it was not Mr. Roosevelt who developed the unbalanced Budget. Under President Hoover the national debt was increased \$6,000,000,000, and instead of making progress against the depression, business continued to grow worse. The deficit under Federal revenues for the last 4 years is slightly more than it was for the 4 years of the Hoover administration, but there is a clear-cut difference between the deficits created during these two administrations. That of the Hoover administration was a net loss so far as the Nation is concerned, while a very substantial amount, considerably over half, in fact, administration was a net loss so far as the Nation is concerned, while a very substantial amount, considerably over half, in fact, of that which has developed during the last 3½ years is represented by gilt-edged securities held by the various governmental agencies. The \$3,000,000,000 loaned through the Home Owners' Loan Corporation is amply secured by mortgages on the homes it saved. The same is true of loans made through the Farm Credit Administration, and also by the Reconstruction Finance Corporation

As recovery advances, these loans are being repaid and may be recovered back into the Treasury to reduce the deficit, while no such course is possible with any of that \$6,000,000,000 spent during such course is possible with any of that \$6,000,000,000 spent during the Hoover administration over and above the current revenues. Another complaint that is going up from the Republicans is that relief money has been squandered. They charge extravagance and worse in the operation of various relief agencies. "Boondoggling" has become a fearful word to dangle in front of the voters. Charges of petty corruption are magnified and made to appear colossal. Sifted down, most of these charges are trivial and insignificant. They represent the petty chiseling of some unfortunates on relief. How do they compare with the looting of the Nation's oil reserves condoned by Republican Presidents or the enormous fraud reserves condoned by Republican Presidents or the enormous fraud uncovered in the Veterans' Bureau?

Meanwhile, under the direction of this administration the Home Meanwhile, under the direction of this administration the Home Owners' Loan Corporation has saved a million homes, the Farm Credit Administration almost an equal number of farms, hundreds of thousands of young men have been placed in C. C. C. camps to learn the rudiments of forestry and the dignity of labor. Slums have been wiped out in some 40 or 50 cities, and thousands of farm families moved from poor, worn-out lands to farms on which they can make a living and become self-sustaining. Thousands of miles of electric power lines have been stretched out into rural sections to lighten the labors of hundreds of thousands of farmers. Public buildings nost offices new roads have been constructed and Public buildings, post offices, new roads have been constructed, and at the same time money has been advanced to the States to relieve

at the same time money has been advanced to the States to relieve hunger and want for those unable to find employment.

Early in his administration President Roosevelt said no one would go hungry if he could prevent it. That was a covenant with the Nation, and he has kept the faith. These are the things which the great body of people see, and no amount of propaganda by Republican newspapers or Republican spellbinders can blind them to these solid and substantial facts. Undoubtedly this is the reason for the large increase of Democratic strength in hitherto Republican strengtholds and which has startled the high command of that lican strongholds, and which has startled the high command of that party. California, long looked upon as solidly Republican as Vermont, now shows a Democratic superiority of 426,441 in registration in seven counties alone. In the recent primary in Wisconsin, President Roosevelt received twice as many votes as the two wings of the Republican Party combined; and since the Borah forces represented more than half the Republican strength, it is reasonable to assume if Mr. Borah is not nominated for President on the Republican ticket, a highly improbable assumption at this time, that many of his supporters in that State will vote for President Roosevelt. Therefore, primary in Illinois revealed, a similar situation. velt. Tuesday's primary in Illinois revealed a similar situation, save that the Borah faction was not relatively as strong. However,

save that the Borah faction was not relatively as strong. However, the Democratic forces polled nearly two votes for every one cast for Republican candidates, and the only question as to Illinois in the November election will be the size of President Roosevelt's majority. During the next 6 months the voters of this Nation will be bombarded with propaganda and editorial tirades against President Roosevelt. He will be denounced on one side as a czar and a tyrant, and in the next breath he will be called weak and ineffective. He will be charged with squandering billions of dollars and will be credited with every individual instance of suffering, which will be magnified into a national calamity. While some of the people may be fooled or beguiled by this, the great majority the people may be fooled or beguiled by this, the great majority, I am sure, will remain steadfast, loyal, and unafraid, and they will again demonstrate the truth of Abraham Lincoln's maxim that you can't fool all the people all the time. I am firmly convinced that President Roosevelt will be reelected in November and vinced that President Roosevelt will be reelected in November and that the Congress will be as strongly behind him as it is today, and that, in the light of history as it will be read by the future generations, the death knell of special privilege was rung in this Nation in 1932—that the decision of the voters of 1932 was confirmed in 1936, and that a new epoch was created wherein the rights of the average man to his job, and security for his home and in his old age became a sacred trust to this Nation, and no less for protection for the special form. less for protection for the special few.

DISTRICT OF COLUMBIA RENT BILL

The SPEAKER. The gentleman from Texas [Mr. Blan-TON] is recognized for 10 minutes.

Mr. BLANTON. Mr. Speaker, I never engage in a futile fight. Under this very remarkable rule no fight for proper amendments could be made against this bill which would not be futile, hence I shall offer no amendments.

This rule will go down in history. This is a bill which the gentleman from Georgia [Mr. Cox], an authority on the Constitution, denominates as communistic, unconstitutional, ridiculous, and "worse than anything that has ever come out of Russia."

This rule waives all points of order on this sort of a bill. The rule closes general debate on the bill. The bill will not be read under the 5-minute rule like other bills, this rule even taking that right away from the membership. It is not to be read under the 5-minute rule.

Mr. COX. Will the gentleman yield?

Mr. BLANTON. Please do not take my time.

Mr. COX. I want to support the gentleman.

Mr. BLANTON. I am glad I have such a distinguished

minutes, although I have deep affection for the gentleman from Georgia.

Mr. COX. I yielded to the gentleman when I had the

Mr. BLANTON. I will yield later to my friend. I want to make a statement first, and then I will yield.

Mr. Speaker, this rule prescribes that the bill has already been read under the 5-minute rule, so that the usual second reading of the bill has been dispensed with and it will not even be read now. Debate on all amendments is limited to an hour and a half.

Mr. COX. Will not the gentleman yield now?

Mr. BLANTON. Please let me finish; then I shall yield to the distinguished gentleman.

Mr. Speaker, the rules of this House were not formulated merely to pass bills. The rules of the House are to afford a means for the membership to pass good bills, and the rules are also to afford a means to the membership who know the rules to stop bad bills from being passed by pursuing those rules. Every single thing that we have done to stop this bad bill has been done in strict accord with the rules of the House. Not a rule has been violated. If we had not delayed the passage of this bill until time afforded the membership an opportunity to understand it, we would have had no chance whatever of killing it.

Even the distinguished and able gentleman from Georgia [Mr. Cox] stated a few minutes ago that he "did not have occasion to read this bill until this morning", yet after reading it and today understanding it, he said he was astounded at such a proposal; that "it is socialism with a vengeance"; that "it violates every property right known to law"; and that "nothing worse has ever come out of Russia"; and he said that it is "an effort to shackle American freemen." Is not that a terrible indictment? If we had not delayed the bill, he would not have had an opportunity to read it, or to have reached that very statesmanlike conclusion.

Now, there has not been one thing done in this House with respect to this bill except what the rules authorize. Everything that has been done in this House respecting this bill. in an attempt to keep it from passing, has been in strict conformity with the rules, upheld by the Speaker of the House-get that.

The distinguished gentleman from Georgia [Mr. Cox] says that this is a communistic bill. This bill, as is well known to the membership, is intimately connected with another bill that is even more communistic, a bill that puts communism back into the 175 schools of Washington, where there are 2,968 teachers, and where there are 99,000 little school children, known as the Sisson bill.

Now, the efforts that some of us have been making to stop this bill also have been made incidental to stopping that Sisson bill that puts communism back in the schools. Without this rule this Ellenbogen bill could never be passed in this Congress, and without this rule this Sisson bill could never be passed in this Congress. When we delayed the Ellenbogen bill we at the same time delayed the Sisson bill, and were killing two birds-both red-with one stone, as Members of Congress now know all about both bills.

All of us have the right to name bills, have we not? I am going to name two bills, and I hope they will be known by these names from now until eternity. Instead of calling this the Ellenbogen bill, from now on I want it known by the name of the Ellenbogen-O'Connor-Rules-Committee bill. [Laughter.] Instead of knowing the Sisson bill as the Sisson bill, I am going to name it now, and I want it known hereafter as the Sisson-O'Connor-Rules-Committee bill [laughter and applause] that seeks to put communism back in the schools.

Now, Mr. Speaker, I am not even going to offer an amendment to this bill. I will offer one preferential motion. I am not even going to move to strike out the ridiculous provision which says that Congress reserves to itself the right to alter or amend this bill. I understand, however, the committee will do that. I am not even going to move to strike out any of its many unsound provisions. They are consistent with convert. I have only 10 minutes, and I want to use the 10 every other part of the bill, and one part is just as sound as any other part of the bill. All I am going to do, under such a rule, is reserve the right to offer a preferential motion and to vote against this bill and to vote against the Sisson bill. I have done my duty by both of them. I have worked hard to stop both of them. I have done many hours of work, when some of you were asleep, in trying to stop these infamous measures, especially the Sisson measure that puts communism back into the schools of Washington.

Mr. COX and Mr. McCORMACK rose.

Mr. BLANTON. I will yield in just a moment. I am trying to get through in order to yield to my friend the gentleman from Georgia, as I promised him, and for fear I will not be able to do so I yield to him now.

Mr. COX. Let me state to the gentleman that as a member of the Rules Committee I am not at all proud of this rule.

Mr. BLANTON. It ought not to be here if you are not proud of it.

Mr. COX. If adopted, nothing could be more unfortunate than for it ever to be accepted as a precedent.

Mr. BLANTON. I did not call it "the Cox bill." [Laughter.] Mr. COX. I know, and I am, in a measure, supporting the

position that the gentleman takes.

Mr. BLANTON. Mr. Speaker, I am not ashamed of anything I have done about these two bills. I have done all I could to kill them. I have done my duty. I have done everything a man could do under the rules of this House to stop these two communistic measures.

Mr. COX. Mr. Speaker, will the gentleman yield there?

Mr. BLANTON. In just a minute. And to show what our Subcommittee on Appropriations that handled the District of Columbia bill, and took out of the bill \$78,660 for so-called character education, has done, and to show you colleagues why we did it, I went to the trouble of working weeks to assemble the facts in the RECORD for you, which you will find in my speech of April 2, 1936, beginning on page 4838, and I checked up every fact before I printed this speech in the RECORD. You will find it printed in the RECORD of April 2, 1936, at page 4838, and I invite the Members to read that convincing evidence which we developed at our hearings. Read the testimony of Dr. Ballou and his admissions, read the testimony of his professor of social studies (Jones) and his admissions, and then if you can vote for that Sisson bill when it comes up, all right; it will be your responsibility.

This bill cannot hurt me-neither one of them can hurt me-if you want this kind of communistic, unconstitutional measure to go on the statute books, all right. I, myself, do not own a piece of property in Washington. I have not a

friend in Washington whom it will affect.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield? Mr. BLANTON. No; I am sorry, I have not the time.

It does not affect me in any particular. If any of you want it on the statute books to affect the 500,000 people living here. all right. I am going to vote against this bill and against the Sisson bill, and try to get a roll call on both.

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I move the previous question on the rule.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The question was taken; and on a division (demanded by Mr. O'CONNOR) there were 49 ayes and 50 noes.

Mr. O'CONNOR. Mr. Speaker, I make the point of order that there is no quorum present, and I object to the vote on that ground.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, and the Clerk will call

The question was taken; and there were—yeas 198, nays 89, answered "present" 1, not voting 140, as follows:

[Roll No. 68]

YEAS-198

Amlie Boileau Barry Buck Beiter Boland Buckler, Minn. Bacharach Biermann Bland Boehne Boylan Brewster Brown, Ga. Burch Burdick Bankhead Barden Carmichael

Gillette Cartwright Gingery Granfield Casey Gray, Ind. Citron Green Greenway Greever Cochran Colden Cole, N. Y. Gwynne Connery Cooley Costello Hamlin Harter Hennings Higgins, Mass. Hildebrandt Cox Cravens Creal Crosser, Ohio Hill, Samuel B. Hook Houston Crowe Cullen Huddleston Cummings Hull Curley Jenckes, Ind. Johnson, Tex. Johnson, W. Va. Daly Deen Dempsey Dies Kahn Kennedy, Md. Kennedy, N. Y. Dockweiler Dorsey Doughton Kenney Kloeb Kniffin Doxey Drewry Driscoll Kramer Driver Kvale Duffy, N. Y. Lambertson Eckert Edmiston Lambeth Lanham Lee, Okla. Lemke Lesinski Richer Ellenbogen Evans Fletcher Lewis, Colo. Lewis, Md. Ford, Calif. Frey
Fuller
Gasque
Gassaway
Gehrmann Ludlow McClellan McCormack McGehee McLean

McSwain Maloney Mansfield Marcantonio Martin, Colo. Mason Massingale Mead Meeks Merritt, N. Y. Miller Mitchell, Ill. Mitchell, Tenn. Moran Murdock Nelson Nichols Norton O'Connell O'Connor O'Leary O'Neal Owen Patterson Patton Pearson Pfeifer Pittenger Polk Quinn Ramsav Ramspeck Randolph Rayburn Reilly Richards Richardson Robertson Robinson, Utah Rogers, Mass Rogers, N. H. Rogers, Okla Russell Ryan

Sandlin Sauthoff Schneider, Wis. Schulte Scott Secrest Shannon Sisson Smith, Conn. Smith, Va. Smith, Wash. Smith, W. Va. South Spence Sullivan Sutphin Sweeney Terry Thom Thomason Thompson Tolan Tonry Umstead Utterback Vinson, Ky. Walter Warren Wearin Weaver Welch Werner West White Whittington Williams Wood Woodrum Young Zimmerman Zioncheck

NAYS-89

Englebright Andrews, Mass. Andrews, N. Y. Fiesinger Flannagan Ford, Miss. Fulmer Gambrill Goldsborough Guver Haines Hancock, N. Y. Hess Higgins, Conn. Cannon, Mo. Hill, Ala Hollister Holmes Hope Cooper, Tenn. Crawford Crowther Jacobsen Kinzer Knutson Lamneck Lord

Darden

Darrow

Dear Delaney

Dietrich

Dingell

Dirksen

Disney Ditter

Engel Faddis

Farley

Fish

Focht

Goodwin

Fenerty

McLeod

McReynolds

Gilchrist

Andresen

Arends Ashbrook

Binderup

Blackney Blanton

Bolton Caldwell

Carlson

Church

Castellow

Coffee Cole, Md. Colmer

Dondero Ekwall

Bacon

Luckey Maas Main Mapes Martin, Mass. May Merritt, Conn. Michener Mott O'Malley Parsons Patman Peterson, Fla. Peterson, Ga. Pettengill Pierce Powers Rankin Ransley Reece Reed, N. Y. Rich Risk

Robsion, Ky. Sanders, Tex. Scrugham Sears Short Snell Stefan Stewart Taber Tarver Taylor, S. C. Thurston Tinkham Tobey Turner Turpin Vinson, Ga. Whelchel Wolcott

ANSWERED "PRESENT"-1 Dobbins

NOT VOTING-140

Adair Allen Beam Bell Berlin Boykin Brennan Brooks Brown, Mich. Buchanan Buckbee Buckley, N. Y. Bulwinkle Burnham Cannon, Wis. Carpenter Carter Cary Cavicchia Celler Christianson Claiborne Clark, Idaho Clark, N. C. Collins Cooper, Ohio Corning Crosby Cross, Tex. Culkin

Gray, Pa Greenwood Gregory Griswold Hancock, N. C. DeRouen Dickstein Harlan Hart Hartley Healey Hill, Knute Doutrich Hoeppel Duffey, Ohio Duncan Dunn, Miss. **Imhoff** Jenkins, Ohio Johnson, Okla, Dunn, Pa. Eagle Eaton Kelly Keny Kerr Kleberg Kocialkowski Kopplemann Larrabee Lea, Calif. Lehlbach Ferguson Fernandez Fitzpatrick Lucas Lundeen Gavagan McAndrews Gearhart Gifford McFarlane McGrath

McGroarty

McKeough McLaughlin McMillan Mahon Marshall Maverick Millard Monaghan Montague Montet. Moritz O'Brien O'Day Oliver Palmisano Parks Perkins Peyser Plumley Rabaut Reed, Ill. Romjue Sadowski Sanders, La. Schaefer Schuetz Shanley Sirovich Snyder, Pa. Somers, N. Y. Stack

Starnes Steagall Sumners, Tex. Taylor, Colo.

Taylor, Tenn. Thomas Wadsworth

Wallgren Wigglesworth Wilcox Wilson, La.

Wilson, Pa. Withrow Wolfenden Wolverton

So the resolution was agreed to. The following pairs were announced:

(against).

Mr. Maverick (for) with Mr. Ditter (against).
Mrs. O'Day (for) with Mr. Darrow (against).
Mr. Hartley (for) with Mr. Wigglesworth (against).
Mr. Diffey of Ohio (for) with Mr. Shanley (agains Mr. Dingell (for) with Mr. Wolfenden (against).
Mr. Sadowski (for) with Mr. Focht (against).
Mr. Fitzpatrick (for) with Mr. Kleberg (against).
Mr. Knute Hill (for) with Mr. Allen (against).
Mr. Wolverton (for) with Mr. Culkin (against).

General pairs:

Mr. Wolverton (for) with Mr. Culkin (against).

General pairs:

Mr. Buchanan with Mr. Wadsworth.
Mr. McAndrews with Mr. Perkins.
Mr. Fernandez with Mr. Perkins.
Mr. Fernandez with Mr. Gifford.
Mr. Taylor of Colorado with Mr. Cooper of Ohlo.
Mr. Steagall with Mr. Wilson of Pennsylvania.
Mr. Parks with Mr. Taylor of Tennessee.
Mr. Eagle with Mr. Lehlbach.
Mr. Dunn of Mississippi with Mr. Eaton.
Mr. Wilcox with Mr. Collins.
Mr. McMillan with Mr. Goodwin.
Mr. Lea of California with Mr. Jenkins of Ohlo.
Mr. McFarlane with Mr. Millard.
Mr. Kerr with Mr. Thomas
Mr. Hancock of North Carolina with Mr. Reed of Illinois.
Mr. Griswold with Mr. Plumley.
Mr. Griswold with Mr. Burnham.
Mr. Bulwinkle with Mr. Dirksen.
Mr. Boom with Mr. Burnham.
Mr. Bloom with Mr. Carter.
Mr. Kelly with Mr. Carter.
Mr. Kelly with Mr. Christianson.
Mr Gavagan with Mr. Withrow.
Mr. Snyder of Pennsylvania with Mr. Engel.
Mr. Seam with Mr. Buckbee.
Mr. Romjue with Mr. Doutrich.
Mr. Cary with Mr. Lundeen.
Mr. DeRouen with Mr. Gearhart.
Mr. Cross of Texas with Mr. Wallgren.
Mr. Ferguson with Mr. Bell.
Mr. Gray of Pennsylvania with Mr. Somers of New York.
Mr. Sanders of Louisiana with Mr. Kee.
Mr. Darden with Mr. Boykin.
Mr. Sanders of Louisiana with Mr. Kee.
Mr. Darden with Mr. McLaughlin.
Mr. Wilson of Louisiana with Mr. Claiborne.
Mr. Schaefer with Mr. Adair.
Mr. Harlan with Mr. McLeughlin.
Mr. Berlin with Mr. Hart.
Mr. Halan with Mr. McLeughlin.
Mr. Berlin with Mr. Hart.
Mr. Bennan with Mr. McKeough.
Mr. Brennan with Mr. McKeough.
Mr. Brennan with Mr. McKeough.
Mr. Dickstein with Mr. Kocialkowski.

Mr. Delaney with Mr. McKeough.
Mr. Brennan with Mr. Healey.
Mr. Dickstein with Mr. Larrabee.
Mr. Crosby with Mr. Kocialkowski,
Mr. Keller with Mr. Monaghan,
Mr. Farley with Mr. Sirovich.
Mr. Imhoff with Mr. Schuetz.
Mr. McGrath with Mr. Dunn of Pennsylvania.
Mr. Clark of North Carolina with Mr. Duncan.
Mr. Faddis with Mr. Buckley of New York.
Mr. Dietrich with Mr. Brown of Michigan.
Mr. Brooks with Mr. Dear.
Mr. Clark of Idaho with Mr. Carpenter.

Mr. COX changed his vote from "present" to "aye."

The SPEAKER. Under the resolution the House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. UMSTEAD in the chair.

The CHAIRMAN. The rule provides that the bill shall be considered as having been read the second time. Amendments are now in order, and the Chair recognizes the gentlewoman from New Jersey [Mrs. Norton].

Mrs. NORTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 24, strike out lines 15 and 16.

Mrs. NORTON. Mr. Chairman, section 24 is obviously a mistake in the bill and should be stricken out. I do not think any argument is necessary, and I ask for a vote.

Mr. ZIONCHECK. Mr. Chairman, I rise in opposition to the amendment. I think this is a bad amendment. I think the provision should stay in the bill. It says:

The right to alter, amend, or repeal any provision of this act is hereby reserved to the Congress.

That is where the right should be, and not with this bunch of Commissioners. We take the responsibility and they take the credit. We take the criticism and they proceed to help themselves and take the credit for every good thing we do. It is time that that was stopped. I do not care what the House does. I do not think it accidentally got into the bill.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey.

The question was taken; and on a division (demanded by Mr. Zioncheck) there were 58 ayes and 1 no.

Mr. BLANTON. Mr. Chairman, I offer the following privileged amendment.

The Clerk read as follows:

Mr. Chairman, I move that the Committee do now rise and report bill back to the House with the recommendation that the enacting clause of the bill be stricken out.

Mr. BLANTON. Mr. Chairman, I do not expect the motion to pass, but I would feel recreant to my duty if I did not offer it.

The rules of the House provide that where Members believe a bill is bad, they have a right, under the rules, to offer such a motion to strike out the enacting clause. I have felt that I would be recreant to my duty if I did not pursue every possible means afforded by the rules of the House to stop such a bad bill, which even a member of the Rules Committee, Judge Cox, of Georgia, says is unconstitutional, communistic, outrageous, and worse than anything that has ever come out of Russia.

I want to call attention to one peculiar situation. There were, with the chairman, about 100 of us here who heard the debate on the rule. After hearing the debate, notwithstanding the prestige of the Committee on Rules behind the rule, the membership who heard the debate voted 49 for the rule and 50 against it, a majority against it, forcing the Rules Committee chairman to make a point of no quorum, to get a roll call. That was worth \$1,000 of anybody's money, to see and to realize that you could still have confidence in the judgment of the Members of the House if they were present and heard what was going on. The 50 against were the ones who had been present and had heard what was going on. They heard Judge Cox's statement about this bill being communistic and unconstitutional. They saw the ridiculous rule which stopped all general debate, although it was not concluded, and which waived all points of order against the bill, and prevented the usual second reading of the bill for amendments.

Mrs. NORTON. Mr. Chairman, will the gentleman yield? Mr. BLANTON. No; I am sorry-which rule said that the bill was already read when it had not been read for amendment. Just by a Thurston magician wave of the hand, ipso facto, under the rule the bill had been read-and which said that all amendments presented had to be debated in an hour and a half—and most of the time under the rules would be under the control of the chairman of the Committee on the District of Columbia, whenever she should demand recognition. When the membership listening here on the floor understood that ridiculous rule a majority voted against it, and the greatest thing that ever happened was to have the chairman of the great Committee on Rules forced in a situation like that, after he had been talking against points of no quorum and roll calls, to have to get up and say, "Mr. Speaker, I object to the vote because a quorum is not present, and I want a quorum here", and thus stop the business of the House! He had the members of the Ways and Means Committee leave their committee so as to come here and he had the members of all of the other committees that were busy come here and vote on something they did not know anything about, as they had not heard the debate, and naturally they passed the rule.

I do not care what you do with this motion. I have done my full duty. I am going to vote to strike out its enacting clause as a first chance to kill the bill, and then I am going to vote against the bill, and I hope we will be able to force the chairman to make the point of no quorum, so as to have a roll call on it.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Certainly I yield to my genial friend from Georgia, who gave one of the finest pronunciamentos possible against the bill.

Mr. COX. What is the difference in effect in supporting the gentleman's amendment and waiting finally to vote on

Mr. BLANTON. My motion forces a quick, decisive vote. Oh, the gentleman's committee was in such a hurry to bring expedition on the passage of a bill which he says is infamous, communistic, and unconstitutional that I wanted to help him expedite the matter. This is really a vote on the bill. If you vote for this motion you kill the bill right now. But, of course, it will not pass. But when we vote on the passage of the bill I believe there will be enough votes against it to kill it.

The CHAIRMAN. The time of the gentleman from Texas

has expired.

Mrs. NORTON. Mr. Chairman, I rise in opposition to the amendment. The gentleman from Texas [Mr. Blanton] has not stated the facts. The bill was read, and the time for general debate was concluded. The only purpose of bringing in this rule was to prevent another filibuster on the

passage of the bill.

Several times the unconstitutionality of this bill has been suggested, and several times the House has been told that the Supreme Court of the United States has upheld the rent commission bill. I wish to quote now from the case of Block, trading under the name of White, against Hirsch, argued before the District Supreme Court March 3, 1921, and decided on April 18, 1921. This is quite a long argument, and it would be impossible for me to quote it in full in this short time. The court held that the legislative declaration of facts afforded a ground for the regulation and that the regulation was justified as a temporary measure, even though it might not be as a permanent change, and that is all we ask in this bill. That it remain in effect until the emergency terminates. There is one-half of 1 percent vacancies in the District; surely that constitutes an emergency. Again, Mr. Chairman, before the Supreme Court of New York there was a similar decision rendered, and so I think if the lawyers in this House will take these two decisions under consideration they will find that this is absolutely a constitutional bill.

Mr. DOBBINS. Mr. Chairman, will the gentlewoman vield?

Mrs. NORTON. I have not the time; I am sorry.

Mr. DOBBINS. For just a brief inquiry.

Mrs. NORTON. Very well.

Mr. DOBBINS. Was not the legislative declaration of fact to which the lady referred a declaration of necessity growing out of the World War, and did not the Supreme Court say that it took notice of that fact?

Mrs. NORTON. Yes.

Mr. DOBBINS. Is not that true, that the legislative declaration of fact grew out of the World War, and the Supreme Court took notice of it?

Mrs. NORTON. Yes: and there is an emergency here now-a very great emergency.

Mr. DOBBINS. There is always an emergency.

Mrs. NORTON. There is a great emergency now. We have only one-half of 1 percent of vacancies in this District. Surely that constitutes an emergency, and the hundreds of letters I have received from tenants throughout the District supports the fact of an emergency.

Mr. SCHULTE. Mr. Chairman, will the gentlewoman

Mrs. NORTON. Yes. Mr. SCHULTE. The gentlewoman has heard the statement made on the floor that the bill was communistic. Since when has it become communistic to try to lower the rents for the people of the District of Columbia or any other place in the United States? Can the gentlewoman explain that?

Mrs. NORTON. Of course, such a statement is absurd, but it is in line with many statements that have been made with regard to this bill. I should say that if the rents in the District of Columbia continue to soar as they have during

the past few years it will bring about a communistic condition in the District. We are trying to prevent communism-not to bring it about.

Mr. Chairman, I sincerely hope the motion of the gentleman from Texas will be rejected. It is simply another method of trying to defeat this bill. If the membership of this House knew how acutely the people of this District are suffering as a result of the exorbitant rents and of the tremendous lobby of real-estate people in the District, I say to you they would certainly defeat this motion. They would not allow the ridiculous charge of communism to be used to influence and confuse the issues involved.

The CHAIRMAN. The time of the gentlewoman from New Jersey has expired.

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. I would like to propound a parliamentary inquiry to the Chair, as to whether or not, if it were not for the provision in the rule waiving the second reading of the bill for amendment, it would be necessary to have that bill read?

Mr. ZIONCHECK. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state his point of

Mr. ZIONCHECK. The point of order is that the gentleman's remarks do not bear upon a parliamentary inquiry.

The CHAIRMAN. The Chair wishes to state to the gentleman from Washington that he has not stated a point of order. The gentleman from Texas will proceed.

Mr. BLANTON. Mr. Chairman, the gentleman not having stated a proper point of order, I desire to ask the Chair whether or not that will appear in the middle of my remarks.

Mr. ZIONCHECK. Oh, yes.

Mr. BLANTON. The Chair having ruled that the gentleman from Washington did not state a proper point of order, I will ask, under the ruling of Mr. Speaker Byrns, if this interruption does not go out of my remarks?

The CHAIRMAN. The Chair will state that the gentleman from Washington stated a point of order, but the Chair overruled the point of order and did not hold it in order. The Chair, therefore, rules that the gentleman's remarks would be entitled to appear in the RECORD at the proper place where they occurred in the RECORD.

Mr. BLANTON. Then I would like to repropound my parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. I would like to ask the Chair whether or not, but for the provision in the rule which waives the second reading of the bill for amendment-

Mr. ZIONCHECK. Mr. Chairman, a point of order. At this time I renew my point of order. I want the Chair to rule on it.

The CHAIRMAN. The Chair overruled the gentleman's point of order, and does so again.

The gentleman from Texas will proceed.

Mr. BLANTON. So that my parliamentary inquiry may not be "squirted up", I will ask it again.

Mr. Chairman, I will ask whether or not, but for the provision in the rule which waives the second reading of the bill for amendment, it is a fact that this bill would have to be read a second time by the Clerk for amendment?

The CHAIRMAN. The gentleman from Texas is correct. If the resolution had not been adopted, under the normal procedure this bill would have been read for amendment in Committee of the Whole.

Mr. BLANTON. Then my statement previously made was correct, and the distinguished gentlewoman from New Jersey should not have said that I made an incorrect statement.

The CHAIRMAN. The Chair is not undertaking to rule on the correctness of the statement to which the gentleman refers. The Chair ruled on the gentleman's parliamentary

The question now is on the motion of the gentleman from Texas [Mr. BLANTON].

Mr. O'MALLEY. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. O'MALLEY. If the contention of the gentleman from Texas [Mr. Blanton] is correct, do we understand there will be no reading of the bill under the 5-minute rule in Committee of the Whole, and therefore no opportunity for amendment?

The CHAIRMAN. The Chair wishes to state to the gentleman from Wisconsin that, under the plain language of the rule, the bill will not be read in Committee of the Whole, but that for a period of one hour and a half amendments may be offered and discussed, and thereafter any amendment which is offered will be considered and voted upon by the Committee without debate.

Mr. O'MALLEY. But only such amendments which may be offered within that time will be in order. Is that true?

The CHAIRMAN. The Chair just stated to the gentleman from Wisconsin that, although debate on amendments would not continue for more than one hour and a half, all amendments offered to any section of the bill will be in order and will be voted upon by the Committee under the plain language of the rule.

The question is on the motion of the gentleman from Texas [Mr. Blanton].

The question was taken; and on a division (demanded by Mrs. Norton) there were ayes 36 and noes 56.

So the motion was rejected.

Mr. ZIONCHECK. Mr. Chairman, I move to strike out the word "Congress" on page 24, line 16.

The CHAIRMAN. The Chair wishes to advise the gentleman that that is already out of the bill. It is included in an amendment which has already been adopted by the committee

Mr. ZIONCHECK. Then, Mr. Chairman, I move to strike out line 19, worded as follows:

SEC. 26. This act shall take effect immediately.

The CHAIRMAN. The Clerk will report the gentleman's amendment.

The Clerk read as follows:

Mr. Zioncheck offers to amend the bill, on page 24, by striking out all of line 19.

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent to be allowed to revise and extend my own remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent at this time that I be allowed to talk out of order if

The CHAIRMAN. The gentleman will have to make a specific request before the Chair can present the request to the House.

Mr. ZIONCHECK. As long as no one objects to it, Mr. Chairman—

The CHAIRMAN. The request has not been put to the House and cannot be until the gentleman makes it specific.

Mr. ZIONCHECK. Mr. Chairman, I am going to vote for this bill. My reasons are very elemental, but I think they are sound. I am satisfied this commission will not do much. It will be another commission; but they cannot do any harm, because the real-estate sharks and the landlords and bankers in Washington, D. C., are getting all the money they can from the people now; so if they try to increase the rents, it will be a useless gesture, because they cannot get the money.

You know there are very fine landlords in the District of Columbia. You will remember that when the 15-percent Economy Act went into effect the landlords even told the Government employees who were renting from them that they were awfully sorry. They even cried crocodile tears, but they did not reduce their rent. When, however, the 10-percent restoration of salary went into effect the landlords, with firmness but gentleness, informed many of their tenants that the rent would be increased 25 percent of the 10 percent. They were entitled to it! Very decent of them!

I take the position that this commission cannot do anything worse; and if they do not do anything worse, the situation cannot be any worse; but they may make it a little

better; they may accidentally stumble onto a matter where some of the colored people down here might have electric lights in their homes instead of coal-oil lamps or lard buckets with wicks in them. They might accidentally suggest to the District health officers that they could breed smaller cockroaches; and you know those other things that run around make a lot of noise at night, and if you put a bag in their way they kick it aside and get annoyed. Maybe that is the reason the gentleman from Texas voted against the death sentence.

Mr. BLANTON. I did not. Mr. Chairman, I ask that the gentleman not quote me. I voted for the death sentence.

Mr. ZIONCHECK. But the gentleman talked against it and voted against it until he got on record, and then he changed his vote.

The CHAIRMAN. The gentleman from Washington will suspend a moment.

The Chair wishes to state to the gentleman from Texas that it is contrary to the rule to interrupt a speaker without first addressing the Chair.

Mr. BLANTON. Mr. Chairman-

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. BLANTON. I ask whether or not the gentleman has a right to say I voted against the death sentence when I voted for it—

Mr. ZIONCHECK. I have the right to tell the truth.

Mr. BLANTON. And leave me in a false attitude here before the House.

The CHAIRMAN. The Chair is not undertaking to rule on what rights the gentleman on the floor has, but the gentleman from Texas is well aware, of course, that he has no right under the rules to speak from his seat.

The gentleman from Washington will proceed in order.

Mr. ZIONCHECK. Mr. Chairman, this morning my attention was invited or drawn to a little editorial in the Washington Post.

Mr. BLANTON. Mr. Chairman, I make a point of order.

Mr. ZIONCHECK. If the gentleman understood—
The CHAIRMAN. The gentleman from Washington will suspend. The gentleman from Texas will state the point of order.

Mr. BLANTON. Mr. Chairman, I make the point of order that under the rules of the House the gentleman is restricted to striking out the specific language mentioned in his amendment and must confine his debate to the amendment; that he has no right to indulge in personalities against me here which, my colleagues understand fully well why, I cannot resent.

The CHAIRMAN. The gentleman must discuss the matter contained in his amendment. The gentleman from Washington will proceed in order.

Mr. ZIONCHECK. Mr. Chairman, the point I am trying to make is that I disagree with the inference that the gentleman from Texas has not gentlemanly instincts.

Mr. BLANTON. Mr. Chairman, the gentleman is not conforming to the ruling of the Chair or to the rules of the House.

The CHAIRMAN. The gentleman from Washington, under the ruling of the Chair—and the Chair is sure the gentleman understood it—must discuss the subject matter of his amendment, and will proceed in order.

Mr. ZIONCHECK. Mr. Chairman, what was the amend-

The CHAIRMAN. The gentleman from Washington offered the amendment. The Chair did not hear it read, but presumes the gentleman knows what is in his amendment.

Mr. ZIONCHECK. I offered an amendment to strike out the language "this act shall take effect immediately."

The CHAIRMAN. The gentleman must confine himself to the language of his amendment.

Mr. ZIONCHECK. So I contend, Mr. Chairman, that the gentleman from Texas has gentlemanly instincts.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I make the point of order that the last statement made by the gentleman was in viola-

Mr. ZIONCHECK. Mr. Chairman, I should like to be heard on the point of order.

The CHAIRMAN. The Chair is ready to rule.

The time of the gentleman from Washington had expired and the Chair had so announced before the gentleman from Texas made his point of order. The Chair therefore overrules the point of order.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by the gentleman from Washington would strike out section 26, which provides that this act shall take effect immediately. I am opposed to the amendment because I believe that the act should take effect immediately.

Mr. Chairman, my reason for making this statement is that as chairman of a select committee of this House I have been investigating the real-estate securities and the default in these securities, which amounts to close to \$20,000,000,000, and your committee has obtained considerable evidence.

This select committee of the House after 18 months of investigation has obtained evidence showing that property in the District of Columbia suffered less than any other in the United States. The owners, companies, and corporations who have built and control hundreds of these apartment buildings and hotels, though in many instances I admit the original bond issues were excessive, as in the Smith and other cases, nevertheless the investigation on the part of the Select Committee to Investigate Real Estate Bondholders' Reorganization disclosed that the occupancy even in the worst years-under the Republican administration in 1931, 1932, and the first part of 1933-was nearly 80 percent; and the agents and owners in very few instances reduced the rentals, and then only a small percent. This, notwithstanding the fact that the taxes are lower in Washington than in any other city in the United States, with janitor and other employee services at the lowest wage scale, and with cost of upkeep and maintaintence at the lowest figure, and yet these property owners in the city of Washington permitted their mortgages and bonds to go in default, failing in many instances to pay taxes and interest, saying nothing about their failure to pay the portions of principal when due. The withholding of the payment of these obligations was deliberate and brought about defaults, with the resulting foreclosures, which enabled them to acquire the outstanding bonds.

This shameful manipulation and failure to pay just obligations made possible their acquiring bonds, in many instances, as low as 5 cents on the dollar. So today hundreds of apartment buildings in Washington cost the present owners 25 percent of the original cost or the amount of the original bond issue. Still, the owners continue to increase their rentals to pay from 8 percent to 10 percent on the original investment. As they have been able to acquire the outstanding bonds, as I have stated, at such low prices, these properties net them as much as 25 percent or more, which I consider exorbitant, unfair, and unjustifiable.

It is for that reason that I feel that this legislation is in the right direction; that the commission which will be created will be able to bring about adjustment in rents which I know will be fair to the landlords and owners and which the tenants will be able to pay. We have in the city of Washington in the neighborhood of 50,000 Government employees, including our own clerks and Capitol employees, whose average salary, I understand, is \$133 a month, of which they are obliged to pay out nearly one-half for living quarters. There are thousands of other people living in Washington whose earnings as clerks in stores and offices are below \$100 a month who find it impossible to obtain decent quarters to live in. I feel that these conditions should not be tolerated, and simple justice demands that not only the Government employees but all the residents of Washington should be protected from the unscrupulous real-estate people of this city. I want it understood that I stand for the property owner to receive a fair rent to take care of his taxes, amortization, upkeep, and repairs, and

tion of the ruling of the Chair and in violation of the rules of | from 6 percent to 8 percent return on his money. It is outrageous and unfair that we should permit manipulators to exact tribute out of all proportion to their investments.

> Mr. Chairman, the bondholders have been taken advantage of. The tenants have been taken advantage of.

> The property owners who have increased their rents are not entitled to consideration from the Members of this House; and I know, if the gentleman from Texas [Mr. Blan-TON], who is always desirous of being of service to the people, knew the conditions as I know them to be, he would not oppose the bill, but, on the contrary, would favor the bill. After all, no harm can be done and a great deal of good may be accomplished.

Mr. EKWALL. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Oregon.

Mr. EKWALL. Is this bill a bill to increase rents or just to investigate the rent situation here in the District?

Mr. SABATH. If the conditions are investigated as thoroughly as I believe they will be, it will be shown that the rents charged are excessive.

Mr. Chairman, I am under the impression that this bill will tend to reduce rents and still leave the property owners and the investors more than a fair profit on the money which they have invested. I feel that the bill should be passed and that the amendment offered by the gentleman from Washington should be defeated.

[Here the gavel fell.]

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent at this time that the amendment which I submitted be withdrawn, because it was a facetious or a pro-forma amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. ELLENBOGEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not believe in personal controversies. I have never engaged in any, and I hope I never shall. I do not believe in calling names. It has been stated by the gentleman from Georgia that this bill is socialistic. I think if the gentleman had studied and analyzed the bill and had reflected on the matter he would not have made such an amazing statement. This statement is so far from the facts and so utterly unrelated to the bill that there is no need even to discuss it.

Mr. Chairman, what does the bill do? The bill simply says that a landlord in the city of Washington shall be allowed to receive a fair return on the fair value of his property. If that is communistic, every public utility law in every State of the Union is likewise communistic. It is no more nor less than the provision that is contained in every public service law in nearly every State in the Union. I do not know whether the State of Georgia has such a law, but I believe the State of Texas has this law.

Mr. EKWALL. Mr. Chairman, will the gentleman yield? Mr. ELLENBOGEN. For a brief question, I shall be very pleased to yield.

Mr. EKWALL. Why would it not be a good idea, according to the theory of the gentleman, to apply this to all homes and all property all over the United States, if it is not communistic?

Mr. ELLENBOGEN. Because it is not justified, I will say to the gentleman. I do not favor this except in an extreme emergency, and we now have such an emergency in the District of Columbia, where you are unable to secure property at a fair rent. The District of Columbia is in a peculiar position.

Mr. BLANTON. Mr. Chairman, since the gentleman mentioned me and my State, will the gentleman yield?

Mr. ELLENBOGEN. No; I do not yield. I am sorry.

Mr. BLANTON. The gentleman mentioned my State.

Mr. ELLENBOGEN. I cannot yield, as I do not have the

The CHAIRMAN. The Chair wishes to call the attention of the gentleman from Texas to the fact that under the

rules of the House it is proper to address the Chair before interrupting the gentleman who has the floor.

Mr. ZIONCHECK. Mr. Chairman, he is still doing it. The CHAIRMAN. The gentleman from Washington is violating the same rule.

Mr. BLANTON. Mr. Chairman, will not my colleague from Pennsylvania yield for a correction?

Mr. ELLENBOGEN. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes in addition to the 5 minutes, and if this request is granted, I shall be very happy to yield to the gentleman from Texas.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for 2 additional minutes. Is there objection?

There was no objection.

Mr. ELLENBOGEN. I shall be very pleased to yield, Mr. Chairman, to my distinguished colleague from Texas.

Mr. BLANTON. Mr. Chairman, my colleague from Pennsylvania stated that my State of Texas passed such a rentcontrol law.

Mr. ELLENBOGEN. A public-utilities law. Mr. BLANTON. A former Governor of Texas, named Ferguson, had a rent-control law passed, and the Supreme Court of Texas held that it was absolutely unconstitutional.

Mr. ELLENBOGEN. Then the constitution of Texas must have provisions that are not contained in most of the other constitutions.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield? Mr. ELLENBOGEN. I will be pleased to yield later, and I hope I shall have the time to yield.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield

Mr. ELLENBOGEN. Not at this time. I want a few minutes to make my statement, and then I shall be pleased to yield.

The only thing this proposed law states is that a landlord shall not charge excessive rent. It does not take his property, it does not appropriate his property, it does not apply to any home owner who owns and lives in his own home. It only applies to those who rent their homes to others, and in those cases it says that the commission shall fix a fair return upon a fair value.

Now, the United States Supreme Court has said time and again that public-service laws are constitutional.

I am not in favor of a permanent rent-control law, but while we have an emergency we should have this law. It does not apply to any other part of the country, and should not apply, because you do not have to go anywhere else, but the people must come to the city of Washington if the Government calls them here for the purpose of taking a position. They have no choice in the matter, and they should be protected in their living conditions, otherwise they cannot come here and give their services.

I may say further, Mr. Chairman, that under the terms of this bill the law is limited to 3 years because we feel that within that time the overcrowded condition in the city of Washington should certainly disappear.

The Supreme Court has held a similar bill constitutional in the case of Block against Hirsch, which has been referred to, and which is reported in Two Hundred and Fifty-sixth United States Supreme Court Reports, and also held a similar law of the State of New York constitutional, which is reported in the same volume.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman vield?

Mr. ELLENBOGEN. I am sorry, but I do not have the time. A little later I shall be very happy to yield if I have the time.

Now, this bill has been stated to be connected with the Sisson bill. This statement, of course, is ridiculous. This bill was introduced long before the Sisson bill.

[Here the gavel fell.]

Mr. DOBBINS and Mr. ZIONCHECK rose.

Mr. ELLENBOGEN. Mr. Chairman, I ask unanimous consent to withdraw the pro-forma amendment.

Mr. DOBBINS and Mr. ZIONCHECK objected.

Mr. DOBBINS. Mr. Chairman, I rise in opposition to the pro-forma amendment.

I rise, Mr. Chairman, at this time for the purpose of propounding to the gentleman from Pennsylvania the inquiry which he regrettably did not find the time to hear during his argument. If the gentleman from Pennsylvania will entertain the inquiry now, I will ask it in my own time.

The gentleman stated that the purpose of this bill is to guarantee to landlords a fair rental, as well as to the tenant. Under the terms of this bill, as I understand them, if a landlord executes a lease at a certain rental, let us say at \$50 a month, and determines the next day he has charged too little in that lease and that the property is worth \$100 a month, he has the right, under this bill, to file a petition with the Rent Commission to repudiate his lease and ask to have the larger rent allowed him. Is not that correct?

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman vield?

Mr. DOBBINS. I yield for the purpose of a reply from the gentleman.

Mr. ELLENBOGEN. It certainly would be ridiculous for the Commission to permit such a proceeding.

Mr. DOBBINS. It is permissible, under the bill, is it not? Mr. ELLENBOGEN. The bill is framed like all rentcontrol laws, and provides that the tenant may come in and say that the rent charged is excessive.

Mr. DOBBINS. And may not the landlord likewise say that it is unfair?

Mr. ELLENBOGEN. The landlord does not need to come in, because he has the power to enter into any lease and can collect any rent he desires, if the tenant does not file a complaint objecting to the lease.

Mr. DOBBINS. The inquiry permits the owner or the tenant, on their own initiative, to direct it solely to the question whether the rent is adequate and the terms of the lease are fair. The old law, which, it has been said, is identical with the present one, did not permit that inquiry to be made during the pendency of the lease.

This bill permits an inquiry to be instituted by the tenant or by the owner, as will be found on lines 11, 12, and 13.

Notwithstanding the existence of a lease or other contract between the tenant and the owner or between the owner or any guest.

It provides that a man can go and secure a lease and the next day go to the chairman of this commission and ask that the terms of the lease be re-formed.

Suppose two or three individuals want the same piece of property, that none of them wants to pay the landlord's price, that two are too honorable to make an agreement with the undisclosed purpose of repudiating it, but the third agrees to pay the price, and then the next day goes to the chairman of this commission and asks to have the terms reduced as being unfair. Is there any fairness in a bill that invites duplicity of that sort?

My objection to this is that it encourages double dealing and repudiation. It is not a bill for fair dealing, but it is a bill for double dealing. It ought to be voted down by all Members of the House who believe in fair dealing. It is also unconstitutional beyond all doubt.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. DOBBINS. I yield.

Mr. ELLENBOGEN. I want to call the gentleman's attention to the fact that the language in this bill he just read is in the law passed by Congress May 22.

Mr. DOBBINS. Certainly the 1922 amendment could not have been considered by the Supreme Court in a case that came before the courts in 1919.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DOBBINS. I yield.

Mr. MAY. The gentleman from Illinois has properly stated that this bill is undoubtedly unconstitutional. In view of the Democratic platform, is it not also undemocratic?

Mr. DOBBINS. It is undoubtedly undemocratic and unconstitutional, and the bureaucracy it provides for would be perpetual.

Mr. ZIONCHECK. Mr. Chairman, I move to strike out the words on page 1 of the bill starting with the word "District", in line 6, and ending with the word "persons", in line 9. the words being as follows:

District of Columbia dangerous to the general welfare, health, peace, and morals of the public and to public officers and public employees whose duties require them to reside within the District, and other persons.

The CHAIRMAN. The Chair asks the gentleman to withhold his amendment for a moment.

Mr. ZIONCHECK. Certainly.

The CHAIRMAN. A pro-forma amendment is pending. The gentleman from Pennsylvania offered an amendment and the gentleman from Illinois spoke in opposition to the amendment. That amendment is now pending.

Mr. ELLENBOGEN. Mr. Chairman, I renew my unanimous-consent request to withdraw the amendment.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to withdraw the pro-forma amendment, Is there objection?

There was no objection.

Mr. ZIONCHECK. Mr. Chairman, I now renew the amendment which I offered.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ZIONCHECK: Page 1, line 6, beginning with the words "District of Columbia", strike out the remainder of line 6 and all of lines 7, 8, and 9.

The CHAIRMAN. The gentleman from Washington is recognized for 5 minutes.

Mr. ZIONCHECK. Mr. Chairman, there has been a bad rumor running around the town that the reason the gentleman from Texas [Mr. Blanton] objects to this bill is that he is a landlord.

Mr. BLANTON. Mr. Chairman, I rise to a point of order. The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Mr. Chairman, unfortunately conditions are such that I cannot resent these personalities, and I make the point of order that the gentleman from Washington in discussing the amendment such as he has offered has no right to engage in personalities under the rules of the House.

Mr. ZIONCHECK. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair is ready to rule on the point of order, and rules that the point of order is well taken. The gentleman from Washington will confine his remarks to the amendment which he offered and avoid personalities, and please proceed in order.

Mr. ZIONCHECK. Mr. Chairman, I think if the Chairman reads that amendment and knows what I am trying to strike out he will see that I am in order. It seems that there is a house out here-let us see, 1851 Irving Street NW., square 2598, lot 75, upon which there is a house. That house was purchased in the District of Columbia, I think, on December 31, 1924. It was purchased from Allie L. Douglas and transferred to May Matthews Blanton on that date, and it was recorded the next day. May Matthews Blanton-

Mr. BLANTON. Mr. Chairman, I make the point of order.

Mr. ZIONCHECK. Does not the gentleman want the facts? I do not know whether that is true or not.

The CHAIRMAN. The gentleman from Washington will suspend. The gentleman from Texas will state his point of

Mr. BLANTON. Mr. Chairman, but for the conditions that prevent me from resenting these personalities, I would not under any circumstances allow the gentleman from Washington to even mention my wife's name.

Mr. ZIONCHECK. Understand, I do not know that this is your wife.

The CHAIRMAN. The Chair reminds the gentleman from Washington again that he must confine his remarks to the amendment which he has offered, and that he cannot indulge in personalities.

Mr. ZIONCHECK. That is right, Mr. Chairman. The CHAIRMAN. And the Chair hopes that the gentleman will respect the rules of the House and will not continue to indulge in personalities.

Mr. ZIONCHECK. Mr. Chairman, I am going to proceed strictly in order. May Matthews Blanton transferred to-

Mr. BLANTON. Mr. Chairman, I again repeat that the gentleman is not discussing his amendment, and I make the point of order that the gentleman must confine himself to his amendment.

Mr. ZIONCHECK. But, Mr. Chairman—
The CHAIRMAN. The gentleman from Washington will suspend while the point of order is being stated by the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, my point of order is that under the rules of the House the one making the amendment must confine his discussion to his amendment, and has no right to bring in any extraneous matters in his argument.

The CHAIRMAN. The Chair again sustains the point of order made by the gentleman from Texas.

Mr. ZIONCHECK. May I be heard on the point of order? The CHAIRMAN. The Chair has already ruled on the point of order.

Mr. ZIONCHECK. The next time I want to be heard. The CHAIRMAN. The Chair wishes to say to the gentleman from Washington again that he hopes he will proceed in order.

Mr. ZIONCHECK. I will.

The CHAIRMAN. Or else take his seat.

Mr. ZIONCHECK. Mr. Chairman, on the next point of order I want to be heard. I am going to explain that this is very pertinent to the amendment that I have offered, but I want to be heard next time.

The CHAIRMAN. The Chair reminds the gentleman from Washington that it is within the discretion of the Chair as to what the Chair will hear on a point of order.

Mr. ZIONCHECK. And may I state to the Chair that when I am properly heard on this there can be no discretion?

The CHAIRMAN. The gentleman will proceed in order. Mr. ZIONCHECK. To R. Q. Lee, the deed dated December 10-

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman is violating the rules of the House, violating the ruling of the Chair thrice repeated to him, that he cannot discuss outside, personal matters on an amendment to strike out language such as the gentleman made.

Mr. ZIONCHECK. Mr. Chairman, may I be heard on the point of order? I am serious in this.

The CHAIRMAN. The gentleman from Texas raises a point of order. Will the gentleman repeat the language that he understood the gentleman from Washington to use, to which he refers?

Mr. BLANTON. In this argument the gentleman from Washington was attempting to engage in personalities by first stating that I was a landlord when I was not; second, by bringing in my wife's name.

The CHAIRMAN. The Chair is referring to the last point of order raised by the gentleman from Texas. The Chair did not hear the language used by the gentleman from Washington, and therefore is unable to rule.

Mr. BLANTON. The gentleman from Washington was repeating about some deed that was made to R. Q. Lee at a certain date.

Mr. ZIONCHECK. Who was R. Q. Lee? The CHAIRMAN. The Chair rules that the point of order is sustained, and the gentleman from Washington will either proceed in order or the gentleman from Washington will take his seat.

Mr. ZIONCHECK. R. Q. Lee was a former Member of Congress from Texas-

Mr. BLANTON. Mr. Chairman, I make a point of order that, in continued violation of the rulings of the Chair, the gentleman from Washington proceeds to discuss outside, personal matters.

Mr. ZIONCHECK. I would like to hear the ruling out of the book this time, Mr. Chairman.

The CHAIRMAN. Will the gentleman from Washington state to the Chair the statement he made just prior to the moment the gentleman from Texas addressed the Chair?

Mr. ZIONCHECK. In other words, why I feel that this is pertinent?

The CHAIRMAN. No. That is not what the Chair asked the gentleman. The Chair asked the gentleman to repeat the brief statement he made just prior to the time the gentleman from Texas stated his point of order.

Mr. ZIONCHECK. I have made so many that I do not know to which one the Chair is referring.

Mr. BLANTON. Mr. Chairman, a point of order. I think the Clerk could read that and have it correct.

The CHAIRMAN. The gentleman from Washington will suspend. Will the reporter submit to the Chair the language upon which the point of order made by the gentleman from Texas was based?

(The remarks of Mr. Zioncheck were submitted to the Chairman.)

The CHAIRMAN. The Chair overrules the point of order made by the gentleman from Texas as to the particular language referred to in that point of order. The Chair wishes, however, to again say to the gentleman from Washington [Mr. Zioncheck] that he must confine his statement to the language of his amendment, and if the gentleman insists upon making further personal references he will be compelled to take his seat.

Mr. NICHOLS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Washington [Mr. ZIONCHECK] has the floor. Does the gentleman from Washington yield to the gentleman from Oklahoma?

Mr. ZIONCHECK. No.

Mr. NICHOLS. For a parliamentary inquiry?

Mr. ZIONCHECK. Oh, yes. I yield for that.

Mr. NICHOLS. I desire to ask the Chair whether or not the Members of the House are not presumed to be advised of the language used by a Member addressing the House when a point of order is raised against the language. I do not think there is any Member of the House who knows what is contained in the language which the Chair has before him, and we would like to be advised what that is.

Mr. ZIONCHECK. I would like to find out, too. [Laughter.1

The CHAIRMAN. The Chair advises the gentleman from Oklahoma [Mr. Nichols] that the Chair examined the language taken down by the Official Reporter and ruled upon that language, based upon the point of order made by the gentleman from Texas.

The gentleman from Washington [Mr. Zioncheck] will proceed in order.

Mr. ZIONCHECK. R. Q. Lee evidently died and his widow and heirs transferred it-referring to the property-to George M. Marx. I am very glad this happened in 1900 and something, or otherwise people might think it was Karl Marx. [Laughter.]

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. HOOK. Mr. Chairman, I object.

Mr. ZIONCHECK. Mr. Chairman, I move to strike out the last three words.

Mr. MEAD. Well, Mr. Chairman, I have an amendment

The CHAIRMAN. There is an amendment now pending before the committee, offered by the gentleman from Washington [Mr. ZIONCHECK].

Mr. ZIONCHECK. Mr. Chairman, I object, whatever it [Laughter.]

The CHAIRMAN. The gentleman from Washington objects to the withdrawal of his amendment.

Mr. ZIONCHECK. O Mr. Chairman, I ask unanimous consent that that amendment may be withdrawn.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that the amendment be withdrawn. Is there objection?

Mr. MAIN. Mr. Chairman, I object; and I ask recognition in opposition to the amendment.

The CHAIRMAN. The gentleman is recognized for 5

Mr. MAIN. Mr. Chairman, this is one of those occasions when we are likely to allow our emotions to supersede the dictates of our intelligence.

I grant you that many of us, coming into the city of Washington, resent what appears to be the mercenary gouging of Washington landlords. I grant you that many of us do not approve of the tactics which have been adoptedthe parliamentary procedure which has been followed-in trying to block consideration of this bill; but I would appeal to the Members of the House not to let these considerations actuate them when it comes to voting upon this important piece of legislation.

I had the experience while engaged in the practice of law of being beaten on both sides of a State law which is typical of laws in many of the States, namely a mortgage-moratorium law. For this reason I feel very keenly about the decision made by the Supreme Court of the United States in what is known as the Home Building & Loan Association against Blaisdell, decided by the Court in Two Hundred and Ninetieth United States Reports, at page 398. That case was decided quite largely upon the decision which preceded in the case known as Block v. Hirsch (256 U. S. 135). Block against Hirsch was a case growing out of a previous rent-commission law in the District of Columbia. These two very important decisions of our Supreme Court revolve around the word "emergency." Mr. Chairman, I do not find that the proponents of this bill have taken the trouble-perhaps they did not dare in this type of legislation—to declare that an emergency does exist; and I undertake to say that our Court will not take judicial notice of an emergency such as is assumed by the advocates of this measure.

Mr. ZIONCHECK. Mr. Chairman, a point of order.
The CHAIRMAN. The gentleman will state it.
Mr. ZIONCHECK. The gentleman is not confining his remarks to his amendment.

The CHAIRMAN. The gentleman from Michigan will proceed in order.

Mr. MAIN. I submit, Mr. Chairman, that anything is in order which relates to the constitutionality of the measure, and I am addressing myself directly to the constitutionality of the proposed law.

Mr. ELLENBOGEN. Mr. Chairman, will the gentleman yield?

Mr. MAIN. I decline to yield, Mr. Chairman.

Mr. Chairman, I may say that the drafters of the bill under consideration have indirectly referred to an assumed emergency; but again I repeat the assertion that our court will not take judicial notice of an emergency such as they seem to assume does exist. They declare or speak of a "war against the depression." We all know this language is merely a play upon the word "war" and that such an emergency does not exist in the sense in which it is used in this legislation.

Mr. Chairman, I think lawyers and students of the Constitution recognize that the case of Block against Hirsch was a border-line case. Certainly the case of Home Building & Loan Association against Blaisdell was an extreme borderline case. In my humble opinion, Mr. Chairman, these two cases will come up repeatedly to plague the legal profession and the distinguished jurists across the plaza who gave these two cases the sanction of their judicial determination. Hard cases make bad law, and I appeal to the Members of the House not to fall into the error of enacting another bad law.

[Here the gavel fell.]

Mr. ZIONCHECK. Mr. Chairman, I ask unanimous consent that my pro forma amendment, which was not seriously intended, may be withdrawn.

The CHAIRMAN. Is there objection to the regeust of the gentleman from Washington?

There was no objection.

Mr. MEAD. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. MEAD: Page 23, line 2, after the word

"thereof", insert a new section, as follows:

"The Commission is hereby authorized and directed to complete a study of the Federal Government's building requirements in the District of Columbia and to submit a report of such findings to the Congress not later than January 15, 1937. In their report to Congress the Commission may recommend the transfer of Federal agencies from the District of Columbia to other parts of the United States."

Mr. TABER. Mr. Chairman, a point of order.

Mr. MEAD. Will not the gentleman withhold his point of order until I complete my observation?

Mr. TABER. Mr. Chairman, I reserve a point of order against the amendment.

Mr. MEAD. Mr. Chairman, I am not at all serious in attempting to amend the bill by the addition of the language just read by the Clerk. More important is my desire to bring to your attention the uneven growth of the Capital of the Nation, with the recurring emergency demands which result from that uneven and rather hasty development. A capital city expands without restraint as bureaucracy in government increases, and Washington is found to be larger each decade since it became the Capital of the Nation. Washington will be larger 10 years from now than it is today. No matter how we may rail against bureaucracy and the concentration of industrial organizations. Government will increase and expand, and with the expansion of the Government will come the expansion of its Capital facilities. The largest growth of a capital city, however, comes about during wartime or when we are called upon to endure a depressive period.

My idea in suggesting this amendment is to bring to the attention of the Members of the House the fact that there has developed in the Capital City much of the activities of Government which could be decentralized and efficiently administered in other sections of the country. The Post Office Department, for example, in each State, or in each of the several postal districts of the country, has a central accounting office with jurisdiction over all the postal activities in that area. Yet here we find the Agricultural Department utilizing land that should be left for real estate in maintaining an experimental farm.

I hope the Commission that was created to locate an airport site will go outside the District of Columbia and stop the congestion resulting from the location of too many facilities within the District.

I want to say to begin with that I am friendly to this legislation, and I want to pay my respects to the chairman of this committee for her diligence, her patience, and her sincerity of purpose, exemplified by her actions since the very beginning of the consideration of the bill in the House earlier in the session.

We have concentrated in the District of Columbia too many of the facilities of Government. We have, for example, the Walter Reed Hospital, bringing patients from Pennsylvania, Maryland, Virginia, and all over the eastern section of the United States to the District; and, in addition to that, we have another veterans' hospital known as the Mount Alto Hospital. We have St. Elizabeths Hospital, and we have a Naval Hospital in the District that is expanding very rapidly.

[Here the gavel fell.]

Mr. MEAD. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PIERCE. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Oregon,

Mr. PIERCE. Is it not true that we are decentralizing the departments to some extent, especially through the Agricultural Department? Is it not true that they are now making arrangements to have the various acts of Congress enforced in each State capital?

Mr. MEAD. Decentralization comes and goes according to the likes and dislikes of the particular department or bureau | platform of the Democratic Party as adopted in 1932.

head. It may now be fashionable in the Department of Agriculture; 5 years from now it may not be so. But it does seem to me that some survey board ought to be instituted and a definite policy brought forth by the Congress and adopted in this regard. No harm will come to the business of the District if in the further expansion of Federal activities some consideration is given to communities outside the District of Columbia.

May I remind you that only the other day, on the anniversary of the birth of Thomas Jefferson, great emphasis was laid on some of his philosophies. Thomas Jefferson stated that he was opposed to the growth of bureaucracy, and maintained that a democracy would live and prosper in a nation of smaller communities rather than in the building up of teeming, populous centers. Yet, as a result of the overgrowth of one of our cities, the Capital City of the United States, we must increase bureaucracy by creating a commission that would be unnecessary were it not for the fact that the Capital City has expanded tremendously in periods of depression and in periods of war.

I believe that the Post Office Department, the Agriculture Department, the Army, so far as Army posts are concerned, and the Navy, so far as navy yards are concerned, and the other activities of the Government, could wisely and prudently decentralize some of their facilities and give opportunity to the smaller communities in remote sections of the United States to enjoy some of the prosperity enjoyed here. This would obviate the necessity of rent commissions and it would prevent these recurring emergency periods during which some landlords gouge the tenants to a degree beyond mercy. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I renew my point of order. The CHAIRMAN. Does the gentleman from New York insist on his point of order?

Mr. TABER. I do. The amendment offered by the gentleman is not germane to the bill.

The CHAIRMAN. The Chair sustains the point of order made by the gentleman from New York [Mr. TABER].

Mr. RICH. Mr. Chairman, I move to strike out the last five words in the first section of the bill.

Mr. Chairman, I was very much interested in the statement of the gentleman from New York that we should decentralize many of the offices now located in Washington. I believe that we should not only decentralize but should carry out the first plank in the platform of the party that is now in power. which I desire to read.

Mr. BANKHEAD. Mr. Chairman, with very deep regret I must make a point of order against the gentleman's remarks. They are not germane to the amendment which he has presented.

The CHAIRMAN. The point of order is sustained. The gentleman from Pennsylvania [Mr. Rich] will proceed in order and discuss the language in his amendment.

Mr. ZIONCHECK. Mr. Chairman, a parliamentary in-

The CHAIRMAN. The gentleman from Pennsylvania [Mr. Rich] has not yielded.

Mr. ZIONCHECK. Will the gentleman from Pennsylvania

Mr. RICH. Mr. Chairman, I do not yield. I want to discuss this amendment.

Mr. ZIONCHECK. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman will state it. Mr. ZIONCHECK. The point of order is this: If the gentleman from Pennsylvania would start asking where the money is coming from, that might be germane.

The CHAIRMAN. The gentleman does not state a point of order, and the Chair overrules the point of order. The gentleman from Washington understands that is not a point of order. The gentleman from Pennsylvania [Mr. Rich] will proceed in order.

Mr. RICH. Mr. Chairman, this bill creating another commission to regulate rents is contrary to the first plank in the

Mr. ELLENBOGEN. Mr. Chairman, I submit a point of order.

The CHAIRMAN. The gentleman will state his point of

Mr. ELLENBOGEN. Mr. Chairman, I make the point of order the gentleman is not discussing his amendment and is therefore not proceeding in order.

The CHAIRMAN. The Chair is unable to rule, because the Chair did not hear the remarks of the gentleman from Pennsylvania. The gentleman from Pennsylvania will proceed in

Mr. RICH. Mr. Chairman, the first section of this bill states that the rent and housing conditions in the District are dangerous to the general welfare, health, peace, and morals of the public. I want to show that the health, peace, and morals of the public, if they were promoted in accordance with the first plank of the Democratic platform-

Mr. ZIONCHECK. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Washington will state his point of order.

Mr. ZIONCHECK. My point of order is that the last five words of the first section of the bill are these: "this act unless sooner repealed", and, evidently, the gentleman from Pennsylvania is not speaking on his amendment.

The CHAIRMAN. The point of order is overruled. The gentleman from Pennsylvania is now discussing the first section of the bill and the Chair overrules the point of order. The gentleman from Pennsylvania will proceed in order.

Mr. RICH. Under the bill we are discussing at the present time, if we carried out the statement that was made by the gentleman from New York [Mr. MEAD] decreasing the number of people we have in Washington by decentralizing these bureaus

Mr. ZIONCHECK. Mr. Chairman, a point of order. The CHAIRMAN. The gentleman from Washington will

state his point of order.

Mr. ZIONCHECK. The point of order is that the gentleman from Pennsylvania is talking about an amendment to

which a point of order was made and which was sustained by the Chair and, evidently, he cannot be right this time.

The CHAIRMAN. The Chair overrules the point of

order. The gentleman from Pennsylvania will proceed in

Mr. RICH. Mr. Chairman, the first plank in the Democratic platform may be something that the Democratic Members of the House of Representatives do not want to hear, but I think if they are sincere and serious in trying to carry out the things they told the American people they would carry out, they would be glad to hear this and do the things they promised the American people they would

Now, the situation is just this. Stop establishing more bureaus, cut down Government employees, and the housing situation will adjust itself.

Mr. SISSON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman from New York will state his point of order.

Mr. SISSON. Mr. Chairman, I make the point of order that the gentleman is not speaking to his own amendment. The CHAIRMAN. The point of order is sustained. The

gentleman from Pennsylvania will proceed in order. Mr. SISSON. I have no objection to his reading the

Democratic platform, if he wants to, or the Bible either. The CHAIRMAN. The Chair has ruled and has sus-

tained the gentleman's point of order.

Mr. RICH. Mr. Chairman, it seems the Democrats do not want to listen to something they promised the American people. They are not interested although they should be pleased to have somebody call this to their attention, and I hope when the bill comes to a vote they will defeat it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. O'CONNOR. Mr. Chairman, I offer an amendment. The CHAIRMAN. There is now a pro-forma amendment pending before the Committee. Is there objection to the withdrawing of the pending pro-forma amendment?

Mr. ZIONCHECK. Mr. Chairman, reserving the right to object, I am not going to object if I can get time to finish my speech, and I can finish it in 5 minutes. However, I do not object.

The pro-forma amendment was withdrawn.

The CHAIRMAN. The gentleman from New York [Mr. O'CONNOR! offers an amendment, which the Clerk will report. The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: On page 8, line 11, strike out lines 11 and 12 and the words "any guest" in line 13.

Mr. O'CONNOR. Mr. Chairman, in the 3 days in which this bill has been debated there have been a number of very fine speeches made in reference to it, attacking its constitutionality, first, on the question of an emergency. Whether or not that exists, I think, is a fact that might well be left to the courts. I personally cannot determine it. and I doubt if many people here are in position to determine it on the facts.

The other point which my amendment reaches is the question raised with respect to interference with existing contracts. I believe the bill is defective in this respect. The gentleman from Illinois [Mr. Dobbins] made a fine address on Monday and pointed out the language which I now move to strike out. This language is, "notwithstanding the existence of a lease or other contract between the tenant and the owner or between the owner or any guest."

This, of course, is probably in violation of the Constitution as to the protection of existing contracts. I believe if this language is taken out of the bill, as it should be, most of the objections to the bill fall, and the Court can decide the question of the emergency, if it be raised.

There has been a great deal of talk here about hordes of additional employees. This is not correct, of course. They will all be under civil service, and the Appropriations Committee will take care of the appropriations in that respect.

I offer my amendment in good faith to perfect the bill from a constitutional standpoint, and I believe the amendment should be adopted.

Mrs. NORTON, Mr. ZIONCHECK, and Mr. TABER rose. Mrs. NORTON. Mr. Chairman, the committee accepts the amendment-

Mr. ZIONCHECK. Mr. Chairman, the gentlewoman from New Jersey does not rise in opposition to the amendment.

The CHAIRMAN. The gentlewoman from New Jersey is the chairman of the committee handling the proposed legislation. She is seeking recognition, and the Chair recognizes the gentlewoman from New Jersey for 2 minutes, the time remaining under the rule.

Mr. ZIONCHECK. Mr. Chairman, a point of order. I will consume that 2 minutes if anybody does.

Mrs. NORTON. Will the gentleman yield the 2 minutes to me?

Mr. ZIONCHECK. I will yield 1 minute of the time, if necessary.

The CHAIRMAN. The Chair has recognized the chairman of the committee, the gentlewoman from New Jersey, for the remaining 2 minutes.

Mr. ZIONCHECK. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it. Mr. ZIONCHECK. The point of order is this; I think the parliamentary rule is-and if it is not, it should be-that the chairman of the Committee on Rules cannot take the last 5 minutes to make an amendment and then make a speech consuming all the time. I think that is not decent.

The CHAIRMAN. If the Chair understands the gentleman's point of order, the Chair overrules it. There is 1 minute of time left.

Mr. ZIONCHECK. Mr. Chairman, then I make another point of order.

The CHAIRMAN. The gentleman will state his point of order, and make it brief.

Mr. ZIONCHECK. I do not want to argue the point. I do not want to offend the lady from New Jersey. [Cries of "Regular order!"]

Thom Tonry Walter

Wearin Weaver Welch

White Wood

Zioncheck

The CHAIRMAN. The regular order is the gentleman from Washington has made a point of order.

Mr. ZIONCHECK. How much time is remaining? I want to know how many are going to talk.

The CHAIRMAN. That is not a point of order. The time has expired. All time has expired. The question is on the amendment offered by the gentleman from New York.

Mr. ZIONCHECK. O Mr. Chairman, that comes too late. All time has expired.

The CHAIRMAN. The Chair overrules that point of order.

Mr. ZIONCHECK. What objection is there? Why does the Chair overrule the point of order?

The CHAIRMAN. The Chair will explain. Under the rule the time for debating amendments is limited to 1½ hours. That hour and a half has expired. The bill is now open for as many amendments as may be offered hereafter, but there will be no debate.

The question is on the amendment offered by the gentleman from New York [Mr. O'CONNOR].

The question was taken, and the amendment was agreed to. The CHAIRMAN. Under the rule, if there are no other amendments, the Committee will now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. UMSTEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 11563, and pursuant to House Resolution 489, he reported the bill back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. The previous question is ordered under the rule. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. ZIONCHECK rose.

The SPEAKER. For what purpose does the gentleman

Mr. ZIONCHECK. Mr. Speaker, I rise to ask unanimous consent to proceed for 5 minutes, otherwise I have a technical point upon which I can raise the question of personal

The SPEAKER. The Chair will not recognize the gentleman for that purpose.

Mr. ZIONCHECK. Then I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. The previous question has been ordered. The question is on the engrossment and third reading of

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question now is on the passage of the bill.

Mr. TABER. Mr. Speaker, on that I demand a division.

The House divided; and there were—ayes 46, noes 108. Mrs. NORTON. Mr. Speaker, I object to the vote upon the ground there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The gentlewoman from New Jersey makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eighty-one Members present, not a quorum. The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 85, nays 196. answered "present" 1, not voting 146, as follows:

[Roll No. 69]

YEAS—85					
Amlie	Cannon, Mo.	Daly	Gehrmann		
Ashbrook	Citron	Deen	Gray, Ind.		
Barry	Colden	Dempsey	Gray, Pa.		
Beiter	Connery	Dies	Green		
Boehne	Creal	Driscoll	Greenway		
Boileau	Crosser, Ohio	Ellenbogen	Higgins, Mass.		
Boland	Crowe	Evans	Hildebrandt		
Boylan Buckler, Minn. Burdick	Cullen Cummings Curley	Fletcher Ford, Calif. Gassaway	Houston Huddleston		

Kennedy, Md. Kennedy, N. Y. Kenney Kvale Lea. Calif. Lewis, Md. Ludlow McGehee Marcantonio Martin, Colo. Mead

Andresen Andrew, Mass. Andrews, N. Y. Arends Avers Bacon Barden Biermann Binderup Ford, Miss. Frey Fuller Blackney Fulmer Gambrill Bland Blanton Bolton Brewster Gasque Gearhart Brown, Ga. Gifford Gilchrist Burch Gillette Gingery Goldsborough Burnham Carlson Granfield Carpenter Guyer Carter Gwynne Haines Halleck Castellow Chandler Chapman Hancock, N. Y. Harlan Church Clark, Idaho Clark, N. C. Harter Hennings Cochran Coffee Cole, Md Higgins, Conn. Hill, Ala. Cole, N. Y. Hoffman Colmer Hollister Holmes Cooper, Tenn. Costello Hope Jacobsen Jenckes, Ind. Johnson, Okla. Johnson, Tex. Johnson, W. Va. Cox Cravens Crawford Dobbins Jones

Dockweiler

Duffy, N. Y.

Dondero Dorsey

Doxey

Drewry

Duncan

Driver

Kahn

Kinzer

Kloeb

Kniffin

Knutson

Lambeth

Kramer

Ierritt, N. Y. Randolph Murdock Reilly Nichols Ryan Sabath Norton O'Connell O'Connor Sauthoff Schneider, Wis. O'Leary Patton Pfeifer Schulte Scrugham Pierce Pittenger Secrest Sisson Ramsay Sullivan NAYS-196 Eckert Lamneck Eicher Lanham Engel Englebright Lee, Okla Faddis Fiesinger Flannagan

Lewis, Colo. Lord Luckey McClellan McCormack McLean McLeod McReynolds Maas Main Maloney Mapes Martin, Mass. Mason Massingale May Meeks Merritt, Conn. Michener Miller Mitchell, Ill. Mitchell, Tenn. Moran Mott Nelson O'Malley O'Neal Owen Parsons Patman Patterson Peterson, Fla. Peterson, Ga. Pettengill Polk Powers Ramspeck Rankin Rayburn Reece Reed, N. Y. Rich Richardson Hook

Robertson Robsion, Ky. Rogers, Mass. Rogers, N. H. Rogers, Okla. Russell Sanders, Tex. Sears Shannon Short Smith, Conn. Smith, Va. Smith, Wash. Smith, W. Va. South Spence Stefan Stewart Stubbs Taber Tarver Taylor, S. C. Taylor, Tenn. Terry Thomason Thompson Thurston Tinkham Tolan Treadway Turner Turpin Umstead Utterback Vinson, Ga. Vinson, Ky. Warren West Whelchel Whittington Williams Wilson, La. Wilson, Pa. Wolcott Woodrum Young Zimmerman

ANSWERED "PRESENT"-1

NOT VOTING-146

Dietrich Adair Allen Dingell Racharach Dirksen Bankhead Disney Beam Ditter Doughton Berlin Doutrich Duffey, Ohio Dunn, Miss. Bloom Boykin Brennan Brooks Dunn Pa. Brown, Mich. Buchanan Eaton Edmiston Ekwall Buckbee Buckley, N. Y. Bulwinkle Farley Fenerty Cannon, Wis. Ferguson Fernandez Fish Cartwright Fitzpatrick Focht Cavicchia Gavagan Ceiler Christianson Gildea Goodwin Greenwood Greever Gregory Claiborne Collins Cooper, Ohio Corning Griswold Hamlin Crosby Cross, Tex. Crowther Hancock, N. C. Hart Culkin Hartley Darden Darrow Heale Hill, Knute Delaney Hill, Samuel B.

Imhoff Jenkins, Ohio Kee Keller Kelly Kleberg Kocialkowski Kopplemann Larrabee Lehlbach Lemke Lucas Lundeen McAndrews McFarlane McGrath McGroarty McKeough McLaughlin McMillan McSwain Mahon Mansfield Marshall Maverick Millard Monaghan Montague Montet Moritz O'Brien O'Day Oliver Palmisano

Perkins

Plumley Quinn Rabaut Reed, Ill. Robinson, Utah Romiue Sadowski Sanders, La. Sandlin Schaefer Schuetz Shanley Sirovich Snell Snyder, Pa Stack Starnes Steagall Sumners, Tex. Sutphin Sweeney Taylor. Colo. Thomas Wadsworth Wallgren Werner Wigglesworth Wilcox Withrow Wolfenden Wolverton Woodruff

So the bill was rejected.

Dickstein

Hoeppel

The Clerk announced the following pairs: On this vote:

Mr Maverick (for) with Mr. Ditter (against).
Mrs. O'Day (for) with Mr. Darrow (against).
Mr. Hartley (for) with Mr. Wigglesworth (against).
Mr. Duffey of Ohio (for) with Mr. Shanley (against).
Mr. Dingell (for) with Mr. Wolfenden (against).
Mr. Sadowski (for) with Mr. Focht (against).
Mr. Fitzpatrick (for) with Mr. Kleberg (against).
Mr. Knute Hill (for) with Mr. Allen (against).
Mr. Greever (for) with Mr. Robinson of Utah (against).
Mr. Kocialkowski (for) with Mr. Schuetz (against).
Mr. Gildea (for) with Mr. Carmichael (against).

General pairs:

General pairs:

Mr. Bankhead with Mr. Snell.

Mr. Buchanan with Mr. Perkins.

Mr. Sumners of Texas with Mr. Jenkins of Ohio.

Mr. McMillan with Mr. Bacharach.

Mr. Taylor of Colorado with Mr. Cooper of Ohio.

Mr. McSwain with Mr. Eaton.

Mr. Dunn of Mississippi with Mr. Crowder.

Mr. Wilcox with Mr. Lehlbach.

Mr. Fernandez with Mr. Plumley.

Mr. Mansfield with Mr. Wadsworth.

Mr. Disney with Mr. Wolverton.

Mr. McFarlane with Mr. Goodwin.

Mr. Steagall with Mr. Cavicchia.

Mr. Corning with Mr. Dirksen.

Mr. Snyder of Pennsylvania with Mr. Fish.

Mr. Gavagan with Mr. Buckbee.

Mr. Doughton with Mr. Christianson.

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Mr. Gavagan with Mr. Buckbee.
Mr. Doughton with Mr. Christianson.
Mr. Greenwood with Mr. Woodruff.
Mr. Bloom with Mr. Thomas.
Mr. Hart with Mr. Marshall.
Mr. Bulwinkle with Mr. Seger.
Mr. Samuel B. Hill with Mr. Reed of Illinols.
Mr. Cary with Mr. Collins.
Mr. Kelly with Mr. Collins.
Mr. Kerr with Mr. Collins.
Mr. McAndrews with Mr. Doutrich.
Mr. Starnes with Mr. Ekwall.
Mr. Lucas with Mr. Lemke.
Mr. Hancock of North Carolina with Mr. Millard.
Mr. Griswold with Mr. Withrow.
Mr. Bean with Mr. Claiborne.
Mr. Parks with Mr. Sanders of Louisiana.
Mr. Adair with Mr. Claiborne.
Mr. Stack with Mr. Delaney.
Mr. Crosby with Mr. Stuphin.
Mr. Werner with Mr. Wallgren.
Mr. Eagle with Mr. Ferguson.
Mr. Montague with Mr. Monaghan.
Mr. Cross of Texas with Mr. Bell.
Mr. Oliver with Mr. Gregory.
Mr. Rabaut with Mr. Celler.
Mr. Imhoff with Mr. Larrabee.
Mr. Healey with Mr. Peyser.
Mr. Farley with Mr. Montet.
Mr. Dunn of Pennsylvania with Mr. McGrath.
Mr. Edmiston with Mr. O'Brien.
Mr. Moritz with Mr. Servin.
Mr. Kee with Mr. Dieterich.
Mr. Moritz with Mr. Berlin.
Mr. Somers of New York with Mr. Darden.
Mr. Keller with Mr. Berlin.
Mr. Somers of New York with Mr. Darden.
Mr. Romjue with Mr. Cartwright.
Mr. Schaefer with Mr. DeRouen.
Mr. Schaefer with Mr. Deckee.
Mr. Herenan with Mr. Dickstein.
Mr. Brennan with Mr. Dickstein.
Mr. Brennan with Mr. Dickstein.
Mr. Brennan with Mr. Brennan.
Mr. Eremnan with Mr. Buckley.
The result of the vote was announced, as a The doors were opened.

The result of the vote was announced, as above recorded. The doors were opened.

Mr. BLANTON. Mr. Speaker, I move to reconsider the vote by which the bill was rejected and lay that motion on the table.

The SPEAKER. The question is on the motion of the gentleman from Texas to reconsider the vote by which the bill was rejected and to lay that motion on the table.

The motion was agreed to.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mrs. NORTON. Mr. Speaker, I want the Members to know that I cheerfully accept the verdict of the House with regard to this bill. [Applause.] Also I want them to know that the fight I made on the bill went far deeper than the bill itself. It was a fight for a principle; the principle is whether or not the House has the right to pass on legislation or be prevented from doing so by filibustering on legislation that has been properly reported out of a committee of the House. I am very grateful to the Committee on Rules for having brought in the rule, and I am also deeply grateful to

the Members for voting in favor of the rule to bring the bill up under orderly procedure, particularly since they were opposed to the bill.

I want my colleagues in the House to know that I have never sought as the chairman of this committee to influence legislation. I believe in correct procedure under the rules of the House, and that is the principle involved in the determined fight that I have made on the bill.

Whether or not the bill is constitutional is a question not even any lawyer in the House can determine, much less the chairman of your committee, who is not a lawyer. It is a fact, and the evidence has been offered in the consideration of the bill, that the Supreme Court has decided on two occasions that such a bill is constitutional; but, after all, that was not the question really involved in my fight on the bill. So far as the bill is concerned, I want you to know that last year when it was introduced in the House and voted out of the committee-I was not present when the vote was taken-I tried very hard to get the real-estate dealers of this city to consider the extreme cause of the people of the District of Columbia and they turned a deaf ear to any suggestions I had to make. To keep the record straight, at this point I want you to bear in mind that there are many fair-minded owners and real-estate people in the District. They are not in opposition to this bill. It then seemed obvious that the only thing to do, after repeated efforts to have the unfair real-estate people bring about a better understanding with their tenants and a fair adjustment of rents to bring the bill before the House. If the Members offered any constructive amendments to the bill they would have been accepted by your committee, or if a better bill were offered it could have been substituted for this bill. My only desire was to help the poor people of Washington.

I have made a sincere effort to assist the great mass of people here who are denied the right of representation in Congress. Thousands of citizens have appealed to me to do something about a situation that has become desperate. It was my duty as your chairman to do so, and the only reason I had for presenting this bill to the House. My conscience is absolutely clear in the matter. Communism has reared its ugly head into the consideration of this bill. I have no fear of communism so long as we remember that the rank and file of this great Nation is entitled to a square deal. When we try to throttle and destroy helpless citizens and deny to them the rights they are entitled to under the Constitution of our beloved country, then, indeed, shall we need to fear the destructive forces of communism. It was the last cry of a disturbed mind to bring the charge of communism into this bill.

You have voted on the bill, and I have no doubt that you feel you have voted correctly. I have no criticism to make about that. However, the real purpose of the filibuster was explained better than I can explain it by the gentleman from Texas [Mr. Blanton] himself on April 15, when in the CONGRESSIONAL RECORD, on page 5549, he said:

In order to prevent the consideration of the Sisson bill until we In order to prevent the consideration of the Sisson bill until we could have an opportunity to get before the Members of Congress the result of an investigation made by our Subcommittee on Appropriations handling the District supply bill, which caused our subcommittee to refuse to allow \$78,660 for so-called character education, and which hearings show conclusively that the Sisson bill should not pass, several of us having been doing all we could to delay the passage of the Ellenbogen bill, even if we are not able to defeat it, because immediately following its passage the Sisson bill will be called up for passage.

Further, on page 5549 of the RECORD, I quote:

If Rules Committee grants a rule on the Ellenbogen bill I want it to assume full responsibility for it should the bill pass, for I know without such a rule it would not be passed. And if we are limited to 1½ hours for amendments, I do not intend to make any effort whatever to stop its passage, for effort would be futile with that limited time allowed to present numerous amendments and the chairman controlling most of the time. And I want it to assume responsibility for the Sisson bill.

Mr. Speaker, I think this is the first time during my service as a Member of this House that an attempt has been made to defeat one bill in order to prevent the consideration of another. Such parliamentary practice is disgraceful. Every bill should stand on its own feet.

When the Sisson bill comes before the House, I have not the slightest doubt it will be considered on its merits, and nothing less than fear of the outcome of your consideration would have thrown those opposed to the bill into so great a panic that 3 whole days were devoted to filibustering.

Certainly this fear should not have been made the basis of an attack on this bill or of having consumed 3 days of the time of this House, not to speak of the tremendous expense which the taxpayers of the entire country must bear as a result of the disgraceful filibustering tactics pursued in this House. Thank you sincerely for the fine consideration you have shown your chairman in order to keep the record straight. [Applause.]
The SPEAKER. The time of the gentlewoman from New

Jersey has expired.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 568. Joint resolution to provide an additional appropriation for fees of jurors and witnesses, United States courts, for the fiscal year 1936.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10630) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes."

PERRY'S VICTORY MEMORIAL COMMISSION (H. DOC. NO. 334)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk, and, together with the accompanying papers, referred to the Committee on the Library and ordered printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Sixteenth Annual Report of the Perry's Victory Memorial Commission for the year ended December 1, 1935.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 17, 1936.

TENTH PHILIPPINE LEGISLATURE

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk, and, together with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

As required by section 19 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands, I transmit herewith copies of the laws and resolutions enacted by the Tenth Philippine Legislature during its second special session (from June 12 to June 22, 1935), its second regular session (from June 25 to Oct. 17, 1935), and its third special session (from Nov. 12 to Nov. 14, 1935), which was the final session of the bicameral legislature created by the abovementioned act of Congress.

Franklin D. Roosevelt.

THE WHITE HOUSE, April 16, 1936.

ADJOURNMENT OVER

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next at 12 o'clock noon.

The SPEAKER. Without objection, it is so ordered. There was no objection.

EXTENSION OF TIME FOR TIMBER OPERATIONS ON INDIAN RESERVATIONS

Mrs. GREENWAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 215, to amend Public Act No. 435, Seventy-second Congress, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows: Line 10, strike out "March" and insert "September."

The SPEAKER. Is there objection to the request of the gentlewoman from Arizona?

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, what is this bill?

Mrs. GREENWAY. Does the gentleman want me to explain it fully?

Mr. ZIONCHECK. No; just briefly. What is the bill about?

Mrs. GREENWAY. The bill is to allow a contractor to cut timber as a contractor on an Indian reservation, with the date postponed from March to September. It is with the approval of the Department of the Interior. The bill has passed both Houses.

The SPEAKER. Is there objection to the request of the gentlewoman from Arizona?

Mr. ZIONCHECK. Mr. Speaker, constrained as I am not to, I object. The Indians have suffered enough.

COINAGE OF 50-CENT PIECES COMMEMORATING FOUNDING OF NEW ROCHELLE, N. Y.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 10489) to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding and settlement of the city of New Rochelle, N. Y., with a Senate amendment, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That in commemoration of the two hundred and fiftieth anni-"That in commemoration of the two hundred and fiftieth anniversary of the founding and settlement of the city of New Rochelle, N. Y., there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 25,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage. "Sec. 2. The coins bergin authorized shall hear the date 1936.

making the necessary dies and other preparations for this coinage. "SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of a committee of not less than three persons duly authorized by the mayor of the city of New Rochelle, N. Y., upon payment by it of the par value of such coins, but not less than 5,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such committee, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event. of such event.

"Sec. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, what is this bill?

Mr. COCHRAN. The bill provides for the coinage of 50cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of New Rochelle, N. Y. The Senate amended the bill. The House had a policy which protects coin collectors, and this is simply to require them to coin 25,000 at any one time.

Mr. ZIONCHECK. Further reserving the right to object, Mr. Speaker, is the gentleman from Michigan going to object to this or not?

Mr. COCHRAN. This bill passed both Houses.

Mr. ZIONCHECK. I will not object if they do not object. The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the amendment to the Senate amendment offered by the gentleman from Missouri [Mr. Cochran].

The Clerk read as follows:

Amendment offered by Mr. Cochran to the Senate amendment: On page 2, line 1, after the word "than", insert the word "twenty."

The SPEAKER. The question is on the motion offered by the gentleman from Missouri to concur in the Senate amendment with an amendment.

The motion was agreed to.

The Senate amendment, as amended, was concurred in.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. Will the gentleman withdraw that temporarily?

Mr. BLANTON. I will withdraw it.

THE DEVELOPMENT OF THE MISSOURI VALLEY

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my own remarks on the development of the Missouri Valley.

The SPEAKER. Is there objection?

There was no objection.

Mr. BURDICK. Mr. Speaker, the Missouri River rises in southwestern Montana and flows in a general southeast direction and joins the Mississippi 15 miles north of St. Louis, Mo. This river is 2,470 miles long, and when united with the Mississippi, is the longest river system in the world. The Missouri River has a drainage area of 529,000 square miles. The maximum, mean, and minimum discharges at the mouth are, respectively, 900,000, 96,000, and 12,500 cubic feet per second. The total fall of the river from source to mouth is 3.630 feet.

The Missouri River flows through the States of Montana, North Dakota, South Dakota, and Missouri and borders the States of Iowa, Nebraska, and Kansas, thus bringing seven States within immediate proximity to whatever benefits may be derived from the development of this river system.

These States have a population of 14,000,000 people, and the area is the heart of the Agricultural Belt of the United States. In this area, including Minnesota (easily reached by power development), there is produced normally the following percentages of the Nation's principal food crops:

Pe	rcent
Spring wheat	76
Durham wheat	100
Rye	70
Corn	50
Barley	60
Hogs	50

Fully 85 percent of all these crops are marketed east of the Mississippi River. These States constitute the heart of the land-locked empire of the United States. Freight rates are exorbitant for the reason that there is no competition in this area either actual or actively potential. A few tables will illustrate the unfairness in railroad rates:

Salina, Kans., to Chicago by rail, 1 bushel of wheat, 641

miles	\$0.21.5
Chicago to Buffalo by water, 1 bushel of wheat, 900 miles_	1.5
Barge rate per bushel from Kansas City to St. Louis	2.4
Rail rate per bushel from Kansas City to St. Louis	6.6
Barge rate from Kansas City to Chicago per bushel	4.8
Rail rate from Kansas City to Chicago per bushel	9.0
From this area to New York, 100 pounds of milk by rail	1.10
Milk from Pacific coast to New York by water	. 45

Of far greater importance comes the regulation of rates on electricity. The use of electricity in this area is extremely limited, and the agricultural area is wholly undeveloped as to the use and conveniences of electricity. Those who do use electricity are paying unjust rates and will continue to do so for all time unless some standard is set by which rates can be set. Using the T. V. A. yardstick on costs of generation and distribution of electricity, the people of these States are paying in excess of what a just rate would be the following sums annually:

Kansas	\$9, 174, 000
Iowa	12, 480, 000
Minnesota	14, 460, 000
Missouri	21,068,000
North Dakota	2, 184, 000
South Dakota	2, 480, 000
Nebraska	7, 156, 000
Montana-Utah	6, 546, 000

A total annual overcharge for these States in the Missouri River Valley system of \$75,548,000.

A 9-foot channel from Yankton to St. Louis could be assured for an expenditure of \$170,000,000. This whole gigantic river improvement could be paid for in 28 months by the people who use electricity in this area if their electric rate were reduced to a rate measured by the T. V. A. rates.

From 1803, when the United States purchased this great area from Spain upon the demand of Napoleon, until 1866, this great river was the only transportation system known to this immense area outside of the wagon and Indian travois.

With the coming of the Union Pacific, the Northern Pacific, and the Great Northern this great river system remained only as a part of the history of the West so far as transportation was concerned. In the meantime an empire has been carved out of the fertile West and lost to the generation that built it and to their sons and daughters, and the principal single cause has been the discriminative freight rates which these people have been compelled to pay, because there has been no competition. The great power of competition, the great power to substitute easier, better, and cheaper transportation has lain dormant for over a half century, but at all times open and accessible to the inhabitants to free them and emancipate them from this landlocked empire. It will take only the united public opinion of the people living in this area to grasp the opportunities of the use of this great water system, which will provide competition in transportation rates, furnish them with cheap electric energy, increase the fertility of the soil, prevent the untold loss of property and suffering occasioned by floods along its course and prevent 50,000 acres from being washed away annually.

Our receded lakes will be restored and the old western paradise, with its flowers, trees, song and game birds, will be a living likeness of God's own handiwork.

For the relief of people, North and South, no program of equal proportions has been suggested in Congress for a generation. To the administration that will drive ahead with this all-important program will go the credit of doing more for this great western empire than any single accomplishment since the Government began.

The vision of our engineers and statesmen who were responsible for the creation of the Tennessee Valley Authority for the benefit of all the people, and the elimination of private profit, has awakened the sleeping West to the great opportunities that lie before it. Senator Norris, Congressman Rankin, and Governor Weaver, and other great leaders have focused the attention of the people of the West on the question of their natural right to use the benefits bestowed by Providence. This great area has become power conscious; they realize now that immediately before them lies the means by which they can live and prosper. There will be no turning back now, and the railroads and the private power companies who have sapped the life of the people of this area through unconscionable rates, unrestrained by competition, have been notified that their reign over a free people has now been guestioned.

In order to equalize prosperity throughout the Nation there must be a diffusion of manufacturing, and so far in its history this great landlocked empire has been discriminated against. Excessive rail rates, on raw material in and on finished products out, have kept the West strangled industrially.

The census reports indicate that in the period from 1920 to 1930, 14½ percent of the area of the United States had an increase in population of 67.7 percent of the Nation's total increase. This 14½ percent of the area was territory within 50 miles of the seaboard, Lakes, and the Gulf, and here the population increased eleven and one-half millions. The reason is plain, for here in this strip of territory the principal industries of the Nation are located.

The West is still unsettled, and there is land enough in this area to provide homes for the millions who are unemployed and those other millions who are living on public and private charity. The West does not ask any special favors or any special privilege; all it asks is an equal chance with

the rest of the country. Let its natural industries survive and grow and the whole Nation will be benefited. Railroads cannot complain, because with more people coming into the territory more needs must be satisfied. This brings increased business in transportation. Small business at high rates cannot be compared in economic soundness to reduced rates and enough business.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 568. Joint resolution to provide an additional appropriation for fees of jurors and witnesses, United States

courts, for the fiscal year 1936.

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 230. Joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 49 minutes p. m.) the House, pursuant to its order heretofore entered, adjourned until Monday, April 20, 1936, at 12 o'clock

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

784. A communication from the President of the United States, transmitting for the consideration of Congress, supplemental estimates of appropriations for the Executive Office and certain independent executive establishments. amounting to \$1,629,000 for the fiscal year 1936 and \$279,000 for the fiscal year 1937, in all \$1,908,000, together with drafts of proposed provisions pertaining to existing appropriations (H. Doc. No. 457); to the Committee on Appropriations and ordered to be printed.

785. A communication from the President of the United States, transmitting for the consideration of Congress, in accordance with the provisions of the act of April 27, 1904 (U. S. C., title 31, sec. 583, par. 2), records of judgments rendered against the Government by the United States district courts, as submitted through the Secretary of the Treasury, which require an appropriation of \$11,268.46 for their payment (H. Doc. No. 456); to the Committee on Ap-

propriations and ordered to be printed.
786. A communication from the President of the United States, transmitting for the consideration of Congress, estimate of appropriation submitted by the Department of Justice to pay a claim for damages to privately owned property caused by an employee of the Federal Bureau of Investigation in the sum of \$30.25 (H. Doc. No. 455); to the Committee on Appropriations and ordered to be printed.

787. A communication from the President of the United States, transmitting for the consideration of Congress an estimate of appropriation submitted by the Navy Department to pay a claim for damages by collision or damages incident to the operation of a vessel of the Navy in the sum of \$91.34 (H. Doc. No. 454); to the Committee on Appropriations and

ordered to be printed.

788. A communication from the President of the United States, transmitting for the consideration of Congress, deficiency and supplemental estimates of appropriations for the Treasury Department for the fiscal year 1937 and prior years, amounting to \$12,125,762.61, together with drafts of proposed provisions pertaining to existing appropriations (H. Doc. No. 453); to the Committee on Appropriations and ordered to be printed.

789. A letter from the director of the national legislative committee of the American Legion, transmitting, pursuant to Public Resolution 126, Seventy-first Congress, approved March 2, 1931, the proceedings of the Seventeenth Annual Convention of the American Legion, held at St. Louis, Mo-

September 23-26, 1935 (H. Doc. No. 351); to the Committee on World War Veterans' Legislation and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MILLER: Committee on the Judiciary. S. 2039. An act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies; without amendment (Rept. No. 2431). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. S. 2040. An act to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, and acts in amendment thereof; without amendment (Rept. No. 2432). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12006. A bill to authorize a preliminary examination of the Kennebec River, Maine, and its tributaries, with a view to the control of their floods; without amendment (Rept. No. 2433). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12007. A bill to authorize a preliminary examination of the Penobscot River, Maine, and its tributaries, with a view to the control of their floods; without amendment (Rept. No. 2434). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12008. A bill to authorize a preliminary examination of the Androscoggin River, in Maine and New Hampshire, and its tributaries, with a view to the control of their floods; without amendment (Rept. No. 2435). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12031. A bill authorizing a preliminary examination of the Pawtuxet River; without amendment (Rept. No. 2436). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12079. A bill to provide for a preliminary examination of the Poteau River, in Arkansas, with a view to flood control and to determine the cost of such improvement; with amendment (Rept. No. 2437). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12080. A bill to provide for a preliminary examination of the Sulphur River, in Arkansas, with a view to flood control and to determine the cost of such improvement; with amendment (Rept. No. 2438). Referred to the Committee

of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12133. A bill to authorize a preliminary examination of the Congaree, Santee, and the Cooper Rivers and their tributaries in the State of South Carolina, with a view to the control of their floods; without amendment (Rept. No. 2439). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12135. A bill providing for a preliminary examination of the Sandusky River at Fremont, Ohio, with a view to control of its floods; without amendment (Rept. No. 2440). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 12158. A bill to authorize a preliminary examination of the Patuxent River and its tributaries in the State of Maryland, with a view to the control of its floods; without amendment (Rept. No. 2441). Referred to the Committee of the Whole House on the state of the Union.

Mr. WERNER: Committee on Indian Affairs. H. R. 12073. A bill to reserve certain public-domain lands in New Mexico as an addition to the school reserve of the Jicarilla Indian Reservation; without amendment (Rept. No. 2442). Referred to the Committee of the Whole House on the state of the

Mr. WERNER: Committee on Indian Affairs. H. R. 12074. A bill to consolidate the Indian pueblos of Jemez and Pecos, N. Mex.; without amendment (Rept. No. 2447). Referred to the Committee of the Whole House on the state of the Union.

Mr. RYAN: Committee on Indian Affairs. S. 1494. An act to amend an act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims", approved May 14, 1926 (44 Stat. L. 555); without amendment (Rept. No. 2448). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on Insular Affairs. H. R. 12298. A bill to provide a civil government for the Virgin Islands of the United States; without amendment (Rept. No. 2449). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RYAN: Committee on Indian Affairs. H. R. 12182. A bill for the relief of J. L. Summers; without amendment (Rept. No. 2443). Referred to the Committee of the Whole

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 10376. A bill for the relief of Maizee Hamley; without amendment (Rept. No. 2444). Referred to the Committee of the Whole House.

Mr. BEITER: Committee on War Claims. H. R. 10436. A bill for the relief of the heirs of Margaretta D. Fenn, deceased; with amendment (Rept. No. 2445). Referred to the Committee of the Whole House.

Mr. BEITER: Committee on War Claims. H. R. 10729. bill for the relief of Charles Augustus Lathrop; without amendment (Rept. No. 2446). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York: A bill (H. R. 12351) to amend the Federal Corrupt Practices Act, 1925, approved February 28, 1935, and acts amendatory and supplementary thereto; to the Committee on the Judiciary.

By Mr. BARRY: A bill (H. R. 12352) to provide for the local delivery rate on certain first-class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. KELLER: A bill (H. R. 12353) to amend an act entitled "An act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925; to the Committee on the Library.

By Mr. MALONEY: A bill (H. R. 12354) to modify the basis for computing net income in case of the liquidation of a corporation following the sale of its business to another corporation, and for other purposes; to the Committee on Ways and Means.

By Mr. SCHULTE: A bill (H. R. 12355) to authorize wrestling in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. COCHRAN: A bill (H. R. 12356) to amend paragraph 5 of section 3244 of the Revised Statutes; to the Committee on Ways and Means.

By Mr. GASQUE: A bill (H. R. 12357) to prohibit expenditures for the members of the military and naval forces of the United States who are not citizens of the United States. and for other purposes; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOEHNE: A bill (H. R. 12358) granting an increase of pension to Melissa F. Proctor; to the Committee on Invalid Pensions.

By Mr. BOYKIN: A bill (H. R. 12359) for the relief of George Smith and Ketha Smith; to the Committee on Claims.

By Mr. CLARK of Idaho: A bill (H. R. 12360) for the relief of Mr. and Mrs. Lucius Clark; to the Committee on

Also, a bill (H. R. 12361) for the relief of Marian Stephens; to the Committee on Claims.

By Mr. HARLAN: A bill (H. R. 12362) for the relief of George E. Kinner; to the Committee on Military Affairs.

By Mr. HIGGINS of Massachusetts: A bill (H. R. 12363) for the relief of Esai Sak; to the Committee on Immigration and Naturalization.

By Mrs. KAHN: A bill (H. R. 12364) for the relief of Daniel Morgan Weldon; to the Committee on Naval Affairs.

By Mr. LUDLOW: A bill (H. R. 12365) to correct the military record of Edward W. Beyer; to the Committee on Military Affairs.

By Mrs. NORTON: A bill (H. R. 12366) for the relief of Vincent F. Leslie; to the Committee on Claims.

By Mr. SECREST: A bill (H. R. 12367) for the relief of John Stevens; to the Committee on Claims.

By Mr. SUTPHIN: A bill (H. R. 12368) for the relief of the city of New Brunswick, N. J.; to the Committee on

By Mr. WELCH: A bill (H. R. 12369) for the relief of George H. Hutchinson, deceased; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10740. By Mr. CULLEN: Petition in the nature of a concurrent resolution of the Legislature of the State of New York, urging Congress to accept immediate responsibility for relief and employment of transients; to the Committee on Appropriations.

10741. By Mr. GOODWIN: Petition of 40 residents of the city of Kingston, N. Y., regarding the Townsend plan; to the Committee on Ways and Means.

10742. Also, petition of the New York State Legislature, memorializing Congress to place responsibility upon the Works Progress Administration for employment and relief of transients; to the Committee on Appropriations.

10743. By Mr. PFEIFER: Petition of the New York City Housing Authority, Langdon Post, chairman, New York City, concerning the Wagner-Ellenbogen housing bill; to the Committee on Banking and Currency.

10744. Also, petition of Thomas S. Holden, president, New York Building Congress, endorsing the Hayden-Beiter publicworks bill; to the Committee on Appropriations.

10745. Also, petition of the Building Trades Employers Association of New York City, endorsing the Beiter publicworks bill; to the Committee on Appropriations.

SENATE

MONDAY, APRIL 20, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the legislative proceedings of the Senate for the calendar days April 9 to April 17, 1936, inclusive, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Holt	O'Mahoney
Ashurst	Connally	Johnson	Overton
Austin	Coolidge	King	Pittman
Bachman	Copeland	La Follette	Pope
Bailey	Couzens	Lewis	Radcliffe
Barbour	Davis	Logan	Reynolds
Barkley	Dickinson	Lonergan	Robinson
Benson	Dieterich	Long	Russell
Bilbo	Donahey	McAdoo	Schwellenbach
Black	Duffy	McGill	Sheppard
Borah	Fletcher	McKellar	Shipstead
Brown	Frazier	McNary	Steiwer
Bulkley	George	Maloney	Thomas, Okla.
Bulow	Gibson	Metcalf	Thomas, Utah
Burke	Glass	Minton	Townsend
Byrd	Guffey	Moore	Tydings
Byrnes	Hale	Murphy	Vandenberg
Capper	Harrison	Murray	Van Nuys
Caraway	Hastings	Neely	Wagner
Carey	Hatch	Norris	Walsh
Chavez	Hayden	Nye	White

Mr. LEWIS. I announce the absence of the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. Costigan], the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL], caused by illness.

I also announce that the Senator from Washington [Mr. BONE], the Senator from Rhode Island [Mr. GERRY], the Senator from Oklahoma [Mr. Gore], the Senator from South Carolina [Mr. SMITH], the Senator from Montana [Mr. WHEELER], and the Senator from Missouri [Mr. Tru-MANI are necessarily detained from the Senate. I ask that this announcement be entered of record for the day.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. Keyes] is unavoidably absent from the Senate

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

INTERNAL REVENUE TAXATION-NOTICE OF FINANCE COMMITTEE MEETING

Mr. HARRISON. Mr. President, as I understand, the House Committee on Ways and Means will meet tomorrow morning, and will report the tax bill. That being in large measure the key to the adjournment situation. I desire to announce that, so far as the Senate Committee on Finance is concerned, I expect to call the committee together on Thursday morning next at 10 o'clock to consider the tax bill. The reports of the Ways and Means Committee will be printed and will be ready tomorrow afternoon or early Wednesday morning. The bill will be ready tomorrow

IMPEACHMENT PROCEDURE-NOTICE BY SENATOR M'ADOO

Mr. McADOO. Mr. President, I should like to give notice that on Thursday next, as soon as it may be convenient after the Senate convenes, and when I can secure recognition, I wish to address the Senate on the subject of impeachments, and to discuss in that address an alternative method for trying judges of the inferior Federal courts for misbehavior within the meaning of the Constitution by some method other than impeachment.

OPINIONS OF SENATORS IN IMPEACHMENT CASE OF HALSTED L. RITTER

Pursuant to the order entered on the calendar day Thursday, April 16, 1936, allowing each Senator 4 days after final vote on the articles of impeachment against Halsted L. Ritter, United States district judge for the southern district of Florida, within which to file his individual opinion, the following opinions, one signed by Mr. Borah, Mr. La Fol-LETTE, Mr. FRAZIER, and Mr. SHIPSTEAD, and one signed by Mr. Thomas of Utah, were filed and ordered to be printed in the RECORD.

Mr. BORAH. Mr. President, I offer for the RECORD a statement touching the impeachment case on which the Senate voted last week, the statement being signed by myself as well as the Senator from Wisconsin IMr. La For-LETTE], the Senator from North Dakota [Mr. FRAZIER], and the Senator from Minnesota [Mr. SHIPSTEAD].

STATEMENT OF SENATORS BORAH, LA POLLETTE, FRAZIER, AND SHIPSTEAD IN THE MATTER OF THE IMPEACHMENT OF HALSTED L. RITTER

The Constitution of the United States provides:

The Constitution of the United States provides:

"The President, the Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors" (art. II, sec. 4).

"The judicial power of the United States shall be vested in one supreme court and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the supreme and inferior courts, shall hold their offices during good behavior, and shall at stated times received for their services a compensation which shall not be diminished during their continuance in office" (art. III, sec. 1).

As early as 1688 the good-behavior standard for the judiciary was adopted by the English Parliament, nearly 100 years prior to the adoption of our Constitution. And as early as 1693 the English courts construed the meaning of good behavior in relation to its effect on the tenure of office of a judge.

In one of these decisions may be found the following language: "It is an estate for life determinable upon misbehavior; for 'during good behavior' is during life; it is so long as he doth behave

ing good behavior' is during life; it is so long as he doth behave himself well; i. e., if he behaves himself well in it so long as he lives he is to have it so long as he lives, during life and during good demeanor.

This principle was adopted by the framers of the Constitution, and is found is section 1, article III.

It is our view that a Federal judge may be removed from office if it is shown that he is wanting in that "good behavior" designated as a condition of his tenure of office by the Constitution, although such acts as disclose his want of "good behavior" may

not amount to a crime.

Our Federal judges are appointed for life, conditioned upon their good behavior, and if they fail in this respect they may be impeached and removed from office. This, we feel, is a wise provision of the Constitution and that its enforcement is necessary in order to maintain respect for and the integrity of our courts. If a judge is guilty of such conduct as brings the court into disrepute, he is not to be exempt from removal simply because his conduct does not amount to a crime.

We therefore did not, in passing upon the facts presented to us in the matter of the impeachment proceedings against Judge Halsted L. Ritter, seek to satisfy ourselves as to whether technically a crime or crimes had been committed, or as to whether the acts charged and proved disclosed criminal intent or corrupt motive; we sought only to ascertain from these facts whether his conduct had been such as to amount to misbehavior, misconduct—as to whether he had conducted himself in a way that was calculated to undermine public confidence in the courts and to create sense of scandal.

a sense of scandal.

There are a great many things which one must readily admit would be wholly unbecoming, wholly intolerable, in the conduct of a judge, and yet these things might not amount to a crime.

If judges could not be removed from office for misbehavior or misconduct or the want of "good behavior", then, notwithstanding such conduct upon the part of the judge, he could continue indefinitely if he succeeded in avoiding those things which would amount to a crime, although the things less than a crime might make the administration of justice a matter of universal distrust. make the administration of justice a matter of universal distrust.

Believing, therefore, that the evidence established beyond doubt the want of "good behavior", we felt constrained to so vote, without passing upon the question of whether his acts constituted a crime or crimes.

WM. E. BORAH. ROBERT M. LA FOLLETTE, Jr. LYNN J. FRAZIER. HENRIK SHIPSTEAD.

MEMORANDUM OPINION IN THE IMPEACHMENT TRIAL OF JUDGE HALSTED L. RITTER-SUBMITTED BY SENATOR ELBERT D. THOMAS

L. RITTER—SUBMITTED BY SENATOR ELBERT D. THOMAS

I disagree with those who maintain that the phrase "During good behavior" refers only to tenure. The phrase is not synonymous with "for life." Its expanded meaning is that a judge may serve for life, providing his behavior is good. Misbehavior, therefore, is a cause for removal, and in an impeachment trial that is all that need be proved, for conviction calls for only removal from office, which in turn may lead to a bar from future office holding. That is not a punishment for wrongdoing in the ordinary sense but mere removal from office because of unfitness. This is the only conclusion proper when one reads further in the Constitution that "The party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law."

Fitness for office is the test, tenure for life is the result. Life tenure follows in the wake of good behavior. The aim of the fathers in setting up the Constitution was to create a Government by law; therefore those who were to be the custodians of the law, the judges, were to be granted every safeguard. Their compensa-

by law; therefore those who were to be the custodians of the law, the judges, were to be granted every safeguard. Their compensation was not to be diminished, and later, by the interpretation of the judges themselves, not to be diminished even by an income tax. The guaranteed continued compensation was given that they might be free from the worries of ordinary citizens and other governmental officials as far as the world's goods were concerned and therefore economically independent of their fellow men. Their very appointment presupposed their fitness as to knowledge, ability, and civic virtue. Under our Constitution the judge is set apart in a class by himself with a tenure that is denied all other officials. But this tenure is not "for life"; it is "during good behavior." Tenure during good behavior means, so far as life is concerned,

only that it may extend through the period of the incumbent's lieftime. It is in no sense a guaranty of a life job, and misbehavior in the ordinary, dictionary sense of the term will cause it to be cut short on the vote, under special oath, of two-thirds of the Senate, if charges are first brought by the House of Representatives.

Can anyone imagine that the framers of the Constitution thought for a minute of giving anyone under the American system a life tenure as such? It must never be forgotten that the influences of Harrington and his theories about office holding, especially the theory of rotation, as expressed in his Oceana, were constantly in the minds of those who wrote our Constitution. The most casual study of the history of the fears of the founders of the new Government fears of expressive fears of projects of these fears of princes. ment, fears of aristocracy, fears of heredity, fears of princes, fears of title, fears of life tenure, is convincing in this respect. The founders of this Government condemned the life idea, did they not? Did they not provide specifically that a republican form of government should be guaranteed to all the States? The whole theory of The whole theory of

To assume that good behavior means anything but good behavior would be to cast a reflection upon the ability of the fathers to express themselves in understandable language. Moreover, historically there can be no doubt of what the words "good" behavior" meant in the minds of the framers of our Constitution, because historically they had the phrase not only from English law but also from colonial experience.

law but also from colonial experience.

Under our Constitution, all civil officers may be impeached. If the aim is to remove from office because of infidelity to trust or to the oath of office, the standard of judgment is not the same in all cases. With administrative officers the idea of discretion may be very wide. Usually these are subject to removal by order of the Executive, who has himself a limited, definite term. In Congress each House is judge of its own Members, so the question as to whether a Senator or Representative is a "civil officer", as used in relation to impeachment, need not be raised. The Constitution prescribes quite clearly the method to be employed where a member of the judgiary holding tenure "during good behavior". a member of the judiciary, holding tenure "during good behavior", is concerned. The standard here is good behavior. It was no doubt felt that anything less than good behavior from one charged with upholding the sanctity of the bench is reprehensible, impeachable, and, yes, criminal if you will.

As there is no appeal from a conviction after impeachment, the

House of Representatives has wide latitude in selection of reasons for impeachment. The Senate, too, makes its own rules, and the individual Senator votes in accordance with his own opinion, without instruction from the Court in the sense that an ordinary jury receives instructions. These provisions, too, stress the theory that the real question before the Senate in the trial of judges is their fitness to maintain the trust which the people must have

In the case just considered a defense for an act in allowing a fee was advanced that as the fee was satisfactory to the attorneys for all parties concerned, that the judge felt that he need not be

for all parties concerned, that the judge felt that he need not be further interested. A judge is not a mere referee between litigants; he has a responsibility to the State and to the people. Thus we see that an attitude may constitute a serious misbehavior. Civic virtue may be assumed as a qualification for all office-holders, the theory that public office is a public trust is universal, but in the case of judges it is made a matter of emphasis in written law by the use of the phrase "good behavior."

In a recent opinion of the Supreme Court, these words are used: "Arbitrary power and the rule of the Constitution cannot both exist. They are antagonistic and incompatible forces, and one or the other must of necessity perish wherever they are brought into exist. They are antagonistic and incompatible forces, and one or the other must of necessity perish wherever they are brought into conflict." Accepting this theory of our Constitution, the high Court struck down the action of an administrative officer. If arbitrariness, which is merely a characteristic of behavior, is fatal to our Constitution when exercised by an administrative officer, who can be removed from office by his superior, how much more fatal would it be to our Constitution if exercised by a judge who is protected from removal excepting upon conviction after impeachment. If arbitrariness in an administrative officer is incompatible with the Constitution and citizens are to be protected from it by the judges, the arbitrariness on the part of a judge from it by the judges, the arbitrariness on the part of a judge must be considered doubly reprehensible. Incompatible with the Constitution and also reprehensible, yet it could hardly be called criminal in the legal sense. Thus misbehavior must be considered as a justifiable reason for conviction after impeachment.

The constitutional expression, "shall be removed from office impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors", gives rise to the theory that conviction should follow only after proof of crime committed. The expression quoted seems to be a limitation upon the phrase, "during good behavior." But this does not follow. Crime is a matter degree. Crime, too, depends upon time, place, circumstance, of degree. Crime, too, depends upon time, place, circumstance, effect, and the persons party to it. Conspiracy is always hard of proof. In a judge, a nod from the bench or a gesture in the chamber may constitute a crime. Crime by those who are the guardians of the law need not be measured on the score of indictability. Furthermore, in the case of judges an impeachable crime need not be an indictable one.

Impeachment, though, must be considered as a criminal pro-eding. Under the American Constitution an impeachment trial comes only after long investigation, condemnation, and after formal vote of the House of Representatives. Serious as is the impeachment and the consequent trial there are definite limitations upon the Senate's power to punish after guilt has been established. Thus while the proceeding is criminal the decision does not have the usual resultant punishment which ordinarily

follows conviction for crime. That is left to the courts after indictment. This, as mentioned above, emphasizes the fact that the trial is primarily to pass upon the fitness of the person impeached to continue in office.

peached to continue in office.

Impeachment is by definition a criminal accusation brought in a legislative body. The idea is old. It was used in the Greek city states, where a Greek citizen could be impeached before a political assembly, and public officers were in this way tried for misconduct in public service. Impeachment, though, as we know it today, is a modern institution. While its use is not general, provisions for its use are found in the constitutions of several European states and in most of those of Latin America. That it is still considered an effective institution is proved by the fact that it found a place in the Weimar Constitution of Germany in 1919.

Impeachment as we have it in our American Constitution is

Impeachment as we have it in our American Constitution is American in origin. One need not go outside the constitutional experiences of our own land for an interpretation of the intents of the fathers in inserting the impeachment provision in the Constitution. Impeachment in America is limited to the President, the fathers in inserting the impeachment provision in the Constitution. Impeachment in America is limited to the President, Vice President, and civil officers of the United States. In England, according to English law at the time our Constitution was brought into being, "All the King's subjects were liable to impeachment, whether officials or not, and for any offense." (See Thomas, The Law of Impeachment in the United States, American Political Science Review, vol. 2, p. 378.) The history of impeachment in England, though, shows that it was used mostly to enforce the theory of the responsibility of the higher officers of the Crown to Parliament. Its use as we have it expressed in the American Constitution had become discredited and almost discontinued in England at the time become discredited and almost discontinued in England at the our Constitution was formulated. That American impeachment theory had its origin in America need not be questioned. To illustrate, we find the immediate antecedents to the theory of im-peachment as we have it in the Constitution in Thomas Jefferson's proposal in 1783 for the constitution of Virginia: "There shall be proposal in 1783 for the constitution of Virginia; "There shall be a court of impeachments * * . Before this court any member of the three branches of government * * may be impeached * * for such misbehavior in office as would be sufficient to remove him therefrom; and the only sentence they shall have authority to pass shall be that of deprivation and future incapacity of office, * two-thirds of those present must concur in the sentence * * ." That impeachment of officials to correct their misbehavior was the prevailing American thought is reflected in another quotation from Jefferson written in the same year as the Declaration of Independence, "For misbehavior, the grand inquest of the Colony, the House of Representatives, should impeach them before the Governor and the council * * and

impeach them before the Governor and the council * * and if convicted, should be removed from their offices" (from a letter to George Wythe written in 1776).

That good behavior should be the prevailing test of fitness is questioned by those who claim that if the charges are not specifically for "treason, bribery, or other high crimes and misdemeanors" impeachment might be used for political purposes. If the English thought had been the prevailing one in America in 1787, this might be a proper deduction. For British law made it possible to impeach a minister for heing suility of had judgment in that he had be a proper deduction. For British law made it possible to impeach a minister for being guilty of bad judgment in that he had ill-advised his King. But, as stated above, the Constitution makers did not follow English law; they followed American theory, and it was proper that they should, for such British text writers as Blackstone and Woodeson, who were both extensively read by the Colonists, had taken stands in advance of English law and even then maintained that impeachment proceedings must be for serious offenses and the trial in the nature of criminal proceedings, and not for political purposes. In the American Constitution the two-thirds vote required for conviction is a sufficient safeguard against a political abuse.

a political abuse.

American history has proved this to be true in that the inability to obtain an impeachment conviction even for serious offense caused Americans in the first quarter of the nineteenth century to assert that, so far as the judges were concerned, "impeachment is scarcely a scarecrow." a scarecrow.

a scarecrow."

That Americans considered the institution of impeachment as being an insufficient protection, especially against misbehavior of judges is proved by their State constitutional provisions in regard to the tenure of judges. As a result American State constitutional writers turned from the theory of indefinite terms during good behavior to short terms of definite limits. Had the early tendencies in impeachment trials not proved the extreme difficulty in gaining conviction, the "scarecrow" criticism would not have developed, and the appointment of judges for indefinite tenure might have become the common practice as newly created States were set up and their constitutions adopted. and their constitutions adopted.

ELBERT D. THOMAS.

ROARD OF VISITORS TO UNITED STATES MILITARY ACADEMY

Mr. SHEPPARD. Mr. President, I ask that the two communications which I send to the desk be read.

The VICE PRESIDENT. In the absence of objection, the clerk will read, as requested.

The Chief Clerk read as follows:

UNITED STATES SENATE, Committee on Appropriations, Washington, D. C., April 20, 1936.

To the Senate:

By virtue of the authority vested in me by the act approved May 17, 1928, I hereby appoint Senators Coolings and Carey to represent the Senate Committee on Appropriations on the Board of

Visitors to the United States Military Academy during the remainder of the second session of the Seventy-fourth Congress.

CARTER GLASS,

Chairman, Senate Appropriations Committee.

UNITED STATES SENATE, COMMITTEE ON MILITARY AFFAIRS, Washington, D. C., April 20, 1936.

To the Senate:

By virtue of the authority vested in me by the act approved May 17, 1928, I hereby appoint Senators Duffy, Thomas of Utah, Minton, Austin, and Barbour to represent the Senate Committee on Military Affairs on the Board of Visitors to the United States Military Academy during the remainder of the second session of the Seventy-fourth Congress.

Morris Sheppard, Chairman, Senate Military Affairs Committee.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Council of the City of Portland, Oreg., favoring the enactment of legislation to establish procedure for the construction of power and transmission facilities in connection with the Bonneville, Oreg., development and the marketing of power therefrom, which was referred to the Committee on Commerce.

He also laid before the Senate a petition of sundry citizens of the United States, praying for the enactment of the bill (H. R. 10189) to provide vocational training and employment for youth between the ages of 16 and 25; to provide for full educational opportunities for high-school, college, and postgraduate students, and for other purposes, which was referred to the Committee on Education and Labor.

He also laid before the Senate resolutions adopted by the Board of Estimate and Apportionment of the City of New York and the New York State Board of Housing, favoring the prompt enactment of the bill (S. 4424) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, which were referred to the Committee on Education and Labor.

He also laid before the Senate a telegram in the nature of a memorial from the National Council Junior Order United American Mechanics, Philadelphia, Pa., remonstrating against the enactment of the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes, which was ordered to lie on the table.

Mr. GIBSON presented the petition of the directors of the Vermont Farm Bureau, praying for currency reform and the establishment of a monetary commission (whose members shall be appointed for life) to raise the price of gold and maintain a stable price level, which was referred to the Committee on Banking and Currency.

Mr. COPELAND presented a concurrent resolution of the Legislature of the State of New York, memorializing Congress and the Works Progress Administration to accept immediate responsibility for the relief and employment of transients, etc., which was referred to the Committee on Appropriations.

(See concurrent resolution printed in full when laid before the Senate by the President pro tempore on the 17th instant, pp. 5609-5610, Congressional Record.)

He also presented a resolution of the board of directors of the metropolitan section, American Society of Civil Engineers, New York, N. Y., favoring the present continuance of Federal aid to cities, towns, and other subdivisions for public-works construction under the relief or work-relief programs, which was referred to the Committee on Appropriations.

He also presented a resolution adopted by the New York City Housing Authority, endorsing the so-called Wagner-Ellenbogen low-cost housing bill, which was referred to the Committee on Education and Labor.

He also presented a resolution of the Board of Supervisors of Niagara County, N. Y., favoring the rescinding of an order of the Labor Department limiting enrollment in the Civilian Conservation Corps to families on the public-relief rolls, so that an opportunity may be given to unemployed youths of parents of limited means to enroll in the corps, which was referred to the Committee on Education and

Mr. WALSH presented a resolution of the Taunton (Mass.) Poultry Protective Association, favoring the making of an appropriation of \$25,000 for publication of poultry statistics, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Commandery of the State of Massachusetts, Military Order of the Loyal Legion of the United States, Boston, Mass., protesting against the enactment of Senate bills 3391 and 3392, to authorize the Secretary of the Treasury to prepare medals with appropriate emblems and inscriptions commemorative of Jefferson Davis and Gen. Robert Edward Lee, which was referred to the Committee on Banking and Currency.

He also presented a resolution of the Central Labor Union of Boston (Mass.) and vicinity, favoring the enactment of House bill 11770, the so-called Ellenbogen national textile bill, which was referred to the Committee on Education and Labor.

He also presented letters in the nature of petitions from Local No. 2362, of Farnumsville; Local Union No. 2178, of Millbury; and Local No. 2484, of Worcester, all of the United Textile Workers of America, and United Textile Workers Union, of Warren, all in the State of Massachusetts, praying for the enactment of House bill 11770, the so-called Ellenbogen national textile bill, which were referred to the Committee on Education and Labor.

He also presented a letter in the nature of a petition from Local No. 38, United Shoe and Leather Workers Union, of Lowell, Mass., praying for the enactment of the so-called Marcantonio bill, being the bill (H. R. 11186) to provide for cooperation by the Federal Government with the several States and the District of Columbia in relieving the hardship and suffering caused by unemployment, and for other purposes, which were referred to the Committee on Education and Labor.

He also presented petitions and letters in the nature of petitions from Dan J. Collins, general vice president, Brotherhood Railway Carmen of America, of Norwood; members of Old Colony Lodge, No. 143, Brotherhood of Railroad and Steamship Clerks, of West Roxbury; L. W. Hutchins, general chairman (Boston Terminal Co.), Order of Railroad Telegraphers (New York, New Haven & Hartford Railroad), of Boston; A. Bollinger, general chairman, New England district, Board of Adjustment Express Division, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Boston; Local No. 68, Brotherhood of Railway and Steamship Clerks, of New Bedford; M. J. O'Brien, general chairman, Boston Terminal Board of Adjustment, B. R. C., of Boston; Lodge No. 319, of Lowell, and Lodge No. 1441, of Auburn, both of the International Association of Machinists; Bay State Division No. 413, Order of Railway Conductors, of Salem; David M. Wright, Lodge No. 549, Brotherhood of Locomotive Firemen and Enginemen, of Greenfield; members of the Order of Railway Conductors of America (Boston & Maine Railroad), of Melrose; the legislative board of Brotherhood of Railroad Trainmen: Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees (Boston & Albany Railroad System); Memorial Lodge, No. 460, of Springfield; Commonwealth Lodge, No. 229, of Worcester, and Fort Point Lodge, No. 117, of Newton Upper Falls, all of the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, all in the State of Massachusetts, praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which were referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a petition from the Central Labor Union, of Boston, Mass., and vicinity, praying for the enactment of the bill (S. 2791) to amend the Longshoremen's and Harbor Workers' Compensation Act, which was referred to the Committee on the Judiciary.

He also presented the petition of the Paul Revere Chapter, No. 46, of the Military Order of the Purple Heart, of Boston, Mass., praying for the enactment of the bill (H. R. 11334) to incorporate the Military Order of the Purple Heart, which was referred to the Committee on Military Affairs.

He also presented a resolution of the board of directors of the Boston (Mass.) Shoe Travelers' Association, protesting against the enactment of Senate bill 3154, the so-called anti-price-discrimination bill, which was ordered to lie on the table.

He also presented a resolution adopted by the Chicopee (Mass.) Polish Business Men's Association, favoring the enactment of Senate bill 3154, the so-called anti-pricediscrimination bill, which was ordered to lie on the table.

DEPORTATION OF CRIMINAL ALIENS

Mr. REYNOLDS presented a resolution of the House of Representatives of the State of South Carolina, which was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

resolution approving the action of United States Senator REYNOLDS and Representative STARNES in introducing their alien deportation bill

Whereas it has come to our attention that United States Senwhereas it has come to our attention that United States Sen-ator Reynolds and Representative Starnes have introduced in the Congress of the United States a bill to the effect that aliens convicted of crime in the United States, aliens belonging to any organization having as its object the destruction of the American

Government, and aliens afflicted with certain diseases, be deported and returned to the country from which they came; and

Whereas it is the thought of this House that the enactment of such a bill into law would be of great benefit to the United States and its citizens: Now, therefore, be it

Resolved by the house of representatives, That it heartily endorses the action of Senator Reynolds and Representative Starnes in proposing such a law and earnestly urges all Members of Congress to vote for said bill; be it further

Resolved, That copies of this resolution be forwarded to the said authors of the bill and to each Member of Congress from South

Carolina.

LOW-COST HOUSING

Mr. WAGNER presented a resolution of the New York City Housing Authority, which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Whereas it has been proven that bad housing is detrimental to the health of the people in a community and that slums consti-tute an economic waste; and

Whereas it is an acknowledged fact that good housing for persons of low income cannot be provided through the ordinary

channels of private enterprise; and
Whereas city, State, and National Governments have accepted
the principles and acknowledged the obligation of governmental
responsibility for the housing of persons who cannot be reached

responsibility for the housing of persons who cannot be reached through private enterprise; and Whereas it is necessary for the Government to bear a certain portion of the burden of financing the clearance of slums and the construction of low-rent housing: Therefore be it Resolved, That the New York City Housing Authority endorses a bill introduced in the Senate by the Honorable ROBERT F. WAGNER, United States Senator from New York, and in the House of Representatives by the Honorable Henry Ellenbogen, Congressman from Pennsylvania which reads as follows:

Representatives by the Honorable Henry Ellenbogen, Congressman from Pennsylvania, which reads as follows:

"A bill to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes."

And be it further

Resolved. That a copy of this resolution be forwarded to Honorable.

Resolved, That a copy of this resolution be forwarded to Hon. Robert F. Wagner and Hon. Royal S. Copeland, Senators from New York, and the following Representatives: Hon. Matthew J. Merritt, Hon. Robert L. Bacon, Hon. William F. Brunner, Hon. Joseph L. Pfeifer, Hon. Thomas H. Cullen, Hon. Marcellus H. JOSEPH L. PFEIFER, HON. THOMAS H. CULLEN, HON. MARCELLUS H. EVANS, HON. ANDREW L. SOMERS, HON. JOHN J. DELANEY, HON. RICHARD J. TONRY, HON. STEPHEN A. RUDD, HON. EMANUEL L. CELLER, HON. JAMES A. O'LEARY, HON. SAMUEL DICKSTEIN, HON. CHRISTOPHER D. SULLIVAN, HON. WILLIAM I. SIROVICH, HON. JOHN J. BOYLAN, HON. JOHN J. O'CONNOR, HON. THEODORE A. PEYSER, HON. MARTIN J. KENNEDY, HON. SOL BLOOM, HON. VITO MARCANTONIO, HON. JOSEPH A. GAVAGAN, HON. EDWARD W. CURLEY, HON. CHARLES A. BUCKLEY, and HON. JAMES M. FITZPATRICK.

REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 3769) for the relief of Marcellus E. Wright and Lee, Smith & Vandervoort, Inc., reported it with amendments and submitted a report (No. 1886) thereon.

Mr. BURKE, from the Committee on Claims, to which was referred the bill (S. 1435) for the relief of Elizabeth Kurau. reported it with amendments and submitted a report (No. 1887) thereon.

Mr. GIBSON, from the Committee on Claims, to which was referred the joint resolution (S. J. Res. 61) to repeal an act approved February 17, 1933, entitled "An act for the relief of Tampico Marine Iron Works", and to provide for the relief of William Saenger, chairman, liquidating committee of the Beaumont Export & Import Co., of Beaumont, Tex., reported it without amendment and submitted a report (No. 1888) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3544. A bill authorizing adjustment of the claim of the Texas Pacific-Missouri Pacific Terminal Railroad of New Orleans (Rept. No. 1889);

S. 3818. A bill authorizing the Secretary of the Treasury to consider, ascertain, adjust, and determine certain claims for damages resulting from the operation of vessels of the Coast Guard and Public Health Service (Rept. No. 1890);

S. 4358. A bill for the relief of Harry L. Parker (Rept. No.

S. 4359. A bill for the relief of W. D. Reed (Rept. No. 1892);

H.R. 1440. A bill for the relief of Arthur W. Bradshaw (Rept. No. 1893);

H. R. 4951. A bill for the relief of the Moffat Coal Co. (Rept. No. 1894); and

H. R. 11486. A bill for the relief of Mary Hemke (Rept. No. 1895).

Mr. BAILEY also, from the Committee on Claims, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

S. 3600. A bill for the relief of S. C. Eastvold (Rept. No.

S. 3861. A bill for the relief of the Alaska Commercial Co., of San Francisco, Calif. (Rept. No. 1897);

S. 4116. A bill for the relief of Grant Anderson (Rept. No. 1898); and

S. 4379. A bill for the relief of the Indiana Limestone Corporation (Rept. No. 1899)

Mr. BAILEY also, from the Committee on Claims, to which were referred the following bills, reported them severally with amendments and submitted reports thereon:

S. 3607. A bill for the relief of T. H. Wagner (Rept. No. 1900):

S. 3608. A bill for the relief of L. G. Vinson (Rept. No. 1901);

S. 4360. A bill for the relief of Melba Kuehl (Rept. No. 1902); and

S. 4052. A bill for the relief of W. D. Gann (Rept. No. 1903)

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (S. 4228) to authorize a preliminary examination of the Salmon River in the State of Oregon with a view to the control of its floods, reported it without amendment and submitted a report (No. 1904) thereon.

REPORTS OF SPECIAL COMMITTEE ON INVESTIGATION OF MUNITIONS INDUSTRY

Mr. NYE. Mr. President, I ask leave to submit a report from the Special Committee on Investigation of the Munitions Industry (Rept. No. 944, pt. 3). After extended hearings the committee is in process of completing its report for submission to the Senate. Two reports already have been made to the Senate, one concerning war profits and the second relating to the shipbuilding industry. I am about to submit a report on the munitions industry generally. There will be immediately forthcoming from the committee two additional reports, one concerning the War Department legislation dealing, of course, with embargoes and neutrality. The committee will hope to have before the Senate not later than the end of this month three additional reports. These three reports will deal, first, with banking relationships; a second report will cover the question of cost nationalization, and a final report will be in the form of a summary of all the foregoing reports.

There has been, Mr. President, a tremendous request for copies of these reports when they shall be printed. The committee thought it advisable to make inquiry of every Member of Congress concerning the demands which were upon them for copies of the reports.

The response by Members of Congress has been rather amazing, revealing requests from Members of the House of Representatives for 18,000 copies, and from Members of the Senate for something over 13,000 copies. This means a total of at least 31,000 copies. Additional requests are coming in each morning. Obviously there will need to be action by joint resolution to accomplish the printing of the large number of copies which is going to be necessary to meet this demand. As soon as it shall have been ascertained what the cost of the additional printing will be a joint resolution to accomplish the purpose will be introduced.

Mr. President, I ask leave to report to the Senate at this time the findings of the committee on the munitions industry.

The VICE PRESIDENT. The report will be received and printed, with illustrations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. McADOO:

A bill (S. 4497) granting a pension to Daniel Edwin Cofield; to the Committee on Pensions.

A bill (S. 4498) relating to the appointment of receivers

in equity by courts of the United States; and

A bill (S. 4499) to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended; to the Committee on the Judiciary.

By Mr. SCHWELLENBACH:

A bill (S. 4500) for the relief of John Howard Smith; to the Committee on Military Affairs.

A bill (S. 4501) amending acts fixing the rate of payment of irrigation construction costs on the Wapato Indian irrigation project, Yakima, Wash., and for other purposes; to the Committee on Indian Affairs.

By Mr. CHAVEZ:

A bill (S. 4502) to provide for the issuance to Perfecto Gallegos, of Las Vegas, N. Mex., of a patent to certain public land; to the Committee on Public Lands and Surveys.

By Mr. WAGNER:

A bill (S. 4503) revising the boundary of the Grand Canyon National Park in the State of Arizona, abolishing the Grand Canyon National Monument, restoring certain lands to the public domain, and for other purposes; to the Committee on Public Lands and Surveys.

GRAZING ON THE PUBLIC RANGE-AMENDMENT

Mr. PITTMAN and Mr. HAYDEN submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 10094) to amend section 1 of the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269), which was referred to the Committee on Public Lands and Surveys, and ordered to be printed.

AMENDMENTS OF FEDERAL HIGHWAY ACT

Mr. LONERGAN submitted an amendment intended to be proposed by him to the bill (S. 4213) to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes, which was referred

mobilization plan and the second having to do with existing I to the Committee on Post Offices and Post Roads and ordered to be printed.

He also submitted an amendment intended to be proposed by him to the bill (H. R. 11687) to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

EXPANSION OF FOREIGN TRADE-LETTERS FROM SECRETARY HULL

Mr. SHEPPARD. Mr. President, I present for publication in the Record two letters addressed to me by the Secretary of State on the subject of the measure for a Federal board of foreign trade, and ask that they be inserted in the RECORD at this point and appropriately referred.

There being no objection, the letters were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE, Washington, March 11, 1936.

The Honorable Morris SHEPPARD,

United States Senate.

My Dear Senator Sheppard: In my letter dated March 10, I endeavored to indicate the steps which the administration has taken under the direction of the President to protect and promote the national interest in the expansion of our foreign trade, and I the national interest in the expansion of our foreign trade, and I also pointed out the success which has followed this policy and the unqualified nature of the endorsement given to it by the organization primarily interested in the expansion of our foreign trade, the National Foreign Trade Council, at its convention at Houston, Tex., in November last.

In response to your request, I now make the following comment concerning the list of Government offices interested in foreign trade included in the report of the Senate Committee on Evreign Rela-

included in the report of the Senate Committee on Foreign Relations, which accompanies Senate bill 3393, creating a Federal board of foreign trade.

First, let me invite your attention to the list contained in the report of the Senate committee of the Government offices alleged to report of the Senate committee of the Government offices alleged to be interested in foreign trade as of January 25, 1935. Although it appears from the report of the Foreign Relations Committee that this list was prepared by the Department of Commerce, it would seem to be reiteration of a statement made by George N. Peek, then special adviser to the President on foreign trade, in an address which he made at the Twenty-first National Foreign Trade Convention on November 2, 1934, in which he repeated certain recommendations made in his Chicago speech of October 17, 1934, the second of which reads as follows:

"That in order to develop consistent and effective foreign-trade policies, the present 50 or more independent jurisdictions over foreign trade activities in our governmental set-up should be tied

together and should function under unified direction."

Adverting, therefore, to the list of the 50 or more Government offices interested in foreign trade-included in the report of the Senate Committee on Foreign Relations, it would appear that a high degree of confusion exists in this list, since no attempt is made to discriminate between subordinate organizations having incidental knowledge or administrative functions in connection with foreign commerce and those Cabinet executives who are rewith foreign commerce and those Cabinet executives who are responsible for and with the President shape our national policy in the expansion of our foreign commerce. I may illustrate this by stating that under the Secretary of State 18 separate organizations are listed as having independent authority in connection with foreign trade. This, of course, is erroneous. The various divisions and organizations of the Department of State, insofar as their activities may touch upon our foreign trade, function as a part of a coordinated whole under the authority and direction of the Secretary of State. These separate geographic divisions and other integral parts of his organization have in themselves no direct authority in connection with foreign trade policy, and it is the Secretary ity in connection with foreign trade policy, and it is the Secretary of State only who speaks for the Department of State in foreign-

This confusion as to policy-making organizations and subordinate administrative bodies that may deal with foreign trade in some of its ramifications is further apparent when note is taken of the inclusion of the Bureau of Narcotics under the Treasury Department. It is submitted that the Bureau of Narcotics has purely a negative function in connection with restraining illicit narcotic trade. Its primary purpose is to present the symptomic of parnegative function in connection with restraining illicit narcotic trade. Its primary purpose is to prevent the smuggling of narcotics into the United States in order to protect the health and habits of our people. The same comment is pertinent with regard to the Bureau of Public Health Service; and the Bureau of Customs is purely an administrative unit whose primary function is the collection of revenue from imports into the United States.

When we examine the organizations listed under the War Department, it is difficult to see what relation the Quartermaster Corps of the Army has to do with foreign-trade policy unless from time to time it may purchase some foreign merchandise. In any event, these activities would not involve any control of policy relating to our foreign commerce.

our foreign commerce.

Again, this confusion between administrative organizations of the Government, dealing only remotely with foreign trade, and the Cabinet officers responsible for the shaping of policy, is obvious when the Department of Justice is considered; the Office of the Chief of Naval Operations of the Navy Department; the Bureau of Plant Quarantine of the Department of Agriculture; the Bureau of the Census of the Department of Commerce; the Bureau of Labor Statistics of the Department of Labor; and the Federal Communications Commission. The Agricultural Adjustment Administration of the Department of Agriculture and the various organizations listed as a part of the National Recovery Administration are not considered at this time in the light of decisions of the Supreme Court

It would therefore seem that the organizations listed in the President's letter of November 11, 1933, and confirmed subsequently in the Executive orders of March 27, 1934, and December 31, 1935, constitute those governmental bodies that by their very nature are equipped and properly competent to initiate policy in respect to the

national interest in foreign trade.

I think it is also important to invite your attention to the letter of Mr. E. P. Thomas, president, the National Foreign Trade Council, included in the report of the Senate Committee on Foreign Relations, since it is obvious that the National Foreign Trade Council by the action taken at its twenty-second annual convention in Houston, Tex., on November 18, 19, and 20, 1935, indicated in the most striking manner its unqualified endorsement of the present policy of the administration relating to foreign trade and departed from the position announced by Mr. Thomas in his letter of August 20, 1935, as will be seen by the following statement from the final declaration of the convention:

"Effective coordination of the different governmental agencies concerned with foreign trade has been necessary to the success of the reciprocal trade agreement program. Similar unified endeavor should be permanently maintained in all other phases of the Government's foreign-trade promotion. The convention recommends that such steps be taken by the interested department under the guidance, particularly, of the Department of State and the Department of Commerce, as will assure that the coordinated foreign commercial services of the Government may contribute in the fullest measure to the work of exporters and importers."

measure to the work of exporters and importers."

To summarize: First, in view of the many inexactitudes in the list under comment, the last of proportion or discrimination in the analysis of the duties and powers of each organization that is mentioned, and the absence of apparent understanding as to which of these agencies are merely administrative agencies in limited fields and which are policy-making agencies, I suggest that the list gives a wholly misleading picture; second, the actual governmental organizations having the duty and power to shape policies in this field are few, and they are represented upon the executive committee on commercial policy. Through that committee they are in active and constant consultation with each other, and in that committee a habitual satisfactory procedure of consultation has develmittee a habitual satisfactory procedure of consultation has developed. I therefore suggest that this is an adequate agency for effecting the purposes of the bill, and may be trusted to continue to develop that work.

I am, of course, sending a copy of this letter to Senator Pittman, chairman of the Committee on Foreign Relations, for his infor-

mation. Sincerely yours,

CORDELL HULL

DEPARTMENT OF STATE Washington, March 26, 1936.

The Honorable Morris Sheppard, United States Senate.

My Dear Senator Sheppard: I believe it may be helpful, in continuance of the discussion begun in my letter of March 10, 1936, and in further reference to the bill (S. 3393) to create a Federal Board of Foreign Trade, which you introduced on July 29, 1935, to give you this somewhat more extensive statement regarding what has already been done, at the direction of the President, to coordinate the Government activities in relation to foreign-trade policies

nate the Government activities in relation to foreign-trade policies from the point of view of our international interest.

In a letter of November 11, 1933, to the heads of several branches of the Government having to do with foreign-trade policy, the President called attention to the changing policies of other governments and the changing methods of regulating international trade which have greatly complicated the Government's task of proper direction of American trade and directed that an officer of the Department of State should carry the primary responsibility of supervising the international commercial policy of this Government into a coherent whole and should be the chairman of an executive committee for the coordination of commercial policy and the necommittee for the coordination of commercial policy and the ne-gotiation of commercial treaties and trade agreements. This was confirmed in Executive Order No. 6656, dated March 27, 1934, and again in Executive Order No. 7260, dated December 31, 1935. In the latter order the President directed:

(1) The permanent membership of the executive committee on commercial policy shall be composed of representatives of each of the following member departments and agencies: The Department of State, the Department of the Treasury, the Department of Agriculture, the Department of Commerce, the United States Tariff Com-

mission, and the Agricultural Adjustment Administration.

The committee may, with the approval of the President, from time to time add representatives of other governmental departments or agencies to its membership for such periods and purposes and with such rights and privileges as to the committee seem desirable.

(2) The chairman of the committee shall be a representative

of the Department of State, who shall be appointed by the Secretary of State. The representatives of the member departments and agencies shall be designated by the respective heads of such departments and agencies.

(3) The committee shall continue to exercise its present func-tions for the purpose of coordinating the commercial policy of the United States.

The practical effect of these Executive orders has been to set up a working organization which has operated smoothly for over 2 years and fulfills the following functions:

(1) Centralizing in the hands of one agency supervision of all governmental activities affecting our export and import trade and, through exchanges of views, coordinating the policy between the various departments and agencies:

various departments and agencies;
(2) Studying the prospects for improving foreign trade, especially through the negotiation of reciprocal-trade agreements with other countries as authorized by the Trade Agreements Act of June 12, 1934, which has for its primary object the expansion of foreign markets for products of the United States; and clearing on matters of policy which arise at all stages of the work of the other interdepartmental committees engaged in the preparation for the negotiation of such agreements.

(3) Acting in an advisory capacity to the President on matters of commercial policy, preparing or directing the preparation of factual reports and opinions upon matters referred to the committee for advice by the President and reporting to the President the committee's analyses and recommendations concerning problems and suggestions which have come to the attention of the committee through its contacts with all sections of the Government dealing with commercial relations.

The executive committee on commercial policy holds meetings

The executive committee on commercial policy holds meetings weekly or as frequently as necessary and appears to me to attain with a high degree of success the objective which was the purpose of the bill, S. 3393. So far as I am aware, the arrangement is entirely satisfactory to all of the departments having in any way to do with foreign trade and it has the desirable quality of elasticity which the bill does not appear to possess.

You may be interested in some of the typical activities of the committee under each of the foregoing functions.

1. The executive committee on commercial policy has given frequent attention to problems arising in connection with foreign exchange and the financing and payment for commodities enter-The executive committee on commercial policy holds meetings

exchange and the financing and payment for commodities enter-ing into the foreign trade of the United States and it has made ing into the foreign trade of the United States and it has made a special study of the international debtor-creditor position of the United States. In addition to the consideration which it gives to important matters of policy relating to the trade-agreements program, the committee has directed the preparation of special studies and has given frequent consideration to other existing or proposed means of controlling or directing the course of international trade, such as tariffs, quotas, subsidies, and bounties. It has considered broad aspects of the policy of the Government concerning merchant shipping. It has studied also the effect upon cerning merchant shipping. It has studied also the effect upon the interests of the United States of international agreements for the control of the production and marketing of certain commodities and has given consideration to the safeguarding of supplies of commodities and materials of strategic importance in connection with preparedness for national emergencies.

By direction of the President, comments of departments and other agencies of the Government upon proposed legislation before

other agencies of the Government upon proposed legislation before Congress have been cleared through the executive committee on commercial policy. The committee also is kept informed by the various departments and agencies of the Government of action or contemplated action affecting or relating to commercial policy, including the administration of laws and the preparation and publication of statistical material and other factual information. A number of standing and special interdepartmental subcommittees of experts function under and at the direction of the executive committee on commercial policy.

2. As you are undoubtedly aware, in the process of carrying out the purposes of the Trade Agreements Act of June 12, 1934, every step, from the preliminary study to the final recommendation to the President of terms to be requested and granted, is taken by interdepartmental action through the committee for reciprocity information, the trade-agreements committee, and its subcom-

information, the trade-agreements committee for reciprocity information, the trade-agreements committee, and its subcommittees. The executive committee on commercial policy does not participate directly in these stages, but it does keep constant contact with the progress of the various agreements and the initiation of negotiations, and throughout all these proceedings

initiation of negotiations, and throughout all these proceedings important matters of policy are discussed by and cleared through this committee. In addition, the committee conducts many studies on the relation of other activities and policies of the Government to the trade-agreements program. Among these may be mentioned an extensive study of the relation of the trade-agreements program to the balance of international payments of the United States and the bearing of the program on agriculture.

3. Upon the request of the President, the executive committee on commercial policy frequently considers and recommends action to be taken upon reports rendered to the President by individual agencies of the Government, either with respect to the administration of provisions of law or concerning changes in policy or the initiation of action by the Executive. The committee also serves as a channel for the discussion of new and pressing problems in the field of commercial policy and recommends action to the appropriate agencies. For example, the committee has concerned itself with problems arising out of the competition in the United States of certain commodities imported from Japan and has recommended means of dealing with these problems.

and has recommended means of dealing with these problems.

I believe that the foregoing sample of the activities of the committee will indicate that the committee is functioning in a manner which insures that there will be a high degree of consistency and coordination in the executive branch of the Government in activities affecting the foreign commercial policy of the United States, and does, I believe, attain the object of the bill, S. 3393. I am sending a copy of this letter to Senator PITTMAN, chairman of the Committee on Foreign Relations, for his information. Sincerely yours.

REGISTRATION OF VOTERS IN PITTSBURGH, PA.

Mr. GUFFEY. Mr. President, for the information of my colleague, the senior Senator from Pennsylvania [Mr. Davis] and also for the benefit of other Members of the Senate. I should like to have introduced into the RECORD a clipping from the Pittsburgh Press of last Tuesday, showing that the Democratic Party is now the majority party in the city of Pittsburgh for the first time since the Civil War. It also shows that in Allegheny County how the Republican lead in registration has been reduced to 50,000 and that during the last 4 years the registration of Democratic voters has increased from 49,000 to 275,000.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh Press of Apr. 14, 1936]

VOTE CHANGES INCREASE LEAD OF DEMOCRATS—BOOKS FOR PRIMARY ELECTION CLOSED, WITH G. O. P. BEHIND BY 4,173—1,600 SWITCH PARTIES—MCNAIR CAMPAIGN GIVEN AS REASON FOR MANY POLITI-

The Democratic lead in the registration of Pittsburgh voters was 4,173 when the books for the primary election were closed last night. No additional registrations or changes in enrollment from one party to another can take place in the city until after the

The final totals of the major parties were:
Democratic, 130,285.
Republican, 126,112.
The score for yesterday was 1,562 changes from Republican to
Democratic registration and only 101 from Democratic to Repub-

HUGE GAIN MADE

The Democratic registration of 1932 in Pittsburgh, the year President Roosevelt was elected, was only 19,702. The Republican registration was 203,161 in that year.

Democrats, therefore, have gained 110,583 in Pittsburgh registration in 4 years and Republicans have lost 82,049.

The Republican lead in registration in the entire county has been cut to 50,906. Four years ago Republicans topped the Democrats by 375,467. County registrations then were: Republicans, 425,121; Democratic, 49,654.

The registration for the entire county now is divided as follows: Republican, 325,964; Democratic, 275,058.

ADDRESS BY HON. JAMES A. FARLEY BEFORE DEMOCRATIC STATE COMMITTEE AT ALBANY, N. Y.

Mr. COPELAND. Mr. President, I ask unanimous consent to insert in the RECORD an address delivered by the Honorable James A. Farley, chairman of the Democratic National Committee, at a meeting of the Democratic State committee held at Albany, N. Y., on April 15, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am very happy, indeed, to be back here in Albany and to greet once more so many of my old friends. We meet in a spirit of fine achievement, both in the State and the Nation. As a party, we have been given the trust and confidence of the people, and we have fulfilled that trust.

have fulfilled that trust.

Anyone can be a member of an opposition party. All that requires is the ability to criticize. But when, as in our case, overwhelming support at the polls has imposed upon us the greater tasks of government, the weight of responsibility is very great. We have assumed that obligation and we have discharged it with efficiency, with courage, and with a progressive sense of the changing needs of the people. Loyal party teamwork has played no small part in this task, and for what you have done I thank you. In the State of New York we have been fortunate in having in our chief executive leadership of the highest order. For business ability, for devotion to the pressing duties of public office, for a sense of the humane values in government, and for courage in putting humane ideals into practice, the State of New York owes r debt of immeasurable gratitude to its devoted and beloved Governor, Herbert H. Lehman.

Governor, Herbert H. Lehman. The people of this State recognize these qualities and they await the opportunity to express their endorsement at the polls. In the face of the popularity of Governor Lehman and his Democratic administration, the Republicans are finding it no easy task to find another victim to lead to the slaughter. Looking back over the past, they are not anxious to join that growing club of forgotten men, the ancient order of defeated Republican candidates for Governor of New York

for Governor of New York.

Meanwhile in the Nation overwhelming evidence is piling up that President Roosevelt will be reelected. Impartial observers, honest and fair polls of sentiment, all tell the same story. His popularity has grown by leaps and bounds. Unfriendly critics

have been telling us of the dreadful things that were going to happen this winter, that this or that or the other of the measures constituting the New Deal would collapse. They even said at times that the New Deal had collapsed, that business could not recover under his administration. But the irresistible march of facts has continued without interruption; recovery has proceeded, and at a pace unparalleled in history. In the Nation, as in New York, the voters are waiting for the chance to say in November, "Well done, good and faithful servant."

With this challenging situation before them, Republican leaders have decided that maybe the New Deal is all right after all. Having decided that they cannot fight the principles behind the New Deal, they have decided to accept them. That is always the way when an adversary is confronted that cannot be overthrown. If you cannot beat him, join him! And so, one by one, the principles and policies of the Roosevelt administration are being embraced by leaders of the opposition.

First, Mr. Hoover, in his farm speech, practically accepted the have been telling us of the dreadful things that were going to

embraced by leaders of the opposition.

First, Mr. Hoover, in his farm speech, practically accepted the principles of the Democratic farm program. He had said for many years that certain things could not be done in sustaining farm prices. Now he says they can be done. To hear his discussion of how agricultural surpluses can be controlled, one would think that he had invented our program. In fact, he said at Fort Wayne that he did invent it. But the hard fact is that he fought it with all his might for 12 years. A little later, Governor Landon accepted and adopted as his own the principles of the Democratic farm program. He even implied that the Democrats had not gone far enough in raising farm prices. This is a virtual acceptance of the principles upon which Mr. Roosevelt conducted his campaign in 1932. These converts to Democratic principles are coming late in life, but we will, in the spirit of charity, be glad to take them in.

While there is much discussion about sound money and the

While there is much discussion about sound money and the danger of inflation, Republicans everywhere are maintaining a strict silence as to the monetary program of this administration. No one dares to claim that the policies pursued in the early days of this administration to restore our monetary system to a sound and healthy condition have not had a sound and salutary influence upon the revival of business and trade. With respect to banking no one would have us go back to the old unstable days before 1933. Under the policies pursued by this Democratic administration, the banking system has been restored; and if any of the Republican candidates would suggest that these salutary laws should be repealed, they have not yet had the courage to state their purpose. In the industrial field the efforts of this administration toward the protection of workmen in their right to bargain collectively and its efforts to stamp out child labor and sweatshop wages have not been questioned. Not a word of criticism is uttered against the Securities Act and the Securities Exchange Act, which have brought order into the securities' markets of this country and have gone so far to protect honest dealing in this great field. Republicans are not claiming that farmers should not have been saved from foreclosures and bankruptcy by the agricultural credit administration, and that small-home owners should not have been protected in their homes.

If the party that was in power in 1932 was right in saving that While there is much discussion about sound money and the

small-home owners should not have been protected in their homes.

If the party that was in power in 1932 was right in saying that such things should not and could not be done, then why are they willing to accept them now? If they were right then, they are wrong now. The trouble with the Republicans is that when they have a good idea they are afraid to act upon it, and when they do act it is upon something they haven't thought through.

We advocated these policies in 1932 and we were right. We have put these measures into effect and we were right in doing so. We stand on the record of these accomplishments—and we are still right and we are still consistent.

These Republican leaders are, in effect, like the men who stood on the sidelines 30 or 40 years ago and told the early automobile manufacturers that they could not build an automobile. Then, when they saw the automobile being built, they said it would not run when it was finished. But after it had been built and proved that it would run, and after it had revolutionized the lives of those for whom it had been built, these men were willing to accept it, to utilize it, and to enjoy its benefits. These people lived and learned. But our critics have just lived—they have not learned. In 1932 they said that their old "horse and cart" method of government was the only one that would work. Then the Democratic Party came into power and began to build a better kind of governmental machine. And again these critics said that it could not be built. Then, when it was built, they said it would not run. And when it did run, they said it would stop. Finally, when it did not stop, they said that they ought to be permitted to run it themselves.

Now, that is about as absurd an argument as can be imagined. themselves

themselves.

Now, that is about as absurd an argument as can be imagined. Certainly the people of the United States are quite able to see the absurdity of it. The Republicans would tell us that they, who have been wrong at every stage in the process of recovery, should, when recovery is well on the way, be brought back into power and trusted with the administration of the very policies they attempted to destroy.

The trouble is that there is not a real Republican Party. Those who call themselves the leaders of the Republican Party are just a group of discredited and disappointed men. They cannot agree upon what they want, or whom they want as leaders. One group cries out that it is the authentic Republican Party; another group, with an equal record of voting the Republican ticket, claims that it is the Republican Party. Each says that the other group is false,

a counterfeit of the party. With this situation before us, it is hard to see how we can recognize or even find our opposition. We cannot fight with a ghost, and the Republican Party is the nearest thing to a ghost that we have seen since Shakespeare wrote Hamlet. Anyway, I think this particular ghost is going west in November 1936.

November 1936.

On the other hand, we have had opposition and criticism from a little group of selfish and disappointed men who formed a new political party and called it the American Liberty League, now known as the Cellophane League. This group is loud in its assertions that it is an educational institution, that it is nonpartisan, and that it bears no real ill will toward either party. Well, if it is not a political party, then it is the strangest educational institution that this country has ever seen since the Anti-Saloon League. I don't believe the board of rezents would recognize it as a school.

tion that this country has ever seen since the Anti-Saloon League. I don't believe the board of regents would recognize it as a school. Of course, no one has ever believed that the American Liberty League was an educational institution. They must have had a poor idea of American intelligence if they expected us to believe that one.

that one.

The league was organized for the purpose of fighting President Roosevelt and the Democratic Congress. But the harder it fought and the louder its leaders talked, the more their motives were suspected. And now that they have found they cannot much longer carry on by themselves, they want to hitchhike on the Republican band wagon. But the Republican leaders seem very cold to them, for they realize that if they are found consorting with the American Liberty League the American people will think even less of the Republicans than they do now. And so the American Liberty League is making it more embarrassing for the Republicans every day. Republican leaders are asking each other how they can get rid of the American Liberty League. They do not dare to repudiate it because they probably want the support of large contributors who have given money to the Liberty League. They cannot take over the league because that would be a repudiation of everything the league has pretended to do. And they cannot ignore the league because they will apparently have to depend on the ideas the league has developed for them. The fact is that whether they like it or not, the Republican leaders represent the same forces of reaction that the American Liberty League represents. They would go back to the Old Deal and let those people run the country who presided over its downfall.

As we turn from this dark picture of the opposition to the adits downfall.

Old Deal and let those people run the country who presided over its downfall.

As we turn from this dark picture of the opposition to the administration that is responsible for the government of this country the contrast is sharp and inspiring. Three years have passed since, in the dark days of March 1933, President Roosevelt assumed the great office to which he had been elected. A former President, who is speaking often these days, would have you believe a most extraordinary thing. He says that the economic collapse that continued through 1932 and ended in March 1933 was brought about by the Democrats, and that the recovery which took place after 1933 was due to the Republicans. This is strange reasoning, indeed, but it is Hoover reasoning and it is no worse than the kind of reasoning that he used in governing the country when he was President. He says that while he was President the Democrats did not help him, and for that reason he failed; that after the Democrats took over the country they did everything they could to injure business, but that business recovered despite them. He then goes on to say that the country ought to return the Republicans to power. This, again, is strange reasoning. But Mr. Hoover must think that in political campaigns people lose the habit of reasoning or of listening to reason. to reason.

Many people have noted various improvements in Mr. Hoover's speeches. He is becoming much more light-hearted. He even inserts gentle little jokes into his utterances. The only explanation that I can give for this proposition he is making to the American people is that he has gone so far in becoming a master of humorous writings that the whole thing is a joke. And I want to compliment him on it, because as a maker of jokes he is apparently much better than as a guide of the economic destiny of this

Nation.

But, leaving aside Mr. Hoover and his jokes, let us turn to the realities of the past 3 years. Reduced to simple terms, President Roosevelt's policies conceived of this country as a great unit. He set out to help not just a few in the hope that the prosperity of these few would help others, but to help all groups and all interests—agriculture, labor, industry, finance. He is a great American and his policies were American in scope.

I shall not repeat the long story of how President Roosevelt's policies have achieved the measure of improvement that we all now see. We are not going to be judged by our explanation of why or how we did this or that. We are going to be judged by results. Have we made this Nation a better place for the average man? Have we increased his material well-being? Have we protected his rights, added to his security, increased his happiness? I believe that we have, and in expressing this belief I merely echo the belief of millions of others. of millions of others.

Let us look at the results of President Roosevelt's policies from two points of view: First, as to material values; second, as to human values. In the last analysis these two depend upon each other, for where the weak are exploited, prosperity cannot long endure for anyone. But for the moment let us look at the two

separately.
On the material side there has been improvement in every line of activity. The banks are stronger than they ever were before. Our monetary system is the strongest in the world. Our national credit is sure and certain. The issuance and marketing of securities are on a higher plane of soundness and honesty than ever in

our history. Industry is finding a growing market for its products. Agriculture has been saved from ruin. The burden of debt upon all groups has been relieved.

All of this is reflected in the vast improvement of business conditions that we see on every side. Every financial journal, every newspaper, every economic service tells us the same story. I need not repeat what you all know.

And now for the human values, so important to a sound and healthy nation. We have, despite criticism and despite occasional mistakes, courageously fulfilled the obligation to relieve the needy and support the weak in this great depression. We have insisted upon the rights of honest labor, the right of a living wage, fair hours, collective bargaining, and the freedom of children from premature employment. We have enacted the first genuine social-security system in our history, building toward sound and adequate protection for old age and for the unemployed. ployed

We have freed the Nation from the curse of a million spies and an army of corruptionists by destroying the unsound and un-workable eighteenth amendment. We have made America a safer place, a saner place, a more humane place in which to live our lives

All of this achievement was possible only because of the enlight-ened leadership of one man. The world is full of ideas and full of possibilities for improvement. But courage is necessary to give these ideas life and meaning. It is that kind of courage that President Roosevelt has shown. For 3 hard years he has faced problems more trying than any of us can imagine. But he has never faltered in his courage, never doubted the wisdom of the American people, never lost his sense of responsibility to the average man and woman.

With that leadership we face the coming months with confidence. The American people will not and cannot retreat.

THE SUPREME COURT-ADDRESS BY HON. SIMEON D. FESS

Mr. HASTINGS. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered at Harrisburg, Pa., on February 13 last, by Hon. Simeon D. Fess, former United States Senator from Ohio. The subject of the address is the Supreme Court and the attacks made on it.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE SUPREME COURT UNDER FIRE OF BIG GUNS

While the Constitution, the supreme law of the land, has been assaulted at other times, at no time has it come in for the sharp firing of the last 9 months.

The N. R. A. decision provoked the President to charge that the Court was taking the country back to the "horse and buggy" days. The A. A. decision was attacked by a Cabinet officer as "the greatest legalized steal in history."

Senator Norms proposes by an amendment to compel minority control of the Court in the interest of progressive legislation. The head of the American Federation of Labor and the president of the United Mine Workers call for a curb upon the Court. The president of an important farm organization demands modernization that the Court is the constitution. president of an important farm organization demands modernizing the Constitution. These cumulating attacks are due to the sweeping decisions of the Court upon the New Deal legislation, in which two or three of the major items of the program thus far considered are already invalidated, one by unanimous and the other by a two-thirds decision, with prospect of others which may soon follow the same course. The most recent attack is by the Democratic leader of the Senate, Joseph Robinson.

This is not the first time the Court's power has been attacked. The opposition first arose after successive decisions had been handed down by Chief Justice Marshall touching the validity mainly of State statutes. In 1819 the Court, in the famous McCullough against Maryland case, upheld the Federal statute creating the Second United States Bank. Two years later another decision, Cohen against Virginia, was handed down holding constitutional the statute authorizing writs of error to the judgments of State courts. Three years later by unanimous decision read by Marshall in the case of Gibbons against Ogden, the Court defined the term "commerce" so broad that Jefferson declared such decisions were tending to usurpation of power. His objection was not that the Court had not the authority, but rather he complained that it did not invalidate the Federal statutes that had confliced with State rights. This opposition took shape in pro-This is not the first time the Court's power has been attacked. confliced with State rights. This opposition took shape in proposed legislation to curb the power of the Supreme Court. Bills for this purpose were introduced in each year from 1823 to 1829, inclusive, except 1828. These proposals required more than a majority of the Court to hold a statute unconstitutional. It will be noted that the source of this contention was the failure of the Court to declare certain Federal statutes unconstitutional, statutes that had operated to invalidate the States statutes. That was the real basis of opposition voiced by Jefferson and his followers. This is clearly shown by Jefferson's contention against specific acts of Congress and especially in his correspondence from 1819 to 1826

Back in 1798, when the alien and sedition laws were enacted, Jefferson expressed keen disappointment and freely criticized the Supreme Court because it failed to hold these laws unconstitutional, as he declared them to be unlawful aggression. His uncompromising opposition to the bank recommended by Hamilton

led him to look with hope to the Supreme Court to invalidate the law creating it by declaring it unconstitutional. As he criticized the Court in these cases for failure to invalidate Federal statutes, he was highly pleased over its decision holding the embargo acts of his administration as constitutional.

of his administration as constitutional.

A judiciary, and especially an independent judiciary, is necessary in a popular government where powers are limited by a written constitution. The American system of double sovereignty is unique. It is a central Government made up of confederated States. It is planned to insure in the central Government that power and authority necessary to secure law and order without a surrender of the rights of the States which were designed to insure necessary liberty and rights to citizen and State. The central Government is recognized as sovereign in those matters of central Government is recognized as sovereign in those matters of general interest to all people, while the State government is sov-ereign in those matters whose interests are limited to the State.

general interest to an people, while the State government is sovereign in those matters whose interests are limited to the State. For example, a currency system being of national interest, rather than State, would be under the sovereignty of the central Government. Likewise, commerce between the States, or interstate, would be under national authority; while commerce within the State, or intrastate commerce, would be under State authority.

A Government of 13 sovereignties, to be increased in time to 48 such sovereignties, the component parts of the National Government of one sovereignty over matters of general character, will inevitably be confronted with conflicts of authority between the two sovereignties—the Central Government, on the one hand, and the State government, on the other. The delegates of the Constitutional Convention were well aware of this situation. They freely discussed it; compromises were proposed and fully debated. It was finally decided that powers of the Central Government must be limited in whatever instrument to be adopted. Those delegates fearing too much aggression, with our experience with arbitrary government under George III fresh in their minds, admirably set out by Thomas Jefferson in the Declaration of Independence, were most insistent upon placing limits upon the power of the general Government.

The first article of the Constitution, therefore, limited the legis—

of the general Government.

The first article of the Constitution, therefore, limited the legislative power by stating what the body could do. It is an article listing the legislative powers to be exercised by the Government. The second article lists the powers and duties as well as the limitations of the Executive, while the third article performs the same function for the judiciary. Article IV specifies what cannot be done by Congress, and article VI designates what is the supreme law of the land—the Constitution—and the laws made in pursuance thereof. Even with all these precautions to insure against Federal aggression over the rights of the States, such fear and determined opposition prevailed as to endanger ratification, the failure of which would have prevented the establishment of the great Republic; whereupon it was decided that a bill of rights, such as had been unsuccessfully urged in the Convention, to be a part of the organic law, should be submitted in the form of amendments, which, when ratified by the necessary number of States, should be made a part of the instrument. This was agreed to, and consequently the first 10 amendments constitute those rights which, taken together, are known as the national Bill of Rights. The first eight of these deal with individual rights. They include freedom of religion, of the press, of petition, trial by jury, due process of law, protection against unreasonable search and seizure, right to be represented by counsel when indicted, right to be confronted by witnesses, right of compulsory process to obtain witnesses, exemption from trial a second time for the same offense, etc. The ninth and tenth amendments refer to the rights of the States; the ninth states that enumeration of certain rights shall not be construed to deny other rights retained by the people: and The first article of the Constitution, therefore, limited the legisetc. The ninth and tenth amendments refer to the rights of the States; the ninth states that enumeration of certain rights shall not be construed to deny other rights retained by the people; and the tenth further limits Federal power by declaring "Powers not delegated to the United States by the Constitution nor prohibited by it to the States are reserved to the States or to the people." Whatever else might be said about the purpose of the framers of the Constitution, it will not be denied that while it supplied the sanction for legislative enactment, it is strictly limited to the powers prescribed in the instrument proper and the Bill of Rights. The Supreme Court was made the final arbiter of questions arising out of these powers. out of these powers

out of these powers.

Without this full understanding of the purpose, clearly conveyed by the words of the instrument, the Constitution would not and could not have been ratified. Even as it was, doubts and fears were expressed that the rights of the States and the liberties of individuals may be in jeopardy. This was the basis of the opposition in the ratifying conventions of the various States. It was the ground for Patrick Henry's intense opposition in the Virginia convention. It was the basis of Samuel Adams' opposition in Massachusetts; of the powerful resistance in New York. It was the reason why Mason and Randolph, of Virginia; Gerry, of Massachusetts; and possibly Lansing and Yates, of New York, refused to sign the Constitution.

Since it was inevitable that conflicts would arise between these

to sign the Constitution.

Since it was inevitable that conflicts would arise between these two sovereignties, it was highly necessary to provide for adjustment. For this as the chief reason the Supreme Court was universally conceded to be the final arbiter, both by supporters of central authority and by the defenders of the liberties of the citizens and the rights of the States. This dual system of sovereignty made necessary the existence of an independent judiciary with power of final decision from which there was to be no appeal save to the people themselves. Were this dual sovereignty absent. save to the people themselves. Were this dual sovereignty absent, the necessity of such power might have largely been removed. England, for example, knows no such conflict between central authority and State authority, simply because there is no such

division recognized in the English Government, hence no such thing in England proper as an unconstitutional law. Law in England remains the law until the power that made it unmakes it. Hence there is no independent judiciary such as we know it in our American system. In Australia, a component part of the British Empire, and a federated government somewhat like our own, the high court employs our practice of declaring the law of the central government unconstitutional if the legislation was within the sole powers of the States rather than the Federal Government; likewise in Canada, another country of double soveignty, our practice of disallowing laws prevails.

The authority of the American court to declare a law void if not within constitutional limits did not appear for the first time under the Constitution. It was well understood before 1789, having been exercised by the several States, most of which had adopted new constitutions soon after the adoption of the Declaration of Independence and before 1789. During the period of the Articles of Confederation, 1781 to 1789, prior to the inauguration of the National Government under the present Constitution, at least in seven different cases in as many different States acts of the State legislatures were declared unconstitutional by the State judiciary. This was done in Rhode Island, Pennsylvania, North Carolina, New Hampshire, New York, Massachusetts, and Connecticut. With this practice in the States the delegates of the Constitutional Convention were familiar, as evidenced by the numerous references to the judicial function and procedure by the delegates. In drafting the Constitution the delegates were conversant with the various State constitutions. In many cases, in fact, they adopted the precise language of some of the State condelegates. In drafting the Constitution the delegates were conversant with the various State constitutions. In many cases, in fact, they adopted the precise language of some of the State constitutions. At least half of these delegates had served their respective States either as Governors, judges, or legislators. The function and power of the Federal judiciary which they provided was not unlike that of their States, with which they were familiar. When they provided in article VI that the "Constitution and the laws made in pursuance thereof" constituted the supreme law of the land, they had already provided for the agency with necessary authority headed by a supreme court to construe the laws, to ascertain whether they were in pursuance of the Constitution. In case they were not, such legislation would not be law but would be null and void, when so declared by that Court. This was in keeping with the practice of the various States from which the delegates came.

The record abounds in excerpts from speeches and letters of

The record abounds in excerpts from speeches and letters of delegates showing this to be the understanding of the Convention when the Constitution was considered and adopted.

Many such utterances of statesmen outside of the Convention, Many such utterances of statesmen outside of the Convention, while these delegates were still alive, leave no doubt of the truth of this statement. The Federalist, the work of Hamilton, Madison, and Jay, pronounced by history "for comprehensiveness of design, strength, clearness, and simplicity, the book has no parallel among the writings of man, not even excepting or overlooking those of Montesquieu and Aristotle"—the Federalist leaves no doubt that the power and duty of the Supreme Court obliged it to hold Congress within the confines of powers delegated to it by the Constitution. Judge George Wythe, the great jurist and a former teacher Montesquieu and Aristotle"—the Federalist leaves no doubt that the power and duty of the Supreme Court obliged it to hold Congress within the confines of powers delegated to it by the Constitution. Judge George Wythe, the great jurist and a former teacher of Marshall, Madison, and later Henry Clay, said, referring to the power of the Court: "If the whole Legislature * * an event to be deprecated * * should attempt to overleap the boundaries prescribed to them by the people, I, in administering the justice of the country, will meet the united powers at my seat in this tribunal and, pointing to the Constitution, will say to them, 'Here is the limit of your authority, hither shall you go, but no further.'" Gouverneur Morris, a Member of the Constitutional Convention, said: "A law was once passed in New Jersey which the judges pronounced unconstitutional and, therefore, void. Such power in judges is dangerous; but unless it somewhere exists, the time employed in framing a bill of rights and form of government was money thrown away." Patrick Henry, a brilliant opponent of the Constitution, assured his hearers that if unconstitutional laws were enacted, the courts would oppose them. This was one source of his powerful opposition. Luther Martin, of Maryland, another opponent of the Constitution warned that acts of Congress not warranted by the Constitution rests with the courts, by whose determination every State must be bound. John Marshall, who in time became known as the country's greatest Chief Justice, said: "If Congress were to make a law not warranted by any of the powers enumerated, it would be considered by the judges as an infringement of the Constitution, which they are to guard. They would declare it void." Oliver Ellsworth said: "If they (United States Government) made a law which the Constitution does not authorize, it is void. The judges will declare it to be void." The Eliot Debates record the debates of the ratifying conventions of the States called for that purpose, and show unmistakably the understa

among contemporary statesmen that the power of the courts extended to the invalidation of an unconstitutional law or a law not in pursuance of the Constitution. In Fletcher against Peck (1810) the Court said: "The question whether a law be void for its repugnance to the Constitution is at all times a question of much delicacy, which ought seldom, if ever, to be decided in the affirmative in a doubtful case. The opposition between the Constitution and the law should be such that the judge feels a clear and strong conviction of their incompatibility with each other."

conviction of their incompatibility with each other."

In the first 75 years of national existence under the Constitution only two Federal laws were pronounced unconstitutional—Marbury against Madison, in 1803, and the Dred Scott decision, in 1857, This was due to two facts: First, the early Congresses contained, both in the House and Senate, the greatest constitutional lawyers of the day. Down to comparatively recent date service in the House or Senate did not preclude practice at the bar. Upon the other hand, the greatest oratorical achievements of Senators were on constitutional issues that came before the Supreme Court, rather than upon the floor of the Senate. Likewise, Members of the House appeared before the Court, where many won great renown on constitutional issues. As before the Court, so in both Chambers of Congress the greatest oratorical efforts were on constitutional issues. Occasions like the Webster-Hayne debates of 1830 involved the nature and character of the Union under the Constitution.

Constitution.

History shows that the most brilliant forensic efforts in the annals of Congress down to and some years after the Civil War were on issues involving the constitutional authority of the proposal. The constitutional requirement of the oath and the signing of the Constitution by Members of Congress, as well as all officers of the Government, was not a mere form. It was a solemn pledge not only to support the Constitution, but to oppose any and all measures contrary to it. In those days no Member of either body would excuse his vote on a doubtful constitutional question on the ground that its constitutionality was a matter of the court and did not concern him. The oath to which he had subscribed and to which he had solemnly pledged himself "without reservation or purpose of evasion" forbade such an attitude toward the organic law.

Strict regard for the sanctity of the organic law by the legislative department is the basis of the rule of all judicial bodies to respect what Lord Haldane termed the "mind of the legislature", in which the court invariably considers what the lawmaking body had in mind when it enacted the statute.

Congress in the New Deal program attempted to meet this requirement. In each case it pronounced the proposal as emergency legislation and set it out in the preamble by a declaration that it is in the public interest.

in the public interest.

The emergency factor is borrowed from wartime legislation, where the law of necessity is given force, in spite of the Court's refusal to recognize emergency as an excuse for violation of the Constitution. The declaration of public interest is to meet the rule of the Court to ascertain the "mind of the legislature", by expressly declaring in the enacting clause the purpose and end of the legislation. Mere legislative declaration, however, does not waive constitutional limitation. tutional limitation.

While the Court weighs legislative purpose, it is not conclusive. The A. A. A. decision declared: "Congress has no power to enforce its commands on the farmer to the end sought by the Agricultural Adjustment Act. " " The act invades the reserved rights of The act invades the reserved rights of Adjustment Act. the States."

The lack of weight of congressional purpose in modern times is largely due to the trend to ignore the constitutionality of proposed legislation as indicated by official attitude both by the legislator and the Executive.

and the executive.

The advice of a responsible executive officer 20 years ago to a Member of the lawmaking body to vote for the pending measure "in spite of a reasonable doubt of its constitutionality" would have been an unpardonable offense that would not have escaped the

"in spite of a reasonable doubt of its constitutionality" would have been an unpardonable offense that would not have escaped the impeachment power of the House of Representatives. Contrast the position of Franklin Roosevelt with that of Abraham Lincoln, who, when urged on the slavery question, he said, "No one who has sworn to support the Constitution can conscientiously vote for what he understands to be an unconstitutional measure, however expedient he may think it."

The second reason why there were only two Federal laws pronounced unconstitutional in 75 years was that it was before the period of the multiplicity of laws. During that first three-quarters of a century of our history we had not yet reached the reign of the politician who proposes to cure all the ills, economic and human, by laws and Executive orders out of Washington. It was not until after the Civil War that Congress became the legislative mill to grind out new laws. Prior to that a single Congress would not enact more than about 100, including both private and public laws, and resolutions. In fact, during the three sessions of the First Congress, called upon to put the Constitution into effect, there were only 102 such laws and resolutions enacted, while in the Second there were less than 75 such laws. In contrast to that, in the Seventy-first Congress 17,073 bills were introduced, 2,946 reports received, and 1,009 public laws and 515 private laws were enacted. Such Congresses, like the Fifty-ninth, acted upon 6,940 laws and resolutions. In the last 3 years the new Government agencies, with powers to make and execute rules and orders with the force of law, have exhausted the permutations of the alphabet of three letters to the agency. The citizen is smothered under a maze of regulatory legislative law, bureau law, code law, and Executive orders that will number not less than 25,000, all of

which are to be obeyed. In the face of such a situation there need be no surprise that the Supreme Court in a single day hands down four decisions invalidating laws and regulations deemed as important, while in 75 years, prior to the time we began to look to Washington, only two laws were found unconstitutional.

In the next 72 years there were 72 Federal laws invalidated by the Supreme Court. Ten of these went to the illegal administration rather than the legality of the enactment; so that the actual number of statutes declared unconstitutional in the latter period was 62. Of this number about one-third grew out of the new situations created by the Civil War. A study of these cases will show the importance of the stabilizing powers of the Supreme Court in times of stress and storm induced by war.

The historian of the Supreme Court lists the unconstitutional laws as declared by the Court, as follows: From 1789 to 1864, 2; from 1864 to 1886, 16; from 1836 to 1906, 13; from 1906 to 1924, 24; from 1924 to 1936, 19. During the 38 years from 1886 to 1924, 37 decisions were handed down, holding unconstitutional laws submitted for consideration. These generally grew out of the com-

law as declared by the Court, as follows: From 1783 to 1804, 2; from 1864 to 1886, 16; from 1868 to 1804, 19. During the 38 years from 1868 to 1924, 24. Trom 1804 to 1936, 19. During the 38 years from 1868 to 1924, 37 decisions were handed down, holding unconstitutional laws submitted for consideration. These generally graw out of the commerce clause of the Constitution involving elements of what more recently has been termed "social justice." Some of the decisions grew out of what are termed the insular cases, in some of which labor rights were involved. These factors also figured in the 19 decisions handed down from 1924 to 1838, holding unconstitutional Federal enactments submitted for adjudication.

Of these 72 cases, the decisions were unanimous in at least 30; while in 11 cases there was the 5 to 4 decision. It is well to remember that in at least 17 cases where the statutes were declared constitutional, the decisions were 5 to 4. Other decisions were, some by one dissenting, others by two, and still others by three dissenting judges. Of the entire '4 laws invalidated by judicial decision, but a small fraction, only 15 cases, developed any public interest whatever. Those dealing with fraud, general principles of public policy, are not more than eight, as follows: Dred Scott, 1857; legal-tender case, 1870; the Monongahela case, 1893; the income-tax case, 1895; the stock-dividend case, 1920; the Schechter (N. R. A.) case, 1895; but have a substitution of the second of the

eral Government, and of determining whether they are beyond the limits of power marked out for them, respectively, by the Constitution of the United States. This tribunal, therefore, should be the last to overstep the boundaries which limit its own jurisdiction; last to overstep the boundaries which limit its own jurisdiction; and it should always be ready to meet any question confided to it by the Constitution; it is equally its duty not to pass beyond its appropriate sphere of action and to take care not to involve itself in discussion which properly belong to other forums."

Not in the entire history of the Court has its decisions been dictated by political considerations. Twice such a charge has been made with some semblance of fact to support it; the Dred Scott and the Legal Tender cases; the former invalidated the Missouri

compromise on which there had been a bitter political struggle; the latter grew out of the emergency of war, became a political issue, and later the basic plank in the platform of a new political

compromise on which there had been a bitter political struggle; the latter grew out of the emergency of war, became a political issue, and later the basic plank in the platform of a new political party. Under such situation it would be natural to charge political influence in the Court, especially by the disappointed litigants. The deferring of the Scott decision until after the election was charged by Lincoln as yielding to the influence of Pierce, Douglass, Buchana, and Taney as against the urgency of McLean and Curtis, of the Court, and other Democratic leaders of the country. The decision declaring the Legal Tender Act, first, unconstitutional, and, later, constitutional, cannot rightly be regarded a political decision, if for no other reason than that the Chief Justice declaring it unconstitutional had, as Lincoln's Secretary of the Treasury, been the author of the act. He was joined in the decision by Nelson, Field, and Clifford, who dissented from the majority judges. The following facts will clearly show that the Court does not hand down decisions on partisan grounds or by a political classification. In the 34 years of Chief Justice Marshall, from 1801 to 1835, but one Federal act was pronounced unconstitutional. In the 29 years of Chief Justice Taney, from 1835 to 1864, but one act was invalidated by the Court. In the 10 years of Chief Justice Chase, from 1864 to 1874, 10 Federal acts were invalidated; 4 by unanimous, 2 by 5-to-4, 3 by 7-to-2, and 1 by an 8-to-1 decision. In the 14 years of Chief Justice Waite, 1874 to 1886, 8 acts were declared unconstitutional and void; 3 by unanimous, 2 by a 7-to-2, and 3 by an 8-to-1 vote. Nearly all of the judges sitting on the 18 cases mentioned were appointed by Republican Presidents who had favored the legislation. In the 22 years of Chief Justice Fuller, 1888 to 1910, 15 Federal acts were invalidated; 4 by unanimous, 3 by 5-to-4, 1 by 7-to-2, and 1 by an 8-to-1 vote. In the next 15 years 27 such acts were invalidated; 12 by unanimous, 3 by 5-to-4, 5 by 6-to-3, appointed by Harding; Hughes and Cardozo, appointed by Hoover; and Stone, appointed by Coolidge; all of these men handed down decisions, or voted on decisions, adverse to the views of the Presidents who appointed them. Some of them, such as Johnson, Story, and McLean, came into strained relations with their chiefs, but this freedom in the exercise of best judgment even in conflict with the President is the highest test of a valuable tribunal for the adjudication of disputed rights.

David Davis, the close personal friend of Lincoln, when deciding adversely to what he felt would have pleased his great chief, said: "We are not unconscious of the fact that the decision which we are obliged to make * * * attributes to our late lamented President the unlawful exercise of power, and, therefore, implies a certain degree of censure. * * If he exercised a power not given by the Constitution, he undoubtedly did so under a free conviction of its necessity in the extraordinary emergencies wherein he was called to act, but neither our honor for his memory nor our confidence in his honesty can be permitted to sway our judgment here. * * If, when our convictions are clear, we should hesitate to declare them without reference to what party it may please or what offend, we should betray the solemn trust which the people have committed to this Court and

solemn trust which the people have committed to this Court and bring dishonor on the administration of justice."

The history of the Supreme Court shows that a court, the majority of which were appointed by Democratic Presidents, have decided against the wishes of the Democratic Party, while others where the majority were appointed by Republican Presidents, have decided against the wishes of the Republican Party. This is the one body in political America that is not influenced by partisan grounds. In fact it refuses to take jurisdiction of purely political issues and confines itself to judicial guestions. This has

partisan grounds. In fact it refuses to take jurisdiction of purely political issues and confines itself to judicial questions. This has been true from the beginning. In the Constitutional Convention the proposal to give the Court a veto power with the President was four times rejected because that would have made it a quasilegislative body involving a political function instead of a purely judicial body limited to judicial functions.

The Court, therefore, does not reflect a political angle and does not raise the question of the goodness or badness of a law. In fact, it does not consider the merits at all. It leaves that to the Congress and to the people. Justice Roberts, in the recent decision upon the A. A. A. case, admirably stated the province of the Court: "There should be no misunderstanding of the function of this Court in such a case. It is sometimes said that the Court assumes the power to overrule or control the action of the people's assumes the power to overrule or control the action of the people's assumes the power to overrule or control the action of the people's representatives. This is a misconception. The Constitution is the supreme law of the people. All legislation must conform to the principles it lays down. When an act of Congress is appropriately challenged in the courts as not conforming to the constitutional mandate, the judicial branch of the Government has only one duty—to lay the article of the Constitution which is invoked beside the statute which is challenged, and to decide whether the latter squares with the former. All the Court does or can do is to announce its considered judgment upon the question. The only

power it has, if such it may be called, is the power of judgment. This Court neither approves nor condemns any legislative policy. Its delicate and difficult office is to ascertain and declare whether the legislation is in accordance with or in contravention of the provisions of the Constitution; and having done that, its duty

Our history presents no other institution existing in the midst of turmoil and confusion arising out of bitter partisan strife and controversy whose duty is to render impartial judgment that has controversy whose duty is to render impartial judgment that has proceeded as free from political bias to build up a body of precedents dealing with rights under the law, made in pursuance of the Constitution, throughout the period of our national life, as has the Supreme Court of the United States. Its freedom from undue influence without regard to possible consequences is notable. Big business, designated by high authority as "entrenched wealth", has experienced the Court's freedom of powerful influence in such cases as the railroad rate case, the antitrust case, the Adamson law and numerous other cases in which great financial interests were involved.

Labor in its collective influence has likewise experienced the im-

Labor in its collective influence has likewise experienced the impotence of numbers to dictate decisions such as the numerous cases construing the Clayton and Sherman Acts, as well as other cases construing the Clayton and Sherman Acts, as well as other enactments involving the general principles of law, the several cases testing the constitutionality of both Federal and State laws. An analysis of about 100 such cases, one-fifth of which were invalidated, while the decisions of four-fifths were favorable to labor, shows the tendency to criticize the Court for the few adverse decisions rather than commend it for the large number favorable. However, criticism for or against, either of labor or of capital, power entered the decision of access, either of labor or of

capital, never entered the decision of a case.

restrictions rather than commend it for the large humber favorable. However, criticism for or against, either of labor or of capital, never entered the decision of a case.

The Court finds against the N. R. A. by unanimous decision, with no reference to the New Deal interest, nor any anticipated dictum of the "horse and buggy" indictment. The same Court finds against the A. A. A. without taking care to consider the wishes of the proponents of a new philosophy, or time to count the number of farmers' votes that might be involved. It found against the original child-labor law in spite of the wide and militant interest of the women of America. The politician's basis of decision does not reach these chambers. History will pronounce this irresponsiveness to public clamor as the most important fact in the evolution of the Court. And yet, that fact is the one basis for the present attack upon the Supreme Court.

This opposition comes from many sources. There is the advocate of direct legislation, which is responsible for the initiative and referendum in the various States. This class, not insignificant in number, resents the suggestion that an appointive court be permitted to set aside an act of legislation. The second class, while it believes in representative government, would make the legislative body, which is responsive to the people, supreme. The third class believes in the coordination of independent departments, and denies the power of the judicial to invalidate the acts of the legislative department. Even though a highly controverted proposal, after an exhaustive discussion, or on the other hand a proposal of small interest with little concern should become a law by a majority of but one vote in House and Senate or both these advocates of curbing the Court declare otherwise, the independence of the departments is destroyed.

This opposition seems to be based upon error. The three departments under the Constitution are not independent of each

pendence of the departments is destroyed.

This opposition seems to be based upon error. The three departments under the Constitution are not independent of each other in organization, but interdependent, as each has a check upon the other. The legislative is dependent upon the executive for signing or vetoing bills, enforcement of laws; and upon the judicial for interpretation of laws. The executive depends upon the legislative for financial support, removal by impeachment, confirmation or rejection of appointments, and treaties; and upon the judicial for setting aside unconstitutional acts. The judicial department is subject to the legislative and executive departments for its constitution, its financial support, and removal from office by impeachment.

partments for its constitution, its financial support, and removal from office by impeachment.

But in the exercise of the function of each, it is essential that freedom from interference by others must be assured. Each performs its duty within the Constitution, without the necessity of consulting with the others. As Congress does not, and should not, confer with the Court upon legislation, so the Court does not and should not confer with Congress upon interpretation. If the Court declared that Congress could not or should not enact laws short of a two-thirds or unanimous vote without first consulting the Court, Congress would ignore it as beyond the powers of the Court under the Constitution. So, likewise, if Congress enacts a law forbidding the Court, short of a unanimous or two-thirds vote, to declare void an act not within the Constitution, the Court would declare such law unconstitutional and void. Such drastic change could come only through the channel of constitutional amendment by the people. Such amendment would involve serious results growing out of minority control.

Suppose the N. R. A. had succeeded in its efforts to secure and

enforce a code law to govern the press of the country. A unanimous requirement for Court review would make it law, though mous requirement for Court review would make it law, though eight of the nine judges declared it unconstitutional, giving to eight judges less power than to one whose vote was controlling. Such rulings would destroy the faith of our people in the institutions of government, and tend to the break-down of the law of the land.

Suppose upon some issue on which the Nation is keenly divided, such as the fugitive slave law of 1850, an antilynching law, the prohibition legislation, the resolution to join the League of Nations, or the adoption of the New Deal philosophy, and one or all of

these reach the Supreme Court, where a unanimous vote is necessary, under the proposals to curb the Court, to declare a law unconstitutional, what effect upon the public mind would a rule have where the vote of one judge could overbalance the votes of eight judges? In which case the New Deal philosophy could be thrust upon the country by one vote of the Court against eight.

This criticism of the Court, it is alleged by the critics, is justified upon the ground that they are following, in this regard, Jackson and Lincoln. This is an error. Roger B. Taney, the Chief Justice appointed by Jackson, denies the charge against Jackson. He declared: "No intelligent man who reads the message can misunderstand the President". can misunderstand the President", referring to the charge that Jackson felt not bound to carry out a decision of the Court that the law is unconstitutional, if he believed it constitutional. Taney continued: "It is true that he may very probably yield up his preconceived opinion in deference to that of the Court, because it is the tribunal especially constituted to decide questions in all cases wherein it may arise, and from its organization and character is peculiarly fitted for such inquiries."

As to Lincoln's attitude on the Court, his utterances are the best evidence.

In 1856, a year before the Dred Scott decision, he said at Free-port, Ill.: "I grant you that an unconstitutional act is not law; but I do not ask and will not take your construction of the Con-stitution. The Supreme Court of the United States is the tribut I do not ask and will not take your construction of the Constitution. The Supreme Court of the United States is the tribunal to decide such questions, and we will submit to its decisions." Whatever influence the manner in which the Dred Scott decision was delayed until after the election had upon Lincoln, who had denounced the delay, his position on the Court's decisions was fully and clearly stated in his address at Springfield, Ill., June 26, 1857, when the public mind was at the height of excitement. He said: "We think its (Court) decisions on constitutional questions, when fully settled, should not only control the particular questions decided, but the general policy of the country subject to be disturbed only by amendments to the Constitution as provided in that instrument itself. More than this would be revolution." He added, "But we think the Dred Scott decision is erroneous. We know that the Court that made it has often overruled its own decisions, and we shall do what we can to overrule this. We offer no resistance to it." [In the first inaugural.] After declaring that the Court's decision must be binding in any case, he continued: "And while it is obviously possible that such decision may be erroneous in any given case, still the evil effect following it being limited to that particular case with the chance that it may be overridden and never become a precedent for other cases can better be borne than could the evils of the chance that it may be overridden and never become a precedent for other cases can better be borne than could the evils of a different practice." So spoke Lincoln, who has been quoted by advocates to curb the Supreme Court. Even in the campaign when public excitement was whipped into fury over the Dred Scott decision, he said we will not resist it. When he took the oath as President, he said an erroneous decision could better be borne than the evils of a different practice.

Whether the assaults against the Court are to deny the authority to invalidate an unconstitutional law, or merely to curb the Court was minority rule limiting the nower to decigne a law

Court by a minority rule, limiting the power, to declare a law unconstitutional, to a two-thirds vote or a unanimous decision,

Court by a minority rule, limiting the power, to declare a law unconstitutional, to a two-thirds vote or a unanimous decision, it would in either case be fatal, in that it would make Congress supreme. These advocates demand that the makers of illegal laws must be the interpreters of the legality of their own acts, a violation of the most elemental principle of a judicial system. In that light, suppose Congress should enact laws denying one or all of the rights specified in the Bill of Rights. Suppose it denies the freedom of speech, or the freedom of the press, or of religion; suppose it denies trial by jury, or the right to have counsel. Suppose it allows property to be taken without due process of law. Suppose it authorizes unreasonable search or seizure, or compels a citizen to be twice placed in jeopardy of life and limb. Suppose it denies all of these rights. Is the citizen to be refused his constitutional right specified in the Bill of Rights to take his case to a tribunal? That tribunal which interprets law under the Constitution which is the supreme law of the land? Is it proposed to deny him the authority of protection of his rights prescribed in the expressed words of the Constitution? That is the issue which the New Deal is about to submit to the American people. This attitude is in sharp contrast with the judgment of the historian: "The establishment of the Supreme Court of the United States was the crowning marvel of the wonders wrought by the statesmanship of America. The creation of the Supreme Court with its appellant powers was the greatest conception of the Constitution. No product of government, either here or elsewhere, has ever approached it in grandeur. Amid the din of conflict, between personal interests, and above the deep-mouthed thunder of the combat, between contending sovereignties, the calm tones of our great tribunal have been distinctively heard, commanding States as well as citizens to submit without the spilling of blood to a legal settlement of differences. In this respect the

KEYNOTE ADDRESS AT THE REPUBLICAN STATE CONVENTION OF VIRGINIA

Mr. HASTINGS. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Mr. T. X. Parsons, of Roanoke, Va., before the Virginia Republican convention on the 11th instant.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

printed in the Record, as follows:

Mr. Chairman, ladies and gentlemen of the convention, I first want to extend to you a few words of greeting and welcome from the Republicans of the city of Roanoke. We regard ourselves as extremely fortunate in having this opportunity to entertain what is perhaps the largest Republican convention that has ever been held in Virginia. We have long regarded Roanoke city as the Republican capital of Virginia, and we sincerely hope your stay with us will be a pleasant one, and that we will, at an early date, have an opportunity of again welcoming the Republicans from the various sections of the State to our city.

In beginning this speech I fully realize my limitations, and I believe that you appreciate the difficulties which face any speaker who undertakes to define the issues and principles on which our party should stand in the coming election.

During the past 3 years we have witnessed an almost unbelievable spectacle. It is doubtful if there is a person in the country outside of the inner circle of the so-called "brain trust" who would have dared predict what has taken place since the inauguration of Mr. Roosevelt in March 1933.

Roosevelt in March 1933.

It is unquestionably true that millions of citizens cast their votes for the Democratic nominee in 1932 without an inkling, or even the slightest intimation, of what the nominee of the Democratic Party intended to do once he assumed the roles of his office.

SOME OF PLEDGES

Some 23,000,000 people cast their votes for Mr. Roosevelt after he had solemnly promised to drastically reduce the cost of government—to abolish useless bureaus and offices, to take government

ment—to abolish useless bureaus and offices, to take government out of business, to do away with the policies of restricting agricultural production, which had made some slight headway prior to his inauguration; to impartially enforce the antitrust laws, so as to prevent monopoly and unfair trade practices and to preserve a sound currency at all hazards.

And never in the history of our political parties has a candidate so unqualifiedly adopted the platform of this party as did Mr. Roosevelt during the summer and fall of 1932. Time and again he emphasized the fact that the platform of the party would be strictly adhered to and that he regarded it as a solemn covenant with the people. He specifically called attention to the fact be strictly adhered to and that he regarded it as a solemn covenant with the people. He specifically called attention to the fact that it had been the practice in the past for candidates for office to disregard the platform on which they were elected, once they had assumed their duties; and in 1932 he went so far as to publicly declare that before any man could enter his Cabinet he must first pledge absolute loyalty to the Democratic platform and especially the economy plank, and, second, he must pledge his complete cooperation with the President looking to economy and the reorganization of his department.

It would be interesting to know what Mr. Ickes and Mr. Wallace would say if they were now confronted with this statement.

TWO CHIEF PLANKS

Two of the outstanding planks in the Democratic platform, on which Mr. Roosevelt polled almost 23,000,000 votes, read as follows:

"An immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 percent in the cost of Federal Government; and we call upon the Democratic Party in the States

to make a zealous effort to achieve a proportionate result.

"2. Maintenance of the national credit by a Federal Budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay."

In discussing the economy plank in the platform, Mr. Roosevelt, in Pittsburgh, on October 29, 1932, said:

"I shall carry out the plain precept of our party, which is to reduce the cost of the current Federal Government operations by 25 percent. Of course, that means a complete realinement of the unprecedented bureaucracy that has assembled in Washington in the last 4 years."

In the same connection, at Sioux City, Iowa, on September 29,

"I accuse the present administration of being the greatest spending administration in peacetimes in all our history, and which has piled bureau on bureau, commission on commission, and has failed to anticipate the dire needs of reduced earning

and has failed to anticipate the dire needs of reduced earning power of our people."

Merely to repeat the platform and some of Mr. Roosevelt's declarations during his candidacy for the Presidency, strikingly illustrates the manner in which, not only the country, but his own party has been betrayed. It seems hardly necessary to recount the many ways in which the platform has been violated, and the solemn promises of the candidate have been shamelessly disregarded. Instead of reducing the cost of Government by 25 percent, it has more than doubled in the short period of 3 years; instead of eliminating deficits, as he promised to do, we are facing the greatest deficit ever incurred by any government since the the greatest deficit ever incurred by any government since the beginning of recorded history, except during war times.

BUREAUS INCREASED

Instead of eliminating useless bureaus and commissions, they have been increased to such an extent that it is hardly an exaggeration to say that probably not a person in the Nation knows how many there are, or what they are for.

Instead of cutting down the pay roll, almost countless thousands have been added thereto, until it is estimated that at this time

there are almost 9,000,000 people on the pay roll of the Federal Government, not counting the millions who are on relief.

Contrasted with the 23,000,000 votes received by Mr. Roosevelt, the Socialist candidate for the Presidency, Mr. Norman Thomas, received less than 1,000,000 votes, and yet an examination of the actions of the administration reveals the startling fact that the first 12 planks in the Socialist platform, upon which Mr. Thomas received 900,000 votes, have been put into effect almost word for word by this administration, and in calling attention to this fact,

word by this administration, and in caring attention to this late, I am not doing so merely for the purpose of criticizing the philosophy of the Socialistic Party.

I hope the time will never come when American citizens may not cast their vote for the party of their choice—whether it be the Republican, the Democratic, the Socialistic, or any other party.

But I do condemn, and I think all right-thinking citizens should condemn the putting into practice of the policies of the Socialistic.

condemn, the putting into practice of the policies of the Socialist Party, until the people have, by a majority of votes cast, elected a Socialist President, running on a Socialist platform. The stunning betrayal of the Democratic Party—the oldest political party in this Nation, by the so-called New Dealers, has called forth not one word of excuse or explanation from Mr. Roosevelt or any of his subordinates his subordinates.

SPENDING BILLIONS

I think it fair to say that not a single citizen in the United States cast his vote for the N. R. A., the A. A. A., the N. Y. A., the T. V. A., and other alphabetical combinations which are spending billions of dollars of the hard-earned money and savings of the American people. No one even dreamed of the fact that an ex-American people. No one even dreamed of the lact that an ex-Army officer would be given the authority to promulgate 10,000 pages of laws—many of which provided fines and imprisonments for their violation. Not a farmer in the United States cast his vote for an agricultural policy which resulted in the destruction of 6,000,000 pigs; the taking out of cultivation of millions of acres of land, and the destruction of untold amounts of wheat and cotton.

cotton.

Who, in 1932, ever imagined that in the short period of 3 years this country, long regarded as the granary of the world, would be annually importing hundreds of millions of dollars worth of foodstuff. Think of it, and at the same time, we spent a billion dollars to restrict the production of our own farm products. The absurdity of the whole agricultural policy is made apparent when it is realized that, when all of this was being done, there were other millions of dollars being spent for the purpose of reclaiming waste and submarginal lands. While the western farmer was plowing under his wheat and the southern planter was destroying his cotton, other agencies of the Federal Government were busy irrigating and reclaiming lands in Tennessee and Washington, and other States throughout the Union. The enormous amount of money that has been wasted is appalling to the millions of people who have struggled a lifetime to

The enormous amount of money that has been wasted is appalling to the millions of people who have struggled a lifetime to save a few hundred dollars to care for them in their old age.

Hardly giving the matter a second thought, the administration embarked on an undertaking in Florida which will eventually cost the taxpayers \$200,000,000, building a canal from the Atlantic Ocean to the Gulf of Mexico. When this undertaking was started, every competent engineer who had made a study of it, condemned it as being impracticable. In Maine \$36,000,000 is being spent to harness the tides of the Bay of Fundy, and in Washington, \$30,000,000 or \$40,000,000 are being spent for the purpose of building what is known as the Grand Coulee Dam, for the purpose of furnishing power in a region where they already have 50 percent more power than can be consumed.

ICKES GREAT SPENDER

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ICKES GREAT SPENDER

Hardly a project of any consequence has been started that has received the approval of experienced engineers. Even Mr. Ickes, the great spender of the Department of the Interior, turned down a number of them as being wholly impractical. Some of them were so farfetched that no department of the Government would volunteer to undertake their construction, making it necessary to call upon the Army, whose engineers know only how to take orders.

And what have we gotten for all of this enormous expenditure of money? We still have 12,000,000 people walking the streets without employment, if the figures of the American Federation of Labor and the United States Department of Labor can be relied upon. We have over 20,000,000 people drawing relief from the Government, and the end is not in sight.

And we have the New Deal. And what a new deal it has turned out to be. For a moment let us examine its so-called accomplishments.

ments.

I suppose its first claim to fame is based on an alleged industrial recovery produced by the National Industrial Recovery Act. An impartial examination of the record fails to substantiate this claim, but on the contrary, the evidence is overwhelming to the effect that it actually hindered rather than helped recovery. It is true that there was a spurt of business and industrial recovery extending from April 1933 to August 1933, but this was under what the New Dealers choose to term the "old order", or what what the New Dealers choose to term the "old order", or what I would refer to as the American economic system. During this period prices of farm products and the purchasing power of the farmer's dollar went up, industrial employment, production, and wages increased, building construction increased, and freight-car loadings increased to a marked extent. All of this, however, was before the blue eagle had even left his nest. The N. R. A. did not go into effect until the latter part of July or the 1st of August, and it certainly had no material effect on business until the early fall. Beginning with September 1933 and continuing until June 1935, there was a decided business reaction throughout the

country, and during this period every branch of the New Deal was in full bloom; the N. R. A. had reached its maximum of regimentation and the A. A. A. was putting into practice its theory of destruction as a means of attaining a condition of plenty. During this same time the Government entered into every conceivable field of private enterprise. It abandoned all pretense of attempting to reduce public expenditures, or even to keep them within reasonable bounds. Our sound currency was abandoned, and we began experimenting with the managed dollar.

SECOND RECOVERY

The next period of recovery began immediately after the Supreme Court had unanimously held the N. I. R. A. to be unconstitutional. Despite the fact that Mr. Roosevelt and all of his satellites had Despite the fact that Mr. Roosevelt and all of his satellites had made dire predictions as to what would happen as a result of the N. I. R. A. being held unconstitutional, business continued to pick up, and it is unquestionably true that our present era of recovery dates from May 27, 1935.

One of the outstanding economists of the country—Professor Cox, of the University of Chicago—after making a thorough study of employment, wages, and hours of labor as affected by the N. R. A., reported as follows:

"The Amonth drap which followed the introduction of the

"The 4-month drop which followed the introduction of the N. I. R. A. has never been equaled except in the panic collapses of 1893 and 1907. On the other hand, the advances which followed the United States Supreme Court decision against the N. I. R. A. is the broadest and most sustained rise to recovery to date.'

So much for the N. R. A. I suppose it is fair to say that the Agricultural Adjustment Act is the second accomplishment in the order of the importance of the new order. It was passed in the late summer of 1933, and had little, if any, effect on the crops produced and harvested in that year. And what has it accomplished in the short period of 2½ years? Assuming for the sake of argument that it has brought about a rise in the price of farm products, although most economists assert that the rise would have occurred as a consequence of the general improvement in business conditions regardless of the Triple A. But be that as it may, here is what has happened to agriculture, in the Nation that was at one time known as the to agriculture, in the Nation that was at one time known as the granary of the world. In 1933 we had an exportable surplus of 53,000,000 bushels of wheat, and imported none. In 1935 we had no exportable surplus, and imported 28,000,000 bushels. In 1933 we had an exportable surplus of 144,000,000 bushels of corn, and imported none. In 1935 we had no exportable surplus, and imported 34,000,000 bushels. In 1933 we had an exportable surplus of 1,800,000 bushels of rye, and imported none. In 1935 we had no exportable surplus, and imported 12,000,000 bushels. In 1933 we had an exportable surplus of 675,000,000 pounds of lard, and imported none. In 1935 we had no exportable surplus, and imported 12,000,000 pounds. In 1933 we had an exportable surplus of 300,000,000 pounds of pork, and imported none. In 1935 we had no exportable surplus of 300,000,000 pounds of pork, and imported 6,000,000 pounds.

MARKET DESTROYED

Thus 2½ years of the Triple A has not only destroyed our export market, but it has placed agriculture in such a position that it cannot supply the home demand, and it has cost us a billion dol-lars to bring this about. And who got the money. The average benefit payment throughout the United States has been something benefit payment throughout the United States has been something like \$140 per person. But some of our citizens and corporations, and some foreign citizens and corporations, were much more fortunate. Senator Vandenberg recently called on Mr. Wallace to make a list of all persons who received more than \$10,000 under the Triple A. He at first demurred, contending that it would require the undivided attention of the entire comptroller division for about 6 weeks. The Comptroller, however, who has a staff of 4,500, states that the list could be compiled by 10 operators working 17 days. Finally, however, a few figures were reluctantly given ing 17 days. Finally, however, a few figures were reluctantly given out. And this is what a startled country learned. One farmer out. And this is what a startled country learned. One farmer received \$219,000 for not raising 14,000 hogs, and one cotton planter received \$168,000 for not planting 7,000 acres of cotton. And on Wednesday of this week we received the very interesting news through the press that a British concern had received a Government check for \$200,000 for restricting its cotton crop on some land which it owned in Mississippi.

And that isn't all. It has now developed that a New York bank financially interested in a Puerto Rican sugar property had received a benefit check in the sum of \$705,000, while another Puerto Rican sugar company had received \$961,000 for restricting its planting of sugarcane. I suppose these figures probably come under the head of the "More abundant life."

AGRICULTURAL TARIFFS

And here is some more of the "more abundant life." The tariff on agricultural products is necessarily closely linked with any agricultural policy which might be adopted. And Mr. KNUTSON recently stated in Congress that under what is known as the Cuban trade agreement, whereby the tariff on sugar was reduced from 2 cents per pound to nine-tenths of a cent per pound, the Cuban sugar interests, which are largely owned by National City Bank, the Chase National Bank, and Vincent Astor—the latter being a very dear friend of the President—received an outright annual gift of \$42,000,000, and, in addition to this outright gift, the Cuban crowd raised the price of sugar 1 cent per pound, which amounted to an additional profit to this same group of \$15,000,000 per year, or a grand total of \$57,000,000. While all of this was going on, the President and all of his satellites were shedding tears for the "common man" and the "forgotten man", and the Government was spending money to restrict the production of beet sugar. And here is some more of the "more abundant life." The tariff

The next in order for which the New Deal claims credit comes the question of relief, which I shall now deal with briefly.

One of the most appalling aspects of the whole relief situation is the enormous increase in the cost of administering relief. During the last year of the Hoover administration a total of a little over \$1,000,000,000 was spent on relief, and, if the prophets of the new order are to be believed, there was more unemployment then than there is now. And yet the last Congress appropriated \$4,880,000,000 for the relief of the unemployed. What is the answer? Undoubtedly a great part of the increase is due to the fact that the administration has been more interested in building up a political machine than it has in relieving suffering. During the Hoover administration relief was administered almost entirely by local volunteer agencies, with only a scant 250 Federal emup a political machine than it has in relieving suffering. During the Hoover administration relief was administered almost entirely by local volunteer agencies, with only a scant 250 Federal employees, whose principal duty was to distribute the money to the various States and localities. Now we have a stupendous bureau, employing 140,000 people, a great majority of whom are not familiar with the location in which they work and are, therefore, not familiar with the needs and the problems of the beneficiaries of this relief. It is to the lasting credit of the Hoover administration that politics was completely eliminated from the work of administering relief. And, although during the latter part of the administration the Government had many new emergency tasks, the total number of all Government officials decreased by more than 10,000. All of us remember how it was handled in Virginia. The money was loaned by the Reconstruction Finance Corporation, and it was placed directly in the hands of State and local officials, a great majority of whom were members of the opposite political party. Until this administration came into power, no one had ever claimed that a party was entitled to votes because of what it did to relieve persons in need and distress. The very idea was repugnant to every decent sense of Americanism.

But all of this was forgotten after March 4, 1933. The whole relief work was promptly centralized in Washington, and a paid bureaucracy was spread over the land, the result being too well known to merit further comment.

To illustrate what has happened let me read you a few figures

known to merit further comment. To illustrate what has happened, let me read you a few figures that strikingly show how relief funds have been diverted from the needy into the pockets of machine-picked politicians, who make up the West Virginia relief organization:

	Paid by 1
Received in private employment:	рет у
\$150 per month	
\$40 per week	
\$1,000 per year	
\$5 per day	
\$1,000 per year \$5 per day \$175 per month	
\$30 per week	
\$1,800 per year	
\$35 per week	
\$120 per month	
\$2,100 per year	
\$125 per month	
Housewife	
\$45 per week	
\$5 per day	
\$40 per week	

And now, having considered some of the alleged accomplishments of the New Deal, let us see what it has cost us.

THRIFT DISAPPEARS

Besides the billions of dollars which have been thrown to the Besides the billions of dollars which have been thrown to the winds, we have lost something else which it will take generations to regain. The habit of thrift, taught most of us from childhood, is about to disappear from our national life. Our very system of constitutional government is in grave danger of extinction, and precious rights which have been established by centuries of suffering and sacrifice are threatened. In the short period of 150 years this Nation has grown from a few straggling Colonies, scattered along the Atlantic seaboard, to the position which it now occupies, as one of the greatest, if not the greatest nation, the world has ever known.

Certainly, under this system of government, a greater number

Certainly, under this system of government, a greater number of people have, for a greater length of time, enjoyed more pros-perity and more liberty than any government of which there is any record.

Class has been arrayed against class on a scale never before dreamed of in this country. The President of the United States has indirectly encouraged this, and a number of his subordinates— Hopkins, Tugwell, and Wallace—have openly advocated it. The dual weapons of fear and intimidation have been used unceasingly by the leaders of the administration to accomplish their

The civil service has been dealt a blow, the effects of which will be felt for half a century, and the land has been overrun with Government agents, many of whom don't know themselves for what they are employed. We are paying out hard-earned American dollars to people engaged in counting caterpillars and pulling jimsonweed. We are hiring people to teach esthetic dancing and paying for it in taxes collected from the American people. We are spending the Government's money on polo fields in Pennsylvania and in the sprinkling of golf courses in Florida. And last, but not least, this administration, striking at the very roots of our constitutional government, has seriously endangered our most precious liberties. most precious liberties

LIBERTIES IN JEOPARDY

The administration supporters seek to make light of the charge that the fundamental liberties of the people are in jeopardy; and, in attempting to answer this charge, they ask the question, "In what way have the people's liberties been jeopardized?" Let's not be misled in this respect, and let's not be deceived by false promises. The individual rights and liberties of the people have been destroyed since time immemorial in the same manner and by the same methods that are now being practiced by the leaders of the New Deal. The approach is always the same. Using an emergency as an excuse, a beginning in this direction is made, and, before the people realize what is taking place, our most cherished liberties are gone forever. We can easily, in a short space of 4 years, surrender rights which have taken 700 years of sacrifice and suffering to establish. A number of these rights are so commonplace that they are taken for granted; some of them which are today treated so lightly have been produced through the blood and the lives of thousands of men and women. Most of them are guaranteed to us today in the first 10 amendments to the Constitution, commonly called the Bill of Rights. We are frequently assured by the prophets of the new order that no attempt will be made to deprive the citizens of this country of their individual rights and liberties, but I say to you that if this administration will disregard one provision of the Constitution it will disregard another.

In the past 2 weeks we have witnessed a committee of the United.

another.

In the past 2 weeks we have witnessed a committee of the United States Senate flagrantly violating the fourth amendment to the Constitution, which guarantees to every individual protection against unreasonable search and seizure. It will probably be difficult to engender much sympathy for the persons and corporations now being investigated by this committee, but if the private papers and telegrams of the American Telephone & Telegraph Co. can be seized without warrant of law, then your papers and my papers are no longer protected from the prying eyes of any congressional committee that might desire to seize them; and a man's home—which, for over 400 years, in all English-speaking countries, has been regarded as his castle—can be searched by officers of the law with utter impunity. with utter impunity.

OTHER RIGHTS

If this amendment to the Constitution can thus be destroyed. the administration can just as easily disregard the provision of the Constitution which guarantees to every citizen the right of trial by jury, and throw into the discard that provision of the Constitution which guarantees the freedom of the press. When this happens, our cherished liberties are gone forever.

Is there danger of this coming to pass? Our opponents say "No." Let us see what the President has to say in this connection. In his recent political broadcast in the halls of Congress, sometimes facetiously referred to as his speech on the state of the Nation—the latter being a duty imposed on him by law, Mr. Roosevelt said:

"They realize that in 34 months we have built up a new instru-

"They realize that in 34 months we have built up a new instrument of public power. In the hands of a people's Government this power is wholesome and proper. But in the hands of political puppets of an economic autocracy such a power would provide shackles for the liberties of the people."

Think of the implications contained in this statement. The President admits that during his administration there has been established the very thing that the Constitution was set up to guard against. This generation would not be true to its trust if it willingly, and without a struggle, surrendered their rights and liberties, regardless of the inducements held out by those in power. The least we can do is preserve what our ancestors bled and gave their lives for. The Constitution of the United States is the only written instrument in existence today guaranteeing to any citizen individual liberty. It must not be destroyed for the sake of temporary gain.

porary gain.

The least we can do is that which every President, from Washington to Roosevelt, has sworn to do—preserve, protect, and de-

THE SUPREME COURT

Closely related to the attacks which have been made on the Constitution are those aimed at the Supreme Court, and I wish to say at this point that every real American should thank his God for the Supreme Court of the United States.

God for the Supreme Court of the United States. An effort has recently been made to convince the people that the Supreme Court has no authority to declare a law of the United the Supreme Court has no authority to declare a law of the United States unconstitutional. Such a position is wholly untenable. It has been a well-recognized fact in every country which has ever had a written constitution that the constitution was the supreme law of the land and that any law passed by any legislative body in conflict therewith was null and void. This was recognized in America long before the Constitution was ever adopted. Hundreds of laws passed by the colonial legislatures and the Houses of Burgesses were held to be void and of no effect because they were in conflict with the charters of the various Colonies. This

of Burgesses were held to be void and of no effect because they were in conflict with the charters of the various Colonies. This right has been recognized by every Justice who has ever sat on the Supreme Court bench, whether he be Democrat or Republican. To hold otherwise would be to nullify the Constitution itself.

One of the objects, and I might say the main object, of the Constitution is that it guarantees to the citizens certain inalienable rights which cannot be taken away from them by any body or group of citizens, whether they be executive, legislative, or judicial. I don't mean to say that the Supreme Court is sacred or that it should not be subject to criticism, but I do say in all sincerity that once that Court has placed its construction upon a law declaring it either constitutional or unconstitutional, that a law, declaring it either constitutional or unconstitutional, that then that construction becomes the law of the land, and it becomes the duty of every law-abiding citizen to abide by the decision.

HUMAN RIGHTS

It has been charged that the Supreme Court and the Constitution protect property rights as distinguished from human rights.
This charge is not true. The Constitution does protect property

tution protect property rights as distinguished from human rights. This charge is not true. The Constitution does protect property rights, but it also protects human rights. In what other country of the world do the people enjoy free speech or a free press? Religious liberty—the right of trial by jury—and personal liberty—to the same extent as we enjoy it in this country, and they enjoy these rights, not because some benevolent ruler is kind enough to bestow them upon us, but because of a written Constitution which in plain words says that these rights shall not be abridged. And with reference to property rights, is not the right to acquire, own, and enjoy property a part of human rights? When the framers of our Constitution made property rights secure they also added immeasurably to human rights and to human liberty. If the Constitution is to be preserved we must also preserve the Supreme Court. It has been the refuge of both the low and the high from the very beginning of the Nation—whether it has been an ignorant and condemned Negro, charged with the most heinous crime, or the combined prestige of Congress and the Executive, exerting powers beyond the terms of the Con-

with the most heinous crime, or the combined prestige of Congress and the Executive, exerting powers beyond the terms of the Constitution, the Supreme Court has been a tribunal to which a citizen, in his last appeal, has gone for that protection given him by the terms of the Constitution.

And now, just a word about the "old order", which the New Dealers profess to despise and hold in contempt. And in defending it, I make no contention that it is perfect or that reform and change is not advisable. I do think it well, however, to recall a few facts which we should think over carefully before deciding to discard the old for the new. In 1933, before the New Dealers had gotten started, our accomplishments were the marvel of the rest of the civilized world. Let me briefly call your attention to some statistics, which most strikingly illustrate what we had done before Mr. Roosevelt, Mr. Hopkins, Mr. Tugwell, Mr. Ickes, Mr. Wallace, and Mr. Frankfurter appeared on the scene. All of these figures are matters of record and cannot be disputed:

PROGRESS IN PAST

With only 7 percent of the world's population we own 76 percent of the automobiles, 58 percent of the world's telephones, 32 percent of the railroads, and 36 percent of the developed water power; in 1933 this country spent three billions for education, more than all the rest of the world combined. We produced 60 percent of the world's supply of oil, 48 percent of the copper, 47 percent of the steel, and 58 percent of the corn. The people in America enjoy the highest standard of living in the world and consume one-half of the world's coffee, one-half of its rubber, one-half of its sugar, three-fourths of its silk, and two-thirds of its petroleum products. This country leads the world in the number of farmers who own their farms, the number of people who own their homes, the number and amount of savings accounts and the amount of ordinary

their farms, the number of people who own their homes, the number and amount of savings accounts and the amount of ordinary life insurance in force. In the face of all this evidence, is it not a little ridiculous to insist that we need a new form of government and that the old system is worn out?

And to take the place of the system of government under which all of this has been accomplished we are asked to place our stamp of approval upon an administration which, without excuse or explanation, has violated its most solemn promises. We are asked to return to power an administration that has increased our national debt by over \$10,000,000,000 and has in a period of 3 years, spent debt by over \$10,000,000,000 and has in a period of 3 years, spent more money than has been spent by the Federal Government in the first 124 years of its existence.

We are asked to place our stamp of approval on a socialistic and a near-communistic policy, for which no one has ever cast his vote. We are asked to vote for a system of government which was bitterly described by Senator Glass of Virginia in the follow-

ing words:

"The whole New Deal is not only a mistake, but it is a disgrace to the Nation, and the time is not far distant when we shall be ashamed of having wandered so far from the dictates of commonsense and of common honesty."

A PROPOSED PROGRAM

Critics of the New Deal are frequently asked what they would do and what they would propose to take the place of the New Deal.

In the first place the American electorate would be fully justified in turning out the present administration if no program of any kind was offered to take the place of the conglomeration of conflicting and contradictory laws which have been put on the statute books during the past 3 years.

If a person sees another about to run his outerally.

books during the past 3 years.

If a person sees another about to run his automobile over a cliff, he would not wait to warn the driver of another route he might take before calling his attention to the danger ahead. And to illustrate the point further—if you saw a child sawing up the furniture in your home, it would not be incumbent upon you to give him something else to saw on before you ordered him to stop destroying your furniture. However, a program will be offered the American people in the platform to be adopted in Cleveland, and I venture to say it will be a constructive one of which the great body of the American people will approve. Without attempting to forecast what the platform will be or what the platform to be adopted by this convention will contain. I will platform to be adopted by this convention will contain, I will venture to make a few suggestions, many of which were made by our distinguished fellow citizen, Col. Henry W. Anderson, in an address recently made at Richmond, Va., before the State committee and the State executive committee.

In the first place, we should wholly repudiate the entire social and economic theories of the New Deal; we should pledge ourselves to stop the concentration of power in the bureaucracy at Washington and to restore the American system of Federal Government based upon a constitutional union of independent States. The expenditures of the Federal Government should be and must be radically reduced. The hundreds of thousands of politicians who, without any regard to their fitness, have been given "boonwho, without any regard to their fitness, have been given boon-doggling" jobs within the past 2 years should be removed from the Federal pay roll. We should pledge ourselves to stop tampering with the currency and to place the fiscal affairs of the Government upon a sound basis. We should take constructive action ernment upon a sound basis. We should take constructive action to bring about economic equality between agriculture and industry, not by destroying wealth and reducing the supply of food and necessities, with resulting increase in the cost of living, but by the legitimate aid and diversification of farm activities and the development of our domestic and export markets. And in this connection we should stand foursquare for a tariff sufficiently high to protect all products which can be produced within the bounds of the United States.

ABOLISH MACHINE

We should immediately abolish the political machine which has been established for the purpose of administering relief throughout the Nation. I sincerely believe that if this were done, and the question of relief was turned back to the localities and the States, with the Federal Government providing the necessary financial assistance, not only would the cost of relief be cut in half but the beneficiaries thereof would be far better taken care of then they have been under the present system than they have been under the present system.

We should pledge ourselves to a sane and progressive policy with spect to social security, such as pensions and unemployment insurance

insurance. We should pledge ourselves to protect the right of labor, in industry which is subject to Federal jurisdiction, to bargain collectively through agencies of its choice, and, finally, we should pledge ourselves to reestablish the principle which lies at the base of our entire constitutional system, that the Government, and those who conduct it, are agents and servants, not masters of the

We should unqualifiedly declare ourselves in favor of the complete separation and the complete independence each of the other of the three great divisions of our Government—the executive, the legislative, and the judicial. We should affirm our faith in the Supreme Court and in the Constitution of the United States.

CONCLUSION

Supreme Court and in the Constitution of the United States.

CONCLUSION

The issues are clear-cut. The Republican Party should, with courage and without compromise, clearly place them before the American people. We have two roads to travel—one lies in the direction of constitutional government, and the other in the direction of dictatorship. In the last 3 years we have trod the same path by which 40,000,000 Italians, 66,000,000 Germans, and 180,000,000 Russians lost their liberty. It is idle to hope for a change in direction if the present administration is returned to power. We have learned, by bitter experience, that their promises cannot be relied upon. If Mr. Roosevelt is elected in November of this year, he will be justified in concluding that the American people have placed their stamp of approval upon what he has done, and he will naturally take his reelection as a mandate to continue on the road we are now traveling. By his reelection we will ratify the action of Congress in abdicating its constitutional powers to the Executive, and we will thus have taken a long step toward that absolute form of government against which English-speaking people have struggled for a thousand years. Our liberties will be lost in identically the same manner by which they have been lost in all of the other great democracles of the world since the early days of the Roman Republic. The first Caesar rose to power as a popular idol, as a representative of the "common people"; Napoleon gained his mastery first over France and then over Europe from a small and popular beginning as the "armed soldier of democracy"; Lenin set up his iron rule under the guise of the "rule of the proletariat"; Mussolini, once a Communist agitator, got his grip upon Italy under the cloak of a popular movement against monarchy; Hitler got his start by his promise to save the common people from their oppressors; and Roosevelt started on the same road by his demagogic appeal on behalf of the "forgotten man."

And now, in conclusion, what can we do: They

Roosevert, because he has been sincere and conscientious in what he is trying to do. Our reply is that the sincerity of the President is not an issue in this campaign. The fate of one man is inconsequential, in comparison with the liberty and happiness of 130,000,000 people. Whether or not he has been sincere and conscientious in what he has done, is utterly immaterial. The sole question for the American people to decide is whether or not they are in favor of a continuation of his policies. continuation of his policies.

continuation of his policies.

If the Republican Party voluntarily surrenders and refuses to fight to preserve what has been handed down to us by our ancestors, then we do not deserve the victory, and we should pass from the political stage, and let another party take our place. But I have too much faith in this great party of ours to believe for a moment that such a thing is going to happen. The Republican Party should, and I believe will, lead the way. It is the only instrumentality through which opposition to the New Deal can be made effective.

If we come out boldly for the right as we see it, without fear or compromise, and stand on the Constitution, victory assuredly

will be ours. Let's make this fight without any hope or thought of selfish gain. Let us enter this battle, not for the sake of the Republican Party, and not for the purpose of destroying the Democratic Party, but for the purpose of saving America.

THE GULF-ATLANTIC SHIP CANAL ACROSS FLORIDA

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD two editorials relating to the Gulf-Atlantic ship canal across Florida. One editorial is from the Winter Park Herald and the other from the Ocala Morning Banner.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Winter Park (Fla.) Herald of Apr. 17, 1936] MUCH ADO ABOUT NOTHING

Severe and unjustified criticism has been leveled against Florida's Severe and unjustified criticism has been leveled against Florida's senior Senator, Duncan U. Fletcher, because he has made an earnest and conscientious effort in behalf of the Gulf-Atlantic Ship Canal across Florida. Senator Fletcher has not done this to please any faction in the State. On the contrary, he has supported the project because he believes in its feasibility and that it will not work injury to the water supply of Florida. After exhaustive engineering and geological surveys, expert engineers and geologists in the Federal service have definitely stated that no harm will result, and the War Department Engineers, who are in sole charge of the and the War Department Engineers, who are in sole charge of the project, have stated that full protection will be afforded against any adverse effect upon the water supply of Florida.

Senator Fletcher has done his simple duty in working for a project which he believes will benefit a large portion of this State, just as he has conscientiously worked in the past to secure Federal appropriations for innumerable projects of a public nature in every section of Florida.

To some extent the President has been criticized because he advanced sufficient money from the public-works funds to start the project. His action was undoubtedly taken after careful study of the reports upon the project made by the Army Engineers and other Federal authorities. It was doubtless influenced to some degree by the additional fact that the project was one which would and did give employment to thousands of men over a considerable period of

It is true that Senator Vandenberg, of Michigan, regards the canal unfavorably and, through misunderstanding or misrepresentation, has temporarily checked a congressional appropriation for the project in the Senate. Senator Vandenberg, however, is one of the Republican candidates for President, and he may personally oppose President Roosevelt before the national electorate next November. Therefore his views and statements may be re-

garded with mild suspicion at least.

Another well-known Floridian who has been the butt of much Another well-known Floridian who has been the butt of much unfair criticism in connection with the project is George B. Hills, of the engineering firm of Hills & Youngberg. Lack of knowledge of the real facts and, probably, the fact that Hills lives in Jacksonville has resulted in his being bitterly criticized in some sections as an active canal proponent who has used his political influence in behalf of the project. His critics have even stated publicly that he has made an engineering survey for the canal, that he influenced the Federal engineers in making a favorable report, and that he had much to do with selecting a route that would carry the big waterway through Jacksonville. The following brief history indicates that there is not an lota of truth in the foregoing, and that Hills has not been involved personally, professionally, nor politically as stated:

The idea of a ship and barge canal across Florida is not new, nor did it originate in Jacksonville. An examination of such a project was first provided for by an act of Congress in March 1826. Again, in 1876, a United States Army officer made a report on a barge canal, and in 1880 the same officer submitted a further report to Congress on the subject. Advocation of a canal across the State

in 1876, a United States Army officer made a report on a barge canal, and in 1880 the same officer submitted a further report to Congress on the subject. Advocation of a canal across the State has been practically continuous for the past 10 years. Finally, the Congress passed a river and harbor bill, and President Hoover signed it in July 1930. That bill contained not less than six separate items providing for the examination, by United States Army Engineers, of a waterway from one side of the Florida Peninsula to the other. That act was sponsored in Congress by the Florida delegation and by others from outside of the State. It included one item instructing an investigation by the United States War Department Engineers of a waterway across northern Florida to connect the Atlantic Intracoastal Waterway with the proposed Gulf intracoastal waterway by the most practicable route.

Following its universal practice, the War Department called on local interests to submit data for its consideration in the study. As a means of securing the information requested by the War Department, the city of Jacksonville employed Hills and Youngberg, engineers, to make an analysis of the shipping which had moved in the Gulf trade in the latest available year and to determine whether a canal would be of benefit to such shipping. Their report on the subject was submitted in October 1931, during the administration of former President Hoover. It was exclusively an economic study. It was the only report concerning the canal ever made by Hills and Youngberg, and they did not then nor have they at any time since made engineering studies or plans or estimates

of cost of the project, nor have they made any recommendation whatsoever as to the route or location of the canal. They did report that the potential benefits as found were sufficient to justify the United States in making a complete physical and economic survey to determine full facts bearing upon the possible construction of the project.

Hills' connection with the project ended with the filing of the re-

Hills' connection with the project ended with the filing of the report referred to. He has not identified himself with nor has he been a member of any of the several organizations created to sponsor the

canal project.

canal project.

All subsequent studies, including physical surveys, preparation of plans and estimates of cost have been made by Federal agencies and the actual work of planning, locating, and supervising construction of the canal has been under the sole jurisdiction of the United States War Department. It may properly be added that no one, regardless of politics, can cause a favorable decision on any project from the United States War Department Engineers. They report facts as they find them, and that ends it. Incidentally, their investigations are more thorough and comprehensive than can usually be undertaken by State or local authorities for the War Department has available

more thorough and comprehensive than can usually be undertaken by State or local authorities, for the War Department has available the funds with which to carry out the mandates of Congress and their work is supported by an extensive background of experience in engineering, geologic and economic research.

The foregoing, which is the result of our careful check, indicates that neither Senator Fletcher nor President Roosevelt has damaged Florida through their consideration of the canal, and that George B. Hills' identification with the project has been limited to the commercial analysis of Gulf trade shipping made by his firm in 1931.

If the canal opposition must put a finger on someone, let it be placed upon the War Department for reporting the project favorably after its searching investigation and studies. But then the War Department does things like that. It reports what it finds—not what people would like to have it find.

[From the Ocala (Fla.) Morning Banner, Apr. 19, 1936] BACKGROUND OF CANAL

Great undertakings demand extensive preparation. As the greatest construction job in history, it is to be expected that the engineering studies preceding the start of work on the Florida ship canal were exceedingly thorough and extensive. The Chief of Engineers, War Department, has expressed it thus: "This Department has realized from the inception of this examination that the magnitude of the project required a comprehensive study and its investigations undertaken over a period of 6 years were conducted in scope and detail sufficient to establish construction costs with reasonable accuracy." reasonable accuracy.

To supplement the surveys conducted by the Corps of Engineers since 1826, a special board of Army Engineers began in 1927 to examine 28 possible routes for the proposed waterway. Extensive subsurface explorations were carried out on the selected route, core drillings being made at 1-mile intervals, and some 400 wells, sinks, lakes, and drill holes being measured at regular intervals over a period of about 16 months. This is only an indication of the thoroughness with which the Army Engineers understood the job.

Further exhaustive studies were made of the economic aspects of the canal's construction. The United States Shipping Board Bureau and the Bureau of Foreign and Domestic Commerce of the Department of Commerce assisted the Corps of Engineers in this work. In addition, the Transportation Division of the Department of Commerce undertook an independent economic survey which substantiated the findings of the special board.

In October 1933 the Engineering Division of the Public Works Administration reported that "the project covered herein constitutes a public necessity and is of real social value. The project will afford much employment to many classes of skilled and unskilled labor, that the design is in accord with sound engineering practice, and that the project is economically sound."

In 1934 an intensive examination of the engineering problems involved was made by the board of review, composed of picked representatives of the Corps of Engineers and the Public Works Administration plus an outstanding private consulting engineer. The plans and estimates submitted by this board, which had the benefit of all previous surveys, were adopted under the initial allotment for start of construction of the project.

The four railroads serving Florida had raised in 1933 the question of possible depletion of the State's water supplies by drainage through the canal. In order to determine the reasonableness of such fears the board of review investigated the question with the assistance of an expert water-supply engineer who has designed Further exhaustive studies were made of the economic aspects of

such fears the board of review investigated the question with the assistance of an expert water-supply engineer who has designed extensive water systems for Florida cities. Their conclusion was that the canal's effect on the ground water reservoir would be negligible.

As this conclusion apparently failed to quiet the fears of certain sections of Florida, the chief engineer directed the appointment of a special board of engineers and geologists, who reported under date of December 18 that the effects of the sea-level canal on the underground water supply will not be serious, will be local in nature, and capable of control with reasonable expenditures for remodful works. remedial works.

remedial works.

When the Corps of Engineers, with an unblemished record of 150 years of efficient engineering practice in the public behalf, states that there is no necessity for fearing that Florida will be damaged in any way, and certain elements persist in their public wailing and in denunciation of the Corps for turning in a favorable report, it is reasonable to assume that something other than honest doubts are involved. The engineering background of the

canal is one of the most extensive ever presented, and the conclusion unanimously reached by all investigatory bodies is that the canal is entirely feasible from an engineering standpoint. It would seem that such a preponderance of competent opinion is sufficient to determine conclusively the practicability of constructions of the western that the conclusively the practicability of constructions.

sufficient to determine conclusively the practicability of construction of the world's greatest waterway.

The board of review found that, based upon the economic survey of the special board of survey, which the board of review had before it, along with the report of the P. W. A. engineers, such a sea-level canal would be economically justified on a 4-percent basis up to a cost of \$160,000,000.

The economic figures do not include any benefits resulting from stimulation from commerce and shipping, adjustment of freight rates and ship subsidies, reduction in hazards to shipping during the hurricane season, increased earning power of ships due to shorter time required to make the voyage, the very real value of the project as a factor in national defense, the advantage to large numbers of pleasure craft, the importance of having a link which will connect the inland varteeway systems of the United States. will connect the inland waterway systems of the United States.

May there be on the part of Florida and the National Congress the spirit of him who wrote, "Now is the time for all good men to come to the aid of their party."

INTERNAL REVENUE COLLECTIONS BY STATES AND PER-CAPITA EXPENDITURES FOR FEDERAL AID

Mr. LONERGAN. Mr. President, I ask unanimous consent to insert in the RECORD tabulations prepared for me by the Secretary of the Treasury showing per-capita internal-revenue collections by States and Territories as compared with

per-capita expenditures for Federal aid by States and Territories for the fiscal year ending June 30, 1935.

The report is also supplemented by a statement of the amount of internal revenue and customs receipts applicable to the State of Connecticut from 1926 to 1935.

(Note.—In presenting the tabulations I desire to point out the statement of the Treasury that data representing Federal tax collections in particular States have very serious limitations, and in the interest of accuracy great care must be exercised in their use. Receipts from customs and internal revenue collected in a particular State, for example, do not necessarily correspond with the amounts which the people of that State ultimately pay toward the expense of the Government. While the individual reporting income in a certain State is usually a resident of that State, his income is often derived from sources in another State. Also corporations, particularly the larger ones, pay their income taxes in the States in which their principal offices are maintained, although their physical properties may be located in other States or sections of the country, and the greater part of their profits may be derived from sales in many States. Customs duties are usually collected at the port of entry, regardless of the destination of the imported merchandise, the consumers of which ultimately pay a part or all of the duty.)

Statement showing per-capita internal-revenue collections, by States and Territories, as compared with per-capita expenditures for Federal aid, by States and Territories, fiscal year 1935

States and Territories	Population as of July 1, 1934 (Bureau of the Census estimate)	Total internal- revenue collec- tions, includ- ing agricultural adjustment taxes ¹	Per-capita internal- revenue collections	Expenditures for Federal aid ³	Per-capita Federal aid expend- itures	Ratio of per-capita internal- revenue collections to per capita Fed- eral-aid ex- penditures
Alaska. Arizona Arkansas. California Colorado. Connecticut Delaware. District of Columbia. Florida. Georgia. Hawaii. Idaho Illinois. Indiana Iowa Kansas. Kentucky Louisiana. Maryland Maryland Maryland Massachusetts. Michigan Minnesota. Missouri Montana Newa Hampshire. New Jersey. New Mexico. New York. North Carolina. North Carolina. North Carolina. North Oakota. Ohio. Oklahoma. Oregon. Pennsylvania. Rhode Island South Oarolina. South Oarolina	2, 710, 000 61, 000 457, 000 1, 878, 000 1, 658, 000 1, 655, 000 242, 000 497, 000 415, 755, 000 2, 911, 000 415, 000 1, 575, 000 2, 911, 000 415, 000 2, 911, 000 415, 000 1, 575, 000 2, 166, 000 2, 657, 000 2, 166, 000 2, 166, 000 3, 000 2	12, 709, 165	\$4. 69 6. 04 3. 82 1. 69 6. 04 3. 82 1. 69 1. 60 2. 72 24. 93 22. 19 115. 48 25. 72 2 . 72 24. 11. 18 13. 72 25. 72 4. 17 12. 62 33. 73 11. 57 8. 33 26. 63 22. 62 11. 22 27. 02 11. 24 24. 06 8. 93 25. 24 24. 07 12. 62 27. 02 27. 02 28. 03 29. 02 29. 02 21. 12 21. 02 21. 03 22. 02 21. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 21. 03 22. 02 23. 03 24. 03 25. 04 24. 06 25. 04 26. 06 27. 06 28. 06 29. 06 20. 06 2	39, 450, 166 336, 220 13, 055, 788 35, 444, 357 107, 555, 783 33, 193, 665 18, 019, 760 3, 202, 677 10, 386, 722 30, 247, 845 40, 863, 491 4, 534, 747 15, 202, 367 130, 386, 521 45, 567, 672 26, 534, 666 42, 095, 526 42, 095, 526 42, 095, 526 42, 095, 526 42, 78, 157 22, 212, 646 77, 848, 642 78, 196, 590 62, 448, 564 27, 377, 385, 695 6, 346, 764 19, 262, 822 285, 378, 466 32, 994, 766 32, 997, 373, 115 37, 736, 117 38, 738, 541 39, 137, 738, 117 397, 731, 152 397, 311, 591 12, 056, 604 12, 396, 221 497, 700	\$14. 56 15. 35 28. 63 18. 89 17. 47 31. 43 10. 89 13. 23 20. 90 19. 20 14. 04 10. 33 33. 93 16. 55 13. 79 10. 68 22. 10 9. 83 14. 29 15. 27 17. 96 15. 35 24. 00 13. 31 15. 91 17. 91 18. 13. 48 15. 82 10. 00 43. 13 18. 01 15. 83 17. 56 19. 54 6. 02 11. 36 14. 60 32. 70 12. 13 9. 43 17. 19 15. 03 18. 08 51. 97 7. 54 22. 62	1- 3. 10 1- 2. 54 1- 7. 49 1-11. 18 1 61 1 12 1 61 1 12 1 11 1 81 1 19 1 1. 26 1 80 1 80 1 1. 75 1 29 1- 1. 24 1 42 1 68 1 58 1 68 1 75 1 21 1. 34 1 42 1 68 1 3. 75 1 21 1. 34 1 42 1 68 1 3. 75 1 2 11 1. 20 1 1. 20 1 1. 20 1 1. 20 1 2. 13 1 1. 20 1 2. 15 1 2. 15 1 2. 15 1 2. 15 1 2. 15 1 2. 15 1 2. 15 1 39 1- 1. 10 1- 2. 10 1- 2. 15 1 19 1 70 1- 2. 45 1- 1. 25 1 25
Total	141, 495, 000	3, 299, 435, 572		2, 221, 313, 214		

Details contained in Annual Report of the Commissioner of Internal Revenue for 1935, tables 1, 1A, and 1B.
 Details contained in Annual Report of the Secretary of the Treasury, fiscal year 1935, table 48.
 Population Apr. 1, 1930.

Division of Bookkeeping and Warrants, Apr. 15, 1936.

Federal-aid pay-

Federal internal-revenue tax collections and Federal-aid payments | THE PHILIPPINE ISLANDS-LETTERS OF GEN. WILLIAM C. RIVERS [Division on Bookkeeping and Warrants, Feb. 4, 1936]

State or Territory	Federal internal revenue tax collections—Statement showing by States (1) the amounts and percentages of income taxes collected, and (2) the amounts and percentages of total internal revnue taxes collected, during the fiscal year ended June 30, 1935 (on a basis of collections)			ments—Statement showing by States amounts and per- centages of total expenditures made by the Govern- ment as direct pay- ments to States under cooperative arrangements dur- ing the fiscal year 1985		
	Income taxes	Per- cent of total	Total internal revenue re- ceipts	Per- cent of total	Amount of expenditures	Per- cent of total
Alabama	\$3, 149, 562, 37	0. 29	\$12, 709, 165. 16	0.39	\$39, 450, 166. 46	1.78
Alaska	281, 165, 82	. 02	368, 660. 56 1, 745, 295. 09 3, 178, 317. 93	.01	936, 220. 05 13, 085, 787. 77	.04
Arizona	711, 230. 67 1, 536, 006. 04	.06	1, 745, 295. 09	.05	13, 085, 787. 77	. 59
Arkansas	1, 530, 000. 04	6.31	176, 844, 846. 77	5.36	35, 444, 356, 52	1.60
California	69, 350, 379, 64 7, 199, 016, 05	. 65	26, 326, 155, 79	.80	107, 555, 783, 21 33, 193, 664, 85	1.50
Connecticut.	20, 637, 181. 18	1.88	36, 726, 093, 09	1.11	18 019 760 26	.81
Delaware	19, 864, 154, 94	1.81	27, 946, 266, 65	. 85	3, 202, 676, 50 10, 386, 721, 74 30, 247, 845, 05	.14
Dist. of Col	19, 864, 154. 94 8, 195, 647. 23	.74	12, 784, 920. 49	.39	10, 386, 721. 74	. 47
Florida	7, 610, 060. 07	. 69	27, 946, 266, 65 12, 784, 920, 49 15, 205, 781, 80 32, 543, 245, 06	.46	30, 247, 845. 05	1.36
Georgia	7, 866, 999. 49	.72	32, 543, 245. 06	.99	40, 863, 490. 67	1.84
Hawaii	4, 253, 875, 56	.39	5, 692, 096. 80	.17	4, 534, 747. 06	. 20
IdahoIllinois	712, 492, 26 90, 382, 682, 74	8 22	1, 870, 265. 61 323, 138, 933. 65	9.79	15, 202, 367. 08 130, 386, 521. 06	5.87
Indiana	13, 849, 381. 60	8. 22 1. 26	67, 015, 806, 61	2.03	45, 567, 671, 56	2.05
Iowa	6, 005, 405, 63	. 55	30, 977, 064. 02	.94	45, 567, 671. 56 26, 534, 665. 73	1. 20
Kansas	3, 815, 447, 12	. 35	67, 015, 806. 61 30, 977, 064. 02 24, 039, 187. 92	.73	42, 095, 526. 39	1.90
Kentucky	8, 571, 512, 95	. 78	89, 623, 093, 90	2.72	26, 119, 811, 10	1.18
Louisiana	7, 155, 175. 60 3, 764, 511. 27	. 65	25, 057, 899, 13	.76	30, 952, 820. 58	1.39
Maine Maryland	22 055 364 36	2.01	6, 670, 401. 42 52 921 027 52	1.60	12, 278, 156. 68 22, 212, 645. 68	1.00
Mass	22, 055, 364, 36 50, 882, 728, 01 49, 435, 227, 07	4. 63	52, 921, 027, 52 114, 143, 798, 97 135, 853, 971, 41	3. 46	77, 848, 641. 50	3. 50
Michigan	49, 435, 227. 07	4.50	135, 853, 971, 41	4.12	78, 196, 590, 13	3. 52
Minnesota	13, 105, 321, 84	1.19	57, 511, 212, 40	1.74	62, 448, 564. 10	2, 81
Mississippi	1, 101, 835, 32	.10	2, 533, 879, 87	. 08	27, 377, 332, 13	1. 23
Missouri	28, 586, 921, 85	2.60	86, 502, 128, 45	2.62	58, 499, 052, 27	2.63
Montana Nebraska	1, 211, 068. 07	.36	6, 165, 173, 65	.38	23, 117, 926, 90	1. 19
Nevada	3, 905, 469, 84 1, 711, 749, 90 2, 196, 853, 96	.16	12, 454, 094, 33 2, 126, 621, 31	.06	26, 517, 685, 44 7, 278, 506, 27 6, 336, 232, 14	.33
N. H	2, 196, 853. 96	. 20	5, 272, 947. 34	. 16	6, 336, 232, 14	. 29
New Jersey	50, 028, 893. 81	4.55	114, 428, 594. 20	3, 47	66, 946, 763, 57	3.01
New Mexico.	482, 419. 34	. 04	1, 038, 463. 97	. 03	19, 262, 821. 92	.87
New York	337, 866, 880. 88	30.74	672, 473, 493, 97	20. 38 8. 60	285, 378, 465. 91	12.85
N. Carolina N. Dakota	14, 647, 490. 43	1.33	283, 759, 339, 83 1, 748, 657, 69 164, 079, 273, 17	. 05	32, 994, 765, 72 29, 676, 262, 71	1.49
Ohio	489, 532, 19 52, 643, 766, 48	. 04 4. 79	164, 079, 273, 17	4.97	123, 112, 512. 80	5. 54
Oklahoma	9, 478, 969. 08	. 86	43, 377, 493. 63	1.31	39, 183, 391, 37	1.76
Oregon	2, 625, 211. 43	. 24	9, 159, 733. 63	. 28	17, 385, 595. 41	. 78
Pennsylvania.	89, 542, 324. 84	8. 15	244, 355, 727. 32	7.41	192, 025, 666. 83	8. 64
Rhode Island. South Caro-	7, 804, 085. 11	.71	15, 450, 061. 46	.47	5, 976, 176. 94	.27
lina.	3, 090, 228. 81	. 28	21, 498, 115. 87	. 65	23, 736, 874. 09	1.07
South Dakota	495, 536, 52	. 05	1, 540, 795. 49	. 05	32, 447, 402, 83	1.46
Tennessee	8, 303, 599. 99	.76	21, 488, 163. 12	. 65	32, 447, 402, 83 30, 390, 269, 37	1.37
Texas	24, 944, 952. 54	2, 27	74, 210, 805. 18	2. 25	88, 682, 605. 48	3.99
Utah	1, 750, 246. 63	. 16	6, 304, 221. 23	.19	17, 006, 357, 81	.77
Vermont Virginia	933, 816. 13	.08	1, 789, 731. 92 141, 348, 599. 66 18, 943, 571. 25	4. 28	4, 379, 912. 41 23, 073, 115. 39	1.04
Washington.	10, 792, 203. 15 5, 847, 749. 98 5, 305, 394. 59	. 53	18, 943, 571, 25	.57	27, 649, 248. 45	1. 24
West Virginia.	5, 305, 394. 59	.48	10, 605, 166, 22	.32	26, 844, 255. 14	1. 21
Wisconsin	12, 306, 618. 72	1.12	51, 558, 702. 69	1.56	54, 317, 990. 90	2.45
Wyoming	746, 033. 60	.07	1, 540, 446. 78	. 05	12, 056, 603. 92	.54
Philippine Is- lands		1000	1, 270, 918. 26	.04	297.43	173-1
Puerto Rico			1, 517, 142. 94	.05	12, 396, 221. 06	.56
Virgin Is-		ole ment	2,021,122,02		, 000, 00	.00
lands					497, 700. 00	.02
. Matel	1 000 220 202 70	100.00	2 200 425 570 10	100.00	9 991 919 914 94	100.00
* Total	1,099,230,382.70	100.00	3,299,435,572.18	100.00	2,221,313,214.34	100.00

Internal revenue and customs receipts applicable to the State of Connecticut from 1926-35

[Division of Bookkeeping and Warrants, Apr. 15, 1936]

Year	Internal revenue receipts	Customs re- cepits 1	Total :
1926. 1927. 1928. 1929. 1930. 1931. 1932. 1933. 1934.	\$35, 536, 825, 43 36, 110, 447, 88 36, 114, 139, 76 42, 215, 118, 85 48, 391, 389, 35 37, 886, 348, 65 20, 406, 345, 03 18, 414, 424, 85 29, 155, 837, 74 36, 726, 093, 09	\$784, 909, 12 921, 800, 07 951, 679, 01 1, 223, 223, 48 1, 032, 562, 81 628, 573, 24 497, 928, 75 356, 153, 40 566, 804, 12 666, 084, 06	\$36, 321, 734, 55 37, 032, 247, 95 37, 085, 818, 77 43, 438, 342, 33 49, 423, 962, 16 38, 514, 921, 89 20, 904, 273, 78 18, 770, 578, 25 29, 722, 641, 87
Total	340, 956, 970. 63	7, 629, 718. 06	348, 586, 688. 69

¹ Figures from 1925 to 1931, inclusive, embrace tonnage tax collected for the Department of Commerce and miscellaneous taxes collected for other bureaus, etc. Figures from 1932 to 1935, inclusive, embrace customs duties only.

² It is not practicable to segregate miscellaneous receipts of the Government applicable to Connecticut.

Mr. FRAZIER. Mr. President. I ask unanimous consent to have printed in the RECORD an article appearing in the Washington Post on the neutralization of the Philippines and an article appearing in the New York Herald Tribune on home rule for the Moros.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

> [From the Washington Post of Mar. 26, 1936] NEUTRALIZATION OF THE PHILIPPINES

To the Editor of the Post.

Sign: May a retired officer, for a decade a civil servant of the Philippine government when loaned for constabulary police work in all parts of the archipelago, say a word about the letter from a Filipino resident of Manila in the Post of the 24th instant?

Mr. De Los Reyes says that hundreds of Filipinos do not desire independence. He fears economic difficulties and apprehends Japanese annexation of the Philippines—after the 10-year interim. His plea is in effect one for a continuance of the present status. Mr. De Los Reyes expresses gratitude for what the United States has done for the Filipino people. I wonder if he realizes what further

plea is in effect one for a continuance of the present status. Mr. De Los Reyes expresses gratitude for what the United States has done for the Filipino people. I wonder if he realizes what further sacrifices he asks of the American people.

Our Government would be responsible—single-handed—for the condition and the defense of the islands, while the autonomous Philippine government would have all power over local affairs and administration. This would involve a permanent division of our fleet—a weakness. We would be faced with a permanent extension of the annual expenditure of some \$12,000,000 our people now bear for the cost of the American naval and military forces kept in the Philippines. Such a dominion status for a people 8,000 miles from a capital, who have been given complete autonomy, including the suffrage, habeas corpus, and so on, has existed only where the people were of the same race as those of the controlling state.

Where are the Filipino Patrick Henrys who fought two long wars against Spain and America for independence? I believe the masses in the Philippines earnestly desire the independence we promised them. There is no evidence that the Japanese Empire will destroy the Philippine Republic. For some decades to come the Japanese will have other fish to fry—will be fully occupied about Russia and matters in China. Japan would not take on tasks in the Philippines that would require a permanent division of her fleet.

Always free to settle in the Philippines, there are but 20,078 Japanese among the 12,000,000 Filipinos. The latest reports show a decrease in the Japanese in the islands of some 1,438 the last 5 years. The neutralization of the Philippines would be to the selfish or national interests of the six nations with great interests in the Far East. Therefore such a course as is prescribed in the independence act of our Congress would seem wise and practicable.

Far East. Therefore such a course as is prescribed in the independence act of our Congress would seem wise and practicable.

WILLIAM C. RIVERS,

WILLIAM C. RIVERS,
Major General, United States Army (Retired).
NEW YORK, March 24.

[From the New York Herald Tribune of Apr. 10, 1936] HOME RULE FOR MOROS SUGGESTED AS A MEANS OF ENDING TURBULENCE To the New York Herald Tribune:

Your interesting editorial article of the 5th instant is, I believe, a correct estimate of the principal cause of the continued trouble with the Moros in the south Philippines. You state that the Moropeople are unwilling to be Filipinized—or Americanized, or Christianized.

I feel that the Philippine Commonwealth government would be wise to follow a common practice in the rule of minorities of a different faith and grant home rule to the Moro Provinces. There might be some difficulties in such a course, as the Moros are at present unable to pay their own way. The Filipino people have defrayed the cost of their own government and of the sundry improvements carried out in the islands. They have also borne the larger share of the expense of government and education in the extreme southern islands. the extreme southern islands.

the extreme southern islands.

However, there would be no great difficulty involved in gradually giving the Moro Provinces at least a government by Moro officials, with a constabulary police force composed of Moro officers and Moro soldiers. Such a measure of home rule would stimulate Moroprogress and benefit the Commonwealth by decreasing the racial friction. It would also lower the cost of government in the southern Provinces. The American Government gave home rule to the Filipinos as soon as possible. The result was general good feeling and cooperation between the two peoples.

I served the Philippine government for a decade and resided in and worked in many parts of the Archipelago, including the Moro country.

Moro country.

Major General, United States Army (Retired).

New York, April 8, 1936.

MISSISSIPPI RIVER FLOOD CONTROL

The Senate resumed the consideration of the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928.

The VICE PRESIDENT. The question is on agreeing to

the first amendment reported by the Committee on Com-

When the Senate concluded its session on Friday last the Senator from Louisiana [Mr. Overton] had the floor and had not concluded his remarks, the Record showing that he yielded to the Senator from Arkansas to move a recess. The Senator from Louisiana is now entitled to the floor.

Mr. OVERTON. Mr. President, when the Senate recessed Friday afternoon I had proceeded in the discussion of the pending bill to the point where I was presenting to the Senate what had been done under the adopted plan and the modifications thereto proposed in the Markham report. In yielding to various Senators who desired information, I discussed many phases of the bill perhaps out of their logical sequence. I was very glad to do so and shall be very glad this morning to yield to any Senator who desires information, because it is my desire, to the extent of my knowledge, to inform the Members of this body in respect to the pending bill and the plan to which it refers.

Mr. VANDENBERG. Mr. President-

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Michigan?

Mr. OVERTON. Certainly.

Mr. VANDENBERG. The Senator was very generous in answering my questions Friday, and I submit but one more. Can the Senator tell me how much of the \$272,000,000 estimated to be covered by the bill as a whole is involved in section 5, the White River project?

Mr. OVERTON. Twelve million dollars. Mr. VANDENBERG. I thank the Senator.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Utah?

Mr. OVERTON. I yield.

Mr. KING. I should like to inquire what part of the \$272,153,424 heretofore appropriated has been expended upon the projects involved in the bill before us?

Mr. OVERTON. Practically all of that amount has been expended, or allocated, to meet contracts connected with the plan.

Mr. ROBINSON. Mr. President, will the Senator yield at that point?

Mr. OVERTON. I am glad to yield.

Mr. ROBINSON. It is my information that there remains \$50,000,000, or approximately that amount, which is available for expenditure under the proposed modification.

Mr. KING. At any rate, may I inquire, the \$272,000,000 heretofore appropriated will all be expended, and, in addition, the \$300,000,000 carried by the pending bill?

Mr. OVERTON. Permit me to correct the Senator. The \$272,000,000 is the authorized appropriation carried by the pending bill. There was an authorization of \$325,000,000 under the Flood Control Act of May 18, 1928.

Mr. KING. I presume the \$325,000,000, instead of \$272,-000,000 as I had assumed, either has been expended or has been contracted for?

Mr. OVERTON. Not all of the \$325,000,000. That is the authorized appropriation, but something like \$270,000,000-odd has been expended or contracted to be expended under the Flood Control Act of May 15, 1928.

Mr. KING. Is it anticipated that all of the \$325,000,000 authorized will be expended?

Mr. OVERTON. That is my assumption.

Mr. KING. And in addition, then, there will be the \$272,000,000 carried by the bill now before us?

Mr. OVERTON. That is correct.

Mr. KING. So there will be over \$500,000,000 for the Louisiana project provided in the authorization of 1928 and the present bill?

Mr. OVERTON. The Senator is correct in stating that this bill provides for an increase in the authorized appropriations, but he is in error in assuming that the money is to be expended solely in Louisiana. The money which was appropriated heretofore and the money which is authorized to be appropriated under the pending bill is to be spent all the way up and down the Mississippi Valley from Cape Girardeau, Mo., to the Gulf of Mexico. It is to be expended in Missouri. It is to be expended in Arkansas. It is to

be expended in Mississippi. It is to be expended in Louisiana. This is a mammoth project intended to protect adequately all of that great alluvial valley.

Mr. KING. Mr. President, may I submit a further inquiry?

Mr. OVERTON. I yield.

Mr. KING. What part of the \$325,000,000 authorized by the act of 1928 has been expended north of the northern boundary line of Louisiana?

Mr. OVERTON. I am sorry I have not that break-down; but the Senator, who has followed the discussion of the bill and my statement in reference to what has been done on the program, will readily understand that thus far there has been about an equal distribution of the amounts expended with respect to the different States taking into consideration the length of the levees which were constructed in each State. There has been an effort made to have a uniform system of levees through the different States and therefore there has been a more or less uniform expenditure in all the States within the valley.

Mrs. CARAWAY. Mr. President-

The VICE PRESIDENT. Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. OVERTON. Certainly.

Mrs. CARAWAY. Is it not true that the Army engineers have stated that most of the money heretofore appropriated has gone for the repair of breaks in the levees and there has not been a sufficient amount to raise the levees to a real protection height?

Mr. OVERTON. That is true with reference to the appropriations made prior to 1928. The Senator is correct in that regard. There has been very little, if any, breakage or crevassing in the levees since 1928.

Mr. KING. Mr. President, will the Senator yield further? The VICE PRESIDENT. Does the Senator from Louisiana yield further to the Senator from Utah?

Mr. OVERTON. I yield.

Mr. KING. Perhaps the Senator intends to discuss later the statement contained in the report with respect to the amendments to the bill as to compensation?

Mr. OVERTON. I have already discussed that rather fully, as the Senator may recall.

Mr. KING. I was compelled to be out of the Chamber during a part of the presentation of the matter by the Senator from Louisiana.

Mr. OVERTON. I may conclude to submit additional observations when I reach the discussion of that particular section of the bill.

Mr. KING. Then I undedstand the Senator is not insisting, as the report seems to insist, upon just compensation in the sense that the property owners must go into court to secure payment of the full amount?

Mr. OVERTON. As I endeavored to explain last Friday, what the amendment now offered proposes to accomplish is that there shall be no construction on the Eudora floodway and its northern extension and on the Morganza floodway, until the Secretary of War shall have acquired, or else shall have obtained options or satisfactory assurances of options, to cover 75 percent of the estimated value of the flowage rights, at a cost for the 75 percent of not to exceed \$20,000,000. Then if there are any property owners within the remaining 25 percent who are unwilling to grant flowage rights or who ask unreasonable prices for flowage rights, the Secretary of War will be authorized to proceed with condemnation proceedings. When condemnation proceedings are instituted and the court passes upon the value of Mr. A's or Mr. B's flowage rights, the court will follow the just-compensation rule provided by the Constitution of the United States.

When, however, the Secretary of War shall have acquired flowage rights to the extent of 75 percent of the estimated value at prices satisfactory to him, such acquisition will be very largely an establishment of the value of flowage rights throughout the territory embraced within the floodways; and I do not anticipate, nor does the Secretary of War now anticipate, nor does the Chief of Engineers

anticipate, that there will be any unreasonable charges for the flowage rights, or any extravagant sums allowed by the courts in cases of condemnation.

The Senator from Utah will further bear in mind that when condemnation proceedings are instituted to acquire these flowage rights, the Secretary of War proceeds in the Federal courts, not in the State courts, and that an appraisement is made of the value of a flowage right by three commissioners appointed by the Federal court, whose award, when confirmed by the Federal court, is final. Therefore, every safeguard is thrown around the Public Fisc in the acquisition of these flowage rights.

Mr. President, on Friday afternoon I had proceeded in my march down the valley to a point opposite the mouth of the Arkansas River. I had shown what had been done in all the area extending from Cape Girardeau on down to the south bank of the Arkansas River, and the modifications proposed. I had discussed the Yazoo Valley, and also various features and provisions of the bill.

Beginning at the south bank of the Arkansas River, there appear upon the map broken lines which show the existence of what is known as a fuse-plug levee. The fuse-plug levee begins just south of the Arkansas and extends down to Luna Landing, a distance of approximately 65 miles. The fuse-plug levee is 3 feet or more lower than the 1928 grade and section levee. It has been left there by design, in order that the excess waters of the Mississippi River, in case of major floods, may spill over the fuse-plug levee and crevasse it. It was intended that the Boeuf floodway should take up that overflow and carry it on down safely into the Atchafalaya floodways, and thence on down to the Gulf of Mexico.

But, Mr. President, the Boeuf floodway has not yet been constructed. It is to be substituted by the Eudora floodway. In the meantime, the fuse-plug levee, left there for the intended purpose of being overtopped and of crevassing, stands as a menace to all southeastern Arkansas and to all eastern Louisiana on down into the Atchafalaya Basin. Under the plan recommended by General Markham, the fuse-plug levee is to be retained, but back of it is to be built a protection levee that will prevent the overflow of the rest of that basin; and toward the southern end of the fuse-plug levee there is to be constructed the Eudora floodway. The Eudora floodway will have a controlled intake. Its channel will be leveed on each side, so as to hold the water within the leveed channel of the floodway. That floodway remains to be constructed.

Going on down the river from the Eudora floodway to the Atchafalaya River the levees have been practically completed. There is some work still remaining to be done; but when we reach the Atchafalaya River we find a situation which is comparable with the situation which exists at the mouth of the Arkansas River. We find again that the leveed channel of the Mississippi River is utterly incapable of holding the water in major floods. The capacity of the leveed channel of the Mississippi River from the mouth of Red River and the source of the Atchafalaya River on down to the Gulf is approximately 1,500,000 cubic feet per second.

At that point the Atchafalaya River, which rises at Old River and at the mouth of Red River, has been, and still is, a natural relief outlet to the overcharged Mississippi River in times of high water. It has a drainage capacity of 500,000 cubic feet per second; but that is insufficient, because there must be diverted additionally from the Mississippi another 1,000,000 feet. So there is now being constructed on the west bank of the Atchafalaya River a floodway which will take care of 500,000 second-feet of this surplus water.

On the east bank of the Atchafalaya, General Jadwin in his report, and in the project he submitted which was adopted by Congress, provided another floodway. That floodway is to remain, but under the Markham plan it is to be relocated at a place where it will be more serviceable. It is now known as the Morganza floodway. It will have a carrying capacity of 500,000 cubic feet per second. Therefore at this point there will be relief outlets that will be capable of taking care of 1,500,000 cubic feet per second, and carrying that volume of water down to the Gulf of Mexico.

In the lower reaches of the Atchafalaya it is proposed to construct an outlet west of Berwick Bay that will give a quicker and shorter flowage of the Atchafalaya waters into the Gulf of Mexico, and which will have a carrying capacity of 500,000 cubic feet per second. That is known as the Clarenton outlet.

Leaving the Atchafalaya River, we find that on down toward New Orleans the levees have been practically completed. Just above New Orleans there has been constructed the Bonnet Carre spillway, which has a drainage capacity of 250,000 cubic feet per second.

Mr. President, I have now shown what has been done under the authorization of the Flood Control Act of 1928, and the modifications thereof proposed under the Markham plan, which are incorporated in the pending bill.

I wish to say that we are now dealing with the gravest and most stupendous flood problem in the United States.

Mr. SHIPSTEAD. Mr. President, will the Senator yield? The PRESIDING OFFICER (Mr. Davis in the chair). Does the Senator from Louisiana yield to the Senator from Minnesota?

Mr. OVERTON. I yield.

Mr. SHIPSTEAD. Can the Senator tell us what is the normal flow of the river below the mouth of the Arkansas?
Mr. OVERTON. The Senator means, I presume, between the leveed channels?

Mr. SHIPSTEAD. Yes; within the normal channel of the river, including the levees.

Mr. OVERTON. Two million second-feet.

Mr. SHIPSTEAD. And a million and a half second-feet of surplus?

Mr. OVERTON. A million feet will have to be diverted at that point, because the maximum predicted flood will bring into the Mississippi River, at the latitude corresponding to the mouth of the Arkansas River, 3,000,000 cubic feet per second. Therefore, there must be diverted 1,000,000 feet of this excess water, because the levees are being built as high as it is safe and economical and prudent to build them.

Mr. SHIPSTEAD. The Senator, I believe, is a member of the Commerce Committee.

Mr. OVERTON. I am.

Mr. SHIPSTEAD. Has the committee considered the question of whether or not floods could be controlled farther up the Arkansas and Mississippi Rivers and their tributaries; or has the committee had any survey made to ascertain whether or not that could be done?

Mr. OVERTON. Such a survey has been made, and I went into the subject fully on Friday afternoon. Possibly the Senator from Minnesota was not present in the Chamber at the time I was discussing it; but, briefly, I may say to the Senator that in response to congressional mandate the Chief of Engineers and the Mississippi River Commission made a study of the control of flood waters in the Mississippi Valley by the location of reservoirs at the headwaters of the tributaries of the whole Mississippi River system. They reported that such reservoirs, in order to be effective, would have to be detention reservoirs, used solely for flood-control purposes; that they would cost \$1,250,000,-000; and General Markham, testifying the other day before the Commerce Committee of the Senate, said that notwithstanding the construction of those reservoirs, it would still be necessary to have these levees on the Mississippi River, and to have floodways of the character suggested in the Jadwin and Markham plans.

I will say to the Senator that we down in the valley would welcome reservoirs, because they are additional factors of safety. But by reason of their stupendous cost I am not asking that they be incorporated in the pending bill, which relates exclusively to flood control in the lower valley, because the Markham-Jadwin plan is a complete plan in itself. If put into execution this plan will fully and adequately solve the flood-control problem in the lower Mississippi Valley.

Mr. SHIPSTEAD. Mr. President, can the Senator tell us how many plans there have been in the last 50 or 60 or 100 years?

Mr. OVERTON. Down in the lower Mississippi Valley, up until 1928, in practice there was only one plan, and that was the construction of levees. The levees were built higher and broader from year to year, from decade to decade, and from generation to generation; but it was found that levees only would not solve the problem and something else had to be done. That something else which has to be done is taking care of surplus waters which the levee channels will not hold, and conveying them through artificial channels to the Gulf of Mexico.

Mr. SHIPSTEAD. Will the Senator yield further?

Mr. OVERTON. I am very glad to yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Do the engineers seem to think that if the proposed work is done it will take care of the floods in the future?

Mr. OVERTON. Absolutely and unqualifiedly.

Mr. SHIPSTEAD. I hope their predictions are more reliable than they have been in the past on the question of floods in the lower Mississippi.

Mr. OVERTON. I do not think the Army Engineers have ever declared that without the creation of such floodways as are planned the lower Mississippi Valley would be safe. I will get to that in a moment.

Mr. SHIPSTEAD. I will not interfere with the Senator.

Mr. OVERTON. I am very glad to yield to the Senator for any further question he may desire to ask. But I was undertaking to show now the character of the problem with which we have had to deal in the lower valley for over 200 years.

Let me say to the Senator from Minnesota that the first levee on the Mississippi River was constructed in 1717. It was built in order to protect the city of New Orleans. It was a small levee, but at that time it served at least as a modicum of protection to that then infant city.

Levees were originally undertaken by private enterprise. Royal grants of riparian lands in colonial days contained the provision that the beneficiaries of these grants would have to build levees on the Mississippi River in order to protect their property and the property of others. It was found, however, that private enterprise could not cope with this great problem. Then the police juries passed ordinances requiring every able-bodied man residing within an area of 7 miles from the Mississippi River to work upon the levees. It was found that that was an unsuccessful plan. The higher the levees were built, the higher the flood stages during the succeeding decades and generations.

Finally, levee districts were formed, and those levee districts proceeded to impose taxes, and to undertake, out of the current avails of those taxes, to build levees which would hold in the waters of the mighty Mississippi. It was found that they could not build levees big enough and strong enough out of the current avails of the taxes they imposed. They proceeded then to anticipate their revenues by issuing bonds, and bond issue after bond issue was floated, and taxes after taxes were imposed, and the avails of these bond issues were employed in building up the levees. The history of the valley shows that on an average of every 5 years we have a destructive flood, and those floods coming down the river have crevassed our levees and broken their lines. The people in the valley, however, with resolution and with courage, after each flood imposed higher taxes, rebuilt their destroyed homes, and undertook to build levees still higher and still broader so as to control the mad currents of the great Father of Waters.

Mr. President, I do not think there appears in the annals of American history an example of greater persistence and patience, of greater courage and fortitude, than that presented by the denizens of the lower Mississippi Valley in fighting floods. Up to 1927, they had contributed the stupendous sum of \$292,000,000 for flood control and flood protection, and since the flood-control law of 1928 was enacted, there have been local contributions, according to a report submitted by the Mississippi River Commission last year, of \$41,000,000 in addition.

The Federal Government, at an early date, realized what this problem was, and began to take an interest in it. Such eminent statesmen as John C. Calhoun, Henry Clay, Abraham Lincoln, Thomas H. Benton, and Horace Greeley, were advocates of participation by the United States in flood protection in the lower valley.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. OVERTON. I yield.

Mr. KING. As the Senator is so eloquently proceeding to discuss the devastation caused by the river, I was wondering whether there is any historical evidence showing that there has been an increase in the volume of floods during the past 150 or 200 years, and if so, whether that has been the result of the denuding of timberlands above, clear up to the headwaters of the Mississippi and the Missouri. In other words, is the flow now greater than it was back in the days of the battle of New Orleans?

Mr. OVERTON. I have no data to furnish to the Senator from Utah in answer to his query. I think, however, that beyond any question the floods have increased from decade to decade and generation to generation, and for the reason suggested by the eminent Senator from Utah.

The great Mississippi River system represents a tremendous drainage area, covering practically one-half of continental United States, and part of the Dominion of Canada. Before the white man set foot in America, that great drainage system was covered largely by forests, and the undergrowth and humas of those forests not only arrested the flow of the waters, but also permitted infiltration and absorption. The Great Plains out West which are drained by the Mississippi River were covered with wild grasses and other vegetation, and the roots of the coverage in the soil not only arrested the flow of water, but also permitted untrammelled the processes of absorption and filtration.

Then there were the great swamp reservoirs which existed at different places in the valley. But as time went on, as our pioneer fathers undertook the conquest of this continent, they proceeded to clear the woodlands in order to make way for the farms. The plains out West were subjected to the plow of the farmer. Drainage districts were established throughout the vast valley. Industry began its devastating work upon our forests by converting them into lumber, and the natural reservoirs to which I have just referred were drained and reclaimed.

The result was that there has been, to my way of thinking, and according to my theory about it, a constantly increasing flow and acceleration of the run-off from all of this vast fan-shaped drainage area, extending from the Alleghenies to the Rockies, and therefore the floodwaters have increased in volume and in acceleration as they have gone on down into the lower Mississippi Valley.

Mr. FLETCHER. Mr. President, will the Senator yield? Mr. OVERTON. I yield.

Mr. FLETCHER. I take it that if the Government constructs the floodways, the Government will be expected to maintain them. Have we any figures as to the cost of maintenance of such floodways as the Senator now advocates?

Mr. OVERTON. There is no estimate of the cost, but presumably the cost of maintaining a floodway will be very small. To begin with, the Morganza floodway will not, within the contemplation of the engineers, be used oftener than once in 10 years. The Bonnet Carre spillway now fully completed, may be used once in 5 years, but that is a very short floodway. The Eudora floodway will be used on an average of once in 15 years. Those floodways are not to be dredged or canalized. They are created simply by constructing levees and through these confining levees the waters of the floodways pass, It will not be necessary to maintain on those floodways the mammoth levees that are constructed on the Mississippi River.

Mr. FLETCHER. I understand that; but there will be some flow of water through those floodways?

Mr. OVERTON. Yes; but what I wished to say, in addition to that, is that the burden of maintaining the levees

after construction is upon the local governmental subdivisions and not upon the Federal Government.

Mr. FLETCHER. The levees along the floodways will be maintained by the local governments?

Mr. OVERTON. The levees along the floodways will be maintained by the local governments.

Mr. FLETCHER. Will the local governments have charge of the operation of the floodways? Will they keep persons there who will open the gates or close the gates, as the case may be?

Mr. OVERTON. They will have charge, and they will have control of the intake, and they will maintain the intake and will keep it as high as may be desired and as low as may be desired. That is left to the discretion of the Chief of Engineers.

Mr. FLETCHER. But not at the expense of the Federal Government?

Mr. OVERTON. Yes. The openings to the floodways will be controlled and maintained by the Federal Government, but the floodway levees and all the levees will be maintained at the expense of the local governments.

Mr. FLETCHER. Reference has been made to reservoirs. I take it that the maintenance of those reservoirs will involve a very considerable expense.

Mr. OVERTON. There is no provision made in my bill for reservoirs.

Mr. FLETCHER. I know; but some suggestion has been made that the situation might be cured by building reservoirs farther up the river for control purposes. In the case of those reservoirs, maintenance is quite an item; is it not?

Mr. OVERTON. It is an item, but not such a large item. After the reservoirs and flood-control works are constructed, the maintenance is not so heavy. I will say to the Senator that there are no reservoirs provided for in my bill. It provides solely for a system of levees and floodways.

Mr. President, I was making some observations with respect to the contributions which have been made by the Federal Government toward flood control in times past. Before the War between the States small appropriations were made in order to have surveys undertaken and reports made in respect to these surveys. The most important report was made in the year 1861, after 5 years' study of flood-control problems in the lower valley had been made by Army Engineers. No appropriation for flood-control work was made, however, until the year 1881. Then \$1,000,000 was appropriated by the Federal Government. In 1882, \$4,000,000 was appropriated, and after that there were annual appropriations.

In the beginning of this century the appropriations rose to the sum of \$6,000,000 per annum, and along about 1916, according to my recollection, they were increased to \$10,-000,000 per annum, but, as General Markham has stated, these appropriations were largely wasted, because an adequate and proper plan was not being put into effect. This money was used in repairing the broken lines of levees extending from Cape Girardeau to the Gulf. That is a distance of 1,100 miles, and therefore the double line of levees which has to be covered represents a distance of almost 2,000 miles. The appropriation was inadequate to undertake a permanent solution of this problem.

Then came the great flood of 1927, which excited more popular interest than any other flood in the lower valley. It was scores of miles in width and hundreds of miles in length. The records show that \$200,000,000 of property was destroyed, over a hundred lives were lost, and 700,000 people placed in refugee camps, not only for days, not only for weeks, but for months. The national conscience was aroused, and the then President—Coolidge—called into requisition his Army Engineers and the Mississippi River Commission. He sent down into the valley Herbert Hoover, then Secretary of Commerce, and himself a great engineer. They studied this question for almost a year. They had back of them the benefit of the studies of the Mississippi River Commission, which had been created in 1879, and for half a century had devoted its time and attention to a consideration of this great problem. They also had back of them the experience

of 200 years of fighting floods in the lower valley, and they came back with this plan, which was adopted by Congress, and it is a plan of levees and of floodways. It is, according to the Engineers, the only plan, a complete plan, that will solve our difficulties in the valley. It is this plan, with the modifications I have mentioned, the completion of which the bill undertakes to authorize.

Mr. President, I shall now take up the bill itself and present to the Senate each section. Section 1 of the bill adopts the engineering features of the Markham plan, which I have already discussed and presented.

Section 2 relates to the substitution of the Eudora floodway for the Boeuf floodway. I have gone into a thorough discussion of that phase of the bill.

Section 3 provides that the levees along the Mississippi River from the head of the Morganza floodway to the Atchafalaya River shall be raised and enlarged to 1928 grade and section. That is a mere incident of the Markham plan.

Section 4 relates to the Yazoo River and St. Francis River Basin projects, and I have discussed those projects with fair fullness.

Section 5 provides for the White River emergency reservoir. I discussed that last Friday afternoon.

Section 6 provides for drainage made necessary by the construction of floodway levees included in the modified project.

Section 7 is to be amended in accordance with an amendment suggested by the Chief of Army Engineers. The original bill provided that the United States shall construct at its own cost such railroad and highway crossings over the floodways provided for in the modified project as are deemed necessary by the Chief of Engineers for the convenience of the public, provided that the appropriate railroad or highway agencies agree to accept and maintain and operate these crossings without cost to the United States. The original bill left the discretion in the Engineers as to just what railroads and what highways should be elevated above the floodways.

The Chief of Engineers prefers to exercise his discretion now. In the proposed amendment to section 7 it is provided:

That the United States shall construct, at its own cost, one railroad and one highway crossing over the Eudora floodway and not to exceed three railway and two highway crossings over the Morganza floodway, and not to exceed one railway crossing (together with suitable physical connections therewith), and one highway crossing over the floodway west of the Atchafalaya River provided for in the modified project: Provided, That equitable agreements can be made with the railroad and highway authorities concerned, and that the appropriate railroad or highway agencies agree to accept and maintain and operate these crossings without cost to the United States: Provided further, That the railroads crossing the Morganza and West Atchafalaya floodways agree in consideration for the crossings constructed to waive all claims against the Government for any damages that may occur by reason of overflows in the Morganza and West Atchafalaya floodways: And provided further, That other railway and highway damages shall be adjusted as provided for in section 12.

Mr. KING. Mr. President, will the Senator yield? Mr. OVERTON. I yield to the Senator from Utah.

Mr. KING. I wish to inquire whether the cost referred to in the amendment just read will come out of the \$272,-000,000 now carried by the bill?

Mr. OVERTON. It is estimated that the \$272,000,000 will be sufficient to cover the cost. I hope that that estimate is correct. If, however, I may say to the Senator from Utah, another million or two million may be required in future years and this body is honored with his presence, as I hope it will be, I am quite sure that he will not withhold an additional few million dollars in order to complete the project.

Mr. KING. Mr. President, we are so prodigal in our expenditures, I have no doubt if it were ten or twenty million dollars more, if the able Senator from Louisiana would make the eloquent speech then that he is making now, it will be granted very quickly.

will be granted very quickly.

Mr. OVERTON. I thank the Senator for his very complimentary reference to my feeble effort.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. OVERTON. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. How long since the estimate of cost was made? When was it made?

Mr. OVERTON. The estimate of cost was made when the Markham plan was submitted last year, in 1935. There is a break-down of it in the hearings on page 35.

Then when the bill was submitted to the Secretary of War, the Chief of Engineers, may I say to the Senator from Minnesota, reviewed the estimate and made his recommendation accordingly, as shown by the report of the Secretary of War on the pending bill.

Section 11 provides for the northern Eudora extension, which I have discussed.

Section 12 is to be revised by an amendment suggested by the Chief of Engineers and agreed to by myself and by the committee. That section provides for the acquisition of the flowage rights, and the proposed amendment has been thoroughly debated by myself and by other Senators.

Section 13 authorizes the appropriation of \$272,000,000. It is contemplated that the program will require 6 years for its completion. The bill now has the approval of the Chief of Engineers, with the sole exception of section 5, and, consequently, the approval of the Secretary of War, and the Secretary of War has declared in his report that it is in accord with the program of the President. Therefore I assume that it will receive Executive approval.

All I ask, Mr. President, in presenting this bill, and in closing, is that there be an authorization to complete this project upon which the Federal Government has already expended some two-hundred-and-seventy-odd million dollars, and the local interests some \$41,000,000 in addition. If it is not done, it will represent, to a very large extent, a willful, woeful waste on the part of the Federal Government. The Mississippi Valley will remain unprotected. The completion of this plan is absolutely necessary to the protection of the valley.

Mr. KING. Mr. President-

Mr. OVERTON. I yield to the Senator from Utah.

Mr. KING. The Senator said, as I understood him, that section 5 does not have the approval of the War Department?

Mr. OVERTON. I so stated.

Mr. KING. I should be glad to have the comment of the Senator on that.

Mr. OVERTON. I shall do so briefly. I commented upon it last Friday afternoon.

Mr. KING. I regret I was not then present.

Mr. OVERTON. Section 5 is what might be said to be a mere incident in this whole plan, but a very important one, in my view. The project which it provides will cost \$12,-000,000. It fits into the picture; it has been recommended by the Mississippi River Commission, and in my opinion it ought to be included.

Mr. KING. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Frazier in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Holt	O'Mahoney
Ashurst	Connally	Johnson	Overton
Austin	Coolidge	King	Pittman
Bachman	Copeland	La Follette	Pope
Balley	Couzens	Lewis	Radcliffe
Barbour	Davis	Logan	Reynolds
Barkley	Dickinson	Lonergan	Robinson
Benson	Dieterich	Long	Russell
Bilbo	Donahey	McAdoo	Schwellenbach
Black	Duffy	McGill	Sheppard
Borah	Fletcher	McKellar	Shipstead
Brown	Frazier	McNary	Steiwer
Bulkley	George	Maloney	Thomas, Okla.
Bulow	Gibson	Metcalf	Thomas, Utah
Burke	Glass	Minton	Townsend
Byrd	Guffey	Moore	Tydings
Byrnes	Hale	Murphy	Vandenberg
Capper	Harrison	Murray	Van Nuvs
Caraway	Hastings	Neely	Wagner
Carey	Hatch	Norris	Walsh
Chavez	Hayden	Nye	White

The PRESIDING OFFICER (Mr. Murray in the chair). Eighty-four Senators having answered to their names, a quorum is present.

Mr. ROBINSON. Mr. President, the measure which is now before the Senate is of very great importance. Following a very disastrous flood which swept over a large portion of the central and lower Mississippi Basin in 1927, plans were initiated for protection against a recurrence of such disaster. The Mississippi River Commission and the engineering agencies of the Government concentrated their efforts, under instructions from the Congress or one or the other of the branches of Congress, on producing a comprehensive method of dealing with the subject.

It was not found practicable then to work out a plan or method in all its details which would provide for flood control in all the vast area of the Mississippi River Basin, particularly as the same is affected by the tributaries of the Mississippi; but surveys were entered upon and plans were suggested. However, the plan known as the Jadwin plan, so-called because General Jadwin was then Chief of Engineers of the United States Army, was enacted into law. Work under that plan proceeded. A material, indeed one might say the major, portion of the works was constructed.

As a vital part of that plan, regarded as indispensable by all the engineers, both those of the Mississippi River Commission and the Army Engineers, a floodway known as the Boeuf Basin floodway, with outlets just below the mouth of the Arkansas River and extending a distance of about 32 miles to the south, was authorized. Actually that floodway has an outlet of more than 60 miles, for the reason that the Engineers, in constructing the levees contemplated by the law, left a wider outlet than the law provided for as an additional measure of safety.

Of course, the theory of the Boeuf Basin floodway was that it constituted a natural area over which the surplus waters of the Mississippi, the waters which in floodtimes could not be carried between the levees, would find their way through crevasses in the levee system. As a result of the devotion of that vast area, something more than 1,125,000 acres, to the prospective floodway, serious consequences have resulted.

As stated during the address of the Senator from Louisiana [Mr. Overton] on one occasion when I interrupted him, the opposition of landowners and residents within the proposed Boeuf Basin floodway proved so great and the difficulties encountered in obtaining flowage rights appeared so insurmountable that no work on the floodway was done. At the instance of the people residing in the lower Mississippi Valley, resurveys were made and reviews were undertaken by representatives of the engineering departments of the Government. Those reviews and resurveys were comprehensive and were carried on in great detail.

As a result of the reviews to which I have referred, following the act of 1928, we have before us in the Overton bill what is known as the Markham plan, which contemplates substantial modifications of the Jadwin plan. It is believed to be an improvement on the Jadwin plan for two or more reasons. The first that I mention is that the area of the land to be devoted to floodway purposes is much less under the Eudora floodway than under the proposed Boeuf Basin floodway, the area of the Eudora floodway being approximately 850,000 acres, while the area of the Boeuf Basin floodway, as contemplated by the act of 1928, was approximately 1,125,000 acres.

That is one of the reasons for the substitution. Another reason for substituting the Eudora floodway for the Boeuf Basin floodway is found in the fact that the cost will be materially diminished. I do not think it is practicable to state with definiteness and accuracy how much will be saved, but all of the engineers agree on the fact that it will be considerably less costly to provide the Eudora floodway in lieu of the Boeuf Basin floodway.

There are other reasons. Among them are those which have relation to the state of mind of the residents of the areas within the respective floodways. All Senators will readily understand that one who has built and maintained his home in a place which is subject to occasional overflow is oftentimes unwilling to have the lands on which his home is located subjected not only to the waters which would naturally come there but to the waters which would be diverted there by

lands are not located.

There was such violent opposition to the Boeuf Basin floodway that a review of the matter was made and a new floodway planned, with outlets lower down the Mississippi River for a considerable distance—I believe perhaps 100 miles as the river runs-below the upper side of the proposed Boeuf Basin floodway. The new floodway, which is embraced in the Markham plan and in the Overton bill, is the substitute which has been referred to during these remarks.

Early in 1934 the President, in a message addressed to the chairman of the Flood Control Committee of the House of Representatives, strongly endorsed the construction and completion of this project substantially as carried in the bill now before the Senate. He said, among other things:

This important undertaking must be completed. When the report on the review is submitted, I shall further communicate to the Congress with a recommendation for such additional authorization and legislative changes as may be necessary and to provide fair and equitable adjustment to the property owners and local interests affected by the execution of the project.

In explanation of the paragraph in the President's letter to the chairman of the Flood Control Committee, it is proper to state that General Jadwin, in some mysterious way-I mean mysterious to myself-interpreted the act of 1928, which expressly placed upon the United States the obligation of securing flowage rights for the floodway, as meaning that the language of the act did not contemplate any compensation to the landowners. As a lawyer, it has been utterly incomprehensible to me, and still is, how the great engineer reached the conclusion he did reach; and it was in reply to that conclusion, in part, at least, that the letter of the President from which I have quoted was written. The President stated that he would recommend-I quote again-

Such * * legislative changes as may be necessary and to provide for a fair and equitable adjustment to the property owners and local interests affected by the execution of the project.

From that time on it had been regarded as somewhat a closed question that when the work of completing the project authorized in 1928 should be undertaken in relation to the construction of the floodways, just compensation or fair compensation should be awarded to those whose lands were to be subjected to the additional usage of carrying in a new channel the waters accumulated from thirty-odd States-a channel artificially provided by the construction of back levees designed to force the waters to pass between the works.

The Overton bill was in process of formulation, the question relating to compensation proved one of the most difficult. The Engineers expressed the fear that the landowners would have an exorbitant view of the value of the flowage rights which it was necessary for them to grant to the Government, and that the result of condemnation proceedings would be the authorization of the payment of an immeasurable sum-a sum which, in its aggregate amount, could not be foreseen by anyone.

Of course, the Constitution provides for the measure of compensation; and, as was ably stated by the Senator from Louisiana [Mr. Overton] on Friday, Congress cannot take from, nor should it add to, the measure fixed in the Constitution. The difficulty was, however, in working out the amount of compensation in a practical way. The Chief of Engineers at first wished to require the States to buy all these rights and pay for them, and then, if he found the amount reasonable, the Federal Government should reimburse the States; but the States manifestly were not able to do that, nor were the local levee districts directly concerned in working out the project.

As a result, after prolonged discussion of the subject, the bill was introduced providing simply for just compensation, as the Constitution contemplates. Later, negotiations on the subject continued, and an agreement was reached which is embraced in the amendment which I understand is now the immediate subject before the Senate. It contemplates that the Government shall procure the flowage rights, but that the Secretary of War and the Chief of Engineers may

reason of plans for the protection of other areas in which his | employ as their agents local levee districts or other State authorities; and to escape the problem of excessive expenditure for flowage rights there is incorporated a provision to the effect that 75 percent of the area must be covered by grants or easements to the Federal Government within a maximum expenditure of \$20,000,000, leaving, of course, 25 percent as the maximum concerning which the authorities may be required to proceed by methods of condemnation.

It is clear that the object of this amendment is to compel cooperation on the part of the landowners if they desire to have constructed the works contemplated by the bill. If the owners of more than 75 percent of the land should take an antagonistic view, and refuse to make grants within the aggregate limit of \$20,000,000, we should still be in trouble. We should have another delay.

Most of the lands to be embraced within these flowage rights lie in the State of Louisiana. The farther one goes down the river, as a general proposition, the greater and more difficult becomes the problem of controlling Old Man River.

The Senator from Louisiana [Mr. Overton] stated that with exceptions, which, of course, are notable, there is a substantial unanimity of sentiment in favor of this bill. In the State of Arkansas, which I have the honor in part to represent here, there is an area above the north side of the proposed floodway in which the residents at first objected to the Markham plan. They are thrown into what may, with propriety, be called a secondary floodway. This plan contemplates the building of a back levee from approximately the mouth of the Arkansas River, where the old Boeuf Basin floodway was to have begun, down to the mouth of the Eudora floodway; and when the waters of the great Mississippi become so voluminous and turbulent that they cannot be restrained and carried within the limits of the Mississippi River levees proper, the levee at the outlet in a part of this area being lower, it will result in an overflow of a section in certain counties, in the State of Arkansas, which would be normally protected by the main-stem levees of the Mississippi.

I visited there, and discussed the subject with the residents of the area in public meetings and privately; and they reached the conclusion that the Markham plan, which is the plan before us, is the soundest and the best plan, and that they were willing to make whatever sacrifices were required of them.

Within the area comprised between the backwater levee and the main-stem levee are towns of considerable importance. These will be protected by ring levees, so that it appears probable that within the limitations prescribed in the amendment to the bill the flowage rights can be procured, and the work, which has now been delayed for 8 years because of the difficulties I have gone to the trouble to explain in detail, will be promptly carried forward.

Mr. COOLIDGE. Mr. President, may I interrupt the

Mr. ROBINSON. Certainly.
Mr. COOLIDGE. The Markham plan has been worked out largely during the last 8 years, has it?

Mr. ROBINSON. Yes; the Markham plan has been worked out since the Jadwin plan was authorized, and since complaints as to the Jadwin plan were asserted here and

Mr. COOLIDGE. I have had considerable to do at times with engineers, and I have noticed that it is very hard for one group of engineers, who come along a little later, to approve the plans of earlier engineers, and I wondered to what extent the present engineers were in accord on this plan.

Mr. ROBINSON. I can answer the Senator's question, I believe, with complete authority. All the engineers, not only the engineers connected with the Mississippi River Commission, but those also who are related to the Chief of Engineers' Office and, in addition, most of the great civil engineers who reside within the areas directly affected, have approved the Markham plan in its modifications of the Jadwin plan.

Mr. COOLIDGE. I see in section 13, on page 9, this language:

And all unexpended balances of appropriations heretofore made for the prosecution of said flood-control project are hereby made available for the purposes of this act.

Mr. ROBINSON. Yes.

Mr. COOLIDGE. Is there a large unexpended balance? Mr. ROBINSON. There is an unexpended balance of about \$50,000,000 under appropriations heretofore authorized.

There is a section in the bill which has not the approval of the Chief of Engineers. It is known as section 5. Many questions have been asked during the course of the debate concerning that section, and my purpose now is to justify section 5 by what I conceive to be every fair standard of reasoning applicable to legislation.

Section 5 relates to what is known as a backwater area between the mouth of the White River and the Mississippi River. This area comprises approximately 135,000 acres. It is fertile land. The owners of these lands from time to time have contributed, in round figures, \$4,000,000 to the construc-

tion of levees on the Mississippi River.

The neck between the White and the Mississippi, immediately above their junction, is narrow. There are now outstanding on these lands bonds in excess of \$750,000, which are in default by reason of the fact that the landowners have been unable to pay them, and in order that Senators may understand how difficult the situation is let me explain that these lands are virtually in a floodway now created by the works which have already been constructed for the protection of other lands.

The mouth of Cypress Creek was closed and levees were raised, resulting in a heightening of the high-flood stage at the mouth of the White River of more than 10 feet, attributable, as reliable engineering authorities say, to the works which these people have helped to pay for, but which have contributed little to their protection and have contributed to the protection of others.

The engineers' answer is that this is within a backwater area, that these people have spent their money and exhausted their ability to pay taxes by contributing to levees on the main stem of the Mississippi, and that their danger comes from waters which back down the Mississippi and out at the mouth or near the mouth of the White River.

It does not make any difference to the citizen whether the water which destroys his home, damages his property, and endangers his life comes through a levee he has strained every financial resource to build in front of him, if by building that levee in front of him and closing other natural outlets for the water it is made to pile up higher and higher, until it overflows, destroys his property, and threatens his life.

There is not a technical distinction which a layman can understand between the projects within the St. Francis Basin, and the Yazoo Basin on the other side of the river, and that involved in section 5. I have a statement of the Chief of Engineers as to the distinction which he thinks exists, and all I can read into it is that the St. Francis and the Yazoo are almost wholly within the alluvial valley, whereas the White has its headwaters in the mountains of southern Missouri and of northern Arkansas. The St. Francis and Yazoo projects are both designed, and properly designed, to give protection to vast backwater areas.

The fact that works have been constructed before which have not proven wholly effective does not, in my opinion, control the conclusion concerning the merits of the project in section 5. The real reason, and the only reason, asserted by the Chief of Engineers, for opposing section 5 is that it does not conform to the provision in the 1928 act which requires the owners of lands on tributaries to contribute one-third the cost of the works for the construction of the levees.

Mr. VANDENBERG. Mr. President, will the Senator vield?

Mr. ROBINSON. Certainly.

Mr. VANDENBERG. Do I understand that the only objection the Engineers have to the work contemplated in section 5 involves the degree of contribution?

Mr. ROBINSON. That is the only objection that is asserted in the letter to which I have referred, in reply to a

letter written by the Senator from Louisiana at my suggestion. The Chief of Engineers does say in the letter, as I have already explained, that the St. Francis and the Yazoo are almost wholly within the alluvial valley, whereas the other tributaries—he does not mention any particular tributary—are not exactly within that status. But if we take a map of the areas affected, we find that throughout southern Missouri and northern Arkansas, to its junction with the Mississippi River, the White River flows almost parallel with and equidistant from the St. Francis. The White, therefore, within the limits I have expressed, is within the alluvial valley, and the same rule might very well be applied as in the other case, of which, I think, a meritorious explanation has been given.

I do not wish to be understood to be in the attitude of one who, experiencing some difficulty in connection with one project, takes the questionable course of criticizing other projects which are meritorious. I think the Yazoo and the St. Francis projects are thoroughly justified, although the cost of the Yazoo is four times that contemplated by section 5 for the White.

Mr. VANDENBERG. Mr. President, will the Senator yield further?

Mr. ROBINSON. I yield.

Mr. VANDENBERG. The sentence which challenged my attention, and upon which I was seeking interpretation, is the sentence in the War Department letter of February 15 to the chairman of the Committee on Commerce, in which, in discussing section 5, the Secretary of War says:

This work is not recommended in the report.

I was wondering if that referred to the project itself in addition to the general question of its financing.

Mr. ROBINSON. What he means is that the report on the original Markham plan did not recommend section 5. Section 5, as I said in the beginning, is in addition to the Markham plan. That is what the Secretary of War meant. It is true that he does not recommend it; but I propose to show that the principal ground upon which the adverse recommendation is made is one which in all fairness cannot be sustained.

Mr. VANDENBERG. It is the Senator's view that the chief objection is the financing objection?

Mr. ROBINSON. Oh, yes; that is a well-known fact.

Mr. VANDENBERG. The engineering plan itself, as such, has the approval of the Chief of Engineers, has it?

Mr. ROBINSON. It has the approval of the Mississippi River Commission, and the Mississippi River Commission approved the provision as it is in the bill. They approve it, as I shall proceed to show, without regard to the fact relating to the criticism of the Engineers with respect to contributions

The Jadwin plan of 1928, as I have already stated, had a provision requiring interests on the tributaries to contribute one-third the cost of flood-control work. That plan has been disregarded as respects the Yazoo River and as respects the St. Francis River, because people within those areas have made enormous contributions to works which have not proved effective for their protection. The Yazoo project carries \$48,000,000 for reservoirs and for other works, and the St. Francis project carries the necessary authorization. These projects are meritorious; but there is not any distinction in morals between the backwater regions in those two areas and the backwater regions which are comprehended by section 5. Of course, I wish to see the Yazoo and St. Francis projects retained. I also wish to see section 5 retained.

Let me now explain to Senators why it is, in my opinion, that no demand should be made for a contribution of one-third the cost of construction of work contemplated in section 5, and also why, in my opinion, the Mississippi River Commission is right in making the favorable recommendation on that point, rather than the Chief of Engineers.

I have already shown that these lands have contributed \$4,000,000; but that is not the worst of it. By reason of the fuse-plug levee which exists there under previous acts of Congress, the values of the land have been reduced very

greatly indeed. Farms as rich and productive as are to be found anywhere on earth have declined to such values that they can find no market at all, because they lie in the way of a possible flood diverted from the Mississippi, gathered in its volume from 30 States, being 41 percent of the territory of the United States. So the States and local interests issued bonds to construct these levees on the Mississippi River and paid them out until the time came when they could not pay. The people in the area in question having given the flowage rights and providing an emergency reservoir on their entire area, there is not anything to be accomplished by writing into the provision of this bill that which the Chief of Engineers suggested; namely, that these landowners shall pay one-fourth of the cost of construction. If they were required to do it, their lands in the present situation would not yield the amount which would be necessary to meet that additional burden for the protection which has been afforded them. It would be a physical impossibility. It may be an exaggeration to say that the lands, if sold, would not yield the amounts necessary, but they are being confiscated in a sense now to pay taxes levied for the payment of bonds for the construction of levees which have not actually benefited them.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. OVERTON. Before the Senator leaves the question of section 5 and the White River emergency reservoir, I hope he will comment upon how well this reservoir fits into the picture of flood control on the Mississippi River itself.

Mr. ROBINSON. I intend to do that. I thank the Senator; but that point will be reached a little later, if it suits

his convenience.

Mr. McKELLAR. Mr. President— Mr. ROBINSON. One moment; I wish to follow through a thought which has been in my mind for some time. If these lands were being given, by section 5, as full protection as lands in other areas, there might be some justification for making the demand, even though it would be a hard one and almost impossible of fulfillment, that the landowners pay one-third of the cost of construction. But, mark you, one of the primary purposes of section 5 is to provide, close to the Mississippi River, an emergency reservoir of 135,000 square acres, which in times of high flood will lower the flood level from six-tenths of a foot, estimated by some engineers, to 2 feet, as estimated by the engineer of the State of Louisiana. That constitutes an additional factor of safety for the whole system. The Mississippi River Commission recognize and make reference to that consideration in their favorable report on section 5. They say that there are reasons why section 5 should be approved.

First, Protection against all ordinary floods for a large and

First. Protection against all ordinary noods for a large and fertile area now exposed to frequent inundation.

Second. An increased factor of safety (for the Mississippi River flood-control system) by way of probable increase in freeboard below the Arkansas River in maximum flood.

It may or may not be necessary for me to explain to those who are listening so intently to what I am saying that the peril comes in time of extreme high flood water, when a thousand rivers have gathered their murky volumes from remote sources, and send them hurrying down into the main channel. The normal capacity of the Mississippi River between the levees that have been constructed in the middle and lower sections of the Mississippi River Valley is 2,000,000 cubic feet a second; but there come days and nights when the volume of that water is 3,000,000 cubic feet per second. Unless a floodway is provided no plan for holding that water above will prevent the breaking of the levees, and the washing away of the soil from hundreds of thousands, yea, millions of acres of land.

Some have said that since levees have not been made sufficiently strong to hold the streams in their turbulence and violence, perhaps levees are a failure as a method of flood control. We have been using levees on the lower Mississippi for more than 100 years. The Government at first left the problem entirely to the landowners. Through the passing of the years they came to regard it as one of

such vital interest to the public that first the States and then the National Government assumed responsibility. Hundreds of millions of dollars have been expended for flood control on the lower Mississippi alone. "Well", it may be asked, "why not let the Mississippi go where it will? Why not leave its floods unrestrained?" Do those asking that question know what that would mean? It would mean that almost every year probably, certainly every year in time of high floods, an area of the richest lands known, equal to more than 30,000 square miles would be submerged; vast amounts of property would be destroyed; thousands of lives would be lost.

In 1927 one of the most inspiring tasks that was ever undertaken was performed by the Red Cross in connection with flood relief during that great flood which came to the Mississippi Valley. In spite of the fact that every boat that could be commandeered and every watch tower and tree top that could be used was used in the methods of relief which were employed, more than 200 lives were lost and in excess of \$200,000,000 worth of property was destroyed. We cannot leave the floods to take their toll of life and property at the will of unrestrained natural forces.

As was implied in the question of the Senator from Utah [Mr. King], with the cutting away of the forests, the diminution of the grazing areas, and the lessening of the acres that are put to wild grass, with the disappearance of the shrubbery, and through natural causes, the flood-control problem is growing more difficult; and added to that is the fact that the drainage systems that have been put in operation have increased the flow of the waters so that they pile up and accumulate down and down the river as they pass in times of excessive general rainfalls.

Section 5 adds strength to the plan, and every engineer concedes it. The Mississippi River Commission, from whom I started to quote a few moments ago, had this to say on the particular phase of this subject concerning which I am now addressing the Senate:

Under existing law, the Government may construct tributary levees within the backwater influence of the Mississippi River, provided local interests pay one-third the construction cost, furnish all right-of-way, and agree to maintain the structures. normal effect of levee construction in the backwater areas is to complicate the flood problem on the main river. The instant case is unique in that the retention of the emergency reservoir privilege is unique in that the retention of the emergency reservoir privilege by the United States annuls the disadvantage usually inherent in backwater projects and confers a positive benefit to main-river flood control. In this case the public benefits are sufficiently ma-terial to warrant the Government's absorption of the one-third of construction cost usually contributed by local interests, provided the Government is definitely guaranteed the privilege of inun-dating the area, at the discretion of the Secretary of War, whenever flow at Arkansas City equals or exceeds that of 1916.

That is a quotation from the chairman of the Mississippi River Commission, General Ferguson, at page 55 of the hearings. The essential point is, it will be remembered in this connection, that the landowners have contributed \$4,000,000 to the levees, and they still have the problem of flood control. They have exhausted their power to pay taxes. In addition to that, they are providing an emergency reservoir, which is a factor of great value in connection with safety on the main

Lastly, they are guaranteeing the flowage rights, all easements, and guaranteeing to protect the Government against any damage by reason of the construction of the works. They are not, however, getting complete protection. They are putting their property into the system of flood control in the lower valley, permitting the use, whenever the Secretary of War finds it necessary, of all their lands as an emergency reservoir, and the engineers say that this will result in lowering the stage level from six-tenths of a foot to 2 feet.

In view of those circumstances, Mr. President, I respectfully insist that section 5 is justified by every fair standard of reasoning, compared with other projects that occupy the same relationship to the general subject, projects which would not reduce the general high flood level of the river comparably with that which would result from the provision made in section 5. Taking into consideration all the elements which should appeal to fair-minded persons, there is no excuse for not authorizing this feature of the bill.

Mr. HASTINGS obtained the floor.

Mr. HARRISON. Mr. President— Mr. HASTINGS. Does the Senator from Mississippi desire the floor?

Mr. HARRISON. I wish to make just a brief statement with reference to the pending bill, but I do not desire to interfere with anything the Senator from Delaware has to

Mr. HASTINGS. I am going to speak about a subject that is not directly related to the bill and, as I understand the Senator wishes to discuss the bill, I yield to him.

Mr. HARRISON. I will be very brief, I may say to the

Mr. President, my distinguished colleagues in the Senate, the Senator from Louisiana [Mr. Overton] and the senior Senator from Arkansas [Mr. Robinson], have so fully discussed the pending bill, and are so familiar with its provisions, that it is unnecessary, in my opinion, to say anything further; but I am so much interested in the enactment of this proposed legislation, that I would feel untrue to myself and unfaithful to my people if I did not say something. So it is more with a desire to impress upon the Senate two or three features that have already been touched upon, and with no desire to impose upon the patience of the Senate through reiteration, that I am going to speak at all.

Few bills, Mr. President, coming before this body, carry greater import to the people of the lower Mississippi Valley, than does the pending measure. It provides for the expansion and enlargement of the Flood Control Act of 1928, substituting the Eudora floodway for the Boeuf floodway; and providing for the Atchafalaya floodway and flood-control works along the St. Francis and the Arkansas and the Yazoo Rivers.

None of the levees or other flood-control works constructed under the act of 1928, which were provided for under the recommendations of the so-called Markham Board of Army Engineers, are to be discarded; but all works done will be used and will be necessary in the modified project. Every dollar heretofore spent for the control act was wisely and economically spent, and the modifications carried in this measure, if enacted, will add to the safety and protection of the valley against loss of life and property.

It is an erroneous impression that levees along the lower Mississippi River have failed; they have not; but because of the enormous developments in the northern area drained by the Mississippi and its tributaries, such as soil conservation, and large utilization of lands, denuding of forests, inauguration of drainage districts, and innumerable other factors, the waters from the north, finding their way through many tributaries into the Mississippi, have caused the flood waters to move in larger volume and at accelerated speed, thereby making it necessary that levees in the lower valley be enlarged, heightened, and strengthened.

In the beginning, years ago, before the transformation took place in the upper valley, it was believed that smaller and lower levees would suffice; but they have been found to be inadequate, and engineers now all agree that, while adequate levees are necessary and imperative, other means of impounding the waters, such as reservoirs, must be provided in order to solve the whole problem. The corollary is true, that, no matter how many reservoirs might be built along the tributaries of the Mississippi, adequate levees are likewise imperative and necessary.

It must not be forgotten that in the great construction work in the lower Mississippi Valley, people of that section have made a heroic fight and have done their part to solve this problem. Long since it has been declared a national policy, but, as a matter of fact, local interests still provide rights-of-way for levees and must maintain them. item in itself requires large local taxes. Prior to 1928, the local levee boards, according to the Chief of Engineers, had expended \$292,000,000 to build levees along the lower Mississippi River. Large amounts of bonds are now outstanding against these local levee boards, and taxes must continue to be levied for years to come in order to discharge the bonds.

In my own State, where there are two levee boards and about 4,125,000 acres of land in the Delta, there are now and have been for 75 years heavy taxes, amounting in the aggregate to more than \$50,000,000, imposed upon the people for flood protection.

We have another problem there, which results from the hill waters of southern Tennessee and northern Mississippi flowing into the Mississippi Delta. The Yazoo-Tallahatchie-Coldwater Rivers System is about 520 miles long. It is navigable. More than 100 local drainage and levee districts have been constructed along this river system. According to the Chief of Engineers, \$20,000,000 have been spent in that area alone. The results have been unsatisfactory. The Chief of Engineers recommends that the Yazoo River system, protecting one-half of the Delta, be included in the expansion of the program. He recommends seven reservoirs, as a cost of \$48,000,000, to be constructed. The local interests will be required to maintain the reservoirs and to provide for road and highway relocations.

It may be stated in this connection that the Yazoo River in Mississippi and the St. Francis River in Arkansas are located in levee districts that have paid for flood-control works along the Mississippi River. They lie some distance away from the river, but notwithstanding that fact they have for 75 years borne a burden of very heavy taxes to maintain the levees along the Mississippi River. Substantially one-half of the Mississippi Delta is subject to overflow from the Yazoo-Tallahatchie-Coldwater Rivers system. These lands are being taxed for flood control along the Mississippi River, and in addition they have incurred an obligation of \$20,000,000 for local levees.

That is not true with reference to other tributaries outside of the alluvial valley, and they do not pay taxes for protection from the Mississippi River.

The Mississippi River drains two-thirds of the States of the Union. Its watershed extends from New York to Montana. It is the drainage ditch of the Nation, and it is gratifying to those of us who come from that section now to realize that the people of every section recognize it no longer as a local but as a national problem.

The fuse plug, or Boeuf floodway, has never been satisfactory. This bill, when enacted into law, will cure that unsatisfactory condition by providing for the Eudora floodway, which will give more relief, provide a more definite floodway, and remove the uncertainties in connection with the Boeuf floodway. Of course, it carries with it compensation to the property owners for damages to their lands, as has been fully analyzed and discussed by the senior Senator from Arkansas.

As to the Eudora diversion, I may say that it will not increase the backwater levels of the Yazoo Basin but will give greater protection to the Yazoo Delta. The Mississippi River Commission closed the Cypress Creek area in the Boeuf division in 1921. In my opinion the Government made a mistake and it should reopen the diversion. The Chief of Engineers recommends the Eudora diversion.

Only a comprehensive plan such as suggested in this legislation will solve the flood-control problem in the lower Mississippi Valley. The Yazoo River is the principal tributary of the Mississippi on the east bank between Cairo and the Gulf of Mexico. It is affected by backwater. In 1933 excess headwater floods covered 600,000 acres of land. In 1932, 993,000 acres were overflowed. When the works are constructed under this proposed legislation the reservoirs constructed in my own State will reduce flood heights at Vicksburg on the Mississippi River about 6 inches.

It is not necessary for me to remind this body of the many people who will be affected by this proposed legislation. Fully two-thirds of the cost of the project is for labor, and the social safety and well-being of that great section of our country will be promoted thereby, and likewise in varying degree all along the river south of that

It is a well-conceived, thoroughly investigated, and wellworked-out general plan, and I sincerely hope that the measure can be speedily passed and enacted into law.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed the bill (S. 3669) providing for the suspension of annual assessment work on mining claims held by location in the United States.

The message also announced that the House had passed a joint resolution (H. J. Res. 567) to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 567) to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936, was read twice by its title and referred to the Committee on Appropriations.

Mr. HASTINGS obtained the floor.

Mr. DAVIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Holt	O'Mahoney
Ashurst	Connally	Johnson	Overton
Austin	Coolidge	King	Pittman
Bachman	Copeland	La Follette	Pope
Bailey	Couzens	Lewis	Radcliffe
Barbour	Davis	Logan	Reynolds
Barkley	Dickinson	Lonergan	Robinson
Benson	Dieterich	Long	Russell
Bilbo	Donahey	McAdoo	Schwellenbach
Black	Duffy	McGill	Sheppard
Borah	Fletcher	McKellar	Shipstead
Brown	Frazier	McNary	Steiwer
	George	Maloney	Thomas, Okla.
Bulkley	Gibson	Metcalf	Thomas, Utah
Bulow	Glass	Minton	Townsend
Burke		Moore	Tydings
Byrd	Guffey		Vandenberg
Byrnes	Hale	Murphy	Van Nuys
Capper	Harrison	Murray	
Caraway	Hastings	Neely	Wagner
Carey	Hatch	Norris	Walsh
Chavez	Hayden	Nye	White

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

THE LIBERTY LEAGUE-OLD FRIENDSHIPS DESTROYED

Mr. HASTINGS. Mr. President, I shall request Senators not to interrupt me and ask me to yield, because I do not wish to prolong my speech; and I conceive it to be possible that it may create some controversy, because I am going to talk about the Liberty League—Old Friendships Destroyed.

Mr. LEWIS. Mr. President, will the able Senator permit me to call attention to the fact that we have not order in the Senate? There is not any intentional disorder; but the speech of the Senator is one in which I am sure many will be interested.

I therefore make the point of order that the Senate is not in order, requesting the occupant of the chair to call the attention of the occupants of the galleries to the rules of the Senate, as the Senators themselves well understand them.

The PRESIDING OFFICER. The point of order is well taken. Under the rules of the Senate there must be no talking or disturbance of any kind in the galleries. The occupants of the galleries will please see that the rule is obeyed.

Mr. HASTINGS. Mr. President, I think it may safely be said that the problem of the unemployed, and the relief of the unemployed, remains the most serious problem confronting the Nation today.

We are told by the American Federation of Labor that the number of unemployed is something like 12,626,000 persons. This is a shocking statement when we take into consideration the billions of dollars that have been spent by the Government in the effort to furnish relief, and other costly plans for what was once described as "priming the pump."

My recollection is that we were almost dumfounded when the President requested an appropriation of \$3,300,000,000. We were shocked and confused when he asked for the \$4,800,000,000 appropriation. This now is followed in another 12 months by a request for \$1,500,000,000 more. It

might be well to note also that in the last request made, no assurance is given that the amount will be sufficient for the next fiscal year; and we may very properly assume, from the language of the President's message, that the billion and a half, if appropriated by the Congress, will be expended before the end of this calendar year.

After some experience with the first huge appropriation which I have mentioned, I remember distinctly the applause that greeted the President in his annual message delivered before a joint session of the two Houses of Congress on January 4, 1935, when he said:

The Federal Government must and shall quit this business of relief.

I am not willing that the vitality of our people be further sapped by the giving of cash, of market baskets, of a few hours of weekly work cutting grass, raking leaves, or picking up papers in the public parks.

The President then told us that there were one and a half million persons unemployed who would have to be cared for "by States, by counties, by towns, by cities, by churches, and by private welfare agencies", as they were cared for before the depression.

The President then recommended a new program of emergency public employment, and said that among the first principles of such public employment must be that—

All work undertaken should be useful—not just for a day or a year, but useful in the sense that it creates future new wealth for the Nation.

What a miserable mess has been made in carrying out this

On February 25 last, in some remarks I made in the Senate about the punishment of General Hagood by this administration because, when testifying before a House committee, he criticized the ease with which W. P. A. money could be secured, I quoted from several newspapers serious criticism of the use of such funds.

On March 10 the distinguished Senator from Arkansas [Mr. Robinson] made a speech in the Senate upon this subject, taking as his text published criticisms by the Republican National Committee and the American Liberty League.

The distinguished Senator in that speech not only defended "boondoggling" but he undertook to immortalize the word by tracing it to that sturdy American woodsman, Daniel Boone.

The distinguished Senator made an investigation of his own. He stated:

On the basis of this factual report from the Works Progress Administration, I now charge the Republican National Committee and the miscalled Liberty League with "playing politics with human misery" and with attempting to make a political football out of the unfortunate unemployed in this country. They aim at President Roosevelt, but in reality they hope to ridicule and drive back into the soup lines the great number of unemployed men and women who are simply asking an opportunity to earn a living for themselves and their families in the old-fashioned and respectable American way.

There has been so much criticism, much of it specific and convincing, alleging that those in charge of W. P. A. funds and relief funds in various parts of the country were "playing politics with human misery", that I assume the distinguished Senator from Arkansas found it quite necessary to try to turn the tables and make the same charge against two organizations which disagree with the present administration.

If it be true that a great job has been done in the various works programs and in the equitable contribution of money for relief; if it be as free from politics as the Senator from Arkansas says it is, then may I inquire what objection there can be to an honest investigation by a committee of the Senate, a majority of whom would certainly be selected from the Democratic side of the Senate? Such an investigation has been demanded by the constituents of many Senators. The distinguished senior Senator from Idaho [Mr. Borah] has been urging it. The junior Senator from West Virginia [Mr. Holf] has placed before the Senate such facts as would seem of themselves to make such an investigation necessary. The senior Senator from Pennsylvania [Mr. Davis] introduced such a resolution, asking for only a small sum of money, and it was referred to a committee and reported by that committee favorably.

This was not pleasing to the distinguished majority leader, and he immediately made some rapid and effective movements. In the first place, he had the report held up. He found that the small Committee on Expenditures in the Executive Departments had only two Democratic members, and that it also had two Republican members, and that there were two vacancies. He immediately appointed two of the most prominent organization Democrats in the Senate to fill those vacancies; and when we next saw that resolution, it was quite different. All of the "whereas" clauses had been stricken out, and, in addition to that, the dead Federal Emergency Relief Administration was included for investigation. The resolution was then referred to the Democratic-controlled Audit and Control Committee, where it remains, and we are informed that action upon it has been indefinitely postponed.

A great author has described the adroitness and cleverness of one of his characters by saying:

Accident might play whatever card it chose; he was there to trump it.

So it is with the distinguished leader of the majority. When he finds that he is about to lose the pot, he deliberately deals himself two aces. This is another illustration of what is meant by the New Deal.

During the Senator's speech of March 10 there were constant sarcastic references to the Liberty League. It will be observed that he describes it as "the miscalled Liberty League" "the Du Pont Liberty League." He refers to Mr. Shouse as—

The \$50,000-a-year front man of the Liberty League. • • • The Du Pont brothers must have been shocked when Shouse showed them that classic example of undermining the moral fiber of children on relief.

Then he referred to-

The arrogance of the Liberty League in attacking and ridiculing needy men and women and children on relief.

And finally he got off the following wisecrack:

For the sake of keeping the record clear, I am going to adopt the language of a newspaper corespondent who, paraphrasing a famous expression, described Wilmington as "the city where the Raskobs speak only to Du Ponts and the Du Ponts speak only to God."

The distinguished junior Senator from Texas [Mr. Con-NALLY] sustained this attack in a speech made in Baltimore on March 28. His speech is described in the New York Herald Tribune as follows:

CONNALLY asserted the people knew the "liberty" advocated by the American Liberty League was not that for which Washington and Jefferson fought. Instead, he said, the "liberty which holds it (the league) together, and which it is fighting to reinstate and preserve, is the liberty to exploit and profiteer upon the American people.

Perhaps both these Senators got their idea about the Liberty League from a speech made by Mr. Farley on February 22, in Topeka, Kans., in which he said:

First, let us take the miscalled American Liberty League, an organization of multimillionaires which is run as a subsidiary of the Republican National Committee. • • • A recent examination of its bottomless war-chest discloses that more than 70 percent of the contributions came from the Du Pont family, or their allies in the automotive and other industries. They can well afford to give because, thanks to the Roosevelt policies, they are earning more money than any time in history. • • They are ungrateful, and they want the people of the United States to be just as ungrateful as they are.

Ever since Governor Smith made his speech at the Liberty League \$5 dinner, following the New Deal Jackson Day \$50 dinner, we have heard much criticism on the other side of this Chamber of the Liberty League. So far as I can recall, not a word has been said in reply. I do not pretend to speak for that organization, but I do propose for a few moments to point out some inconsistencies involved in that criticism, and particularly does this apply to the distinguished Senator from Arkansas.

Let us get an idea of the set-up, from a political point of view, of this so-called "miscalled Liberty League", particularly so far as the support of Mr. Roosevelt in 1932 is concerned. We find the positions of president and secretary of that organization to be held by prominent Demo-

crats. We find more than a majority of the National Executive Committee, consisting of 23 members, and which actually runs the organization, composed of Democrats, and it might be well to call attention to the names of some of the members of this executive committee.

There is the Honorable John W. Davis, who was the standard bearer of the Democratic Party in 1924.

There is the Honorable Alfred E. Smith, who was the standard bearer of the Democratic Party in 1928.

There is the Honorable Joseph B. Ely, the well-known former Democratic Governor of the great State of Massachusetts.

One member only of the Du Pont family, Mr. Irénée Du Pont, is a member of that committee, and he was a strong supporter of Mr. Roosevelt in 1932.

Mr. John J. Raskob, the former chairman of the Democratic National Committee, appears not to be a member of the executive committee, but he is among a long list belonging to the national advisory council.

And let me read from the platform of the league and see how closely it follows the Democratic platform of 1932. It sets forth the principles for which it stands in the following language:

To preserve American institutions; to advocate economy in government, a sound fiscal policy, and the maintenance of a sound and stable currency; to further the restoration of employment and to oppose all unnecessary interference and competition by government with legitimate industry; to support government in the obligation to provide for those who, because of involuntary unemployment or disability, cannot provide for themselves; to uphold American principles that laws be made only by the direct representatives of the people in the Congress, and that the laws be interpreted only by the courts; to provide for the rank and file of the American people an opportunity to offset the influence of selfish groups; and to preserve for succeeding generations the principles of the Declaration of Independence and the Constitution.

Those principles are so nearly in line with the Democratic platform of 1932 that we must conclude that the Liberty League was organized and is being controlled by those who believed in that platform and believed in the Democratic candidate for President. It is the kind of a platform to which Bainbridge Colby, the Secretary of State, and Newton D. Baker, the Secretary of War, under Woodrow Wilson, would approve. Former Senator Reed, of Missouri, would approve. The late Governor Ritchie, of Maryland, a distinguished Democrat, did approve it. It is in line with the opinion of a host of other prominent Democrats, such as Lewis W. Douglas, efficient Director of the Budget during the early part of the present administration; Col. Henry Breckinridge, Assistant Secretary of War during the first Wilson administration; Judge William R. Pattangall, former justice of the Supreme Court of Maine; James R. Warburg, Treasury advisor to Roosevelt; Dean Acheson, Under Secretary of the Treasury in the first part of the Roosevelt administration; George N. Peek, who held several important posts under the present administration; Forney Johnston and Borden Burr, two of the outstanding Democrats of Alabama; and many, many others whom I shall not take the time to enumerate.

Who is Mr. Jouett Shouse, the so-called "\$50,000-a-year front man of the Liberty League"? The fact is that his salary is \$36,000 and not \$50,000. Why, Mr. Shouse is the man selected by Mr. Raskob shortly after the Democrats had met the most overwhelming defeat in its history, when in 1928 it was being led by Governor Smith as its candidate for President and Senator Robinson as its candidate for Vice President.

When did Mr. Shouse and Mr. Raskob become such a thorn in the flesh of the New Deal? When they refused to follow the New Deal into the morass of socialism and when it deliberately violated every democratic principle for which all good Democrats stood when Mr. Roosevelt was nominated in 1932.

On July 2, 1932, just after Mr. Roosevelt had been nominated, when he appeared before the Democratic National Committee in Chicago, he had this to say:

I had hoped to get here while my old friend, John Raskob, was presiding.

I want to tell you all of the very splendid work that has been done for the party by the retiring chairman. It was his conception 3 years ago that gave to the party a permanent, active headquarters in Washington.

Mr. Raskob spoke to me at that time and we went over the plans. As you all know, my old friend, Jouett Shouse, was made chairman of the executive committee, and another old friend, Charlie Michaelson, was placed in charge of the publicity. They made the country realize that the Democratic Party was very much

I am interested that my Republican friends after 1928 raised the old question, "Is the Democratic Party dead?" The answer Mr. Shouse and Mr. Michaelson gave to that resulted in 1930 not only in the election of a Democratic House but in the election of more Democratic Governors and local officials than in any year since 1921.

These gentlemen deserve the gratitude of the party.

Who is Mr. John J. Raskob, referred to by the President? Why, he is the man who tried to elect Governor Smith President and Senator Robinson Vice President in 1928. He may not have been as skillful as chairman of the Democratic National Committee as Mr. Farley, but the record shows that he did some things that were at the time necessary and essential. He did that which no other man had ever done for any political party in the form of contributions.

On September 12, 1928, he contributed \$50,000 to the Democratic National Committee. On October 3, 3 weeks later, he contributed another \$50,000. On November 14 he loaned the committee \$100,000, and during October and November the Democratic Party borrowed \$1,500,000 from the County Trust Co. of New York upon the endorsement of Mr. Raskob. On April 25, 1929, after the election was over and the Democratic Party apparently was dead, Mr. Raskob contributed another \$150,000 to the Democratic National Committee. A little later that year on two occasions he loaned the committee in the aggregate \$40,000. In 1930, an election year, he loaned it \$180,000; in 1931 the sum of \$122,000; and then as they approached the campaign of 1932, when Mr. Roosevelt was the candidate, Mr. Raskob canceled two loans of \$50,000 each, amounting in the aggregate of \$100,000, and on October 21, 1932, just before the election, he contributed \$25,000.

If we make a summary of these contributions and cancelations of loans, we find that between September 12, 1928, and October 21, 1932, Mr. Raskob contributed to the Democratic Party the huge sum of \$375,000; and this in addition to the large loans he personally made, and other loans personally guaranteed.

Were these contributions made in an effort "to ridicule and drive back into the soup lines the great number of unemployed men and women who are simply asking an opportunity to earn a living for themselves and their families in the old-fashioned and respectable American way", as the Senator from Arkansas says the Liberty League is now trying

Was he endeavoring to elect a President in order to "preserve the liberty to exploit and profiteer upon the American people", as has been charged by the Senator from Texas? Such suggestions are childish and bear all the evidence of

Who are the Du Pont brothers of whom the Senator from Arkansas speaks? The Du Pont brothers, as we know them in Delaware, are Mr. Pierre S. Du Pont, Mr. Irénée Du Pont, and Mr. Lammot Du Pont, the only Du Ponts who take any interest in politics or make any substantial contributions. I assume the Senator from Arkansas referred to these brothers.

What do the records show with respect to their contributions? On August 15, 1928, we find Mr. Pierre S. Du Pont contributing the sum of \$50,000 to the Democratic National Committee for the purpose of electing Smith and Robinson to the offices of President and Vice President, respectively. We find Mr. P. S. Du Pont contributing again on April 25, 1929, after the campaign is over, and when an effort is being made to revive the Democratic Party, the sum of \$25,000. The only record I can find of contributions by Mr. P. S. Du Pont in 1932 is of one of \$15,000, and perhaps it is because his contributions that year were not so great that President Roosevelt and the Democratic Senators have turned against him.

I had always understood that Mr. Irénée Du Pont had made a huge contribution to the Democratic campaign committee in 1932. But the only record that I can find is of April 4, 1933, and the contribution then amounted to \$5,000.

These are two of the Du Pont brothers of whom the Senator from Arkansas speaks so sarcastically.

The other brother, Mr. Lammot Du Pont, who has always been a consistent Republican, made a contribution in 1932 to the Republican National Committee of \$2,000.

Mr. Farley made no complaint about the Du Pont brothers and Mr. Raskob so long as they continued their large contributions to the Democratic Party. He made no complaint about Mr. Irénée Du Pont when he sent Mr. Farley a check for \$5,000 just a month after Mr. Roosevelt was inaugurated.

In view of these facts it is rather remarkable to have Mr. Farley state:

They are ungrateful and they want the people of the United States to be just as ungrateful as they are.

If Mr. Farley had any real gratefulness in his own soul he would not make such violent attacks upon those who had been such a help to the party he now represents as national chairman.

If the members of the American Liberty League are making as much money as Mr. Farley says they are under the Roosevelt administration; if they are greedy men, endeavoring "to exploit and profiteer upon the American people"; if their only interest is in making money, and if they have no concern about the liberties of the American citizens, it is strange, to say the least, to find them contributing so generously to an organization that is attempting to defeat Mr. Roosevelt for reelection.

I have given the political background of Mr. Shouse, Mr. Raskob, and the Du Pont brothers, prior to the organization of the American Liberty League.

Now, let us turn to one who is better known to the American people, and particularly to the Democratic Party, and one who occupies an important place in this new organization, the former candidate for President on the Democratic ticket in 1928, Alfred E. Smith. I think it well at this point to read into the RECORD Mr. Roosevelt's former opinion of this great man, who has so disgraced himself in the eyes of the present administration by his activity in the Liberty League organization. It will be recalled that Mr. Roosevelt placed Governor Smith in nomination for President in New York on June 27, 1924, and on that occasion he said:

We need as President one in whom the masses of the people

* * will regain their lost faith; * * * confidence and
faith such as this have been won by the Governor of this State.

* * The honest business man knows that he has never sought personal preferment by demagogic attack on honest business.

* * This faith in him and in his fundamental rugged honesty,

* are the reasons why this man above all others will bring order out of chaos in the National Capital.

* * His is a record of law enforcement. He believes that our Constitution needs no explaining, His record of 20 years as public servant proves that he stands on the Constitution from the first article to the seventh, and from the first amendment to the nine-teenth, inclusive. • • All the world loves a man who carves his own career. Much of the romance of Lincoln is in the life teenth, inclusive. * * All the world loves a man who carves his own career. Much of the romance of Lincoln is in the life story of our Governor. Born of American-born parents, he took upon his shoulders while still a boy the responsibility for the support of his family. A wage earner, willing with his hands, this man, in the space of 20 years, without fortune, without fortuitous aid, with nothing to rely upon except his own indomitable courage, his own unflagging perseverance, his own magnificent ability, has risen to be a commanding and outstanding figure in the life of the Nation. This he has done, not with the art of a demagogue, not with the wiles of a trickster, but with a dignity, a knowledge, and a wisdom that demonstrated him a statesman. Our Governor not only represents the common people but he embodies in his very being the aspirations of the average man, so that when he speaks with the voice of America, he burns with the fire of a divine humanity—the fire which has produced the greatest of leaders of the democracies of the world. * * His is the quality of militant leadership. * * He has the rare power to express the great fundamental truths and ideals in homely language carrying conviction to the multitude.

He has a power to strike at error and wrongdoing that makes his adversaries quall before him. He has a personality that carries to every hearer not only the sincerity but the righteousness of what he says. He is the "Happy Warrior" of the political battlefield. * If you will render your verdict in that sacred mood, it can only be for the nomination of the man whom

I present to you—the one above all others who has demonstrated his powers, his ability to govern; this leader whose whole career gives convincing proof of his power to lead; this warrior whose record shows him invincible in defense of right and in attack on this man, beloved by all, trusted by all, respected by all; this man of destiny whom our State proudly dedicates to the Nation-our own Alfred E. Smith.

I desire to repeat one phrase used in that speech:

The honest businessman knows that he has never sought personal preferment by demagogic attack on honest busine

I wonder whether any thinking and truthful person would dare to use that expression in reference to President

Exactly 4 years later Mr. Roosevelt again placed Governor Smith in nomination for President, and Mr. Roosevelt's admiration and praise of him had increased. In that speech Mr. Roosevelt said, among other things:

Slowly, surely the proper understanding of this man has spread from coast to coast, from north to south. He is well called "the Pathfinder to the open road for all true lovers of humanity."

Throughout that campaign, as well as the campaign of 1932, Roosevelt continued to praise and laud Smith.

Now let us see what the distinguished Senator from Arkansas [Mr. Robinson] thought of the man Smith who headed the ticket in 1928, and on which the Senator from Arkansas was nominated as a candidate for Vice President.

On July 1, 1928, just after the nomination, the Senator from Arkansas had this to say:

More than any other man of his generation he is representative of that type of citizenship and public service which is never remote from the interest of the masses of this great country.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. HASTINGS. I should rather not yield, because Mr. ROBINSON. All right; go ahead.

Mr. HASTINGS. Because then we may perhaps get into a controversy.

Mr. ROBINSON. Oh, no, Mr. President. I simply wished to ask the Senator what he said in 1928,

Mr. HASTINGS. In a telegram to Smith on that same day, the Senator from Arkansas said:

Your telegram happily recalls our intimate associations in previous campaigns. * * With a sympathy that embraces every race and creed, you have sought to be helpful to humanity and faithful to every public trust.

Three days later, July 4, the Senator from Arkansas still had a high opinion of Governor Smith, for he said:

All will recognize the magnetic and sympathetic qualities of this great political leader and will appreciate the courage, the fidelity, and the efficiency of the man.

On July 13, 9 days later, the Senator's opinion had not changed, for he said:

Governor Smith is admired and loved by the people of his State beyond any other public man of his generation. It is his sterling, fearless honesty and sincere attachment to the welfare and best of the general public which are the basis popularity.

Mr. ROBINSON. Mr. President, will the Senator yield? The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Delaware yield to the Senator from Arkansas?

Mr. HASTINGS. I will say to the Senator, who was not here when I began, that I particularly requested that I should not be interrupted until I finished my speech.

Mr. ROBINSON. Oh, very well.
The PRESIDING OFFICER. The Senator declines to yield.

Mr. HASTINGS. Less than a week afterward the Senator from Arkansas followed his praise with this language:

Governor Smith has done more to bring the benefits of government to the masses of people and to make government humane than any other American statesman of the last 50 years. It is the faith in his loyalty and fidelity that has led millions to follow his leadership. His appeal goes directly to the multitudes who long for and deserve better fiving conditions.

Suspicion and hatred have searched every act of his life and

have found him clean and incorruptible.

In strange contrast to these complimentary expressions from the distinguished Senator from Arkansas, I call the

Senate's attention to his radio address, printed in the Con-GRESSIONAL RECORD under date of January 30, showing the great strain and labor involved in his endeavor to answer the speech delivered by his old friend Smith at the American Liberty League dinner. As spokesman for and defender of the President, he turned his back upon his fellow nominee of the 1928 campaign, ignored the many complimentary expressions he had made regarding this Democratic leader, and practically charged him with having sold his political principles in order that he might associate with the wealthy Du Ponts and the wealthy Raskob. Ah! he must have overlooked those strenuous political days of 1928 and 1932, when Roosevelt, Smith, Robinson, Raskob, and the Du Ponts were truly buddies, all interested in the same cause.

I inquire of the distinguished Senator from Arkansas and other New Deal Senators, who may be able to speak for themselves and the President, whether they think they have kept faith with these Democrats who are so active in, if not actually controlling, the Liberty League. Who is it that has repudiated the principles of Jefferson, the principles of the Democratic Party? Is it these Democratic members of the Liberty League or the New Dealers?

I think no one can doubt the true answer to that question. The Democrats of the Liberty League have been consistent with Democratic principles and the Democratic platform of 1932. The New Dealers have violated nearly every declaration contained in that platform. The violation of the promise of economy in Government, sound money, no meddling and no competition with business enterprises, maintenance of States' rights, loyalty to the Constitution, and the violation of many other promises absolutely condemns the New Deal in the minds and hearts of those who believed in the Democratic platform of 1932. The Liberty League is only one of many organizations determined to end the New Deal as soon as possible.

Do not try to fool the people into believing that the league is acting for some selfish purpose. The thinking men and women of the Nation are frightened today for the safety of their country. The Democrats who supported Roosevelt in 1932 have been deceived, and no man has a right to complain if the persons whom he has deceived turn against him.

Do not blame the Republican Party for taking away from the Democratic Party the persons whom Democrats have always claimed as their own. There are about 100,000 members of the American Liberty League. A few of them are rich men, but 99 percent of them are just plain, ordinary folks. [Laughter in the galleries.] Twenty-three thousand individual men and women have been among the contributors to the funds of the league.

Mr. CONNALLY. Mr. President, I make the point of order that the galleries are not in order. I should like to have the Senator go back and read about two sentences. There was some noise in the galleries, and I could not hear what the distinguished Senator said.

Mr. HASTINGS. I thank the Senator.

A few of them are rich men, but 99 percent of them are just plain, ordinary folks. Twenty-three thousand individual men and women have been among the contributors to the funds of the league. A great majority of these members, both contributing and noncontributing, are Democrats who do not believe in the New Deal. This administration has lost them because it has violated its trust. Admit this as a fact; it will be good for your souls.

Mr. Farley tells us this is to be a dirty campaign, but I hope he is mistaken. I hope he will not persuade his friends in the Senate to adopt any such course. There has been some evidence of it, but that is because some Senators take their politics too seriously. Mr. Farley is not paying much attention to what Senators say or do. He is relying upon his own skill and the fortunate position of Mr. Hopkins, plus the brains and position of Mr. Wallace and Mr. Tugwell. They are the boys who have the Federal money; they are the boys who can give; they are the boys who can take away. Mr. Farley knows how to take advantage of situations like this.

In addition to that, I beg the New Deal Senators to let up a little in your demagogic appeals to your "forgotten man."

Do not be afraid to give the public all the facts about relief, the W. P. A., the A. A. A., the Florida canal, the Passamaquoddy project, the St. Louis \$30,000,000 memorial to Jefferson, and all the thousand and one other new-fangled schemes to waste the people's money. Are you afraid you will lose the votes of those on relief when it is ultimately shown how favoritism has been practiced in administering that fund?

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. HASTINGS. No.

The PRESIDING OFFICER. The Senator from Delaware declines to yield.

Mr. ROBINSON. Will not the Senator yield for one question?

Mr. HASTINGS. No; I will not yield at all. I will be through in a minute.

Mr. ROBINSON. Very well.

Mr. HASTINGS. And the Senator from Arkansas can then say what he pleases.

Mr. ROBINSON. Why does the Senator ask questions if he does not want answers to them?

Mr. HASTINGS. No; I do not want any answers now.

Are you alarmed at the admission of Mr. Harry Hopkins that he would consider himself a damn fool if he did not select New Dealers to help him distribute the huge fund in his possession? Remember, the caution of some of his aides that:

> Not a citizen shall shiver Or go hungry in this section (If we're certain they'll "deliver" In the '36 election.)

We relieve the starved and frozen With no hesitance or parley,
(If the politics they've chosen
Are approved by Mr. Farley!)

Do not be ashamed to admit that in all parts of the country the New Deal is "playing politics with human misery" by requiring those who seek employment or relief from appointees of Hopkins that they register as Democrats and pledge themselves to vote the Democratic ticket. Do not be alarmed over the recent discovery that under a plea that the poor farmer must be relieved the processing tax was levied, a tax which has closed many factories, thrown thousands of people out of work, in order that Mr. Wallace might, among other generous acts, be able to place million dollar checks in the hands of some southern corporations for agreeing not to do things. Do not let Mr. Wallace frighten you by making you believe there is danger of the farmer's daughter being kidnaped.

All these things may go a long way in losing you the election, and, while to lose the election may hurt your pride, there is just one very important thing to remember and one which ought to console you, and that is that for the Democrats to lose the next election means that the country will be greatly benefited; and that ought to be some satisfaction to real patriots like yourselves. Indeed many people think that unless Mr. Roosevelt is defeated our Constitution and our whole democratic form of government will be gone before the end of another 4 years.

Personally I doubt whether you can do that, but I do feel sure that you will not be able to find jobs for the 12,626,000 people now out of work, and, more than that, I am afraid another 4 years of Roosevelt will mean that the Federal Treasury will be "busted." Of course, if you had kept your promises and followed the Democratic platform of 1932, you would not be in such an embarrassing position. You would have Shouse, Raskob, Al Smith, John W. Davis, Pierre S. Du Pont, Irénée Du Pont, Jim Reed, Bainbridge Colby, Lew Douglas, George Peek, and thousands of others who supported you in 1932 back of you now, but remember you let Roosevelt lead you into this New Deal and you have been following the shirt tail of the New Deal, believing it to be a symbol of utopia and "the more abundant life." I appreciate that you cannot turn back; you have gone too far; but think what a job you are going to have writing the Democratic platform for the 1936 election. How can you expect the people to forget the

promises you and Mr. Roosevelt made in 1932 and then broke? The Senator from Arkansas has not forgotten what Lincoln said about fooling the people, for he quoted it in a speech he made a few days ago. Remembering that quotation, you certainly cannot expect the people of the country to pay any attention to your 1936 platform, or President Roosevelt's promise to live up to it.

The only thing you can do in order to be consistent in your 1936 platform is to make no specific promises other than to say that the New Deal Congress will do what President Roosevelt wants it to do, and that the President will decide from day to day what he wants done. This will be in complete accord with the record of this miscalled Democratic administration.

I suppose you will feel compelled to continue your demagogic appeals to the poor and against the rich, but the poor are intelligent, too, and you cannot hide from them what this administration has done and what it has failed to do.

At any rate, in my judgment, you will lose the next election or the country will be in very real trouble; and, so far as I am concerned, I welcome the efforts of every organization, every newspaper, every Democrat in the effort to see that this is the last year of the Roosevelt administration.

Now I yield to the Senator from Arkansas.

Mr. ROBINSON. If the Senator from Delaware has concluded, I am going to take the floor.

Mr. HASTINGS. Very well. Mr. ROBINSON. Mr. President, we have just witnessed a remarkable performance. The Senator from Delaware has read a carefully prepared speech; he has asked questions of the Senator from Arkansas and other Democratic Senators and refused to permit answers.

O Mr. President, the Senator has become the champion of former Governor Smith and he quotes what I said about Governor Smith when Governor Smith was right, but he does not quote what the Senator from Delaware said about Governor Smith when the Governor was right. He prefers to quote him when Governor Smith is wrong and when the Senator from Delaware is wrong, as he usually is wrong. [Laughter.] Oh, ye gods and little angels, think of Al Smith in company with the Senator from Delaware [Mr. Hastings]! [Laughter.] All that Al Smith stood for before the present campaign the Senator from Delaware stood against, and one element of proof which should convince former Governor Smith that he is getting in bad company when he lines up with the Liberty League and its champion in the United States Senate, the Senator from Delaware, is that the Senator gives Governor Smith a long-belated justification and vindication. I do not know whether it would have helped Governor Smith and the Democratic ticket in 1928-

Mr. HASTINGS. Mr. President-

Mr. ROBINSON. Oh, no; sit down and take your medicine. The gall of the Senator who asked another Senator dozens of question in his speech and then refused to permit an answer, and then, when the other Senator waits until he has his own time, immediately begins trying to heckle him!

Mr. HASTINGS. Mr. President, will the Senator yield? Mr. ROBINSON. Oh, no. The Senator from Delaware is not recognized.

The PRESIDING OFFICER. The Senator from Arkansas declines to yield.

Mr. HASTINGS. Mr. President-

Mr. ROBINSON. The Senator from Delaware will take his medicine. Of course, I will not yield to the Senator from Delaware. Why should I yield to him? He had all the time that he wanted and he refused to yield to me or to anyone else. Now, the unmitigated gall of a man that will pursue that course and then demand the right to be yielded to! The Senator from Delaware has become the champion of the Liberty League. If anyone here has any doubt as to what the effect and trend of the Liberty League is in American politics and American history he will have that doubt removed now. The Senator from Delaware is its only defender. He has assumed to make a defense of Governor Smith, no doubt on the theory that while Al is "walking" around he may walk into that unlighted and deserted camp where the Senator from Delaware dwells almost alone. But Al will not make that mistake. Al may have made a mistake when he parted companionship with his friends and supporters of 1928 and joined those who are championing the very causes against which he fought in 1928; but he will not make the mistake of going the whole limit and going to bed with the Senator from Delaware. It is said that "politics makes strange bed fellows", but it has never made such bedfellows yet as former Governor Smith and the Senator from Delaware. [Laughter.]

Why would not the Senator from Delaware yield? would he not let us answer the questions he was asking? Then, having pursued that course, why does he himself insist on asking questions of the very Senator to whom he had

refused to yield?

The Senator from Delaware quoted my comments on Governor Smith in the campaign of 1928. I take pride in those quotations. Governor Smith then stood with the masses against the classes; he stood in opposition to the Senator from Delaware and all that the Senator from Delaware stands for, and the fact that the Senator from Delaware is now his champion is almost conclusive evidence, I think, of two circumstances, namely, that he thinks Governor Smith has gone wrong from the standpoint of the general public and that he thinks Governor Smith will join him in his fight on the Democratic Party. You can say what you please, you can talk as much as you please about what you think of Democratic principles, but you were never, Mr. Senator from Delaware, the judge of what are Democratic principles and, thank God, I do not believe you ever will be.

Mr. HASTINGS. Mr. President, of course, the Senator from Arkansas was clearly justified, I suppose, in refusing to yield to me because I had refused to yield to him. You know, however, Mr. President, that to yield to the Senator from Arkansas means the chances are that you will not be able to finish your speech the same day. As a general thing, when one yields to him the Senator from Arkansas proceeds to make a speech, and he cannot be stopped, and I wanted to be certain that I would finish my speech today.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. HASTINGS. No; not just for a minute. [Laughter.] The Senator from Arkansas complained so much about my not yielding to him that I supposed, of course, he would not be as unreasonable as I was, and that he would yield to me.

I was going to ask the Senator from Arkansas a question or two.

Mr. ROBINSON. Will the Senator let me answer them? Mr. HASTINGS. I assume if the Senator thinks it is worth while he will answer them. Does the Senator think he has answered the speech I just made?

Mr. ROBINSON. Does the Senator think he made a speech? What makes the Senator think he made a speech?

Mr. HASTINGS. Because it scared the Senator from Arkansas so much that he wanted to ask me questions. That

is the reason why I thought I was making a speech.

Mr. ROBINSON. Does not the Senator from Delaware think we are entitled to a little amusement here sometimes? [Laughter.]

Mr. HASTINGS. Well, well! A little amusement?

Mr. ROBINSON. Yes. I was amused at the speech of the Senator from Delaware. Everybody else was amused, though most of us could not understand why he made it.

Mr. HASTINGS. Then, why does the Senator complain about it?

Mr. ROBINSON. I have not complained. I am just rejoicing over it.

Mr. HASTINGS. The Senator is rejoicing over it?

Mr. ROBINSON. Yes.

Mr. HASTINGS. The Senator must realize that it is quite worth while to do something on this side of the Chamber once in a while that is satisfactory to the Senator from Arkansas.

Mr. ROBINSON. Every time the Senator from Delaware performs it pleases me because he always adds strength to the Democratic Party. Out in Illinois the other day there was a Roosevelt got 1,375,000 votes, in round primary contest. numbers, and two hungry contesting candidates for the Presi-

dential nomination on a ticket-let me see! What was that ticket? Oh, yes; it was the Republican ticket. [Laughter.] They got far less than one-half the votes that Mr. Roosevelt got in the same State. Though the Senator from Delaware will make as many more speeches as he desires, he will not make any more votes at all for his party.

Mr. HASTINGS. That illustrates the trouble with yielding to the Senator from Arkansas. He not only asks a question

but he then proceeds to answer it himself.

Mr. ROBINSON. No one else can answer it so well. [Laughter.]

Mr. HASTINGS. The Senator is very fortunate if he can answer his own questions.

Mr. ROBINSON. That is better than the Senator from Delaware can do.

Mr. HASTINGS. Does the Senator want me to yield some more? Does he want to make another speech, or does he want to ask some more questions?

Mr. ROBINSON. I have not asked the Senator to yield.

I just had to take my own time.

Mr. HASTINGS. I called attention to the fact, and I want to emphasize it, that the Senator from Arkansas is proud of what he said about Smith in 1928. I have called attention to what the Democratic Party stood for in 1932 when Smith was supporting it, when the Senator from Arkansas was supporting it, and when all the New Dealers over on the other side of the Chamber were supporting it. I have called attention to the fact that the only thing Smith complained about was that the Democratic Party had not lived up to its platform.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. HASTINGS. No; not for the moment.

Mr. ROBINSON. The Senator will not yield? Mr. HASTINGS. Not for a moment. I will tell the Senator when I am ready to yield, and then if he wants to make another speech he can do so.

I called attention to the fact that there was a Democratic platform in 1932. The complaint Smith makes about that platform in the speech that he made at the \$5-a-plate dinner following the \$50-a-plate New Deal dinner was that his party had not followed that platform. It was that to which I was calling attention. I did not say I ever agreed with the 1932 platform of the Democratic Party.

I am calling attention to the fact, which I think is important, that when members of the Democratic Party complain about Smith or anybody else leaving it, they ought at the same time to remember how they have violated their own trust to the American people. They ought to remember the platform upon which they were elected, and they ought to know that any reasonable man, whether he be Smith or anybody else, is justified in leaving the New Deal Party when it refuses to live up to that kind of a platform. I say to the Senator from Arkansas that, in my judg-

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. HASTINGS. Just a moment. I say to the Senator from Arkansas that the great disappointment of thousands of his friends in the country is due to the fact that he has swallowed the New Deal and has gone along with it against the Democratic platform of 1932. He is not the same kind of a Democrat he was when he ran with Smith in 1928. He is not the same kind of a Democrat he was when Roosevelt was elected in the fall of 1932. I repeat, he followed the shirt tail of the New Deal, believing it to be a symbol of utopia and "the more abundant life." Either that, or he believed it the best way to keep his political party in the hands of Roosevelt and his followers.

I have not defended Smith. I have not defended the Liberty League. What I have done-and I think it was worth while-was to call attention to the fact that Democrats control the Liberty League, and they have left what is called now the Democratic Party, because the Democratic Party has left what it stood for in 1932. No one can complain of

Mr. President, I am not going to yield any more, and I am not going to talk any more now, so the Senator from Arkansas may take the floor and say what he pleases. [Laughter.]

Mr. ROBINSON. Mr. President, what is it that has made the Senator from Delaware angry?

Mr. HASTINGS. Oh, I could not get angry with the Senator from Arkansas if I tried.

Mr. ROBINSON. Why all this storm?

Mr. HASTINGS. Even when I am in a good humor, I do not storm as much as the Senator from Arkansas does. [Laughter.]

Mr. ROBINSON. It is just a brain storm. Can it be true that this fulmination to which we have listened represents the first product of the Republican "brain trust."

I should like to ask the Senator from Delaware what he has to say about "brain trusts." Ordinarily, when he rises to address the Senate, he has some criticism to make of the "brain trust"; but now that Mr. Henry P. Fletcher has a "brain trust" of his own, composed of 52 chosen college professors, I should like to have the Senator from Delaware explain why it is that he has nothing further to say about "brain trusts."

He said he did not defend Governor Smith. I did not bring Governor Smith's name into the discussion. I did not mention the Liberty League first. If the Senator from Delaware was not defending Smith, what in the name of common sense was he doing? What does he think he was doing? Does he know what he is doing any of the time when he speaks? Does he always speak without knowing what he is saying? [Laughter.] Has he no end in view except to abuse the President of the United States?

He has a confused notion that he is going to make the New Deal unpopular. As a matter of fact, every time the Senator from Delaware speaks or every time any other spokesman of the Liberty League speaks, the New Deal becomes more popular, and Roosevelt gets more and more votes whenever a primary or an election is held. If the Republicans will only continue to recognize the leadership of the Senator from Delaware when he chooses his candidate for the Presidency and proclaims his support of him, we Democrats are confident that his candidate will not get any votes at all. [Laughter.]

Mr. WAGNER. Mr. President, I do not desire to add to the discussion which has been going on, but let me quote from a very great statesman whose name has been brought into this debate: "Let us look at the record." That is what I propose to do.

I do not believe that the Senator from Arkansas [Mr. Robinson] is sufficiently appreciative of the embarrassment on the other side of the Chamber. Of course, they have to indulge in generalities.

Mr. ROBINSON. Mr. President, the Senator from New York will make me very happy if he will show me how to be more appreciative of the embarrassment of Senators on the other side of the Chamber.

Mr. WAGNER. I think the Senator lacks appreciation of the embarrassment the other side fears by insisting that the Senator from Delaware yield for a question. Is there not the apprehension across the aisle that attention might be called to the record of the New Deal administration, compared to the generalities which we constantly hear from apposition Senators? I am one of those who sympathize with them in their distress at this time, when they are groping for a candidate as well as groping for a platform. They have become so hopeless and so helpless that now they are calling upon 58 college professors from all over the country to help them find a way out.

Mr. CONNALLY. Mr. President, did the Senator say "groping" or "griping"? [Laughter.]

Mr. WAGNER. The only contribution I want to make to the discussion is to give some statistics of the record of the Roosevelt administration in comparison with the Hoover administration.

During the Hoover administration industrial employment decreased 44 percent.

During the Roosevelt administration industrial employment increased 43 percent.

During the Hoover administration unemployment increased by over 12,000,000, or multiplied four times, and this

does not take into consideration those already unemployed when the Hoover administration succeeded the preceding Republican administration.

Total unemployment decreased by 5,000,000, or by onethird, during the Roosevelt administration.

Factory pay rolls decreased by 66 percent during the Hoover administration.

Mr. HASTINGS. Mr. President, will the Senator yield?
The PRESIDING OFFICER. Does the Senator from New
York yield to the Senator from Delaware?

Mr. WAGNER. Just 1 minute.

During the Roosevelt administration, factory pay rolls increased by 108 percent, or by about \$2,000,000,000 per annum.

Let me read these figures, and then I will yield to the Senator.

Industrial production decreased by 50 percent during the Hoover administration. I appreciate the Senator's embarrassment.

During the Roosevelt administration industrial production increased by 96 percent, more than \$33,000,000,000 in value per annum.

Earnings of 161 representative business concerns decreased by 90 percent during the Hoover administration.

Earnings of 161 representative business concerns during the Roosevelt administration increased by 316 percent. I am giving these figures as of 2 months ago, and the condition has become even better since then.

The votes in Illinois and other places are accounted for in the light of these facts, and the Senator's party knows what is going to happen to it.

The annual volume of business failures increased by \$435,000,000 during the Hoover administration.

The annual volume of business failures decreased by \$698,-000,000 during the Roosevelt administration.

Security values on the New York Stock Exchange fell by 67 percent during the Hoover administration.

Security values on the New York Stock Exchange rose by 162 percent, or \$31,000,000,000, during the Roosevelt administration.

Mr. HASTINGS. Mr. President, will the Senator yield? Mr. WAGNER. Wait until I finish. I know the Senator from Delaware does not care to listen to this.

Mr. HASTINGS. I merely wished to ask the Senator whether or not the figures he is giving are New Deal figures.

Mr. WAGNER. I know these figures are not pleasant to

Mr. WAGNER. I know these figures are not pleasant to the Senator from Delaware.

Mr. HASTINGS. Are the figures the result of the New Deal mathematics?

Mr. WAGNER. No; they are from independent authoritative sources. The New York Times today has an editorial stating that we are within 2 percent of normal in industrial production.

Mr. HASTINGS. Let me inquire about the Senator's labor figures. I should like to know where he gets the labor figures he has quoted.

Mr. WAGNER. From different statistical sources which are independent. One is the National City Bank.

Mr. HASTINGS. Are they American Federation of Labor figures?

Mr. WAGNER. No; although they also are accurate.

Mr. HASTINGS. The Senator does not pay any attention to those figures.

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. WAGNER. Yes.

Mr. McKELLAR. The Senator from New York got a great many of his figures from Republican newspapers throughout the country, did he not? They have been publishing such figures everywhere?

Mr. WAGNER. I can understand why the Senator from Delaware wishes to leave the Chamber. I know he does not care for any more statistics of this kind.

Mr. ROBINSON. Mr. President, will the Senator yield? Mr. WAGNER. Yes.

Mr. ROBINSON. What I cannot understand is why the Senator from New York should ever conceive or imagine

facts. [Laughter.]

Mr. WAGNER. Exactly.

Now let me go on. I desire to finish this table.

Department store sales decreased by 48 percent during the Hoover administration.

Department store sales increased 43 percent, or about \$4,500,000,000 per year, during the Roosevelt administra-

Bank failures rose to 1,456 per year during the Hoover administration.

Bank failures have been reduced to 34 per year during the Roosevelt administration.

Just see that comparison!

The annual number of real-estate foreclosures increased by 233 percent during the Hoover administration.

Over 2,000,000 urban and rural families have been saved from eviction during the Roosevelt administration.

Farm bankruptcies and foreclosures increased during the Hoover administration by 177 percent.

Farm bankruptcies and foreclosures have decreased by more than 90 percent during the Roosevelt administration.

Annual farm income decreased by \$6,000,000,000 during the Hoover administration.

Annual farm income has increased by almost \$3,000,000,000 during the Roosevelt administration.

Home building during the Hoover administration decreased by 87 percent.

Home building has increased by over 100 percent during the Roosevelt administration.

Total construction decreased during the Hoover administration by 89 percent.

Total construction has increased during the Roosevelt administration by 278 percent.

Foreign trade decreased during the Hoover administration by 67 percent.

Foreign trade increased by 48 percent, or more than \$1,300,000,000 per annum, during the Roosevelt adminis-

Annual national income decreased by \$30,000,000,000 during the Hoover administration.

Annual national income has increased by over \$12,000,-000,000 during the Roosevelt administration.

Mr. HASTINGS. Mr. President, will the Senator yield? Mr. WAGNER. Yes.

Mr. HASTINGS. Will the Senator explain to the country, under all those conditions, why it is that more than twelve and a half million persons are out of jobs? I should like to have him answer that question.

Mr. WAGNER. Let me say to the Senator from Delaware that there are not quite that many. There are about eleven million; and as conditions improve we are going to reabsorb them. I will give the Senator, however, one of the reasons why there has not been the increase that there should have been, and that is because the National Recovery Act was held unconstitutional.

Mr. HASTINGS. Whose fault was it that that act was held unconstitutional? [Laughter.]

Mr. WAGNER. Well, let us not go into that question; but, as a matter of fact, the unemployment throughout the country was gradually being absorbed as a result of the code provisions of the National Recovery Act. Hours were being decreased rapidly, until we were getting below 40 hours per week. Child labor had been practically abolished throughout the country, and its abolition took over a million children out of industry.

Now what has happened? Since the National Recovery Act was declared unconstitutional hours have increased, and at the same time wages have not increased. The result has been that by the extension of hours the productive capacity per worker has been increased, and he has not been given the necessary purchasing power to absorb the very products which we are producing.

The New Deal did everything in its power to bring about a reduction of hours for the purpose of absorbing many of the unemployed. Now, with a free hand under the laissez

that the Senator from Delaware would be interested in | faire doctrine, hours have increased. In some instances they have gone from 38 and 40 hours up to 50 and 60 hours per week. That is the reason why there has been a retardment of unemployment absorption.

We had brought to this country one of the greatest blessings of modern times when we practically abolished child labor; but since the National Recovery Act was declared unconstitutional children are going back into industry and thus taking away jobs from adults. That has been one of the most serious contributing factors to the slowness of reemployment. Of course, the other factor has been thisand the New Deal is not by any means finished.

Mr. HASTINGS. When will it be finished? Mr. WAGNER. Will the Senator be patient just a moment?

We have the great problem of technological unemployment. During the depression particularly machinery was invented to decrease the force of workers required for production, thus substituting machinery for men.

Take, for instance, the automobile industry: Last year it increased its production by about 45 percent, but employment increased by only 81/2 percent. That disparity was due to two things: The lengthening of hours because we were without laws to prevent it, and the invention of machinery. That presents a very important question, which the President recognizes. He called attention to that fact in his Baltimore address. It is one of the great problems to which we must address ourselves. We may talk as we like about local regulation, but unless there is some universal rule in the matter of hours of employment, plus minimum wages, we shall never solve the unemployment problem.

The reason is very obvious. I am not, by this statement, attacking generally the desire of most of our employers of labor to give a decent, fair wage, and to set decent hours. The difficulty is with the 10 percent who, through their exploitation of adult workers and of children, drag down the rest of the industry; and while for a time the fair majority have tried to keep up with the code provisions as to hours and minimum wages, they have had to give way because the unscrupulous minority, the 10 percent, who have been increasing hours of labor, reducing wages, and reemploying children.

The Senator speaks of the New Deal. What did you do? During all the time you were in power you never attempted to deal with these questions, you never had a concern about preventing the exploitation of our children, or reducing the hours of labor to decent standards, or providing a minimum wage so as to put competition on the basis of efficiency rather than on the basis of exploitation. The moment we came into power we addressed ourselves to these problems, and I think we were well on the way to their solution, so far as hours and wages and child labor were concerned, when the N. R. A. law was declared unconstitutional.

Of course, there were many constitutional difficulties with which we had to deal, and there also crept into being some unfortunate administrative practices, for instance, price fixing. I have never believed in that.

It was never intended that that should be permitted under the N. R. A., and I doubt even to this day whether it was not a derogation of the N. R. A. Act to permit any industries to fix prices. But, aside from that, we are meeting the major problems, and we are on our way to their solution.

The American people are going to keep in office the great man who is now President, this man of vision, who concerns himself with the underprivileged and the unfortunate, who concerns himself with lifting them up to a better and a more abundant economic life. It is a fortunate thing for the country that we have such a leader in this day of trial and crisis.

Mr. HASTINGS. Mr. President, I should like to ask two or three questions before the Senator sits down. I will ask them all before I get him to answer any of them.

My recollection is that the average of unemployed for the years 1930, 1931, and 1932 was a little more than 8,000,000, while for 1933, 1934, and 1935 there were more than 12,000,000 unemployed, an increase of 4,000,000.

I should like to inquire of the Senator whether or not he thinks there can be any real recovery without finding jobs for the 11,000,000, or practically all of them. Can there be any real prosperity in this country, the kind of prosperity that can be bragged about by the New Deal or any other administration, before those 11,000,000 people find suitable jobs? That is one question.

Mr. WAGNER. One at a time.
Mr. HASTINGS. I should like to complete my questions.

Mr. WAGNER. Let me answer one at a time, if I can

Mr. HASTINGS. Very well. Mr. WAGNER. I do not at all agree with the Senator's premise that during 1931 and 1932 there were only four or five million unemployed.

Mr. HASTINGS. I did not say that. I said that in 1930, 1931, and 1932 there was an average of something over 8,000,000, and that in 1933, 1934, and 1935 there was an average of over 12,000,000.

Mr. BARKLEY. Mr. President will the Senator from New York yield?

Mr. WAGNER. I yield. Mr. BARKLEY. It is unfair to take an average over 3 years. The truth is that on the 4th of March 1933 there were between fourteen and fifteen million unemployed.

Mr. HASTINGS. In answer to that, let me say that this administration has been in power all those years with the exception of 2 months. If you desire to take credit for the 2 months, very well.

Mr. WAGNER. We restored employment in private industry by over 4,000,000 people, and, as I said before, if it had not been for some difficulties which arose in our courts. we would have been well on our way to absorbing a great many more.

I hope what I shall now say will not be regarded as immodest, but the records will show that back in March 1928 I made a speech in the Senate in which I called attention to the fact-and many of my colleagues agreed with methat we were on the way to a depression. There were at least 5,000,000 people out of work at that time. Of course, I was attacked by the Republican press throughout the country, which said that I was simply attempting to minimize Coolidge prosperity, although at the time unemployment was increasing at a rapid rate.

I had a controversy with the distinguished Senator from Pennsylvania [Mr. Davis], who at that time was Secretary of Labor. I asked for a report, and I do not think the report I received was quite clear to anyone in the Senate-At any rate, it did not refute the charge I made. But the situation kept getting worse and worse, and in 1929, of course, it had to break. There were the unemployed, and we -had no accurate method of counting them. I tried for several years to get legislation through this body providing for making a count of our unemployed, and finally, in the last year of the Hoover administration, the President did sign a bill, introduced by me, enlarging the Bureau of Labor Statistics in the Department of Labor, now the Bureau is attempting to give us some fair statistics, at least as to the trend of employment and unemployment; although the figures are not complete.

We on this side of the Chamber were conscious in 1931 and 1932 of the serious conditions which existed in the country. Some of the Senators on the other side, whom we term the "progressive" Republicans, were equally concerned with conditions, and we coalesced with them and proposed legislation. We proposed the first legislation to feed the hungry. At the end of 1931, and in 1932, President Hoover was hesitant even to support legislation which would give to the States the opportunity to borrow money from the Federal Government so that they could feed their unemployed.

Mr. HASTINGS. Is the Senator sure about that?

Mr. WAGNER. I am sure about it, because the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Colorado [Mr. Costigan], and myself were the authors of the legislation, and it was enacted. I went to President Hoover and

pleaded with him, and finally he consented to legislation which provided an appropriation of \$500,000,000. Even then our legislation could not receive Presidential approval until we provided a method of loans, so that a State would be obligated to repay at some time or other. Of course, the situation became so much worse later on that we abandoned the idea of loans, and regarded the problem of assistance as a national responsibility.

Mr. HASTINGS. Now, will the Senator vield?

Mr. WAGNER. The Senator has asked me a lot of questions. He has asked what we were trying to do on this side.

At the same time we proposed a large public-works program for the purpose of putting the unemployed to work by taking up the slack in industry; but we did not get anywhere with that for a long time. We finally secured legislation which, I think, provided for a \$300,000,000 public-works program, although all of the expenditures were not made.

Conditions grew worse and worse and worse, and you became so perplexed as to how to deal with this problem that you finally became helpless, and of course the American people had to take on the New Deal, and they did so.

Mr. HASTINGS. Now, will the Senator yield for one question?

Mr. WAGNER. Yes.

Mr. HASTINGS. I desire to inquire whether the Senator from New York gives credit to this administration, and undertakes to take credit for it with the people of the country, for the enactment of the N. R. A. and the A. A. A.

Mr. WAGNER. I was one of the authors of the N. R. A. Act. Many have been named as its authors, and I do not want to claim any exceptional credit, but I am one of those who sat down and helped to draft the N. R. A. Act. We had to work pretty fast. It is easy now to sit here comfortably and consider that act, but at that time the country was in a real crisis. We were really on the point of economic and social disintegration. I do not think all of the people of the country realize the situation that existed in March 1933—the sort of ship of state you left us.

I do not think the critics are as jubilant now as they were right after the law was declared unconstitutional. Not only labor, but industry, came to us and pleaded with us to pass legislation so that we might again integrate industry. I see the picture now of what occurred after the bill was introduced. I appeared before the Ways and Means Committee of the House of Representatives, and on one side of me was the president of the United States Chamber of Commerce and on the other side was the president of the American Federation of Labor.

All three of us joined in our appeal to the House Ways and Means Committee to pass the legislation, and pass it as rapidly as possible, in order to save the industries of the country. The legislation was passed, and it did save the industries of the country.

As I said, I have not approved of all which was done in the administration of the act. That, however, is the history of the legislation. The Senator from Delaware does not seem to be interested any more, but I hope I have given him the information he desired.

As to the A. A. A., I must say that I am not an authority upon agricultural legislation. I voted for the original A. A. A. legislation because I was against what was happening to the farmers of the country. Just before Mr. Roosevelt took office we read of the foreclosures which were taking place throughout the country. Farmer after farmer was losing his home and farm. Homesteads which had been in the family for 50 or 60 years were being lost, and you did nothing about it.

Mr. HASTINGS. What did you do?

Mr. WAGNER. What did we do?

Mr. HASTINGS. Yes.

Mr. WAGNER. We saved over half a million homes for farmers in the United States. That is what we did.

Mr. HASTINGS. With an unconstitutional act. Mr. WAGNER. What unconstitutional act? I am talking about the Farm Credit Administration now. You asked us what we did.

Mr. HASTINGS. That was a Republican proposition. Mr. WAGNER. Oh, no, no.

I might have played a role which is unfamiliar to the Senator, but it so happened-I must use the "I"-it so happened that I was chairman of the subcommittee of the Banking and Currency Committee which had in its charge the Farm Credit Administration bill, and as authorized by the full committee I reported that measure to the Senate, and we enacted it into law. Then it became an amendment to the A. A. A. legislation. That was a measure conceived by us, because we saw homes going one after the other, and we acted in time to save many of them, so that today over a half million farm homes are saved which otherwise would have been lost. From the two standpoints of humanity and economics it was one of the greatest achievements of this administration

Not only have we done that, but we have increased the income of the farmer so that now he can again pay his interest, he can again pay the installment upon his mortgage, and he is well on the way to a more prosperous era.

You ask us what we did. Ask the farmers of the country what we did for them. We did more than that. The home owners of the country were losing their homes through foreclosure. Foreclosures were being made right and left in my own State and all over the country. The people were helpless, being out of employment, they could not pay either the interest or any installments upon their mortgages, and they were on the point of losing their homes. The home is the basis of our whole American civilization.

We saved over 2,000,000 homes. Think of it, Senators of the United States, this administration has saved over 2,000,-000 homes for the American home owner, who but for our intervention would have been lost, and in many cases ruination would have resulted to their families.

Do not ask us what we did. The answer is plain. That is the reason you are going to have difficulty in getting a candidate. You are now looking for somebody who is unknown, who has done nothing, hoping that, perhaps, in that way you may sail in, but you are mistaken about that. You must face the facts and the record, and you cannot do away with them. That is the reason you have practically given up this election. I have heard some distinguished Republicans say, "Well, we are going to prepare for 1940. We cannot do anything now, but maybe our opponents will make some mistake in the next 4 years, and in 1940 we are going to come into power." That is a long way off, but the people of the United States are through with reaction. They have had experience under reactionary administrations for some 12 years, and you left them at a point where they were threatened with economic and social disintegration. The people of the country are never going back to those days. They are never going back to the days when the kind of policies in which the Senator from Delaware believes are to control. It cannot be done. So give it up.

Mr. DAVIS obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DAVIS. I yield.

Mr. BARKLEY. A few days ago Mr. Alfred P. Sloan, president of the General Motors Corporation, made a statement which I believe was in the form of a report of some kind to his board of directors to the effect that the policies of the Roosevelt administration were retarding recovery. The General Motors Corporation, as we all know, is owned very largely by the Du Ponts and Mr. Raskob and Mr. Sloan and men of that particular association.

I ask unanimous consent to have printed in the RECORD at this point a statement concerning the General Motors Corporation which appeared in the Wall Street Journal, showing the enormous increase in the sales and the profits of the General Motors Corporation, and showing that in March 1936 it sold more automobiles and made larger profits than in any previous month in its history except the month of May 1928.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The article referred to is as follows:

[From the Wall Street Journal]

GENERAL MOTORS SALES IN SHARP MARCH GAIN, 89.1 PERCENT OVER FEBRUARY-RETAIL MARK BEST SINCE MAY 1928-FIRST QUARTER SHIPMENTS RUN FAR AHEAD OF 1935 PERIOD

Showing the sharpest seasonal gain over February in at least 10 years, General Motors reported domestic retail sales for March of 181,782 units, a new high record for the month and comparing with 96,134 units in preceding month and 126,691 in March 1935. March retail sales showed an increase of 89.1 percent over February compared with an increase of 63.9 percent in March 1935 over the preceding month and a 66.6-percent gain in March 1934 retail sales over February of that year.

the preceding month and a conspectory gain in second for that sales over February of that year.

Retail sales in March not only established a record for that month but exceeded every month in company's history except the record of May 1928 when General Motors delivered to consumers in United States 186,892 units.

First-quarter retail sales broke all records for that period, exceeding the previous best first quarter, 1929, by almost 29,000

March sales to all dealers in United States and Canada, together with overseas shipments, reached 196,721 units, the highest peak since June 1929.

DEALERS' STOCKS REDUCED

The March sales report discloses a substantial reduction dealers' stocks during the month. Sales to dealers in United States in March totaled 162,418 units while sales to consumers totaled 181,782 units. This reduction of 19,364 units in dealers' inventories appears to indicate that production during current month will be maintained at least as high as March levels while some divisions undoubtedly will increase production.

Dealers' stocks of new cars at end of March were shown to be

79.139 units higher than at the end of first quarter of 1935.

First-quarter sales to all dealers in United States and Canada plus overseas shipments were reported at 500,167 compared with 495,506 units in final quarter of 1935 and 499,844 units in second quarter of 1935.

NET AT \$1.18 A SHARE

With sales totaling almost half a million cars in the final quarter of last year, General Motors reported net income of \$1.18 a share on common stock. Per-share earnings for second quarter of last were equivalent to \$1.17 a share on common stock.

The following tables compare General Motors Corporation's monthly sales since 1932:

SALES TO CONSUMERS IN UNITED STA

Month	1936	1935	1934	1933	1932
January	\$102.034	\$54, 105	\$23, 438	\$50, 653	\$47, 942
February	96, 134	77, 297	58, 911	42, 280	46, 855
March	181, 782	126, 691	98, 474	47, 436	48, 717
April	101,101	143, 909	106, 349	71, 599	81, 573
May		109, 051	95, 253	85, 969	63, 500
June.		137, 782	112,847	101, 827	56, 987
July		108, 645	101, 243	87, 298	32, 849
August		127, 346	86, 258	86, 372	37, 230
September		66, 547	71, 648	71, 458	34, 694
October		68, 566	69, 090	63, 518	
November		136, 859	62, 752	35, 417	26, 941
December		122, 198			12, 780
December		122, 195	41, 530	11, 951	19, 992
Total	379, 950	1, 278, 996	927, 493	755, 778	510,000
SALJ	ES TO DEALE	RS IN UNIT	ED STATES		
January	\$131, 134	\$75,727	\$46, 190	\$72, 274	\$65, 382
February	116, 762	92, 907	82, 222	50, 212	52, 539
March		132, 622	119, 858	45, 098	48, 383
April		152, 946	121, 964	74, 242	69, 029
May		105, 159	103, 844	85, 980	60, 270
June		150, 863	118, 789	99, 956	46, 148
July		139, 021	107, 554	92, 546	31, 096
August		103, 098	87, 429	84, 504	24, 151
September		22, 986	53, 738	67, 739	23, 545
October		97, 746	50, 514	41, 982	5, 810
November		147, 849	39, 048	3, 483	2, 405
December		150, 010	28, 344	11, 191	44, 101
Total	410, 314	1, 370, 934	959, 494	729, 201	472, 589
	TOTAL SAI	LES TO DEAL	ERS		
	1				
January	\$158, 572	\$98, 268	\$62, 506	\$81, 117	\$74, 710
February	144, 874	121, 146	100, 848	59, 614	62, 850
March	196, 721	169, 302	153, 250	58, 018	59, 696
April		184, 059	153, 954	86, 967	78, 359
May		134, 597	132, 837	98, 205	66, 739
June		181, 188	146, 881	113, 701	52, 561
July		167, 790	134, 324	106, 918	36, 872
August		124, 680	109, 278	97, 614	30, 419
September		39, 152	71, 888	81, 148	30, 117
October		127, 054	72,050	53, 054	10, 924
November		182, 754	61, 037	10, 284	5, 781
		185, 689	41, 594	21, 295	53, 942

Unit sales of Chevrolet, Pontiac, Oldsmobile, Buick, LaSalle, and Cadillac passenger and commercial cars are included in the above

1, 715, 688

1, 240, 447

869, 035

562, 970

500, 167

Mr. McKELLAR. Mr. President, will the Senator yield? Mr. DAVIS. I yield.

Mr. McKELLAR. A few moments ago the Senator from Delaware asked the Senator from New York concerning the source of his statistics, and I believe the Senator from Delaware implied in his question that the statistics came from labor sources. I desire to give some statistics which may be gathered from headlines appearing in one of the most reliable Republican newspapers in this country, the Evening Star, of Washington City. Today's issue of the Star has just come to me, and I turn to page A-13 and find headlines such as these on the financial pages of that paper:

B. & O. net reaches \$24,298,956.

In the next column:

Steel rate soars to 70½ percent.

Institute declares further sharp gain in week's mill operations.

I turn to the next page—and I shall take but a small portion of the Senator's time-and read:

Advertising total up 2.9 percent from last year. Bar silver price boosted again to 45%-cent mark. Stocks improve—

Here is the headline of another column.

Stocks improve as volume lags.

I desire to call special attention to the next one, because the Senator from Delaware has been defending the Du Ponts. Listen to this:

Du Pont profits increase sharply.

We have not had any such headlines in the newspapers for many years; and these headlines appear in this afternoon's newspaper, which has just come to me.

Mr. BLACK. Mr. President, does that item state whether the profits of the Du Ponts accrued from their munitions business or their farm business?

Mr. McKELLAR. I am going to read just a small portion of the article.

Mr. BLACK. I desired that to be clear, because the Senator may not be familiar with the fact that the Du Ponts have been contributing to a farm organization as farmers.

Mr. McKELLAR. I think they take a very active hand all along the line in our economic business.

Du Ponts profit increase sharply. Estimated at \$1.21 a share in quarter, against 85 cents in 1935.

Here are these very people, to whom prosperity has come under a Democratic administration, joining the Liberty League to put out of business the party which has done so much for them.

So, Mr. President, when the Senator from Delaware wished to know the authority for these statements, and wished to know where the statistics came from, he need not go to any statistical bureau. All he needs to do is to read Republican newspapers, which tell the truth about the growing and returning prosperity of the country.

Mr. BLACK. Mr. President, I do not desire to take the Senator's time, but I am sure he would be interested also in what I desire to place in the RECORD.

The PRESIDING OFFICER (Mr. George in the chair). Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. McKELLAR. I yield.

Mr. BLACK. I wonder if the Senator will yield to me. I wish to place in the RECORD at this point the poll which was taken by the American Institute of Public Opinion, which appeared in the Sunday newspapers throughout the country, with reference to the feeling of the people of the country on the question of shorter hours of labor.

Mr. President, I ask unanimous consent to insert in the RECORD the marked portion of the page which I send to the desk, showing the vote in a poll taken by the American Institute of Public Opinion on shorter hours of labor throughout the country, showing that 76 percent of the people who voted voted in favor of shortening the hours of labor and 24 percent voted against it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Birmingham News-Age-Herald, of Apr. 19, 1936] PLANK FOR SHOETER HOURS OF LABOR FAVORED IN NATIONAL POLL— AMERICA SPEAKS ON PLAN FOR REDUCING UNEMPLYMENT—"DO YOU FAVOR SHORTENING THE HOURS OF LABOR?"-YES, 76 PERCENT; NO, 24 PERCENT

FORTY-EIGHT STATES FAVOR SHORTENING HOURS Question I: One plan for reducing unemployment is to shorten the hours of labor in business and industry. Do you favor this

Nation: Yes, 76 percent; no, 24 percent.

	The vote by States (percent)	Yes	No
3	Maine	63	37
	Delaware	65	35
	South Dakota	65	35
ð	Kansas	66	34
	Nebraska	66	34
-	Virginia	67	33
	Oklahoma	68	32
×	Vermont	68	32
	Iowa	70	30
	Maryland	71	29
	Kentucky	71	29
	Connecticut	72	28
	Minnesota	72	28
	New Mexico	72	28
	Massachusetts	73	27
	Rhode Island	73	27
g.	West Virginia	73	27
Q	Wisconsin	74	26
	New Hampshire	75	25
	Texas	75	25
	Colorado	75	25
	New Jersey	76	24
	Ohio	76	24
Ø	Louisiana	76	24
	Mississippi	76	24
	Utah Idaho	76	24
		76	24
9	CaliforniaMissouri	76	24
	South Carolina	77	23
	Georgia	77	23
	Tennessee	77	23 23
	Montana	77	23
	Oregon	77	23
g	New York	78	22
	North Carolina	78	22
	Pennsylvania	79	21
7	Michigan	79	21
	Illinois	79	21
Ų	Arkansas	79	21
	Arizona	79	21
	Indiana	80	20
2	Washington	80	20
8	Florida	81	19
ř	North Dakota	82	18
	Nevada	83	17
	Alabama	88	12
	Wyoming	88	12
	Parties (percent)		
Ø	Democrats	86	14
	Republicans	61	39
	Socialists	88	12
	Third party	78	22
	Groups (percent)	60	37
	Women	63 80	20
i	Young people	80	20
	Reliefers	86	14
	Out the TT. To be seen and and about the m		17

Question II: If hours are reduced, should the weekly wages of employees be lowered or remain the same?
Nation: Remain same, 84 percent; be lowered, 16 percent.

The vote by States (percent)

	Remain	Be
	same	lowered
Maryland	73	27
Kansas	75	25
Texas	75	25
Arkansas	76	24
South Carolina	77	23
Oklahoma	77	23
Tennessee	77	23
Delaware	78	22
South Dakota	78	22
Virginia	78	22
Kentucky	78	22
New Mexico	78	22
Oregon	79	21
Iowa	80	20
Florida	80	20
Idaho	80	20
Vermont	81	19

The vote by States (percent)-Continued

	Remain	Be
	same	lowered
Missouri	81	19
North Dakota		19
New Hampshire		18
Minnesota		18
Maine		17
West Virginia		17
Montana		17
California		17
Nebraska	named and the second se	16
Washington		16
New York		15
Illinois		15
Georgia		15
Colorado		15
Connecticut		14
New Jersey		14
Ohio		14
Indiana		14
Massachusetts		13
North Carolina		13
Pennsylvania		12
Wisconsin		12
Nevada		12
Louisiana		11
Rhode Island		10
Wyoming		10
Arizona		10
Michigan		9
Utah		9
Alabama		7
Mississippi		7
Parties (percent)		••
Democrats		
Republicans		
Socialists		
Third party	90	10
Groups (percent)		
Farmers		
Women		
Young people	89	
Reliefers	94	6

SERVICES OF BUREAU OF MINES TO PITTSBURGH DURING RECENT FLOODS

Mr. DAVIS. Mr. President, flood control is a national problem. No program of harnessing our rivers will succeed until we control the waters at their source by constructing a system of reservoirs and dams. I have heretofore stated on the floor of the Senate that we will be guilty of neglect if we shall not take practical measures to protect the lives and property of the people whose destiny is so closely allied with proper flood-control projects.

I wish to take this opportunity, Mr. President, to make a statement as to the outstanding services during the recent floods rendered by the United States Bureau of Mines to the city of Pittsburgh. Recently I called the attention of the Senate to some of the important and far-reaching services the United States Bureau of Mines has rendered and is rendering for the benefit of the mineral industries, not only in connection with development, production, processing, and other operations in mining but also in the saving of human life and limb. The record was an imposing one, and one of which all of us should be proud. My State has just had a fine demonstration of the wonderful capacity of this governmental organization to help not only those engaged in mining but the community at large.

Organized as it is for the performance of specific types of research and service work connected with mining, its usefulness to the public was amply demonstrated by the part its safety workers took in helping to handle the dangerous conditions left by the disastrous flood which so sorely afflicted the great city of Pittsburgh in the latter part of March.

The Bureau of Mines has maintained at Pittsburgh ever since it came into existence in 1910 the foremost organization and plant in the entire world devoted entirely to the mineral industries, with special attention to coal mining.

The field forces of the Bureau of Mines, engaged in the promotion of health and safety in mining and expert in the handling and prevention of mine disasters and the investigation of health conditions in mines, have their operating headquarters in the city of Pittsburgh.

These men, Mr. President, many of whom have been en-

erans of scores of disastrous mine fires and explosions, placed themselves, their experience, and their equipment at the disposal of the city of Pittsburgh at its time of need. They amply demonstrated their resourcefulness in meeting a new and unusual emergency and applied their long mine-safety experience in safeguarding the lives and health of the people of Pittsburgh when receding floodwaters left numerous hazards in the inundated areas.

The flood of March 17 reached a flood stage of 46 feet, or about 71/2 feet higher than ever before experienced. This resulted in the inundation of hundreds of basements and many upper floors in structures of all types in the main downtown business district of Pittsburgh known as the Golden Triangle, and for miles along the Allegheny and Monongahela Rivers and along the shores of the Ohio River formed by the junction of these two rivers. When the floodwaters receded they left the usual trail of destruction. Gas and electric services were suspended for days and the floods in streets and basements caused damage to gas and electric lines.

On March 21 the facilities of the Bureau of Mines at Pittsburgh were offered to the Red Cross and to the city of Pittsburgh and immediately accepted. The Red Cross was furnished with several automobiles and drivers as well as with first-aid material, drugs, antiseptics, germicides, and other similar supplies.

On March 22 several of the downtown banks of Pittsburgh became apprehensive as to gas and other possible dangers in dewatered basements and safety men of the Bureau of Mines were asked to make inspections because the safety workers of that organization as a routine activity are familiar with detecting gases and handling or removing them in a safe manner. These first relatively few basement examinations in the main business district on March 22 caused the safety workers to recognize the very serious menace of asphyxiation, fires, and explosions in the dewatered buildings, especially in the basements, and they were convinced that hundreds of these basements and cellars should be inspected and the work should be done without delay if very serious disasters were to be averted.

The Bureau of Mines workers quickly called to their aid the members of the Mine Inspection Department of Pennsylvania living near Pittsburgh and conferred with officials of the city of Pittsburgh, calling attention to the serious gas and other hazards in the dewatered basements. Upon being made acquainted with the serious dangers threatening the city, the city officials quickly gave authority to the Bureau of Mines and the coal-mine inspection force of Pennsylvania to effect an organization and proceed immediately with inspection of the affected buildings in the flood area. The work was completely under the direction of safety experts of the Bureau of Mines and the State mine-inspection department. Police authority was given by the city of Pittsburgh for carrying out this work and 50 special police badges were issued for use of leaders of the inspection crews.

Mr. President, the task of inspecting the great number of buildings in the flood area necessitated procuring competent assistants outside the organization of the Bureau of Mines and the State department of mines, and the exigency of the situation required prompt action and the perfection of an organization to handle the work. Radio appeals were made to coal-mining companies and others in the district, calling upon them for experienced volunteers to assist with the inspection work, men who held certificates of competency issued by the State department of mines. In answer to these appeals 25 coal-mining companies in the district furnished competent men with necessary testing equipment, and a number of other qualified individuals also responded. A total of 171 men participated in the inspection work, including 100 men furnished by coal companies, 39 men unattached, 12 Pennsylvania Department of Mines inspectors. Twenty Bureau of Mines men contributed a total of 380 days' service, working 12 to 16 hours a day.

Crews were organized consisting of four to six examiners. a clerk, with a State mine inspector, Bureau of Mines engineer, or mine-safety engineer in charge. Maps of the city gaged in mine-safety work for 20 years or more and are vet- were procured and the flood areas laid out in inspection

districts. Crews were assigned to these districts and were instructed to inspect all basements for explosive or noxious gases and to order removed or extinguished such devices as salamanders, oil stoves, oil-burning lamps, candles, gas furnaces, gas hot-water heaters, gas stoves, gas hot plates, or any other open-flame appliances. They were instructed to observe any other extraordinary fire hazards, such as use and storage of oils and gasoline and any material favorable to spontaneous combustion.

Emergency inspections were made in many cases on request of places producing and distributing food and food materials, so that normal distribution of such materials might be resumed as soon as possible.

The first area to be inspected was the downtown business district that had been flooded. Inspection then continued from this district up and down the three rivers to the city limits. The work was started on the afternoon of March 24 and all districts had been covered by the afternoon of March 28.

Orders were issued by the department of public safety that no gas was to be turned into lines or electricity turned on in basements that had been flooded until after they had been inspected and O. K.'d by the Bureau of Mines. This order brought thousands of telephone calls from individuals who were anxious to have their gas and electric services restored.

An informal report was submitted to the director of public safety. The report contained a brief outline of the work done, and recommended cautions and warnings that should be issued to the people whose properties had been inundated.

The inspection revealed many dangerous situations, all of which were remedied and there is good reason to believe that fires and explosions, with probable heavy property loss. were prevented and life and health preserved by the prompt effective service given in this wonderful exhibition of cooperative effort on the part of the Federal Bureau of Mines, the State coal-mine inspection forces, and the city of Pittsburgh.

Mr. President, the appreciation of city officials for the extremely valuable service given the city of Pittsburgh by the Bureau of Mines was expressed in letters addressed to Director John W. Finch by Thomas A. Dunn, director, department of public safety, and to J. J. Forbes, supervising engineer of the Bureau's safety forces at Pittsburgh, by George W. Schusler, superintendent-engineer, department of public health.

I ask unanimous consent, Mr. President, to have inserted in the RECORD at this point a letter from Thomas A. Dunn, director of public safety of the city of Pittsburgh, to the Director of the United States Bureau of Mines, and also a letter written by George W. Schusler, superintendent-engineer, department of public health of the city of Pittsburgh, to the Secretary of the Bureau of Mines, testfying to the value of the services rendered by the Bureau of Mines.

The PRESIDING OFFICER. Without objection, the letters will be printed in the RECORD.

The letters referred to are as follows:

CITY OF PITTSBURGH, PA DEPARTMENT OF PUBLIC SAFETY, March 31, 1936.

Mr. John W. Finch, Director, United States Bureau of Mines, Washington, D. C.

DEAR DIRECTOR FINCH: It is an extreme pleasure to the Department of Public Safety of Pittsburgh to congratulate the United States Bureau of Mines at Pittsburgh, and, more particularly, Mr. J. J. Forbes, supervising engineer, and the rank and file of your men under him,

In Pittsburgh's greatest distress one of the outstanding dreads of the department was gas, both sewer and natural, in the many buildings that had been under water during the flood. The very splendid cooperation given by your Department was appreciated highly both by his honor, Mayor McNair, and Mr. H. L. Seaman, superintendent of the bureau of building inspection, as well as myself.

Yours very truly,

THOS. A. DUNN, Director.

CITY OF PITTSBURGH, PA., DEPARTMENT OF PUBLIC HEALTH, March 30, 1936.

Mr. J. J. FORBES.

Secretary, Bureau of Mines, 4800 Forbes Street.

Dear Mr. Forbes: I wish to express my hearty thanks for the cooperation given us during the crisis caused by the flood.

Mr. Munsch and the men associated with him rendered excellent service and gave us much-needed help. If at any time we can be of service to you do not fail to call upon us.

Again thanking you for your cooperation, I am, Yours very truly,

GEO. W. SCHUSLER, Superintendent-Engineer.

WORKS PROGRESS ADMINISTRATION

Mr. DAVIS. Mr. President, I wish to continue for a few minutes further on the Works Progress Administration.

The program encouraged by the Works Progress Administration attendant upon its policy of spending first and inquiring afterward will form a sordid chapter in American history. Relief of the needy is an essential and must not be denied. But this fact cannot now obscure the maladministration of W. P. A. funds. The country may well stand aghast before the accumulating evidence of waste and extravagance and the use of work-relief money contrary to the purposes for which it was appropriated.

The Federal Theater Veterans' League, composed of World War veterans now employed by the Works Progress Administration in New York City has sent me a copy of a letter addressed to the President on March 19, 1936, which was nearly a month ago. I did not bring this matter to the attention of the Senate, thinking that the Administration would prefer to take care of it in its own way. However, nothing has been done about it, and I believe this situation is so serious that the Senate should be informed. I desired that the Administration should have faced this situation openly, but, in view of the fact that no action has been taken, I feel that it is my duty to bring this matter to the attention of the Senate

Mr. President, the veterans in their letter describe the use of the W. P. A. theater project in New York City for the spread of communistic propaganda. Anyone knowing the powerful influence of the theater can realize the significance of its perversion for such a purpose. The veterans show that the Federal theater project is primarily used for the dissemination of communistic propaganda, that active Communists are in charge of its departments, and that its key positions have been given to nonprofessionals while the professional actors are ignored.

Mrs. Halke Flanagan, close to the administration, as I am informed, and head of the Vassar College Experimental Theater, was appointed director of the W. P. A. theater project. When the veterans in their letter to the President requested the removal of Mrs. Flanagan and her associates because of their communistic tendencies, I made inquiry concerning her literary works to ascertain, if possible, in what way they might throw light upon this contention. I do not know Mrs. Flanagan except as she is shown in her writings and books. which I have here on my desk at this time.

I find upon inquiry that Mrs. Flanagan has four works listed under her name in the Congressional Library. One, written in Russian, translated by her and associates in 1934, is entitled "Fear." Back in 1928 Mrs. Flanagan wrote a book called "Shifting Scenes", in the prologue of which she says:

The curtain rises on an impressionistic drama of the European theater and on certain brilliant personalities who are creating that theater. The scenes are laid in Dublin, Prague, Budapest, Moscow, Leningrad, and many other cities where drama is alive.

She devotes the second third of her book to the Russian theater. On page 81 she says:

I went to Russia because I wanted to understand the circumstances under which developed the incomparable art which we have seen in Stanislavsky's Theater, in the Chauve-Souris, the Musical Studio, the Ballets Russes, the Habimah, and because I wanted to see for myself what part the theater plays in the new order and how it is influenced by that order. The answer to both questions proved to be so bound up with the whole social experiment that I became absorbed by the drama outside the theater; the strange, stirring, and glorious drama that is Russia.

This statement would seem to show that Mrs. Flanagan is highly devoted to Russian art when she says, "I became

absorbed by the glorious drama that is Russia."

In 1931 Mrs. Flanagan wrote for the Vassar Experimental Theater Can You Hear Their Voices? which was based on a story by Whittaker Chambers, published in the New Masses for March 1931. This play ridicules the inefficient voluntary provision made for relief back in those days, scoffs at the American Red Cross as a relief agency, makes a laughingstock of ease-loving Congressmen, and creates a hero and the leading character of the play out of a Communist by the name of Wardell, who says:

Don't you see, Rose, it ain't Purcell that's wrong. It's the plan we live under; it's the whole system. Listen! Maybe I think, like you, that there'll come a time when there'll be shootin'. But today ain't the time. Maybe there'll come a time when we can today ain't the time. Maybe there'll come a time when we can stand our feet like free men, instead of crawlin' on our bellies askin' for help. But that time ain't come yet. Some of us believe in a time comin' when everybody will have to work, and there'll be enough work for everybody. Some of us believe that the land and the crops and the cattle and the factories belong to the men that work 'em. But we ain't strong enough yet to take 'em. And that's why some of us think it's more important to work for that time than to shoot up a few rich guys now.

This is one of the high points of Mrs. Flanagan's drama,

found on page 62.

In 1934 Mrs. Flanagan and Mary C. St. John wrote a drama entitled "The American Plan", in which a big-business man by the name of Black is ridiculed, a strike is dramatized sympathetically, a young Communist murders Black, is sentenced to prison for life, and in which The Star-Spangled Banner is played whenever conditions seem the worst and the Internationale is played when the audience reaction is most favorable.

Anyone reading these books either casually or carefully would find no place in which Mrs. Flanagan has a good word to say about the United States, this Government, American institutions, or the economic system which still makes possible relief money for the Works Progress Administration. From reading these books one gains the impression that Russia is a grand place and that the United States is terrible. Mrs. Flanagan's idea of the country in which she directs the theater project of the Works Progress Administration is found in her play, The American Plan, where big business is caricatured, communistic violence made to seem inevitable, and class conflict necessary.

Mr. President, if these are not Mrs. Flanagan's actual sentiments, I believe the country would welcome a state-ment from her to the contrary. The question arises as to why she was appointed to administer over \$7,000,000 of American money under the Works Progress Administration, when all of her published works reveal, as she says, that she has become "absorbed in the glorious drama that is Russia." Was she so appointed because the Administration was unaware of her love of Russia and her hatred of the American plan, or was she so appointed because the Administration approves her point of view? If the Administration appointed her without knowing her point of view, it reveals an unbelievable irresponsibility. If the Administration appointed her as a mark of approval and a sanction on her absorption in the "glorious drama that is Russia", it should now explain to the taxpayers of this country the use of relief money intended to feed the hungry for such alien

Mr. President, I do not address these inquiries to Administrator Hopkins of the Works Progress Administration, because he has not elected to answer past inquiries which I have directed to him. Perhaps, however, Mr. Hopkins may be willing to address a letter to the Vice President of the United States, the Presiding Officer of this honorable body of American citizens, explaining the reasons for the appointment of Mrs. Flanagan.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to President Roosevelt March 19, 1936, by Mr. Norman L. Marks, counsel of the Federal Theatre Veterans' League, describing the use of the Federal theater project of the Works Progress Administration for the dissemination of communistic propaganda, to-

gether with a letter addressed to Senators by Mr. E. J. Blunkall bearing on the same subject.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NEW YORK, March 19, 1936.

Hon. Franklin Delano Roosevelt.

President of the United States,

White House, Washington, D. C.

My Dear Mr. President: This letter is being written to you on behalf of the Federal Theatre Veterans League, of which I am counsel, and which is composed of honorably discharged ex-service men who are now employed by the Works Progress Administration in various theater projects.

men who are now employed by the Works Progress Administration in various theater projects.

We are all men who have not only served our country in time of war but who are endeavoring to serve this country in time of peace.

We believe that the theory of the W. P. A. in establishing theatre projects is worthy and can do a great deal not only to assist destitute actors but also to advance the theater in this country.

May I specifically point out that the Federal Theater Veterans League does not seek to give the veterans any preference in any project. It is formed merely to assist the W. P. A. in its work and to give the people employed in the various projects a true sense of

roject. It is formed merely to assist the W. P. A. in its work and to give the people employed in the various projects a true sense of Americanism. The league was only formed after we saw the tremendous amount of communistic activity in the various projects. We enclose herewith a list of charges which we specifically refer to you for action. We are ready to prove every statement contained in the charges. We are ready to give you any affidavits or other proof you may want. We ask that a hearing be had that we may produce witnesses to prove every statement.

A general statement of the charges has heretofore been forwarded to Mr. Harry Hopkins, who is Administrator of the Works Progress Administration, but to date we have not receive any reply, and for that reason we are forwarding this matter to your attention, for we believe that the situation is more serious than most people realize.

Your kind and urgent consideration of this matter will be deeply appreciated. An acknowledgment of this communication will likewise be appreciated.

Very sincerely yours,

NORMAN L. MARKS, Counsel.

The Federal Theatre Veterans' League does hereby request a The Federal Theatre Veterans' League does hereby request a complete and thorough investigation of the Federal theater project of the Works Progress Administration, and specifically requests the removal of Mrs. Hallie Flanagan as national director of the Federal theater project, and her associates, for the following reasons:

I. The Federal theater project is primarily used for the dissemination of communistic propaganda

In order to substantiate the fact that the Federal theater project is used for communistic propaganda, the following facts are submitted:

mitted:

(a) The selection of plays is designed to teach the American public communistic activities. The play Triple A. Plowed Under contains a scene in which the secretary of the Communist Party condemns the judiciary of the United States Government. Characters, as George Washington and Andrew Jackson, were removed from the play in order to give a prominent part to the secretary of the Communist Party. The conclusion of the play is the establishment of a political party in accordance with the wish expressed by the secretary of the Communist Party in a radio broadcast a short time ago.

In the play Class of '29 the cast is required to sing the "red".

In the play Class of '29, the cast is required to sing the "red" marching song and is required to carry a red banner. The play itself is pure communistic propaganda.

The play Savva advocates the destruction of religion in accordance with the general idea of Soviet Russia and active Com-

The play Dance of Death openly condemns Jews. It actually contains the following lines:

"There's a dirty Jew,
You know what to do."

The cast thereupon demand his destruction and chase him out of the theater through the audience. In the play there is a demand that the ownership of property be destroyed and that a revolution be had.

In the play Ethiopia there was actually preached the violation of our antineutrality principles of government and the violation of the generally recognized theatrical international understanding that no living ruler of another nation be depicted as a character

(b) Communistic literature is distributed and taught. Mrs. Hallie Flanagan, who is the national director of the Federal theater project, has definitely stated that she is not interested in American theater or methods, but is interested only in the Russian stylized performances

In the publicity department of the project there is actually distributed communistic literature instead of publicity for the projects themselves. The literature may be found on the desks of

the publicity department at any time.

On the bulletin boards of the project are various forms of communistic literature. In the past Russian posters lined the

Communist meetings are held during business hours. Such meetings were held at the Jewish East Side Center and 117 West Forty-sixth Street, Manhattan, New York., besides at various other

places, including the Central Plaza in New York. One of the Forty-sixth Street meetings was called as a supervisors' conference. Only those supervisors who were believed to be Communists or radicals were invited to the meeting. It was addressed by the organizer of the communistic movement and his delegates. The

organizer of the communistic movement and his delegates. The meeting was held in a Government-leased building on time that should have been devoted to Government activities.

Key positions are held by people of communistic leaning. The director in New York is Mr. Philip Barber, who meets weekly with representatives of the radical organization, but refuses to meet with destitute actors who have American leaning. Mr. Barber has delayed the signing of requistions for days, but has always had time to care for the Communists. Mr. Barber has seen fit to permit the posting of various bulletins, tending to cause dissatisfaction in the project, and editorials of the Daily Worker, a communistic paper, but has never seen fit to permit the posting of any pro-American bulletins or papers.

paper, but has never seen fit to permit the posting of any proAmerican bulletins or papers.

Mr. Stephen Karnot has been in direct charge of the plays
Dance of Death and Savva. He started about 15 plays since
November, but only one has been produced.

Miss Helen Arthur, supervisor of the Manhattan Theater, has
invited the cast to a tea in the lobby of the theater for the purpose of studying the Russian and Soviet theater and the theory
of government back of them.

Mr. Irving Mendell, a candy maker by profession, is in charge of
the transfer bureau of the project, while his wife, known as Ann
Fischer, is secretary to Mr. Karnot. In the first place, it is contrary to regulations for both man and wife to be employed by
W. P. A. In the second place, they are both avowed Communists
and admit that they are Communists and teach communism in
their home. An investigation was made, and they admitted to
everyone that they were Communists. It may be interesting to
note that after the investigation, in which they admitted that they
were Communists, they were both promoted.

Axel Plenn, director of the project in the Children's Theater,
sanctioned communistic meetings during rehearsal and rehearsal
periods.

periods

Mr. Alfred Kreymbourg permitted an outside Communist to address the cast at the rehearsal held in Christ Church, West Thirtydress the cast at the rehearsal held in Christ Church, West Thirty-sixth Street, New York, and attempted to requisition Communists who were not on relief to join the cast. He has specifically refused to permit on any bulletin board any literature which would advocate the theories of American Government and charged any dissension to the formation of an Americanization plan. It may be interesting to note that at the Communist meeting permitted by Mr. Kreymbourg most of the cast walked out. When the members of the cast refused to listen to his communistic theories, Mr. Kreymbourg stated: "Don't be afraid. We will not hurt your lovely Government."

Thomas Stone, supervisor in the experimental theater, has preached communism not only in the office but has even attempted to preach those theories to former members of the Three Hundred and Seventh Infantry, Seventy-seventh Division. During business hours he has solicited membership for the Communist organization and has actually taken a new applicant to a meeting.

II. Incompetency rules the project

Most of the employees are persons who were not previously engaged in the theater. The purpose of the project was primarily to give relief to people who were engaged professionally in theatrical work. In that connection it has falled its purpose, as nonprofessionals, not in need of work, are holding those positions which should be held by those of the profession who are now walking the streets suffering the pangs of hunger.

At the present time most shows are in rehearsals for 9 and 10 At the present time most shows are in rehearsals for 9 and 10 weeks and are never produced. When the project was first started, in January 1934, with professional men, casts were formed within a few days and productions ready after 10 days to 2 weeks of rehearsal. Eleven shows were actually produced and played to a weekly average of 22,000 people. Today in the city of New York there are 11 shows playing, 8 of which are part of the original drama unit, and only 3 have been produced since last November under Mrs. Flanagan's regime.

The purchase of materials is a disgrace. Money is simply thrown away. If, for example, lighting equipment is needed for a show

The purchase of materials is a disgrace. Money is simply thrown away. If, for example, lighting equipment is needed for a show, it is purchased, even though the equipment needed may be lying idle in another show.

The publicity department gives no publicity. For example, a circus was opened in the Jamaica arena without any publicity. Box-office receipts were approximately \$15. "Throw-aways" were printed but never distributed. There was not a line in any newspaper. The same condition exists on all theatrical projects. The publicity department is too busy disseminating communistic propaganda to give publicity to show.

III

It is therefore respectfully submitted:

(a) That the Federal theater project be thoroughly investigated.

(b) That Mrs. Flanagan be dismissed as national director.

(c) That Mr. Barber be removed as director of the city of New

(d) That all Communists be removed from the theater project and transferred to projects where they cannot successfully advocate the destruction of our Government.

(e) That the theater project be placed in the hands of persons who are experienced in the theater.

(f) That only people of the theater be employed in theatrical

(g) That the theater project be used to produce art, education, and drama, and not to disseminate communistic propaganda. Respectfully submitted.

FEDERAL THEATRE VETERANS LEAGUE, By Adolph Pinkus, President.

APRIL 14, 1936.

SENATE OF THE UNITED STATES.

Washington, D. C .:

Things have come to such a pass in the W. P. A. here in New York City that I think you should know about it.

Knowing that you are a friend of the theater and its people, I am appealing to you for help.

A time has now come when you may be able to help these people who are in dire need of help from their friends.

As you are aware, several million dollars were set aside and earmarked for professional actors. Three million dollars of that money was set aside for the actors of New York City.

But what has happened? In the first place, a woman who knows nothing of the professional theater or professional actors was put at the head of the W. P. A. drama project of the entire United States. That was the first blow. This woman, in turn, placed amateurs at the head of each of the 12 regional gones or placed amateurs at the head of each of the 12 regional zones or districts in the United States.

People not of the theater are in every key position in the New York City W. P. A. drama project. With the result that many hundreds of people not of the theater in any way are being paid each week out of the money that rightfully belongs to the actors.

At the same time, hundreds of well-known fine actors are walking the streets of New York City, some of them hungry, and they cannot get work on the Federal dramatic project because it is crammed full of people that have no right there.

Mr. Hopkins and his lieutenant, Jacob Baker, have ruled that in order to be eligible for this work the applicant must have

been on Government relief after August 1 and before November 1, 1935.

Actors are a rather proud class and can split 50 cents in more different ways than any class of people on earth. Very few actors have even been on relief at any time. So new, instead of being rewarded for not taking relief from the Government, they are penalized and not allowed to work and earn this money that was especially set aside for them.

There is an allowance or quota of 10 percent of nonrelief allowed, but that 10 percent has been almost entirely gobbled up by people not of the theater.

allowed, but that 10 percent has been almost entirely gobbied up by people not of the theater.

For example, there is a man named Stephen Karnot, who was never in a professional theater in his life, unless he bought a seat. This young man is in charge of all the directors, which means that this amateur tells the professional directors—the directors, mind you—what to do. And the majority of these directors have spent the most of their lives as professional directors.

A woman named Louise Chapin is at the head of the entire personnel of New York City and she has never been connected with the professional theater in any way.

This kind of people hold all the key positions, which by the way pay pretty good salaries.

There is one man in the office of the W. P. A. here in New York City on the dramatic project at 701 Eighth Avenue, not of the theater, who is doing good work. His name is Maj. William Ball. He served on the staff of Gen. John J. Pershing during the World War.

And what have these people at the head of the W. P. A. drama project accomplished? Some twenty-odd companies have been rehearsing plays for over 5 months in New York City. Exactly four of those have opened, one of which is a Negro company in Harlem.

Harlem.

There are a dozen cases where after rehearing a play for from 10 to 14 weeks they have come to the brilliant conclusion that the play would not do.

play would not do.

I suggest the fellowing:
First. Put people of the professional theater in the fellowing positions at once: Heads of the W. P. A. drama project of the entire United States, the dramatic personnel department of New York City, the directors of the W. P. A. of New York City, and put professional play reader or prefessional actors or managers to select the plays and see to it that they are 100 percent Americans, instead of aliens and Communists.

Second. Demand that Hopkins and Baker do away with the rule that actors must have been on home relief in order to be eligible for these jobs.

that actors must have been on nome lener in order to be for these jobs.

If the above is done you will see the W.P. A. drama project take on new life, and within 1 week from the time this is accomplished you will see plays opening all over New York City.

In closing I wish to say that I am not working on any Government project. I am not now nor have I been at any time on any kind of relicf. I am not seeking any of these jobs, but I would like to see my fellow actors get what is rightfully theirs. I would like to see a stop put to their robbery by leeches and people who have absolutely no right to this money or this work.

I have seen in the papers that there is to be a congressional

I have seen in the papers that there is to be a congressional investigation of the W. P. A. Good! Don't overlook the drama project of the W. P. A. in New York City. But please do not wait until the investigation is over to make the changes I have

suggested.

If the investigation committee would like to call me as a witness I am at their command.

Hoping that you gentlemen in Washington will be able to help the actor help himself, and assist him in getting what is justly his from a generous Government.

I am sincerely yours,

E. J. BLUNKALL.

MISSISSIPPI RIVER FLOOD CONTROL

The Senate resumed the consideration of the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. McNARY. Mr. President, I assumed early in the afternoon that probably no vote would be taken until tomorrow, and so expressed my view to certain Senators who are now absent. In that regard, I feel responsible and, therefore, should like to have final action on the unfinished business go over until tomorrow. I spoke to the Senator from Kentucky [Mr. BARKLEY], in the absence of the Senator from Arkansas [Mr. Robinson], expressing my hope that the Senate might take a recess at this time. There will be only a short debate tomorrow. I know of only one Senator on this side of the Chamber who will occupy any time-the Senator from Michigan [Mr. Vandenberg], who desires to discuss the measure very briefly. I feel certain we can dispose of the unfinished business prior to 1 o'clock tomorrow

Mr. ROBINSON. Mr. President, I had not heard of any suggestion for further delay. The bill has been the unfinished business before the Senate for a long time, and has been temporarily laid aside several times to consider other matters. It was taken up Friday and discussed, and has been discussed again today. I am wondering if we cannot dispose of it today. The author of the bill has told me he would like to go forward and secure final action today.

Mr. McNARY. I am not implicating anyone but myself. I assume my responsibilities and can always carry them alone. To certain Members on this side of the Chamber who are now absent I expressed my belief that there would be no vote this afternoon, but we would have a field day for politics.

If my request is not acceded to, of course, I shall have to suggest the absence of a quorum and do the best I can to bring back those whom I told might leave.

Mr. ROBINSON. Mr. President, the Senator from Oregon is always fair in his attitude here; and I do not like to take a position contrary to his wishes, especially when there is no emergency.

Mr. McNARY. I am willing to cooperate in the morning in order that a vote may be had at as early an hour as is consistent with a full discussion of the bill.

Mr. ROBINSON. May we have an agreement to vote at a fixed time? That, however, would require a quorum.

Mr. McNARY. A quorum would be required unless we should have merely a limitation on debate; but I do not think either is needed. I think the Senator may trust to my imagination and prophecy that we shall have a very early vote tomorrow.

Mr. ROBINSON. My information is that the only Senator who intends to speak on the unfinished business does not expect to deliver a long address and is ready to go on at this time.

Mr. McNARY. I think that is true. I mentioned a few moments ago the name of the Senator from Michigan [Mr. VANDENBERG]; but that does not meet the situation which now confronts me. Many times, as the Senator knows, we must express to our colleagues our best judgment on what the procedure will be during the day; and at 3 o'clock today it was my judgment that we should not reach this bill later in the afternoon. I am asking something that is not unusual.

Mr. ROBINSON. Well, Mr. President, with the approval of the Senator from Louisiana [Mr. Overton], to whom I have spoken, I shall not insist on a vote this afternoon; and the Senator from Michigan may proceed now or wait until the morning.

Mr. VANDENBERG. I prefer to go on in the morning.

EXPENSES OF COMMITTEES OF HOUSE OF REPRESENTATIVES

Mr. McKELLAR. Mr. President, from the Committee on Appropriations I report back favorably, without amendment, House Joint Resolution 567, and ask unanimous consent for its present consideration.

I have shown the joint resolution to the Senator from Oregon [Mr. McNary]. It is merely to appropriate \$75,000 for the purpose of enabling the House of Representatives to carry on its investigations through committees.

Mr. McNARY. Mr. President, I understand that the passage of the joint resolution is needed in order to enable the House of Representatives to carry on the investigations being conducted by its special and select committees. In view of the statement of the Senator from Tennessee, and out of courtesy to the House, I have no objection to the immediate consideration of the joint resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Tennessee?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 567) to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936, which was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That for expenses of special and select committees authorized by the House of Representatives, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$75,000 for the fiscal year 1936: Provided, That no person shall be employed under this appropriation at a rate of compensation in excess of \$3,600 per annum.

Mr. BLACK subsequently said: Mr. President, a few moments ago, when I was out of the Chamber, at the request of the Senator from Tennessee [Mr. McKellar] a House joint resolution was considered by unanimous consent and passed. I ask the Senator from Tennessee if he will not ask unanimous consent that the vote by which the joint resolution was passed be reconsidered and that it go over until tomorrow?

Mr. McKELLAR. Mr. President, does the Senator understand that this is merely a matter of furnishing money to the House of Representatives?

Mr. BLACK. I understand that fully.

Mr. McKELLAR. I do not object. Of course, the Senator could make a motion to reconsider, but I will not put him to that trouble. Therefore the vote may be reconsidered and the joint resolution may be placed on the calendar.

The VICE PRESIDENT. The Senator from Tennessee asks unanimous consent that the vote by which the joint resolution was agreed to this afternoon be reconsidered and that the joint resolution be placed on the calendar. Is there

Mr. McNARY. Mr. President, I do not quite understand the status of the proposal. Will it lead to any action this

Mr. McKELLAR. No; it will not lead to any action at all. It will just put it over until tomorrow. The Senator from Alabama [Mr. Black] was about to make a motion to reconsider the vote, and, of course, he would have a right to make such a motion. I agreed that the vote might be reconsidered and that the matter might go over until to-

The VICE PRESIDENT. Is there objection to the request of the Senator from Tennessee that the vote by which the joint resolution was passed be reconsidered and that the joint resolution be placed on the calendar? The Chair hears none, and it is so ordered.

STATE TOBACCO-CONTROL COMPACTS

Mr. BARKLEY. Mr. President, there is on the Vice President's desk a bill which has passed the House, similar to a bill which has been reported from the Committee on Agriculture and Forestry and is now on the Senate calendar, known as the tobacco-compact bill. The Members of the Senate from the tobacco-producing States, particularly the two Senators from North Carolina [Mr. REYNOLDS and Mr. BAILEY] are very much interested in securing action on the bill as soon as possible, because the planting season is now

in progress, and the bill simply permits the States in which | tobacco is grown to enter into compacts for the control of production, and so forth. If the bill may be brought up without in any way interfering with the other program, it is a very important matter, and ought to be disposed of at an early moment.

Mr. McNARY. Mr. President, this matter was brought to my attention earlier in the day. Upon the disposition of the unfinished business I am willing to cooperate so far as I can in bringing before the Senate for consideration of the tobacco-compact bill; but I should not want it to come before the Senate prior to the disposition of the unfinished business.

Mr. ROBINSON obtained the floor.

Mr. KING. Mr. President, will the Senator from Arkansas vield?

Mr. ROBINSON. I yield.

Mr. KING. About 2 weeks ago the Senate took up for consideration a bill of a good deal of importance, known as the deportation bill. The Senator from North Carolina [Mr. REYNOLDS] obtained the floor, spoke for a long period, and gave notice, as I remember-and if I am in error I know he will correct me-that he intended to speak further at considerable length. The Senator from Arkansas very properly suggested the consideration of the very important bill which is before us, and therefore the deportation bill was temporarily laid aside, as I understood.

Mr. CLARK. No. Mr. President; the flood-control bill was the unfinished business, and was temporarily laid aside

in order to take up the other bill.

Mr. ROBINSON. Yes, Mr. President; the actual parliamentary status is that when the flood-control bill now before the Senate was made the unfinished business, under the impression that the so-called deportation bill would be speedily disposed of, having had that assurance from Senators whom I believed to be in charge of the bill, I myself asked that the unfinished business be temporarily laid aside, and that the Senate proceed with the consideration of the so-called deportation bill. We proceeded for a couple of days, and no action was taken. From time to time other measures intervened; and then it was that I demanded the regular order, which was to proceed with the flood-control bill.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. ROBINSON. Yes.

Mr. CLARK. The deportation bill has never been the unfinished business of the Senate.

Mr. ROBINSON. No: it has not.

Mr. CLARK. And it will not become the unfinished business when the present unfinished business shall have been

disposed of.

Mr. ROBINSON. No; a motion would necessarily have to be made to proceed to its consideration if objection were made to taking it up. There was no objection to laying aside the unfinished business; and I will say that when the unfinished business was laid aside I had the assurance that no great amount of time would be required to dispose of the deportation bill. I found that that assurance was mislead-

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. McKELLAR. I simply wish to state that the appropriation bill for the Departments of State, Justice, Commerce, and Labor is ready for consideration, and I do not think it will take a great deal of time. I hope to have it taken up some time tomorrow.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ROBINSON. Yes. Mr. BARKLEY. The thought which had occurred to me-and it was that which I had in mind when I spoke to the Senator from Oregon during the absence of the Senator from Arkansas-was that if the flood-control bill should go over until tomorrow, the tobacco-compact bill having passed the House in practically the same language as the Senate bill which is now on the calendar, we might dispose of both of them by sandwiching the House bill in here this after-

noon. The planting season is now on in the tobaccogrowing States; and if the bill to allow the States to enter into a compact is to be of any benefit, since some of them will have to call their legislatures together in order to do it, the bill ought to be passed without delay. It was in that hope that I suggested that we might pass the bill this afternoon, unless there is more controversy over it than I think there will be.

Mr. ROBINSON. I should not object to that course, but I am informed that other Senators do object to it; so I see nothing to do but to proceed tomorrow with the unfinished business. I shall not ask to lay it aside until it is disposed of, because I think its sponsors, including the Senator from Louisiana [Mr. Overton], have been very liberal in allowing other business to intervene.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. ROBINSON. Yes. Mr. REYNOLDS. I should like to inquire of the Chair whether or not a motion would be in order at this time to proceed immediately to the consideration of the tobaccocompact bill mentioned by the Senator from Kentucky?

Mr. ROBINSON. Mr. President, I should not yield for a motion of that nature, for the reason that it would displace the unifinished business and render it necessary to make another motion to proceed to the consideration of the unfinished business.

I think, in all fairness, the unfinished business is entitled to a final disposition. It has been before the Senate for 2 weeks.

Mr. BAILEY. That is the flood-control bill?

Mr. ROBINSON. Yes. It has been before the Senate for 2 weeks; and, as I said before, the sponsors of the bill have been very generous in laying it aside to consider anything that was brought forward. Now the time has come when I feel that the Senate should act on the measure.

Mr. BAILEY. Mr. President-

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from North Carolina?

Mr. ROBINSON. Certainly.

Mr. BAILEY. The tobacco compact is a local matter, but is of very great importance to the farmers producing bright tobacco. At this juncture every moment counts. We have waited here day after day hoping for an opportunity to present the bill to the Senate. We do not think there can be serious opposition to it. It is a consent bill. It is wholly permissive. It is contingent upon approval by the States involved; and the permission may be withdrawn at the end of the year or at any time.

In view of those facts, and of the very pressing character of the situation, thousands of farmers not knowing what to do, may I not ask Senators who are inclined to hold back to give way and let us have the consent here and now to put this bill on its passage? I cannot see how anyone would be injured by having the bill enacted. On the other hand, if we delay, I can see how hundreds of thousands of farmers will be irreparably injured. So I beg Senators, if there be Senators who are opposed to the bill, just to let us pass it this afternoon. There will be 8,000 farmers meeting in the capital of North Carolina tomorrow, in great confusion, and with great determination, as well.

Mr. KING. Mr. President, if the Senator is appealing to me, I can only say that I would not consent to the consideration this afternoon of a bill of such importance as this.

Mr. BAILEY. If that be true, I desire to make a parliamentary inquiry.

Mr. KING. If I may use the words of my friend to the effect that a certain bill could easily be passed, referring to the deportation bill which was before the Senate for some time, and on which the Senator from North Carolina occupied some little time-

Mr. BAILEY. Not myself. Mr. KING. No; the junior Senator from North Carolina [Mr. Reynolds] occupied some little time, approximately a day and a half or 2 days, and it had been stated that we could take that bill up and pass it very quickly. As I understand, the bill referred to by the senior Senator from North

Carolina—and I never heard of it until a few moments ago—involves, as I conceive, a rather remarkable proposition. It makes for monopoly, or possibly provides for monopoly, in the manufacture and sale of tobacco.

Mr. BAILEY. Mr. President, let me correct the Senator. Will the Senator yield?

Mr. KING. Let me complete my sentence. I have not read the bill and never heard of it until a few moments ago; but, as I understand, under its terms, States could permit those growers within their borders to enter into agreements to restrict the production of tobacco. If I am in error, I should be glad to be corrected.

Mr. BAILEY. What the Senator says is true as to what may happen within the States. There is nothing of monopoly, however. The Bright tobacco States are allowed to go into compacts. Any other State is allowed to come in and any other State is allowed to stay out. There is nothing of monopoly, and it does not remotely relate to manufacture.

Mr. BARKLEY. Mr. President, it is a step made necessary by the decision of the court that the States may not enter into such compacts without the consent of Congress, but, under the Constitution, with such consent, the States where tobacco is grown may enter into the compacts.

Mr. KING. Mr. President, there are some constitutional questions involved, and I would not give consent to the bill being taken up today.

Mr. HARRISON. Mr. President, did the Senator from North Carolina say that this bill had passed the House and had been reported by a committee of the Senate?

Mr. BAILEY. Yes.

Mr. HARRISON. And a similar bill has already passed the Senate?

Mr. BAILEY. No; a similar bill is on the calendar of the Senate.

Mr. HARRISON. So that the bill which was reported by the committee of the Senate is practically the same bill that has passed the House of Representatives?

Mr. BAILEY. That is true.

Mr. ROBINSON. Mr. President, resuming the floor, it is apparent that the so-called tobacco-compact bill cannot be proceeded with this evening, and that it may be proceeded with following the final disposition of the unfinished business.

Mr. BAILEY. That is, following the Mississippi flood-control bill?

Mr. ROBINSON. Yes.

Mr. BAILEY. I ask whether a motion would be in order to make the tobacco-compact bill, House bill 12037, a special order following the disposition of the Mississippi River flood-control bill.

The VICE PRESIDENT. It can be made a special order by a two-thirds vote.

Mr. BAILEY. Or by unanimous consent?

The VICE PRESIDENT. Or by unanimous consent.

Mr. ROBINSON. Mr. President, I suggest to the Senator from North Carolina that his end can be better attained by moving to proceed to the consideration of the tobacco-compact bill after the unfinished business shall have been acted upon. A majority vote would carry that question, whereas a two-thirds vote would be required to make it a special order. It seems very simple to me. The situation may be resolved, if it is the will of the Senate so to resolve it, by proceeding with the tobacco-compact bill after the bill now before the Senate shall have been passed upon. I have assurances from Senators who have spoken on the matter that a very short time will be required tomorrow to finish the consideration of the pending business.

Mr. BAILEY. Then I shall make the motion at the

Mr. McKellar. Mr. President, the Senator from Arkansas spoke of proceeding with the appropriation bill this afternoon. I am perfectly willing to go on with it. I think we could easily pass it today.

Mr. McNARY. Mr. President, I thought the Senator said that he would have the bill taken up tomorrow. I should not like to have it taken up tonight.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

STATE DIRECTORS-PUBLIC WORKS ADMINISTRATION

The legislative clerk proceeded to read sundry nominations of State directors under the Public Works Administration.

Mr. McKELLAR. I ask unanimous consent that the nominations of State directors under the Public Works Administration be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask that the Army nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc. That completes the calendar.

RECESS

The Senate resumed legislative business.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 40 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 21, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 20 (legislative day of Feb. 24), 1936

PUBLIC WORKS ADMINISTRATION

John L. M. Irby, of South Carolina, to be State director of the Public Works Administration in South Carolina.

Appointment in the National Guard of the United States
GENERAL OFFICERS

To be brigadier general, National Guard of the United States
Brig. Gen. Ewell Lewis Head, Oklahoma National Guard,
Brig. Gen. Raymond Albert Yenter, Iowa National Guard.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 20 (legislative day of Feb. 24), 1936

PUBLIC WORKS ADMINISTRATION

P. Francis Hopkins to be State director of the Public Works Administration in Iowa.

Robert A. Radford to be State director of the Public Works Administration in Minnesota.

John Hirst Caton, 3d, to be State director of the Public Works Administration in Rhode Island.

James A. Anderson to be State director of the Public Works Administration in Virginia.

Malcolm L. O'Neale to be State director of the Public Works Administration in West Virginia.

APPOINTMENTS IN THE REGULAR ARMY

Walter Tederoff Carll to be first lieutenant, Veterinary

Donald Clifford Kelley to be first lieutenant, Veterinary

Frank Hiram Van Wagoner to be first lieutenant, Medical Corps.

APOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Maj. Theodore Porter Heap to Quartermaster Corps. Maj. William Henry Kasten to Finance Department. Capt. Bradford W. Kunz to Quartermaster Corps. First Lt. Joseph Franklin Trent to Field Artillery. First Lt. John Raymond Gilchrist to Finance Department. Second Lt. Jerome Edward Blair, 2d, to Air Corps. Second Lt. Paul Burlingame, Jr., to Air Corps. Second Lt. Stanley Joseph Donovan to Air Corps. Second Lt. Edward Flanick to Air Corps. Second Lt. Robert Emmett Gallagher to Coast Artillery Corps.

PROMOTIONS IN THE REGULAR ARMY

Barton Kyle Yount to be colonel, Air Corps. Denham Bohart Crafton to be colonel, Infantry. William Carroll Christy to be colonel, Cavalry. John Logan Jenkins to be colonel, Infantry. Charles Henry White to be colonel, Infantry. Stanley Livingston James to be colonel, Signal Corps. Abbott Boone to be colonel, Field Artillery. John Scott Smylie to be lieutenant colonel, Coast Artillery

Corps. Lehman Wellington Miller to be lieutenant colonel, Corps

of Engineers. Douglas Lafayette Weart to be lieutenant colonel, Corps of Engineers.

Earl Ewart Gesler to be lieutenant colonel, Corps of

John French Conklin to be lieutenant colonel, Corps of

William Frazer Tompkins to be lieutenant colonel, Corps of Engineers.

Douglas Hamilton Gillette to be lieutenant colonel, Corps

Paul Alfred Hodgson to be lieutenant colonel, Corps of Engineers.

Donald Angus Davison to be lieutenant colonel, Corps of

Henry Spiese Aurand to be lieutenant colonel, Ordnance

Milton Omar Beebe to be chaplain with the rank of lieutenant colonel.

William Henry Johnson to be major, Infantry. Donald Van Niman Bonnett to be major, Infantry. Roland Capel Bower to be major, Quartermaster Corps. George Warren Cooke to be major, Finance Department. Shiras Alexander Blair to be major, Air Corps.

Franklin Denwood Shawn to be major, Quartermaster Corps.

Charles Stalsburg to be major, Quartermaster Corps. Henry John Hunker to be major, Quartermaster Corps. Frederick Eugene Hagen to be major, Quartermaster Corps.

Murdock Allen McFadden to be major, Quartermaster Corps.

Clifford Michael Ollivetti to be major. Judge Advocate General's Department.

John Wesley Orcutt to be major, Ordnance Department. Vance Whiting Batchelor to be major, Cavalry. Norman Paul Williams to be major, Infantry. Robert Grant Cousley to be major, Infantry.

Otis Blaine Schreuder to be major, Medical Corps. James Harvey Pence to be major, Dental Corps.

PROMOTION IN THE PHILIPPINE SCOUTS James Donison Carter to be major, Philippine Scouts. APPOINTMENT IN THE NATIONAL GUARD OF THE UNITED STATES Newell Castle Bolton to be brigadier general, National Guard of the United States.

POSTMASTERS

ALASKA

Charles A. Sheldon, Seward.

CALIFORNIA

Winfred E. Robb, Arlington. Samuel E. Burum, Dinuba. Clyde Burgett, El Segundo. Sidney C. Moon, Hemet. Irene F. Tallis, Hilts. Linnie Jouett, Hobart Mills. Eugene Francis O'Donnell, Hollister. Paul Vernon Howell, Needles. Clara Belle Daly, Montrose. Jasper L. Moss, Morgan Hill. Hugh L. Appling, Oakdale. Gertrude Ford, Pacific Palisades. Frederick W. Kickbush, San Bruno. Frank R. Harwood, Santa Ana. Walter S. Young, Spreckels. Morgan J. Kavanagh, Trona. J. Howard Clark, Tulare. Milburn M. Brame, Turlock.

CONNECTICUT

William S. Meany, Greenwich. Evelyn P. Estabrooks, Hampton. Martin J. Donahue, Litchfield. James T. Kelley, New Canaan. James C. Bransfield, Portland. Daniel G. Sullivan, Watertown. J. Edward LaCroix, Yalesville.

DELAWARE

Byron C. Dunn, Camden. Rhubert R. German, Delmar.

Burton H. Rawls, High Springs. Thomas J. Bulford, Hilliard. Maggie B. Hardin, Pass-A-Grille Beach.

GEORGIA

Chessie M. Pelfrey, Roswell. Jett M. Potts, West Point. Walter R. Hall, Young Harris.

Louis D. Fuess, Mount Olive. Harry L. Roberts, Mulberry Grove. Wilbert E. Poos, Trenton. Clarence N. Ginther, West Salem.

KANSAS

Julia G. Christy, Altamont. Lloyd A. Johnson, Belleville. Earl Hoefgen, Burden. Otho E. McMullen, Courtland. Roy E. Wetherall, Cunningham. Clarence H. Johnson, Enterprise. Gay Small, Galva. Jack Butcher, Garnett. Otis Barngrover, Hamilton. Laurence C. Forker, Haven. Otho M. Koontz, Jetmore. Joseph M. Steffen, Neodesha. Chester M. Cook, Ness City. Edwin Fitzgerald Hammond, Osage City. Mason V. Dunlap, Osawatomie. Fred Swisher, Pratt. Jeannette Byrnes, St. Marys.

Harry D. Burke, Severy. Anna L. Hicks, Sharon Springs. Bessie M. Anderson, Tribune. Grover P. Nutt, Waverly. Francis M. Stocker, Yates Center.

MARYLAND

T. Francis Martin, Essex.

MASSACHUSETTS

Richard E. O'Brien, Ballard Vale. Alphonse E. Roberts, Chicopee Falls. John A. Bell, Leicester.

MINNESOTA

Paul B. Sanderson, Baudette. Alvin A. Ogren, New London. Esther Bacon, Pillager. Alfred Gronner, Underwood. Robert L. Bard, Wheaton.

MISSISSIPPI

Cornelius V. Thurmond, Mound Bayou.

NEBRASKA

Carl K. McCleery, Blue Hill. Ethel Talcott, Crofton. Frank Ainsworth, Exeter. Merwyn C. Johnson, Hyannis.

NEW HAMPSHIRE

Ernest L. Richardson, Conway. Mary L. Doyle, Hillsboro. Charles L. McGinness, Troy.

NEW YORK

Agnes G. Polley, Andes.
Will J. Davy, Bergen.
Perley M. Hall, Carthage.
Joseph T. O'Donnell, Elizabethtown.
Thomas N. Manion, Ferndale.
Sarah B. Keenan, Hague.
Dorothea E. Blum, Hawthorne.
Katherine A. Slattery, Maryknoll.

NORTH CAROLINA

Francis L. Andrews, Jr., Bethel. Ruth F. White, Colerain. Thomas W. Armstrong, Columbia. Basil G. Farmer, Elm City. Benjamin Otto Turnage, Farmville. Samuel Eugene Potts, Highlands. Robert L. Mattocks, Maysville. Howard W. Moody, Murphy. Samuel D. Mauney, Newton. Everett S. Stevens, Smithfield. Kate Reagan, Weaverville.

OHIO

Walter J. Miller, Beach City.
Weston Thomas Dressel, Belpre.
James A. Hart, Beverly.
Louis J. Elsaesser, Canton.
Howard O. Ward, Cumberland.
Elmyra L. Griswold, Macedonia.
John W. Berentz, New Matamoras.
Luella Sommers, Ottawa.
Robert A. Durbin, Stockport.
Charles E. Folsom, Smithville.
Charles Norman Wenzlau, Tippecanoe City.
Charles A. Conry, Wakeman.
George Geer, Wauseon.
Jesse Ralph Short, Winchester.
Edward J. Westerman, Woodsfield.

OREGON

John B. Wade, Bandon.
Lawrence G. Allen, Joseph.
Fred Randolph Peat, Lakeview.
Merrill V. Smith, Lebanon.
Charles F. Cox, Ontario.
Ruth N. Johnson, Sheridan.

PUERTO RICO

Marie O. Reyes, Arecibo. Juan V. Hernandez, San Sebastian.

SOUTH CAROLINA

Robert Emmett Love, Clover. James D. Mackintosh, McClellanville. George K. Dominick, Newberry. John W. Geraty, Yonges Island.

TEXAS

Tom Caudle, Ballinger.
R. Nelson Gray, Bertram.
Patrick S. Hendricks, Midlothian.
Thomas B. Higgins, Reagan.
William J. Davis, Silsbee.
Hattie Waller, Trinity.
Edwin C. Dickschat, Washington.
Chester L. Lewis, Wheeler.

VIRGINIA

Louise J. Taylor, Beaverdam.
Charles Alfred Goodykoontz, East Radford.
John W. Helvey, Emory.
Jesse T. Hylton, Hillsville.
Lloyd C. Pulley, Ivor.
Nannie L. Curtis, Lee Hall.
Thomas N. Carruthers, Purcellville.
Claude Neale, Saluda.

WISCONSIN

Michael P. Becker, Brillion. Henry J. Thoma, Hartford. Karl C. Neubauer, Horicon. William Wright, Kewaunee. Joseph C. Harland, Mukwonago. William Reuschlein, Plain. Louis J. Albrecht, Sheboygan. Allison L. McNeight, Stratford.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 20, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, be with us this day in thought, purpose, and action. Illuminate our minds and cleanse our hearts that Thy will may be magnified in all our labors. Give us plenteously of Thy wisdom and grace that we may reach the highest and the best results and thus add somewhat to the happiness and progress of our country. Widen the sweep of peace, contentment, and cooperation among all our citizens. May our duties be so borne that when the evening time approaches we may recall them with an approving conscience and feel in the recesses of our hearts that the smile of Heaven is upon us. In the name of our Lord and Master. Amen.

The Journal of the proceedings of Friday, April 17, 1936, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had ordered that the Secretary be directed to communicate to the President of the United States and to the House of Representatives the order and judgment of the Senate in the case of Halsted L. Ritter, and transmit a certified copy of same to each, as follows:

I, Edwin A. Halsey, Secretary of the Senate of the United States of America, do hereby certify that the hereto attached document is a true and correct copy of the order and judgment of the Senate, sitting for the trial of the impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida, entered in the said trial on April 17, 1936.

In testimony whereof, I hereunto subscribe my name and affix the seal of the Senate of the United States of America, this the 18th day of April, A. D. 1936.

EDWIN A. HALSEY,
Secretary of the Senate of the United States.

In the Senate of the United States of America, sitting for the trial of the impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida

APRIL 17, 1936.

The Senate having tried Halsted L. Ritter, United States district judge for the southern district of Florida, upon seven several articles of impeachment exhibited against him by the House of Representatives, and two-thirds of the Senators present having found him guilty of charges contained therein: It is therefore Ordered and adjudged, That the said Halsted L. Ritter be, and he is hereby, removed from office.

Attest:

EDWIN A. HALSEY.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 36. Concurrent resolution rescinding the action of the Vice President and the Speaker of the House of Representatives in signing the enrolled bill (H. R. 4387) entitled "An act conferring jurisdiction upon the United States District Court for the Western District of Michigan to hear, determine, and render judgment upon the claim of Barbara Blackstrom" and authorizing the Clerk of the House of Representatives in the reenrollment of said bill to make certain corrections.

The message also announced that the Vice President had appointed Mr. Copeland and Mr. McNary members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments", for the disposition of executive papers in the Department of Commerce.

PRIVILEGE OF THE HOUSE

Mr. BLANTON. Mr. Speaker, I rise to a question of the privilege of the whole House and offer a privileged resolution, which I ask the Clerk to read.

The Clerk read as follows:

House Resolution 490

Whereas during the House proceedings on April 17, 1936, the gentleman from Washington [Mr. ZIONCHECK] attempted to speak out of order and to indulge in personalities, when he was admonished by the Chair, as follows

Mr. ZIONCHECK. Mr. Speaker, I rise to a point of personal privilege.

The SPEAKER. The gentleman cannot do that while another question of privilege is pending.

Mr. ZIONCHECK. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. ZIONCHECK. The point of order is this: I know what the contents are. I have no objection to them.

The SPEAKER. The gentleman is not stating a point of order. The gentleman will please remain quiet while this resolution is being read for the information of the House.

The Clerk read as follows:

The CHAIRMAN. The gentleman must discuss the matter con tained in his amendment. The gentleman from Washington will proceed in order.

And whereas upon a second attempt out of order to discuss per-sonalities, the Chair the second time admonished the gentleman from Washington, as follows:

Mr. ZIONCHECK. A point of order, Mr. Speaker. When did the Speaker recognize the Clerk or the gentleman from Texas to start this resolution going?

The SPEAKER. The gentleman is not stating a point of order. The gentleman will be seated while the resolution is being read.

The Clerk read as follows:

The CHAIRMAN. The gentleman from Washington, under the ruling of the Chair—and the Chair is sure the gentleman understood it—must discuss the subject matter of his amendment, and will proceed in order.

And whereas upon a third attempt out of order to discuss personalities, the Chair, the third time, admonished the gentleman from Washington, as follows:

"The CHAIRMAN. The gentleman must confine himself to the language of his amendment."

language of his amendment."

And whereas the said gentleman from Washington [Mr. Zion-Check], in disobedience of the rulings of the Chair, although thrice admonished by the Chair, and in violation of the rules of the House, made a fourth attempt to speak out of order, and to indulge in personalities, when a point of order was made against it, which was sustained by the Chair, and for the fourth time the Chair admonished the gentleman, as follows:

"The Chairman. The Chair is ready to rule on the point of order, and rules that the point of order is well taken. The gentleman from Washington will confine his remarks to the amendment which he offered, and avoid personalities, and please proceed in

which he offered, and avoid personalities, and please proceed in

Mr. ZIONCHECK. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. ZIONCHECK. The point of order is this: The very matters referred to now are not in the RECORD and it is violating the rules of the House by bringing them into the House and getting them in the RECORD.

The SPEAKER. The Chair cannot determine that. The gentleman from Texas has offered a privileged resolution.

Mr. ZIONCHECK. The RECORD will show that.
The SPEAKER. The gentleman from Texas has offered this privileged resolution, which the Clerk will continue to read.

The Clerk read as follows:

And whereas the gentleman from Washington, upon a fifth attempt to violate the rulings of the Chair and the rules of the House, and to speak out of order, and to indulge in personalities, the Chair, for the fifth time, admonished the gentleman as follows:

"The CHAIRMAN. The Chair reminds the gentleman from Washington again that he must confine his remarks to the amendment which he has offered and that he country indules in personalities.

ington again that he must confine his remarks to the amendment which he has offered and that he cannot indulge in personalities. And the Chair hopes that the gentleman will respect the rules of the House and will not continue to indulge in personalities."

And whereas for the sixth time the said gentleman from Washington attempted to violate the rulings of the Chair and the rules of the House, and to speak out of order, and to indulge in personalities, when a point of order was made against it, which the Chair sustained, and for the sixth time admonished the gentleman [Mr. ZIONCHECK] as follows:

"The CHAIRMAN. The Chair again sustains the point of order made by the gentleman from Texas.

made by the gentleman from Texas.

"Mr. ZIONCHECK. May I be heard on the point or order?

"The Chairman. The Chair has already ruled on the point of

order.

"Mr. Zioncheck. The next time I want to be heard.

"The Charrman. The Chair wishes to say to the gentleman from Washington again that he hopes he will proceed in order.

"Mr. Zioncheck. I will.

"The Chairman. Or else take his seat.

"Mr. Zioncheck. Mr. Chairman, on the next point of order I want to be heard. I am going to explain that this is very pertinent to the amendment that I have offered, but I want to be heard next time. heard next time.

"The CHARMAN. The Chair reminds the gentleman from Washington that it is within the discretion of the Chair as to what the Chair will hear on a point of order.

"Mr. Zioncheck. And may I state to the Chair that when I am properly heard on this there can be no discretion?

am properly heard on this there can be no discretion?

"The Charman. The gentleman will proceed in order.

"Mr. ZIONCHECK. To R. Q. Lee, the deed dated December 10—

"Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman is violating the rules of the House, violating the ruling of the Chair thrice repeated to him, that he cannot discuss outside, personal matters on an amendment to strike out language such as the gentleman made.

"Mr. ZIONCHECK. Mr. Chairman, may I be heard on the point of order? I am serious in this.

of order? I am serious in this.

"Mr. Blanton. The gentleman from Washington was repeating about some deed that was made to R. Q. Lee at a certain date.

"Mr. Zioncheck. Who was R. Q. Lee?

"The Chairman. The Chair rules that the point of order is sustained, and the gentleman from Washington will either proceed

tained, and the gentleman from Washington will either proceed in order or the gentleman from Washington will take his seat."

Which made the eighth successive time it was necessary for the Chair to admonish the gentleman from Washington [Mr. Zioncheck] that the rules of the House prohibited him from indulging in personalities and attacking a colleague in debate; and Whereas thereafter, in violation of the rules of the House and in violation specifically of the rulings of the Chair, and after being admonished eight different times by the Chair, the said gentleman from Washington deliberately placed said forbidden personalities in the Record after the House adjourned, at a wholly irrelevant point in the proceedings occurring just before a journment, to wit, at the point just before the last ruling of the Chair and in the following colloquy:

"Mrs. Norton, Mr. Zioncheck, and Mr. Taber rose. "Mrs. Norton. Mr. Chairman, the committee accepts the amend-

"Mr. Zioncheck. Mr. Chairman, the gentlewoman from New Jersey does not rise in opposition to the amendment.
"The Chairman. The gentlewoman from New Jersey is the chairman of the committee handling the proposed legislation. She is seeking recognition, and the Chair recognizes the gentlewoman from New Jersey for 2 minutes, the time remaining under the rule.

"Mr. ZIONCHECK. Mr. Chairman, a point of order. I will consume that 2 minutes if anybody does.

"Mrs. Norton. Will the gentleman yield the 2 minutes to me?

"Mr. ZIONCHECK. I will yield 1 minute of the time, if necessary.

"The CHAIRMAN. The Chair has recognized the chairman of the committee, the gentlewoman from New Jersey, for the remaining 2 minutes.

"Mr. ZIONCHECK. A point of order, Mr. Chairman.
"The CHAIRMAN. The gentleman will state it.
"Mr. ZIONCHECK. The point of order is this: I think the parliamentary rule is—and if it is not, it should be—that the chairman of the Committee on Rules cannot take the last 5 minutes to make an amendment and then make a speech consuming all the time. I think that is not decent.

"The CHAIRMAN. If the Chair understands the gentleman's point of order, the Chair overrules it. There is 1 minute of time left. "Mr. ZIONCHECK. Mr. Chairman, then I make another point of

The CHAIRMAN. The gentleman will state his point of order,

and make it brief.

"Mr. Zioncheck. I do not want to argue the point. I do not want to offend the lady from New Jersey. [Cries of 'Regular order!'1

"The Chairman. The regular order is the gentleman from Washington has made a point of order.
"Mr. Zioncheck. How much time is remaining? I want to

"Mr. Zioncheck. How much time is remaining? I want to know how many are going to talk.

"The Chairman. That is not a point of order. The time has expired. All time has expired. The question is on the amendment offered by the gentleman from New York.

"Mr. Zioncheck. O Mr. Chairman, that comes too late. All time

"The CHAIRMAN. The Chair overrules that point of order.

"Mr. ZIONCHECK. What objection is there? Why does the Chair overrule the point of order?

"The CHAIRMAN. The Chair will explain. Under the rule the time for debating amendments is limited to 1½ hours. That hour and a half has expired. The bill is now open for as many amendments as may be offered hereafter, but there will be no debate." debate.

debate."

And whereas, just preceding the last ruling of the Chair, and between where the gentleman from Washington [Mr. Zioncheck] said: "Why does the Chair overrule the point of order", and just before where the Chairman said "The Chair will explain", the gentleman from Washington in deliberate violation of the Rules of the House, and deliberately violating the decision of the Chair eight times decided, and after having been eight times admonished by the Chair that he was not allowed to do it, nevertheless placed improper personalities and attack upon a collegue covering part

by the Chair that he was not allowed to do it, nevertheless placed improper personalities and attack upon a colleague covering part of three pages of the Record: Therefore be it

*Resolved, etc., That the said improper remarks of the gentleman from Washington [Mr. ZIONCHECK] beginning with the second to the last paragraph from the bottom of the second column of page 5884, commencing with the words: "Now, Mr. Chairman," and embracing the balance of said second column, and all of page 5885, and the top part of column 1 of page 5886 down to and including the paragraph commencing with the words "I laughed yesterday", be, and the same are hereby, expunged from the Record.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. BLANTON. Mr. Speaker, I shall consume only a few minutes.

Mr. Speaker, this resolution was submitted to the Parliamentarian by me and passed upon as in correct form and the correct procedure.

The RECORD will show that eight times Friday the gentleman from Washington [Mr. ZIONCHECK] was called to order by the Chairman, who ruled that he was out of order in attempting to make personal attacks upon me in his speech. This happened eight different times, and I will read from the RECORD the eight times.

This is the first time:

The CHAIRMAN. The gentleman must discuss the matter con tained in his amendment. The gentleman from Washington will proceed in order.

Then again when he was getting out of the RECORD, and I read:

The Chairman. The gentleman from Washington, under the ruling of the Chair—and the Chair is sure the gentleman understood it—must discuss the subject matter of his amendment and will

Mr. BANKHEAD. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Alabama.

Mr. BANKHEAD. Let us see if we cannot get down to the direct issue involved. Do I understand that the gentleman from Washington has violated the rules in that without permission he has inserted a personal attack upon the gentleman from Texas in the RECORD?

Mr. BLANTON. Yes; and against the rules of the House. His improper matter takes up a whole page and parts of two other pages and at a juncture where there was absolutely no relevancy, and between the rulings of the Chair. It is outrageous matter that has gone into 48 States.

Mr. BANKHEAD. Is the gentleman seeking to expunge these remarks?

Mr. BLANTON. Yes; and I have offered a resolution to that effect, but I wanted to put enough in here to show the membership the reason for this resolution.

Mr. BANKHEAD. I think we all heard the reading of the resolution in which the facts were recited. I am making this suggestion in the matter of expedition.

Mr. BLANTON. If it is admitted that everyone of those quotations in the resolution were actual rulings of the Chair, I will not take up any time.

Mr. BANKHEAD. As I understand it, the gentleman has

copied them from the RECORD.

Mr. BLANTON. Yes. I want to show they were rulings of the Chair. It is incumbent upon me to do that. I will not take any more time than is necessary.

As a third ruling, the Chairman said:

The CHAIRMAN. The gentleman must confine himself to the language of his amendment.

Then, on page 5647, I want you to note the rulings of the Chair:

The Charrman. The Chair is ready to rule on the point of order, and rules that the point of order is well taken. The gentleman from Washington will confine his remarks to the amendment which he offered and avoid personalities, and please proceed in

Then, on the same page 5647, I read the following, the fifth ruling of the Chair:

The CHAIRMAN. The Chair reminds the gentleman from Washington again that he must confine his remarks to the amendment which he has offered and that he cannot indulge in personalities.

The gentleman from Washington said:

That is right, Mr. Chairman.

The Chair continues:

And the Chair hopes that the gentleman will respect the rules of the House and will not continue to indulge in personalities.

Mr. Speaker, that was the fifth ruling of the Chair.

Then again, on the same page, when a point of order was made against the gentleman from Washington indulging in personalities, the Chairman stated:

The Chairman. The Chair again sustains the point of order.

And then Mr. ZIONCHECK stated:

May I be heard on the point of order?
The Chairman. The Chair has already ruled on the point of order.

Mr. ZIONCHECK. The next time I want to be heard.

The Charrman. The Chair wishes to say to the gentleman from Washington again that he hopes he will proceed in order.

Mr. Zioncheck. I will.

The Chairman. Or else take his seat.
Mr. Zioncheck. Mr. Chairman, on the next point of order I want to be heard. I am going to explain that this is very pertinent to the amendment that I have offered, but I want to be heard next time.

The Chairman. The Chair reminds the gentleman from Washington that it is within the discretion of the Chair as to what the Chair

will hear on a point of order.

Mr. ZIONCHECK. And may I state to the Chair that when I am properly heard on this there can be no discretion?

The CHAIRMAN. The gentleman will proceed in order.

Mr. ZIONCHECK. To R. Q. Lee, the deed dated December 10-

Mr. Blanton. Mr. Chairman, I make the point of order that the gentleman is violating the rules of the House, violating the ruling of the Chair thrice repeated to him, that he cannot discuss outside, personal matters on an amendment to strike out language such as the gentleman made.

Mr. Zioncheck. Mr. Chairman, may I be heard on the point of order? I am serious in this.

Mr. Blanton. The gentleman from Washington was repeating about some deed that was made to R. Q. Lee at a certain date.

Mr. ZIONCHECK. Who was R. Q. Lee?

The CHARMAN. The Chair rules that the point of order is sustained and the gentleman from Washington will either proceed in order or the gentleman from Washington will take his seat.

The proceedings of the House went on, debate was concluded, and we were ready to take the bill up for final vote. The following proceedings were had, and I want you to know that after all of those repeated rulings and eight different admonitions from the Chair that he could not indulge in personalities, between the rulings of the Chair and where it had no relevancy whatever, the gentleman from Washington stuck in here a whole page and parts of two other pages of personal attacks on me, wholly against the rules of the House and without any authority of the House, as well as in violation of eight different rulings and admonitions of the Chair that he could not do it.

Now, here is the way it came up, and I will give you the exact connection. I read from page 5650 of the RECORD:

Mrs. Norton, Mr. Zioncheck, and Mr. Taber rose. Mrs. Norton, Mr. Chairman, the committee accepts the amend-

Mr. Zioncheck. Mr. Chairman, the gentlewoman from New Jersey does not rise in opposition to the amendment.

The Charman. The gentlewoman from New Jersey is the chairman of the committee handling the proposed legislation. She is seeking recognition, and the Chair recognizes the gentlewoman from New Jersey for 2 minutes, the time remaining under the rule. I will consume

Mr. Zioncheck. Mr. Chairman, a point of order.

Mr. Zioncheck. Mr. Chairman, a point of order. I will consulte that 2 minutes if anybody does.

Mrs. Norton. Will the gentleman yield the 2 minutes to me?

Mr. Zioncheck. I will yield 1 minute of the time, if necessary.

The Chairman. The Chair has recognized the chairman of the committee, the gentlewoman from New Jersey, for the remaining 2 minutes

2 minutes,
Mr. ZIONCHECK. A point of order, Mr. Chairman.
The CHAIRMAN. The gentleman will state it.
Mr. ZIONCHECK. The point of order is this: I think the parliamentary rule is—and if it is not, it should be—that the chairman of the Committee on Rules cannot take the last 5 minutes to make an amendment and then make a speech consuming all the

time. I think that is not decent.

The Charman. If the Chair understands the gentleman's point of order, the Chair overrules it. There is 1 minute of time left. Mr. ZIONCHECK. Mr. Chairman, then I make another point of order.

You will notice, consuming all the time with points of order that the Chair, in each case, overruled.

The CHAIRMAN. The gentleman will state his point of order, and

make it brief.

Mr. Zioncheck. I do not want to argue the point. I do not want to offend the lady from New Jersey. [Cries of "Regular"

order!"]
The Charrman. The regular order is the gentleman from Washington has made a point of order.

Mr. Zioncheck. How much time is remaining? I want to know

how many are going to talk.

The CHAIRMAN. That is not a point of order. The time has expired. All time has expired. The question is on the amendment offered by the gentleman from New York.

Mr. ZIONCHECK. O, Mr. Chairman, that comes too late. All time

The Chairman. The Chair overtules that point of order. Mr. Zioncheck. What objection is there? Why does the Chair overrule the point of order?

Now, in between that question and the ruling of the Chair, and after the House adjourned, without any authority of the House to put personal matters in here, or to put in attacks, after the House adjourned, between the rulings of the Chair, the gentleman from Washington [Mr. Zioncheck] went out here and stuck in between the rulings of the Chair one whole page and parts of two other pages of personal attacks.

I do not know what we are going to do in situations like this. Everyone who knows anything about the matter knows that these attacks on me were wholly irrelevant, baseless, and unjust, but this Record has gone into 48 States without authority of the House. It is being read in 48 States today, and is a libel and a slander upon me and upon my good name.

I want to mention just one thing, and then I am done, regarding this property which belonged to a member of my family. When that property was sold, I was especially requested by the gentleman who bought it, that it be sold to him. It was sold at a loss of \$4,000 cash, an absolute loss

of \$4,000 cash, and under a written contract, the purchaser was to pay off a trust that was due against it to Rust & Co.

This house was occupied for nearly 2 years, and not a single dollar was paid on that trust to Rust & Co.-not a dollar-and after the owner went home, in order to try to help the family, at the special request of their attorney, who is one of the leading attorneys in west Texas, at his request and in order to prevent a suit bringing them into the Federal court here 2,000 miles away, at a great financial loss to me I arranged for someone to buy that property, at another great loss to me, which was out of my own pocket; and yet I am condemned here in the RECORD against the rules of the House and against eight different rulings of the Chair. This stuff has gone all over the United States.

Mr. Speaker, I do not know that there is any connection between the two, but when there was a bunch of Communists marching on the Capitol the other day, one of them was arrested, and the police authorities took these documents off of one of them and brought them to me because my name is mentioned in one of them. One of these documents says, "Remember, our Washington slogan is to foment trouble, to create dissentions and disorder", and in the last one of them it is said, "Concentrate on BLANTON, of Texas. He is the Communists' worst enemy."

I do not know, otherwise, why this concentrated fight is on me, but it is against me, and I can stand up in front of it if they will fight a square fight and obey the rules.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield? Mr. BLANTON. I yield.

Mr. BANKHEAD. I want to get this question fairly presented, because the gentleman is asking action, as I understand it, on the part of the House.

As I understand, the gentleman from Washington will justify his remarks, whether they are justifiable or not, upon the consent that he obtained, as shown on page 5644 of the RECORD, where he obtained unanimous consent to extend his own remarks.

Mr. BLANTON. Yes. Now, does the majority leader hold that that gives a Member the right to put into the RECORD personal attacks on another Member?

Mr. BANKHEAD. I do not.

Mr. BLANTON. Certainly it does not.

Mr. BANKHEAD. But I want to get the issue clarified.

Mr. BLANTON. Certainly, and that has no relevancy, because this is a personal attack that could not have been made on the floor because the Chairman had ruled it could not be done; and it could not be put in as an extension of remarks, because the rules of the House forbid it.

Mr. ZIONCHECK. Mr. Speaker-

Mr. BLANTON. Mr. Speaker, I do not yield to anyone. The SPEAKER. The gentleman declines to yield.

Mr. ZIONCHECK. Then, Mr. Speaker, a point of order. Mr. BLANTON. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the reso-

The question was taken.

Mr. ZIONCHECK. Mr. Speaker, I want a roll-call vote on this, and I object to the vote. I want the year and nays, or at least a standing vote.

Mr. BLANTON. Mr. Speaker, I make the point of order that the demand comes too late.

The SPEAKER. The Chair does not think so.

The House divided; and there were-ayes 118, noes 0.

Mr. ZIONCHECK. Mr. Speaker, I object to the vote upon the ground that no quorum is present.

The SPEAKER. The Chair will count. [After counting.] One hundred and fifty-five Members are present, not a quorum. The Doorkeeper will close the door, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were-yeas 275, answered "present" 9, not voting 144, as follows:

Rogers, Okla. Russell Sanders, Tex. Sandlin

Schneider, Wis.

Sauthoff

Scrugham

[Roll No. 70] YEAS-275

Larrabee Lea, Calif, Lee, Okla. Lesinski

Lewis, Colo.

Lewis, Md.

McFarlane McGehee McGrath

McGrath McLaughlin McMillan McReynolds McSwain

Martin, Colo. Massingale

Merritt, Conn. Merritt, N. Y.

Michener

Millard Miller Mitchell, Ill. Mitchell, Tenn.

Mott

Murdock Nelson

O'Brien
O'Connell
O'Leary
O'Malley
O'Neal

Owen Patman

Perkins

Peyser Pfeifer

Polk

Pierce Pittenger Plumley

Polk
Powers
Ramspeck
Randolph
Reece
Reed, Ill.
Reed, N. Y.
Reilly

Rich Richards

Richardson

Patterson Pearson

Peterson, Fla. Peterson, Ga.

Nichols

Mahon

Mapes

May Mead Meeks

Maloney

Lord

Lucas Luckey

Ludlow McClellan McCormack

Adair Dondero Andresen Andrews, N. Y. Doughton Doxey Driscoll Arends Ashbrook Ayers Driver Duncan Bacharach Dunn. Pa. Bankhead Eckert Eicher Barry Beiter Ekwall Engel Biermann Evans Binderup Fiesinger Fish Bland Fletcher Blanton Ford, Miss. Frey Fuller Fulmer Boehne Boileau Boland Boykin Boylan Gambrill Gassaway Gearhart Brooks Brown, Ga. Buck Buckler, Minn. Gehrmann Gilchrist Gillette Burch Burdick Gingery Granfield Caldwell Cannon, Mo. Gray, Pa. Green Greever Carlson Carmichael Griswold Carpenter Guyer Carter Haines Halleck Hancock, N. Y. Cartwright Casey Harlan Church Harter Hartley Citron Cochran Coffee Healey Hennings Colden Hess Cole, Md. Cole, N. Y. Higgins, Conn. Hildebrandt Colmer Hill, Ala. Hoffman Connery Cooley Holmes Cooper, Tenn. Costello Hope Houston Huddleston Cravens Creal Cross, Tex. Crosser, Ohio Hull Jacobsen Johnson, Okla. Johnson, Tex. Johnson, W. Va. Crowe Crowther Cullen Cummings Kennedy, Md. Kennedy, N. Y. Curley Daly Darden Kenney Deen Dempsey DeRouen Kerr Kinzer Kloeb Dies Dirksen Kniffin Knutson Disney Ditter Kramer Lambertson Lambeth Dobbins Dockweiler Lanham Chandler McLeod Crawford McLean Main

Robinson, Utah Rogers, Mass. Rogers, N. H. ANSWERED "PRESENT"-9 O'Day Scott

NOT VOTING-144

Allen Corning Crosby Culkin Amlie Andrew, Mass. Bacon Darrow Dear Delaney Barden Beam Berlin Dickstein Blackney Bolton Dietrich Dingell Brennan Dorsey Doutrich Brewster Brown, Mich. Drewry Duffey, Ohio Duffy, N. Y. Dunn, Miss. Buckhanan Buckbee Buckley, N. Y. Bulwham Eagle Eaton Burnham Cannon, Wis. Edmiston Ellenbogen Cary Cavicchia Celler Englebright Faddis Chapman Farley

Focht

Christianson Christianson Cialborne Clark, Idaho Clark, N. C. Collins Cooper, Ohio

Ford, Calif. Gasque Gavagan Gifford Gildea Goldsborough Goodwin Gray, Ind. Greenway Greenwood Gregory Gwynne Hamlin Hancock, N. C. Hart Higgins, Mass. Hill, Knute Hill, Samuel B. Hobbs Hoeppel Hollister Jenkins, Ohio Jones Fenerty Ferguson Kee Keller Kelly Kleberg Fernandez Fitzpatrick Flannagan

Sears Secrest Seger Shanley Short Sirovich Sisson Smith, Conn. Smith, Va. Smith, W. Va. Snell South Spence Stack Starnes Stefan Stewart Sullivan Sutphin Taber Tarver Taylor, S. C. Taylor, Tenn. Terry Thomason Thompson Thurston Tinkham Tolan Tonry Treadway Turner Turpin Umstead Utterback Vinson, Ga. Vinson, Ky. Wadsworth Walter Warren Wearin Weaver Welch West Whelchel Whittington Wilcox Williams Wilson, La. Wilson, Pa. Withrow Wolcott Wolfenden Wolverton Wood Woodruff Woodrum Young Zimmerman Smith, Wash. Zioncheck

Kocialkowski Kopplemann Kvale Lamneck Lehlbach Lemke Lundeen McAndrews McGroarty McKeough Mansfield Marcantonio Marshall Martin, Mass Mason Maverick Monaghan Montague Montet Moran Moritz Norton O'Connor Oliver Palmisano Parsons

Schaefer Pettengill Robertson Robsion, Ky. Schuetz Quinn Rabaut Schulte Romiue Shannon Snyder, Pa. Somers, N. Y. Steagall Ryan Sabath Ramsay Rankin Sadowski Sanders, La. Ransley Rayburn

Sweeney Taylor, Colo. Thomas Wallgren Werner White Wigglesworth

So the resolution was agreed to. The Clerk announced the following pairs: General pairs:

So the Pesolution was agreed to.
The Clerk announced the following pairs:
General pairs:

Mr. Rankin with Mr. Darrow.
Mr. Corning with Mr. Cooper of Ohio.
Mr. Rieberg with Mr. Bacon.
Mr. Rayburn with Mr. Eaton.
Mr. Rayburn with Mr. Eaton.
Mr. Parsons with Mr. Wigglesworth.
Mr. O'Connor with Mr. Ransley.
Mr. Lamneck with Mr. Focht.
Mr. Drewry with Mr. Migglesworth.
Mr. O'Connor with Mr. Ransley.
Mr. Lamneck with Mr. Hellbach.
Mr. Thom with Mr. Thomas.
Mr. Taylor of Colorado with Mr. Rich.
Mr. Thom with Mr. Thomas.
Mr. Taylor of Colorado with Mr. Rich.
Mr. Flanagan with Mr. Mass.
Mr. McAndrews with Mr. Jenkins of Ohio.
Mr. Bobinson of Utah with Mr. Gywnne.
Mr. Steagall with Mr. Buckbee.
Mr. Parks with Mr. Robsion of Kentucky.
Mr. Bulwinkie with Mr. Robsion of Kentucky.
Mr. Bulwinkie with Mr. Robsion of Kentucky.
Mr. Bulwinkie with Mr. Robsion of Kentucky.
Mr. Samuel B. Hill with Mr. Risk.
Mr. Jones with Mr. Mr. Amrew of Massachusetts.
Mr. Pettengill with Mr. Goodwin.
Mr. Sunners of Texas with Mr. Fenerty.
Mr. Montague with Mr. Bolton.
Mrs. Norton with Mr. Culkin.
Mr. Beam with Mr. Blackney.
Mr. Clark of North Carolina with Mr. Englebright.
Mr. Gregory with Mr. Collins.
Mr. Snyder of Pennsylvania with Mr. Kvale.
Mr. Fernandez with Mr. Cavicchia.
Mr. Fagle with Mr. Brennan.
Mr. Patten with Mr. Burnham.
Mr. Oliver with Mr. Mr. Marcantonio.
Mr. Somers of New York with Mr. Lundeen.
Mr. Casque with Mr. Burnham.
Mr. Oliver with Mr. Mr. Barden.
Mr. Celler with Mr. Barden.
Mr. Celler with Mr. Barnham.
Mr. Hyan with Mr. Brennan.
Mr. Patten with Mr. Bernnan.
Mr. Hyan with Mr. Brennan.
Mr. Hyan with Mr. Brennan.
Mr. Hyan with Mr. Hyan.
Mr. Saddewski with Mr. Dear.
Mr. Saddswik with Mr. Brennan.
Mr. Saddswik with Mr. Fersyson.
Mr. Duffey of Ohio with Mr. Schuetz.
Mr. Fersyn with Mr. Burnham.
Mr. Hyan with Mr. Hyan with Mr. Delaney.
Mr. Saddswik with Mr. Sanders of Louisiana.
Mr. Foliver with Mr. Farley.
Mr. Shanon with Mr. Schuetz.
Mr. Foloran wi

The result of the vote was announced as above recorded. On motion of Mr. Blanton, a motion to reconsider the vote by which the resolution was agreed to was laid on the table. The doors were opened.

EXPENSES OF SPECIAL AND SELECT COMMITTEES

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 567, to provide an additional appropriation for expenses of special and select committees of the House of Representatives for the fiscal year 1936.

The SPEAKER. The gentleman from Texas asks unanimous consent for the present consideration of a House joint resolution, which the Clerk will report.

The Clerk read as follows:

House Joint Resolution 567

Resolved, etc., That for expenses of special and select committees authorized by the House of Representatives there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$75,000 for the fiscal year 1936: Provided, That no person shall be employed under this appropriation at a rate of compensation in excess of \$3,600 per annum.

The SPEAKER. Is there objection?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

THE TAX BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that I may have until tomorrow at midnight to file a report upon the tax bill.

The SPEAKER. Is there objection?

Mr. TREADWAY. Mr. Speaker, I reserve the right to object. Does that include also minority views?

Mr. DOUGHTON. Also minority views.

Mr. PATMAN. Mr. Speaker, I reserve the right to object to ask the gentleman a question, and I shall not object. Does the chairman of the Committee on Ways and Means expect to get this bill taken up on Wednesday next?

Mr. DOUGHTON. So far as I know, the committee will be ready to take the bill up on Wednesday, but inasmuch as the bill will not be available to Members of the House until Wednesday, I think it but fair to the House that we should not take the bill up until Thursday, so as to give the Members an opportunity to familiarize themselves with the bill and the report.

Mr. PATMAN. Further reserving the right to object, I want the information because we have another bill, the Robinson-Patman bill, which we hope to get up on Wednesday, if possible, and I wanted to make sure this bill would not interfere with that.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, of course it was the plan and the hope that this bill could be taken up on Wednesday. That has been the expectation for some time.

Mr. DOUGHTON. I appreciate that fact, and the committee has been laboring diligently to that end, but inasmuch as we are unable to make the report available to the House before Wednesday morning we think it but fair to give the Members of the House one day in which to read the report and familiarize themselves with the bill.

The SPEAKER. Is there objection?

Mr. WOODRUFF. Reserving the right to object, Mr. Speaker, I wonder if the chairman of the committee would inform the minority members of the committee when they may be able to have a look at this so-called tax bill?

Mr. DOUGHTON. We hope to be able to accommodate the minority members in that respect early tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. RICH. Reserving the right to object, Mr. Speaker, I should like to ask the gentleman if he can tell us about what this tax bill will yield in taxes?

Mr. DOUGHTON. I will inform the gentleman in the report with respect to that.

Mr. RICH. But if we are going to have only 1 day to consider this bill-

Mr. DOUGHTON. The gentleman does not expect me to take a day to answer him now, does he?

Mr. RICH. But we are going to have only 1 day to consider the bill before it comes on the floor of the House, as I understand it. Is that correct?

Mr. DOUGHTON. That is the present intention.

Mr. RICH. If newspaper reports are correct they state that the bill will yield about \$799,000,000, but I want to call the gentleman's attention to the fact that the increase in appropriations this year over last in the various bills which have been submitted will require over \$800,000,000 when they come back from the Senate. More than the tax bill will yield. Why do you not stop spending?

The regular order was demanded.

The SPEAKER. The regular order is demanded. Is there objection to the request of the gentleman from North Carolina?

Mr. RICH. Mr. Speaker, I object.

The SPEAKER. Under the special order of the House, the gentleman from Oklahoma [Mr. Lee] is recognized.

Mr. AYERS. Will the gentleman yield in order that I may make a unanimous-consent request?

Mr. LEE of Oklahoma. I yield.

SUSPENSION OF ASSESSMENT WORK ON MINING CLAIMS

Mr. AYERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3669) providing for the suspension of annual assessment work on mining claims held by location in the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. SNELL. Reserving the right to object, Mr. Speaker, I should like some explanation of this bill. I do not know how far it goes or what there is to it.

Mr. AYERS. Mr. Speaker, for the information of the minority leader and all other Members, let me explain that this bill suspends the annual assessment work upon unpatented mining claims for the calendar year ending July 1, 1936. It is, word for word and figure for figure, a companion to my bill, H. R. 12190, which was reported unanimously out of the Committee on Mines and Mining of the House. Many of the western Members from mining States are very much interested in this legislation.

The gentleman from Utah [Mr. MURDOCK], a member of the Committee on Mines and Mining, and who engineered my bill through his committee, has agreed with me that the expeditious way of securing early passage of this legislation is to take the Senate bill from the Speaker's table and substitute it for my bill and pass it. Expediency is necessary, because this year's work will have to be completed by July 1; and if it is to be suspended, the claim holders should know of that fact at the earliest possible date.

Mr. Speaker, understand that this legislation is to take care of the small claimant and operator. Many of them are unable to do this year's assessment work, and upon their failure to do it the claims will be relocated by other persons and mining companies, and the general "jumping of claims" will commence in the mining States on noon of July 1, if this bill is not passed.

This legislation limits the number of claims that both an individual and a company can hold without representation work. In all, it is for the prospector and the little fellow.

Mr. SNELL. Have we done this same thing before?

Mr. AYERS. We have.

Mr. SNELL. How many times?

Mr. AYERS. Three times before the senior Senator from Idaho and myself have introduced this same bill suspending annual assessment work for the current year, and each time it has become law.

Mr. SNELL. No one seems to have any objection to it, so I will not object.

Mr. AYERS. I thank the gentleman. And, Mr. Speaker, I trust that my request for immediate consideration may be

The SPEAKER. Is there objection to the request of the gentleman from Montana

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the provision of section 2324 of the Revised Statutes of the United States, which requires on each mining claim located, and until a patent has been issued therefor, not less than \$100 worth of labor to be performed or improvements aggregating such amount to be made each year, be, and the same is hereby, suspended as to all mining claims in the United States during the year beginning at 12 o'clock m. July 1, 1935, and ending at 12 o'clock m. July 1, 1936: Provided, That the provisions of this act shall not apply in the case of any claimant not entitled to act shall not apply in the case of any claimant not entitled to exemption from the payment of a Federal income tax for the taxable year 1935: Provided further, That every claimant of any such mining claim, in order to obtain the benefits of this act, shall file, or cause to be filed, in the office where the location notice or certificate is recorded, on or before 12 o'clock m. July 1, 1936, a notice of his desire to hold said mining claim under this act, which notice shall state that the claimant, or claimants, were entitled to exemption from the payment of a Federal income tax for the taxable year 1935: And provided further, That such suspension of assessment work shall not apply to more than 6 lode-mining claims held by the same person, nor to more than 12 lode-mining claims held by the same partnership, association, or corporation: And provided further, That such suspension of assessment work shall not apply to more than 6 placer-mining claims not to exceed 120 acres (in all) held by the same person, nor to more than 12 placer-mining claims not to exceed 240 acres (in all) held by the same partnership, association, or corporation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

THE TAX BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that when the tax bill is taken up there may be 16 hours general debate on the bill, the time to be equally divided between those favoring the bill and those opposing the bill, the time of those favoring the bill to be controlled by myself and of those opposing the bill to be controlled by the gentleman from Massachusetts [Mr. TREADWAY] and that the debate be confined to the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. O'MALLEY. Mr. Speaker, reserving the right to

Mr. SNELL. Mr. Speaker, reserving the right to object, I should like to ask if the gentleman from North Carolina intends to ask unanimous consent pertaining to the consideration of the bill as it is read under the 5-minute rule? That is, if it is to be read afterward under the 5-minute rule, as usual?

Mr. DOUGHTON. Why, of course.

Mr. SNELL. I have no objection to the first part of the gentleman's request.

Mr. O'MALLEY. Reserving the right to object, Speaker, and I do not propose to object, I should like to ask the distinguished chairman of the Ways and Means Committee, since his request provided that the time be divided between those opposed to the bill and those in favor of it, if those opposed to the bill on the Democratic side will be able to get some time from the majority side of the committee, or will they have to go to the Republican side of the House if they are opposed to the bill?

Mr. DOUGHTON. Well, the time is to be equally divided between those in favor of and those opposed to the bill. There is no definite understanding about that, as far as I know. We hope to be able to take care of the gentleman. The gentleman from Massachusetts [Mr. TREADWAY] will take care of those on his side. We will try to be fair about

it and reciprocate in any way we can, of course.

Mr. O'MALLEY. Then, do I understand that those opposed to the bill, on the Democratic side, will be able to get some time from the majority side of the committee?

Mr. DOUGHTON. We will do the best we can.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. RICH. Continuing what I desired to say on the tax bill, because you bring this tax bill in, do not forget that we must hold the appropriation bills down and not spend more money than is raised by the additional taxes. Your increase in appropriation this year will be more than your tax bill. Some way to run this Government, I must say.

The regular order was demanded.

The SPEAKER. The regular order is, is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that we may have until midnight tomorrow to file majority and minority views on the tax bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. TAYLOR of South Carolina. Mr. Speaker, reserving the right to object, if the House has agreed upon 16 hours of general debate, what is the objection to taking the bill up Wednesday morning instead of waiting until Thursday morning?

Mr. DOUGHTON. The gentleman from South Carolina perhaps was not in the Chamber when we discussed the matter. It was my view that inasmuch as the report would not be available to the Members until Wednesday morning it would be fairer to them not to take the bill up until Thurs-

day, giving them an opportunity of familiarizing themselves with the report and the bill.

Mr. TAYLOR of South Carolina. Can we not do that as the general debate proceeds?

Mr. DOUGHTON. That would be entirely satisfactory to me.

Mr. SNELL. Mr. Speaker, there will be objection to taking up the bill before we have even seen it.

Mr. RICH. Mr. Speaker, I withdraw my objection upon request.

Mr. ZIONCHECK. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. Under the special order the gentleman from Oklahoma is recognized for 30 minutes.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman from Oklahoma yield to me for a moment?

Mr. LEE of Oklahoma. I yield, but this is the last time I shall yield.

Mr. ZIONCHECK. Mr. Speaker, the reason I made the point of no quorum and consumed a little of the time of the House in obtaining a roll call was to demonstrate that I am entitled to obstruct the business of the House as well as the gentleman from Texas or any other Member.

Mr. LEE of Oklahoma. Mr. Speaker, I decline to yield further. I hope the Members will allow me to proceed without interruption. I have been rather liberal in yielding at the beginning with the hope that I would not be interrupted.

Mr. Speaker and Members of Congress, I believe that the Government should promote a back-to-the-land, home-ownership program, making possible a farm for every farmer and a home for every family. I shall address myself to that

There is a bill, S. 2367, introduced by Senator Bankhead, of Alabama, that has for its purpose the creation of a farm and home corporation to aid in rural rehabilitation such as I have in mind. This bill has passed the Senate and is now before the Agricultural Committee. Although not a member of that distinguished committee, I am deeply interested in this bill, and wish to outline in general terms the kind of plan I should like to support in order to accomplish this worthy purpose. Please bear in mind that I am not necessarily describing the bill that is before the Agricultural Committee, but rather describing the kind of bill that I should like to vote for.

In the first place, I believe that this bill should consolidate all kindred Government agencies that have for their purpose farm and home ownership, and thereby eliminate unnecessary duplication. For instance, such organizations as land retirement, subsistence homesteads, rural rehabilitation, rural resettlement, and perhaps even the farm-loan organization along with the Home Owners' Loan Corporation, could all be consolidated into one farm and home ownership agency. Of course, due consideration should be given in order that only such consolidations be made as would result in economy and efficiency.

This farm and home ownership organization would have two general purposes. One would be loans, the other rehabilitation. The loan divisions would lend for homes, no matter whether they be in the country, in the suburbs, or in the cities. But the rehabilitation division would deal only in rural and suburban property by helping people to buy farms or acreage homes where they could till the soil. It would not deal in city property but would be a rural rehabilitation agency that would help people until they could qualify for a loan. Then they would get a loan from the loan division. In this manner the two divisions work together to promote farm and home ownership, one loaning to those financially able to qualify for a loan, the other giving people an opportunity to work the land in order to produce enough to qualify for a loan so they could buy it.

First, I wish to discuss the loan division. I believe that these loans should be made for the purpose of home-ownership only, and when the property is no longer used as a home [by the owner the loan should automatically come due, thereafter bearing the regular commercial rate of interest. This would prevent speculation on property covered by these loans.

These loans should be available up to a limited amount either for purchasing or refinancing homes, no matter whether the homes are in the city, in the suburbs, or in the

The interest charged on these loans should be at the lowest possible rate—I would say 11/2 percent, and certainly not more than 2 percent. This rate of interest should apply to loans on all homes, no matter whether they are city homes, small-acreage homes, or farm homes.

The terms of repayment likewise should be as liberal as possible consistent with the deterioration of the property, since improvements deteriorate faster than land. The length of the loan should bear some relation to the proportion of value represented by the improvements as compared to that represented by the land. The greater the proportion of value represented by land, the longer the loan. The greater the proportion of value represented by the improvements, the shorter the loan. There should be three general classifications; that is, the repayments on farm loans should be spread over a period of about 40 years, small-acreage loans over a period of about 25 years, and city loans a period of about 15 or 20 years. Such a schedule would make the payments relatively easy and at the same time protect the Government against loss by deterioration.

The purpose of this program is not only to make it easy to purchase a home but to make it easy to keep that home. So much for the general provisions of the loan division.

Now I shall devote the remainder of my discussion to rural rehabilitation. The purpose of this agency is to rehabilitate those who are unable to qualify for a loan. It would get them on the farms and acreage tracts where they could support themselves. Then if they make good it will give them the opportunity of buying the land. It is a rural rehabilitation. Its purpose is to get the homeless man on the homeless land.

Today there are thousands of farm tenants who would make good if they had such an opportunity. There are thousands of young married people who want to go to farming on a farm that they would later have the chance to buy. There are thousands of laboring men who would like to increase their security by owning a small acreage home in the suburbs. There are thousands of professional people with limited incomes and people on small salaries and people who have only part-time employment who would like to have a home where they could produce at least a part of their living by working in the soil. A rural rehabilitation program such as this would give them that opportunity.

Of course it would be futile to help people buy homes without correcting economic conditions that cause people to lose their homesteads. This program, in conjunction with measures we have already enacted, would do just that.

In the first place, the liberal terms of the loans for homes would give relief from high interest rates that have caused the loss of many homes.

Another reason that those people have lost their homes is decreased income due to old age and low-priced farm commodities. This condition has already been greatly remedied by the old-age pension provided in the social security law and the increased farm prices resulting from the Federal farm program.

A third cause for the loss of homesteads is decreased crop yields due to the loss of fertility. This, too, is being corrected by the new farm program which is based upon soilerosion control. But in order to get full cooperation in a soil-building program you must have home owners. The man who owns the soil he tills takes pride in protecting it against erosion and in increasing its fertility.

This program would not only help people to purchase homes, but would help correct the economic conditions that cause them to lose their homes. This program is a necessary part of the whole pattern of social security which we for a number of years by tenants who had little incentive

are weaving. You cannot build a successful program of social security without basing it on home ownership. You cannot establish a successful farm relief program on farms operated by tenants. Farm and home ownership fit into the whole program of social security and farm relief like the last block in the jig-saw puzzle.

This rehabilitation and loan program that offers easy terms and gives relief from high interest rates, together with the new farm program that insures the farmer a reasonable price for his commodities, coupled with the soilconservation work which will increase the crop yields, will make it possible for the family to own the roof over its head and the farmer to own the land that he cultivates.

But you say how would this agency go about rehabilitating people? In the first place, the local representatives of the agency would have a pretty good knowledge of the people with whom they were working. Families with good records as farmers and with sufficient livestock and equipment to make a crop would be given a contract of sale and 'grub staked" until they got started. After they had paid a sufficient amount toward the purchase of the farm, the Government would give them a deed and take a mortgage on the farm for the balance due.

We are already financing thousands of people and feeding them and taking care of them but we are not doing much toward getting them on their own resources. When the year is over, under our present system, we are right where we started. We feed a fellow a year and at the end of the year he is still hungry. He is just as helpless as he was at first, or even more so, because he has come to depend more and more upon the Government and less and less upon himself.

The best way to help a man is to help him help himself. By this plan the Government would be helping people to help themselves. You say how would such a plan work? Let me give you an example. Here is a tenant family, the man has nothing in the world but his muscle and a hope in life, and he is about to lose that. He has been on the relief rolls for 2 years. The Government has spent considerable money on him, and he is right where he was at first. Perhaps he is even more helpless than he was to start with, the money has been spent, but no gain has been made.

Now, by the plan I have in mind the Government would not purchase a large tract of land somewhere and then try to settle all of these people on that tract of land, but the rehabilitation agency would say to the man, "Go find a farm that you like, suitable to your needs, that can be bought, worth the money." Let him do it himself, let him and his family pick it out, and let them bargain with the seller on the price, because they are the ones who are going to have to pay for it. Then let the Government send an appraiser to check the value against the price. If the price is right, let the Government buy the farm, lease it to the family, and if they make good, give them a contract of sale for it.

It would be necessary at first to help them get started, but money spent that way would be helping them to support themselves.

As soon as the family has paid a sufficient amount to make it a bona-fide sale, then the Government could give them a title to the farm and take a mortgage for the balance due.

Heretofore, depressions have been solved by the land-vent method, that is, when the unemployed accumulated, the Government would open a new frontier, and drain off these disinherited. When another depression came, the Government would open new land for settlement, and the unemployed would seek homesteads in the new territory. But when this last depression came there were no new lands to open for settlement. Therefore, we should create a land vent by establishing this rehabilitation program and reclaiming some of our old frontiers.

There are thousands of farms that belong to absentee landlords and loan companies who are unwilling owners and would be glad to sell them worth the money. Most of these farms are in a run-down condition. They have been farmed to keep up the improvements or to protect the fertility of | the soil. No doubt some of these farms should be retired permanently from cultivation, but most of them, when farmed by an owner or even a prospective owner, will respond to the efforts to conserve and rebuild their fertility, and once again their fields would produce good crops. Once again those farms would be homesteads where the cows would low in the lane and the morning glory would trellis over the window.

In pioneer days the Government let the settlers provide their own shelters. They utilized the materials that were available in each locality. Some dug into the ground and lived in dugouts—we lived in a dugout.

Some took the sod and built themselves sod shanties, while others cut timber and built log cabins. They improvised shelter from storm. They managed scmehow to secure seed and teams and tools. They became thrifty by necessity. They did without things they wanted in order to get those

they had to have.

Therefore, instead of the Government planning the houses for people and building them for them and setting each family up with a certain number of livestock and certain equipment, and then handing the family a bill for everything and saying to them, "Now, when you pay for all of these things that we have bought for you, then you can start buying the farm", why not allow the purchaser to do the planning and buying and building himself?

There will be many things they will and can do without until they are able to afford them. The joint planning and building, and planting, and foregoing constitute the real pleasure of homemaking. The main reason that efforts of the Government along these lines have not been any more successful than they have is because the Government has not allowed the purchaser sufficient latitude in determining his own needs, but has made the cost of such projects prohibitive by including things that were desirable but not absolutely necessary.

The desire to own homes of their own is sufficient incentive to those people to cause them to endure privations, and exert themselves in order to improve those homes; if the Government will only make possible the purchase of homes for these people, they will do the rest.

Many have lost hope already, but such a program as this would rekindle that hope and life would begin anew with the possibility of once more owning a home of their own.

I can still remember seeing that light of hope in the eyes of the pioneers who came to Oklahoma to homestead. They were young and eager. Their blood was red. Their hopes were high. They worked together with a kind of joy in the privations and hardships of pioneer life. They weathered the droughts of pioneer days. They lived on gyp water and white gravy in order to have a home shelter them in their old days. They grew older and more serious. Gradually, I saw that light fade and die out of their eyes. One after another they lost those homes. Today they are farmers without a farm, homesteaders without a home.

We must rehabilitate them, for there is no fall so dangerous as the fall of those invisible towers of faith, but give these people a chance to once more enjoy homes of their own and you will see that light of hope rekindled in their eyes.

This program of farm and home ownership will give them

It is a prudent government that concerns itself with the economic conditions of its people. Have you considered the cotton tenant of the South? He and his family live in a covered wagon or a tent or a shack not fit to house the stock he works. His wife is weary and worn. His children must work in the field. Their hands, like little claws, crack and bleed when the cold days come, but they cannot stop. It takes all hands working long hours to get the barest existence. When the cotton is picked they move on somewhere, no one knows. They are nomads. The peasants of Europe have their huts, but the tenants of America have not where to lay their heads.

Then again, have you seen how some of the laborers in

ilies live together in one room. I said they live, but they do not; they only eke out a miserable existence under the most unsanitary and degrading conditions.

Have you seen the garbage towns of the unemployed, where thousands of human beings take refuge from the weather in the garbage dumps. They erect themselves makeshift shelters out of pieces of tin, old barrels, boxes, tow sacks, strips of canvas, old car fenders, and anything they can drag out of the dump heaps that will help to keep out the wind and rain and snow.

My friends, these people are easy converts to communism or even anarchy. What have they to lose by revolution? They have little incentive to protect property rights. The best way to guarantee a continuation of the system of private ownership is to let everybody own some property, then everybody will want to keep the system in order to keep their property; but when the masses have no property they have nothing to lose by an overturn of the system, and it is easy to persuade them that they might even gain something in the shuffle.

Therefore it is a wise government that restores the birthright of its disinherited citizens. Nations are secure in proportion to the general distribution of property. You can no more build a secure government upon a foundation of homeless, drifting people than you can build a tower upon a foundation of drifting sand.

This back-to-the-land, home-ownership program will increase our national security not only by bringing about a better distribution of property but by bringing about a better distribution of population. Thomas Jefferson urged distribution of population, warning against congestion in the cities. Our people today have become too interdependent. The bank crisis 3 years ago brought that to our attention with grim reality. I was teaching at the University of Oklahoma at the time and living at Norman. Of course, we did not know how long the banks would remain closed, so on the third day I hooked a trailer onto my car and drove out to my farm to get a cow, so that we could at least have milk. When I reached the farm they did not even know that the banks had been closed. There in town we had been in a panic for 3 days, trying to manage somehow or other to get the necessaries of life, while out on the farm they did not even know the banks had closed.

It was then I realized how helpless the millions of people are who live in the cities. It seems that we all try to occupy the same space at the same time. We stack our small cells on top of each other like bees in a honeycomb. We invent space-saving furniture. We build efficiency apartments. We narrow our rooms and lower our ceilings. Did you ever see people pouring out of a great apartment house? There they come, hundreds of them, living in one building like ants in a hill, with not 2 days' supply of food ahead—as dependent as babies. A milk strike and they all suffer. The elevator boys went on a strike and paralyzed New York City.

Decentralization of population would also increase our national security from a military standpoint. In case of war an enemy air raid with a few well-placed bombs could destroy millions of people who live in cities; but suppose we get our people living in homes scattered all over the countryside. It would take a separate bomb for each separate home, and I believe the bombers would decide it was too slow to be worth the efforts.

Then again this program would encourage the decentralization of industry. Heretofore transportation facilities, water power, and available labor supply determined the location of industries, but now ribbons of pavement and roaring motor trucks make transportation available anywhere, and steel-towered high lines carry power at a practical cost 250 to 300 miles, and there is, of course, an oversupply of labor available everywhere.

Then again, as industries spring up in small units throughout the country near the source of the raw products, this program of home ownership would make it possible for the workers to live on small acreage tracts around the plants. With good roads and automobiles, they can live in a radius our cities live? They cannot afford a home, so whole fam- of 50 miles and still get to work with greater ease than thousands of people in the crowded cities can reach their |

Then, in case of seasonal work, they can still make their living on the land; and when shorter work-hour schedules are adopted, they can spend their extra time profitably working on their small farms. Instead of living in stuffy tenements and crowded apartments, where their children have no opportunity to play, they could live in colonies out in the fresh air. They could have their own schools and churches and develop community pride, and thus the laboring man, instead of always being a tenant, would have an opportunity to enjoy the pleasures of his own home.

Then, again, producing a superior race should be one of the motives of Government, for by that we can attain greater human happiness. We spend money and time in order to produce blue-ribbon livestock. We should likewise endeavor to produce a blue-ribbon race. Unquestionably, the health and physical development of the people is of concern to the Government. Therefore, by sponsoring a back-to-the-land home-ownership program the Government will be helping people to enjoy more healthful life. It will give them an opportunity to work in the sunshine, to live out of doors more. It will give them more contact with the soil. Mother Earth is good to her children when they live by tilling the soil. The outdoor life of people who toil in the sunshine is more conducive to health than when they congest in crowded apartments and tenements.

In other words, this program means more sunshine and less cod-liver oil. It means less worry because of fear of the future. There is a feeling of security that comes with home ownership that takes away that hunted look.

Furthermore, the outdoor life is good for shattered nerves; it is balm and gilead for the high-strung lives our people are leading.

Then, again, the building of character should be one of the purposes of government. By helping people to own their homes the Government will put them on their own resources. This develops self-reliance and self-initiative.

This program will also develop thrift and industry, because if people know they have an opportunity to own these homes, they will work harder and save and forego pleasures, all of which contributes to the building of character.

Idleness destroys character. With labor-saving inventions, there is less drudgery work to be performed in the cities and in the factories. This makes for more leisure time, but an idle people soon become a pleasure-seeking people, and a pleasure-seeking nation soon decays. But when people live on a farm, there is always present that almost irresistible urge to add some little improvement to the home or to work in the garden, or to prune the orchard.

Therefore, if our people own their homes and farms, they will use the time that labor-saving inventions give them to good advantage, which will contribute more and more to the developing of character.

Furthermore, the home is a good place to build character. A wholeome home life will help solve the crime problem in America. It was not until our people began losing their homes that crime became such an alarming problem in the United States.

HOME OWNERSHIP PROMOTES PATRIOTISM

Home owners make the best soldiers in times of warthey have more to fight for. Home owners make the best citizens in times of peace—they have more to live for. When people are rooted to the soil, they have a deeper interest in the community. They are more public spirited. They take more interest in the welfare of the social group.

The tenant cannot take much interest in a community because he is there only temporarily. The gypsy feels no loyalty for the ground where he camps tonight because tomorrow he moves on. If you want our people to say, "This is mine, my native land", let them own some of it. If you want them to sing, "My country 'tis if thee, I love thy rocks and rills", let them own some of those rocks and rills.

Home ownership is America's best answer to communism. Home owners turn deaf ears to radical propaganda. You cannot persuade a home owner to join the ranks of the

destructionists. Communism and all the other radicalisms can live only in an atmosphere of misery and want. They are like disease germs; they thrive best in dark, unhealthy atmosphere; but bring them out into the sunshine of happiness that results from home ownership and they die.

When a man tills his own soil he is twice fed by it. In addition to the fruit it produces, there is a spiritual manna of contentment and happiness that permeates his being and purges his mind of evil. A man cannot lean up against the forks of his own apple tree and plan the destruction of his own Government.

A program of farm and home ownership is conducive to the maximum amount of happiness, the happiness that comes from hope, the happiness that results from the feeling of security. Happiness finds it full fruition only in a wellestablished home, based on the pride of ownership.

The members of the family take pleasure in planting every tree that grows to feed and shelter them. They have a common pleasure even in privations that help them attain their goal of actual home ownership.

Every small improvement has in it a part of the heart and hopes and dreams of each member of the family.

Every new colt and pig and calf add to the sum total of that invisible something we call happiness. They plant tiny seeds and watch them grow. They cultivate them. The seasons march on, the children grow up and return to the home, as birds to the nest, because it is the great fountain head of human happiness. There is security; there is refuge from the world. There is a haven in a storm. The home, the hearthstone, is the heart of America. Let us preserve it; let us encourage it by putting into effect a program that will make possible a farm for every farmer and a home for every family. [Applause.]

STOP! LOOK!! LISTEN!!!

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the requestion of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article entitled "Stop! Look!! Listen!!!" by myself which was published in the April issue of the Young Republican.

If the Republican Party is to be hauled out of the pit—which its vainglorious leaders dug for it, and fell into with it—it is the young men and women voters who will accomplish it.

The Democratic Party was not raised to its present haughty heights by votes of the Democrats alone. There are not enough of them in the country to have given the New Deal the endorsements it received at the polls in 1932 and 1934.

There were scores of thousands of Republican voters, wearied of waiting for a square deal for the farmer and wage earner or

of waiting for a square deal for the farmer and wage earner, or for the slightest concession to constructive liberalism, or even a faint glimmer in the intelligence of the Old Guard, who turned to Roosevelt as their only hope for a change in conditions that were not only becoming static but were threatening the life of the Nation.

I am not one of those who believes that the benefits that President Roosevelt is credited with having given the country with his various alphabetical devices originated with the Democratic administration. There are quite a number of things that have been blunderingly attempted during the past 3 years that were originally formulated, and some of these actually started, in the Republican administrations that preceded it.

Nor am I one of the hidebound diehards who will not face the

Nor am I one of the hidebound dienards who will not face the fact that the New Deal has brought about a new economic and social era as well as political line-up. More important than that, it has brought about a new habit of mind in viewing and evaluating economic, social, and political questions. The people of this Nation have been awakened to take an entirely new point of view and it is absolutely useless and a waste of energy to deny this Hence the issues must be faced squarely with this new habit of mind.

Essentially it is a young mind that is directing the Nation's thinking. The youth of the Nation has been aroused to its importance. They will have to pay the bills that are coming in for

portance. They will have to pay the bills that are coming in for the orgy of spending that has been in progress during the past 3 years—the almost criminal waste of public money and the extravagance of promises as well as funds.

The youth of the country will pay those bills—and pass some of them on to future generations, yet unborn. Hence the youth of the country has arisen and demands to know what it is paying for. It demands to have some voice in selecting the method of payment and the men who shall develop the method.

It is right that our outraged and hitherto ignored youth should so arise. Their demands are just and reasonable. It is eternally right that they should enforce those demands and compel the elders to listen and take heed. In time of war they are called upon to defend the country. In time of peace it is no less the right and duty of youth to carry on the torch from failing hands. If this country is to be worth fighting for it must be worth living for.

this country is to be worth fighting for it must be worth living for.

No one in the Republican Party looks upon the present rising of young Republicans to a better understanding of their potential force in party councils and party plans with greater rejoicing than I do. For years I have labored to carry on the fight for better understanding and better approach to our internal problems. I have contributed all I have to these problems in my own community, in my State and in national affairs. My neighbors and constituents have honored me with increasing majorities.

I now see a great hope for solutions I've sought for many of these highly important problems from the rising of the youthful groups of political fighters throughout the country.

It is most encouraging to me personally to see these young men and women so thoroughly awake to their political responsibilities. Because they are awake and because they are making themselves heard, it is my belief that they may mean the saving of the Nation and a tremendous asset for any political faction with which they may align themselves.

which they may align themselves.

There is an idea I wish would burn itself into the consciousness of the leaders of the Republican Party—that it is my deliberate judgment these young people who give unmistakable evidence of being so strikingly political conscious in our new era may mean the saving of the Nation together with any political party with which they may align themselves.

It is up to the present leaders of the Republican Party as to which

party that shall be.

A far greater political mistake than making errors of judgment A far greater political mistake than making errors of judgment of positive failure in efforts exerted toward constructed progress is to remain static—as the Republican Party has been during the past 3 years. It has always been a mistake for the party leaders to so completely ignore the young men, and the young women, too, who are aspiring to leadership—who want to take their places in the political scheme and help work out the destinies of the Nation and the party. That mistake must be corrected. We old leaders must realize we're not training men to succeed us and carry on the glorious traditions of the party by selfishly happing on to our leadership.

ous traditions of the party by selfishly hanging on to our leadership.

Recently I read a most interesting and illuminating magazine article under the title of "Almost a Red." (The American Magaarticle under the title of Almost a Red. (The American Magazine for November.) It was written by a young man who wanted to participate in political work. He came from college with the idea that every man and woman should actively assume the responsibilities of citizenship with an active and working interest in politi-

He went from one party headquarters to another offering his services—as a humble worker. He was not an office seeker. He did not want a political job. He had his own chosen profession and was very much interested in the career that lay before him in this direction. But he did want to justify his acceptance of the benefits of citizenship in this great country by devoting some of his time and undoubted talents to its service—to helping choose the right men for office—to working out the destinies of a political party.

Everywhere but at Communist headquarters he was greeted as one who was trying to horn in on the jobs that were to be distributed. Everywhere his sincerity of purpose was doubted—save by the Communists. They wanted him. They wanted workers—as he wanted to be. They had means of training such workers. Receiving and training workers—not job hunters but plain workers—is one of the fundamentals of their party policy, this young man found.

He could not subscribe to Communist. But the Communists were the only political faction he found that seemed intelligently alive to his own political problem—of finding a place for himself.

alive to his own political problem—of finding a place for himself. It was at Communist headquarters that he received an intelligent welcome from young men and young women of his own intellectual status—people he could talk to and who talked to him with freedom and enthusiasm for their cause, rather than what the individual worker personally get out of it.

This magazine article made a tremendous impression on me. It made me think what my own party was doing—and had done in the past. The young man's experience I've heard recited by many young men and women who have wanted to contribute something

young men and women who have wanted to contribute something to the party—and who have been smiled upon, patted on the back, and literally told to run away and play and let the elders who knew how and the practical and professional politicians who were working for office and patronage do the work.

The time for that sort of thing has passed. The young men and women of today will not be put aside. They do not seek to rival or usurp leadership—they want to offer themselves as co-workers—as up and doing Americans with a keen appreciation of their responsibilities, anxious to be engaged in discharging their obligations of citizenship.

tions of citizenship.

tions of citizenship.

The average national party leader is completely surrounded by his own handpicked group of what our modern world calls "yes men." The average national leader, because of his many duties and the many calls upon him—often far beyond his capacity to personally attend to—must deny himself to much he should know. This condition isolates him from the popular thought—the point of view of the men in the street. And his professional "yes men" very effectively complete that isolation, in most instances from purely selfish motives of the type that will not tolerate the entrance of a possible rival on the scene.

I speak of this from my own experience. I have frequently witnessed leaders of my party completely cut off from sources of information urgently needed for an intelligent consideration of problems of vital concern to the State and Nation—because these leaders were carefully isolated from the current, average opinion by sycophants and political satellites.

by sycophants and political satellites.

The younger element have been stupidly cut off and shunted aside politically out of fear that they might demand a small place in the sun. The reactionary Republican leadership has lost touch with the younger element as well as lost the confidence of the liberal element, which together constitute two-thirds of the political strength of the Republican Party.

But I would like to impress on my associates in the Republican Party that we cannot longer stuff the cotton wool of isolation and insulation in our ears.

We have got to listen to the young men and young women. They have the modern point of view—the direct, "show me", modern habit of mind which the great mass of the citizenry—an aroused and politically conscious mass—have developed these days. These young men and women are offering their best thought and their enthusiasm and demand nothing but a square deal and representation. They are knocking at our doors. If we are too isolated to hear and insulated to receive them, they will go elsewhere. They have the balance of political power in this country. They represent almost half the total voting strength of the electorate.

electorate.

They are becoming very rapidly a cohesive group of the electorate, keenly conscious of their potential power and absolutely determined to use that power to carry the country along their way of thinking, and generally along sound and sane lines, on a constructive liberal platform of a square deal for labor—the farmer, the businessman, and private property under the confines of the Constitution of the United States.

They do not come as office seekers-but as workers for a cause very practical workers for a very practical cause. To them politics have been thoroughly debunked. Phrase making and silvertongued oratory mean little or nothing. It is action they seek.

And they will get it.
Shall it be in the ranks of the Republican Party, where most of them belong and where most of them would really like to be? Shall it be in the ranks of the Democratic Party which is making a very determined bid for them and offering them at least sympathetic hearing?

Or shall they be driven to the organization of a new party—a party of their own?

party of their own?

I would most solemnly warn my associates among the Republican leaders that at this very critical time the defection of any considerable number of Republican voters to a third party would mean the disappearance of the Republican Party in the same manner as the old Whig Party.

I am not exaggerating the situation when I say that. And I speak of it only because the situation is extreme—and extreme methods, if need be, must be adopted.

Is the party of Lincoln, Grant, McKinley, and Theodore Roosevelt to be wrecked because of the vanity and the obstinacy of its present leaders—leaders who refuse to recognize that a political revolution has taken place?

Is the party that has given this Nation many of its greatest men, who led it through the most critical days of its existence and administered its affairs constructively and prosperously for 56 of

men, who led it through the most critical days of its existence and administered its affairs constructively and prosperously for 56 of the 82 years of the party's existence, to become a relic of antiquity? With the organization of the Republican Party in 1854, the Whigs went out of existence. With the birth of a new party, backed by the enthusiasm and the numbers of the modern young voter, the Republican Party would suffer the same fate.

It is with the most solemn sincerity, growing out of the great love I have for the party to which I have belonged for so many years, in which I have worked to the utmost of my capacity—the party that has honored me many times far beyond my desserts—

party that has honored me many times far beyond my desserts-

party that has honored me many times far beyond my desserts—
that I sound this warning.

I do not believe there is any desire on the part of the young
Republicans to organize or ever become a part of, or assist in the
organization of a third party. In fact, I know the leaders have
no such thought and condemn any such suggestion. However,
if the Republicans think they can carry the Nation without the
younger and liberal element, they are just plumb crazy.

Youth must be served. More important, it must be given its
opportunity to serve. And yet more important, it will develop its
own medium for the expression of its enthusiasm, its vigor, and
its power if existing agencies do not respond to its offer of these
highly essential factors in sound organization and good government.

I know of no way to win the next Presidential election than by
encouraging youth and the liberal element to participate in shaping the policies of the Republican Party. Action alone counts.
The time to begin is now. The way to begin is to begin in every
county and in every State of the Nation, inviting cooperation of
younger and liberal elements to take their proper place in leadership of our party.

If such a constructive policy is put into effect, millione of

ship of our party.

If such a constructive policy is put into effect, millions of energetic and enthusiastic young crusaders will enfuse new blood and fighting spirit that will carry the torch of Republicanism on to greater victories for the benefit of all sections of the Republic. There must be no compromise with the socialism or class hatred of the New Deel, nor must we go back to any old order of special of the New Deal, nor must we go back to any old order of special privilege, dominated by wealth and reaction. We must go forward on a sound, constructive, liberal platform of a square deal for all the American people.

Let us reaffirm our faith in the early principles of the Republican Party when it stood squarely for human rights as being superior to property rights and, as Lincoln said, "Labor is prior to capital." Let us build a bridge so that millions of deceived, disgruntled, and disgusted Jefferson Democrats may cross over to a liberalized Republican Party and help elect a Republican President in 1936 and restore representative government to the people. The Republican Party today needs leadership of the type, character, and ideals of Abraham Lincoln. Let us enfuse the spirit of Lincoln and Theodore Roosevelt into a liberalized and humanized Republican Party. Let us invoke the faith in the people that Lincoln loved and the faith of Theodore Roosevelt in popular government, and a square deal for the American people as the guide and cornerstone for the rebirth of a militant Republican Party.

(NOTE.—All eras of American history record activities of some man named Hamilton Fish, who served his country with single-minded patriotism and sometime died for it on the field of battle. Hamilton Fish, Jr., Member of Congress from the Twenty-sixth District of New York, is not only a worthy son of such ancestry, but is one who has persistently and consistently put into practice the ideals of young Republicanism. It takes courage for a young man to leave a life of ease and dive into the maelstrom of practical politics. It takes even greater courage to stand out from the regimented followers of powerful leaders and tell those leaders when they're misleaders. But Hamilton Fish, Jr., does just that—with the kind of courage that makes it easy to see why he won the Croix de Guerre and a silver star citation for gallantry in action as a captain of Infantry in France and why he caused to be inaugurated, and then conducted, the crusade against communism in the United States.) munism in the United States.)

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial by Walter Lippmann.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. RICH. Mr. Speaker, reserving the right to object, the RECORD is not the place for editorials, and, under the circumstances, I object.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an announce-

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, this morning about 80 Members met in the caucus room of the old House Office Building and organized a steering committee to facilitate the passage of the Robinson-Patman equal business opportunity bill (H. R. 8442), better known as the chainstore bill. Subcommittees were appointed and a brief statement formulated with reference to the provisions of the bill. I ask unanimous consent to extend my remarks at this point in the Record and to include the names of the steering committee and subcommittees, also the statement referred to containing information which will be of benefit to all Members of the House on this very important legislation.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. MEAD. Mr. Speaker, reserving the right to object, what is the status of the bill?

Mr. MARTIN of Colorado. It has been favorably reported by the Judiciary Committee.

Mr. MEAD. Has a rule been obtained as yet?

Mr. MARTIN of Colorado. No; but we propose to request

Mr. MEAD. That is the duty of the steering committee? Mr. MARTIN of Colorado. Yes; part of its duty.

Mr. RICH. Mr. Speaker, reserving the right to object, how much of the RECORD is this going to take?

Mr. MARTIN of Colorado. About a page, all told. It is not printed matter.

Mr. RICH. Any newspaper matter included? Mr. MARTIN of Colorado. No. It is matter which this committee prepared this morning.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ROBINSON-PATMAN EQUAL OPPORTUNITY IN BUSINESS BILL

Mr. MARTIN of Colorado. Mr. Speaker, the first group meeting of Members of the House was held this morning in

the House caucus room for the purpose of taking steps to secure the passage of the Robinson-Patman equal opportunity in business bill.

At this meeting Mr. PATMAN, of Texas, was elected chairman, and Mr. MARTIN of Colorado secretary.

Upon motion of Mr. Dies, of Texas, the chairman was authorized to appoint such committees as deemed necessary in order to expedite the consideration and passage of this legislation.

The following steering committee, which will be added to later, has already been appointed: Andresen, Minnesota; Utterback, Iowa; Cox, Georgia; Johnson, West Virginia; Ryan, Minnesota; Zimmerman, Missouri; Cannon, Missouri; Caldwell, Florida; Ekwall, Oregon; Massingale, Oklahoma; Johnson, Oklahoma; Nichols, Oklahoma; Gassaway, Oklahoma; Mott, Oregon; Gray, Indiana; Jenckes, Indiana; Lesinski, Michigan; Pittenger, Minnesota; Gilchrist, Iowa; Ford, California; Ayers, Montana; Sanders, Texas; Boileau, Wisconsin; Schulte, Indiana; Carlson, Kansas; White, Idaho; Luckey, Nebraska; Gillette, Iowa; Schneider, Wisconsin; Ramsay, West Virginia; Patterson, Kansas; Dies, Texas; Lambertson, Kansas; Gehrmann, Wisconsin; Maas, Minnesota; Hildebrandt, South Dakota; Rogers, Oklahoma; Martin, Colorado; Costello, California; Sabath, Illinois; Mc-Clellan, Arkansas; Keller, Illinois; Lundeen, Minnesota; Lemke, North Dakota; Starnes, Alabama; Peterson, Florida; Cannon, Wisconsin; Lamneck, Ohio; Christianson, Minnesota; Beiter, New York; Pierce, Oregon; Engel, Michigan; Thomason, Texas; Guyer, Kansas; Buckler, Minnesota; Lee, Oklahoma; Boehne, Indiana; Smith, Washington; Hook, Michigan; Cross, Texas; Mead, New York; Larrabee, Indiana; Turner, Virginia; Barry, New York; McFarlane, Texas; Stefan, Nebraska; Blanton, Texas; Weaver, North Carolina; Smith, Virginia; Haynes, Pennsylvania; Murdock, Utah; Greever, Wyoming; Scott, California; Knutson, Minnesota; Cochran, Missouri; Fiesinger, Ohio; Binderup, Nebraska; Randolph, West Virginia; Cravens, Arkansas; Robsion, Kentucky; O'Leary, New York; Biermann, Iowa; Miller, Arkansas; Nelson, Missouri.

The following special committees have been appointed by the chairman in accordance with authority given him by the action of the above meeting:

EXECUTIVE COMMITTEE

Dies, Texas, chairman; Utterback, Iowa, vice chairman; Cox, Georgia; Sabath, Illinois; Cannon, Missouri; Schulte, Indiana; Nichols, Oklahoma; Martin, Colorado; Ekwall, Oregon; Boileau, Wisconsin; and Ramsay, West Virginia.

(Each member of this committee is vice chairman of the steering committee.)

(This committee is also charged with the duty of making an effort to secure a rule at an early date for consideration of the bill.)

Cannon, Missouri, chairman; Nichols, Oklahoma, vice chairman; and Mott, Oregon.

COMMITTEE TO COORDINATE ACTIVITIES WITH ADMINISTRATION AND SENATE LEADERS

Patman, Texas, chairman; Johnson, Oklahoma, vice chairman; Dies, Texas; Martin, Colorado; Schulte, Indiana; and Cannon, Missouri.

INFORMATION COMMITTEE

(The purpose of this committee is to assemble and furnish information to both Members of Congress and interested parties upon request.)

Nichols, Oklahoma, chairman; Martin, Colorado, vice chairman; Maas, Minnesota; Sanders, Texas; and Quinn, Pennsylvania.

COMMITTEES TO BE INCREASED AND OTHER COMMITTEES CREATED

Other committees are in process of formation. The committees herein designated will be added to at our next meeting, as a number of members were unable to be present this morning and expressed a desire to attend meetings in the future.

MANDATE OF EACH MAJOR POLITICAL PARTY

In the discussion of the legislation it was contended that this bill must be passed in order to save independent merchants of the country and prevent monopoly; that it is not a price-fixing bill or class legislation; that it merely gives to independent merchants and voluntary organizations of independent merchants the same rights and benefits and no more as enjoyed by corporate chains; that it will not compel corporate chains to pay a higher price but will require the manufacturers to give the independents the same price; that the bill is in accordance with mandates of both major political parties; and that unless it passes at this session of Congress monopoly will have a much firmer grip upon the throats of the people and within a short time the independents will be threatened with extinction.

BILL CAREFULLY PREPARED HAVING IN MIND CONSUMERS' INTEREST

Mr. Parman, coauthor of the bill, stated that this bill, as reported by the committee, is a result of months of hearings: hundreds of pages of testimony were taken and are now in printed form and available through the Judiciary Committee of the House; that witnesses were heard on both sides of the question and every question that can possibly arise was carefully considered; that the interest of the consumers was given first consideration; that the bill represents the combined thought and judgment of the best-informed people in America on this subject, including representatives of the trade, consumers, corporate chains, department stores, and trade organizations—including druggists, grocers, hardware, and dry goods, both retail and wholesale; that it also includes the mature judgment based upon years of experience of representatives from governmental departments that have for many years dealt directly with the questions involved, including the Federal Trade Commission and antitrust division of the Department of Justice.

AT LEAST 100 COAUTHORS OF BILL IN HOUSE

Mr. Patman further stated that as coauthor he held the same position with reference to the bill as all other members of the steering committee and other parties who have contributed toward the perfection of the measure; that at least a hundred Members of the House are entitled to the same credit for this measure and have made the equal contributions toward its perfection as himself; that the bill is not a partisan measure but is nonpartisan; and our objectives should be the early passage of the bill in order to protect the consumers against monopoly and the independent merchants against extinction.

THANKS TO JUDICIARY COMMITTEE OF HOUSE

Mr. Patman further expressed appreciation especially to Congressmen Utterback, Ramsay, Sumners of Texas, McLaughlin, Miller, Weaver, Duffey of Ohio, Adair, Walter, Gassaway, Chandler, and Guyer, and all other friends on the Judiciary Committee of the House for the very effective work after weeks and months of extended and patient hearings on the proposed legislation.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the Record to cover section 5 of the bill just referred to by the gentleman from Colorado, which is the basing-point section.

Mr. MARTIN of Colorado. There is a great deal of objection to that section among the Members, I may say to the gentleman, and an effort will be made to obtain a separate vote on it.

Mr. DIRKSEN. I understand; and that is the reason I desire to extend my own remarks at this point in the Record on that particular section.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Perhaps a great many Members of the House are not aware of the fact that paragraph 5 of section 2 of H. R. 8442, known as the Robinson-Patman bill, is in reality a paragraph which deals with the whole question of so-called "basing points" and should be stricken from the bill. This section does not belong in the bill, and its removal would not prejudice the rest of the measure. Moreover, both

the Interstate and Foreign Commerce Committee of the House and the Interstate Commerce Committee of the Senate have been dealing with this matter in a wholly separate measure, known as the Wheeler-Rayburn bill, and therefore the incidental treatment which is accorded to the whole basing-point question in H. R. 8442 should be stricken out. Quite aside from that fact there are a host of reasons why the basing-point section should be stricken from the bill, and I shall enumerate them as briefly as possible.

Paragraph 5, on page 7 of the bill, reads as follows:

That the word "price" as used in this section 2 shall be construed to mean the amount received by the vendor after deducting actual freight or cost of other transportation, if any, allowed or defrayed by the vendor.

In practical language that section means that all sellers or vendors of commodities will be compelled to quote prices f. o. b. instead of the delivered price. That this is the purpose of the section is borne out by the language of the report accompanying this bill, as indicated at the bottom of page 14 of said report, which contains the statement:

It will require the use of the f. o. b. method of sale.

This means f. o. b. the mill, plant, factory, or establishment which produces the goods.

The basing-point system of quoting prices on commodities which is now in vogue in many industries is nothing more than a system under which prices are quoted to consumers f. o. b. certain convenient points, which are either points of manufacture or points of distribution. As an example, Chicago is a basing point. If a purchaser in Peoria wishes to buy steel, cement, or other products, he is quoted f. o. b. Chicago. This system of quoting from the nearest basing point gives all mills, whether located near or far away, an equal chance to compete for the business.

Obviously, a mill in Pittsburgh or Pueblo, Colo., or in Youngstown or Wheeling could not compete with a mill in Peoria for the business of a consumer living in Peoria, because of the freight rate involved from these distant points to Peoria. On the other hand, if the basing-point system were not in use, a Peoria mill could not compete for business near Pittsburgh, or Pueblo, or Youngstown, or Wheeling for the same reason. The basing-point system, therefore, makes it possible for mills and factories everywhere in the country to bid for business in all sections of the country irrespective of the competition that may be encountered from a mill located right close to where the consumer is situate. If you were to destroy the basing-point system and compel quotation of prices f. o. b. the mill, it would mean that mills would be compelled to get business in and around the mill and let other mills do likewise. It would mean that the most profitable location for mill operations would be the densely populated areas of the country. The specific objections to abolishing the basing-point system as contemplated in paragraph 5 are these:

First. It would force mills and factory to scrap a method of quoting prices which enables them to compete in any section of the country in any season of the year on reasonably equal terms.

Second. Producers who sell in a national market now under the basing-point system would have to confine their activities to the areas close to the point of production.

Third. It would compel the shifting of mills and factories to the large consuming centers,

Fourth. Such shifting of production would disturb employment in existing producing centers and destroy capital investments.

Fifth. Small industries in the sparsely settled areas that now compete in the national markets would be compelled to greatly curtail production or be destroyed altogether.

Sixth. Buyers who can now buy on an equitable basis from any producer in the United States would be compelled to depend on the mill or factory closest to the location of the buyer, and virtually make such buyer dependent on whatever price the closest mill might quote.

Seventh. The basing-point system is a simple and convenient method of price quotation which makes it comparatively easy for the buyer and seller to compute freight rates and easy for the seller to determine what competition must be met at a given point. To abolish this system would compel producers to completely revamp and alter their sales and distribution policies.

Eighth. This effort to abolish the basing-point system only adds to the confusion that now besets industrial producers to the point where they do not know what to do, or what they are expected to do. On the one hand, we have the Guffey bituminous-coal-control bill, the proposed textile-control bill, and a newly threatened N. R. A., all of which lead toward a cartelization of industry, while, on the other hand, there is an apparent tendency to destroy bigness. It is a confusing and inconsistent approach to an industrial problem which does not make sense.

Ninth. The argument that the phantom freight charges which are concealed in a quoted price f. o. b. a basing point are unfair to some buyers is refuted by the fact that whatever is gained on freight charges by a mill to some nearby point are quite offset by the extra charges which a mill must pay in shipping to a more distant point. The two quite offset each other and constitute no financial gain to the producer.

Tenth. To abolish the basing-point system and compel mills to depend on what business they can get in an area that is half the distance to the next nearest mill or factory would in countless instances mean a curtailment of the production volume. In proportion as volume is curtailed the overhead goes up. This increased overhead must necessarily be reflected in higher prices to the public or a shut-down.

Eleventh. Producers of goods with a national distribution are able to stabilize production from one end of the year to the other, despite seasonal slumps in business or despite geographical slumps when weather or custom or habit in some particular section of the country causes a decline in sales. Deprive a mill or factory of national distribution and you disturb the production level to the point where they must reduce employment in some portions of the year and speed it up at other times.

Twelfth. If the basing-point system is abolished so that national distribution becomes impossible, there will be little or no incentive for mills and factories to engage in extensive and costly research in order to develop specialized products. Nor would there be any incentive for a national advertising campaign to place such a product on the market because of the impossibility of competing with mills in other areas who have the freight rate advantage that comes through geographical location.

Thirteenth. The basing-point system now used has resulted in a simplification of price quotations. For 3 cents one can mail a letter which can be carried from Washington to Baltimore or from Washington to Los Angeles. Yet the distance from Washington to Los Angeles is 50 times greater than from Washington to Baltimore. The efficiency of our postal system is in its simplified application. The same is true of the basing-point system.

In fairness to the proponents of the abolition of the basingpoint system, it might be stated that the principal arguments in behalf of such action are, first, that the basing-point system is a means of fixing prices. The answer to that, of course, is that it is a means of quoting prices, not fixing prices. Parenthetically, it might be added that we now have a host of suggestions and proposals to hold up prices in order to get at the price cutters and a host of other measures to reduce prices which are aimed at the price fixers. With these conflicting philosophies in the air, business, industry, and labor have no idea where we are or whither we are tending.

Secondly, it is argued that the basing-point system enables factories and mills to collect unearned freight. The usual example cited is that the basing-point price reflects freight by rail at the rate of \$2 per ton on some certain commodity, whereas the goods were actually shipped to the basing point or to the consumer by water at \$1 a ton. The answer to this argument is that mills may gain on some shipments and lose on others, so that over all the gains and losses offset each other.

The third argument is that the huge expense of cross hauling is a sheer waste of money which is reflected in higher prices to the consumer. If that be true, the same logic might apply to men who work in a mill 30 miles distant from their homes when there happens to be a mill in their home city. Still another answer is that in the case of mills which use scrap material located close to the point of production, the saving in freight in shipping to the closest mill as compared with the freight that would have to be paid for a haul to a distant mill to some degree offsets the cross-haul expense of the finished product. The more fundamental reason, however, is that in seeking to end the allegedly expensive cross hauling of goods you are in substance saying to the American consumer that he must buy in Pittsburgh even though he wants to buy from Chicago, or that he must buy from a mill in Minneapolis even though he prefers the identical products of a mill in Peoria. Such a course would be regimentation with a vengeance.

A volume might be written on the subject of abolishing basing points, but the foregoing should be sufficiently ample and convincing to show that paragraph 5 of this bill, which seeks to abolish them, is fraught with danger, and embodies the possibility of completely dislocating American industry to the detriment of invested capital, management, labor, and to the communities where thousands of mills and factories are now located.

UNTO THE THIRD AND FOURTH GENERATION

Mr. BACON. Mr. Speaker, I ask unanimous consent to have printed in the Record a speech delivered by my colleague the gentlewoman from California [Mrs. Kahn].

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BACON. Mr. Speaker, under the leave to extend my remarks in the Record I include the following speech of Representative Florence P. Kahn, of San Francisco, Calif., delivered over the facilities of the Columbia Broadcasting System from Washington, April 16, 1936. Mrs. Kahn's subject was Unto the Third and Fourth Generation.

This evening I am not going to talk politics but policies, not promises but performances, not propaganda but principles—not so much the speed at which we are traveling but the direction in which we are going: in other words, not the gait but the goal.

so much the speed at which we are traveling but the direction in which we are going; in other words, not the gait but the goal.

I am talking primarily to the men and women sitting as I often sit, in the home acquired by thrift and saving, surrounded by their families—just folks—just Mr. and Mrs. Average Citizen—and to them I direct the question, "Quo vadis—Whither are we going?" Are we adrift upon an uncharted sea, trusting to the pilots to steer us to a safe harbor, relying entirely upon their word that they have a chart, a plan, a secure harbor, or is our ship of state sailing perilously near reefs and rocks that if we strike will surely wreck us?

one of the dangers that threatens is taxes, taxes, taxes, with the new tax bill the chief topic of conversation—"Will they?" "Can they?" "Can't they?", and any one answer is as good as the others. But don't console yourself with the idea that only the rich will pay. Every person who owns anything will pay and pay and pay and pay.

pay and pay and pay.

Just think, every minute of every day and every night the Government is spending \$9,669—that is the Federal Government—not State or local, which have also gone tax mad. The Federal Government spends \$1.95 for each dollar collected, and during the current fiscal year \$5,082,084,690 is being spent by the various departments, commissions, and agencies of the present administration according to Treasury figures. In fact, the deficits are so large and so many that they are using green ink to mark them up, as so much red ink is hard on the eyes.

Just to emphasize a few of the facts I have mentioned here

up, as so much red ink is hard on the eyes.

Just to emphasize a few of the facts I have mentioned, here are a few of the taxes you are paying of which you are not conscious: Almost a third of your rent goes in taxes; 53 different kinds of taxes are mixed with the dough of every loaf of bread you eat; the milk you drink is taxed; every package of cigarettes is taxed; on your car you pay 27 different kinds of taxes, 117 on its upkeep, and of every dollar you spend for gasoline 40 cents are for taxes. The tax on your telephone is \$7 a year. If you are sick you pay 71 different taxes on your drugs and medicines and medicinal supplies. And if you die there are still 57 different kinds of taxes to be paid. In my own State of California there are 89 different days on which taxes are due, to say nothing of the sales tax on every purchase made. So just ponder this, and don't think only the rich pay! And this in the face of definite promises and repeated assurances that taxes will be reduced and the Budget balanced. And even if the Budget is balanced will it be the entire Budget? Oh, no; just the Budget of the regular departments—the old stand-by departments, not the extraordinary

budgets—for economy, thrift, saving mean nothing to alphabetical agencies. Extravagance, wastefulness, thriftlessness—that's what you are paying for.

agencies. Extravagance, wastefulness, thriftlessness—that's what you are paying for.

And suppose we balance one Budget—ordinary and extraordinary—how many years do you think it would take just to pay our present indebtedness? Not in your lifetime or mine, not in the lifetime of anyone alive today—verily unto the third and fourth generations shall the sins of extravagant spending and wastefulness descend. I wonder how many have any appreciation of what our national debt of thirty-one and one-half billions (approximately) means. We speak of billions as if they meant nothing. They really mean nothing, for we have no conception of what a billion is. Let us reduce it to concrete terms. For the purpose of easy calculation let us put the beginning of the Christian era as January 1 of the year 1 and let us say that each year consisted uniformly of 12 months to the year, 30 days to the month, 24 hours to the day, 60 minutes to the hour. Now if for every minute—not hour or day or week—but for every minute of the time from January 1 of the year 1 to January 1 of the year 1836, \$1 was paid into the United States Treasury—let me repeat not every hour or every day, but every minute—how much do you think would have been paid in? Just \$1,003,404,000. Yes; just a little more than \$1,000,000. That may give you some idea of the amount of the debts we are saddling upon our children and our children's children unto the third and fourth generations.

Closely connected with taxes is, of course, the tariff, at one time of our great sources of income. Whet with reciprocal tariffs.

closely connected with taxes is, of course, the tariff, at one time one of our great sources of income. What with reciprocal tariffs, favored-nation clauses, lower duties, what do we find? Not only income cut off but a tremendous importation of agricultural products. We have cut down and plowed under so much we find ourselves with a deficit instead of a surplus. Instead of exporting we are importing. We are increasing the spending power abroad instead of at home at the expense of our own farmers and raising our own cost of living. To show that this is no idle boast, here are a few facts and figures.

But first just a word as to what is meant by favored-pation

But first just a word as to what is meant by favored-nation clause. With many nations we have an agreement known as favored-nation clause—in fact with all important nations except Germany—and with Czechoslovakia and Russia we have agreements that amount to practically the same thing. How do these clauses work? Every nation with whom we have these favored-nation exceptions were consequents when the consequence of the consequence clauses work? Every nation with whom we have these lavored-nation agreements obtain automatically the same concessions we make with any other nation under the reciprocal tariff. For in-stance, in our trade agreement with Canada the dairy products were given special concessions. It is true Canada made some concessions in return, but other countries making no concession still under this favored-nation clause enjoy the benefits we have given Canada. If we examine the imports into this country of January 1936 we are stunned at the increase. Listen, farmers who raise, listen, consumers who buy, January 1936 is the real first try-out, so let us compare our imports of January 1935 with January 1936:

Product	Imports	
	1935	1936
Fresh pork Cattle Cheese Horses Turnips Potatoes Milk powder Fresh beef Bacon and hams Wool Poultry	\$4, 386 54, 483 7, 863 15, 315 45, 124 2, 414 9, 387 4, 097 8, 223 7, 110 698	\$76,010 457,962 96,727 98,500 118,757 27,853 28,348 23,713 21,623 159,598 7,359

These figures certainly speak for themselves.

These figures certainly speak for themselves.

In closing, may I just say a word as to what I hope our future Republican policy will be? We all know we are living in a changing world, and policies must be changed to meet new conditions. To the Republicans I appeal to consider their platforms, their enunciation of plans and promises in the light of these new adjustments, to announce to the country a workable constitutional socio-economic program, capable of dealing with the problems of today—not of yesteryear. Let us stand for an ecouragement of industry, definite unemployment insurance, adequate old-age pensions, the survey of all Government agencies to cut out extravagances, overlapping, mismanagement, and all unnecessary expenditures. Do all that is necessary; do it with judgment, economy, and fairness. Act squarely with every group, recognizing their mutual dependence, their necessary cooperation with the Government and with each other, and the people will soon realize justice to one means justice to all. means justice to all.

POLITICS, RELIEF, AND THE CIVIL SERVICE

Mr. BACON. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a speech delivered by me.

The SPEAKER. Is there objection? There was no objection.

Mr. BACON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio speech delivered by me April 17, 1936:

As a member of the Committee on Appropriations in the House of Representatives, it has been my duty during the last 3 years study the organization and administration of the relief agencies with some care.

with some care.

What I say to you on this subject tonight through the courtesy of the National Broadcasting Co. represents painstaking and conscientious analysis of public documents and official reports.

Briefly, I shall examine the present disturbing demoralization of the Federal relief machinery, and offer my personal conclusions as to one of the primary causes of the unfortunate administrative break-down now confronting the Nation.

In a word, the conclusion is inescapable that the loss of public confidence in the relief machinery is due entirely to the corroding hand of partisan politics. In the language of the American Society of Foresters, in its recent special report upon the C. C. camps, the emergency relief machinery over wide areas is simply—

camps, the emergency relief machinery over wide areas is simply—and I quote from the report of the American Society of Foresters—"clogged by politics."

I have before me the text of a letter written to a man in New Jersey who had applied for a position in the C. C. C. organization. He wanted to be an instructor in physical education. The record shows he was admirably qualified by training and experience.

Only yesterday the relief administrator for the State of Washington was removed following revelation that he had collected a campaign fund of \$3,000 from beneficiaries of the relief program.

campaign fund of \$3,000 from beneficiaries of the relief program. Charges of the same nature have been alred extensively in West Virginia, Illinois, Pennsylvania, Maine, Ohio, and California.

These are manifestations of political spoilsmanship shocking to the American tradition of honesty in government.

Relief according to the needs of the political spoilsman is an utterly indefensible policy.

But it is important for America to realize that the issue is not whether relief of the needy should be abandoned. The question is simply, Shall relief be fairly and honestly administered by competent personnel or by political appointees, whose first interest is the perpetuation of the New Deal?

The issue is not relief, but spoils.

The issue is not relief, but spoils.

When the New Deal took over the Government in March 1933 there were only 564,000 persons employed in the executive branch. Compare this total with the army of jobholders and "pay rollers" today—815,000 direct full-time workers, according to the last official tabulation from the General Accounting Office.

Two hundred and fifty-one thousand people added to the pay

Two hundred and fifty-one thousand people added to the pay rolls in 3 years!

And the record is clear that they represent 251,000 partisans mobilized for the approaching campaign.

All of these new jobs have been filled by the policy of the Jacksonian era, "To the victors belong the spoils."

For more than 2 years after President Roosevelt's inauguration, not a single one of these so-called emergency agencies was put under the civil-service laws.

Civil service has been a going concern in the United States Government since 1883.

ernment since 1883.

Every administration prior to the New Deal had increased the number of Government workers protected by the merit rules of the Civil Service Commission.

For 50 years there had been a continuous advance in civil-service

administration and a corollary advance in the general efficiency of the Federal Government.

But almost from the instant of inauguration in 1933, the raids upon the civil service began. Faithful Government workers—many of whom had been in the classified civil service for 25 years or

more—were rooted out to make way for friends of the New Deal.

In the Bureau of Air Commerce alone there have been no less than 475 separations from the air-safety service since 1933.

No agency of government was immune from the spoilsmen's

wicked thrust at merit.

Late in 1935, when the rising tide of public revolt finally was brought to the attention of the master spoilsmen in Washington,

Some of 1

feeble gestures were made in the direction of reform. Some of the most recent agencies, such as the Social Security Board, with less than 100 employees, were legislated into civil service in 1935. But the original A. A. A., with its 6,000 employees, was expressly excluded by the language of the law from civil-service regulation. The H. O. L. C., with more than 20,000 employees at its peak, was a happy hunting ground for spoilsmen. It was so described in 1933 in an official report of the National Civil Service Reform League, an organization which has fought continuously for more than 50 years for the advancement of the merit principle in public service.

Neither did the New Deal put the fantastic N. R. A. under civil service. At the height of its "crack down" career, N. R. A. employed more than 6,000 people.

Reputable students in the field of public administration tell me that the damage to the merit principle during the last 3 years could not be wholly corrected in 10 years if we started tomorrow, so deep are the wounds inflicted upon the merit system by the

New Deal "pay rollers."

We all recognize, of course, that throughout these partisan raids there has been no lack of solemn and eloquent lip service to the principle of merit. Time and again President Roosevelt has assured the Nation he wants to see civil service extended and

strengthened.

But as recently as March 21, this year, President Roosevelt issued an Executive order creating two new Federal agencies. One was the Division of Industrial Economics in the Department of Commerce, and the other was the Committee of Industrial Analysis. These two agencies are to take over the remains of N. R. A.

sis. These two agencies are to take over the remains of N. R. A. and finish the history of that ill-starred experiment.

Now, this certainly is not emergency work. It is purely historical research. It makes no difference to anybody whether it is completed in 1937 or 1950.

And it is professional work requiring a high degree of competence if it is to be of any use at all.

In spite of these considerations, however, the President's Executive order of March 21, 1936, authorized these new agencies to appoint their personnel and fix the compensation of their employees "without regard to the civil-service laws or the Classification Act of 1923, as amended."

That is the official language quoted from the latest of the four-teen-hundred-odd Executive orders issued by President Roosevelt

teen-hundred-odd Executive orders issued by President Roosevelt since March 1933.

That obscure phrase—"without regard to the civil-service laws or the Classification Act of 1923"—is standard text in all New Deal Executive orders and in most of the so-called emergency legislation.

It signalizes a well-planned and closely followed policy of avoiding civil-service competition in every new job possible.

How the repeated professions of good intentions are to be reconciled with this incontrovertible record of gross spoilsmanship in the New Deal is a problem for the New Dealers to solve between now and November.

Nowhere have these spoils raids been more damaging to the morale of the Federal service than in the Post Office Department itself. The Post Office employs, roundly, 250,000 people.

Civil-service postmasters of 10, 15, and 20 years' standing have been rooted out of their jobs as unceremoniously as if they had been extras in a motion-picture mob scene.

Faithful service was rewarded with the groups lack and

been extras in a motion-picture mob scene.

Faithful service was rewarded with the spoilsmen's lash, and the very word "merit" became a hollow mockery.

Postmasters who had served their communities conscientiously under both Democrats and Republicans were forced out to make way for militant New Deal partisans.

Men who had worked their way up from the mail routes and the sorting racks were forced back to the role of clerk, or on to the pension rolls—so that another vacancy might be created for a faithful party worker.

the pension rolls—so that another vacancy might be created for a faithful party worker.

Under the terms of a special Executive order issued by President Roosevelt on July 12, 1933, the Postmaster General was given blanket authority to disregard civil-service recommendations touching postmaster appointments in some 14,500 post offices of the first, second, and third classes.

Never before hed there been a Presidential Executive order.

of the first, second, and third classes.

Never before had there been a Presidential Executive order thus forcing a retrogression in the civil-service system.

By reducing the efficiency of the entire Federal establishment, by the appointment of grossly incompetent men and women to important positions in government, by the appointment of untrained administrators in many of the emergency bureaus and authorities, this system of spoils has added uncounted millions to the cost of government.

And as with every other extravagance of the New Deal the bill will ultimately be paid out of the toil of every citizen.

Spoils is abroad in the land—a creeping paralysis in the helping hand of the relief agencies.

hand of the relief agencies.

MONUMENT SITE COMMEMORATING FIRST ENTRANCE INTO THE CITY OF WASHINGTON OF A STEAM RAILROAD

Mr. LEWIS of Maryland. Mr. Speaker, if the House will pardon my persistency, I am rising at this time to ask unanimous consent that House Joint Resolution 362, providing for the selection of a site and the erection thereon of a suitable monument to the first entrance of a railroad into the District of Columbia, be restored to the Consent Calendar. This bill was eliminated from the calendar upon the objections of gentlemen who have since been correctly in-

formed as to the terms of the bill. These gentlemen have withdrawn their objections. This includes the gentleman from Washington [Mr. Zioncheck] who made an objection on the last occasion this bill was considered.

Mr. Speaker, the bill concerns securing permission of the Government for the selection of a site to commemorate the first entrance of a railroad into the District of Columbia. The bill, according to its own terms, distinctly provides that no expenditure whatever connected therewith shall become a liability on the part of the Government. Under these circumstances, Mr. Speaker, I humbly ask the pardon of the House for this persistency and its consent that the bill be restored to the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I understand the gentleman's request is that this bill be restored to the Consent Calendar?

Mr. LEWIS of Maryland. Yes.

Mr. WOLCOTT. I may say to the gentleman that he apparently did not get the consent of all objectors to that bill, because I was one of those objectors, and I seriously object to its being restored to the Consent Calendar.

Mr. Speaker, this bill provides for the erection of a memorial on the Capitol Grounds. The only memorial on the Capitol Grounds at the present time is one to the first Chief Justice of the Supreme Court of the United States. I do not want to tie the hands of the Planning Commission by providing that memorials shall be erected on the Capitol Grounds. I have no objection to the erection of a memorial or monument to the first train that came into the District of Columbia. I have no objection to the placing of a plaque at the site of the first railroad station built here, wherever it was, even if on the Capitol Grounds; but I do object to the Congress telling the Planning Commission that they must erect a monument on the Capitol Grounds. If we follow such procedure, we will have the Capitol Grounds dotted with many such monuments. For this reason, I object.

SOCIAL SECURITY ACT TO BE EXTENDED TO PUERTO RICO-H. R. 11062

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with reference to a bill pending before the Ways and Means Committee which has to do with the Social Security Act being extended to Puerto

The SPEAKER. Is there objection to the request of the gentleman from Puerto Rico?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter:

WASHINGTON, D. C., April 17, 1936.

Hon. ROBERT L. DOUGHTON.

Chairman, Committee on Ways and Means,

Chairman, Committee on Ways and Means,

House of Representatives, Washington, D. C.

My Dear Mr. Doughton: Referring to our recent interview, we
desire to submit to you the following data as to why Puerto Rico
should be included in the Social Security Act. This can be
accomplished by the passage of H. R. 11062 (from Commissioner
IGLESIAS, of Puerto Rico).

The argument which has been used against the inclusion of
Puerto Rico in the Social Security Act is that Puerto Rico is allowed to retain its customs revenues, but this advantage is many
times offset by other disadvantages which inure to the benefit of
continental Americans. Puerto Rico imports practically all of its
food staples from the continental United States, and the rising
price levels of these commodities are reflected in an increased cost price levels of these commodities are reflected in an increased cost of living in the island. The imposition of processing taxes, together with the imposition of a production quota upon its chief product, sugar, has worked a considerable hardship upon Puerto Under the Jones-Costigan Act the annual sugar quota for Puerto Rico has been reduced, roughly, a ninth of the total crop. This has reduced the purchasing power of the island, and the people of Puerto Rico have been injured directly by diminished employment. Again, the profits realized from sugar produced in Puerto Rico do not remain in the island for further investment, but are remitted, by way of dividends, to the stockholders of large corporations which own or control the best sugar lands there. The greater part of these stockholders resides in the United States, and the Federal Treasury benefits by income taxes received from these

Governor Winship is on record as stating that it is particularly important that Puerto Rico be permitted to share in (1) aid for dependent children; (2) maternal and child welfare, care of crip-

pled children, and vocational rehabilitation; (3) aid for the pubhealth service. In this connection, your attention is invited to a memorandum by Dr. E. Garrido Morales, Commissioner of Health of Puerto Rico, printed on pages 5099 and 5100 of the Congressional Record of April 7, 1936, by Commissioner IGLESIAS, showing the welfare work now being carried on from appropriations made by the Legislature of Puerto Rico and the need of additional funds for that purpose.

The estimated infant-mortality rate in Puerto Rico for 1935 was 135, as compared with the rate of 58 for the United States birth-registration area. The maternal-mortality rate for Puerto

birth-registration area. The maternal-mortality rate for Puerto Rico in 1933 was 67 per 10,000 live births, as compared with 62 for the United States birth-registration area. Only nine States have a larger number of maternal deaths than Puerto Rico. We as residents of Puerto Rico, know the deplorable conditions there among the poorer people and of how much benefit the particular kind of assistance provided for in the Social Security Act would be to

assistance provided for in the Social Security Act would be to these poor people.

The economic situation in Puerto Rico is extremely serious; the unrest there is undoubtedly due in large part to the present economic situation. Governor Winship has collected statistics which indicate that Puerto Rico has only received about one-sixth of its per-capita share of the various Federal allocations based on population; if based on unemployment, the share Puerto Rico has received would be one twenty-seventh. Based on an estimated population of 1,700,000, records of the Federal Emergency Relief Administration indicate that 84.6 percent of the total population has applied for assistance. The Federal Emergency Relief Act of 1935 expires on June 30, so that the relief heretofore extended by this Federal agency will be discontinued on that date. Puerto Ricans are citizens of the United States and are entitled to share in the benefits of the Social Security Act. Puerto Rico is doing all that it can from local resources, but because of the very dense and increasing population, particularly the agricultural population, with its extremely low per-capita income, the need is far beyond said local resources. In addition, we feel that the extension of the Social Security Act to Puerto Rico will stimulate the local social legislation, which does not exist in the island at present and which is so badly needed.

We believe that all provisions of the Social Security Act, inper-capita share of the various Federal allocations based

We believe that all provisions of the Social Security Act, including old-age and unemployment assistance, should be extended to Puerto Rico; the two latter benefits might be availed of by to Puerto Rico; the two latter benefits might be availed of by Puerto Rico at such time as might be possible. If acts of Congress which are detrimental to the best interests of Puerto Rico are to be made applicable in the island, why should not that island be included in acts passed for the benefit of the whole United States? It is certainly inconsistent to follow such a policy in one case and not to do so in the other.

We trust that you will give this matter your most sympathetic consideration and use your best endeavors to see that justice is done to Puerto Rico by permitting her to share in all beneficial legislation which may be enacted and made applicable to other parts of the United States.

Respectfully yours,

BEATRIZ LASSALLE MARÍA A. PINTADO. CELESTINA ZALDUONDO, Social Welfare Workers of Puerto Rico.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I hold in my hand a fullpage advertisement from the Evening Star of Washington, D. C., of Friday, April 3, 1936, which is a reprint of an editorial appearing in the New York Sun of April 4. May I invite the attention of the Members of the House to a part of this editorial, as follows:

The sovereign State of West Virginia paid into the Federal Treas ury in all internal revenue for the year ending June 30, 1935, the sum of \$10,605,166. The State of West Virginia in 1935 received on order of the executive department the sum of \$17,800,000 in direct relief funds. Thus in direct relief funds West Virginia received \$7,000,000 more than it contributed to the support of the Government. In the Congress of the United States West Virginia is repreented by Senators Matthew M. Neely and Rush D. Holt and six Representatives.

I call to your attention at this time the indictment of my State, and I may say that the editorial carries a similar indictment of other States; notably, the State of Arizona, the State of Alabama, the State of Arkansas, the State of Mississippi, the State of Montana, the State of Nebraska, the State of Nevada, the State of New Mexico, and the State of Utah. The title of the editorial is Representation Without Taxation Is Tyranny. As a West Virginian, I resent the untrue statement that our people do not pay their way. We are not a burden to our neighbor States.

I am particularly interested because I join in representing a great State which stands on its own record; and I bring to the attention of the membership of the House at this time that which I know is true of West Virginia and perhaps the other States in question and, for your information, and because of the charge made against the State of West Virginia of not paying back to the Government that which is due the Government, and comparing that which the Government has given to us in West Virginia in the form of Federal funds, let me point out to the House and to the country today that large corporations earning a great amount of money, with all or practically all of their money earned in the State of West Virginia, pay their taxes elsewhere. For example, we get but little of the Federal gasoline tax used in West Virginia. All the large gasoline companies operating in West Virginia, notably the Standard Oil and the Gulf Oil, report their internal-revenue collections to other offices besides West Virginia.

With respect to the three great railroads in the southern part of West Virginia, we find the Norfolk & Western and the Virginian and the Chesapeake & Ohio, according to annual reports made by these companies and made public, are said to be among the most prosperous railroads at the present time in the United States, and the various taxes paid by these railroads into the Federal Treasury, I am reliably informed, are equal to a larger sum than the total amount credited to West Virginia and paid through the Parkersburg office of our collector of internal revenue. None of the taxes of these three great transportation systems is paid through the West Virginia internal-revenue collecting agency, and one of the officials of a railroad that I have just mentioned stated in a rate case recently that 80 percent of the revenue of these railroads originated in West Virginia, although the funds are not collected for the West Virginia office.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 2 more minutes.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I shall not object to this request, but I wish to serve notice that if there are any further requests to address the House, I shall have to object in order that we may take up the consent calendar.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Most of the large industries, which are coal, oil and gas, and chemical in West Virginia; in fact, practically all of them, pay their taxes elsewhere because their executive offices are in other cities and in other States. Only one-half of the coal-mined tonnage in my State is returned to West Virginia in the form of taxes.

To sum up the whole matter, if all the taxes accruing to the Federal Government through earnings in West Virginia were paid in West Virginia, the State office would collect approximately three times as much tax as it does collect. I think this is true not only of West Virginia but other States I have mentioned also may have been unjustly attacked under the heading of "Representation Without Taxation Is Tyranny."

Mr. COLDEN. Mr. Speaker, will the gentleman yield? Mr. RANDOLPH. I yield.

Mr. COLDEN. Is it not the fact that a considerable part of this \$17,000,000 paid to the State of West Virginia is borrowed money and West Virginia still has the obligation to pay a share of it?

Mr. RANDOLPH. That is true, and I thank the gentle-

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. MEAD. Has not the author directed attention to the facts just enumerated by the gentleman?

Mr. RANDOLPH. No; the editorial is an indictment of West Virginia, Alabama, New Mexico, Nevada, Montana, Nebraska, and all the other States I have mentioned.

Mr. MEAD. The article gives you no such credit, either directly or indirectly.

Mr. RANDOLPH. No.

Mr. MEAD. Would the gentleman mind telling the House who is the author of the article?

Mr. RANDOLPH. An editorial writer of the New York Sun, and the article is published here as a full-page advertisement in the Washington paper.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. RICH. Does the gentleman make the statement that these other States, aside from West Virginia, are paying more into the Federal Government than they are receiving for relief?

Mr. RANDOLPH. I may say to the gentleman from Pennsylvania I cannot speak for the other States. However, I know it is true of the State of West Virginia, and I have presented the facts.

Mr. RICH. I thought the gentleman made the statement that the same thing was true of the other States he mentioned.

[Here the gavel fell.]

VETO MESSAGE OF THE PRESIDENT OF THE UNITED STATES-LEON FREDERICK RUGGLES (H. DOC. NO. 467)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read and ordered to be spread at large upon the Journal:

To the House of Representatives:

I am returning without my approval H. R. 6297, Seventyfourth Congress, entitled "An act for the relief of Leon Frederick Ruggles."

This bill would authorize and direct the Secretary of the Treasury to pay to Leon Frederick Ruggles the sum of \$563.47 in full settlement of all claims against the Government for medical and hospital expenses incurred by him as a result of an alleged emergency operation.

The sum authorized by this measure represents an expenditure incurred by Mr. Ruggles, a World War veteran, between August 2, 1932, and September 22, 1932, for the treatment of a condition which has been rated by the Veterans' Administration as being connected with his military service.

Under a provision of the World War Veterans' Act, 1924, as amended, which was in force at the time the expenses were rendered, but which was subsequently repealed by Public, No. 2, approved March 20, 1933, reimbursement for unauthorized medical expenses could be made administratively by the Veterans' Administration only (1) when incurred for a service-connected disability in an emergency, (2) where Veterans' Administrations facilities were not available, and (3) where delay in obtaining relief from the Veterans' Administration would have proved hazardous to the life and health of the veteran. Unless all three requirements were fulfilled, reimbursement could not be made for medical expenses not previously authorized. From the evidence of record it was not and is not now shown that any one of the three conditions was met.

The records of the Veterans' Administration disclose Mr. Ruggles was hospitalized as an emergency case on June 1, 1932, at the Veterans' Administration facility, Hines, Ill. He was discharged with maximum benefit on July 2, 1932. Later, in August 1932, he obtained the services of private physicians without authority of the Veterans' Administration and incurred expenses for which the bill seeks to reimburse him. From the date of the first consultation with his private physician until he was admitted to the private hospital for treatment 9 days elapsed, during which he made no effort to obtain authority to enter a Veterans' Administration hospital for the desired relief, indicating rather conclusively the nonemergency character of the case.

I can find no justification for making an exception in the case of this veteran by granting preferential treatment when other similar cases are barred from special reimbursement.

For these reasons I am withholding my approval of this

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, April 20, 1936.

Mr. BEITER. Mr. Speaker, I move that the bill and the message be referred to the Committee on War Claims and ordered to be printed as a House document.

The motion was agreed to.

OMNIBUS PRIVATE BILLS

Mr. BIERMANN. Mr. Speaker, I desire to propound a unanimous-consent request. Under the rule of the House adopted sometime ago the third Tuesday of each month is devoted to omnibus private bills. Tomorrow makes the fourth Tuesday of this month, and on one third Tuesday we voted for one omnibus private bill.

Tomorrow will be devoted to something else, and therefore I make the unanimous-consent request that the fourth Tuesday of this month be devoted to omnibus private bills.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. BANKHEAD. Reserving the right to object, when is the fourth Tuesday?

Mr. BIERMANN. On April 28.

Mr. BANKHEAD. Mr. Speaker, I will have to reserve temporarily an objection to see what position the tax bill will be in on that day. We are extremely anxious to get that finished. I had hoped that we might be able to use one day this week for the Private Calendar, but we have a conference report on the Interior Office bill on Wednesday-

Mr. ZIONCHECK. Regular order, Mr. Speaker. Mr. BANKHEAD. For the present, I am constrained to

Mr. BIERMANN. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Iowa makes the point that no quorum is present. Evidently there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, I move a call of the House. The motion was agreed to.

Accordingly the doors were closed, the Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71] Hennings Higgins, Mass. Hill, Knute Allen Darrow Owen Palmisano Amlie Andrew, Mass. Dear Delaney Parks Arends Dietrich Hobbs Plumley Dingell Hoeppel Hollister Jenckes, Ind. Jenkins, Ohio Quinn Drewry
Duffey, Ohio
Duffy, N. Y.
Duncan
Dunn, Miss. Rabaut Beam Berlin Blackney Ransley Bolton Johnson, Okla. Rayburn Richardson Boykin Kee Kelly Brennan Eagle Robsion, Kv. Brewster Brooks Brown, Mich. Kennedy, N. Y. Kleberg Kocialkowski Eaton Edmiston Sabath Ellenbogen Englebright Farley Sadowski Sanders, La. Buckbee Buckley, N. Y. Bulwinkle Lambertson Lamneck Schaefer Fenerty Ferguson Lee, Okla. Lewis, Md. Schneider, Wis. Burnham Cannon, Wis. Fernandez Lord Shannon McAndrews McClellan McKeough Carpenter Cary Cavicchia Fish Fitzpatrick Flannagan Snyder, Pa. Somers, N. Y. Starnes Steagall Sweeney Taylor, Colo. Taylor, Tenn. Thomas Celler Fulmer Mansfield Chapman Christianson Gasque Marcantonio Gavagan Marshall Claiborne C'ark, Idaho Gearhart Gehrmann Martin, Mass. Maverick Cark. N. C. Gifford Miller Treadway Vinson, Ga. Collins Cooper, Ohio Gildea Goldsborough Montague Montet Welch Corning Goodwin Moran Wigglesworth Greenwood Creal Wood Gregory Hamlin Hancock, N. C. Crosby Nichols Zionchack

Two hundred and sixty-five Members The SPEAKER. have answered to their names—a quorum is present.

Norton Oliver O'Malley

Mr. BANKHEAD. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Hart

The doors were opened.

Culkin Cummings

Darden

CONSENT CALENDAR

The SPEAKER. The Consent Calendar is in order, and the Clerk will call the first bill.

REHABILITATION OF THE FISHING INDUSTRY

The Clerk called the bill (H. R. 8055) to provide for the economic studies of the fishery industry, market-news service, and orderly marketing of fishery products, and for

There being no objection, the Clerk read the bill, as follows:

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of this act the term "fishery industry" includes catching, taking, harvesting, cultivating, farming, propagating, processing, marketing, and distributing fishery products; and the term "fishery products" includes fish, shellfish, crustacea, seaweeds, and other aquatic forms of animal and vegetable life and the products and byproducts thereof.

SEC. 2. The Secretary of Commerce is hereby authorized to establish an economic research section in the Bureau of Fisheries of the Department of Commerce for the purpose of collecting, studying, and analyzing information on the capture, production, preservation, preparation, marketing, handling, storage, and utilization of fishery products, including information on fishery methods.

SEC. 3. The Secretary of Commerce is hereby authorized to establish a market-news service in the Bureau of Fisheries of the Department of Commerce for the purpose of collecting, publishing, and distributing by telegraph, mail, or otherwise, timely information on the fishery industry, including information on the market supply and demand, commercial movement, location, disposition, and market prices of fishery products.

SEC. 4. The Secretary of Commerce is hereby authorized to establish an extension service in the Bureau of Fisheries of the Department of Commerce for the purpose of disseminating information on the capture, production, manufacture, preservation, preparation, marketing, handling, storage, and utilization of fishery products, including information on fishery methods through field demonstrations, publications, and otherwise.

SEC. 5. For the purpose of carrying out the provisions of this act the Secretary of Commerce may make such rules, regulations, and orders as may be necessary; may cooperate with any department or agency of private agency, organization, institution, or person, may accept donations of funds, or other aid; shall have the power to appoint, remove, and fix the

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISHERIES RESEARCH VESSEL FOR PACIFIC OCEAN

The Clerk called the bill (H. R. 3013) to provide for the construction and operation of a vessel for use in research work with respect to Pacific Ocean fisheries.

The SPEAKER. Is there objection?

Mr. McLEAN. Reserving the right to object, the Consent Calendar today is rather unusual. If all the bills containing an appropriation were enacted into law, it would appropriate upward of \$15,000,000.

In addition, there are bills to create many new offices, including seven judgeships, and bills providing for some other new offices. Many of these bills are of far greater importance than some acted upon last week, which were considered under special rules reported after consideration of the merits of the measures by the Committee on Rules. It necessarily follows that there will be a number of objections to many of the bills that are on the calendar. I mention my position in the matter so that it may be understood as we progress. The Consent Calendar was never intended to be the means whereby large appropriations could be made or offices created in considerable number with expedition. I shall object to all bills that come within this ruling.

The SPEAKER. This bill requires three objectors.

Mr. McLEAN, Mr. WOLCOTT, and Mr. TAYLOR of South Carolina objected.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request that the bill go over without prejudice.

There was no objection.

EMERGENCY OFFICERS' RETIREMENT ACT

The Clerk called the bill (S. 2265) extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional officers of the Regular Establishment who served during the World War.

Mr. ZIONCHECK, Mr. FADDIS, and Mr. TAYLOR of South Carolina objected.

DEPORTING CERTAIN ALIENS

The Clerk called the bill (H. R. 11040) to deport certain aliens who secured preference-quota or nonquota visas through fraud by contracting marriage solely to expedite entry to the United States, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (f) of section 9 of the Immigration Act of 1924, as amended (43 Stat. 158; U. S. C., title 8, sec. 209, subdivision (f)), is amended to read as follows:

"Sec. 9. (f) Nothing in this section shall be construed to entitle an immigrant, in respect of whom a petition under this section is granted, either to enter the United States as a nonquota immigrant, if, upon arrival in the United States, he is found not to be a nonquota immigrant, or to enter the United States as a preference-quota immigrant if, upon arrival in the United States, he is found not to be a preference-quota immigrant."

Sec. 2. That subdivision (a) of section 13 of the Immigration Act of 1924, as amended (43 Stat. 161; U. S. C., title 8, sec. 213 (a)), is amended to read as follows:

is amended to read as follows:

is amended to read as follows:

"No immigrant shall be admitted to the United States unless he
(1) has an unexpired immigration visa or was born subsequent to
the issuance of the immigration visa of the accompanying parent;
(2) is of the nationality specified in the visa in the immigration visa;
(3) is a nonquota immigrant if specified in the visa in the
immigration visa as such; (4) is a preference-quota immigrant if
specified in the visa in the immigration visa as such; and (5) is
otherwise admissible under the immigration laws."

SEC. 3. That any alien who at any time after entering the United
States is found to have secured either nonquota or preferencequota visa through fraud, by contracting a marriage which, subsequent to entry into the United States, has been judicially annulled
retroactively to date of marriage, shall be taken into custody and
deported pursuant to the provisions of section 14 of the Immigration Act of 1924 on the ground that at time of entry he was not
entitled to admission on the visa presented upon arrival in the
United States. This section shall be effective whether entry was
made before or after the enactment of this act.

The hill was ordered to be engrossed and read a third time.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PERRY'S VICTORY MEMORIAL

The Clerk called the bill (H. R. 8474) to provide for the creation of the Perry's Victory and International Peace Memorial National Monument on Put in Bay, South Bass Island, in the State of Ohio, and for other purposes.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent, at this point, to insert certain correspondence which I have received relative to this bill.

The SPEAKER. Is there objection?

There was no objection.

The correspondence is as follows:

THE PERRY'S VICTORY MEMORIAL COMMISSION, Mount Sterling, Ky., April 11, 1936.

Hon. John J. O'Connor,

House of Representatives, Washington, D. C.

My Dear Mr. O'Connor: I beg leave to address you in reference to the debate in the House of Representatives, April 6, concerning H. R. 8474, as indicated by the Congressional Record for that

date.

First, in behalf of this commission, permit me to thank you for your friendly attitude toward the bill on that occasion.

Second, I think it proper to point out, in justification of that attitude, that the objection to the bill urged by Representative Taber, of New York, was wholly without warrant. To give you the facts as to that, I take the liberty of sending you, herewith, copy of a letter I am sending by this mail to Mr. Taber, which I trust will result in a change of heart on his part.

The letter referred to I think, will prove to you the folly of

will result in a change of heart on his part.

The letter referred to, I think, will prove to you the folly of his objection. But I also enclose to you, as the most comprehensive statement that has been made concerning the wisdom and necessity of this legislation, a copy of the special report of this commission to the Secretary of the Interior, under date of April 6, 1933, calling your special attention to the pages therein as marked. This report was, at the time, considered in a conference between Secretary Ickes and President Roosevelt, which later

resulted in the identical bills, one of which has passed the Senate with amendments, and the other of which is now before the House. Both the Interior Department and this commission now earnestly hope that the legislation will not fail to pass at this session by the substitution of the amended Senate bill for the House bill.

Under separate cover, I am sending you the same illustrated literature of the memorial with which I am favoring Mr. Tabers, and which will give you a better conception of the character and history of the memorial than I can give you in any other manner. You may be sure that any aid you may give for enactment of the pending bill will be greatly appreciated by all of my colleagues of this commission and myself, and that in lending such aid you will perform a valuable public service.

Very respectfully yours,

Webster P. Huntington,

WEBSTER P. HUNTINGTON. President.

THE PERRY'S VICTORY MEMORIAL COMMISSION, Mount Sterling, Ky., April 10, 1936.

Hon. JOHN TABER,

Hon. John Taber,

House of Representatives, Washington, D. C.

Dear Mr. Taber: I have noted with interest and with natural regret the proceedings in the House on April 6, as related by the Congressional Record, in reference to H. R. 8474, the bill providing for the future control and administration of the Perry's Victory Memorial by the Secretary of the Interior and National Park Service, and I beg leave to address you on this subject solely for the purpose of stating the facts as to the propriety of this measure and the urgent necessity of its enactment at the present session.

In connection therewith I am sending you certain literature of the memorial to which I trust you will give careful consideration.

The grounds of your objection to consideration of the bill, as stated in the Record, were that administration of the memorial by the National Park Service would cost the Government more than would be the case if the present Commission continued to administer it.

ister it.

I beg leave to assure you of your error in this conclusion, feeling certain that you would not have reached it if all the facts had been before you, and with equal confidence that you would have cordially supported the bill if you had known the facts.

First, however, it will be well to consider what the Government would gain, if anything, by the enactment of the bill, for the situation is such that this is the most interesting inquiry, since no possible prospect of loss to the Government is involved.

The memorial was built at a cost in excess of \$1,000,000 at the joint expense of the Government and the nine States participating in its construction. For all purposes in connection with it during the past 25 years the Government has appropriated only \$388,584 of the total cost, the States having appropriated all the remainder, with the exception of about \$42,000 derived from earnings of the memorial and private contributions to the cause. Therefore, in now assuming full responsibility for the future administration of the memorial, the same as that which it exercises over the Washington Monument, the Government will come into possession of a million-dollar property at the expense of very considerably less than helf its cost. Thus its transfer to the Government will be million-dollar property at the expense of very considerably less than half its cost. Thus, its transfer to the Government will be a very good bargain from the standpoint of national interests rather than a loss.

As for future administration, the problem is not only one of economy but of actual necessity, unless the Government is willing to suffer very heavy loss from unavoidable future causes which must ensue if the objects of the bill are not carried out. The memorial has been opened to the public for 20 years, and in all that time has not cost National or State Governments a dollar for operation. All appropriations have been for construction, retaining walls, and landscaping, and no appropriation has ever been necessary for operation, in respect to which the property has been self-sustaining. But 5 years of depression have so reduced the revenues heretofore derived from operation by this commission that we are now without funds to provide against any contingency of unusual expense and are at the mercy of any natural cause which may occur to the property requiring the memorial to be closed to the public. Such a contingency is not imaginary or probably remote in the absence of the enactment of the pending bill. If the memorial were struck by lighting we could not repair it; if any circumstance stopped the operation of the passenger elevator, from which we derive our revenue to pay expenses of operation, all revenue would cease and we could not pay our employees or perform any other necessary labor to maintain operation; if a retaining wall were to give way, damage from erosion would ensue to an incalculable extent without any power to repair it.

Moreover, this memorial performs distinct humanitarian service in aid of navigation and aviation during the season of activity for future administration, the problem is not only one

Moreover, this memorial performs distinct humanitarian service in aid of navigation and aviation during the season of activity on Lake Erie, and the continuation of these functions without cessation is a protection to human life and property in all that region. I refer to the flood-lighting equipment, which has many times saved life in both summer and winter. This function must remain in peril if the property is to be left to operation by the commission rather than the Government.

The Government having taken over the property in accordance with the provisions of the pending bill, there is no reason to anticipate that operation by the Government would cost any more than heretofore by the commission. In normal times operation will pay its own cost, whether by the Government or otherwise, but no system other than Government operation can provide against the reduction of revenues by the depression or against untoward circumstances arising from natural causes. untoward circumstances arising from natural causes.

Your native State of New York was the sixth to join in the memorial enterprise by the appointment of commissioners during the administration of Gov. Charles E. Hughes. It was the special the administration of Gov. Charles E. Hughes. It was the special interest of Governor Hughes in the project that assured the participation of the State, and since that time he has not failed to manifest his continued interest in the memorial. I can say to you in confidence that if he had not projected a European trip at the time, Chief Justice Hughes would have been the principal orator at the dedication of the memorial July 31, 1931. The New York commissioners devoted \$30,000 of their appropriation to construction of the memorial, and your State has never been without competent representation in the administration of the property. In particular in this connection I mention the service to our cause rendered by our lamented colleague, the late Federal Judge Simon L. Adler, of Rochester, N. Y., who for 25 years gave the utmost attention to our affairs in every detail.

The financial records of this commission and of its predecessor, our former interstate board, are available in printed form to any person interested. These records are found in the printed records of our annual meetings, and our annual reports to the Secretary of the Interior since 1919. There is a complete file of these documents in the Congressional Library and also in the Interior Department.

Department.

In the earnest hope that these facts will now warrant your cordial support of the pending bill at the first opportunity, I am, Sincerely yours,

WEBSTER P. HUNTINGTON. President.

TURTLE MOUNTAIN BAND OF CHIPPEWA INDIANS

The Clerk called the bill (H. R. 6499) referring the claims of the Turtle Mountain Band or Bands of Chippewa Indians of North Dakota to the Court of Claims for adjudication and settlement.

Mr. COCHRAN. Mr. Speaker, this bill has been twice vetoed by President Roosevelt, once in the Seventy-third Congress, once in the Seventy-fourth Congress, first session. and it is back again on the calendar. I object.

Mr. ZIONCHECK and Mr. RICH also objected.

ADDITIONAL DISTRICT JUDGE, EASTERN DISTRICT OF PENNSYLVANIA

The Clerk called the bill (H. R. 11072) authorizing the appointment of an additional district judge for the eastern district of Pennsylvania.

Mr. ZIONCHECK. I object.

MEDAL COMMEMORATIVE OF TEXAS INDEPENDENCE

The Clerk called the bill (H. R. 10906) to authorize the Director of the Mint to prepare a medal commemorative of Texas independence, and for other purposes.

Mr. ZIONCHECK, Mr. WOLCOTT, and Mr. HOLMES ob-

jected.

REGULATION OF WHALING

The Clerk called the bill (S. 3413) to give effect to the convention between the United States and certain other countries for the regulation of whaling, concluded at Geneva, September 24, 1931, signed on the part of the United States, March 31, 1932, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I objected to this bill when it was on the Consent Calendar last for the reason that I was of opinion that it made an improper use of the United States Navy. Since then we have ironed this out and have tentatively agreed on an amendment. I understand that the amendment, if agreed to, is agreeable to the committee.

Mr. JOHNSON of Texas. Mr. Speaker, is that the amendment the gentleman submitted to me last week?

Mr. WOLCOTT. Yes.

Mr. JOHNSON of Texas. As chairman of the subcommittee, I think the amendment is agreeable, and that it really is an improvement to the bill.

There-being no objection, the Clerk read the bill, as fol-

Be it enacted, etc., That this act shall be known by the short title of "The Whaling Treaty Act."

Sec. 2. That unless and except as permitted by regulations made as hereinafter provided, it shall be unlawful to hunt, take, capture, kill, attempt to take, capture, or kill, possess, offer for sale, sell, offer to purchase, deliver for shipment, ship, cause to be shipped, deliver for transportation, transport, cause to be transported, carry, or cause to be carried by any means whatever, receive for shipment, transportation, or carriage, import or export at any time or in any manner, any right whale, or the young of any whale; or to sell, purchase, ship, transport by any means whatever, import, or export, the products of any right whale, including oil, meat, bone, meal, or fertilizer.

SEC. 3. That it shall be unlawful to kill at any time any calves,

SEC. 3. That it shall be unlawful to kill at any time any calves, or any female whales accompanied by calves or suckling whales, protected by article 5 of the Convention for the Regulation of Whaling, concluded at Geneva September 24, 1931, signed on the part of the United States March 31, 1932.

SEC. 4. That for the purposes of this act, right whales shall be deemed to include North Atlantic or North Cape whales, Greenland or Bowhead whales, and Pacific right whales; calves or suckling whales shall be deemed to include whales having a length less than the following dimensions: Blue or sulphurbottom. 60 feet: finthe following dimensions: Blue or sulphurbottom, 60 feet; fin-backs, 50 feet; and humpbacks, 35 feet.

SEC. 5. That subject to the provisions and in order to carry out the purposes of the convention, the Secretary of the Treasury is authorized and directed from time to time to determine when, to what extent if at all, and by what means it is compatible with terms of the convention to allow hunting, taking, capturing, killing, possession, sale, purchase, shipment, transportation, carriage, import, or export of any whale or the product of any whale protected by said convention.

Any regulation made under the

Any regulation made under the provisions of this act shall be-

Any regulation made under the provisions of this act shall become effective when approved by the President.

SEC. 6. That the fullest possible use shall be made of the carcass of every whale taken by extracting the oil by boiling, or otherwise, from all blubber, from the head, the tongue, and from the tail as far forward as the outer opening of the lower intestine; and when whales are brought on shore adequate provision shall be made for the collaboration.

utilizing the residue after the oil has been extracted.

SEC. 7. That it shall be unlawful for any person, association, partnership, or corporation or for the owners of any vessel of American registry to kill a gray whale at any time, or to kill any whale wantonly, for sport, or without utilizing the carcass.

SEC. 8. That before engaging in whaling, any person, association, partnership, or corporation shall obtain a whaling license from the Secretary of the Treasury. In making application for such license the applicant shall:

furnish evidence of having adequate equipment for com-(a) furnish evidence of naving adequate equipment for complete utilization of the whale insofar as practicable and for the manufacture of whale oil, meal, guano, or fertilizer;

(b) agree to engage crews and gunners of whaling vessels on some basis not solely on number of whales taken;

(c) provide for keeping accurate records of the catch, any biolog-

ical data necessary, and statistical records of production required by the Secretary of the Treasury; (d) pay a fee of \$1,000 for a license good for 1 year from date

SEC. 9. That the provisions of this act or any regulations thereof shall be enforced primarily by the Coast Guard and the Bureau of Customs. The Secretary of the Treasury is hereby authorized when necessary to request assistance of the Secretary of the Navy, and it shall be the duty of the Secretary of the Navy, upon request, to cooperate in the enforcement of this act. Any commander of a to cooperate in the enforcement of this act. Any commander of a Coast Guard, customs, or naval vessel, who shall find a whaling vessel of United States registry violating this act, shall have authority to seize such vessel and order it conveyed at the expense of the owners to the nearest port of the United States, and shall also have authority, in lieu of seizure, to impose on and collect from the commanding officer of such whaling vessel a forfeiture of \$2,500, which forfeiture shall be reported and paid forthwith to the United States district court of the district in which is situated any port to which such whaling vessel might be conveyed situated any port to which such whaling vessel might be conveyed for action under the terms of this act. In the event of the seizure and conveyance to port, such vessel including its apparel shall be forfeited to the United States by proper proceedings in the United States district court of the said district.

Sec. 10. That any employee of the Treasury Department, authorized by the Secretary of the Treasury to enforce the provisions of this act, shall have power without warrant to arrest any person committing a violation of this act in his presence and to take such person for examination or trial before an officer or court of competent jurisdiction, shall have power to execute any warrant or other process issued by an officer or court of competent jurisdiction for the enforcement of the provisions of this act, shall have authority, with a search warrant, to search any place. All whales or parts or products thereof captured, shipped, trans-All whales or parts or products thereof captured, shipped, transported, carried, imported, or possessed contrary to the provisions of this act, or of any regulations made pursuant thereto shall, when found, be seized by any such employee or by any marshal, deputy marshal, or commander of a Coast Guard, customs, or naval vessel, and upon conviction of the offender, or upon judgment of a court of the United States that the same were captured, shipped, transported, carried, imported, or possessed contrary to the provisions of this act, or of any regulations made pursuant thereto, shall be forfeited to the United States and disposed of as directed by the court baying jurisdiction. posed of as directed by the court having jurisdiction.

posed of as directed by the court having jurisdiction.

SEC. 11. That any person, association, partnership, or corporation who shall violate any of the provisions of said convention, or of this act, or who shall violate or fail to comply with any regulation made pursuant to this act, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be deprived of his license and shall be fined not more than \$10,000 or imprisoned not more than 6 months, or both.

SEC. 12. That nothing in this act shall be construed to prevent the several States and Territories from making or enforcing laws or regulations not inconsistent with the provisions of said convention or of this act, or from making or enforcing laws or regulations which shall give further protection to whales or their young, or which shall regulate the possession, transportation, or sale of whale products of any kind.

SEC. 13. Nothing in this act or in the regulations thereof shall apply to natives or Eskimos engaged in whaling who use only cances or other native craft propelled by oars or sails, do not carry firearms, are not employed by others than natives or Eskimos, and are not under contract to deliver products of their

Eskimos, and are not under contract to deliver products of their whaling to any third person.

Sec. 14. That if any clause, sentence, paragraph, or part of this act shall for any reason be adjudged to be invalid by any court of competent jurisdiction, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered. have been rendered.

With the following committee amendments:

On page 2, line 7, after the last word in said line, strike out the semicolon and substitute a comma therefor, and insert the

following words: "excepting dolphins and porpoises."

On page 3, line 3, after the word "Treasury", strike out the word "is" and insert the following words: "and the Secretary of Commerce are."

On page 3, line 10, after the word "Convention", strike out the period and add the following: "and to make the necessary joint regulations therefor."

On page 3, at the end of section 5, add the following paragraph:

"The Secretary of Commerce is hereby authorized and directed to assemble and collate the statistical and biological data submitted as required by this act or any regulation made pursuant thereto, and is further authorized and directed to conduct such statistical and biological studies as may be necessary to carry out the terms and provisions of said Convention and this act."

the terms and provisions of said Convention and this act."

On page 4, line 11, strike out the words "the Treasury" and insert the following: "Commerce for each vessel or other craft engaged in the taking and killing of whales and for each floating reduction ship, shore whaling station, or other plant used in the processing of whales."

On page 4, line 18, strike out the word "complete"; and after the word "whale", strike out the remainder of the paragraph down to and including the word "fertilizer", on page 4, and substitute in lieu thereof the following words: "as provided in section 6 of this act."

On page 5 line 1 strike out the words "the Treasury" and sub-

On page 5, line 1, strike out the words "the Treasury" and substitute the word "Commerce" therefor.

On page 5, line 4, strike out the period after the word "issue" and add the following words: "for each floating reduction ship, shore whaling station, or other plant used in processing whales, and a fee of \$250 for each vessel or other craft in excess of two and a fee of \$250 for each vessel or other craft in excess of two engaged in the taking of whales in connection with any one such ship, station, or plant, and all moneys received for licenses shall be covered into the Treasury of the United States."

On page 5, line 22, after the comma following the word "authority", insert "in his discretion."

On page 6, line 4, strike out the period after the word "act" and substitute a colon therefor and add the following words: "Provided, That within 6 months after payment of forfeiture the person or persons making such payment may institute proceedings in said

vided, That within 6 months after payment of forfeiture the person or persons making such payment may institute proceedings in said district court to recover said forfeiture, less costs, on satisfactory proof the vessel did not violate any provision of this act or any regulation made pursuant thereto."

On page 6, line 11, strike out the word "shall" and substitute the word "may" therefor.

On page 6, line 17, after the word "act", insert the following: "or any regulation made pursuant thereto".

On page 6, line 23, after the word "act", strike out the comma and insert the following words: "or any regulation made pursuant thereto."

thereto."

On page 8, after section 14, add a new section to read as follows: "SEC. 15. There is hereby authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this act and said convention."

The committee amendments were agreed to.

Mr. WOLCOTT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Wolcott: On page 5, lines 15 and 16, after the word "and", in line 16, strike out the words "it shall be the duty of"; and in line 16, after the word "Navy", strike out the comma and insert the word "may"; in line 16 after the word "request", strike out the word "to."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FALSE BILLING-SHIPPING ACT

The Clerk called the next bill, S. 3467, amending the Shipping Act, 1916, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, this is a matter of great controversy to the people interested, and some matters have appeared recently which

do require a hearing and possibly a change in the bill. I trust the committee will see fit to recommit this bill.

Mr. LEHLBACH. Mr. Speaker, will the gentleman permit this bill to be passed over without prejudice? I think there is merit in what the gentleman says.

Mr. BLAND. Mr. Speaker, by authority of the Committee on Merchant Marine and Fisheries, I ask unanimous consent to have this bill recommitted to the committee. It has already been set for hearing on the 28th, as I recall, and notices have gone out for a further hearing on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. Bland]?

There was no objection.

ADMINISTRATION AND MAINTENANCE OF THE BLUE RIDGE PARKWAY

The Clerk called the next bill, H. R. 10922, to provide for the administration and maintenance of the Blue Ridge Parkway, in the States of Virginia and North Carolina, by the Secretary of the Interior, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. RICH. Mr. Speaker, I object.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice

The SPEAKER. One objection only is necessary.

Mr. COSTELLO. Mr. Speaker, a point of order. Were there three objections to the last bill?

The SPEAKER. Only one objection is required.

Mr. COSTELLO. Request was made to have the bill passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington that this bill be passed over without prejudice?

Mr. RICH. Mr. Speaker, I object.

CLAIM OF GEN. HIGINIO ALVAREZ

The Clerk called the next bill, H. R. 11961, authorizing an appropriation for the payment of the claim of Gen. Higinio Alvarez, a Mexican citizen, with respect to lands on the Farmers Banco in the State of Arizona.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ZIONCHECK. Mr. Speaker, I object.

The SPEAKER. Are there further objections?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I think I made a point of order against this bill that it was rightfully on the Private Calendar and not on the Consent Calendar. The Chair ruled that it was properly on the Consent Calendar and undoubtedly the Chair was correct.

I may say that one of the reasons given in the committee report for the passage of this bill is that it will, for all time, settle the title to the Farmers Banco. I want to call the attention of the House to the fact that a quitclaim deed from a private citizen of Mexico who, in this case, is Higinio Alvarez, and a quitclaim deed from Mrs. Fishburn will not, in any way, affect the sovereignty of this land. It will affect the individual title to the land, but it will in no way affect the sovereignty of the land. For that reason it would seem to me that in order to accomplish the purpose, some assignment of the sovereignty over this land must be given by the Government of Mexico to the Government of the United States. Otherwise, because of the questions involved, we are going to constantly have before us the right of American citizens to protection on this piece of land. If a controversy should arise between Mexico and the United States, and our armed forces, contrary to treaty, should happen to march onto this land, or if an airplane should happen to be forced to land on this land, contrary to treaty, then it might be used as a basis for trouble between the two countries. So I wonder why the committee did not take into consideration the fact that a quitclaim deed from a private citizen of a country does not in any manner affect the sovereignty of that land?

Mr. BLOOM. Mr. Speaker, will the gentleman yield? Mr. WOLCOTT. I yield.

Mr. BLOOM. I believe that is taken care of in the bill itself. On page 2, line 8, the bill reads:

No payment shall be made unless and until the Secretary of State shall have received from the Government of Mexico satisfactory assurances that no transfer, other than that specified herein, has been made by General Alvarez, or by anyone acting for or under him, of any part of his right, title, or interest in or to the property comprising the Farmers Banco, until the written opinion of the Attorney General shall be had in favor of the validity of the title, and until General Alvarez has given to the United States a quitclaim deed, in such form as may be deemed satisfactory to the Secretary of State, to all of his right, title, and interest in and to all of the land comprising the Farmers Banco, claimed by him under an instrument of grant dated October 22, 1926, signed by the Constitutional President of the United Mexican States, or otherwise.

Mr. WOLCOTT. I understood that thoroughly, and I had that particularly in mind when I made objection that the language of the bill does not transfer from the Government of Mexico to the Government of the United States sovereignty over the land. To be sure, the Attorney General determines whether all individual or private title passes with those quitclaim deeds, but the sovereignty of the Farmers Banco, if there is any question about sovereignty, to the extent that there is an unjust claim by Mr. Alvarez, surely there is enough doubt concerning the sovereignty of that land so that the Government of Mexico should assign all of its right, title, and interest to sovereignty over that particular piece of land.

Mr. BLOOM. I believe the Secretary of State and the Attorney General will take care of that when the time comes.

Mr. WOLCOTT. That may be true, but if we have got to authorize something contrary to treaty rights, then I see no reason why we should settle private claims of this kind and pay this man \$50,000.

Mr. BLOOM. The chairman of the Committee on Foreign Affairs just informs me of the treaty existing between this Government and Mexico.

Mr. WOLCOTT. I have read the treaty; in fact, I have read the three treaties, and it is because of the phraseology of the three treaties that this controversy has arisen. What right had the Government of Mexico to give a patent to this land to Alvarez if they had no right to it whatsoever? If the Mexican Government had no right to it, then this man Alvarez has nothing whatsoever coming to him. If they had the right to give a patent to this land to Alvarez, they still maintain sovereignty over the land and will continue to maintain sovereignty over the land.

Mr. BLOOM. How many acres of land are involved?

Mr. WOLCOTT. Five hundred and forty-one acres.

Mr. ZIONCHECK. Mr. Speaker, the regular order.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. ZIONCHECK. Mr. Speaker, I object. I think the people at home ought to be taken care of before we take care of Mexican generals who helped kill some of our people. Mr. WOLCOTT and Mr. McLEAN objected.

NINTH INTERNATIONAL CONGRESS OF MILITARY MEDICINE AND PHARMACY, RUMANIA, 1937

The Clerk called House Joint Resolution 538, to provide for participation by the United States in the Ninth International Congress of Military Medicine and Pharmacy in Rumania, in 1937; and to authorize and request the President of the United States to invite the International Congress of Military Medicine and Pharmacy to hold its tenth congress in the United States in 1939, and to invite foreign countries to participate in that Congress.

The SPEAKER. Is there objection to the consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$11,500, or so much thereof as may be necessary, for the expenses of participation by the United States in the Ninth International Congress of Military Medicine and Pharmacy to be held in Rumania in 1937, including personal services in the District of Columbia or elsewhere without reference to the Classification Act of 1923, as amended; stenographic reporting and other

services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses; purchase of necessary books, documents, newspapers, periodicals, and maps; stationery; official cards; entertainment; printing and binding, including the payment of not to exceed \$500 to the Association of Military Surgeons of the United States toward the cost of printing the report of the American delegation to the ninth Congress; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State.

SEC. 2. That the President be, and he is hereby, authorized and requested to extend to the International Congress of Military Medicine and Pharmacy an invitation to hold its tenth congress

Medicine and Pharmacy an invitation to hold its tenth congress in the United States in 1939, and to invite foreign governments

to participate in that Congress

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO LONGSHOREMEN'S AND HARBOR WORKERS' COM-PENSATION ACT

The Clerk called the next bill, H. R. 8293, to amend the Longshoremen's and Harbor Workers' Compensation Act.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. BLAND. Mr. Speaker, I object.

Mr. O'CONNOR. Mr. Speaker, will the gentleman reserve his objection to permit me to make a statement?

Mr. BLAND. Mr. Speaker, I reserve my objection to permit the gentleman from New York to make a statement.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, this bill was on the calendar several times. It was taken off by the Committee on the Judiciary. Some of us thought that when the bill was taken off a provision in the bill previously reported by the Committee on the Judiciary would be eliminated, subdivision 7 of section 14, which puts a limit of \$7,500 a year on death or total disability for these longshoremen: but the Committee on the Judiciary reported the bill out again without eliminating subdivision 7 of section 14, and I am glad the gentleman from Virginia is in a position to object to the bill.

Mr. BLAND. Mr. Speaker, I object.

Mr. ZIONCHECK. Mr. Speaker, I object.

TO CHANGE NAME OF DEPARTMENT OF THE INTERIOR

The Clerk called the next bill, H. R. 11642, to change the name of the Department of the Interior, to be known as the Department of Conservation.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. McLEAN. Mr. Speaker, reserving the right to object, we have three commissions operating now to coordinate the various departmental organizations of the Government. Until these gentlemen complete this study I think it would be a serious mistake to interfere with their activities. Therefore. I object at this time.

Mr. ZIONCHECK. Will the gentleman reserve his objection and yield to me for an observation?

Mr. WOLCOTT. Mr. Speaker, I object. Mr. COSTELLO. Mr. Speaker, I object.

COMMEMORATIVE 50-CENT PIECES, TEXAS CENTENNIAL

The Clerk called the next bill, H. R. 10317, providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of independence of the State of Texas.

The SPEAKER. Is there objection to the consideration of the bill? This bill requires three objections.

Mr. WOLCOTT and Mr. McLEAN objected.

There being no further objection, the Clerk read the bill,

Be it enacted, etc., That the Director of the Mint, with the approval of the Secretary of the Treasury, is authorized and directed to provide for a series of not more than five different designs to be placed on the reverse side of the 50-cent pieces to be coined in accordance with the provisions of the act entitled "An act to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary in 1936 of the independence of Texas, and of the noble and heroic sacrifices of her pioneers, whose revered memory has been an inspiration to her sons and daughters during the past century", approved June 15, 1933, which will appropriately

commemorate the one hundredth anniversary of the State of Texas. The United States shall not be subject to the expense of making the necessary dies and other preparation for such coinage.

Mr. ZIONCHECK. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the reason I wanted the gentleman from New Jersey to yield was that I might make a statement in reference to the bill to change the name of the Department of the Interior to that of conservation. I was just wondering whether the gentleman from New Jersey had not read it correctly and thought it meant conservatism, and feeling that the Republican Party has a monopoly upon conservatism objected to it because the Democrats wanted it?

Mr. Speaker, I ask unanimous consent to withdraw the pro-forma amendment.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COINAGE OF 50-CENT PIECES IN CELEBRATION OF ONE HUNDREDTH ANNIVERSARY OF OPENING OF TRI-STATE TERRITORY OF EAST TEXAS, ETC.

The Clerk called the next bill, H. R. 8107, to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State Territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory, in 1935 and 1936.

There being no objection, the Clerk read the bill, as follows.

Be it enacted, etc., That to indicate the interest of the Government of the United States in the fulfillment of the ideals and purposes of the celebration commemorating the achievements of Capt. Henry Miller Shreve, there shall be coined by the Director of the Mint silver 50-cent pieces to the number of not more than 50,000, of standard weight and fineness and of a special appropriate design or designs to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the models for master dies or other preparations for this coinage.

SEC. 2. That the coins herein authorized shall be issued at par and only upon the request of the Shreveport Centennial, Inc., or

said only upon the request of the Shreveport Centennia, Inc., or its duly authorized agent.

SEC. 3. Such coins may be disposed of at par or at a premium by said Shreveport Centennial, Inc., and all proceeds shall be used in furtherance of the projects of the Shreveport Centennial, Inc.

SEC. 4. That all laws now in force relating to the subsidiary

silver coins of the United States and the coining or striking of the same; regulating and guarding the process of coinage; providing for the purchase of material; and for the transportation, distribution, and redemption of the coins; for the prevention of de-basement or counterfeiting; for security of the coin; or for any other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein directed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WOLCOTT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and thirty Members present, not a quorum.

Mr. COSTELLO. Mr. Speaker, I move a call of the House. A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[RO	II No. 72]	
Cartwright	Daly	Englebright
Cary	Darden	Farley
Castellow	Darrow	Fenerty
Cavicchia	Dear	Ferguson
Celler	Delaney	Fernandez
Chapman	Dietrich	Fitzpatrick
Christianson	Dingell	Flannagan
Claiborne	Doutrich	Gasque
Clark, Idaho	Drewry	Gavagan
Clark, N. C.	Duffey, Ohio	Gehrmann
Collins	Duffy, N. Y.	Gifford
Connery	Dunn, Miss.	Gildea
Cooper, Ohio	Dunn, Pa.	Gingery
Corning	Eagle	Goldsborough
Crosby	Eaton	Goodwin
Culkin	Edmiston	Green
Cummings	Ellenbogen	Greenwood
	Cartwright Cary Castellow Cavicchia Celler Chapman Christianson Claiborne Clark, Idaho Clark, N. C. Collins Connery Cooper, Ohio Corning Crosby Culkin	Cary Darden Castellow Darrow Cavicchia Dear Celler Delaney Chapman Dietrich Christianson Claiborne Doutrich Clark, Idaho Clark, N. C. Collins Duffy, N. Y. Connery Dunn, Miss. Cooper, Ohio Corning Eagle Crosby Eaton Culkin Edmiston

Gregory Griswold Larrabe Lewis, Md. Haines Lord Hamlin Lundeen Hart McAndrews Higgins, Mass. McClellan McKeough Hill Knute Maloney Mansfield Hill, Samuel B. Hobbs Hoeppel Hollister Jenkins, Ohio Marcantonio Marshall Martin, Mass. Maverick Montague Johnson, W. Va. Kelly Montet Moran Kerr Kleberg Kocialkowski Moritz Nichols Norton Kvale Lamneck Oliver

O'Malley
O'Neal
Palmisano
Parks
Peterson, Fla.
Pettengill
Quinn
Rabaut
Ransley
Reilly
Robinson, Utah
Robsion, Ky.
Romjue
Sabath
Sadowski
Sanders, La.
Schaefer
Schneider, Wis.

Shannon
Smith, Wash,
Snyder, Pa.
Somers, N. Y.
Stack
Starnes
Steagall
Sweeney
Tarver
Taylor, Colo.
Thomas
Thurston
Vinson, Ga.
Wadsworth
Wilgolesworth
Wilcox
Wilson, La.
Wood
Withrow
Young

The SPEAKER. Two hundred and eighty-one Members have answered to their names. A quorum is present.

Schulte

On motion of Mr. Costello, further proceedings under the call were dispensed with.

PATMAN ANSWERS CELLER ON ROBINSON-PATMAN BILL

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and in addition to this extension I ask unanimous consent to include two radio speeches which I delivered last week over national hook-ups.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, a recent radio broadcast on the subject of this bill, by Representative Emanuel Celler, of New York, painted a very menacing picture of the results that would follow its passage.

Mr. Celler adopts, in toto, the objections to the bill that have been set up by the powerful, mass-buying interests whose exactions in the form of special price and other concessions today give them an unequal and unfair competitive advantage over the rank and file of independent merchants.

While Mr. Celler's views coincide identically with those of these special-privileged groups, it is interesting to note that he stands alone, in his sweeping objections, among the membership of the House Judiciary Committee who have spent months in the study of this question. A minority committee report, opposing the bill, bore just one signature—his own.

PREJUDICE-ROUSING APPEAL

Briefly, what are his objections? Well, in the main he seeks to create a prejudice-rousing appeal to the housewife, to labor, and the farmer. These, oddly enough, are always the objects of special solicitude by big business when it is under attack.

Passage of this bill, Mr. Celler said, would be "a raw deal for the housewife, because the consumer will be made the goat."

MONOPOLY BEING CREATED

I contend that the consumer is already the goat under a discriminatory price system that, as shown by a recent Federal Trade Commission report, is rapidly putting independent merchants out of business and creating a condition of monopoly in many lines of merchandising. Price discrimination in favor of the privileged buyers, it is estimated, amounts to some \$750,000,000 annually in food products alone. By protecting the competitive position of the independent merchant and the corner grocer, insuring them of proportionately fair and advantageous prices, an additional price protection of \$2,225,000,000 annually would be afforded the consumer—not a loss of the claimed \$750,000,000.

FARMERS AND LABORERS INTERESTED

As to the interest of labor and agriculture in this measure, it is very specific and direct.

The inequities resulting from the present discriminatory practices in merchandising do much more than merely create competitive conditions unfair to the independent merchant. The unequal concessions exacted from manufacturers and processors, through which the favored few benefit, necessarily press backward on costs and tend to keep down or even to reduce the wages of workers in those industries.

In addition—and even more important—they become a powerful factor in depressing and holding down the prices paid to farmers for their agricultural products.

The reduction in purchasing power resulting from this depressing of wages and agricultural income, I am convinced, amounts to many times any price reductions reaching the consumer. For the effect is not merely to lower wages in the plants of the manufacturers granting the concessions, or prices to the farmers whose products are processed by the manufacturers. The reductions tend to be reflected in the wages of all industry and in the prices paid all farmers for all their produce.

GREATER PURCHASING POWER DESIRED BY PRESIDENT

"Greater purchasing power", President Roosevelt said in his address to Young Democrats at Baltimore recently, "will mean the consumption of more goods—industrial products and farm products. The production of these goods will mean still more employment. Most businessmen believe with us in a greater purchasing power on the part of more people. They know that their businesses will be helped thereby.

"To work in unity toward this end constitutes one form of attack, and there are others which we must not overlook", he said.

HOW PRESIDENT'S OBJECTIVE MAY BE BROUGHT ABOUT

The Robinson-Patman bill, I am convinced, would help bring about this objective which the President has emphasized.

The unequal competitive conditions that result from the various price and service concessions which a few privileged groups are now able to exact, become a bearish factor on our whole merchandising system. They set up an endless chain of chiseling operations that undermine wages, cut away farm income, and weaken our entire business and economic structure. The sooner they are eliminated—as they would be, in large part, at least, under the Robinson-Patman bill—the sooner we will achieve that greater purchasing power which the President holds to be essential. That, I am sure, even Mr. Celler cannot deny.

WHO OPPOSES BILL?

From whom does the objection to this legislation come? It comes from the big, corporate enterprises in the field of distribution.

Economies of great magnitude have been claimed for them. But let us examine that claim for a moment:

If there is a real basis of fact for this vaunted efficiency, why does big enterprise insist on concessions, allowances, and rebates to enable it to compete with independent merchants? Does it fear to put its vaunted efficiency to a test? Is it afraid or unable to compete on equal terms—that is, to start with equal cost for the goods both must sell?

EQUAL RIGHTS FOR ALL ASKED

It is my honest conviction that independent units of industry can and will hold their own with the big units if both are compelled to compete in the game under fair and equal rules. At least the superior efficiency claimed for big business is not proved until it meets this honest test. Under the pending legislation, no special privilege is asked for the independent, small or large. But a demand is made that the unfair, unequal, and unethical practices, including unfair price discriminations, be prohibited by law.

"MENACE OF MONOPOLY" AND ROBINSON-PATMAN BILL

Mr. PATMAN. Mr. Speaker, under leave granted to extend my remarks in the Record, I include the following radio address I delivered over the facilities of the National Broadcasting Co. Friday evening, April 17, 1936:

Ladies and gentlemen of the United States:

DUTY OF GOVERNMENT

It is one of the first duties of government to protect the weak against the strong—to prevent men from injuring one another. Every proposed law dealing with business should be carefully considered with reference to its effect upon the consumers who represent our entire population.

We know that many, but not all, of our most powerful and influential citizens are very greedy. That fact has many times been demonstrated. It is perfectly natural that they should seek more power, influence, and greater wealth. It is also true that where there is greed, there is no vision, and the Good Book says that where there is no vision the people perish. Our problems should be considered from the standpoint of the future as well

PRESENT LAWS INSUFFICIENT

Laws have been enacted for the purpose of providing equality of opportunity in business; to prevent powerful organized minorities in business from unfairly destroying their small competitors, based upon the theory that citizens who build our country in time of peace, and who save our country in time of war, are entitled to the same rights and privileges, but no more, as the entitled to the same rights and privileges, but no more, as the entitled to the same rights are entitled corrections in America. entitled to the same rights and privileges, but no more, as the greatest and wealthiest banker-controlled corporations in America. The present laws, however, are not sufficient. Certain weazel phrases crept into our antitrust laws which permitted the Supreme Court to extract the teeth therefrom. It is, therefore, necessary in order to protect the consumers and carry out the policy of this Government to give small business an equal competitive opportunity with big business to change these laws in order that this intent may be carried out.

MONOPOLY

After serving as chairman of a committee that has conducted an investigation this past year of large-scale buying and selling, I

After serving as chairman of a committee that has conducted an investigation this past year of large-scale buying and selling, I am convinced that there is a conspiracy among a few rich, powerful individuals who control corporations of great wealth to obtain a monopoly in retail distribution. It is a group that is naturally greedy and selfish. Big bankers in New York are substantially aiding them in carrying out their purposes. A few years ago there were 600 manufacturers of automobile tires. Today there are 4 manufacturing 80 percent of the tires and less than 25 in all. Practically all the others were crushed by this unholy alliance of great wealth and power.

One large bank in New York City has directorships in more than 4,000 manufacturing, industrial, utility, and other large business concerns. Another large bank in the same city holds more than 2,000 such directorships. The largest concerns in America are largely controlled by Wall Street bankers. The 200,000 independent grocerymen in the country, representing 50 percent of all retail grocery units, are receiving only 22 percent of the volume of business. The 100,000 corporate chain units are receiving 34 percent. When the time is considered ripe, if the present law is not changed, a word from the corporate chains to the manufacturers will cause the voluntaries either to be taken over by the corporate chains or destroyed, since all allowances and discounts may be taken away from them.

Our opponents talk glibly about the number of retail units increasing a few thousand over a period of 4 years. They say nothing about the volume of business and never present the fact that the increases are below normal and only in communities not served by chains or in lines of business in which the chains are not engaged.

Our opponents would have you believe there is no monopoly

not engaged.

not engaged.

Our opponents would have you believe there is no monopoly because it is only effective in certain areas where the volume of business is the greatest and in certain lines of business. That is like a doctor telling a 200-pound man not to be afraid of cancer, that it covers only a few ounces of his 200 pounds.

As stated by the general manager of one of the largest concerns in America recently, "New battle lines are now forming. It is the battle to see who shall dominate the distribution of merchandise in the town of 5,000 population and under." As certain lines of business are monopolized in certain areas, greedy monopolists will enlarge their areas and increase their lines of business over which they also expect to gain a monopoly. they also expect to gain a monopoly.

THE ROBINSON-PATMAN BILL

The Robinson-Patman bill as reported by my able colleague, Congressman Hubert Utterback, of Iowa, is intended to give equal

The Robinson-Patman bill as reported by my able colleague, Congressman Hubert Utterback, of Iowa, is intended to give equal rights and a fair opportunity to individual citizens and small businesses, without depriving large corporations of a single right or privilege that they are entitled to enjoy. This bill will force a manufacturer to deal fairly with his customers.

In order to frighten the people, certain selfish groups have advertised that the enactment of this law will cost consumers \$750,000,000 a year. That is positively a misstatement of fact. When the independent merchants receive the same prices as corporate chains for the same quantity purchased, the consumers will be benefited billions of dollars annually. We do not propose to make the chains pay a higher price. We do propose that the independents be given the same prices under the same conditions. Much is said about cooperative buying associations without consideration of the fact that manufacturers, under existing laws, are not compelled to recognize them or give them the same benefits as the corporate chains are given. The Robinson-Patman bill will compel them to treat all their customers alike. It provides, however, that they may select their customers, but when selected must be given the same, square, fair deal that is given to all their other customers. There will be no incentive for a manufacturer to charge the same price as other manufacturers. There will be competition between them and competition between the retailers, but each manufacturer will have to treat his own customers exactly alike.

BROKERS AND WHOLESALERS

BROKERS AND WHOLESALERS

Another provision in this bill is in regard to brokerage. It will not compel a broker to be used, as sales may be made directly from the manufacturer to the retailer without using a broker,

but it provides against a large buyer bribing the representative of the seller. It is well known that one large seller of potatoes for the farmers on the Atlantic coast was receiving a secret rebate of several dollars a car from a large buyer, who also was large enough to fix the market price. Anyone who is opposed to deceit, fraud, and bribery in business, and who wants the farmers and wage earners to have a square deal should not oppose this provision. Brokers and wholesalers will be benefited by this law to the extent that they render a service that the independent manufacturer and merchant desires to voluntarily pay for and to the extent only that they can perform their distribution functions in a more economical way than anyone else. a more economical way than anyone else.

ADVERTISING ALLOWANCES

It is a well-known fact that certain large manufacturers have been giving their favored customers a greatly reduced price through advertising allowances. Our bill will not stop advertising allowances, but it will require the manufacturer to give every customer he has the same allowances on proportionately equal terms. That is, everyone purchasing the same quantity will get the same price from the same manufacturer and the benefit of the same allowances.

The bill further provides that the Federal Trade Commission may fix quantity limits for manufacturers for certain goods which will prevent a few large concerns from creating a monopoly. This power will only be exercised in the event there is danger of monoppower will only be exercised in the event there is danger of monopoly in any line of business, and where the purchasers in greater quantities are so few as to enable a few large dealers to destroy the smaller dealers. This is based upon the same theory as carload freight rates. A trainload may be shipped for much less cost per car than a carload over a railroad, but the Interstate Commerce Commission has held, and the Supreme Court of the United States has expressed itself as favorable to the holding, that the boxcar limit for most commodities should be designated to determine cost of transportation. Anyone who causes one carload boxcar limit for most commodities should be designated to de-termine cost of transportation. Anyone who causes one carload to be shipped pays the same price per car as one who causes 100,000 carloads to be shipped. The Supreme Court said that if such a quantity limit were not fixed, large dealers would drive the small dealers out of business and this would be detrimental to the small dealers out of business and this would be detrimental to the country's welfare. That is exactly the same situation we have in business today. If something is not done, the small dealers will be driven out of business. Then the consumers will have to pay the price that monopoly fixes and the farmers and wage earners will only receive what monopoly says they should receive. Private monopoly is indefensible. When that stage is reached, Government ownership is inevitable. Therefore our fight today is against eventual Government ownership.

BASING POINT

The House Judiciary Committee added a provision to the Robinson-Patman bill. It relates to the question of price and involves the basing-point question or the old Pittsburgh-plus rate case. Whether or not this provision will remain in the bill will be determined by a vote of the House.

BILL MISREPRESENTED

No other bill has ever been more misrepresented than the Robin-No other bill has ever been more misrepresented than the Robinson-Patman bill. It is not complicated. It is based upon right, justice, and honesty. The same groups that have admittedly ganged up on the President of the United States and have thrown the force and influence of big business in opposition to the administration, have constituted themselves into a wrecking crew to defeat this bill. It is very strange that they say that the bill will hurt th little man in view of the fact that the little ones are for it, and the big ones are against it. This same group is sending a statement over the Nation against taking away chains' saving in prices as though the Robinson-Patman bill would take their savings away from them. It will not do any such thing. It will savings away from them. It will not do any such thing. It will merely assure the same savings to the independents and thereby assist all consumers in getting the benefit of lower prices.

CONCLUSION

Practically every consumer is benefited by good prices and good wages, and not by prices that destroy his buying power. The consumer is entitled to the lowest possible price, consistent, however, with a fair price to the producer, a fair wage to the wage earner, who converts the raw material into the finished product, and a fair profit to those who distribute it. If prices and wages are reduced 50 percent, our debts and taxes are increased 100 percent in what the people have to pay with. Therefore, any policy that causes competition to be destroyed and permits monopoly to fix the price of labor and production, regardless of the low price received by the consumer, is destructive to the best interest of this country.

OPPONENTS

Our opponents have plenty of money, and money can hire brains, so in this fight we are opposed by both money and brains. Some of the same groups that are fighting us tried to fool the farmers through the "cornstalk brigade", placed a spy in an antichain-store association's headquarters to destroy their business, warned their representatives over the country to keep the chains' opposition to certain bills strictly secret, spread propaganda through high schools, have used prominent and influential people as a "front" or "stuffed shirt", and have admittedly attempted to mislead and deceive the independent merchants of the country. It is some of the same groups opposing labor who have been in-It is some of the same groups opposing labor who have been in-strumental in keeping the wage scale down.

MONEY SIPHONED INTO WALL STREET

This is not a bill to levy taxes or to appropriate money. It does not grant a subsidy to independents. It merely provides for equal rights with the chains. It is claimed that the chains save local people money on their merchandise, and this saving stays in the local community. If independent merchants are given the same prices, as provided in the Robinson-Patman bill, the independents will be giving their customers the same savings. Notwithstanding will be giving their customers the same savings. Notwithstanding this claim by the chains, they must admit that what they call a fair profit is taken away from the local community. It is siphoned into Wall Street banks, and it will not take many years to siphon the wealth of the country from the small communities to these large centers.

large centers.

Our bill will not fix prices or reward the inefficient. It will give the same rights and benefits to citizens as are given to big corporations under the same facts and circumstances. If passed, it will cause vacant buildings to be occupied; additional local people to be employed; put more money into circulation in the local community; and make more opportunities for employment of young, ambitious, deserving, and worthy young people. It will protect consumers against monopoly and give them all lower prices by reason of a competitive market. It will protect wage earners and producers against the destruction of their buying power and will enforce the Golden Rule in business. It is a bill power and will enforce the Golden Rule in business. It is a bill to grant equal rights to all and special privileges to none; it invokes the policy of live and let live.

"EQUAL OPPORTUNITY IN BUSINESS" AND THE ROBINSON-PATMAN BILL

Mr. PATMAN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following radio address I delivered over the facilities of the Columbia Broadcasting System, Saturday night, April 18, 1936:

Ladies and gentlemen of the United States, I have never known a bill to be so much misrepresented as the Robinson-Patman bill.

CLAYTON ACT TO BE AMENDED

This measure causes an amendment to the Clayton Anti-Trust Act for the purpose of putting teeth into the act and making it effective. The original object of our antitrust laws was to give the small dealer opportunity to exist in a competitive business world. It was not for the purpose of giving him shelter or re-warding inefficiency. But it was designed to give efficient, worthy, legitimate small business the opportunity to exist.

TEETH INSTEAD OF WEASEL PHRASES

The Robinson-Patman bill takes out weasel phrases and puts biting teeth into the act. It plugs loopholes and removes tech-

If enacted, this law will not compel manufacturers to raise prices charged corporate chains or any of their customers. But it does demand that manufacturers give independent merchants the same rights and privileges now granted to corporate chains. Keener trade competition and greater consumer savings will

This measure strengthens the Clayton Act and other antitrust laws which were enacted to wipe out the steel grip of monopoly which always results when vast corporations and combinations dominate and control source of supply and means of distribution.

MONOPOLY NOW HAS TIGHT GRIP ON THROATS OF PEOPLE

Comparison of the business done by corporate chains and independents should be restricted to the areas in which chains operate, and to business in which they engage. It is not fair to say that the chains are doing only 25 percent of our national retail business. The bald truth is that in areas where they operate and in their lines of business they do from 56 to 100 percent of the husiness

Confine comparisons to areas served by chains and you are astounded at the tight grip monopoly now has on the throats of our people.

As one line of business is absorbed by chains another line is engaged. If they are not stopped it will not be long before they will be in every line and serve every area where volume of busi-

ness will possibly justify.

If absentee ownership and control of business is in the interest of public welfare we should not object. But after many years of study and investigation, I am convinced that absentee ownership

of business will wreck any country on earth.

The people of this Nation will not tolerate private monopoly very long. It fattens and grows strong on special privilege and advantages made possible by size and power and on unfair, discriminatory advantages which small, independent merchants and manufacturers cannot compel or resist.

EQUAL ADVANTAGES

The Robinson-Patman bill levels off the field of competition so that small independents have equal advantages with all competi-

The opposition wails that the bill is unconstitutional. always been the cry of the privileged few when legislation is proposed to make their special privileges equally available to all. Constitutionality of the Clayton Act has been repeatedly tested and sustained by the Supreme Court of the United States.

SUGAR INSTITUTE DECISION BY SUPREME COURT

On March 30 the Supreme Court of the United States handed down a most significant decision in the case of the Sugar Insti-tute. This industry, through its institute, formulated a code.

The Supreme Court had before it the legality of provisions in this code. By decision the Court condemned in no uncertain language secret rebates, concessions, and other unethical, unfair trade practices. The Court found, however, that the dominant purpose of the international contractions are considered. of the institute—in the measure they adopted to eliminate these practices—was the creation and maintenance of a uniform price structure. For this reason everything in the plan tending to support and maintain the price structure was held illegal by the

It is significant the Supreme Court noted that unfair trade practices, including rebating and the granting of false allowances, can be prevented by other means. The Robinson-Patman bill is the obvious answer to the Court's finding that unfair trade practices can be stopped in a manner other than that provided by the Sugar Institute Code.

Congress has already condemned, in legislation, unfair trade practices and unfair price discriminations.

The Supreme Court has already held the Federal Trade Commission Act and the Clayton Act constitutional.

The Robinson-Patman bill follows the legal, constitutional path laid down by Congress and approved by the Court.

It prohibits by name and definition certain well-known price

discriminations.

The sugar code was condemned because it eliminated competition. The Robinson-Patman bill restores competition, gives the independent business unit no special privilege, but equal rights with all other industry.

GREEDY INTERESTS WANT SPECIAL ADVANTAGES

Doesn't it seem strange that large and powerful chains, fighting this legislation, insist upon the right to buy goods at a lower price than the independent, which goods both must sell to consumers? A child can see that if the large and powerful continue to do this,

the independent must perish.

If that day ever comes you will pay whatever monopoly dictates.

The scramble for rebates, unearned concessions, and unearned brokerage has reached the sordid stage of racketeering. It is a national scandal.

If you allow this to continue, your independent merchant will die from commercial starvation. He is public victim no. 1. You, the consumer, are public victim no. 2, because you will pay the price of monopoly.

COMPETITION-NOT PRICE FIXING

The Robinson-Patman bill provides that manufacturers give the same price (under the same conditions) to independent merchants that he gives to corporate chains or other competitors. Manufacturers, of course, will compete among themselves. They will not have the same prices. But each manufacturer must treat his own customers fairly and not discriminate between them.

Under existing law (which is not changed by this bill) a manufacturer has the right to select his customers. But having se-

lected, he is not permitted to discriminate between them.

In other words, the bill allows price differentials, but not price discriminations. When the independent merchants are able to get goods at the same price as the corporate chains they will save the consumers billions of dollars each year.

This is not a price-fixing bill.

It is opposed to price fixing.

It will not grant privilege or benefit to anyone or to any group. It grants the same privilege to all groups.

LARGE SHIPPERS FORMERLY RECEIVED SECRET REBATES OVER RAILROADS More than 40 years ago people were amazed to learn that large shippers were getting special rebates and discounts on transporta-tion charges over railroads.

The Supreme Court stated that this enabled a few large ship-pers to destroy the business of small dealers. This was against public interest because it created monopolies.

A law, which has since been rigidly enforced, was passed providing a quantity limit on railroad rates. The carload is the limit in most cases. The man who ships a hundred thousand carloads pays the same transportation charge per car as the man who ships only one carload. It is admitted that a trainload can be shipped at a lower cost per car, but the Supreme Court said that if this were permitted, monopolies would be encouraged and small dealers would be crushed.

This principle is recognized in the Pohipper Petreen bill and

This principle is recognized in the Robinson-Patman bill, and by it the Federal Trade Commission has the power to fix a quantity limit, differing according to the commodity. This is in order that a few large corporations may not destroy the small dealers and thereby create a monopoly.

and thereby create a monopoly.

Under existing law, manufacturers are not compelled to sell to independent merchants or cooperatives for the same price for the same quantity that they sell to corporate chains. In some instances they have refused.

The measure also prohibits payment or allowance of brokerage, commission, or other sales compensation to buyers.

No provision of the bill compels a seller to use a broker to market his products, nor is he compelled to sell to any one class of customers.

customers.

He may sell by any method and to anyone.
But he is prohibited from bribing purchasers under the guise of brokerage allowances.

Those opposed to deceit, fraud, and bribery in business and who want farmers and wage earners to have a square deal will not oppose this provision.

HOW BROKERS AND WHOLESALERS ARE BENEFITED

Brokers and wholesalers will be benefited by this law to the extent that they render a service that the independent manufacturer and the independent merchant desire to receive and voluntarily pay for and also to the extent that they can perform their distribution functions in a way more economic than anyone else.

ADVERTISING ALLOWANCES

Another provision of the bill prevents a manufacturer from granting advertising allowances to certain favored customers without giving all customers proportionately equal terms.

The manufacturer may refuse to select a customer. That is all right. But, if selected as a customer, the bill compels that he be given the same fair, square deal on advertising allowances that is given corporate chains.

LOWEST PRICE TO CONSUMERS

Would you say that the slogan, "Lowest price to consumers" is a good one?

Is it in the best interest of the country?

Is it in the best interest of the country?
If a few mass buyers have power to reduce prices at will in their effort to favor consumers, they will cause farmers to sell below production cost; they will cause manufacturers to sell at such low prices that buying power of factory wage earners will be destroyed.

Therefore, consumers are entitled to the lowest price consistent with a fair price to the one who produces the raw material, a fair wage to the one converting the raw material into a finished product, and a fair profit to those who manufacture and distribute it.

NOT CLASS LEGISLATION

May I emphasize the point that this is not class legislation. It is not a bill to levy taxes on any group or place any group at a

It is not an anti-chain-store bill.

It is for the purpose of giving every group the same rights and benefits under the same conditions, and to protect you consumers. Today efficient merchants cannot survive because excess profits gained by great concerns are used to destroy independents in other towns. When independent merchants are destroyed, you people pay and pay dearly.

WEALTH DRAINED FROM LOCAL COMMUNITIES

There is a certain profit that goes regularly into Wall Street from communities where chain stores operate. Eventually, this will drain the wealth of our country from small communities into the control of vast banking corporations.

NO VISION THE PEOPLE PERISH

Would you believe that one New York bank has more than 4,000 directorships in the largest manufacturing, industrial, and other concerns in every section of the Nation? Would you believe that another large New York bank has more than 2,000 such directorships? What chance have you in the face of such power and influence? These men may intend to be good, but power naturally begets greed. They seek greater power, influence, and wealth. Where there is greed there is no vision and the Bible says that where there is no vision the people perish.

NOT PIONEER LEGISLATION

My friends, this is not pioneer legislation. Many of you will recall the emphasis laid on it by that eminent New York attorney, Charles Wesley Dunn. In an address delivered at the annual meeting of the Associated Grocery Manufacturers of America, Inc., in New York City on November 15, 1935, Mr. Dunn disclosed that laws against price discrimination are not new. They are embraced in many acts of Congress, such as the Interstate Commerce Act of 1887, the Elkins Act of 1903, the Shipping Act of 1916, the Stockyards Act of 1921, the Tennessee Valley Authority Act of 1933, the Motor Carrier Act of 1935, and the Coal Conservation Act of 1935.

SIMILAR TO CANADIAN LAW

In further support, our friendly neighbor Canada has In further support, our friendly neighbor Canada has passed a law almost duplicating the purposes of the Robinson-Patman bill. Consumers in that country report they are greatly benefited since the independent merchants buy as cheaply as the chains. This Canadian law is causing chain-store managers to take advantage of their training and experience to launch out into business for themselves as independent merchants. This is as it should be. Manufacturers in that country are exceedingly anxious to cooperate in enforcement of the new law.

EFFICIENT MERCHANT TO BE HELPED

Many manufacturers already have a policy which is strictly adhered to that their customers shall be treated the same as provided by the Robinson-Patman bill. Monopoly does not kidnap the young, but it kidnaps opportunities of the young. It is for the people to decide which is in the interest of the general welfare—the chain-store system of absentee ownership and control or independent merchants. Under our present system it will not be possible for the efficient merchant to survive very long, as his chain competitor across the street can reduce prices below cost until he is destroyed. The chains' losses are made up from excess profits in the town where they have a monopoly and where the sky is the limit as to price. As the independents are driven out of one town the excess profits gained there can be used to destroy the independent merchants in another town until, just like a cancerous growth destroys a human body, it will destroy our a cancerous growth destroys a human body, it will destroy our country. If it were only the inefficient merchants who were suffering no one would be disturbed.

EMPLOYMENT OPPORTUNITIES LIMITED

The agitation for all forms of relief for different classes and groups is justified in many cases by an economic system that deprives employment opportunities to those who are able, willing, and anxious to work but cannot find jobs. Many large corporations do not employ anyone over 30 or 35 years of age. Laws are passed in different States restricting the number of people who can engage in certain occupations and professions. Absentee ownership of business reduces employment opportunities and destroys purchasing power of producers and wage earners. If the Government is going to stand idly by and permit old people (and those who are not so old) to be discriminated against and deprived of employment opportunities, it is necessary that the Government go to their aid and rescue in some manner.

AMERICA SHOULD WAKE UP

It is time for American consumers to wake up. For your own economic welfare you must not remain indifferent. Your country's welfare is distressingly at stake. Opportunity for the young and security for the aged hang in the balance.

Do you want private monopoly to continue to operate to the benefit and advantage of a few New York bankers?

Or do you want a fair competitive system where equality does not end when one is born?

Do you want community life built and sustained by home-owning, home-loving, independent merchants?

Or one bled white and cold-bloodedly exploited by absentee owners?

In the spirit of sincere public service, I submit the Robinson-Patman bill for your immediate and responsive consideration.

DEMOCRATIC PLATFORM

It is the contemporary crystallization of the present Democratic platform which is pledged to "strengthen the antitrust laws, to prevent monopoly and unfair trade practices."

It broadly aspires to the teachings of the Ten Commandments and the Sermon on the Mount.

Ladies and gentlemen, this bill is presented to you as your Colden Bule in business.

Golden Rule in business.

CONSENT CALENDAR

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill H. R. 8107 was passed be vacated so that the bill may come before the House for further consideration

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. SANDLIN. Mr. Speaker, I object.

INCREASE OF EFFECTIVENESS AND EFFICIENCY OF THE AIR CORPS
OF THE ARMY

The Clerk called the next bill, H. R. 11140, to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States.

There being no objection, the Clerk read the bill, as

Whereas the 5-year program for the development of the Army Air Corps, advocated by the Morrow Board, and provided for by the act of July 2, 1926, is nearly completed; and

Whereas the Morrow Board and Congress contemplated that this 5-year program should be but the first step in the complete development of an adequate Army Air Corps, the next step to be based on further progressive studies; and

Whereas the development of the Four Army Plan for continental land defenses, and the adequate protection of our foreign possessions, have formed the basis for comprehensive studies of the subject; and

subject; and

Whereas these studies, together with the enhanced military value of aviation, due to its development in recent years, show clearly the need for the immediate inauguration of the second step in the

need for the immediate inauguration of the second step in the development of the Army Air Corps: Therefore

Be it enacted, etc., That the authorized strength in airplanes, equipment, and accessories of the Army Air Corps established by the act approved July 2, 1926 (44 Stat. 780), is hereby increased to such numbers as will permit the Secretary of War to complete the equipment and organization and to maintain in the Army Air Corps the special Army air organization known as G. H. Q. Air Force, and our overseas defenses, together with a 25-percent reserve for such forces, and to procure such other airplanes and equipment, including spare parts, supplies, and accessories, for such other purposes as are necessary to provide for the mission of the Army Air Corps: Provided, That of the increase authorized herein not to exceed 4,000 serviceable airplanes, including equipment and accessories, shall be maintained at any time during the next 5 years.

next 5 years.

SEC. 2. That the authorized commissioned and enlisted strengths for the Regular Army as increased by the act approved July 2, 1926, namely, 12,403 commissioned officers, and 124,990 enlisted men, exclusive of Philippine Scouts, shall be reached as soon as practicable, and thereafter shall be augmented as the increase in number of airplanes shall demand.

With the following committee amendment:

Page 1, strike out all after the title of the bill down to and including line 4, on page 2, and on page 2, line 16, strike out "maintained" and insert "attained", and, on page 2, line 18, strike out all of section 2.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ORGANIZATION OF AIR RESERVE TRAINING CORPS

The Clerk called the next bill, H. R. 11969, to promote national defense by organizing the Air Reserve Training

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to organize the Air Reserve Training Corps, and to establish such rules and regulations as he shall deem fit and proper for carrying out the purposes and objects of this act.

SEC. 2. That all male citizens of the United States between the ages of 17 years and 24 years, of sound physical condition, good character, and with a minimum education equivalent to at least a full high-school course, shall, after agreeing to serve in the Air Corps of the Army of the United States in the event of national

Corps of the Army of the United States in the event of national emergency, be eligible to be listed as candidates of said Air Reserve Training Corps, and shall be entitled to receive such emblem or designation to wear upon the clothing as the Secretary of War may prescribe while receiving such course of technical instruction and flying training as shall be prescribed by the Secretary of War. SEC. 3. That the Secretary of War is authorized to use all proper means and agencies for the encouragement of said corps, by detailing either Regular Army Air Corps officers or Air Corps Reserve officers called to extended active duty, to inspect the instruction and training of said candidates in such private flying schools, colleges, and universities, and centers of air instruction and training as may be selected by the Secretary of War for that purpose, under such regulations as he shall prescribe.

SEC. 4. That the Secretary of War is further authorized to encourage the development of said corps by permitting the use of such Army air fields from time to time as may not conflict with the work of the Air Corps of the Army of the United States and

such Army air fields from time to time as may not conflict with the work of the Air Corps of the Army of the United States and further by permitting the use in ground instruction only of air-planes, aircraft generally, and equipment, belonging to the Air Corps of the Army of the United States, if and when, in the judgment of the Secretary of War, such use is wise and proper in promoting the technical training of said corps.

SEC. 5. That upon the completion of such course of training as shall have been prescribed by the Secretary of War and upon the satisfactory passage of final examination and tests as may be prescribed for candidates of said Air Reserve Training Corps, the Secretary of War shall issue certificates of appointment as members in the Air Reserve Training Corps, and said members shall then be entitled to wear at pleasure such insignia and/or other designations and decorations upon the clothing as the Secretary of War tions and decorations upon the clothing as the Secretary of War shall prescribe. These members of the Air Reserve Training Corps shall be kept listed as to their addresses, business occupations, and other pertinent facts, so that the same may be available on shortest notice for service in the national defense in the event of a

national emergency.

SEC. 6. That the Secretary of War is authorized to give prefer-Sec. 6. That the Secretary of War is authorized to give preferment for appointment as flying cadets (heavier-than-air) and for detail to the Regular Army Air Corps Training Center for flying instruction of the most promising and desirable members in the Air Reserve Training Corps: Provided, That they also meet the mental, moral, physical, and educational qualifications prescribed by the Secretary of War for the appointment of flying cadets of the Air Corps, Army of the United States. The limitations on the appointment of cadets under this act will be only such as the limitation of vacancies under existing laws shall dictate.

Sec. 7. Such laws or parts of laws as may be inconsistent with the foregoing are repealed.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF RIO GRANDE CANALIZATION PROJECT

The Clerk called the next bill, H. R. 11768, authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriation for that purpose

Mr. WOLCOTT, Mr. McLEAN, Mr. DIRKSEN, and Mr. ANDREWS of New York objected.

MONUMENT IN MEMORY OF GOUVERNEUR MORRIS

The Clerk called the next bill, H. R. 11854, to provide for the erection of a monument to the memory of Gouverneur Morris.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

RETIREMENT ANNUITIES FOR LIBRARIANS OF CONGRESS

The Clerk called the next bill, H. R. 11848, to authorize retirement annuities for persons who serve as Librarian of Congress for 35 years.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. FADDIS, Mr. ZIONCHECK, Mr. RAMSPECK, and Mr. LEHLBACH objected.

Mr. CURLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it. Mr. CURLEY. What disposition was made of the bill (H. R. 11854) to provide for the erection of a monument to the memory of Gouverneur Morris?

The SPEAKER. The bill was objected to. Mr. KENNEY. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill (H. R. 11854) to provide for the erection of a monument to the memory of Gouverneur Morris.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the title of the bill.

Mr. CURLEY. Mr. Speaker, will the gentleman from Michigan [Mr. Wolcott] withhold his objection so that I may make a statement?

Mr. WOLCOTT. I withhold my objection. Mr. CURLEY. Mr. Speaker, I am the sponsor of this particular bill that the gentleman was so kind to withdraw his objection to.

I think this is an opportune time to take up this matter showing what the people of this country think about the Constitution. I have listened to a good many Members of the House discuss this question since the beginning of the

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield? Mr. CURLEY. I shall be pleased to yield to the gentleman. Mr. ZIONCHECK. Mr. Speaker, at this time I submit the unanimous-consent request that the gentleman be allowed to revise and extend his own remarks.

The SPEAKER. The gentleman from Washington cannot take the gentleman from New York off his feet by submitting a unanimous-consent request.

Mr. ZIONCHECK. Regular order, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ZIONCHECK. I object, Mr. Speaker.

MEMORIAL TO THOMAS JEFFERSON

The Clerk called the next bill, H. R. 12027, to authorize the execution of plans for a permanent memorial to Thomas Jefferson.

Mr. WOLCOTT and Mr. ZIONCHECK objected.

Mr. BOYLAN. Mr. Speaker, I trust the gentlemen will reserve their objections, and if there are any questions, I will be pleased to answer them.

Mr. WOLCOTT. I shall be glad to withhold my objection. Mr. ZIONCHECK. I withdraw my objection, Mr. Speaker. Mr. BOYLAN. Mr. Speaker, I may say that this bill is the result of the work of a committee authorized in a resolution passed by the House last year. The committee was composed of 12 members, 3 appointed by the House, 3 by the Senate, 3 by the President of the United States, and 3 by the Thomas Jefferson Memorial Commission.

We have had plans prepared, and these plans were passed on by the committee and were submitted to the President of the United States. Upon further deliberation we thought a further study could be made of the matter, and in the meantime a bill should be introduced asking for an authorization in the amount of the smallest estimate received for the construction of the memorial, with the proviso that no application for funds should be made this year.

Mr. WOLCOTT. Mr. Speaker, if the gentleman will permit, I may say that Thomas Jefferson was one of the world's greatest humanitarians, and Thomas Jefferson would never stand for the Congress of the United States appropriating \$3,000,000 to erect a memorial to him if he knew of the suffering going on in the United States today.

Mr. BOYLAN. The Congress of the United States has already authorized the expenditure of much greater sums than this amount in memory of the patriots of our country, men who have rendered signal services to our beloved land. Thomas Jefferson himself was a modest and unassuming man, but it is not a question of Jefferson; it is a question of honoring the memory of Jefferson in these distraught times.

Mr. WOLCOTT. I agree with the gentleman that we should give all honor to the memory of Jefferson, because he was one of the most outstanding men this Nation has ever known, and when the proper time comes, when this Nation can afford it, when the people of New York and Michigan feel that they can afford to spend \$3,000,000 to erect monuments, I shall be pleased to go along with the gentleman; but just so long as there is starvation in America, just so long as there is a lack of shelter for the poor people, I think it is unbecoming of us to spend \$3,000,000 to erect a memorial even to George Washington.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. I object, Mr. Speaker.

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONSTRUCTION OF CERTAIN BRIDGES

The Clerk called the next bill, H. R. 10589, to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes", approved August 30, 1935.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, is this with respect to a free bridge, or is it an amendment of a general law?

Mr. STEFAN. This has to do with a free bridge, and is merely a corrective amendment of an item passed in the omnibus bill.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That subsection (a) of section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes", approved August 30, 1935, is amended by striking out "the village board of the village of Niobrara, county of Knox, State of Nebrasha", and inserting in lieu thereof the following: "the county of Knox, State of Nebraska, its successors and assigns."

Sec. 2. Subsection (b) of such section 32 is amended by strik-

SEC. 2. Subsection (b) of such section 32 is amended by striking out "the Village Board of the Village of Niobrara, county of Knox, State of Nebraska", and inserting in lieu thereof the following: "the county of Knox, State of Nebraska, its successors

SEC. 3. (a) Subsection (c) of such section 32 is amended by striking out "The said Village Board of the Village of Niobrara, county of Knox, State of Nebraska", and inserting in lieu thereof the following: "The said county of Knox, State of Nebraska, its successors and assigns."

(b) Subsection (c) of such section 32 is further amended by striking out "to fix the charge tolls for transit" and inserting in lieu thereof the following: "to fix and charge tolls for transit."

SEC. 4. Subsection (d) of such section 32 is amended by striking out "After a sinking sufficient for amortization shall have been so provided, said bridge" and insert in lieu thereof the following: "After a sinking fund sufficient for such amortization shall have been so provided, said bridge."

SEC. 5. The right to alter, amend, or repeal this act is hereby

expressly reserved.

With the following committee amendments:

Page 2, line 3, strike out "its successors and assigns." Page 2, line 8, strike out "its successors and assigns." Page 2, line 13, strike out "its successors and assigns."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE MISSISSIPPI RIVER BETWEEN NEW ORLEANS AND GRETNA, LA.

The Clerk called the bill (H. R. 11103) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La., authorized to be built by George A. Hero and Allen S. Hackett, their successors and assigns, by an act of Congress approved March 2, 1927, heretofore extended by acts of Congress approved March 6, 1928, February 19, 1929, June 10, 1930, March 1, 1933, March 5, 1934, and June 4, 1935, are hereby further extended 1 and 3 years, respectively, from March 2, 1936.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

On page 2, line 3, strike out "March 2, 1936" and insert "the date of approval hereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE MISSISSIPPI RIVER AT NATCHEZ, MISS.

The Clerk called the bill (H. R. 11729) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. I object.

AMENDMENT OF THE AGRICULTURAL ADJUSTMENT ACT

The Clerk called the bill (H. R. 11821) to correct an error in section 16 (e) (1) of the Agricultural Adjustment Act, as amended, with respect to adjustments in taxes on stocks on hand, in the case of a reduction in processing tax

There being no objection, the Clerk read the bill, as foi-

Be it enacted, etc., That paragraph (1) of subsection (e) of section 16 of the Agricultural Adjustment Act, as amended, is amended by striking out "subsequent to June 26, 1934" and inserting in lieu thereof "on or after June 1, 1934."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE ACT AUTHORIZING CERTAIN TRIBES OF INDIANS TO SUBMIT CLAIMS TO THE COURT OF CLAIMS

The Clerk called the bill (H. R. 10001) to amend an act entitled "An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes", approved May 26, 1920.

The SPEAKER. Is there objection?
Mr. COCHRAN. Mr. Speaker, reserving the right to object, I have a report from the Comptroller General on this bill, and I ask unanimous consent to place it in the RECORD at this point, and then I will ask that the bill go over without prejudice.

Mr. WOLCOTT. Reserving the right to object to the bill's going over without prejudice, I want to call attention to the fact so that it may be considered in the meantime, that this bill is subject to the same objection which has been made against many Indian bills, in that it gives to the Indians an advantage not enjoyed by any other American citizen in prosecuting claims against the Government. This bill provides that the Indians may appeal their claims to the United States Supreme Court, whereas any other American citizen is obliged to take his case to the Supreme Court on certiorari. The technical difference is that the American citizen is confined in his argument before the Supreme Court to points of

law, but the Indian when he takes his appeal to the Supreme Court may argue questions of fact as well as of law.

I think we should remove the discrimination in favor of the Indians. The Indians are good enough citizens so that they are not going to ask any advantage not enjoyed by any other American citizen.

I am constrained to object to all Indian claims bills which give the Indians an advantage over other citizens in their appeals to the Supreme Court.

Mr. COCHRAN. Mr. Speaker, aside from that, there are other objections to this bill set out in the report of the Comptroller General. The only reason that I ask that the bill go over without prejudice is to give Members a chance to read the report. It is my purpose to object to this bill at the next call of the calendar.

Mr. PIERCE. This is my bill. I know all the conditions and the situation. The Klamath Indians owned a beautiful tract of timberland, 87,000 acres, which was taken from them in one of the timber frauds in Oregon by the Secretary of the Interior. It was stolen for less than 4 percent of its value. The Indians came here to Congress, through my predecessor, Mr. Sinnott, introduced a bill to give the Court of Claims the right to ascertain the facts, a jurisdictional act. That was 16 years ago. The suit was brought in the Court of Claims. It went to the Supreme Court of the United States, and that Court found, together with the Court of Claims, that this tract of land was worth \$2,980,000. The Indians were paid the magnificent sum of \$108,750. It was taken from them fraudulently and wrongfully. The Court said, however, that there was no way to give them redress except to have a new jurisdictional bill. I took up the fight. There never has been a more just, a squarer, or a fairer bill before the Congress. I am sure that upon examination the gentleman from Michigan and the gentleman from Missouri will see the justice of this claim. I ask a few minutes of their time before the next consent day that I may talk personally to both of them. I know this bill is just and right.

Mr. COCHRAN. Mr. Speaker, I am willing to let it go over without prejudice, but the report shows there are of record over \$2,000,000 in advances to these Indians.

Mr. PIERCE. Not quite \$2,000,000. The property was worth nearly \$3,000,000. We do not claim the full \$3,000,000. The amount due the Indians is a little less than one million.

Mr. COCHRAN. The amount is \$2,207,329.50. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

The Comptroller's report is as follows:

COMPTROLLER GENERAL OF THE UNITED STATES, Washington, April 20, 1936.

Hon. JOHN J. COCHEAN,

Hon. John J. Cochan,

Chairman, Committee on Expenditures in

the Executive Departments, House of Representatives.

My Dear Mr. Chairman: Further reference is made to your letter of April 3, 1936, which was acknowledged by letter of April 4, 1936, requesting a report on H. R. 10001, Seventy-fourth Congress, second session, entitled "A bill to amend an act entitled 'An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes', approved May 26, 1920", as follows:

1920", as follows:
"That in the suit numbered E-346 heretofore instituted in the Court of Claims by the Klamath and Moadoc Tribes and Yahoo-skin Band of Snake Indians under an act entitled 'An act authorizing certain tribes of Indians to submit claims to the Court of Claims, and for other purposes', approved May 26, 1920, jurisdiction is nereby conferred upon said court and it is hereby authorized and directed to reinstate and retry said case and to hear thorized and directed to reinstate and retry said case and to hear and determine the claims of the plaintiffs on the merits, and to enter judgment thereon, irrespective of any release or settlement, and upon the present pleadings, evidence, and findings of fact, with the right of appeal, rather than by certiorari, to the Supreme Court of the United States by either party: Provided, That any payment heretofore made to the said Indians by the United States in connection with any release or settlement shall be charged as an offset, but shall not be treated as an estoppel."

The act of May 26, 1920 (41 Stat. 623), provided, in part, that all claims of whatsoever nature which the Klamath and Moadoc Tribes of Indians and the Yahooskin Band of Snake Indians might.

Tribes of Indians and the Yahooskin Band of Snake Indians might have against the United States which had not theretofore been determined by the Court of Claims, might be submitted to the

court of Claims, with the right of appeal to the Supreme Court of the United States by either party, for determination of the amount, if any, due said Indians from the United States under treaties, agreements, or laws of Congress, or for the misappro-priation of any of the funds of said Indians, or for the failure of the United States to pay said Indians any money or other property due; and that the Court of Claims should hear and determine erry due; and that the Court of Claims should hear and determine all legal and equitable claims, if any, of said Indians against the United States, and to enter judgment thereon. The said act provided further that any payment which might be made upon any claim so submitted should not be pleaded as an estoppel, but might be pleaded as an offset in such suits or actions, and that the United States should be allowed credit for all sums, including traduities therefore usid or expended for the benefit of said gratuities, theretofore paid or expended for the benefit of said Indians or any band thereof.

Pursuant to the said act of May 26, 1920, the said Indians filed three petitions in the Court of Claims in one of which no. E-346,

there was set up a claim for a tract of land located in the State of Oregon. No copy of the petition in that case was presented to this office for a report, but under date of June 19, 1928, this office forwarded to the Department of Justice in connection with case no. E-350 a report in detail of disbursements made by the United States under treaty and other than treaty appropriations. In the report of June 19, 1928, there were included possible offsets in the

amount of \$2,382,435.49.

In an opinion rendered November 5, 1934, the Court of Claims dismissed the petition in case no. E-346 but found that the United States was entitled to set-offs under the act of May 26, 1920, supra, in amounts aggregating \$2,207,329.50, the same being a part of the amount reported by this office in case no. E-346 as dis-

of the amount reported by this office in case no. E-346 as disbursements under gratuity appropriations for the benefit of these Indians. In the opinion of November 5, 1934, in connection with the payment for the land which the Indians alleged was of a much greater value than the amount paid them, the court said:

"In this case we have not only a payment made and accepted, but a written release, comprehensive in terms, which was intended to and did extinguish any existing liability. No future claim could be based upon the transaction unless Congress waived the legal effect thereof. The issue here is not alone one of payment working an estoppel, but the setting aside of a release which admittedly closed the transaction and extinguished all liability under the claim. If Congress intended to nullify a release, it would have used language clearly evidencing that intention. In the choice of legal terms we cannot assume that Congress intended to set aside a release by using the words 'payment upon a claim.'"

And—

And—
"We have made the findings after a careful analysis of the record, but inasmuch as in our opinion the special jurisdictional act does not confer upon the court authority to determine the court It is so ordered."

In an opinion rendered December 9, 1935, the Supreme Court of the United States affirmed the decision of November 5, 1934, of the Court of Claims, and stated in conclusion that "if plaintiffs the Court of Claims, and stated in conclusion that "if plaintiffs are to have additional compensation, it must be obtained through legislation dealing with the merits or authorizing effective judicial determination.

There is nothing before this office suggesting why the Congress should now remove the bar of the payment, acceptance and release for the lands as enforced by the Court of Claims and the Supreme Court of the United States in their opinions of November 5, 1934, Court of the United States in their opinions of November 5, 1934, and December 9, 1935, respectively, but whether the Congress shall do so is, of course, a question of policy for its determination. However, if such bar is removed, as proposed in the bill, it would seem appropriate that there be contained in the bill a specific requirement that the courts shall consider and allow as offset against any amount which may be recovered for the lands the gratuity expenditures made by the United States on behalf of these Indians which were determined by the Court of Claims, as above stated, to aggregate \$2,207,329.50 which have not been recouped to the United States.

Sincerely yours.

J. R. McCarl., Comptroller General of the United States.

BRIDGE ACROSS MISSISSIPPI RIVER AT NATCHEZ, MISS.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to return to Calendar No. 689, H. R. 11729, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Is there objection to the consideration of

Mr. ZIONCHECK. Mr. Speaker, I reserve the right to object. I was of the impression that this was another toll bridge. I never have liked toll bridges, and I distinctly dislike them now more than ever. I was going into Charleston, S. C., driving that bad, bad car you know that does so much damage around here, and had just run short of money. I spent the last few dimes I had for gasoline and oil. I did

not have any money, assuming that the best highway, the crack highway, from New York to Miami, Fla., so much advertised, would not have a toll bridge upon it; when, lo, and behold, I came to that great toll bridge just before you go into Charleston, S. C. I did not have any money. offered to write a congressional check. I had my check book with me; but no. However, they said they would take a spare tire and then I could come back and get it for 65 cents. I told them I might need the tire, and I would not do that.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman permit an interruption?

Mr. ZIONCHECK. Yes.

Mr. MARTIN of Colorado. It is worth 65 cents to drive over that bridge.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Mississippi River pleting the construction of the bridge across the Mississippi River at or near Natchez, Miss., authorized by be built by the city of Natchez and county of Adams, State of Mississippi, by the act of Congress approved August 30, 1935, are hereby extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. Section 19 (d) of such act of August 30, 1935, is amended by striking out the words "twenty years" and inserting in lieu thereof the words "thirty years."

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

expressly reserved.

With the following committee amendment:

Page 1, line 8, strike out "the date of approval hereof" and insert "August 30, 1936."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BANKRUPTCY LAW

The Clerk called the bill (H. R. 149) to amend section 64 of the bankruptcy law of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision 4 of paragraph (b) of section 64 of the bankruptcy law be, and is hereby, amended to read as follows:

"(4) wages due to workmen, clerks, traveling or city salesmen on salary or commission basis, whole or part time, or servants, which have been earned within 3 months before the date of the commencement of proceedings, not to exceed \$600 to each claimant."

With the following committee amendments:

Page 1, line 3, strike out "four" and insert "five."

Page 1, line 3, strike out 'lour and insert 'nve.'
Page 1, line 4, strike out "bankruptcy law" and insert "act
entitled 'An act to establish a uniform system of bankruptcy
throughout the United States,' approved July 1, 1898, and acts
amendatory thereof and supplementary thereto."
Page 1, line 9, strike out "(four)" and insert "(five)."

The committee amendments were agreed to.

The bill as amended was orderd to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended to read: "A bill to amend section 64 of the act entitled 'An act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898, and acts amendatory thereof and supplementary thereto."

COMPENSATION OF DIRECTOR OF FEDERAL BUREAU OF INVESTIGATION

The Clerk called the next bill, H. R. 11616, to fix the compensation of the Director of the Federal Bureau of Investigation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FADDIS. Mr. Speaker, I object.

Mr. ZIONCHECK. Reserving the right to object, Mr. Speaker, I should like to make a statement on that.

The SPEAKER. Objection has already been heard. The bill has gone off the calendar. The Clerk will report the next bill.

ADMISSIBILITY IN EVIDENCE OF CERTAIN WRITINGS AND RECORDS

The Clerk called the next bill, H. R. 11690, relating to the admissibility in evidence of certain writings and records made in the regular course of business.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. KENNEY. Mr. Speaker, I object.

Mr. ZIONCHECK. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count.

Mr. ZIONCHECK, Mr. Speaker, I withdraw the point of no quorum.

Mr. KENNEY. Mr. Speaker, I reserve my objection and I yield to the the gentleman from Texas.

Mr. SUMNERS of Texas. Mr. Speaker, this bill is intended to cure a condition that developed in Pennsylvania. A circuit judge in Pennsylvania sitting as a district judge-

Mr. ZIONCHECK. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. ZIONCHECK. I think the gentleman is talking about a different bill. This is fixing the salary of J. Edgar Hoover. Mr. SUMNERS of Texas. No.

This circuit judge, sitting as a trial judge, held that record books kept in the ordinary course, would not be admissible in evidence unless the Government produced the individual who had made the entry, who could testify with reference to the making of the entry, and so forth. Of course, according to the manner that books are now kept, many times entries are made by machines. It may be that a dozen or a half dozen people will make entries in a set of books and nobody will be able to swear that he made a given record.

Personally, I am ashamed to ask the House to pass this bill. This holding by this judge is ridiculous. It is worse than that, but that is the situation that has developed up there. I do not understand how any judge can hold, in view of what is generally accepted, that one must bring the identical person who made the identical entry, before that entry can be introduced in evidence where the books kept are regularly and properly kept in the ordinary course of business. But he has held it, and this bill has been introduced for the purpose of curing that situation.

Mr. KENNEY. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That any writing or record, whether in the form of an entry in a book or otherwise, made as a memorandum or record of any act, transaction, occurrence, or event, shall be admissible in evidence in proof of said act, transaction, occurrence, or event, if it shall appear that it was made in the regular course of any business, and that it was the regular course of such business to make such memorandum or record at the time of such act, transaction, occurrence, or event or within a reasonable time thereafter. All other circumstances of the making of such writing or record, including lack of personal knowledge by the entrant or maker, may be shown to affect its weight, but they shall not affect its admissibility. The term "business" shall include business, profession, occupation, and calling of every

Mr. ZIONCHECK. Mr. Speaker, I move to strike out the last word.

Apparently, Mr. Speaker, one of the most popular illusions that the American people are suffering from today is the illusion that has been deliberately created and built up by the master of fiction, J. Edgar Hoover, the great "G-man." Mr. Speaker, since Congress was kind enough to favor him by allowing his men to run around with guns, machine guns, and sawed-off shotguns, four "G-men" have been killed and eight gangsters, and we cannot find out how many innocent people were killed in the process. Dillinger! Dillinger did not know and could not know that about 17 young boys with shaking hands were all leveled on the place where he was to come, and they let him have it. He looked like a sieve when they got through with him. That is law and order. That is effective justice. Incidentally, Mr. Speaker, if you

had happened to have been at that theater at the same time, and if you had gone out, you would have been killed. They did hit an innocent person.

But that is not the only case, Mr. Speaker. That was fine. Even Hearst praised them for it. So they continue to do that. An automobile with a gangster—it happened to be a gangster this time-tried to get away, so they sneaked up behind him and got him in ambush and they loaded that car up with holes. They killed the fellow all right. Real American justice! What if that had been a kidnaper? What if the little Lindbergh child had been in the botton of that car in a sack? They would have gotten the Lindbergh baby. They could not have missed it. The dictator, J. Edgar Hoover!

It has been said, Mr. Speaker, or it has been rumored that he may know the answer to the Hauptmann murder.

Mr. LEHLBACH. Mr. Speaker, will the gentleman yield? Everybody in the world knows the answer to that; as pronounced by Jersey justice.

Mr. ZIONCHECK. Jersey justice! Does it give cream or skimmed milk? Mr. Speaker, it is rumored that the great "G-man"—"G" not standing for God—may know under whose direction the ladder was built that convicted Hauptmann; that he may know why Hauptmann did not talk, because Hauptmann had nothing to say. He did not know

The SPEAKER. The time of the gentleman from Washington has expired.

Mrs. KAHN. Mr. Speaker, I ask unanimous consent to speak for one-half minute.

The SPEAKER. The gentlewoman from California is recognized in opposition to the pro-forma amendment.

Mrs. KAHN. Mr. Speaker, I do not need that much time. Mr. Speaker, it seems to me we have come to a pretty pass when we must listen on the floor of this House to a defense of Dillinger, Hauptmann, and the gangsters. [Applause.]

Mr. ZIONCHECK. Who is defending Mr. Dillinger?

By unanimous consent, the pro-forma amendment was withdrawn.

The bill was ordered to be engrossed and read a third time. was read the third time, and passed, and a motion to reconsider was laid on the table.

ORLAND RECLAMATION PROJECT, CALIFORNIA

The Clerk called the next bill, H. R. 11538, for the relief of the Orland reclamation project, California.

The SPEAKER. Is there objection to the consideration of

Mr. TABER. Mr. Speaker, reserving the right to object, what does this bill do?

Mr. LEA of California. Mr. Speaker, this bill does four things: First, it permits the substitution of lands outside the project for lands inside the project to be excluded. The object of this is to exclude nonproductive gravel lands inside the project in order that they may be substituted by lands that can bear their part of the expense of the project.

Another provision is to change the time of payment of operation and maintenance charges so as to make them payable in advance instead of at the end of the year. In this way no annual appropriation by Congress will be required.

A third feature is to extend the time of payment on account of the new reservoir from 17 to 35 years. This is in line with the adjustments made on projects that came under the Adjustment Act of 1926.

The fourth provides for the extension of the canal to reach the new lands outside the project that may be

Mr. TABER. Will that be paid for at Government expense?

produce sufficiently to bear their full proportionate share of the costs of the project.

This bill does not reduce or cancel any obligation of the Government.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to execute or authorize the execution of amendatory contracts with the individual water users of the Orland reclamation project, California, by which (a) the time within which the cost of Stony Gorge Reservoir may be paid shall be 35 years in lieu of the 17 years allowed for such payment under existing contracts, the said annual payments to be graduated as the said Secretary may prescribe, and (b) any construction or operation and maintenance charges due from the individual water users and delinquent as of the date of this act, together with the users and delinquent as of the date of this act, together with the accrued interest or penalties, may be added to their proportionate part of the cost of said reservoir.

part of the cost of said reservoir.

SEC. 2. The said Secretary shall classify the lands of the Orland project and the owners of all lands found by the said Secretary to be permanently unproductive may, by supplemental agreement with the United States, be relieved of all liability for further operation and maintenance and construction charges on land so found to be permanently unproductive, and the credit for construction charges theretofore paid on such permanently unproductive lands may be transferred to other producing lands, as the owner of such permanently unproductive lands may designate in writing. The released water rights theretofore appurtenant to such permanently unproductive lands shall be transferred to other productive lands, as the said Secretary may designate and under such regulations as he may prescribe.

SEC. 3. After the plan prescribed in section 4 hereof becomes effective, all operation and maintenance charges shall be estimated annually by the Secretary and collected in advance on the

mated annually by the Secretary and collected in advance on the Orland project on or before January 1 of each year for that calendar year, and no water shall be delivered to any water user failing to make such advance payment. Should the estimate by the Secretary of the amount of the operation and maintenance the Secretary of the amount of the operation and maintenance charges for any calendar year or the collections from water users for such year prove to be too small, the water users shall be required to make a further payment in advance of the additional amount then estimated to be sufficient to meet the remainder of the operation and maintenance cost for that year, and the delivery of water shall not be continued (a) to the project unless said additional amount is paid to the United States, or (b) to any water user failing to pay his proportionate share (as determined by the Secretary) of such additional operation and maintenance cost. Overpayments resulting from too large estimates for any year shall be adjusted by credits upon succeeding years after the amount of the overpayment is ascertained.

Sec. 4. For all water users executing supplementary contracts

amount of the overpayment is ascertained.

SEC. 4. For all water users executing supplementary contracts as permitted herein their proportionate share, as determined by the said Secretary, of the operation and maintenance charges for the first year in which this plan is made effective for the Orland project, by the execution of this agreement by at least 90 percent of the water users of the project, as conclusively determined by the Secretary, shall be consolidated with the construction cost of the Stony Gorge Reservoir and paid when such construction cost is paid as herein permitted. Water users failing or refusing to execute such supplementary contracts shall not be accorded the benefit of this act, nor shall they receive the benefit of any moratory construction charge legislation enacted in 1936 or thereafter unless otherwise specifically directed in such moratory legislation. legislation.

SEC. 5. An appropriation of \$35,000 from the reclamation fund for the Orland project is hereby authorized to enable the Secretary to make the land classification provided for in section 2 hereof to make the land classification provided for in section 2 hereof and to construct canals and other works necessary to conduct to new project lands the water supply to be released hereunder from permanently unproductive lands. The primary construction charge of \$55 per acre on such new lands shall be payable in installments as provided in section 2 of the act of August 13, 1914 (38 Stat. 687). The supplemental construction charges for the new land shall be the same as for the old land, except that each acre of new land shall be required to pay in addition its proportionate part, as determined by the Secretary, of the construction cost of new work as authorized in this section. The supplemental construction charges for the new land shall be payable in mental construction charges for the new land shall be payable in installments over a period of 35 years, the first of such installments to be due 1 year after the due date of the last installment of the original construction charge on the new land. The supplemental construction charge installments for the new land shall be graduated in the same manner as for the old land as provided in section 1 hereof. The dates for the payment of the construc-tion charges provided for in sections 1 and 5 hereof shall be as

Mr. LEA of California. That will be paid out of the reclamation fund.

Mr. TABER. How much will it cost?

Mr. LEA of California. Thirty-five thousand dollars. There are about 3,000 acres inside that may be excluded in lieu of the lands that may be taken in from outside. These inside gravelly lands require too much water and fail to

Sec. 7. The Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF ALCOHOLIC BEVERAGES IN ARMY POST EXCHANGES

The Clerk called the next bill, H. R. 11300, to provide that the sale of or dealing in beer, wine, or intoxicating liquor in Army post exchanges and military establishments shall be subject to regulation by the Secretary of War.

Mr. RICH. Mr. Speaker, reserving the right to object, will the sponsor of this bill inform us whether it will allow intoxicating liquors to be sold in these places without the tax being

Mr. COSTELLO. Mr. Speaker, I may state to the gentleman from Pennsylvania that the author of the bill is unavoidably absent and unable to be present today. I do not believe this bill would waive the payment of tax on any alcoholic beverages.

Mr. RICH. I ask this because they sell merchandise through these commissaries without the regular tax; for instance, a package of cigarettes can be bought there without the tax, and I am just wondering whether, if this bill should pass, they would be able to sell alcoholic liquors without paying the tax.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

IRRIGATION CHARGES WITHIN PROJECTS ON INDIAN RESERVATIONS

The Clerk called the next bill, S. 1318, to authorize the Secretary of the Interior to investigate and adjust irrigation charges on irrigation lands within projects on Indian reservations, and for other purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

BEQUEST OF THE LATE HENRY H. ROGERS

The Clerk called the next bill, H. R. 10273, to authorize the Secretary of the Navy to accept on behalf of the United States the bequest of the late Henry H. Rogers, and for other

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The SPEAKER. Without objection, a similar Senate bill (S. 3720) will be substituted for the House bill.

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to accept on behalf of the United States the collection of ship models, with glass exhibit cases, bequeathed the United States Naval Academy by the late Henry H. Rogers, of Southampton, Long Island, N. Y.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000 to carry out the purposes of section 1 of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill (H. R. 10273) was laid on the table.

ACQUISITION OF RAILROAD TRACKS, TRESTLE, AND RIGHT-OF-WAY OF THE GULF POWER CO., PENSACOLA, FLA.

The Clerk called the next bill, S. 3395, to authorize the acquisition of the railroad tracks, trestle, and right-of-way of the Gulf Power Co. at the naval air station, Pensacola, Fla.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. SEARS. Mr. Speaker, reserving the right to object, this bill does not cost the Government any money and has

been pending for years. It is simply clearing up the title to this railroad property and does not involve a dollar of expense to the Government.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. WOLCOTT. Mr. Speaker, I object. The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to accept on behalf of the United States, free from encumbrance and without cost to the United States, all the right, encumbrance and without cost to the United States, all the right, title, and interest of the Gulf Power Co. of Pensacola, Fla., in its railroad tracks located upon the United States Naval Air Station, Pensacola, Fla.; its railroad trestle, including railroad tracks thereon, across Bayou Grande, beginning at the northern end of said trestle and extending across said Bayou Grande to the said naval air station; and its right-of-way 40 feet wide upon which the northern end of said trestle is located, and extending from said northern end of the trestle to the north shore of said Bayou Grande together with all sidings equipment and appurtment Grande, together with all sidings, equipment, and appurtenant structures

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENCOURAGEMENT OF TRAVEL TO AND WITHIN THE UNITED STATES BY CITIZENS OF FOREIGN COUNTRIES

The Clerk called the next bill, S. 33, to encourage travel to and within the United States by citizens of foreign countries, and for other purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. RICH. Mr. Speaker, I object.

MEMORIAL TO OFFICERS AND MEN OF UNITED STATES NAVY

The Clerk called the next bill, H. R. 3450, authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. Tulip near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. ZIONCHECK. Mr. Speaker, I object.

COMMEMORATION OF THE BATTLE OF EUTAW SPRINGS, S. C.

The Clerk called the next bill, H. R. 255, to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. FULMER. Will the gentleman withhold his objection for a moment?

Mr. ZIONCHECK. I withhold the objection.

Mr. FULMER. Mr. Speaker, may I ask the gentleman to give some good reason why he objects to this bill? It does not cost the Government anything and puts the Secretary of the Interior in the position to accept donations of land or money to take care of one of the most outstanding battlefields in the South. We have a favorable report from the Secretary and the matter has been passed upon by the Military Affairs Committee. It will not cost the Government anything.

Mr. ZIONCHECK. Mr. Speaker, I withdraw my objection. The SPEAKER. Is there objection to the consideration of the bill?

Mr. TABER. Mr. Speaker, I object.

DISTRIBUTION, PROMOTION, RETIREMENT, AND DISCHARGE OF COM-MISSIONED OFFICERS OF THE MARINE CORPS

The Clerk called the next bill, H. R. 12032, to amend section 10 and to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934 (48 Stat. 811), and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That so much of section 10 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934 (48 Stat. 811), as provides: "and officers in the upper four-sevenths of the grades below brigadier general, subject to selection as established by the first section of this act, shall be eligible for consideration by selection beards and for premotion without record to length of first section of this act, shall be eligible for consideration by selection boards and for promotion without regard to length of service in grade: Provided, That no officer of the Marine Corps shall be ineligible for consideration for promotion by reason of completion of length of commissioned service until he shall have been once considered by a selection board", is hereby amended to read as follows: "and until January 1, 1938, officers in the upper three-sevenths of the grades below brigadier general, subject to selection as established by the first section of this act, shall be eligible for consideration by selection boards without regard to eligible for consideration by selection boards without regard to length of service in grade: *Provided*, That, except as herein otherwise provided, no officer of the Marine Corps shall be ineligible for consideration by a selection board or for promotion by reason of completion of length of commissioned service or because of age without having at least once been considered by a selection board and if selected shall be eligible for promotion: Provided further, That officers of the Marine Corps of the grade of second lieutenant and above, except those appointed or serving as major general commandant, as assistant to the major general commandant, as the head of a staff department, or whose names appear on an eligible list for appointment as head of a staff department, shall not serve on duty in the Marine Corps Headquarters, Washington, D. C., more than 4 out of any 8 consecutive years unless the President shall determine that the public interests so require."

SEC. 2. That section 16 of the said act of May 29, 1934 (48)

SEC. 2. That section 16 of the said act of May 29, 1934 (48 Stat. 811), be, and the same is hereby, repealed.

SEC. 3. That officers of the Marine Corps in the grades of lieutenant colonel and major, who prior to June 30, 1935, have completed the designated periods of service for their respective grades, shall retain their eligibility for consideration for selection until June 30, 1936, and such officers who on that date are not on a promotion or retention list shall be transferred to the retired list: Provided, That a selection board appointed as provided by law shall be convened immediately after the approval of this act, law shall be convened immediately after the approval of this act, which board, in recommending for promotion the number of officers of the grades of lieutenant colonel and major directed by the Secretary of the Navy in accordance with law, shall recommend, from the officers now on the active list in those grades, four officers of the grade of lieutenant colonel and nine officers of the grade of major, who held commissions in those grades, respectively, on May 28, 1934.

With the following committee amendments:

On page 2, line 13, strike out "except as herein otherwise pro-

vided' and insert "hereafter.

On page 2, line 18, strike out "if selected, shall be eligible for promotion" and insert "any officer of the Marine Corps now on a promotion list shall be eligible for promotion unless removed from said list in accordance with existing law."

On page 3, line 11, strike out "have."

Page 3, line 18, insert after the word "for" the words "selection

The committee amendments were agreed to.

Mr. MAAS. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. Maas: On page 2, line 22, after the word "that", insert a comma and "commencing with existing tours of duty.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

The Clerk called the next resolution, House Joint Resolution 525, to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes.

The SPEAKER. Is there objection to the consideration of the House joint resolution?

Mr. WOLCOTT. Mr. Speaker, I object.

APPOINTMENT OF ONE ADDITIONAL DISTRICT JUDGE FOR THE EAST-ERN, NORTHERN, AND WESTERN DISTRICTS OF OKLAHOMA

The Clerk called the next bill, S. 2137, to provide for the appointment of one additional district judge for the eastern, northern, and western districts of Oklahoma

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I object.

Mr. GASSAWAY. Will the gentleman withhold his objection?

Mr. WOLCOTT. I withhold my objection.

Mr. GASSAWAY. Mr. Speaker, may I make the statement that this is a bill which provides for the appointment of a roving judge in Oklahoma. That is, an itinerant judge to try cases in all the districts. This has been brought up by the judicial council, which approves of this additional judge. The Department of Justice approves it. I may say that we are at least 3 years behind with our docket down there due to the fact that a great deal of the land in Oklahoma is of Indian extraction so far as the titles are concerned. There has been the opening up of oil wells and all that and the lawyers are really in distress. I think we are entitled to this additional judge.

Mr. WOLCOTT. Being a lawyer myself I am glad to do anything to relieve the distress of lawyers, of course, but I may say that on the calendar today there are bills which will authorize, I think, about five additional district judges.

It seems rather unusual that all of a sudden we determine it necessary to increase the number of our judges throughout the United States. There is one here for Oklahoma, one for Kansas, and one for Kentucky, as I recall it. I, perhaps, would have no objection to these bills if a case were made out. The gentleman knows how easy it is to make out a case on this Consent Calendar, and so I am objecting for the purpose of calling the situation to the attention of the House, in order that the Judiciary Committee may, if, in its judgment, it sees fit to do so, put these in an omnibus bill, bring them out here, and give us an hour or half an hour, it does not make much difference how much time we have to discuss them, so long as we have a full understanding of the need for these judges.

I am protecting the gentleman from Oklahoma in this respect just as much as all the other Members of the House, because the charge has been made that you gentlemen over there, being in charge of legislation, are creating new jobs at the expense of the Federal judiciary. I do not think this is true—in fact, I am sure none of you would do it—and to prevent any stigma attaching to our actions with respect to Federal judges, I am objecting for the purpose of allowing the Judiciary Committee to embody this in one bill. We will then discuss all of them together and in this manner we can get the entire picture, instead of picking out a little bit here and a little bit there and trying to fill it all in and make

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. May I say to the gentleman that with regard to this particular bill, as I understand it, there has been a unanimous determination on the part of the Judiciary Committee, Republicans and Democrats, that the situation there requires this additional judge. I believe the record also shows that this judge has been recommended by the council made up of the chief justice and the presiding justice of each of the circuits. I think this is true.

Mr. WOLCOTT. Yes; the judicial council has made a recommendation.

Mr. SUMNERS of Texas. Well, that is all I can say

Mr. WOLCOTT. I object, Mr. Speaker.

AMENDMENT OF SECTION 304 OF THE REVISED STATUTES, AS AMENDED

The Clerk called the next bill, S. 3258, to amend section 304 of the Revised Statutes, as amended.

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, what is this bill?

Mr. McLEAN. Mr. Speaker, the bill would permit the Treasurer of the United States, in an emergency, to appoint one of his deputies to sign certain routine matters in the Treasury Department, and the bill appeals to me as a meritorious one.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That section 304 of the Revised Statutes, as amended (31 U. S. C., sec. 144), is further amended to read as

amended (31 U. S. C., sec. 144), is further amended to read as follows:

"SEC. 304. The Treasurer may, in his discretion, and with the consent of the Secretary of the Treasury, authorize the Assistant Treasurer to act in the place and discharge any or all of the duties of the Treasurer of the United States; and the Secretary of the Treasurer's Office any person to be Acting Treasurer during the absence or illness of both the Treasurer and Assistant Treasurer; and the Secretary of the Treasurer may at any time, on the recommendation of the Treasurer, appoint from among the clerks in the Treasurer's Office any one or more of said clerks to be a Special Assistant Treasurer, with authority to sign certificates of deposit, checks, letters, telegrams, and other official documents in connection with the business of the Treasurer's Office, and who shall serve in this capacity without additional salary: Provided, however, That no appointments shall be made under the provisions of serve in this capacity without additional salary: Provided, however, That no appointments shall be made under the provisions of this section until the official bond given by the Treasurer shall be made in terms to cover and apply to the acts and defaults of every person appointed hereunder. Each person so appointed shall, moreover, for the time being, be subject to all the liabilities and penalties prescribed by law for the official misconduct in like cases of the Treasurer."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SECTIONS 109 AND 113 OF THE CRIMINAL CODE AND SECTION 190 OF THE REVISED STATUTES

The Clerk called the next bill, S. 3781, limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

Mr. MOTT. Mr. Speaker, I object.

Mr. WARREN. Mr. Speaker, will the gentleman from from Oregon withhold his objection for a moment? I think the chairman of the Committee on the Judiciary desires to make a statement.

Mr. MOTT. I withhold my objection, Mr. Speaker.

Mr. SUMNERS of Texas. Mr. Speaker, we appreciate the importance of what is in the minds of the gentlemen who are objecting to this bill. Of course, we hope to bring it to your attention again, and for that reason I want to make a very brief statement. The bill is going over, I understand, but here is what the measure does and this is the reason for the bill:

Mr. MacLean was connected with the Attorney General's office, and while in that office familiarized himself with this particular matter with reference to which it is desired to employ him. The plain, practical proposition is this: When the Attorney General goes out to employ somebody, as he must, I understand, to take this matter up, the question is whether he should employ this man, who is already familiar with the case, or employ somebody who is not familiar with it. This bill does just one thing. It permits the employment of Mr. MacLean in this particular case and prevents that particular employment from changing his general status with reference to the legislative propositions which deal with the right of persons engaged for the Government taking claims against the Government, and as my colleague reminds me, MacLean won the case in the lower court.

I thank you for the privilege of making this statement now, because I know the measure is going over.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman who has the floor yield to me?

Mr. MOTT. Mr. Speaker, I yield.

Mr. ZIONCHECK. I may say for the information of the chairman of the Judiciary Committee that I have information which the gentleman should have not pertaining to this particular bill but pertaining to one almost identical with it, which was passed during my absence.

There was a man by the name of Calhoun who had some cases against the Government. He had all of his money invested, and they needed this man that I speak of in the worst way because of his expert advice. He was the only man available.

So a bill was passed by the Senate and passed by the House and signed by the President, and this gentleman appears at the Department of Justice arrayed in a cutaway coat, striped trousers, and a daisy or a gardenia. He was somewhat astonished because there were no photographers or newspapermen there when he was to take the oath of office.

Then he was more astonished when there was no oath of office to take.

He was asked what he was going to do. Well, the Department could not get along without him, you know, but they did not know what he was to do, so they inquired. They assumed that by his appearing at the war-risk department it was something that was connected with the war-risk litigation. They asked him, "What do you know about it?" And he said that he knew all about it, generally speaking. They said, "Have you read the act?" And he said, "No; I haven't had time." They asked him what he knew about section 19. He did not know, but he was willing to learn. He broke down-

Mr. WOLCOTT. Regular order, Mr. Speaker.

Mr. ZIONCHECK. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection?

Mr. MOTT. I object.

Mr. WARREN. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection? There was no objection.

VALIDATING PAYMENTS ON ACCOUNTS OF DISBURSING OFFICERS

The Clerk called the bill (S. 3687) to validate payments and to relieve the accounts of disbursing officers of the Army on account of payments made to Reserve officers on active duty for rental allowances.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. I object.

Mr. McSWAIN. Will the gentleman reserve his objection?

Mr. ZIONCHECK. I will.

Mr. McSWAIN. This bill is to correct technical errors made by disbursing officers in payments to Reserve officers on duty with the C. C. C. It is to validate payments and relieve the accounts of the disbursing officers of the Army on account of payments made to Reserve officers on active duty with the C. C. C. for rental allowances paid to them on the ground that the payments were lawful. The Secretary of War has determined that these payments are not technically legal. This involves a small sum of money which was paid to the officers in charge of the C. C. C. I hope the gentleman will see the reasonableness of it.

Mr. ZIONCHECK. Mr. Speaker, the reason I am objecting to this is that if you set a precedent for the Government to pay for the mistakes of its employees, there is no end to what the cost to the United States will be. It goes on back to the time of the adoption of the Constitution.

Mr. McSWAIN. Will the gentleman let me explain to him that there was a bill before our committee seeking to confer the power to allow such payments to be made general, but the committee turned it down. That was a general bill. This particular bill seemed to us to be so righteous and so fair that it ought to be passed, because these Reserve officers will have to pay the money back, and they are not able to do it.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I reserve the right to object. The trouble with a bill like this is that it is like the camel getting his nose under the tent. If this bill passes, then someone will come around, some other and larger group, and will say, "Look what you did to these others; is not this a country of equal justice; why should somebody be treated like birds and others like fowls and others like fish and others like fishhooks?" Mr. Speaker, I object.

ADDITIONAL JUDGE, EASTERN AND WESTERN DISTRICTS OF KENTUCKY

The Clerk called the bill (S. 3344) to appoint one additional judge of the District Court of the United States for the Eastern and Western Districts of Kentucky.

Mr. McLEAN. Mr. Speaker, I object. Mr. SPENCE. Mr. Speaker, will the gentleman reserve his objection?

Mr. McLEAN. Certainly.

Mr. SPENCE. Mr. Speaker, in the Seventy-first Congress a bill was introduced to create an additional district in the State of Kentucky. That bill was favorably reported by the committee. The minority report was signed by the distinguished chairman of the Judiciary Committee, and stated as

We respectfully differ with the majority of the committee on the method they have adopted to grant relief from crowded court conditions in Kentucky. Some relief may be justified, but if those affected are to be consulted or believed, it should be given by the naming of an additional judge to serve the whole State and not by any creation of a new district.

Several judgeships have been created to serve more than one district as the needs demanded, and have proven highly satisfactory, as testified to by the judges so arranged in South Carolina, Alabama, and elsewhere. Places can be added for holding court as they are needed under this plan, just as they are provided under a new district, and with much more economy as to officials and employees than a new district would require.

This bill merely provides for an additional judge. It does not provide for any of the additional machinery of justice. We all know that the jurisdiction of the United States courts has been greatly increased by reason of the activities of the National Government. Justice delayed is justice denied.

On the facades of the great building where sits the Supreme Court of the United States there are these splendid inscrip-

Equal justice under law.

Justice the guardian of liberty.

But justice is never equal under the law and justice is not the guardian of liberty unless it is expeditiously administered.

One of the reasons assigned by Hamlet for "shuffling off this mortal coil" was the law's delay.

We have experienced this delay in the United States district courts of Kentucky.

The Constitution of the United States provides that in criminal cases the accused shall enjoy the right to a speedy and public trial, and the enjoyment of that right is often as important in civil cases as in criminal prosecutions.

There should be some additional places in the eastern part of Kentucky where this court should be held.

This could be very easily accomplished if an additional judge is appointed.

In Covington, the second largest city in the State, and where there are in unbroken settlement in Kenton and Campbell Counties 175,000 people, there is no marshal and it is difficult, indeed, to obtain provisional remedies because of the lack of adequate officers and organization.

Upon the speedy enforcement of the law depends the strength of our institutions, and certainly the National Government should provide an adequate number of judges to administer the law after sufficient consideration, and expe-

The dockets of Kentucky are crowded, justice is delayed, the litigants suffer.

This bill has been passed by the Senate and reported favorably by the Judiciary Committee of the House. It has been approved by the Bar Association of Kentucky and the people generally are much interested in its passage.

I hope the gentlemen will withdraw their objections.

Mr. ZIONCHECK. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection?
Mr. McLEAN. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection? There was no objection.

TO VALIDATE CERTAIN PAYMENTS TO RESERVE OFFICERS

The Clerk called the bill (S. 3688) to validate payments and to relieve disbursing officers' accounts of payments made to Reserve officers promoted while on active duty.

The SPEAKER. Is there objection? Mr. ZIONCHECK. Mr. Speaker, I object.

LOANING BLANKETS, ETC., TO UNITED CONFEDERATE VETERANS

The Clerk called the bill (H. R. 11302) to authorize the Secretary of War to lend to the reunion committee of the United Confederate Veterans 3,000 blankets, olive drab, no. 4,

1,500 canvas cots, to be used at their annual encampment to be held at Shreveport, La., in June 1936.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I object.

Mr. McSWAIN. Mr. Speaker, will the gentleman reserve his objection?

Mr. ZIONCHECK. Yes.

Mr. McSWAIN. It has been the invariable practice of Congress for nearly 16 years to my certain knowledge, to allow the use of cots, blankets, and so forth, to these national reunions of the Confederate Veterans and of the Grand Army of the Republic and similar Nation-wide organizations. There never has been any objection to it in all these years.

Mr. ZIONCHECK. Who pays for the freight when these things are sent down?

Mr. McSWAIN. The expenses are paid by the committee having the matter in charge. They are required to give a bond.

Mr. ZIONCHECK. Does the Government pay for the transportation?

Mr. McSWAIN. Oh, no.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. ZIONCHECK. Yes, Mr. Speaker, if I cannot get some information which the report does not show.

Mr. McSWAIN. We will be glad to give the gentleman the information.

Mr. ZIONCHECK. But I want other information.

Mr. McSWAIN. What is it? I shall be glad to answer any questions I can.

Mr. ZIONCHECK. Is this done every year?

Mr. McSWAIN. Every year since I have been here-15

Mr. ZIONCHECK. Would it not be cheaper for the Government to give this property to them so that they could haul it around themselves wherever they go?

Mr. McSWAIN. No, indeed. The fact is that the committees are required to give bond to cover all expenses.

Mr. ZIONCHECK. The gentleman is not answering the

Mr. McSWAIN. I said no; it would not be cheaper, because it is a good thing for the property to be unpacked to see that weevils, moths, and other insects do not injure or destroy it.

The regular order was demanded.

The SPEAKER. Is there objection?

Mr. ZIONCHECK. Mr. Speaker, I object for the time being.

Mr. SANDLIN. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

ENLARGEMENT OF GOVERNORS ISLAND, N. Y.

The Clerk called the next bill, H. R. 12009, to authorize the enlargement of Governors Island and consenting to the use of a portion thereof as a landing field for the city of New York and its environs.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LEHLBACH. Mr. Speaker, I object.

Mr. MERRITT of New York. Will the gentleman reserve his objection and let that bill go over without prejudice?

Mr. LEHLBACH. No. New York Harbor belongs to two States.

Mr. CURLEY. Mr. Speaker, reserving the right to object, I will not object if the gentleman will yield for a question.

The SPEAKER. Is there objection? Mr. LEHLBACH. Mr. Speaker, I object.

INCREASED EFFICIENCY OF AIR CORPS RESERVE

The Clerk called the next bill, H. R. 11920, to increase the efficiency of the Air Corps Reserve.

There being no objection, the Clerk read the bill, as

Be it enacted, etc., That the President be, and he is hereby, authorized to call to active duty, with their consent, for periods of not more than 5 years, such number of Army Air Corps Reserve officers as may deem necessary, not to exceed 1,350.

SEC. 2. Upon the termination of such a period of active duty of not less than 3 years in duration, such Air Corps Reserve officers shall be paid a lump sum of \$500, which sum shall be in addition to any pay and allowances which they may otherwise be entitled to receive.

SEC. 3. All laws and parts of laws insofar as they are inconstatent.

SEC. 3. All laws and parts of laws insofar as they are inconsistent with this act are hereby repealed.

With the following committee amendment:

With the following committee amendment:

On page 2, strike out lines 3 and 4 and insert:

"Sec. 3. The sixth proviso of section 2, act of July 2, 1926 (44
Stat. L. 781), is hereby amended by striking out the words 'Whenever used in this act a flying officer in time of peace is defined as one who has received an aeronautical rating as a pilot of service types of aircraft', and by substituting in lieu thereof the following: 'A flying officer in time of peace is defined as one who has received an aeronautical rating as a pilot of service types of aircraft or one who has received an aeronautical rating as an aircraft observer: Provided, That in time of peace no one may be rated as an aircraft observer unless he has previously qualified as a pilot: Provided further, That any officer rated as an aircraft observer in time of war must subsequently qualify as a pilot before he can qualify as an observer in time of peace following such war.'

"Sec. 4. The President is authorized to appoint to temporary rank in the grades of colonel, lieutenant colonel, and major, without vacating their permanent commissions, such numbers of

"SEC. 4. The President is authorized to appoint to temporary rank in the grades of colonel, lieutenant colonel, and major, without vacating their permanent commissions, such numbers of officers of the Regular Army Air Corps as the Secretary of War, from time to time, may determine as necessary to meet the administrative, tactical, technical, and training needs of the Air Corps; the then resulting numbers in each grade, permanent and temporary, to be further increased by 5 percent to meet the additional needs of the War Department for Air Corps officers: Provided, That such temporary appointments shall be made in order of seniority of the appointees in each grade in accordance with their standing on the relative rank list of Air Corps officers in their permanent grade, and that when an officer holding a temporary appointment under the provisions of this section becomes entitled to permanent promotion his temporary appointment shall be vacated: Provided jurther, That all Air Corps officers temporarily advanced in grade take rank in the grade to which temporarily advanced after officers holding such grade through permanent appointment, and among themselves in the order in which they stand on the relative rank list of Air Corps officers in their permanent grade: Provided jurther, That Air Corps officers temporarily appointed under the provisions of this act shall be entitled to the pay, flying pay, and allowances pertaining to the grade to which temporarily appointed: And provided jurther, That no officer holding temporary rank under the provisions of this act shall be elligible to command outside his own corps except by seniority under his permanent commission.

"SEC. 5. The President is hereby authorized, by and with the advice and consent of the Senate, to appoint from among the permanent colonels and lieutenant colonels of the Air Corps who are 'flying officers' as defined herein, or as may hereafter be defined, a commanding general of the General Headquarters Air Force with the rank of major general, and such

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "A bill to increase the efficiency of the Air Corps.'

ACQUISITION OF LAND FOR MILITARY PURPOSES IN CALIFORNIA

The Clerk called the next bill, H. R. 8050, to authorize the acquisition of land for military purposes in San Bernardino and Kern Counties, Calif., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, I suggest the absence of a quorum.

The SPEAKER. Will the gentleman withdraw that temporarily?

Mr. TABER. I will withdraw it temporarily.

GREAT LAKES EXPOSITION

Mr. CROSSER of Ohio. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 233, providing for the participation of the United States in the Great Lakes Exposition to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purposes.

The SPEAKER. Is there objection to the request of the

gentleman from Ohio?

Mr. WOLCOTT. Mr. Speaker, a parliamentary inquiry. The SPEAKER. The gentleman will state it.
Mr. WOLCOTT. Is that bill not on the Consent Cal-

endar?

Mr. JOHNSON of Texas. It is, but this is an emergency matter and it must be acted upon right away.

Mr. WOLCOTT. I will withdraw my reservation of objec-

The SPEAKER. Is there objection?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Whereas there is to be held in the city of Cleveland, State of Ohio, during the year 1936 an exposition to be known as the Great Lakes Exposition, dealing with industrial, agricultural, commercial, educational, and cultural progress of the eight States bordering upon the Great Lakes, namely, New York, Pennsylvania, Ohio, Michigan, Indiana, Illinois, Wisconsin, and Minnesota; and Whereas the city of Cleveland has made available 140 acres of land centrally located, its public hall, its lakeside exhibition hall, and its stadium, valued at more than \$20,000,000, its adjacent streets and properties, its lake-front grounds, and its water-front privileges on Lake Erie; and Whereas the exposition has been incorporated not for profit and

Whereas the exposition has been incorporated not for profit and has been amply underwritten; and
Whereas such exposition is worthy and deserving of the support and encouragement of the United States; and the United States has aided and encouraged such expositions in the past: Therefore be it

Resolved, etc., That the President of the United States is authorized and requested to invite the Dominion of Canada to participate in such proposed exposition.

Resolved, etc., That the President of the United States is authorized and requested to invite the Dominion of Canada to participate in such proposed exposition.

SEC. 2. There is hereby established a commission, to be known as the United States Great Lakes Exposition Commission, and hereinafter referred to as the "Commission", and to be composed of the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce, such other persons as in their discretion they may add; which Commission shall serve without additional compensation and shall represent the United States in connection with the holding of the Great Lakes Exposition in the State of Ohio during the year 1936.

SEC. 3. There is hereby created a United States Commissioner General for the Great Lakes Exposition, to be appointed by the President with the advice and consent of the Senate, and to receive compensation at the rate of not to exceed \$10,000 per annum, and not to exceed one assistant commissioner General, with the approval of the Commission herein designated, and to receive compensation at the rate of not to exceed \$7,500 per annum. The salary and expenses of the Commissioner General and such staff as he may require shall be paid out of the funds authorized to be appropriated by this joint resolution, for such period prior to the opening of the exposition as the Commissioner may determine, for the duration of the exposition, and not to exceed a 6-month period following the closing thereof.

SEC. 4. The Commission shall prescribe the duties of the United States Commissioner General and shall delegate such powers and functions to him as it shall deem advisable, in order that there may be exhibited at the Great Lakes Exposition by the Government of the United States, its executive departments, independent offices, and establishments such articles and materials and documents and papers as illustrate the function and administrative faculty of the Government in the advancement of industry, science, invention, agriculture, the arts, and pe

thorized to appoint, without regard to the civil-service laws, such clerks, stenographers, and other assistants as may be necessary, and to fix their salaries in accordance with the Classification Act of 1923, as amended; purchase such materials, contract for such labor and other services as are necessary, including the preparation of exhibit plans. The Commissioner General may exercise such powers as are delegated to him by the Commission as hereinbefore provided, and in order to facilitate the functioning of his office may subdelegate such powers (authorized or delegated) to the Assistant Commissioner or others in the employ of or detailed to the Commission as may be deemed advisable by the Commission.

by the Commission.

SEC. 6. The heads of the various executive departments and independent offices and establishments of the Government are authorized to cooperate with said Commissioner General in the procurement, installation, and display of exhibits, and to lend to the Commission and the Great Lakes Exposition, with the knowledge and consent of said Commissioner General such articles, specimens, and exhibits which said Commissioner General shall deem to be in the interest of the United States and in keeping with the nursees of such exposition, to be placed with the deem to be in the interest of the United States and in keeping with the purposes of such exposition, to be placed with the science exhibit or other exhibits to be shown under the auspices of such Commission or the Great Lakes Exposition, to contract for such labor or other services as shall be deemed necessary, and to designate officials or employees of their departments or branches to assist said Commissioner General. At the close of the exposition, or when the connection of the Government of the United States therewith ceases, said Commissioner General shall cause all such property to be returned to the respective departments and branches from which taken, and any expenses incident to the restoration, modification, and revision of such property to a condition which will permit its use at subsequent expositions, fairs, and other celebrations, and for the continued employment of personnel necessary to close out the fiscal and other records and prepare the required reports of the participating organizations, may be paid from

to close out the fiscal and other records and prepare the required reports of the participating organizations, may be paid from the appropriation authorized herein; and if the return of such property is not feasible, he may, with the consent of the department or branch from which it was taken, make such disposition thereof as he may deem advisable and account therefor.

Sec. 7. The sum of \$275,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and shall remain available until expended for the purposes of this joint resolution and any unexpended balances shall be covered back into the Treasury of the United States. Subject to the provisions of this joint resolution and any subsequent act appropriating the money authorized herein, the Commission is authorized to make any expenditures or allotments deemed necessary by it to fulfill properly the purposes of this joint resolution and to allocate such sums to the Great Lakes Exposition for expenditure by such body as the Commission deems necessary and proper in carrying out the purposes of this joint resolution. And, subject to the provisions of this joint resolution and any subsequent act appropriating the money authorized herein, the Commission is authorized to rent such space, not to exceed 30,000 square feet, without regard to the provisions of section 322 of Public Act No. 212, approved June 30, 1932 (47 Stat. 412), as it may deem adequate to carry out effectively the provisions of this joint resolution during the period of the exposition. The appropriation authorized under this joint resolution shall be available for the selection, purchase, preparation, assembling, transportation, installation, arrangement, safekeeping, exhibition, demonstration, and return of such articles and materials as the Commission may decide shall be included in such Government exhibit and in the exhibits of the Great Lakes Exposition; for the compensation tion, installation, arrangement, safekeeping, exhibition, demonstration, and return of such articles and materials as the Commission may decide shall be included in such Government exhibit and in the exhibits of the Great Lakes Exposition; for the compensation of said Commissioner General, Assistant Commissioner, and other officers and employees of the Commission in the District of Columbia and elsewhere, for the payment of salaries of officers and employees of the Government employed by or detailed for duty with the Commission, and for actual traveling expenses, including travel by air, and for per diem in lieu of actual subsistence at not to exceed \$5 per day: Provided, That no such Government official or employee so designated shall receive a salary in excess of the amount which he has been receiving in the department or branch where employed, plus such reasonable allowance for travel, including travel by air, and subsistence expenses as may be deemed proper by the Commissioner General; for telephone service, purchase or rental of furniture and equipment, stationery and supplies, typewriting, adding, duplicating, and computing machines, their accessories and repairs, books of reference and periodicals, uniforms, maps, reports, documents, plans, specifications, and ice and drinking water for office purposes: Provided further, That payment for telephone service, rents, subscriptions to newspapers and periodicals, and other similar purposes, may be made in advance; for the purchase and hire of passenger-carrying automobiles, their maintenance, repair, and operation, for the official use of said Commiscioner General and Assistant Commissioner in the District of Columbia or elsewhere as required; for printing and binding; for entertainment of distinguished visitors; and for all other expenses as may be deemed necessary by the Commission to fulfill properly the purposes of this joint resolution. All purchases, expenditures, and disbursements of any moneys made available by authority of this joint resolution shall That the Commission, without release of responsibility as hereinbefore stipulated, may delegate these powers and functions to said Commissioner General, and said Commissioner General, with the consent of the Commission, may subdelegate them: Provided further, That the Commission or its delegated representative may allot funds authorized to be appropriated herein to any executive department, independent office, or establishment of the Government with the consent of the heads thereof, for direct expenditure by such executive department, independent office, or establishment, for the purpose of defraying any expenditure which may be incurred by such executive department, independent office, or establishment in executing the duties and functions delegated by the Commission. All accounts and vouchers covering expenditures

shall be approved by said Commissioner General or by such assistants as the Commission may designate except for such allotments as may be made to the various executive departments, independent offices, and establishments for direct expenditure; but these provisions shall not be construed to waive the submission of accounts and vouchers to the General Accounting Office for audit, or permit any obligations to be incurred in excess of the amount authorized herein: And provided further, That in the construction of exhibits requiring skilled and unskilled labor, the prevailing rate of wages, as provided in the act of March 3, 1931, shall be

SEC. 8. The Commissioner General, with the approval of the Commission, may receive contributions from any source to aid in carrying out the purposes of this joint resolution, but such contributions shall be expended and accounted for in the same manner as the funds authorized to be appropriated by this joint resolution. The Commissioner General is also authorized to receive contributions of material or to beyond material as archibits and contributions of material, or to borrow material or exhibits, and to accept the services of any skilled and unskilled labor that may to accept the services of any skilled and unskilled labor that may be available through State or Federal relief organizations, to aid in carrying out the general purposes of this joint resolution. At the close of the exposition or when the connection of the Government of the United States therewith ceases, the Commissioner General shall dispose of any such portion of the material contributed as may be unused, and return such borrowed property; and, under the direction of the Commission, dispose of any structures which may have been constructed and account therefor: Provided, That all disposition of materials, property, etc., shall be at public sale to the highest bidder, and the proceeds thereof shall be covered into the Treasury of the United States.

SEC. 9. It shall be the duty of the Commission to transmit to Congress, within 6 months after the close of the exposition, a detailed statement of all expenditures, and such other reports as may be deemed proper, which reports shall be prepared and arranged with a view to concise statement and convenient reference. Upon the transmission of such report to Congress the Commission established by and all appointments made under the authority of this joint resolution shall terminate.

With the following committee amendments:

With the following committee amendments:

Page 2, line 10, after the word "agriculture", insert the word "and."

Page 2, line 11, strike out the words "such other persons as in their discretion may add."

The committee amendments were agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACQUISITION OF LAND FOR CEMETERIAL PURPOSES IN THE VICINITY OF NEW YORK CITY

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an explanation.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I am asking this 1 minute to explain the very great urgency for action today on Calendar No. 723, H. R. 10847, to authorize the acquisition of land in the vicinity of New York City, N. Y., for cemetery purposes for United States soldiers and former soldiers. The report is that the existing cemetery facilities will be completely exhausted by June 1. This bill ought to be passed today and rushed to the Senate, so that arrangements may be made to acquire immediately additional ground. I am saying this in great earnestness because it is a matter of emergency and of serious importance.

I ask unanimous consent, Mr. Speaker, for the immediate consideration of H. R. 10847, to authorize the acquisition of land for cemeterial purposes in the vicinity of New York City, N. Y.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. McSwain].

Mr. ZIONCHECK. Mr. Speaker, reserving the right to object, how many dead soldiers are there around that are not buried now?

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield? Mr. McSWAIN. I yield.

Mr. O'CONNOR. There are not over 200 graves left, and they use about 100 graves a month. Within 2 months' time there will be no place to bury these veterans.

The SPEAKER. Is there objection to the immediate consideration of the bill?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to acquire by purchase, condemnation, or otherwise such suitable lands in the vicinity of New York City

as in his judgment are required for enlargment of existing na-tional cemetery facilities, and the sum of \$250,000, or so much thereof as may be necessary, is hereby authorized to be appro-priated from any funds in the Treasury not otherwise appro-priated, which sum shall remain available until expended.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. TABER. Mr. Speaker, I insist on the point of order. Mr. BANKHEAD. Will the gentleman withdraw that for a moment?

Mr. TABER. I am willing to withdraw it to allow the gentleman from North Carolina [Mr. LAMBETH] to come in, but it is costing about \$500,000 a minute to withdraw it. I will withdraw the point, Mr. Speaker, to allow the chairman of the Committee on Printing to submit his proposition.

HEARINGS ON REVENUE ACT OF 1936

Mr. LAMBETH. Mr. Speaker, I send to the desk a privileged resolution and I ask unanimous consent for its immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 48

Resolved by the House of Representatives (the Senate concurring). That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, empowered to have printed for its use 2,000 additional copies of the hearings held before the said committee during the current session on the bill entitled "The Revenue Act of 1936."

Mr. LAMBETH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the passage of the concurrent resolution.

The House concurrent resolution was agreed to.

CALENDAR WEDNESDAY

Mr. BANKHEAD. Mr. Speaker, I desire to submit a unanimous-consent request, and that is that business on Calendar Wednesday this week may be dispensed with.

We are very anxious to take up the conference report on the Interior Department appropriation bill.

Mr. BIERMANN. Mr. Speaker, reserving the right to object, is the majority leader going to have any day set aside for the consideration of the omnibus claims bills?

Mr. ZIONCHECK. Regular order, Mr. Speaker.

Mr. BANKHEAD. Let me answer the gentleman from Iowa.

Mr. ZIONCHECK. I am getting tired of hearing this same question propounded every day.

Mr. BANKHEAD. I am not tired of hearing it.

Mr. ZIONCHECK. Go ahead. Mr. BANKHEAD. Mr. Speaker, I think the gentleman from Iowa must understand, I hope he will accept my assurance that I am trying to find an opportunity to have the omnibus private claims bills considered. I should not have consented to the memorial day being set for tomorrow had my attention been called to the fact that was the regular day for the consideration of these bills. So far as I am concerned, I shall be delighted to meet here next Saturday to consider these bills, but the gentleman knows what the program is. We regard it as a matter of considerable importance to dispose of the tax bill, these appropriation bills, and the relief bill. The gentleman is not meeting with any opposition on my part to the consideration of this calendar. I would be delighted, I may say to the gentleman in all candor, to try to get it up by submitting a request.

Mr. ZIONCHECK. Mr. Speaker, will the gentleman from Alabama yield?

Mr. BANKHEAD. I yield.

Mr. ZIONCHECK. I notice only a few thousand dollars is involved in this bill. I think we can save time and our tempers by raising a collection around here and getting this claim paid off. I will contribute.

Mr. RICH. Mr. Speaker, will the gentleman from Alabama yield?

Mr. BANKHEAD. I yield.

Mr. RICH. The gentleman spoke of the conference report on the Interior Department appropriation bill. I call the gentleman's attention to the fact that last year we appropriated for this Department \$77,000,000. The bill passed by the House this year carried \$81,221,000, but as it comes back to us from the Senate the amount has been raised to \$170,-000,000, an increase of 110 percent. If we pass this bill as sent to us by the Senate, it will include one item which, while asking for only \$200,000 now, will cost over \$20,000,000 before it is completed.

Mr. ZIONCHECK. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is, is there objection to the request of the gentleman from Alabama?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Robsion of Kentucky, for 2 days, on account of ill-

To Mr. BLACKNEY (at the request of Mr. MAPES), indefinitely, on account of illness in his family.

PERMISSION TO ADDRESS THE HOUSE

Mr. MITCHELL of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes on Wednesday after the reading of the Journal and the disposition of business on the Speaker's table.

Mr. BANKHEAD. Mr. Speaker, I hope the gentleman will withdraw his request for the present. I shall be glad to confer with him about it.

Mr. MITCHELL of Illinois. Mr. Speaker, I withdraw my request.

THOMAS JEFFERSON

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FADDIS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address which I delivered at a Jefferson Day banquet in Charleroi, Pa., on April 14:

We are gathered here tonight to honor the birthday of one of our country's most illustrious citizens—the man to whom more than all others we are obligated for national greatness, solidarity, and a status as individuals which makes us the envy of most of the earth.

Thomas Jefferson was one of the titans of history. He gave the world a new philosophy of government founded upon the theory that government to be practical should be conducted in the interest of all the people and be participated in by all the people. He was the champion of the rights of the masses as opposed to the

privileges of the classes.

Time—that relentless annihilator of all that is unsound and unfit—has proven the value and soundness of his philosophy. It is a matter of record that every leader of our Nation, regardless of his political faith, has turned to it during national crises in order

his political faith, has turned to it during national crises in order to save the Nation. Jackson's political philosophy came from Jefferson. Lincoln's "government of the people, by the people, and for the people" had its genesis in the principles of Jefferson. So did Theodore Roosevelt's "right of the people to rule." Woodrow Wilson borrowed heavily from Jefferson's deathless ideals during the trying days of the World War. Today even Franklin D. Roosevelt is adopting them to the needs and conditions of the times.

Jefferson's philosophy of government was utterly his own. History afforded him no similar pattern from which to copy or draw upon. In fact, all that history could show him was a record of tyranny, oppression, bloodshed, and the ruthless theory that might was right and that most men were born to be serfs. To him this was all wrong. He held that all men were free and equal and merited a place in the sun. Looking back today, it is amazing that he was able to have his theories considered, much less adopted.

less adopted

Never an eloquent speaker but a prolific writer and a tireless student, he was entirely separated from the least suspicion of demagoguery. His modesty is best illustrated by his remarks at the French court where he had gone as American Minister: "I have not come to replace Franklin but rather to succeed him." He was not one to play to the grandstands. His works and his He was not one to play to the grandstands. His works and his ideals spoke for themselves by the power of their logic and their conformity to reason. "He stood for freedom, a boundless faith in the potentialities and the ultimate supremacy of the masses—for democracy and the equality of the human race. His creed

was in the Declaration of Independence. His life was its embodiment.

ment."

Never did man come to the Presidency better trained. He had served in the Virginia House of Burgesses. He was a member of the Continental Congress. He served as Governor of Virginia, Minister to France, Secretary of State, and Vice President. In the Declaration of Independence he wrote the birth certificate of the United States of America. He had a first-hand knowledge of the foreign affairs of this Nation and an intimate personal contact with its domestic affairs—industrially, economically, politically, and socially. From the very first his viewpoint was national and his determination was for popular government. His vision was proved by the Louisiana Purchase and the expeditions he encouraged to explore the West. He knew the Pacific Ocean would soon be the western boundary of the growing Republic. During the real formation of the Nation—namely, the adoption

During the real formation of the Nation—namely, the adoption of our Constutition—his hand and genius molded that document into an instrument of government, popular and not autocratic in form. At this time our two major political parties came into being. The school of thought represented by Alexander Hamilton sought to establish a government founded upon the autocracy of the classes. Hamilton's forces were well organized and brought to the convention a constitution already drafted which they intended to railroad through. It provided for a President and Senators elected for life. Members of the House were to be elected for 3 years. Governors of the various States were to be elected for 3 years. Governors of the various States were to be appointed by the Federal Government and were also to serve for life, as were the judiciary officials. The veto of the President or Governor was to be final. The Senate could declare war, and the ballot was restricted by property ownership.

Jefferson brought to the Convention only his faith in the people and his diplomatic genius. He knew that time was his ally, and, by his logic and reason, one by one, his ideas were written into the Constitution, and it was written an instrument of popular government. It is interesting to note that the only concession to the Hamiltonians was the life tenure in office for judicial officials. Since that time our Constitution has stood—the only bulwark of the people against the onslaught of the privileged classes.

Let us compare our Nation as it was when Jefferson established his theory of government and as it is today. Then we were a fringe of States along the Atlantic seaboard. Today we stretch from ocean to ocean. Then we had less than 3,000,000 population, for the most part of Anglo-Saxon derivation. Today we have more than 120,000,000, composed of the blood of all the nations of the world. In these days our principal industry was agriculture. than 120,000,000, composed of the blood of all the nations of the world. In those days our principal industry was agriculture. Today every known industry functions within our borders. Then we had very few enormously rich and very few wretchedly poor. Today we have many enormously rich and many, many more wretchedly poor—so poor, in fact, as to be bordering on actual starvation were it not for Federal ald. Then there were a few well-educated, but the masses were mostly illiterate. Today the difference in education is not so great.

During Jefferson's time the largest percent of our population was practically self-sustaining. Land was cheap and plentiful and each community produced almost everything it needed. Today we are practically interdependent upon each other for our livelihood and certainly dependent upon the aristocracy of wealth for greater opportunities than a mere living. In those days they had the Hamiltonians, who upheld class privilege. Today we have the Liberty Leaguers embattled in defense of the same principle.

We hear a great deal of mourning today that the Democratic

Leaguers embattled in defense of the same principle.

We hear a great deal of mourning today that the Democratic Party has deserted the principles of Thomas Jefferson. Strange to say, it comes from those who have always been exponents of the Hamiltonian idea. They would like the people of this Nation to believe that they are the real unadulterated, thoroughbred champions of the people. Why are they so suddenly solicitous regarding Jeffersonian doctrines? Let me tell you how it comes about. Sometime after it became quite apparent that Hoover's meadows in the streets were going to be quite as complete failures as were his chickens in every pot and cars in every garage, the Republican board of strategy recalled how they had fooled the people of this Nation for ever so many years by pretending to represent the policies of Abraham Lincoln.

Of course, most of us know that they had never followed these

policies of Abraham Lincoln.

Of course, most of us know that they had never followed these principles since the day of his assassination, nor had they even consistently been behind him during his tenure of office. It was a good bait, however, with which to catch the not inconsiderable Negro vote. It was a good trick as long as it worked. By the way, can you picture Lincoln, that man who had such a deep love for the common people, at a Liberty League dinner? He would have been even more out of place than was Al Smith.

The board of strategy quickly realized from the results of the

even more out of place than was Al Smith.

The board of strategy quickly realized from the results of the 1932 election that the people had become educated to the fact that the Republican Party no more represented Lincoln's idea of government than they did those of Voltaire. Bewildered in defeat they decided to go further back into history and fasten onto the shade of someone with whom the people were seemingly not so well acquainted. It almost baffles understanding, but they selected the finest Democrat of all time and then, like vain men blowing at windmills, tried to sell the country on the idea that President Roosevelt and the Democratic Party has renounced the Jeffersonian principle.

Jeffersonian principle.

They also decided to raise the cry of State rights, freedom of the press, and freedom of the individual; to cease to wave the bloody shirt and wrap themselves in the Constitution. In their desperation they even conceived the despicable idea of issuing millions of sets of poster stamps consisting of ridiculous carica-

tures of President Roosevelt. These were to be added to letters by the faithful. How quickly they changed their minds about this when the temper of the people made itself known! By any means, fair or foul, apparently, they seemed bent on trying to destroy the faith of the Nation in the most popular President this

destroy the faith of the Nation in the most popular President this Nation has ever had since the time of Jefferson.

Then there came that Liberty League dinner at which the speaker of the evening was the very man against whom 8 years ago they had raised the skull and crossbones of religious prejudice. Did it mean anything to them that the Constitution guaranteed religious freedom? Not so! Let us, as our erstwhile friend, Al Smith, says, examine the record. The record will tell us whether or not we have fallen into evil ways. Jefferson advocated a government in the interest of the masses and not the classes. Can anyone deny that Franklin D. Roosevelt is not doing everything within his power for the common people whom years of republicanism had almost submerged into the abyss of despair?

Let those who object to changes in government remember the

Let those who object to changes in government remember the immortal words of Jefferson in the Declaration of Independence— "That to secure these rights, governments are instituted among "That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed, and whenever any form of government becomes destructive of those ends, it is the right of the people to alter or abolish it, and to institute new government, laying its foundation on such principles, and organizing its powers in such forms, as to them shall seem most likely to effect their safety and happiness." These words prove that Jefferson realized that it is necessary for government to keep pace with changing economic and social conditions. conditions.

Jefferson, in his vision and wisdom, saw this Nation expanding until it reached from ocean to ocean. He knew that from utter necessity methods of government must change to meet the demands of territorial expansion, and he also knew the same of our inevitable industrial expansion. He knew that the Constitution was for the welfare of the Nation, and that to accomplish its purpose it must be elastic. He even admitted, when he purchased the Louisiana Territory, that he stretched it until it cracked. Show me a man today who dares to say he was not justified in that purchase. justified in that purchase.

A practical farmer, Jefferson clearly saw what floods and dust storms are teaching us in bitter lessons today—that poorly and ignorantly handled soil becomes a great national disaster.

In 1813, writing about his own farm, he said:

"Our country is hilly and we have been in the habit of plowing

our country is filly and we have been in the habit of plowing in straight rows, whether up or down hill or however they lead, and our soil was all rapidly running into the rivers. We now plow horizontally, following the curvature of the hills and hollows on dead level, however crooked the lines may be. Every furrow thus acts as a reservoir to receive and retain the waters, all of which go to the benefit of the growing plant instead of running off into the streams."

off into the streams."

Now, a century and a quarter later, we are writing his principle of soil conservation into national law.

It must be recognized that there are certain fundamental principles which cannot change if popular government is to survive. Time and conditions may make necessary administrative changes in keeping these fundamental principles alive, but the great ideals of human freedom for which Thomas Jefferson stood are still

as vital as ever.

Government is only a means to an end. Its form is immaterial, and its value can only be weighed by its contribution to the people in the way of life, liberty, and the pursuit of happiness. In the final analysis, the objective of government must be the happiness and contentment of the majority of the people. To this end, neither property nor contract rights can be absolute.

If, by exercising personal freedom, an individual were able to use his property to the detriment of his fellow men, then freedom would have given way to license and privilege. The rights of society must always continue to be paramount to the rights of the individual, else society will cease to exist.

Let us remember that the most severe critics are those who have either never tried or else who have tried and failed. Witness Mr. Hoover. Criticism becomes malignant in proportion to the passions of the critic or else helpful when his attacks are motivated by good intent.

by good intent.

Woodrow Wilson said, "The immortality of Thomas Jefferson does not consist in any one of his achievements, but in his attitude toward mankind." That quotation will apply as well to Jackson, Lincoln, Theodore Roosevelt, Wilson, and Franklin D. Roosevelt, or indeed toward any great world leader. The happiness, contentment, and well-being of the majority of the people is the sole reason for the existence of government. Jefferson, in all of his works and writings, recognized this fact and labored toward that end. Although we know that he believed in as little government as possible, we also know that he believed in all that was neces-

end. Although we know that he believed in as little government as possible, we also know that he believed in all that was necessary to accomplish the welfare of the people.

Let the press of this Nation plaster the front pages with dire prophecies, but the financial pages with their records of increasing dividends contradict this propaganda. Let the children freed from labor, the bank depositors whose savings have been guaranteed, the boys in the C. C. C. camps, the home owners of the land, the laboring man, the honest investor who has been protected, the farmer with his increased income, the people from the homes and fresides of this Nation testify to the attitude of Franklin D. Roosevelt toward his fellow man. They are the vast majority of "we, the people of the United States", for whom the Constitution was written.

Theodore Roosevelt summed up the present situation and the personality of his illustrious cousin in a manner which could have been no more fitting if he had written it for the express time and individual:

"It is not the critic who counts; not the man who points out how the strong man stumbled, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena; whose face is marred by dust and sweat and blood; who strives valiantly; who errs and comes short again and again; who knows the great enthusiasms, the great devotions, and spends himself in a worthy cause; who at the best knows in the end the triumph of high achievement; and who at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor

CONGRESSMAN GREEN'S RECORD

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a statement of the services in Congress of my colleague the gentleman from Florida [Mr. GREEN].

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RICHARDS. Mr. Speaker, our colleague from Florida, the Honorable R. A. (Lex) GREEN, has a record of achievement which is worthy of our commendation. Under leave to extend my remarks in the RECORD I include the following statement of Mr. Green's record and services:

The value of a Member of Congress rests largely in his understanding of the needs of his people and of the Nation; his vision to foresee the needs of the future and to meet these needs by appropriate action. His value is tested not by the number of bills introduced, but by the importance, directly and indirectly, of such bills, and their bearing upon legislation finally enacted.

During his service in Congress Mr. Green has proposed many bills of great importance. Among these measures are the following:

CANAL ACROSS FLORIDA

In his campaign for Congress 12 years ago, he promised his constituents to work for a canal across Florida, connecting the waters of the Atlantic Ocean and the Gulf of Mexico. On February 1, 1926, a few weeks after he was sworn in as a Member of Congress, Sixty-ninth Congress, first session, he introduced H. R. 8742 which provided for preliminary examination of the proposed waterway across Florida. This bill was included in the general river and harbor bill and passed

Upon completion of preliminary examinations by the War Department, he introduced on February 7, 1930, H. R. 9650 which provided for actual physical survey of the proposed canal across Florida. This bill passed, became a law, and surveys involving the expenditure of about \$400,000 and several years' work by the Board of Army Engineers were made.

Upon the basis of this survey, on January 3, 1935, he introduced H. R. 2785 providing for actual construction of a sealevel ship canal across northern Florida, connecting the waters of the Atlantic Ocean and the Gulf of Mexico.

During the past 11 years he has traveled, at his own expense, to different parts of the United States and addressed many audiences, including the National Waterways Association, in the interest of this project. At Wilmington, N. C., October 7, 1930, speaking before the twenty-third annual convention of the Atlantic Deeper Waterways Association, in part he said:

Today the most important inland waterway project of the United States is the proposed canal across north Florida, connecting the Atlantic Ocean with the Gulf of Mexico. The canal across Florida is the missing and final link of entire waterways chain, and it is obvious that the time is not distant when this final link will be

Through his efforts and the efforts of other friends of the project, endorsement was obtained by such important waterways organizations as the Atlantic Deeper Waterways Association, the Mississippi Valley Association, and the National Rivers and Harbors Congress.

He has addressed the House of Representatives a large number of times, but one of the most effective addresses ever delivered on the subject was made by him on the floor of

the House on February 14, 1935. He spoke at length on the subject, using charts, maps, and diagrams, and explaining in detail the feasibility, the practicability, and the economic soundness of the project. He in part said:

The American shippers and consumers will save approximately The American shippers and consumers will save approximately \$36,000,000 annually in transportation costs alone after this canal is constructed. It will carry one-third to one-half more tonnage every year than is now carried by the Panama Canal. This canal, when constructed across the State of Florida, according to conservative estimates, will carry from 42 to 60 million tons of commerce annually. It will give the United States an unparalleled advantage and absolute supremacy in all of the Caribbean Sea and the Gulf of Mexico. It will make quite impossible our attack by annual from the court of the scattle of the control of the caribbean. attack by enemy from the south or by south Atlantic. It will make secure our position.

Our railroads and highways will act as feeders for tonnage traversing this canal. They will benefit.

Employment will be given to some 30,000 people over each year of construction. Seventy-five percent to eighty percent of the funds expended for construction will go direct to labor, and as an unemployment-relief project it is thoroughly justified. Thirty-eight States of the Union will be directly affected. Every one of them will have an indirect benefit. It will develop every great basic industry in our lend. industry in our land.

He has discussed the subject a large number of times over radio. On February 9, 1935, in speaking over a national hook-up, he said in part:

Vast natural resources of this great valley will be developed and realized. Millions of acres of available lands in the States of the lower Mississippi and the lower Southeast will be filled with the lower mississippi and the lower Southeast will be filled with people who are now living to a disadvantage in congested centers. The pulp and timber industries in Florida, the iron industry in Alabama and Tennessee, the oll industry in the entire Mississippi Valley, the naval-stores and cotton industries, the manufacturing industries of the East, in fact, 95 percent of the capital now invested in industries of America will redound great benefits from the construction of this waterway.

He conferred several times with President Hoover, urging the President's approval. As a member of the Rivers and Harbors Committee of the House, he had discussed this subject a number of times with President Roosevelt prior to April 5, 1935. At a lengthy conference held with President Roosevelt on this occasion, he pointed out to the President the national importance of the project, and also the national support which the project had, and urged the President to begin construction. At the conference he was joined by Senator Fletcher and other members of the Florida delegation. The President that day gave assurance that the project would be begun. On the 3d day of September 1935 actual construction was begun on the project as a result of allocation of \$5,000,000 by the President from special funds. Since construction began, Judge Green, as a member of the Rivers and Harbors Committee of the House, has been active and aggressive in his efforts to carry on the project to completion.

On February 12, 1936, he addressed the House of Representatives at length on the subject and urged the Congress to continue appropriations for construction. On April 10, 1936, in addressing the House Committee on Appropriations, he in part said:

President Roosevelt properly began construction under general authority and direction given him under the emergency relief bill of 1935; the Chief of the Board of Army Engineers has approved and is carrying on the projects; the Director of the Budget has recommended funds to continue construction; the people of Florida have bonded themselves and are furnishing the right-of-way: more than 6,000 people are actually employed on the project; the Congress is actually and morally bound to complete the project, and should and will appropriate funds for completion. President Roosevelt and the Congress must and will keep faith with the people of Florida and of our country by completing the project.

IMPEACHMENT OF PEDERAL JUDGE RITTER

On May 31, 1933, Congressman Wilcox, of Florida, introduced a resolution to investigate the conduct of Halsted L. Ritter, a judge in the southern district of Florida. On the morning of February 14, 1936, the House Judiciary Committee, by a majority vote, adopted a report made by Congressman Miller, a member of the Judiciary Committee. This report turned Ritter loose. On the afternoon of the same day Mr. Green took the floor of the House and impeached Ritter for high crimes and misdemeanors. He filed nine specific articles of impeachment and at length discussed Ritter's unfitness for the bench. On March 2, 1936,

on the floor of the House, speaking on the subject, he said in part:

Ritter's usefulness on the bench has expired; he is corrupt. Will you not give us this relief? I plead with you, as the only court to which we can plead, to give my people this relief.

The Federal judiciary should be above suspicion. If there ever

The Federal judiciary should be above suspicion. If there ever was a time in the history of our country when we should have an honest judiciary where people's rights are protected, it is now. The American people should never be permitted to lose faith in the judiciary. It has always been their haven of protection and refuge from injustice, inequality, and oppression. If we are going to permit a Federal judge to unlawfully and corruptly not only deny the people of their rights in courts but to accept bribes, gratuities, and favors from those who are trying to defeat justice, then undoubtedly the last respect which our people have had for the judiciary will vanish.

Ritter was flagrant, unconscionable, and deaf to justice and equity; and he and his fellow conspirators preyed upon and bled litigants who sought the protection of his court. The public has always regarded the courts of our land as a place of honor, dignity, and justice. To permit Ritter to continue his pernicious practices on the Federal bench will diminish the faith of our people in our courts; and, in fact, cause them to believe that our entire system of government is filled with collusion, corruption,

entire system of government is filled with collusion, corruption, and selfishness. Do not destroy their last vestige of hope in justice by vindicating one shown by the evidence so unworthy as is Ritter. I urge you to purge the judiciary of corruption by voting to impeach this man.

The House that day voted by a substantial majority to impeach Ritter. After several days of trial by the United States Senate, Ritter was on April 17, 1936, by a two-thirds vote, convicted and removed from office.

SOLDIERS' HOME

April 15, 1929, Mr. GREEN introduced a bill for the establishment of a national home for disabled soldiers in the State of Florida. This bill was passed and actually led to the establishment, not only of the home in St. Petersburg. Fla., but of similar institutions in Alabama, Mississippi, and South Carolina. It was one of the most important pieces of soldiers' relief legislation ever passed.

On December 1, 1930, he introduced a bill authorizing the Secretary of the Navy to return to Florida the silver service set donated to the U. S. S. Florida by the Florida people. The legislation was passed.

TROPHY CANNON FOR UNITED DAUGHTERS OF THE CONFEDERACY

On December 12, 1930, he introduced a bill providing for construction of post office buildings as an unemployment relief measure. His bill gave impetus to the gigantic Federal building program and led directly to the building of the Federal building at Lake City, Fla., and also of many other Federal buildings in Florida.

At his suggestion, a magnificent Federal building was in 1935 erected at Perry, Fla., and the Treasury officials have promised him to begin within the next few weeks construction of a Federal building at Madison, Fla. He has special bills pending for Federal buildings to be constructed at Jasper, High Springs, Williston, Starke, and Green Cove Springs. He hopes for favorable action on these bills at the next session of Congress.

TURPENTINE EXPERIMENT STATION

On December 21, 1929, he introduced a bill directing the establishment of a naval-stores experiment and demonstration station on the Osceola National Forest in Florida. The legislation was approved and the station established at Olustee, Fla., and is giving untold benefits to the naval-stores and pine-tree industries. It benefits not only Florida but the entire South.

During the past several days he has been in conference with the naval-stores producers of Florida and the officials of the Department of Agriculture in an effort to assist in working out a program whereby this great industry can share in benefits under the recent Farm Act.

CONFEDERATE GRAVE MARKERS

In 1928 and 1929 he introduced legislation providing for the Government to furnish tombstones or grave markers for the graves of Confederate veterans. It led to the appropriation of funds for this purpose, and today thousands of these stones have been distributed to Confederate graves throughout the country.

VETERANS' LEGISLATION

On December 10, 1931, he introduced a bill providing for payment of pension benefits to widows and orphans of World War veterans, regardless of the cause of the veteran's death. The substance of this legislation passed the House but died in the Senate. He has now pending H. R. 11715, which is a similar bill, and is before the committee. He also has introduced H. R. 9164, which is now before the committee. It would reestablish disability allowance for disabled World War veterans. It would allow for non-service-connected disability of 25 percent, \$12 per month; 50 percent, \$18 per month; 75 percent, \$24 per month; and total disability, \$40 per month. He is doing all possible to pass before adjournment these meritorious bills. On March 10, 1936, he addressed the House, urging prompt action. He signed a petition to bring up the soldiers' bonus bill and voted for its passage, and has been a consistent supporter of all veteranrelief legislation. He has assisted hundreds of veterans with their claims before the Veterans' Administration and the Pension Director. He has even taken them personally before the rating boards and urged for them just compensation benefits.

VETERANS' HOSPITAL, LAKE CITY

Mr. Green has earnestly worked for the enlargement and improvement of the hospital at Lake City, and many facilities have been added upon his request. On April 25, 1935, he introduced a bill calling for an appropriation of \$600,000 for added facilities in this institution. As a result of same, on April 12, 1936, the Veterans' Administration assured him and American Legion representatives of Florida that \$200,000 would be spent on improvements for this institution within the next few months. Mr. Green is also leading an effort to cause Negro patients of this hospital to be placed in a hospital of their own, and thus have separate institutions for the two races. In March, April, and May 1935, he entered a series of protests against mixing Negroes and whites in this institution, and has obtained assurance that this matter will be worked out satisfactorily in the hospital expansion program.

LEGION DISTINGUISHED-SERVICE MEDAL

The American Legion Post of his home county awarded him the Legion Distinguished Service Medal for 1933.

PEDERAL ATD FOR ROADS

He has supported all legislation for Federal aid to roads, and on May 3, 1933, introduced a bill to appropriate \$200,000,-000 for highways. A greater amount was appropriated. On April 16, 1936, he addressed the House, favoring passage of the Cartwright road-appropriation bill. The bill passed.

REIMBURSEMENT FOR FRUIT-FLY DAMAGE

In 1930 Mr. Green introduced a bill for survey of fruit-fly loss in Florida and has consistently worked for this reimbursement. He now has a reimbursement bill before the Agriculture Committee.

FEDERAL FARM LOANS

On March 10, 1933, he introduced a bill providing for extension of time on Federal land-bank mortgages, and for other purposes. This bill gave impetus to the administration's legislation extending time on loans and permitting additional loans by the Federal land banks throughout the country. He has also been very active for legislation providing for crop loans. He has actively supported every farmrelief measure since he has been a Member of Congress. He is actively supporting the Frazier-Lemke farm bill and has signed petitions to force its consideration by the House.

SCREW-WORM CONTROL

On January 3, 1935, he introduced H. R. 3020, providing \$2,000,000 for screw-worm control and for continuance of the tick-eradication program. Funds were provided for both purposes in the 1935 appropriation bill. About 2 months ago he appeared before the Director of the Budget and urged continuance of screw-worm control appropriation and voted for this appropriation which passed the House recently.

REFUND OF TOBACCO TAX

Mr. Green and a prominent southern Senator are now trying to work out legislation which will direct the refund of tobacco tax collected from noncontract tobacco growers. He hopes for refund of these moneys at the present session of Congress.

He has introduced bills for monument markers for Indian forts in his district. He has obtained departmental approval and expects favorable action.

NO JOBS FOR ILLEGAL FOREIGNERS—ALIEN DEPORTATION

Mr. Green has introduced and has now pending before the House Immigration Committee H. R. 7079, which would not only deport habitual alien criminals, enemies of our Government, dope peddlers, alien smugglers, racketeers, and gangsters, but would restrict immigration almost entirely. Also, H. R. 11740 which would require the registration, photographing, and fingerprinting of all aliens and deportation for failure of aliens to have same. Also, H. R. 12083 which would prohibit giving employment or relief to illegally entered aliens. On many occasions he has addressed the Congress urging passage of these bills. On April 1, 1936, he urged his colleagues to pass these bills before adjournment.

OLD-AGE PENSIONS

Early during the Roosevelt administration he introduced a bill giving Federal pension to the aged without State contribution. He supported and voted for the administration of the old-age pension and security bill but worked for more liberal provisions, including Federal pension without State contribution. He now favors more adequate old-age and disability pensions, including the passage of the Townsend plan.

RAILROAD-RETIREMENT PENSION

He supported and voted for both of the Crosser railroad employees' retirement bills and has a consistent record favorable to labor legislation. He recently successfully protested consolidation of terminal facilities at Jacksonville on the ground that it would throw railroad employees out of positions. Recently in a public address, Mr. Green said: "I believe in the dignity of labor and the majesty of toil. There is no aristocracy except that of honor, and no rabble save that of crime. I have wielded both the sledge hammer and the broadax and am not too good to do it again if necessary. I honor the man who earns his bread by the sweat of his brow."

PAY-BANK DEPOSITORS

During the last Congress he joined in an effort to obtain payment of deposits in closed National and State banks. The Banking and Currency Committee gave favorable action upon a bill for this purpose, but it failed of passage. He is still working for this legislation.

RIVERS AND HARBORS

Mr. Green is an active member of the Rivers and Harbors Committee and has obtained Federal funds for the improvement of the harbors at Cedar Key and Fernandina, Jacksonville, and the Suwannee River. He has obtained committee approval for surveys of a large number of projects in his district and has been instrumental in the authorization of millions of dollars' worth of improvements to rivers and harbors throughout the entire State of Florida. He very recently obtained assurance from the Board of Army Engineers that jetty improvement on the harbor at Fernandina and dredging of the terminal channel at Jacksonville would be begun in the very near future.

STEINHATCHEE RIVER

In the 1934 river and harbor bill he included an item for the improvement of the lower Steinhatchee River. Surveys were made and, after two appearances before the Rivers and Harbors Engineering Board, the Board agreed to expend \$68,300 to dredge and improve this river. This improvement will give accommodation to the sponge industry and general commerce.

SHORE EROSION

On April 13, 1936, he introduced H. R. 12258, which is a bill to provide for Federal cooperation to prevent erosion and destruction of beaches and water fronts throughout the country. This bill is referred to mittee, of which he is a member. This bill is referred to the Rivers and Harbors Com-

P. W. A. AND W. P. A.

He has been very instrumental in obtaining approval of projects and allocation of funds for a large number of improvements in his district. The Florida tuberculosis sanatorium, added facilities in the State institutions of higher learning, courthouses, city halls, armories, and a large number of other applications have received his successful support before the W. P. A. and P. W. A. officials.

AGAINST CARPETBAGGERS

On August 22, 1935, Mr. Green introduced House Joint Resolution 398, which provides that employees of the Federal Government shall be bena-fide residents of the State in which they are serving for a period of 2 years prior to appointment to such Government position. This was aimed to stop the practice of carpetbagging which was growing up in the Government. The introduction of this bill had a most wholesome effect for the employment of bona-fide citizens for Government positions.

BURAL ELECTRIFICATION—SUWANNEE VALLEY

On January 20, 1936, the House of Representatives passed H. R. 8300, introduced by Mr. GREEN. It provides for a survey, looking toward flood control in the Suwannee River Valley. Upon his suggestion, Hon. Morris L. Cooke, Administrator, Rural Electrification Administration, is now considering a survey looking toward the establishment of a monster rural electrification project in the Suwannee River Valley. Mr. Green has in mind the establishment there of a project similar to the Tennessee Valley and Muscle Shoals project for the production of fertilizer and electrical current.

In reviewing the record of my colleague [Mr. Green], I am reminded of an address made on March 16, 1916, by former Speaker Champ Clark at the Washington Press Club reception, and printed in the Congressional Record on March 17, 1916, as follows:

It is a high honor to be a Representative in Congress, if for only one term, and with the number of terms the honor increases in geometrical rather than in arithmetical proportion. A Mem-ber's usefulness to his country should increase in the same pro-portion. A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer,

a lawyer, or a doctor.

"Poeta nascitur non fit"—a poet is born, not made—says Horace; but Congressmen—that is, useful and influential Congressmen—

but Congressmen—that is, useful and influential Congressmen—are made largely by experience and practice.

The old Charlotte district in Virginia knew this and kept John Randolph, of Roanoke, in the House till he became a great national figure. Then the Old Dominion sent him to the Senate and General Jackson sent him to St. Petersburg. These are sporadic

cases of similar action in other districts.

It is an unwise performance for any district to change Representatives at short intervals. A new Congressman must begin at the foot of the class and spell up. Of course, the more brains, tact, energy, courage, and industry he has the quicker he will get up. If he possesses these qualities, and if his constituents will keep him in the House, he is as certain to rise as the sparks are to free him in the House, he is as certain to rise as the sparks are to fig upward. No human power can keep him down. It is only fair and rational to assume that every Representative's constituents desire to see him among the "topnotchers."

Let us take the present House and see how long the men who hold the high places have served. I cannot name all, but will cite a few as samples.

Mr. Speaker Cannon is serving his fortieth year. He holds the

record, or, in puglistic parlance, "he holds the belt", for length of service in the House in our entire history. In several Congresses he was chairman of the great Committee on Appropriations and then was Speaker 8 years, only one man, Henry Clay, having

and then was Speaker 8 years, only one man, Henry Clay, having been Speaker longer.

I am serving my twenty-second year; Minority Leader Mann is serving his twentieth year; Mr. Kitchin, chairman of Ways and Means, his sixteenth; Mr. Fitzgerald, chairman of Appropriations, his eighteenth; Mr. Moon, chairman of the Post Office and Post Roads, his twentieth; Mr. Jones, chairman of Insular Affairs and "father of the House", his twenty-sixth; Mr. Flood, chairman of Foreign Affairs, his sixteenth; Mr. Hay, chairman of Military Affairs, his twentieth; Mr. Glass, chairman of Banking and Currency, his sixteenth; Mr. Adamson, chairman of Interstate and Foreign Commerce, his twentieth; Mr. Stephens, chairman of Indian Affairs, his twentieth: Mr. Slavden, chairman of the Library dian Affairs, his twentieth; Mr. Slayden, chairman of the Library, his twentieth; Mr. Henry, chairman of Rules, his twentieth; Mr. Lever, chairman of Agriculture, his sixteenth; Mr. Padgett, chairman of the Navy, his sixteenth; Mr. Lloyd, chairman of Accounts, his twentieth; and Mr. Sparkman, chairman of Rivers and Harbors, his twenty-second. There are other big chairmanships, but these will suffice to show that as a rule the big places go to old and experienced Members, for most of the men who rank close to the chairmen are old-timers. The same thing holds good with

reference to members of the minority. As an illustration, Messrs. Gillett and Cooper, who are serving their twenty-fourth year, are the ranking Republicans on Appropriations and Foreign Affairs, almost certain to be chairman thereof should the Republicans ever again have a majority in the House, as in that event, in all probability, Mr. Mann will be Speaker, unless he is nominated for President next June.

Go through the whole list and you will find, with few excep-

Go through the whole list and you will find, with rew exceptions, that the men of long service have the high places.

New England and the cities of Philadelphia and Pittsburgh have understood the value of long service all along, and, having elected a fairly good man to Congress, they kept him in the harness. The Member of longest consecutive service is called the "father of the House." Five Philadelphians in immediate succession bore that honorable title—Randall, Kelly, O'Neill, Harmer, and Bingham. Then it went to Mr. Dalzell, of Pittsburgh. When General Bingham announced the death of General Harmer, his immediate predecessor as "father of the House". he stated that the five Philadelphians in the stated that the stated that the five Philadelphians in the stated that the stated that the five Philadelphians in the stated that the stated predecessor as "father of the House", he stated that the five Philadelphia "fathers of the House" had served a total of 147 years, and he served 8 or 10 years after making that interesting statement.

In the second and third Congresses in which I served, Maine, with only four Members, had the Speakership and the chairman-ship of the great Committees on Ways and Means, Navy, and Public Buildings and Grounds—a most remarkable circumstance—giving the Pine Tree State an influence in the House and the country out of all proportion to her population and wealth. These four men—Reed, Dingley, Boutelle, and Millikin—each served in the House 20 years or more. Other States might profit by her

example.

No man should be elected to the House simply to gratify his ambition. All Members should be elected for the good of the

country.

The best rule, it seems to me, is for a district to select a man

The best rule, it seems to me, is for a district to select a man with at least fair capacity, industrious, honest, energetic, sober, and courageous, and keep him here so long as he discharges his duties faithfully and well. Such a man will gradually rise to high position and influence in the House. His wide acquaintance with Members helps him amazingly in doing things.

I can speak freely on this subject without violating the proprieties, for my constituents have kept me here 22 years, and for 20 years have given me nominations without opposition, for all of which favors I thank them from the bottom of my heart. Their generous action and unwavering friendship have enabled me to devote all my time to the public service. I have not been compelled to spend any portion of my time in "mending my fences." My constituents have attended to that. God bless them.

The speech of Speaker Champ Clark is deserving of the thoughtful study of every voter of the country.

It is a nationally known fact that those districts which have retained their Representatives in Congress for the longest continuous terms have received the best service and the greatest recognition. The present Speaker of the House, Mr. J. W. Byrns, has been in Congress for 28 years. The majority floor leader has been in Congress for 20 years. The chairman of the Ways and Means Committee, and the chairman of the Appropriations Committee, and the chairman of the Judiciary Committee all have been Members of Congress for more than 22 years—the longer the successive tenure of office the greater the service and usefulness of the Representatives. Why should a constituency exchange experience and efficiency for inexperience? The Congress, since the inauguration of President Roosevelt, has responded nobly to the call of duty and should receive the endorsement and approval of a nation now upon the high road to recovery.

EXTRACT FROM MR. GREEN'S ANNOUNCEMENT FOR CONGRESS

EXTRACT FROM MR. GREEN'S ANNOUNCEMENT FOR CONGRESS

My record is an open book; upon it I stand. There is nothing hidden, and your examination of it is invited. During the past 11 years as your Congressman I have done all within my power to bring to you every possible protection and assistance from our Federal Government. Possibly, mistakes have been made, because we all make mistakes, and probably none are without fault. I shall be satisfied, however, if upon examination of my record you will give careful consideration to each vote cast and official acts which I have performed; place the good on one side of the scales and the errors on the other side of the scales and vote for the side that weighs heavier. I have no fear of the outcome of such ballot, because I feel certain that you will find in my record more merit

because I feel certain that you will find in my record more merit and perfection than demerit and imperfection.

I bring this high office back to you without stain or tarnish. Even my most severe critics have always admitted that I have been Even my most severe critics have always admitted that I have been honest and industrious and that I have always been faithful to the interest of the plain people and loyal to my esteemed friends. I trust that it may be your desire to continue me as your Congressman for another term.

Many of you will recall how I was criticized during my first campaign 12 years ago. The special interests and two or three hostile newspapers have continued to oppose and persecute me ever cincer. Their criticism has been very source during the next 3 or 4.

since. Their criticism has been very acute during the past 3 or 4 years, but such is to be expected during the unusual and tragic

times through which we are now passing. Those in public office must suffer criticism and persecution. This is one of the penalties of public office, especially during times so trying. I hold no ill will against my accusers, because they have been misled, and are now being daily misled by the whisperings of the enemy.

WHISPERING CAMPAIGN

WHISPERING CAMPAIGN

The special interests are conducting a whispering campaign against me although I am 800 miles from the district, here in Washington at my post of duty trying to represent you. I can hear these whisperings conveyed to me by my friends throughout the district. Do not be misled by the whisperings, because you have known me these long years. My belief in the fundamental principles of democracy and my sincerity of purpose to serve the plain people of our district shall never change. My sympathy and effort for the laboring man and the underprivileged will be forever paramount. My ardent belief in the true principles of Americanism and white supremacy grows stronger with age, and with a keener sense of the importance of same.

In defending the weak and aiding the helpless I am happy. In honestly serving to the best of my ability my fellow man I am content. I am the same man you voted for 12 years ago. My faith in you, my friends, is founded upon the strong rock of hope and confidence. We shall withstand the whisperings of the enemy, and I have no fear.

RIVERS AND HARBORS COMMITTEE

Among other things, my committee assignments have been criticized. I am chairman of the Territories Committee, which is the only chairmanship held by a House Member from our State. As chairman of this committee I have been able to prevent passage of legislation which would have proved detrimental to Florida. I of legislation which would have proved detrimental to Florida. I am very near the top of the Rivers and Harbors Committee. This, to Florida, is the most important of all committee assignments. Through the defeat of Congressman Sparkman, almost 30 years ago, Florida lost an assignment on the Rivers and Harbors Committee and was unable to obtain another assignment on the committee until recently. This committee is the key to further necessary legislation for the Florida canal. This project has got to be authorized by direct legislation. This legislation must go through the Rivers and Harbors Committee. I am on this committee, have a canal bill pending before the committee, and shall get favorable action on it during the next Congress.

action on it during the next Congress.

This committee also handles legislation for improvement of harbors and rivers on Florida's 1,300 miles of coast line. This committee last session approved twelve or fifteen million dollars' authorization for Florida waterway improvements. It approved my survey bills for the Florida canal, and if I remain on it I am confident that our Florida canal legislation will be approved at the next session of

SOLDIERS' BONUS

I have been criticized adversely for voting for the payment of the bonus. I have voted for it for the past 5 years and believe that its payment this summer will do more to stimulate and help business than any other measure passed. I also believe it to be a just debt and have no apolegy to make for voting to pass it.

Many of these ex-service men left good businesses and good jobs to go to the World War, and the payment of the bonus represents only a small emount compared to wages that were noted by products.

only a small amount compared to wages that were paid by industry during that period. We have also during the past 3 or 4 years spent billions of Government money for other purposes, and I think it only right and proper to pay the veterans for the adjusted-service

I have been severely criticized on the account of postmaster I have been severely criticized on the account of postmaster appointments. All Democratic Congressmen have likewise. This is a very unpleasant duty that we have to perform. By party custom it is a responsibility falling on a Member of Congress, and I have not dodged or ducked this responsibility, as unpleasant as it has been. It is impossible to give the postmastership to everyone who desires it or to everyone who merits it. Only one can be appointed, and I have tried in each case to recommend a Democrat who will give heavet and conscioutious express to the patterns of the trief. give honest and conscientious service to the patrons and to the Government.

Postmasterships should be taken out of patronage and placed absolutely under the civil service, and I am earnestly supporting the Ramspeck bill for this purpose. Members of Congress have plenty to do without the responsibility of appointment of postmasters, and, furthermore, it would be better for the service. We are trying to pass this bill now.

The special interests have carried on a whispering campaign about relatives on the pay roll. The facts are none of my family are on my pay roll. My secretaries are Miss Essie Coleman, Miss Carolyn Hutto, Miss Freda Lopatin, and Miss Arline Mann. In addition to these, Mrs. Green works daily in the office without remuneration.

these, Mrs. Green works daily in the office without remuneration. Thus also giving her services free of charge to the people of our district. I have had since I have been a Member of Congress from three to six clerks all of the time and have paid them from my own pocket when the allowance for this purpose has been exhausted. I have also paid rent for an office in the district at my own expense. Since President Roosevelt's inauguration I have endorsed about 17,000 Democrats for appointment to Federal positions. Many of these have been given places. Listed in this 17,000 are 3 or 4 relatives who secured minor positions. Should I have withheld my endorsement of them because they were related to me? What would you have done under the circumstances? In your own busiwould you have done under the circumstances? In your own business, whether it be a farm, office, or store, would you refuse employment to someone because he was related to you? Many of President

Roosevelt's relatives are assisting him in key positions in his administration. Vice President Garner's wife has been his secretary for many years. I do not deem it dishonorable to try to assist one's

When you elected me to Congress I promised to give up my law practice and serve no interest except the best interest of the people of the Second Congressional District. This promise has been faithfully kept, and I am giving to the people of our district the very best service of which I am capable. Many congressional offices are closed during the vacation of Congress, but your Washington office has been kept open every day except Sundays since I have been your Representative, and in addition to this I have kept for your service an office in Starke during the vacations of Congress. In these offices I have had the assistance of competent secretaries who have cooperated for your interest.

PAYS OWN EXPENSES

Our critics have had considerable to say in newspapers and from the stump about Congressmen traveling on junketing trips. I have never traveled a mile on any junketing trip at the expense of the

NOT FED BY LOBBYISTS

Neither have I been dined by the special interests and the lobby-ists. I have paid for meals that I have eaten in Washington since I have been a Member of Congress.

ANSWERS REQUESTS PROMPTLY

I have spared no efforts or pains in my desire to be of service to my people. No constituent of mine in all these 11 years can say that he ever asked a service within my power which I did not cheerfully perform, even though such services often kept me away from meals and needed hours of sleep. No letter, regardless of how poorly written or how humble the writer, has gone unanswered. It has given me pleasure to comply promptly with the requests and wishes of my people. If I were President and possessed a vast fortune, I still would want the same friends which I now enjoy. In Holy Writ we read, "Blessed are the meek, for they shall inherit the earth." In this I firmly believe.

HAS ANSWERED ROLL CALLS

It is my earnest desire to meet and shake hands with each of you and personally ask you to vote for me before the primary election, but such probably will be impossible, because I feel that my first duty is to work for and guard the interest of my people here in the Capitol while the Congress is in session. The Florida canal appropriation matter and two or three other matters of vital interest are

priation matter and two or three other matters of vital interest are pending. I hope that these can be disposed of in time to permit me to return home before the primary, but I expect to stay here at my post of duty just as long as occasion demands same even though my political interest would require that I be in the district.

Twelve years ago, when you elected me, I promised you that I would answer your roll calls unless providentially hindered. It gives me much pleasure to tell you that this promise has been faithfully kept. Until 3 or 4 years ago I never missed a single roll call or meeting of the House of Representatives. This perfect record was kept for over 8 years. On one occasion I was at the White House in conference with President Hoover and left this conference to return to the Capitol to answer a roll call. On another occasion I was confined to a Washington hospital with influenza ference to return to the Capitol to answer a roll call. On another occasion I was confined to a Washington hospital with influenza and left my sickbed and, slipping out, went to the Capitol and answered your roll call. This record has not been made, I believe, by any other House Member or Senator, and was broken only recently through my own very severe illness and that of a member of my family. During these trying and critical times a Congressman should be on the job here in Washington, and believing that this is my first duty, and that I can do more here working for you than I can annoying you with political speeches, I shall remain here while important matters are pending before the Congress, and leave my fate for the present in the hands of my loyal friends in the district. They have never failed me.

ASSISTANT DEMOCRATIC WHIP

During the 11 years which I have served you, all except the last 3 have been under the Republican rule. Even under Republican domination I did all that I could for legislative proposals which were for the interest of my people, and, as my record will reveal, were for the interest of my people, and, as my record will reveal, many comprehensive and constructive bills introduced by me were written on the statute books. With the coming in of the Democrats I am now in a position to render greater service to my district, State, and country. The Speaker of the House and Whip of the House saw fit to appoint me as assistant majority whip before President Roosevelt's inauguration, which, so far as I know, is the first party honor accorded a Florida House Member during the past half century. I was reappointed by Speaker Byrns, and I am most gratefs: for this party honor at the hands of the Roosevelt administration.

gratefs. for this party honor at the hands of the Roosevelt administration.

During my 11 years in the House I have made friendships with the Speaker, the leader, high Government officials, and Senators, which are all of great assistance to me in presenting all just claims for my constituency. With this experience and these friendships I can, during the next 2 years, render you better service than I have ever been able to in the past.

ACCOMPLISHMENTS

In my campaign 10 years ago I promised to work toward definite goals. Among these were the following: First, to convert Muscle Shoals into a plant for the production of fertilizer. I voted for the

Muscle Shoals bills twice during the Republican administration and it was vetoed by President Hoover and President Coolidge, but under President Roosevelt I voted for the Muscle Shoals bill and he signed it. Second, cheaper freight rates. Freight rates have been reduced and should and will be further reduced in the future. Third, increased loans to farmers. Since the Democrats came into power we passed the Federal farm-relief bills which have loaned to Third, increased loans to farmers. Since the Democrats came into power we passed the Federal farm-relief bills which have loaned to the farmers of our Nation more than a billion dollars. Also, the A. A. A. and other farm measures which have doubled and trebled prices of farm commodities. Fourth, Federal aid to schools. The Government is now expending a greater amount in this direction. Fifth, increased Federal aid for roads. Since I have been a Member of Congress we have appropriated probably five times as much for Federal roads as during any other similar period. Sixth, extended hospital treatment for veterans. Hospital facilities for veterans have been about trebled since I have been a Member of Congress. Seventh, restriction of immigration. We have restricted immigration about 90 percent since I have been a Member of Congress. Eighth, the construction of a canal across Florida. I have introduced and the Congress passed bills on the canal since I have been in Congress and work is now going on on the canal.

If continued in Congress, I will work for: First, the actual completion of the Florida canal. As a member of the Rivers and Harbors Committee and as author of the legislation, I promise, if I am returned to Congress, the canal will be completed. Second, I will support and vote for the passage of the Townsend old-agepension plan. I am for an adequate pension for the aged and disabled, and voted for the present Federal old-age-pension law. It was the best obtainable at that time. Third, I will continue my efforts for the reimbursement of Florida growers for damage sustained during the fruit fly eradication campaign. Fourth, I have pending a bill for the payment of depositors in closed National and

was the test obtainable at that the first, I will continue my efforts for the reimbursement of Florida growers for damage sustained during the fruit fly eradication campaign. Fourth, I have pending a bill for the payment of depositors in closed National and State banks. If we can obtain passage of this legislation, our financial troubles will be practically over. Fifth, I shall continue my efforts for disability pensions for all World War veterans, regardless of the cause of disability, and for pensions for widows and orphans of veterans, regardless of the cause of the veteran's death. I also will support all other legislation endorsed by organizations of World War veterans and/or Spanish-American War veterans. I shall continue my efforts for segregation of white and Negro soldiers in separate veterans' hospitals. Sixth, I shall continue my efforts for adequate Federal assistance for public roads and public education. Seventh, I shall support all farm-relief measures which are for the best interests of the farmers of our district. This includes the Frazier-Lemke bill, the passage of which I have signed a petition for. I am earnestly working for the refund to our growers of tobacco tax paid. Eighth, my efforts will continue for rural electrification project and flood control in the Suwannee River Valley. Ninth, you can depend upon my further earnest efforts for immitrification project and flood control in the Suwannee River Valley. Ninth, you can depend upon my further earnest efforts for immigration restriction, the deportation of undestrable aliens, and taking illegal aliens off relief rolls; and also my efforts will continue for a Government-owned building for every second- and third-class post office in the district. Tenth, I shall carry out Democratic principles in tariff matters and shall support all legislation which is for the benefit of the turpentine, lumber, forestry, and other industries of our district.

PRESIDENT ROOSEVELT'S ADMINISTRATION

A clear understanding of the President's emergency-relief pro-A clear understanding of the President's emergency-relief program is needed. In order to thoroughly understand and fully appreciate the scope and purpose of this gigantic relief program, it is well to refresh our memories of the chaotic condition which faced the American people about 12 months before his election. At this time business and industry was at its lowest ebb since the beginning of the depression. Agriculture was in the depths of despair; 10 or 12 million idle men and women were walking the highways and streets in increasing numbers, looking for jobs. By the 1st of March 1933 a banking holiday had been declared in many States of the Union. The people had almost lost confidence in the ability of their Government to bring about a recovery. Economic chaos threatened the country to a more alarming extent than in the darkest days of the preceding years. Wheat had sold as low as 18 and 25 cents per bushel; cotton 5 to 6 cents per pound; and corn as low as 10 or 12 cents per bushel; in fact some of the corn growers of the Middle West were burning their corn for fuel, while the coal miners were without food and in need of this very corn for food for themselves and families. There was an abundance of wheat, corn, cotton, wool, and meats, yet millions of people hungry for the want of these foodstuffs and cold from lack of cotton and woolen garments. Granaries and warehouses were filled to capacity, yet railroad cars stood idle and rusting out in the railroad yards, and idle freight boats rode at anchor throughout the harbors of our country. Industry was paralyzed, credit was destroyed. In fact, local credit was almost nonexistent. The old custom of 150 years ago of trade and barter and exchange was in common use. One individual would trade and barter products or commodities for gram is needed. In order to thoroughly understand and fully apago of trade and barter and exchange was in common use. One individual would trade and barter products or commodities for some other needed product or commodity, in order to obtain cloth, food, fuel, and necessities of the body. Agriculture was on the very brink of bankruptcy. Money had either gone into hiding or was locked up in bank vaults.

locked up in bank vaults.

The then remaining banks in the country were closing in alarming numbers, carrying with them the life savings of honest American citizens. Church and charity funds and the trust funds of orphans were not even spared. There was a deficit even in the Budget of our Federal Government which had occurred for the past 3 years and which aggregated over \$5,000,000,000. But what was even worse than all of this, there were forces of doubt, suspicion,

and destruction at work in our midst which threatened our social and civic institutions and the very foundation of our Government itself. In part, these were the chaotic conditions which faced the American people in the most trying times in the peacetime history of our country; but our American Government was founded through valor and courage, and in its darkest hours it has always produced leadership. The American people have in this darkest hour of the country's history found courageous and able leadership which has country's history found courageous and able leadership which has come forth and proceeded unafraid. A New Deal was not only required but a leader of kind heart, firm hand, and quick decision was needed to put the New Deal into effect and to inspire that confidence in the American people which was all-essential to recovery. Such leadership appeared in the person of Franklin D. Roosevelt. Probably the most fateful hour and fateful minute in the history of the American Republic was on the 4th day of March 1933, when, the interpretable decrease he said. in his inaugural address, he said:

"So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself, nameless, unreasoning, unjustified terror which paralyzes needed effort to convert retreat into advance. In every dark hour of our national life a leadership of frankness and vigor has met with that understanding and support of the people themselves which is essential to victory. I am convinced that you will again give that support to leadership in these critical days."

To this clarion call the American people in all walks of life have responded most nobly and have almost shaken off the shackles of depression. President Roosevelt is a man of action. Through his able leadership, the Congress has passed during the past 3 years a series of measures which have reshaped the economic and industrial

able leadership, the Congress has passed during the past 3 years a series of measures which have reshaped the economic and industrial life of the Nation. I will briefly mention a few of these measures.

First among all is that of farm relief. Through the bills passed on this subject, 30,000,000 citizens of our country who dwell on the farms have had returned to them an increased purchasing power of \$2,773,000,000 during the past 3 years. This was brought about through the passage of the A. A. A. bills, the Mortgage Refinance Acts, and a number of others. Muscle Shoals, which had been idle for 12 years, has been converted into a fertilizer and power-producing plant. It is reducing the price of fertilizer and electrical power to consumers throughout the country.

The Glass-Steagall Banking Act, the deposit insurance or guaranty law, and other bills passed have stabilized the currency; reopened banks throughout the country; loosened up credit in practically all places; made sound the general finance institutions in our country; and given adequate protection to money deposited in banks now and in the future. The safety of our finance institutions and the loosening up of credit have started the wheels of industry and progress to turning in all parts of the country.

The Federal Securities Act provides for Federal supervision through the Federal Trade Commission of interstate traffic in investment securities and is protecting the American public against flotation of securities of doubtful value. It has almost stopped excited the securities in securities.

flotation of securities of doubtful value. It has almost stopped

windling and cheating in securities.

Under the Home Owners' Loan and Housing Acts, hundreds of thousands of homes have been protected from foreclosure and people of limited means have been enabled to build their own homes, thus relieving unemployment and stimulating the building industries.

employment of the needy and heretofore unemployed but have given lasting improvements to communities throughout the United States.

Under a special act, the President was given power to fix and adjust tariff rates in the interest of American producers and consumers. Also, he was given power to impose embargoes to meet damaging foreign competition, made possible through depreciating currency. He is using this power in what he believes to be for the best interests of the American people. In the revenue acts which have been passed during this administration consideration has been given to those least able to pay and the burden and financial responsibility of the Government has been largely shifted to those

responsibility of the Government has been largely shifted to those most able to pay. This is particularly the purpose of the tax bill which will be presented to the Congress this week.

In the benefits brought to the American people through these various measures Florida has indeed received a great portion. Millions of dollars of Federal money have been expended in Florida by the administration. Upon payment of the bonus this summer twenty or more millions additional will be sent to Florida and will be turned into the changes of business trade and industry.

be turned into the channels of business, trade, and industry.

It is true that mistakes have been made during the Roosevelt administration, but I have far greater respect for the one who tries and does something, even though mistakes are made, than I do for the one who sits idly by and criticizes and obstructs.

Splendid results toward recovery have occurred in all parts of the country. Practically every industry in the country is now manufacturing twice the amount of goods as was manufactured in 1932. More automobiles are being made now in 2 or 3 months than were made during an entire year before Roosevelt went in. Bank deposits have increased from \$41,643,000,000 on December 31, 1932, to \$44,771,000,000 in December 1934. A large increase has occurred since this date. There are now almost \$4,000,000,000 more deposited since this date. There are now almost \$4,000,000,000 more deposited in banks than when Roosevelt was inaugurated. The annual farm income has increased about \$3,000,000,000. The cotton growers of the South have themselves received about \$1,000,000,000 of this farm increase. The farmers of the South during the 3 years under President Roosevelt have received more benefits than they did all the other time since the World War. Factory pay rolls have increased 50 percent or more. Four or five million who were out of work have

een employed. Banking institutions are safe now and are beginning to loan money again.

TIMES BETTER

Practically every farm and business man in your country is better off now than he was 3 years ago. I have done all that I could to assist in this great program and, on every occasion, protected, the very best that I could, the interest of our people. Times are growing more normal now and the Federal Government should, as rapidly as possible, revert to normal governmental functions, duties, and operations. Such experiments as have been inaugurated which have not proved for the best interests of our people should be promptly abandoned, and I frankly believe that they will be at the next session of Congress. We should jealously guard the financial integrity of our Nation and retrench expenditures in such places as this can be done. All Government agencies which have served their purpose should be disbanded and give room for local industries, local capital, and local agencies to perform. If President Roosevelt is reelected, and I am confident that he will be, it is my belief that the next Congress will initiate rapid returns to sane, conservative, democratic principles of government. This I favor. Through all of these turmoils and trials I have stood with the Democratic Party and have in the Congress voted for what I felt was for the best interests of the constituents whom I represent, and the Democratic Party. I do not believe that you would want me to vote one day with the Democrats and the next day with the Republicans.

DON'T SWAP HORSES IN THE MIDDLE OF THE STREAM

Times are improving and conditions are better, yet the battle is not won, because the reconstruction adjustment period is now facing us. I am familiar with the conditions here and earnest in facing us. I am familiar with the conditions here and earnest in my service for the best interests of the people of our district. I should like to serve you another term. If you had a house almost completed, I do not believe you would change carpenters without good cause. If you were improving from a serious illness, I do not believe you would change doctors if your doctor was faithful and sincere. If you were almost to the end of your journey I do not believe you would stop to trade automobiles if the one you had was running smoothly. If you had a faithful and experienced employee in your own business, I do not believe you would replace him with one without trial and experience. While I have had 11 years' experience in Congress, I am still only 44 years of age, at the time of life when I should be able to render you the best services. It is my desire to do this, and I hope that the people of our district will see fit to continue my services here. I hope you will not swap horses while in the middle of the stream. You have kept me here long enough for me to be a committee chairman and to hold high and responsible committee assignments which will benefit the interests of our district. My friends and acquaintances here are beneficial of our district. My friends and acquaintances here are beneficial to me in obtaining the things to which our district is entitled. My assignment on the Rivers and Harbors Committee was very instruassignment on the Rivers and Harbors Committee was very instru-mental in persuading the President to begin work on the Florida canal, and even if work should cease on this project, we still will have had expended in our State more than five and one-half mil-lion dollars and great benefits in purchasing power to our people; however, rest assured, if I am returned to Congress, the canal will be completed and more adequate pensions will be paid to the aged of our country. of our country.

If you send me here for another term, I shall continue to labor for the things of interest and benefit to our district and for the cause of the plain people. Enemies of the Florida canal are trying to defeat me. Big money and the special interests are also trying to defeat me. They are trying to betray and mislead my friends into voting against me because I have stood by the masses and in into voting against me because I have stood by the masses and in the interests of the rank and file. This I shall do as long as I live. I cannot forget my own handicaps and struggles in trying to obtain an honest education. I plowed, hoed, dug ditches, chipped pine gum, and cut cross ties. I can do it again if necessary. I believe in the dignity of labor and the majesty of toil. There is no aristocracy except that of honor and no rabble save that of crime. I honor the man who earns his living by the sweat of his honest brow. For his betterment my ark covenant is launched. I do not light my candle and place it under a bushel. I am out in the open, fighting against the special interests and will fight to the end. I will go up or I will go down in the cause of the common people, and I urge that you do all that you can for me. Every victory I have won and every worth-while accomplishment has been made possible only through the efforts of my loyal friends. You have stood by me in the past and never permitted me to go down in defeat. My faith in you abides.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did, on April 18, 1936, present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 568. Joint resolution to provide an additional appropriation for fees of jurors and witnesses, United States courts, for the fiscal year 1936.

ADJOURNMENT

Mr. BANKHEAD. Mr. Speaker, I move that the House do

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 21, 1936, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INVESTIGATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, old House Office Building, at 10:30 a. m. on Tuesday, April 21, 1936, on H. R. 11172

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

790. A communication from the President of the United States, transmitting for the consideration of Congress, in compliance with the provisions of the act of September 30, 1890 (U. S. C., title 31, sec. 226), and the act of April 27, 1904 (U. S. C., title 31, sec. 583, par. 2), a list of judgments rendered by the Court of Claims, which have been submitted by the Attorney General through the Secretary of the Treasury and require an appropriation for their payment amounting to \$368,224.87 (H. Doc. No. 458); to the Committee on Appropriations and ordered to be printed.

791. A communication from the President of the United States, transmitting for the consideration of Congress, pursuant to the provisions of section 2 of the act of July 7, 1884 (U. S. C., title 5, sec. 266), schedule of claims allowed by the General Accounting Office, as shown by certificates of settlement forwarded to the Treasury Department for payment, covering judgments rendered by the United States District Court for the Southern District of New York against collectors of customs, as provided under section 989 of the Revised Statutes (U. S. C., title 28, sec. 842), amounting to \$23,945.39 (H. Doc. No. 459); to the Committee on Appropriations and ordered to be printed.

792. A communication from the President of the United States, transmitting for the consideration of Congress, in compliance with section 2 of the act of July 7, 1884 (U.S.C., title 5, sec. 266), schedule of a claim allowed by the General Accounting Office pursuant to Private Act No. 172 of the Seventy-fourth Congress, amounting to \$1,174.19, and which requires an appropriation for payment (H. Doc. No. 460); to the Committee on Appropriations and ordered to be printed.

793. A communication from the President of the United States, transmitting for the consideration of Congress estimates of appropriations submitted by the several executive departments and independent offices to pay claims for damages to privately owned property in the sum of \$17,198.69 which have been considered and adjusted under the provisions of the act of December 28, 1922 (U. S. C., title 31, sec. 215), and which require appropriations for their payment (H. Doc. No. 461); to the Committee on Appropriations and ordered to be printed.

794. A communication from the President of the United States, transmitting for the consideration of Congress supplemental estimates of appropriations for the Department of Commerce for the fiscal year 1936 amounting to \$164,600 (H. Doc. No. 462); to the Committee on Appropriations and ordered to be printed.

795. A communication from the President of the United States, transmitting for the consideration of Congress a draft of a provision pertaining to an existing appropriation of the Panama Canal to make available the funds required to give effect to the provisions of the act entitled "An act to provide for the measurement of vessels using the Panama Canal, and for other purposes", approved April 13, 1936 (H. Doc. No. 463); to the Committee on Appropriations and ordered to be printed.

796. A communication from the President of the United States, transmitting for the consideration of Congress a draft of a proposed provision pertaining to an existing appropriation of the Agricultural Adjustment Administration, Department of Agriculture, to make available to the Secretary of Agriculture the funds required to give effect to sections 56-60 | 2459). Referred to the Committee of the Whole House.

of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935, relating to anti-hog-cholera serum and hog-cholera virus (H. Doc. No. 464); to the Committee on Appropriations and ordered to be printed.

797. A communication from the President of the United States, transmitting for the consideration of Congress an amendment to the deficiency estimate of appropriation for payment of rewards, Post Office Department, fiscal year 1935, transmitted, together with other estimates, to Congress by his letter of March 13, 1936 (H. Doc. No. 424) (H. Doc. No. 465); to the Committee on Appropriations and ordered to be printed.

798. A communication from the President of the United States, transmitting for the consideration of Congress, in compliance with section 2 of the act of July 7, 1884 (U.S.C., title 5, sec. 266), a schedule of claims amounting to \$206,-735.82, allowed by the General Accounting Office, as covered by certificates of settlement and for the services of the several departments and independent offices (H. Doc. No. 466); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MILLER: Committee on the Judiciary. H. R. 11372. A bill to amend Public Law No. 215, Seventy-fourth Congress, first session; with amendment (Rept. No. 2450). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. H. R. 11917. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; with amendment (Rept. No. 2451). Referred to the House Calendar.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 12305. A bill to extend the jurisdiction of the Coast Guard; with amendment (Rept. No. 2452). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of New Hampshire: Committee on Military Affairs. S. 2460. An act to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes"; with amendment (Rept. No. 2453). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 11337. A bill to amend the Federal Register Act: without amendment (Rept. No. 2474). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of New Hampshire: Committee on Military Affairs. S. 724. An act for the relief of James T. Moore; without amendment (Rept. No. 2454). Referred to the Committee of the Whole House.

Mr. TOLAN: Committee on Claims. H. R. 297. A bill for the relief of William C. Reese; with amendment (Rept. No. 2455). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 610. A bill for the relief of Matt E. Saylor; with amendment (Rept. No. 2456). Referred to the Committee of the Whole House.

Mr. STACK: Committee on Claims. H. R. 761. A bill for the relief of Nick Gruich; with amendment (Rept. No. 2457). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 1549. bill for the relief of Joshua L. Bach; with amendment (Rept. No. 2458). Referred to the Committee of the Whole House.

Mr. GWYNNE: Committee on Claims. H. R. 1739. A bill for the relief of Frank Gedney; with amendment (Rept. No. Mr. PITTENGER: Committee on Claims. H. R. 2121. A bill for the relief of Jane Murrah; with amendment (Rept. No. 2460). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 5877. A bill for the relief of William O'Connell; with amendment (Rept. No. 2461). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 6404. A bill for the relief of D. B. Carter; with amendment (Rept. No. 2462). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 6749. A bill for the relief of Mrs. Louis Abner; with amendment (Rept. No. 2463). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 8482. A bill for the relief of Jacob G. Ackerman; with amendment (Rept. No. 2464). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 8502. A bill for the relief of Theresa Link, Wencel Link, Edward Block, and John Meyers; with amendment (Rept. No. 2465). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 8720. A bill for the relief of Louis Manzumin; with amendment (Rept. No. 2466). Referred to the Committee of the Whole House.

Mr. HOUSTON: Committee on Claims. H. R. 9078. A bill for the relief of Bertha W. Lamphear; with amendment (Rept. No. 2467). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 9313. A bill for the relief of Anna Leak; with amendment (Rept. No. 2468). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 9314. A bill for the relief of Carrie R. Samms; with amendment (Rept. No. 2469). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 9315. A bill for the relief of Galen B. Fry; with amendment (Rept. No. 2470). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 10174. A bill for the relief of Ezra Curtis; with amendment (Rept. No. 2471). Referred to the Committee of the Whole House.

Mr. EVANS: Committee on Claims. H. R. 10242. A bill for the relief of Charles Weisz; with amendment (Rept. No. 2472). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 11379. A bill for the relief of William H. Milton; with amendment (Rept. No. 2473). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARPENTER: A bill (H. R. 12370) to authorize a preliminary examination of Big Blue River and its tributaries, with a view to the control of their floods; to the Committee on Flood Control.

By Mr. CROSSER of Ohio: A bill (H. R. 12371) to establish a United States Court of Patent Appeals, and for other purposes; to the Committee on the Judiciary.

By Mr. CHANDLER: A bill (H. R. 12372) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. DIRKSEN: A bill (H. R. 12373) to prohibit the sale in the District of Columbia of products of convict labor; to the Committee on the District of Columbia.

By Mr. SCRUGHAM: A bill (H. R. 12374) to amend the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933; to the Committee on Mines and Mining.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New York, regarding relief of unemployed transients; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASEY: A bill (H. R. 12375) for the relief of Julia Glynn; to the Committee on Claims.

Also, a bill (H. R. 12376) for the relief of Marion L. Gates; to the Committee on Claims.

By Mr. FENERTY: A bill (H. R. 12377) for the relief of Peter Mee; to the Committee on Military Affairs.

Also, a bill (H. R. 12378) granting an increase of pension to Joseph Brown; to the Committee on Pensions.

By Mr. GRAY of Pennsylvania: A bill (H. R. 12379) granting an increase of pension to Frank B. Ritzie; to the Committee on Pensions.

By Mrs. JENCKES of Indiana: A bill (H. R. 12380) granting a pension to Fern Galloway; to the Committee on Pensions.

Also, a bill (H. R. 12381) granting a pension to John R. Rogers; to the Committee on Pensions.

Also, a bill (H. R. 12382) granting a pension to Jesse L. Fisher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12383) granting an increase of pension to Virgil O. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12384) granting a pension to Gold Gray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12385) for the relief of Charles W. Sumner; to the Committee on Claims.

By Mr. KRAMER: A bill (H. R. 12386) granting a pension to Milka N. Robbins; to the Committee on Pensions.

Also, a bill (H. R. 12387) granting an increase of pension to Frank Arthur Parsons; to the Committee on Pensions.

By Mr. MITCHELL of Illinois: A bill (H. R. 12388) to provide for the recognition of the heroic conduct and devotion to duty of Matthew A. Hensen, one of the survivors of the polar expedition of Admiral Peary, and to provide a life pension for the said Matthew A. Hensen; to the Committee on Coinage, Weights, and Measures.

By Mr. SCOTT: A bill (H. R. 12389) for the relief of Harry C. Hall; to the Committee on the Civil Service.

By Mr. TAYLOR of Tennessee: A bill (H. R. 12390) granting a pension to Mrs. James B. Warwick; to the Committee on Pensions.

Also, a bill (H. R. 12391) for the relief of Arthur D. Sullivan; to the Committee on Claims.

By Mr. TOLAN: A bill (H. R. 12392) for the relief of Samuel Orie Johnson; to the Committee on Claims.

By Mr. VINSON of Kentucky: A bill (H. R. 12393) granting a pension to Jesse Johnson; to the Committee on Pensions.

By Mr. WERNER: A bill (H. R. 12394) to recognize and reward the accomplishments of the pilots of the stratosphere balloon *Explorer II*; to the Committee on Military Affairs.

By Mr. CONNERY: Joint resolution (H. J. Res. 570) authorizing the President of the United States to award posthumously a Distinguished Service Medal to Maj. Gen. Clarence Ransom Edwards; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10746. By Mr. BEITER: Petition of the American Society of Civil Engineers, urging adoption of legislation (H. J. Res. 492) to provide funds for continuing the Public Works program; to the Committee on Appropriations.

10747. Also petition of the New York State Assembly, urging Congress to accept immediate responsibility for relief

and employment of transients; to the Committee on Appro-

10748. By Mr. JOHNSON of Texas: Petition of Mrs. E. L. Evans, corresponding secretary of the Worth While Club, Frost, Tex., favoring House bill 11225, the Disney bill; to the Committee on Education.

10749. Also, petition of the County Commissioners' Court of Limestone County, Tex., composed of Hon. Lewis Seay, county judge; J. Clonts, Ike Kennedy, Frank Burke, and John Mackey, county commissioners; also Judge Alex Smith, Judge Fountain Kirby, Henry Jackson, Lester Sheppard, Carl Cannon, and Scott Reed, all of Groesbeck, Tex., opposing termination of white-collar Works Progress Administration projects; to the Committee on Appropriations.

10750. By Mr. LAMNECK: Petition of Mrs. Luther Beck, secretary, Eastern Child Conservation League of Columbus, Ohio, urging early hearings on the motion-picture bills now in Congress; to the Committee on Interstate and Foreign

10751. By Mr. McLEAN: Petition of the Elizabeth Democratic Club, Elizabeth, N. J., relative to the Wheeler-Crosser bill; to the Committee on Interstate and Foreign Commerce.

10752. By Mr. MEAD: Petition in the nature of a resolution of the Assembly of the State of New York, requesting the Congress of the United States and the Federal Works Progress Administration to accept the immediate responsibility for relief and employment of transients, urging that this relief and employment be made effective through permanent departments of State government and coordinate local units of administration and that funds be made available by the Federal Government on a grant-in-aid basis; to the Committee on Appropriations.

10753. By Mr. O'CONNELL: Resolution urging the President of the United States to act promptly under the provisions of the Soil Conservation Act to restrict the imports of cotton texiles from Japan; to the Committee on Agricul-

10754. By Mr. PFEIFER: Petition of the New York State Legislature (concurred in by the senate, Albany, N. Y.), urging Congress to accept immediate responsibility for relief and employment of transients; to the Committee on Appropriations.

10755. Also, petition of the Fur Trade Foundation, of the city of New York, concerning the Wagner-Ellenbogen housing bill; to the Committee on Labor.

10756. By Mr. THOMASON: Petition of residents of Valentine, Tex., urging passage of House bill 11609, the Crosser-Wheeler bill; to the Committee on Interstate and Foreign Commerce.

10757. By the SPEAKER: Petition of the city of Cleveland, Ohio; to the Committee on Banking and Currency.

10758. Also, petition of the New York Board of Estimate and Apportionment; to the Committee on Banking and Currency

10759. Also, petition of the New York State Board of Housing; to the Committee on Banking and Currency.

SENATE

TUESDAY, APRIL 21, 1936

(Legislative day of Monday, Feb. 24, 1936)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. Robinson, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, April 20, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I note the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll. The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Pope
Ashurst	Coolidge	La Follette	Radcliffe
Austin	Copeland	Lewis	Reynolds
Bachman	Couzens	Logan	Robinson
Bailey	Davis	Lonergan	Russell
Barbour	Dickinson	Long	Schwellenbach
Barkley	Dieterich	McAdoo	Sheppard
Benson	Donahey	McGill	Shipstead
Bilbo	Duffy	McKellar	Steiwer
Black	Fletcher	McNary	Thomas, Okla.
Borah	Frazier	Maloney	Thomas, Utah
Brown	George	Metcalf	Townsend
Bulkley	Gibson	Minton	Truman
Bulow	Glass	Moore	Tydings
Burke	Guffey	Murphy	Vandenberg
Byrd	Hale	Murray	Van Nuys
Byrnes	Harrison	Neelv	Wagner
Capper	Hastings	Norris	Walsh
Caraway	Hatch	Nye	White
Carey	Hayden	O'Mahoney	
Chavez	Holt	Overton	
Clark	Johnson	Pittman	

Mr. LEWIS. I announce the absence of the Senator from Alabama [Mr. Bankhead], the Senator from Colorado [Mr. Costigan], the Senator from Nevada [Mr. McCarran], and the Senator from Florida [Mr. TRAMMELL], caused by illness; and the absence of the Senator from Washington [Mr. BONE], the Senator from Oklahoma [Mr. Gore], the Senator from Rhode Island [Mr. GERRY], the Senator from South Carolina [Mr. SMITH], and the Senator from Montana [Mr. WHEELER], who are necessarily detained from the Senate.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. Keyes] is unavoidably absent.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

LOUIS M'HENRY HOWE

Mr. WALSH. Mr. President, on Saturday last, April 18, Louis McHenry Howe, a resident of Massachusetts, secretary to and a trusted and intimate friend of the President, died. The extent and character of his public service is so conspicuous that references to it made through editorials published in the press should be embodied in the Congressional RECORD. Therefore, I ask unanimous consent that several editorials commending the loyal and devoted service of Mr. Howe be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post of Apr. 20, 1936]

LOUIS M'HENRY HOWE

It is reiterated in the obituary summaries of Louis McHenry Howe's career that he was the "no" man of the President's entourage. "The Colonel" himself would have subscribed to the statement. From the beginning, when this Albany newspaper correspondent first recognized the possibilities of young Senator Roosevelt, of Dutchess County, and forthwith enlisted in the Roosevelt forces, he saw that his principal service would lie in balancing his older years and broader political experience against the eager enthusiasm of the younger man. "To provide the toe weights", was Mr. Howe's description of his own role.

But, in another sense, Mr. Howe was Mr. Roosevelt's "yes" man. He it was who took up the banner when, at the opening of the Dutchess County campaign for reelection, the young senator was stricken with typhoid fever. "Yes", Louis Howe said, "you can be reelected." And, undertaking a campaign by proxy, he returned his man to office. The partnership was scaled.

reelected." And, undertaking a campaign by proxy, he returned his man to office. The partnership was sealed. Up through the ranks these two friends progressed together.

Up through the ranks these two friends progressed together. When Mr. Roosevelt became Assistant Secretary of the Navy, Howe, for his effective behind-scenes maneuvering, earned the jocular title of "Daniels' spy", which pleased him greatly. Their next campaign, for the Vice Presidency, is said to be one of the few instances in which the older man's advice was disregarded. Then poliomyelitis struck. Again Louis Howe offered his encouragement and advice. Mr. Roosevelt's destiny, he argued, was not necessarily affected; and, ever at his friend's side, he plotted the political strategy and supervised its execution to win their way first to the Governor's mansion in New York State and from there to the White House. White House

It is declared that the friendship of the two men is without parallel in the history of American politics. For one man to dedicate himself utterly to another's progress is not a common sight. Of course, Mr. Howe himself would have been the first to point out Of course, Mr. Howe himself would have been the first to point out that in so doing he was advancing his own hopes. He was fated for politics. With a high talent for complete analysis, a sureness in gaging men, and a flair for the dramatic, he was admirably equipped for the game. Add to these a delight in success and the result is political genius. Such a man was Louis McHenry Howe; and, because his ability was always tempered with honesty and loyalty, the Nation will share with Mr. Roosevelt what must be for him a deep sense of loss in the passing of his "fidus Achates."

[From the Boston Post of Apr. 20, 1936] LOUIS M'HENRY HOWE

The President loses an old and trusted adviser with the passing of his secretary, Louis McHenry Howe.

When the chronicle of the Roosevelt administration is written

When the chronicle of the Roosevelt administration is written the place of Mr. Howe will be an important one.

He was gifted with an insight into political trends. This quality is strong in Mr. Roosevelt, but there are many who know the situation who say that Mr. Howe was the real political sage of the President's official family.

Many shrewd observations which have been credited to Mr. Farley actually came from Mr. Howe.

His effectiveness was greatly enhanced by his newspaper training and contacts. No President has ever occupied the White House who was more popular with newspaper correspondents.

The country will sympathize with the President in the loss of this trusted adviser, small in stature but long in wisdom.

[From the Washington Star of Apr. 20, 1936] LOUIS M'HENRY HOWE

Fate has dealt Franklin D. Roosevelt a cruel blow in robbing him of his friend, Louis McHenry Howe. Thousands of their fellow citizens, understanding the relation between the two men, will sympathize with both in their hour of parting.

Mr. Howe was one of that small company of persons who live to see their fondest dreams come true. He persuaded millions to idolize his idol, to trust his captain as he trusted him. No more striking example of consummate devotion is to be found in modern history than that of the journalist who elevated a New York

ern history than that of the journalist who elevated a New York State senator to the position of President of the United States. But destiny required of Mr. Howe that he should pay the inevitable price of such unselfish love. He exhausted himself in the service of his chief. Unremitting labor, constant tension and strain ruined his health and cut short his career. His work, it seems, was finished on March 4, 1933. After that date he was but a member of the White House chorus. Mr. Roosevelt necessarily enlisted other advisers, and illness accelerated the decline of "the colonel's" influence.

And it was the Nation's loss that it should have been as the latter of the colonel's influence.

of "the colonel's" influence.

And it was the Nation's loss that it should have been so. Mr. Howe was not a radical. His voice was for moderation. A basically honest sanity was part of his genius, and those who opposed him paid him a merited compliment when they judged him "too cautious." Mr. Roosevelt, however, was not deceived. Down to the last he still desired to consuit his old and deeply appreciated companion in arms. It was his regular practice to telephone "Louis" whenever "things were popping." And from his bed in the naval hospital as recently as only last week the dying veteran still kept in touch with developments, still sought to employ his fading powers to his country's benefit.

Mr. Howe, it should be mentioned, always entertained a vast

fading powers to his country's benefit.

Mr. Howe, it should be mentioned, always entertained a vast affection for the people. In his mind there never was any doubt about their elementary claim to freedom, prosperity, and peace. A generous and kindly heart prompted him to give all that he had in the interest of one he believed was endowed with the qualities of leadership which they needed. The President was conscious of his idealism, respected it and often was governed by it. Hence it may be said of the departed partner that he strove to high purpose, achieved much for which millions should be grateful and will be remembered as a good and faithful servant to the human family in an age when unselfishness and loyalty are sadly wanted.

sadly wanted.

[From the New York Herald Tribune of Apr. 20, 1936] LOUIS M'HENRY HOWE

In the death of Colonel Howe, President Roosevelt has sustained a loss whose magnitude, though best known to him, is also obvious to the country at large. The long, intimate partnership between the two men, begun more than 25 years ago, had a significance unique in history. No doubt there has been much exaggeration of Colonel Howe's influence in shaping the President's career. of Colonel Howe's influence in snaping the President's career.

Mr. Roosevelt's own qualities are far more responsible for his
political success than the wisdom of his faithful mentor. Nevertheless it is quite easy to believe that Mr. Howe's instinctively
shrewd appraisal of men and measures—the balance which he
contributed to the Roosevelt buoyancy—was an asset of extraordinary value to the President, both before and after he attained
the White House, and one which he will miss very acutely, indeed,

the White House, and one which he will miss very acutely, indeed, especially in a campaign year.

The country itself will be a sufferer from the absence of Louis Howe's counsel. In fact, it has already had reason to mourn the year's illness which incapacitated him, and which has now finally removed him from the mortal scene. Washington commentators, familiar with his peculiar sagacity, believe that had his advice been available when the N. R. A. decision foreshadowed the collapse of the New Deal structure, Mr. Roosevelt would never have made the parade he did of his chagrin or have gone on from his "horse and buggy" interview to drive Congress through a sweltering summer of preposterous legislation. This, of course, is mere conjecture, but by no means implausible, and it reflects the very solid esteem in which the slight, self-effacing little invalid was held by those who had occasion to know him best. His was an alert mind and a devoted spirit. We shall all be the poorer for their departure. their departure.

[From the New York Times of Apr. 20, 1936] A FAITHFUL FRIEND AND AIDE

It is doubtful if American political history could furnish an exact parallel to the relation which existed between President Roosevelt and his chief private secretary, Col. Louis Howe, who died on Saturday. Other Presidents have had their familiars and advisers. Andrew Jackson had his "kitchen Cabinet." President Cleveland often turned to his Buffalo and Albany intimates. But

Cleveland often turned to his Buffalo and Albany intimates. But not even the remarkable case of Colonel House and President Wilson presented a picture of long and utter devotion such as Colonel Howe gave to Franklin Roosevelt for 25 years. His death will be a keen personal loss and grief to the President, who repaid loyalty with loyalty.

For years Colonel Howe was a firm believer in the high political destiny of Mr. Roosevelt. He unswervingly followed the star of the man for whom he must have had a deep affection, as well as a confident anticipation of a great career. For himself Colonel Howe wanted nothing except opportunities to serve his friend and, through him, the public. He had a perfect genius for self-effacement. He shrank from publicity with all the zeal which many show in seeking it. A shy, retiring man, with an enormous capacity for work and painstaking thoroughness, he accumulated an extraordinarily wide knowledge of American politics and politicians which dinarily wide knowledge of American politics and politicians which he had marked sagacity in applying for the benefit of the man whom he delighted to honor and advance. It will be long before we shall look upon his like again.

OPINIONS OF SENATORS IN RITTER IMPEACHMENT CASE—EXTENSION OF TIME LIMIT

Mr. ASHURST. Mr. President, on April 16 an order was entered allowing Senators 4 days within which to file their opinions in the Ritter impeachment case. At the request of several Senators, I ask unanimous consent that the time be extended to 10 days from that date instead of 4 days.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order heretofore entered is modified accordingly.

OPINIONS OF SENATORS IN IMPEACHMENT CASE OF HALSTED L. RITTER

Pursuant to the order entered on the calendar day Thursday, April 16, 1936, and modified this day, allowing each Senator 10 days after final vote on the articles of impeachment against Halsted L. Ritter, United States district judge for the southern district of Florida, within which to file his individual opinion, the following opinions, one by Mr. Austin, one by Mr. Benson, and one by Mr. McAdoo, were filed and ordered to be printed in the RECORD:

MEMORANDUM OPINION OF SENATOR AUSTIN IN THE MATTER OF THE IMPEACHMENT OF HALSTED L. RITTER

MEMORANDUM OPINION OF SENATOR AUSTIN IN THE MATTER OF THE IMPEACHMENT OF HALSTED L. RITTER

Within the 4 days provided in the rules for filing opinions in the trial for impeachment of Halsted L. Ritter, United States district judge for the southern district of Florida, I now file an opinion that the respondent was not found guilty by vote of two-thirds of the Senators present of an impeachable offense.

The ruling of the President pro tempore overruling the point of order based on the three grounds that—

1. Article VII is an omnibus article, the ingredients of which are stated in articles I to VI;

2. A vote of two-thirds of the Senators present is necessary;

3. The sum of six acquittals cannot be a conviction; in effect admitted the last two grounds and avoided them by holding that the first ground was unsound because article VII "is a separate charge from any other charge", namely: "general misbehavior." This seems to recognize that six legal naughts cannot become a legal unit.

The opinion now filed is intended to develop by citation of authorities the principle that impeachment does not lie for acts without evil intent, corruption, or illegality.

Article VII did not charge any of these ingredients, and the votes on the six specific articles preceding found the respondent not guilty of any of them. Therefore, the judgment is for an offense not impeachable.

The opinion, which I ask may be printed, under the order of the 16th instant, as a part of the impeachment proceedings, is as follows:

The seven articles of impeachment, briefly analyzed, charged as follows:

The seven articles of impeachment, briefly analyzed, charged as follows

Article I: Misbehavior and high crime and misdemeanor in

Article I: Misbehavior and high crime and misdemeanor in office by corruptly and unlawfully accepting from his former law partner \$4,500 out of the avails of a decree made by the respondent.

Article II: Misbehavior and high crime and misdemeanor in office by conspiring with his former law partner and others to continue property in litigation, promoting the conspiracy by keeping jurisdiction of a foreclosure proceeding contrary to the motion of the plaintiff in person, on the basis of interventions filed in the case, appointing as receiver a person alleged to be involved in the conspiracy, granting exorbitant fees, and corruptly and unlawfully accepting from such fees \$4,500.

Article III: A high misdemeanor in office by practicing law contrary to the Judicial Code and accepting \$2,000 from his client

his services \$7,500.

Article V: A high misdemeanor by violating 146 (b) of the Revenue Act of 1928 in not returning the above-mentioned fees in his income-tax return for the year ending December 31, 1929.

Article VI: A high misdemeanor in office by violating 146 (b)

Article VI: A high misdemeanor in office by violating 146 (b) of the Revenue Act of 1928 in not returning \$5,300 gross taxable income for the year ending December 31, 1930.

Article VII: Misbehavior and high crimes and misdemeanor in office by accepting large fees and gratuities, to wit, \$7,500 from J. R. Francis on or about April 19, 1929, said J. R. Francis having large property interests within his territorial jurisdiction as a judge, and on, to wit, the 4th day of April 1929 accepting \$2,000 from Mulford Realty Corporation and a large amount of the securities of Olympia Improvement Corporation, organized to develop holdings within his territorial jurisdiction.

Also, "by his conduct as detailed in articles I, II, III, and IV hereof, and by his income-tax evasions, as set forth in articles V and VI hereof."

The respondent was acquitted of the specific charges in articles I to VI by the following votes:

Article	Guilty	Not guilty	Page of Record
I	55 52 44 36 36 46	29 32 39 48 48 48	5602 5603 5604 5605 5605

The respondent was adjudged guilty, as charged in article $\overline{\text{VII}}$, by the following vote:

Article	Guilty	Not guilty	Page of Record
vii.	56	28	5606

Thereupon the point of order was made:

"That the respondent is not guilty, not having been found guilty by a vote of two-thirds of the Senators present.

"Article VII is an omnibus article the ingredients of which, as stated on page 36, paragraph 4, are

stated on page 36, paragraph 4, are * * *

"The first reason for the point of order is that here is a combination of facts in the indictment, the ingredients of which are the several articles which precede article VII, as seen by paragraph marked "4" on page 36. The second reason is contained in the Constitution of the United States, which provides that no person shall be convicted without the concurrence of two-thirds of the Members present. The third reason is that this matter has been passed upon judicially, and it has been held that an attempt to convict upon a combination of circumstances * * * of which the respondent has been found innocent would be mon-

tempt to convict upon a combination of circumstances of which the respondent has been found innocent would be monstrous. I refer to the case of Andrews v. King (77 Maine, 235).

"The PRESIDENT pro tempore. A point of order is made as to article VII, in which the respondent is charged with general mishehavior. It is a separate charge from any other charge, and the point of order is overruled." (RECORD, p. 5606.)

Thereupon, a judgment order was directed by the President protempore as follows:

tempore, as follows:

"Judgment

"The Senate having tried Halsted L. Ritter, United States district judge for the southern district of Florida, upon seven several articles of impeachment exhibited against him by the House of Representatives, and two-thirds of the Senators present having found him guilty of charges contained therein: It is therefore "Ordered and adjudged, That the said Halsted L. Ritter be, and he is hereby removed from office."

he is hereby, removed from office."

The ruling on the point of order that "It is a separate charge from any other charge", and that by article VII "the respondent is charged with general misbehavior" must be interpreted as adopting for the gist of the article that part of it reading as

follows:

"The reasonable and probable consequence of the actions or conduct of Halsted L. Ritter, hereunder specified or indicated in this article, since he became judge of said court, as an individual or as such judge, is to bring his court into scandal and disrepute, to the prejudice of said court and public confidence in the administration of justice therein, and to the prejudice of public respect for and confidence in the Federal judiciary, and to render him unfit to continue to serve as such judge": (Proceedings, p. 34). The ruling must be considered in the light of the acquittal of the respondent of any crime specifically alleged in articles I to VI. This seems to be in accord with the principle discussed in Andrews v. King (77 Maine at 235), thus:

Andrews v. King (77 Maine at 235), thus:

"In special courts, established for the trial of officers alleged to be unfaithful, such as courts of impeachments and courts-martial, we believe it is the universal practice for the court to

while it held and owned large interests in his jurisdiction, and accepting a large amount of securities from his client of a corporation organized to develop holdings within his jurisdiction.

Article IV: A high misdemeanor in office by practicing law on another occasion contrary to the Judicial Code, and receiving for the court. There might be as many charges as there were members of the court, and no one charge receive the assent of more than one member, yet that member vote to sentence, on account of his belief in the truth of that one charge, which all his associates believed to be false.

"If each member did so, there would be sentence, without conviction and without guilt. Such a result would be monstrous, and hence the practice of first ascertaining and declaring whether the court agrees, or concurs, upon any one charge as proved."

The ruling by the President pro tempore not only expressly characterizes the charge as separate from the other charges and as a charge of "general misbehavior", but in logic it denies the claim made in the point of order, that article VII is an omnibus article the ingredients of which are the several crimes of which the respondent has been found not guilty.

The necessary conclusion is that a Federal judge has been removed from his office for "general misbehavior" not amounting to a crime. This must be on the theory that he has willfully broken the term of his office, that is, by conduct with evil intent, corruption, or illegality. Of the necessary ingredient of evil intent, corruption, or illegality, there is no charge in article VII. The respondent was found not guilty of this ingredient by six previous votes. previous votes.

Article III, section 1, of the Constitution declares the term as follows:

follows:

"* * The judges, both of the supreme and inferior courts, shall hold their offices during good behavior, * * *."

Since this seems to be the first time that the words "high crimes and misdemeanors", in section 4 of article II, and "offenses against the United States", in section 2, clause 1, of article II, and the words "the trial of all crimes", in section 2, clause 3, of article III, and the words "the party convicted", in section 3, clause 8, of article I, have been interpreted to connote "general misbehavior" where the respondent has not been found guilty by a two-thirds vote of the Senators present on any article which charged evil intent, corruption, or illegality, and where the article charging misbehavior does not charge evil intent, corruption, or illegality, the following precedents are made a part of the record of this trial.

The parts of the Constitution referring to impeachment are as

The parts of the Constitution referring to impeachment are as

Article III, section 2, clause 3:

"The trial of all crimes, except in cases of impeachment, shall be by jury; * * *"

Article II, section 2, clause 1:

"The President * * * shall have power to grant reprieves and pardons for offenses against the United States, except in

of impeachment."

Article II, section 4:
"The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors."

Article I, section 3, clause 6:

Article I, section 3, clause 6:

"* * and no person shall be convicted without the concurrence of two-thirds of the Members present."

Article I, section 3, clause 7:

"Judgment in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the United States; but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law"

law."

All of these provisions deal with crimes and misdemeanors.

In law a "misdemeanor" is a crime less than a felony.

In law the word "offense" has no technical meaning; but it is sometimes used specifically for an indictable crime, as in the British Territorial Waters Jurisdiction Act, 1878 (41 and 42 Vict., c. 731), and sometimes for a misdemeanor or a wrong punishable only by fine or penalty. Sometimes a distinction is made between offenses and quasi offenses, as in the following citation: "Offenses are those illegal acts which are done wickedly and with the intent to injure, while quasi offenses are those which cause injury. tent to injure, while quasi offenses are those which cause injury to another but proceed only from error, neglect, or imprudence" (Edwards v. Turner, 6 Rob. (La.) 382).

In law the words "convicted" and "conviction" mean proved or found gulity, and so far relate to crime that the word "convict" is

used for one convicted of and under sentence for a crime.

The following cases lead to the judgment that there is no definition clearly delimiting the scope of impeachment trials, but they lay down principles according to the common law requiring the same quantum of proof as in criminal trials, and surrounding the respondent with the same safeguards against prejudice from a had-sounding indictment as are granted to reconsider to principal. bad-sounding indictment as are granted to respondents in criminal causes, namely, the presumption of innocence on behalf of the respondent, the burden of proof beyond a reasonable doubt imposed on the prosecution, and the necessity of establishing evil intent.

All of this is inconsistent with the theory that general mis-behavior without evil intent, without corruption or fraud, will support a conviction in an impeachment for misbehavior and high crimes and misdemeanors in office.

These authorities should be applied to the instant matter on the basis that the evil intent, the corruption, and unlawfulness charged was not found. On every charge of that character the

charged was not found. On every charge of that characteristics respondent was found not guilty.

Article VII omits any charge of fraud, corruption, or unlawfulness, or evil intent, and stands upon the sole ground that, regardless of the intent, "the reasonable and probable consequences of the actions or conduct * * * is to bring his court into scandal and disrepute * * and to render him unfit to continue to and disrepute * * serve as such judge."

the actions or conduct * * * is to bring his court into scandal and disrepute * * and to render him unfit to continue to serve as such judge."

If "to bring his court into scandal and disrepute" should be an impeachable offense, the least that ought to be required is that there be some evidence to establish the fact that he brought his court into scandal and disrepute. This case was determined without such proof. Final judgment was entered on mere surmise that the alleged misbehavior had resulted as charged.

In State ex rel. Attorney General v. Buckley (1875) (54 Ala. 599 at 620). Held: "We feel constrained to hold (1875) (54 Ala. 599 at 620). Held: "We feel constrained to hold that impeachment, under our Constitution, is a criminal prosecution."

The opinion cites Mr. Story in his commentaries on the Constitution, section 688, after stating that in England "articles of impeachment are a kind of bill of indictment, found by the Commons, and tried by the Lords", adds:

"In the Constitution of the United States the House of Representatives exercises the functions of the House of Commons in regard to impeachment; and the Senate, the functions of the House of Lords, in relation to the trial of the party accused. The principles of the common law, so far as the jurisdiction is to be exercised, are deemed of primary obligation and government. The object of prosecutions of this sort in both countries is to reach high and potent offenders, such as might be presumed to escape punishment in the ordinary tribunals, either from their own extraordinary influence or from the imperfect organization and powers of those tribunals. These prosecutions are, therefore, conducted by the representatives of the Nation, in their public capacity, in the face of the Nation, and upon a responsibility which is at once felt and reverenced by the whole community. The notoriety of the proceedings, the solemn manner in which they are conducted, the deep extent to which they affect the reputations of the accused, the ignominy of a conviction wh

"The authorities above hold that removal from office and disqualification to hold office are criminal punishment. But the doc-

Trine has been carried much further."

In State v. Hastings ((1893) 37 Nebr. 96, 55 N. W. 774, at 781), an impeachment proceeding under the Nebraska Constitution, the foregoing Alabama case is cited among other authorities in support of the holding:

of the holding:

"6. Another question which is suggested in this connection is the character of this proceeding, viz, whether it is to be regarded as a civil action or as a criminal prosecution for the purpose of the production and the quantum of proof to warrant a conviction. It may be safely asserted that the decided weight of authority in this country and England, if, indeed, there exists a diversity of opinion on the subject, is that impeachment in that respect must be classed as a criminal prosecution, in which the State is required to establish the essential elements of the charge beyond a reasonable doubt * * *"

This Nebresky case also sites with approval imprescipment of

doubt * * * "

This Nebraska case also cites with approval impeachment of

Barnard (1872) thus: Barnard (1872) thus:

"* * But we are fortunately not without judicial authority
on the subject. In the impeachment of Barnard (1872) the judges
of the Court of Appeals of New York sat with the Senators and
appear to have been consulted upon all doubtful questions. Chief
Justice Church (p. 2070), speaking upon the subject under consideration, said: 'If I felt warranted in balancing the evidence and in determining that question in a civil action, I might come to the conclusion that the evidence of payment was not reliable; but we are here in a criminal case, where the respondent is entitled to the benefit of every reasonable doubt, both upon the facts and the law, oenent of every reasonable doubt, both upon the facts and the law, and I cannot say that the evidence which has been produced is not sufficient to create some doubt.' Judge Andrew (p. 2071) said: 'I shall vote 'Not guilty' upon this article upon the principle that this defendant is entitled to every reasonable doubt, and that that doubt as to his guilt, according to the charge, exists in my mind upon the evidence in the case.' Like views were expressed by other judges, but there was no dissent from the opinions above quoted * * *."

There was a dissenting exists a continuous content of the charge, and the content of the charge, exists in my mind upon the evidence in the case.' Like views were expressed by other judges, but there was no dissent from the opinions above quoted * * *."

There was a dissenting opinion in the Nebraska case, but even the dissenting opinion stated the necessity of finding a willful disregard

of duty:

"* * There is considerable conflict in the authorities as to what constitutes an impeachable offense. Under the common law the grounds of impeachment are 'high crimes and misdemeanors.' In a number of cases under this law it has been held that the

cause of accusation must be a crime punishable under the criminal law. In England impeachment has been to some extent considered a mode of trial to punish crime, although a judgment of guilty was no bar to an indictment and conviction for the same offense. In this country, while some of the cases hold that to constitute an impeachable offense it must be such as could be punished under the criminal law, yet in the majority of cases it is held that this requirement is unnecessary, and we are constrained to adopt the latter view. Judge Lawrence, in 6 American Law Register (N.S.) 649, in discussing the meaning of the word, says: "The word "misdemeanor" has a common law, a parliamentary, and a popular sense. In a parliamentary sense, as applied to officers, it means maladministration or misconduct, not necessarily indictable." Demeanor is conduct, and misdemeanor is misconduct in the business of his office. It must be in matters of importance and be of a character to show a willful disregard of duty. * *"

The article in the American Law Register (September 1867), vol-

The article in the American Law Register (September 1867), volume 15, page 641, by Judge William Lawrence, of Ohio, referred to above, develops the propositions that—

"High crimes and misdemeanors' as used in the British and our Constitution are not limited to crimes defined by statuted as

Constitution are not limited to crimes defined by statute or as

Constitution are not limited to crimes defined by statute or as recognized at common law" (p. 647).

"That the word 'high' applies as well to 'misdemeanors' as to 'crimes' (2 Chase's Trial, 383; note, p. 645).

"The result is that an impeachable high crime or misdemeanor is one in its nature or consequences subversive of some fundamental or essential principle of government or highly prejudicial to the public interest, and this may consist of a violation of the Constitution, of law, of an official oath, or of duty, by an act committed or omitted, or, without violating a positive law, by the abuse of discretionary powers from improper motives or for an improper purpose" (p. 680).

The majority opinion in the Nebraska case has been cited as controlling and commented on in State v. Donohue (1912) (91 Nebr.

purpose" (p. 680).

The majority opinion in the Nebraska case has been cited as controlling and commented on in State v. Donohue (1912) (91 Nebr. 321), Hiatt v. Tomlinson (1916) (100 Nebr. 57), Keifer v. Smith (1919) (103 Nebr. 677). It was differentiated in the dissenting opinion in State v. Donohue, supra, and it was cited with approval in Hoffman v. Yoe (1899) (9 Kans. App. 415), Garff v. Smith (1906) (31 Utah at 109), State v. Robinson (1906) (111 Ala. 485), Ferguson v. Maddox et al. (1924) (114 Tex. 85 at 96).

The principle declared in these cases is contrary to the theory that "general misconduct" without corruption, fraud, or evil intent will support a judgment in impeachment:

State v. Donahue (91 Nebr. at 321): "This construction has been adopted by this court: 'But where such act results from a mere error of judgment or omission of duty without the element of fraud, or where the alleged negligence is attributable to a misconception of duty rather than a willful disregard thereof, it is not impeachable, although it may be highly prejudicial to the interests of the State', State v. Hastings (37 Nebr. 96)."

In one of the dissenting opinions, holding that the above citation was not in point, the principle was not disputed, but recognized (at p. 337) and the practice under the statute differentiated from that under the Constitution:

"The precedents show that the word 'willfully', as used in a statute imposing duties on a public officer and providing penalties for the violation of those duties, does not mean, as stated in the opinion of the majority, 'some evil intent, or legal malice, or at least be without sufficient grounds to believe that he is performing his duty.'

or at least be without sufficient grounds to believe that he is performing his duty."
"In State v. Hastings (37 Nebr. 96) cited to sustain the opinion

"In State v. Hastings (37 Nebr. 90) cheet to sustain the opinion of the majority, the court was trying an impeachment for 'misdemeanor in office'—a technical term used in the Constitution. Its meaning is not the same as the term construed in this case—willfully fail, neglect, or refuse to enforce any law.' The case

'willfully fail, neglect, or refuse to enforce any law.' The case is not in point.

High v. Tomlinson (100 Nebr. 51) was an action on a statute for removal of a supervisor of a county from his office. The majority opinion held that it must be clearly shown that the action of the official was prompted by some evil intent or legal malice, or at least without sufficient grounds to believe that he was properly performing his duty, and said:

"The holding of the trial court is in harmony with the law as announced in the above cases (many of which had been

"The holding of the trial court is in harmony with the law as announced in the above cases (many of which had been digested) and is also well within our holding in State v. Hastings (37 Nebr. 96)."

Some of these cases have a State statute for removal from office for cause less than high crimes and misdemeanors as their legal premise. Therefore their value as judicial statements of what is the law is high. the law is high.

the law is high.

In Hoffman v. Yoe (9 Kans. App. 394) the action was civil—quo warranto—but the court held (p. 409) that "the charge is of a criminal nature." At page 410: "The power of removal conferred by the statute must be pursued with strictness according to its terms." At 413: "It is the duty of the court to determine whether the findings of the committee constitute an offense in the eyes of the law to justify the act of removal. It was so considered in Rogers v. Morrill (55 Kans. 737, 42 Pac. 355)." At 414: "The law intends that an officer shall be removed for cause only, and those causes are specifically enumerated in the statute. * * * It is causes are specifically enumerated in the statute. * * * It is evident that the legislature did not intend that these State officers should be at the caprice or mercy of the Chief Executive, or of a legislative committee convened at his suggestion. Substantial and not frivolous charges against the officer are necessary to secure his removal." (Cites many authorities, including State v. Hastings 37 Nebr. 96.)

Garff v. Smith ((1895) 31 Utah 109) holds that a public officer is not liable even in a civil suit for damages resulting from the per-

formance of judicial duties in the absence of averment and proof

formance of Judicial duties in the absence of averment and proof that he acted with malice or through fraud and corruption.

The opinion cites many authorities in support of this principle, including State v. Hastings (37 Nebr. 96, 55 N. W. 774), and Daniels v. Hathaway (65 Vt. 247, 26 Atl. 970, 21 L. R. A. 377).

It follows that a Federal judge is not liable in impeachment to ouster in the absence of averment and proof that he acted with malice or through fraud and corruption.

State or real Attorney General v. Robinson ((1895) 111 Ala 482).

State ex rel. Attorney General v. Robinson ((1895) 111 Ala. 482), an impeachment proceeding trying a judge of probate for habitual intoxication, held:

"As to those officers impeachable by and before the courts, the proceeding is strictly judicial. Whatever may be the rules of procedure of the Senate, sitting as a court for the trial of an impeachment case, as to those officers now or formerly triable before that body, it is certain that in the trial of an impeachment cause by a court of justice, in any of those cases now committed to the judicial department for trial, the court proceeds to make strict judicial cial department for trial, the court proceeds to make strict judicial investigation, according to judicial methods. Such proceedings are criminal in their nature, and are governed by the rules of law applicable to criminal causes. Before a defendant can be convicted it is incumbent on the State to prove his guilt to the satisfaction of the court beyond reasonable doubt. The constitutional and statutory provisions on the subject are to receive strict construction. (Exparte Buckley, 54 Ala. 559; The State v. Seawell, 64 Ala. 228; The State v. Tally, 102 Ala. 25.)

"* * As said by Judge Story, it is not compatible with the genius of our institutions to make that a crime at one time, or in one person, which would be deemed innocent at another time or in another person (1 Story on Constitution, sec. 797; The State v. Hastings, 37 Nebr. 115)."

another person (1 Story on Consuttation, Hastings, 37 Nebr. 115)."

Ferguson v. Maddox ((1924), 114 Tex. 85; 263 S. W. 888): The questions certified for decision involved the question whether the difference between the Federal Constitution and the Texas Constitution in respect to the omission from the Texas Constitution of the designation of impeachable offenses leads to the conclusion that Governor Ferguson "was convicted of and punished for ofthat Governor Ferguson" was constitution and laws of this State" fenses not defined by the constitution and laws of this State" (p. 90).

The brief for Governor Ferguson contained the following: "It will be noted that while the Constitution of the United States defines the acts or offenses for which the President, Vice President, and other civil officers of the United States may be impeached and removed from office there is an entire absence from our constitution of any such definition or statement of the acts or offenses for which a Governor may be impeached or removed from office" (n. 38)

acts or offenses for which a Governor may be impeached or removed from office" (p. 88).

The brief for Mr. Maddox contained the following:

"Article 15, Texas Constitution, is self-enactive, and leaves it to the senate to convict on such offenses as in their judgment are sufficient for removal and disqualification

* * "" (p. 89).

The court decided and held that * * the constitution sufficiently indicates what offenses are impeachable * * ""

In arriving at that decision the Court said:

In arriving at that decision the Court said:

"While impeachable offenses are not defined in the Constitution, they are very clearly designated or pointed out by the term impeachment", which at once connotes the offenses to be considered and the procedure for the trial thereof.

"Impeachment", at the time of the adoption of the Constitution, was an established and well-understood procedure in English and American parliamentary law, and it had been resorted to from time to time in the former country for perhaps 500 years. It was designed, primarily, to reach those in high places guilty of official delinquencies or maladministration. It was settled that the wrongs justifying impeachment need not be statutory offenses or commonlaw offenses, or even offenses against any positive law. Generally speaking, they are designated as high crimes and misdemeanors; which, in effect, meant nothing more than grave official wrongs.

"In the nature of things, these offenses cannot be defined, except in the most general way. A definition can, at best, do little more than state the principle upon which the offense rests. Consequently, no attempt was usually made to define impeachable offenses, and the futility, as well as the unwisdom, of attempting to do so has been commented upon.

"In the Constitution of the United States impeachable offenses are designated as 'treason, bribery, or other high crimes and misdemeanors' (Constitution of the United States, art. II, sec. 4). Substantially the same language is used in many of the State constitutions. In others 'misdemeanors in office', 'maladministration', 'oppression in office', and the like, are declared to be impeachable offenses.

"When the Constitution of Texas was adopted it was done in the

"When the Constitution of Texas was adopted it was done in the light of, and with the full knowledge and understanding of, the principles of impeachment as theretofore established in English principles of impeachment as theretofore established in English and American parliamentary procedure. The Constitution, in this matter of impeachment, created nothing new. By it something existing and well understood was simply adopted. The power granted to the House to 'impeach' and the Senate to try 'impeachment' carries with it, by inevitable implication, the power to the one to prefer and to the other to try charges for such official delinquencies, wrongs, or malfeasances as justified impeachment according to the principles established by the common law and the practice of the English Parliament and the parliamentary bodies in America. The grant of the general power of 'impeachment' properly and sufficiently indicates the causes for its exercise.

"It is said this construction of the Constitution confers arbitrary and unrestrained power on the Senate. Not so at all. There is no

such thing under our Government as arbitrary power. As has often been said, it is a government of laws, and not a government of men. We most emphatically repudiate the idea that any officer may be arbitrarily impeached. In the exercise of its exalted jurisdiction the Senate must proceed according to law" (pp. 96, 97).

And the Court further said (p. 98):

"There is no warrant for the contention that there is no such thing as impeachment in Texas because of the absence of a statutory definition of impeachable offenses."

The Court referred to authorities, including State v. Hastings

(37 Nebr. 96), saying at page 99:
"The following, among others, have been consulted and generally support the conclusions reached ..."

The Maine case cited supra uses language assuming that the proceeding is criminal in character, thus:

"In special courts, established for the trial of officers alleged to be unfaithful, such as courts of impeachments and courts martial, we believe it is the universal practice for the court to pass first upon the truth or falsity of each charge before passing sen-

Handbook of American Constitutional Law, by Henry Campbell Black, fourth edition, 1927, pages 142–143 states:

"Impeachment

"Treason and bribery are well-defined crimes. But the phrase other high crimes and misdemeanors' is so very indefinite that practically it is not susceptible of exact definition or limitation, practically it is not susceptible of exact definition or limitation, but the power of impeachment may be brought to bear on any offense against the Constitution or the laws which, in the judgment of the House, is deserving of punishment by this means or is of such a character as to render the party accused unfit to hold and exercise his office. It is, of course, primarily directed against official misconduct. Any gross malversation in office, whether or not it is a punishable offense at law, may be made the ground of an impeachment. But the power of impeachment is not restricted to political crimes alone. The Constitution provides that the party convicted upon impeachment shall still remain liable to trial and punishment according to law. From this it is to be the party convicted upon impeachment shall still remain liable to trial and punishment according to law. From this it is to be inferred that the commission of any crime which is of a grave nature, though it may have nothing to do with the person's official position, except that it shows a character or motives inconsistent with the due administration of his office, would render him liable to impeachment. It will be perceived that the power to determine what crimes are impeachable rests very much with Congress. For the House, before preferring articles of impeachment, will decide whether the acts or conduct complained of constitute a 'high crime or misdemeanor.' And the Senate, in trying the case, will also have to consider the same question. If, in the judgment of the Senate, the offense charged is not impeachable, they will acquit; otherwise, upon sufficient proof and the concurrence of the necessary majority, they will convict. And in either case there is no other power which can review or reverse their decision." decision.

SIX LEGAL NAUGHTS CANNOT BECOME A LEGAL UNIT OF GENERAL MISBEHAVIOR

SIX LEGAL NAUGHTS CANNOT BECOME A LEGAL UNIT OF GENERAL MISBEHAVIOR

An able defense of a judgment of guilty against Judge Robert W. Archbald on a blanket count, charging a general course of misconduct which embodied all the various acts alleged in 12 other articles, was made by Hon. Wrisley Brown, Special Assistant to the Attorney General, who conducted the original investigation and assisted in the trial of the case before the Senate (see XXVI Harvard Law Review 684). But in Judge Archbald's impeachment he was convicted by an overwhelming vote on the first, third, fourth, and fifth articles (48 Congressional Record, 9051). All of said articles except fourth charged the respondent with the use of his official power and influence to secure business favors and concessions in transactions relating to coal properties, from railroad companies and their subsidiaries having litigation before his court. The fourth-article, of which he was convicted, charged secret correspondence between the respondent and counsel for a railroad company regarding the merits of a case then pending before his court. This was collectively using specific convictions involving corruption and evil intent to make a unit. It cannot be regarded as a precedent for collectively using six acquittals—all of the specific charges—to make a unit for conviction.

The principle of government endangered by interpretation of the words "high crimes and misdemeanors" to connote transactions like the foregoing is similar to that referred to in Rathbun v. U. S. (May 27, 1935), which turned upon the removal of William E. Humphrey from the Federal Trade Commission by the President, without the existence of any of the causes enumerated in the Federal Trade Commission Act. The Supreme Court held:

"* * as to officers of the kind here under consideration, we hold that no removal can be made during the prescribed term for which the officer is appointed, except for one or more of the causes named in the applicable statute."

The Court stated the principle thus:

"Fo

precludes him from imposing his control in the house of another who is master there. James Wilson, one of the framers of the Constitution, and a former Justice of this Court, said that the independence of each department required that its proceedings 'should be free from the remotest influence, direct or indirect, of either of the other two powers.' (Andrews, the Works of

of either of the other two powers.' (Andrews, the Works of James Wilson (1896), vol. 1, p. 367.)

And Mr. Justice Story in the first volume of his work on the Constitution, fourth edition, section 530, citing no. 48 of the Federalist, said that neither of the departments in reference to each other "ought to possess, directly or indirectly, an overruling influence in the administration of their respective powers." And see O'Donoghue v. United States, supra, at pages 530-531.

"The power of removal here claimed for the President falls within this principle, since its coercive influence threatens the independence of a commission, which is not only wholly disconnected from the executive department but which, as already fully appears, was created by Congress as a means of carrying into operation legislative and judicial powers and as an agency of the legislative and judicial departments."

In my opinion, the respondent was not guilty, not having been

In my opinion, the respondent was not guilty, not having been found guilty by a vote of two-thirds of the Senators present, of

any charge in the indictment which is impeachable.

Assuming that the decision by the Senate did not find, by a two-thirds vote of Senators present, any of the allegations in articles I to VI, then we are left with only two alleged transactions to support "general misbehavior", which received the requisite two-thirds majority, namely:

April 4, 1929, the respondent accepted \$2,000 and a large amount of securities of Olympia Improvement Corporation, a corporation or securities of Olympia improvement Corporation, a corporation organized to develop holdings within the jurisdiction of the court, as a fee or gratuity from Mulford Realty Corporation;

April 14, 1929, the respondent accepted \$7,500 as a fee or gratuity from J. R. Francis, who then held large property interests within the jurisdiction of the court.

It is my opinion that as a matter of law which should govern the Senate these transactions without evil intent corruption or

the Senate, these transactions, without evil intent, corruption, or illegality, so soon following the severance of his connection with his practice as a lawyer as to be a part of the winding up of his practice (his office of judge began Feb. 15, 1929, 2 months before then, and 7 years ago) cannot constitute "general misbehavior" or "high crimes and misdemeanors."

WARREN R. AUSTIN.

MEMORANDUM OPINION OF SENATOR BENSON IN THE MATTER OF THE IMPEACHMENT OF HALSTED L. RITTER

Aside from all the legalistic reasoning of the learned lawyers and the managers on the part of the House, these facts remain:

The United States Senate has been sitting as the highest Court in the land; this prosecution on the part of the House is the highest form of prosecution known to our law, and the punishment to be inflicted is the most severe that can be imposed upon a man in public office.

The managers on the part of the House have made sweeping statements which are not supported by the evidence. There have been insinuations and suspicions, but were we to convict this man

been insinuations and suspicions, but were we to convict this man on mere suspicion and insinuation?

Ordinarily I fear that I would be more critical of any judge or court than would be the average citizen, and surely more critical than the average Senator, but when we are asked to sit as a court and judge this man, then I am constrained by the fact that I sit as a judge or juror, charged with the responsibilities and bound by the restrictions that should restrain any judge or juror trying a present charge against any American citizen. I am bound by the criminal charge against any American citizen. I am bound by the principles of American justice, which require that before finding a man guilty I must be convinced of that guilt "beyond a reasonable doubt." I could not, on the evidence presented, pronounce this respondent guilty and still remain at peace with my own con-

The respondent is of a political faith that constitutes a minority The respondent is of a political faith that constitutes a minority in this Court and a minority in his district where opposing political domination is decisive and powerful. Every inch of his pathway in public life has been critically and minutely examined. He has tried more than 7,000 cases. In only 1 of those 7,000 cases was there any cause for suspicion, and from that one arose the seven criminal charges which were filed against him. I can condemn him for folly, but I cannot convict him of this crime and punish him in the manner prescribed.

The very capacity in which we sit as the highest Court in the land constrains us to divorce ourselves from every political character that attends our normal functioning as lawmakers, and to put aside every thought of partisanship.

only 11 times in the century and a half of our national life has the Senate sat as a Court of Impeachment. In only three of

these instances has there been a finding of guilt.

Many of the more than 200 Federal judges in the United States have rendered decisions on issues clearly drawn between the welhave rendered decisions on issues clearly drawn between the welfare of the public and the welfare of concentrated capital. So frequently have the rulings favored wealth and power against public interest that, whether justly or unjustly, our Federal courts too often have come to be publicly viewed as oppressors of small offenders and refuges for vested interests. Even under instances of equal evidence of guilt, I would much rather be a party to removing from office the Federal judge who violates his public trust by undue favoritism shown special privilege, or one who abuses his great powers by rendering political or economic decisions, or one who misuses his judicial cloak by making political public utterances, than I would be a party to removing one accused of more

clearly defined offenses, the effect of which may be far less detrimental to the public interest.

But I am not convinced of the respondent's guilt, and in bespeaking condemnation of political decisions and economic decisions by the Federal courts I feel that we, sitting ourselves as a Court, must exercise caution that we do not fall into the error of injustice which we ourselves condemns. injustice which we ourselves condemn.

ELMER A. BENSON.

MEMORANDUM OPINION OF SENATOR M'ADOO IN THE MATTER OF THE IMPEACHMENT OF HALSTED L. RITTER

I do not take the view that an impeachment of a judge of the I do not cake the view that an impeachment of a judge of the inferior Federal courts under the Constitution of the United States is a criminal proceeding. The Constitution itself has expressly denuded impeachment proceedings of every aspect or characteristic of a criminal proceeding. This is made clear in article II, section 3, which provides:

"Judgment in cases of impeachment shall not extend further than to removal from office, and disqualification to hold and enjoy any office of honor, trust, or profit under the United States; but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law."

Upon conviction, removal from office is the sole punishment un-

less the Senate shall, by vote, add to it "disqualification to hold and enjoy any office of honor, trust, or profit under the United States." The last sentence of this same article II, section 3, expressly provides that the convicted party "shall nevertheless be liable and subject to indictment, trial, judgment, and punishment, according to law."

according to law. Obviously, the purpose of the framers of the Constitution was primarily to remove from office and disqualify from holding office a judge found guilty of misbehavior, or a want of good behavior within the meaning of the Constitution; but, if, as elements of misbehavior, it was shown in the trial that the accused had been guilty of crimes or misdemeanors under the laws of the United States, he could be punished therefor in a criminal proceeding in the courts of proper jurisdiction. It was not, therefore, necessary to prove the respondent guilty beyond a reasonable doubt, as is the rule in cases where persons are accused of crimes or misdemeanors involving loss of life, liberty, or property.

I approach this subject from the standpoint of the general con-

approach this subject from the standpoint of the general conduct of this judge while on the bench, as portrayed by the various counts in the impeachment and the evidence submitted in the trial. The picture thus presented is, to my mind, that of a man who is so lacking in any proper conception of professional ethics and those high standards of judicial character and conduct as to constitute misbehavior in its most serious aspects, and to render him unfit to hold a judicial office.

Among other things, the impeachment charges that the Respondent Ritter allowed his former law partner, A. L. Rankin, a fee of \$75,000 in the Whitehall Hotel receivership case; that out of said fee Rankin paid Ritter \$4,500 in cash—\$2,500 on December 24, 1930, and \$2,000 in April 1931. The fact that these payments were made in cash instead of by check and that they are the only transactions between Ritter and Rankin where cash passed be-tween them, Rankin having given Ritter checks for all other payments made to him, evidences a guilty stain which no explana-tion can erase. The explanation advanced is that Rankin owed Ritter \$5,000 for the purchase, some 2 years previously, of the interest of said Ritter in the partnership firm of Ritter & Rankin. It is significant that no payments were made on account of the alleged sale to Ritter by Rankin out of any moneys received during that period except from the \$75,000 fee allowed by Judge Ritter to Rankin.

It is significant, too, that when Judge Akerman, at Judge Ritter's request, allowed Rankin a "conservative fee" of \$15,000 in the spring of 1930, not one dollar of this amount was paid to Judge Ritter. This appears to have been clean money. Would not an Ritter. This appears to have been clean money. Would not an honest debtor have hastened to pay Judge Ritter out of this \$15,000 fee at least a substantial sum on account of the \$5,000 honest debtor have hastened to pay Judge Ritter out of this \$15,000 fee at least a substantial sum on account of the \$5,000 debt? He did not do it. He waited until the \$75,000 fee, fixed by Judge Ritter, had been paid, and then, within the secret walls of the Judge's chamber, where each expected that the transaction would never become known, actual cash, amounting to \$4,500, was handed to Judge Ritter by Rankin. It is incompatible with any theory of the high judicial integrity, which I conceive to be essential in a judge on the bench, to have been a party to such a transaction. The explanations are not convincing. Upon reading the evidence one is impressed with the suspicion, if not the belief, that the alleged \$5,000 debt of Rankin to Ritter was an afterthought and that it was presented as the means for justifying this cash transaction of such a questionable and incriminating character. Would not, in the circumstances, an honest judge have said to Rankin when the cash was tendered: "I will not accept cash, because it invests the transaction with a quality which I cannot endure. You honestly owe me \$5,000, and if you wish to make a payment on account, let it be made by check, as is usual between men of honor in transactions of this nature."

I am impressed with the fact that the commendable considerations which Judge Ritter advanced in his letter of July 2, 1930, to Judge Akerman when he asked that judge to relieve him of any embarrassment in fixing "the total allowance to be made Judge Rankin in the Whitehall receivership case" did not prevail with Judge Rankin, December 24, 1930. In view of the fact that Rankin owed him at that time \$5,000, that its payment might be made out of the fee he might allow Rankin, that Rankin was his former law partner, would not any judge have seen clearly

the impropriety, at least, of his rendering judgment in favor of Rankin in such circumstances? The explanation that all of the attorneys had agreed upon the fee does not satisfy, because a judge should look beyond the agreements of attorneys in matters of this sort when they are administering great trusts in their courts. That the part of this fee which went to Rankin was grossly excessive, in view of the services performed by him, is clear to my mind from the testimony adduced in the case.

I shall now pass on to the failure of Judge Bitter to report this

I shall now pass on to the failure of Judge Ritter to report this \$2,500 cash payment in his income-tax return for the calendar year 1930. This return was filed March 14, 1931. It is not a 2,500 cash payment in his income-tax return for the calendar year 1930. This return was filed March 14, 1931. It is not a complicated income-tax return. On the contrary, with the amount of income Judge Ritter had, it is a simple matter to have made a full and correct return. He willfully, or intentionally, omitted to include this \$2,500 cash payment. I cannot account for this omission on any other ground than that he knew that these were stained or tainted dollars, and that he did not wish to attract the attention of the revenue agents to this item when his tax return was being audited. Judge Ritter swore that his tax return for 1930 was "a true and complete return made in good faith for the taxable year stated, pursuant to the Revenue Act of 1928 and the regulations issued thereunder." Judge Ritter cannot claim ignorance of the law. It is a well-established rule that ignorance of the law excuses no man. Certainly ignorance of the law cannot excuse a judge, who must know the law in order that he may perform his duty to enforce it. Part V, section 51 (a), of the Revenue Act of 1928 requires "every individual having a gross income for the taxable year of \$5,000 or over, regardless of the amount of his net income" * * * to "make under oath a return stating specifically the items of his gross income and the

amount of his net income" * * * to "make under oath a return stating specifically the items of his gross income and the deductions and credits allowed under this title."

Section 146 of the same act provides (a) that "any person required under this title * * * by law or regulations made under authority thereof, to make a return, keep any records, or supply any information for the purposes of the computation, assessment, or collection of any tax imposed by this title, who willfully falls * * * to make such return, keep such records, or supply such information at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and upon conviction thereof be fined not more than \$10,000 or imprisoned for not more than 1 year, or both, together with the costs of prosecution."

1 year, or both, together with the costs of prosecution."
That Judge Ritter, a district judge of the United States, should have willfully and intentionally filed a false return under oath to

have willfully and intentionally filed a false return under oath to the Bureau of Internal Revenue is to me incomprehensible. This fact alone would, in my judgment, warrant his impeachment, Judge Ritter's explanation is as follows:

"In 1930 I had a loss of \$4.874 and some cents, which is fully explained in my income-tax return. * * * I made out that report on the 14th of March, just the day before it was due, and I put down that loss and I did not in my report put down \$5.300 (this includes the \$2,500 cash payment from Rankin) that I had taken in because after taking out my exemption, it left only \$1,800 over against \$4,800, which showed no income payable. * *

"There would not have been one dollar due if I had put in that money that I had received, and my loss was O. K.'d by the Department and was accepted and marked 'paid.'"

This explanation is wholly untenable. He was, under the mandate of the statute, required to make a true and complete return This explanation is wholly untenable. He was, under the mandate of the statute, required to make a true and complete return of all of his income in order to enable the Bureau of Internal Revenue to audit his account and to make "the computation, assessment, or collection" of any tax that might be due from him to the United States. No taxpayer is permitted to audit his own return and determine for himself whether his losses outbalance his income, and therefore omit to make "the true and complete return" required by law. If every taxpayer was permitted to do what Judge Ritter did in this instance, the Government would be defrauded of hundreds of millions of dollars in income taxes. Judge Ritter attempts to justify his false return by saying: "My loss was O. K.'d by the Department and was accepted and marked 'paid." This, of course, means nothing. If the "Department", or Bureau of Internal Revenue, O. K.'d his incomplete return without having made any effort to discover whether or not the judge had made a complete return of his income, this endorsement is of no value and does not signify that the Bureau of Internal Revenue approved a false return, which it did not know was false. It perhaps presumed that a judge of the United States court would not, under oath, falsely state the amount of his income.

In the matter of the appointment of a receiver for the Whitehall Building & Operating Co. I cannot find any justification for the assertion by Judge Ritter of jurisdiction in that case. Holland had the required amount of bonds (\$50,000) to maintain a foreclosure suit against the property. Upon the solicitation of Rankin, and in collusion with Richardson, Metcalf, Sweeny, and Bemis, Holland had been induced to employ Rankin to bring an action in Judge Ritter's court.

Before the suit was actually filed, namely, on October 10, 1929.

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Before the suit was actually filed, namely, on October 10, 1929, Holland telegraphed Rankin to "withhold filing foreclosure bill until further advice." The next day, October 11, Rankin telegraphed Holland: "Foreclosure bill mailed clerk court Miami

esterday afternoon."
On October 10, the same day that he received Holland's telegram, Rankin wrote the clerk of the court at Miami, enclosing bill of complaint in the Whitehall case, naming Holland et al as complainants and requesting the clerk to "lock up this bill as soon as it is filed and hold it until Judge Ritter's return, so

that we will not have any newspaper publicity before our application is heard before the judge." This unquestionably reflects an evil purpose. Rankin was about to lose his prey. He could easily have withdrawn the bill from the clerk, as requested by Holland, but, instead of doing that, he busied himself in an effort to secure intervenors in the case so that he might, if possible, file the bill in spite of Holland's directions and make it stick upon the interventions.

Why should the bill be held until Judge Ritter's return? This brings out in bold relief the pattern of the design which was to carry out the plan predetermined by Richardson, Rankin, Metcalf, and others to secure a receivership of the Whitehall Hotel,

Ritter was essential.

In reply to further telegrams from Holland, dated October 14 and October 16, Rankin wired Holland October 17: "As requested, will not make application for you for receiver Whitehall pending instructions"; and on October 18 Rankin again wired Holland, saying: "Other first-mortgage bondholders Whitehall have intervened and will apply court tomorrow 10:30 a. m. for appointment of receiver."

Holland was in Miami on October 28, 1929, and testifies that

Holland was in Miami on October 28, 1929, and testifies that he "met Mr. Rankin in the courthouse corridor" before the case was called for hearing. He testifies further that he said to Rankin that he "was there in person" * * and that he "desired to appear for" himself, and "did not want his (Rankin's) services longer." On the same day, October 28, 1929, the case came on for hearing before Judge Ritter. Rankin had been discharged as attorney for Holland and had been told by Holland not to prosecute, in his behalf, the application for a receivership.

Holland, who is a lawyer of reputation in Boston, Mass., appeared in person in Judge Ritter's court, and, according to Ritter's own testimony, Holland said: "I am a lawyer; I reside in Boston; I am the plaintiff in this case, and I do not desire anything done in this case." This was tantamount to a request by Holland for a dismissal of the action. Judge Ritter testified before the Senate that he said, in reply to Holland: "Well, have you been paid?" Ritter further stated: "Naturally, the inference occurred to my mind that the plaintiff had been bought off, or that he was instituting this case and wanted to keep it on the that he was instituting this case and wanted to keep it on the books as a sort of a hold-up proposition. I could not tolerate such a thing of that kind in my courts; and I told him that I did not think that a nonresident should come into my court and did not think that a nonresident should come into my court and start a case, when he had counsel present; and if he was to control the case, it occurred to me, when he had lawyers present, and I should act upon what he said, I did not see how we could ever make progress in the case and get it to final conclusion. If a nonresident had to be notified about the case, and was conducting his own case, I did not see how we could ever push the case through."

case through."

In the first place, Judge Ritter was, without justification, insulting to Holland when he asked, "Well, have you been paid?"
There was certainly nothing in the record to warrant such an assumption on the judge's part. Moreover, why did the judge say to him that he "did not think that a nonresident should come into my court and start a case and then stand up when it came up on this important matter of a receivership and say that he did not want anything done in the case when he had counsel present"?

Holland is an American citizen. It is true that he was a resi-

Holland is an American citizen. It is true that he was a resident and citizen of the Commonwealth of Massachusetts, but one of the distinct reasons for the jurisdiction of the United States courts is diversity of citizenship. Holland, as a "nonresident", had as much right to the protection of Judge Ritter's court as a citizen of the State of Florida. He was particularly entitled to courteous treatment by the court, especially in view of the fact that he did not have "lawyers present", since he had discharged Rankin as his attorney and was, of necessity, forced to appear in his own healt.

Rankin as his attorney and was, of necessity, forced to appear in his own behalf.

I think that Holland was entitled to a dismissal of the proceeding, without regard to technicalities. Apparently the suit was not dismissed because the proceeding would have failed since Holland was the only complainant who could qualify the action with the required amount of bonds; namely, \$50,000. It appears that an effort had been made to introduce, hastily, intervenors in the action, representing, in the aggregate, some \$7,500 of bonds; but with Holland out, the court could not take jurisdiction. The assertion of jurisdiction in this case seems to me to have been essentially arbitrary and tyrannical.

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As recently as April 6, 1936, the Supreme Court of the United States, in the case of J. Edward Jones, petitioner, v. Securities and Exchange Commission, rendered a decision which is directly in

point:

"The general rule is settled for the Federal tribunals that a plaintiff possesses the unqualified right to dismiss his complaint at law or his bill in equity unless some plain legal prejudice will result to the defendant other than the mere prospect of a second litigation upon the subject matter (Pullman's Palace Car Co. v. Transportation Co., 171 U. S. 138, 145–146). In announcing the rule, this Court approved and cited as authority the decision rendered by Chief Justice Taft, then circuit judge, in Detroit v. Detroit City Ry. Co. (55 Fed. 569). The opinion in the latter case, reviewing the English and American authorities, states the rule as follows:

"It is very clear from an examination of the authorities."

"'It is very clear from an examination of the authorities, English and American, that the right of a complainant to dismiss his bill without prejudice, on payment of costs, was of course except in certain cases. * • The exception was where a

dismissal of the bill would prejudice the defendants in some other way than by the mere prospect of being harassed and vexed by future litigation of the same kind.'

future litigation of the same kind."
"Chicago & A. R. R. Co. v. Union Rolling Mill Co. (109 U. S. 702, 713-715); Barrett v. Virginian Ry. Co. (250 U. S. 473, 476); McGowan v. Columbia River Packers' Assn. (245 U. S. 352, 358); Veazie v. Wadleigh (11 Pet. 55, 61-62); Confiscation Cases (7 Wall. 457-458). The foregoing decisions, together with others, are reviewed in an opinion delivered by Chief Justice Taft in Ex parte Skinner & Eddy Corp. (265 U. S. 86), and the conclusion stated

as follows:
"The right to dismiss, if it exists, is absolute.

"The right to dismiss, if it exists, is absolute. It does not depend on the reasons which the plaintiff offers for his action. The fact that he may not have disclosed all his reasons or may not have given the real one cannot affect his right.

"The usual ground for denying a complainant in equity the right to dismiss his bill without prejudice at his own costs is that the cause has proceeded so far that the defendant is in a position to demand on the pleadings an opportunity to seek affirmative relief and he would be prejudiced by being remitted to a separate action. Having been put to the trouble of getting his counter case properly pleaded and ready, he may insist that the cause proceed to a decree."

The law and the testimony in this case convince me that the

The law and the testimony in this case convince me that the The law and the testimony in this case convince me that the plaintiff had the unqualified right to dismiss the bill. None of the categories described in the foregoing decisions of the highest Court of the land was present in this case. But a receiver was appointed, nevertheless. The weight of evidence seems to me to establish the fact of a conspiracy because each man who was a party to the effort to promote the receivership was recognized in the particular position which he expected to receive if the court took jurisdiction. Richardson was receiver; Metcalf was his attorney; Sweeny and Bemis ran the hotel, and Rankin continued to represent Holland, who had dismissed him as his attorney. Ritter represent Holland, who had dismissed him as his attorney.

had functioned perfectly.

One must judge these matters by the effect of men's actions in order to determine the motive. All that happened in this case was not mere coincidence. It was design.

The gift from Francis was not explained to my satisfaction. No honest judge should, for one moment, accept gifts of large amounts of cash or valuable things of any sort. The donor in this case may not have had an evil purpose. I grant that he had not, but that does not alter the standard which I think should not, but that does not alter the standard which I think should govern the judges of every court in the land. We get a picture of the mind of this respondent by one answer he gave. Senator Reynolds propounded this question to Judge Ritter: "Why did you accept a \$7,500 gift from Mr. Francis?" Judge Ritter replied: "Why, I accepted it because it was a gift—he was a friend of mine—just the same as I would accept a gift from anybody." (The italics are mine.) Does not this answer betray a perverted state of mind for any man who wears the judicial ermine? Does not this give an illuminating view of the ethical standards which govern of mind for any man who wears the judicial ermine? Does not this give an illuminating view of the ethical standards which governed him? Would not the general acceptance of the practice of taking gifts "from anybody", which by every implication of Judge Ritter's answer, he considers proper, destroy all confidence in the administration of justice in our courts? I cannot, myself subscribe to any such theory or practice. If Judge Ritter would accept a gift "from anybody", how could he impartially discharge the duties of his high trust?

The Good Book says: "A gift doth blind the eyes of the wise and pervert the words of the righteous." (Deut. 16:19.)

This great truth from Holy Scripture has come down to us through the ages and is as definite a guide for human conduct as it was when first uttered.

through the ages and is as definite a guide for human conduct as it was when first uttered.

Good behavior, as it is used in the Constitution, exacts of a judge the highest standards of public and private rectitude. No judge can besmirch the robes he wears by relaxing these standards, by compromising them through conduct which brings reproach upon himself personally, or upon the great office he holds. No more sacred trust is committed to the bench of the United

No more sacred trust is committed to the bench of the United States than to keep shining with undimmed effulgence the brightest jewel in the crown of democracy—justice.

However disagreeable the duty may be to those of us who constitute this great body in determining the guilt of those who are entrusted under the Constitution with the high responsibilities of judicial office, we must be as exacting in our conception of the obligations of a judicial officer as Mr. Justice Cardozo defined them when he said in connection with fiduciaries that they should be when he said, in connection with fiduciaries, that they should be held "to something stricter than the morals of the market place. Not honesty alone, but the punctillio of an honor the most sensitive, is then the standard of behavior" (Meinhard v. Salmon, 249 N. Y 458).

W. G. McADOO.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 3258. An act to amend section 304 of the Revised Statutes, as amended;

S. 3395. An act to authorize the acquisition of the railroad tracks, trestle, and right-of-way of the Gulf Power Co. at the naval air station, Pensacola, Fla.; and

S. 3720. An act to authorize the Secretary of the Navy to accept on behalf of the United States the bequest of the late Henry H. Rogers, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 48) authorizing the printing of additional copies of the hearings on the bill entitled "the Revenue Act of 1936", in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bill and joint resolution, each with amendments, in which it requested the concurrence of the Senate:

S. 3413. An act to give effect to the convention between the United States and certain other countries for the regulation of whaling, concluded at Geneva September 24, 1931, signed on the part of the United States March 31, 1932, and for other purposes; and

S. J. Res. 233. Joint resolution providing for the participation of the United States in the Great Lakes Exposition to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purposes.

The message also announced that the House had passed the following bills and joint resolution, in which it requested

the concurrence of the Senate:

H.R. 149. An act to amend section 64 of the act entitled 'An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing

of fishery products, and for other purposes;

H. R. 8107. An act to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory in 1935 and 1936;

H. R. 10317. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the independence

of the State of Texas;

H. R. 10589. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes", approved August 30, 1935;

H. R. 10847. An act to authorize the acquisition of land for cemeterial purposes in the vicinity of New York City, N. Y.;

H.R. 11040. An act to deport certain aliens who secured preference quota or nonquota visas through fraud by contracting marriage solely to expedite entry to the United States, and for other purposes;

H.R. 11103. An act to extend the times for commencing and completing the construction of a bridge across the Missis-

sippi River between New Orleans and Gretna, La.;

H. R. 11140. An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States;

H. R. 11690. An act relating to the admissibility in evidence of certain writings and records made in the regular course of

H. R. 11821. An act to correct an error in section 16 (e) (1) of the Agricultural Adjustment Act, as amended, with respect to adjustments in taxes on stocks on hand, in the case of a reduction in processing tax;

H.R. 11920. An act to increase the efficiency of the Air

H. R. 11969. An act to promote national defense by organizing the Air Reserve Training Corps;

H.R. 12032. An act to amend section 10 and repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934 (48 Stat. 811), and for other purposes;

H. R. 11538. An act for the relief of the Orland reclamation project, California;

H. R. 11729. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes; and

H. J. Res. 538. Joint resolution to provide for participation by the United States in the Ninth International Congress of Military Medicine and Pharmacy in Rumania in 1937, and to authorize and request the President of the United States to invite the International Congress of Military Medicine and Pharmacy to hold its tenth Congress in the United States in 1939, and to invite foreign countries to participate in that Congress.

PETITIONS AND MEMORIALS

Mr. CAPPER presented petitions of sundry citizens of Atchison and Kansas City, Kans., praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which were referred to the Committee on Interstate Commerce.

He also presented letters in the nature of petitions from Coffevville Lodge, No. 54, Brotherhood of Railway Carmen of America, by Murl C. George, recording secretary, of Coffeyville; Coffeyville Central Labor Union, by George A. Maiden, secretary, of Coffeyville; Goodland Lodge, No. 578, International Association of Machinists, by David K. Koslowsky, recording secretary, of Goodland; Santa Fe System, Division No. 61, the Order of Railroad Telegraphers, by J. L. Elliott, general chairman, of Newton; Osawatomie Lodge, No. 365, Brotherhood of Railroad Trainmen, by W. F. Fittell, secretary and treasurer, of Osawatomie; Junction City Lodge, No. 1147, International Association of Machinists, by P. L. Higgins, secretary, of Junction City; Coffeyville Lodge, No. 1025. Brotherhood of Maintenance of Way Employees, by W. T. Jordan, secretary-treasurer, of Coffeyville; Santa Fe Lodge, No. 179, Brotherhood of Railway and Steamship Clerks, by W. P. Grattan, legislative representative, of Newton; Pratt Lodge, No. 734, Brotherhood of Locomotive Firemen and Enginemen, by O. K. Sheppard, recording secretary, of Pratt; Wichita Lodge, No. 85, Switchmen's Union of North America, by H. A. Seese, secretary, of Maize; Atchison Lodge, No. 434, Brotherhood of Railway Trainmen, by L. M. Baker, secretary-treasurer, of Atchison; Topeka Lodge, No. 1377, Brotherhood of Railway Clerks, by Charles H. Taylor, legislative representative, of Topeka; Wilson Lodge, No. 628, Brotherhood of Railway and Steamship Clerks, by George U. Henderson, secretary-treasurer, of Topeka; and the Topeka Federation of Labor, by E. L. Jenkins, secretary, of Topeka, all in the State of Kansas, praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which were referred to the Committee on Interstate Commerce.

Mr. WALSH presented a letter in the nature of a petition from Local Union No. 1841, United Textile Workers of America, of Worcester, Mass., praying for the enactment of House bill 11770, the so-called Ellenbogen national textile bill, which was referred to the Committee on Education and Labor.

He also presented a letter in the nature of a petition from the Central Labor Union, of New Bedford, Mass., praying for the adoption of the resolution (S. Res. 266, submitted by Mr. La Follette) to investigate violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively, which was referred to the Committee on Education and Labor.

He also presented a letter in the nature of a petition from the South Grafton Woman's Club, of Fisherville, Mass., praying for the enactment of the bill (H. R. 11225) to establish the National Academy of Public Affairs, providing for a board of supervisors therefor, and making an appropriation for its establishment and maintenance, which was referred to the Committee on Education and Labor.

He also presented a letter in the nature of a petition from Local Union No. 2220, United Textile Workers of America, Worcester, Mass., praying for the enactment of the bill (H. R. 9072) to rehabilitate and stabilize labor conditions in the textile industry of the United States; to prevent unemployment, to regulate child labor, and to provide minimum wages, maximum hours, and other conditions of employment in said industry; to safeguard and promote the general welfare; and for other purposes, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the transportation directors of the Worcester (Mass.) Chamber of Commerce, protesting against the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which was referred to the Committee on Interstate Commerce.

He also presented letters in the nature of petitions from Claire R. White, of Wakefield; Harry R. Brooks, chairman, protective committee, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Salem; Ralph W. Perkins, of Topsfield; George E. Sonnenberg, of Brighton; J. T. McDonnell, secretary, legislative board, Brotherhood of Railroad Trainmen, of West Springfield; Kenneth C. Williams, legislative representative, Order of Railway Conductors, Division No. 237, of Worcester; North Union Lodge, No. 74, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Marblehead; A. J. Connell, of Malden; and Richard L. Connors, secretary-treasurer, North Union Lodge, No. 74, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees (Boston & Maine R. R.), of Malden, all in the State of Massachusetts, praying for the enactment of the bill (S. 4174) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service, which were referred to the Committee on Interstate Commerce.

He also presented a resolution of the board of directors of the Lynn (Mass.) Chamber of Commerce, protesting against the enactment of the so-called Robinson-Patman anti-pricediscrimination bill, which was ordered to lie on the table.

He also presented a letter in the nature of a memorial from the officers and members of unit no. 6 of the National Union for Social Justice, of Boston, Mass., remonstrating against the enactment of the bill (H. R. 11663) to require reports of receipts and disbursements of certain contributions, to require the registration of persons engaged in attempting to influence legislation, to prescribe punishment for violation of this act, and for other purposes, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 4184. A bill to amend the last paragraph, as amended, of the act entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States", approved February 7, 1925 (Rept. No. 1906);

S. 4447. A bill for the relief of J. L. Summers (Rept. No. 1907); and

H.R. 9866. A bill to extend certain provisions of the act approved June 18, 1934, commonly known as the Wheeler-Howard Act (Public Law No. 383, 73d Cong. (48 Stat. 984)), to the Territory of Alaska, to provide for the designation of Indian reservations in Alaska, and for other purposes (Rept. No. 1908).

Mr. THOMAS of Oklahoma also (for Mr. WHEELER), from the Committee on Indian Affairs, to which was referred the bill (S. 3373) to credit the tribal funds of the Indians of the Fort Belknap Indian Reservation in Montana with certain sums expended therefrom for the purchase and maintenance of a tribal herd, and for the purchase of horses destroyed during a dourine epidemic, reported it with amendments and submitted a report (No. 1917) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 3143) for the relief of the Passaic Valley Sewerage Commissioners, reported it with an amendment and submitted a report (No. 1909) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H.R. 4953. A bill for the relief of Doris Lipscomb (Rept. No. 1910):

H.R. 6578. A bill for the relief of Joseph A. Therry (Rept. No. 1911):

H. R. 6848. A bill for the relief of the First Federal Savings & Loan Association of Shawnee, Okla. (Rept. No. 1912);

H.R. 6999. A bill for the relief of Frank Rottkamp (Rept. No. 1913); and

H.R. 7529. A bill for the relief of Mariano Biondi (Rept. No. 1914).

Mr. BAILEY also, from the Committee on Claims, to which was referred the bill (S. 4395) for the relief of the State of New Jersey, reported it with an amendment and submitted a report (No. 1915) thereon.

Mr. ADAMS, from the Committee on Banking and Currency, to which was referred the bill (S. 4470) to authorize the issuance of additional coins in commemoration of the fiftieth anniversary of Cincinnati, Ohio, as a center of music, reported it with an amendment and submitted a report (No. 1916) thereon.

PRINTING OF REVISED EDITION OF THE CONSTITUTION, ANNOTATED

Mr. HAYDEN. From the Committee on Printing I report back favorably, without amendment, Senate Concurrent Resolution 35, and I submit a report (No. 1905) thereon. I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 35), heretofore reported from the Committee on the Judiciary and referred to the Committee on Printing, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Constitution of the United States of America (Annotated), including all amendments thereto, and with citations of the cases of the Supreme Court of the United States construing its several provisions, collated under each separate provision, be compiled and revised up to date, and that the same shall be printed and bound; and that 3,000 copies shall be printed, of which 2,200 copies shall be for the use of the House of Representatives and 800 copies for the use of the Senate.

ENROLLED JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 17, 1936, that committee presented to the President of the United States the enrolled joint resolution (S. J. Res. 230) amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BENSON:

A bill (S. 4504) to confer jurisdiction on the Court of Claims to hear and determine certain suits against the United States for damages sustained by the owners of certain sailing vessels; to the Committee on Claims.

By Mr. ASHURST:

A bill (S. 4505) for the relief of M. J. Hanley and Roy W. James; to the Committee on Claims.

By Mr. WALSH:

A bill (S. 4506) to authorize the transfer of the customhouse at Salem, Mass., from the jurisdiction of the Treasury Department to the Department of the Interior; to the Committee on Finance. By Mr. McNARY:

A bill (S. 4507) to promote sustained yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife; to the Committee on Agriculture and Forestry.

By Mr. BYRNES:

A bill (S. 4508) to provide a uniform rate of pension for single Spanish-American War veterans without dependents while hospitalized; to extend hospitalization to persons recognized as veterans of the Spanish-American War under laws in effect prior to March 20, 1933; and for other purposes; to the Committee on Pensions.

By Mr. BYRD:

A bill (S. 4509) to amend sections 4892 and 4893 of the Revised Statutes; to the Committee on Patents.

By Mr. FLETCHER:

A bill (S. 4510) to amend the act entitled "An act authorizing the appointment of receivers of national banks, and for other purposes", approved June 30, 1876;

A bill (S. 4511) to amend the act entitled "An act to provide for the incorporation of credit unions within the District of Columbia", approved June 23, 1932;

A bill (S. 4512) to amend the act entitled "An act to establish a code of laws for the District of Columbia", approved March 3, 1901:

A bill (S. 4513) to amend the act entitled "An act to provide a national currency secured by a pledge of United States bonds and to provide for the circulation and redemption thereof", approved June 3, 1864;

A bill (S. 4514) to amend the act entitled "An act to pro-

A bill (S. 4514) to amend the act entitled "An act to provide a national currency secured by a pledge of United States bonds and to provide for the circulation and redemption thereof", approved June 3, 1864; and

A bill (S. 4515) to amend the act entitled "An act to provide a national currency secured by a pledge of United States bonds and to provide for the circulation and redemption thereof", approved June 3, 1864; to the Committee on Banking and Currency.

By Mr. ROBINSON (by request):

A bill (S. 4516) to provide for tuberculosis hospitals and for their operation; to the Committee on Education and Labor.

By Mr. THOMAS of Oklahoma (by request):

A bill (S. 4517) for the relief of Robert D. Baldwin; to the Committee on Indian Affairs.

By Mr. PITTMAN:

A joint resolution (S. J. Res. 253) to authorize an appropriation for the expenses of participation by the United States in a conference at Brussels to revise the Convention for the Protection of Literary and Artistic Works concluded at Bern, September 9, 1886, and revised at Rome, June 2, 1928; to the Committee on Foreign Relations.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H.R. 149. An act to amend section 64 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and

H.R. 11690. An act relating to the admissibility in evidence of certain writings and records made in the regular course of business; to the Committee on the Judiciary.

H. R. 8055. An act to provide for economic studies of the fishery industry, market news service, and orderly marketing of fishery products, and for other purposes; and

H. R. 10589. An act to amend section 32 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the

United States, and for other purposes", approved August 30, 1935; to the Committee on Commerce.

H.R. 8107. An act to authorize the coinage of 50-cent pieces in connection with the celebration of the one hundredth anniversary of the opening of the tri-State territory of east Texas, north Louisiana, and south Arkansas by Capt. Henry Miller Shreve, to be held in Shreveport, La., and surrounding territory, in 1935 and 1936; and

H. R. 10317. An act providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the independence of the State of Texas; to the Committee on Banking and Currency.

H. R. 10847. An act to authorize the acquisition of land for cemeterial purposes in the vicinity of New York City, N. V.

H. R. 11140. An act to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States; and

H. R. 11969. An act to promote national defense by organizing the Air Reserve Training Corps; to the Committee on Military Affairs.

H. R. 11040. An act to deport certain aliens who secured preference-quota or nonquota visas through fraud by contracting marriage solely to expedite entry to the United States, and for other purposes; to the Committee on Immigration.

H. R. 11821. An act to correct an error in section 16 (e) (1) of the Agricultural Adjustment Act, as amended, with respect to adjustments in taxes on stocks on hand, in the case of a reduction in processing tax; to the Committee on Agriculture and Forestry.

H. R. 12032. An act to amend section 10 and to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934 (48 Stat. 811), and for other purposes; to the Committee on Naval Affairs.

H.R. 11538. An act for the relief of the Orland reclamation project, California; to the Committee on Irrigation and Reclamation.

H. R. 11103. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.;

H. R. 11920. An act to increase the efficiency of the Air Corps; and

Corps; and

H.R. 11729. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss., and for other purposes; to the calendar.

H. J. Res. 538. Joint resolution to provide for participation by the United States in the Ninth International Congress of Military Medicine and Pharmacy in Rumania in 1937, and to authorize and request the President of the United States to invite the International Congress of Military Medicine and Pharmacy to hold its tenth congress in the United States in 1939, and to invite foreign countries to participate in that congress; to the Committee on Foreign Relations.

AMENDMENT OF FEDERAL HIGHWAY ACT

Mr. ROBINSON submitted an amendment intended to be proposed by him to the bill (H. R. 11687) to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

PRINTING OF REPORT OF SPECIAL COMMITTEE ON INVESTIGATION OF THE MUNITIONS INDUSTRY

Mr. NYE submitted the following concurrent resolution (S. Con. Res. 37), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That 44,000 copies of each part of Senate Report No. 944, submitted to the Senate pursuant to Senate Resolution 206, authorizing the appointment of a special committee to make certain

investigations concerning the manufacture and sale of arms and other war munitions, be printed for the use of the Senate Special Committee on Investigation of the Munitions Industry.

PRINTING OF PUBLICATION KNOWN AS LITTLE WATERS, ETC.

Mr. GUFFEY submitted the following resolution (S. Res. 284), which was referred to the Committee on Printing:

Resolved, That the publication entitled "Little Waters, a Study of Headwater Streams and Other Little Waters, Their Use and Relations to the Land", be printed as a Senate document, and that 6,500 additional copies be printed for the use of the Senate document room.

Mr. HAYDEN, from the Committee on Printing, to which the foregoing resolution was referred, subsequently reported it without amendment, and it was considered by unanimous consent and agreed to.

EMPLOYMENT OF CRAMPTON HARRIS, ATTORNEY, BY SPECIAL LOBBY COMMITTEE

Mr. BLACK. Mr. President, I submit a resolution which I ask to have referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 286) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Senate ratifies and confirms the action of the special Senate committee in the employment of Crampton Harris as attorney to represent the Senate in the suit filed by William Randolph Hearst in the Supreme Court of the District of Columbia against the special Senate committee acting under Senate Resolutions 165 and 184 of the Seventy-fourth Congress; and

Resolved further, That the Senate Committee to Audit and Control the Contingent Expenses of the Senate is hereby authorized to fix the amount of the feate he reld the said Committee to Audit and Control the Contingent Expenses of the Senate is hereby authorized to fix the amount of the feate he reld the said Committee to Audit and Control the Control of the feate he reld the said Committee to Audit and Control of the feate he reld the said Committee to Audit and Control of the feate he reld the said Committee to Audit and Control of the Co

Resolved further, That the Senate Committee to Audit and Control the Contingent Expenses of the Senate is hereby authorized to fix the amount of the fee to be paid the said Crampton Harris for representing the Senate in the said Supreme Court of the District of Columbia and any other courts to which said case may be taken by expendent or otherwise, and

by appeal or otherwise; and

Resolved further, That the said Senate Committee to Audit and
Control the Contingent Expenses of the Senate is authorized to
provide for payment of the expenses necessarily incurred in connection with such litigation, the payments of fee and necessary
expenses provided under this resolution to be made out of the
appropriation for miscellaneous items of the contingent fund of
the Senate.

REGISTRATION OF VOTERS IN PITTSBURGH AND ADMINISTRATION OF RELIEF

Mr. DAVIS. Mr. President, yesterday my colleague [Mr. Guffey] had printed in the Record an article from the Pittsburgh Press of April 14 concerning registration of voters in Pittsburgh.

My colleague stated that this article had been placed in the Record for my information. I was not unaware of the facts which he sought to call to my attention, because I was in Pittsburgh on Friday evening and heard these matters fully discussed.

My colleague seeks to inform me, according to his statement of yesterday, that the Democratic Party is now the majority party in the city of Pittsburgh for the first time since the Civil War. This, indeed, is not news to me. Having lived in Pittsburgh and vicinity most of my life, I have seen it go Republican regularly. However, as a matter of fact, I recall that there have been times before this when the city of Pittsburgh had two mayors belonging to the Democratic Party. Believing as I do in minority as well as majority representation, I have not taken exception to political circumstances of this kind.

I might also say, Mr. President, that we now have a Democratic mayor in the city of Pittsburgh.

My colleague asserts that the article in the Pittsburgh Press shows how the Republican lead in registration has been reduced. Having read the article carefully and observing the statistics given, I fail to see any explanation as to how the reduction in the Republican registration was accomplished. An article in the Pittsburgh Post-Gazette of April 15 seeks to explain how the reclassification of voters is effected. I shall ask that this article, which will be of interest to the Senate generally, may be printed in the Record at the conclusion of my remarks.

I introduce this article in the RECORD with regret, for it reports rumors concerning Edward N. Jones, State supervisor

of the W. P. A. in Pennsylvania, which I do not wish to believe true, because Mr. Jones and I have been friends for many years. When he came to Washington for confirmation of his appointment to his present post I urged him to take care of the relief needs of our State and to keep politics out of relief. We have known each other for years and are friends. I feel that partisan politics have no place in relief and that rumors of activities of that kind are injurious to a man's political reputation. I believe that those against whom these charges are being made in the newspapers deserve to be heard before a regularly appointed Senate committee. I do not believe that the floor of the Senate is the proper place for a consideration of these issues, because more adequate provision can be had in committee hearings. These are matters of public business which require consideration in a thoroughgoing way and should not be left to the discretion or indiscretion of back-stairs gossip.

Newspapermen have informed me that the Committee to Audit and Control the Contingent Expenses of the Senate, in whose hands authorization of an appropriation for an investigation of these matters has been committed, has decided to take no action in this matter. Knowing the high character of the distinguished Senator from South Carolina [Mr. BYRNES], the chairman of that committee, I cannot believe that this is true, else he would have so informed me. I have been led to believe that action has been delayed only temporarily. If this is not the case, I should appreciate a direct statement concerning the interment of the proposed investigation

I have no personal feeling on these issues. I desire to injure the reputation of no one. Public welfare is the deep concern of all of us. Public welfare demands that relief and work relief be continued, that they be purged from partisan politics, and the taxpayer's dollar be used as effectively as possible. In an election year I believe that charges and counter charges of misuse of relief money for political purposes deserve more consideration than on the front pages of our newspapers. If conditions in the Works Progress Administration are as they should be, those who administer this program should not object to an impartial investigation. If conditions in the Works Progress Administration are half as bad as current rumors indicate, an investigation should be authorized at once.

The only justification of an investigation of relief agencies is to discover practical ways of using Government appropriations to the best possible advantage of the taxpayers of this

Mr. President, I now ask that the article from the Pittsburg (Pa.) Post-Gazette of April 15, 1936, to which I have referred, may be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the Pittsburgh (Pa.) Post-Gazette of Apr. 15, 1936] PROBE BARES JONES TERROR RULE IN W. P. A.—WORKERS HELD PAWNS OF STATE MACHINE DIRECTOR—"SYSTEM" EXPLAINED—RECLASSIFICA-TION PLAN GIVES POLITICIANS FULL CONTROL OF JOBS

The methods by which policial terrorism was exercised on W. P. A. workers to drive them into line to establish a Democratic ajority in Pittsburgh's registration were disclosed yesterday. These facts came to light as Federal Works Progress Adminis-

trator Harry L. Hopkins' private investigators were reported yesterday to have obtained information linking high Democratic officials with the forcing of political backs on the W. P. A. pay

The "system" perfected by Eddie Jones, ex-police superintendent and political aide of various Republican and Democratic leaders over a period of years, takes the question of the livelihood of W. P. A. workers out of the hands of the theoretically nonpolitical Federal-State employment agency and puts it directly Eddie's control.

HOW THE SYSTEM WORKS

It isn't done with the aid of mirrors. It is done through what is known as a "reclassification board" that takes over the list of names of needy men when the project they are working on runs

Under the surface of the W. P. A., the "reclassification board", Eddie's own appointed group, holds sole control over whether a W. P. A. laborer gets on another project soon or at all.

The system of W. P. A. runs like this:

When a man goes first on a W. P. A. job, his name is taken from the relief rolls through the agency of the Federal-State employment agency. There the names are supposed to be picked by lot. There have been reports that Jones and his aides sometimes had something to do with the picking, as at the time, the day before last fall's general election, when 1,300 colored voters from the hill were picked, shipped to a project where there were no tools, brought back and given a "holiday" with pay on election day.

GO INTO JONES' CONTROL

But in theory the political W. P. A. staff doesn't have anything to do with picking these men. So Republicans do get on W. P. A. jobs. That was apparent Monday, when they were blackjacketed into coming into the registration office and changing to Democrats. These men selected by lot go out on their W. P. A. jobs. The project they are working on runs for a while and then ends. And then the names don't go back to the Federal-State agency lists to

then the names don't go back to the Federal-State agency lists to be picked by lot again.

They go instead to Eddie Jones' hand-picked "reclassification board", answerable to Eddie and no one else—unless Hopkins decides ultimately to look into the State's political rule in W. P. A. If the "reclassification board" approves, the workers go to another project. If it doesn't approve, the workers can go—somewhere else, so far as Eddie is concerned. They might get back on relief, if they can.

REGISTRATION CHECKED

It is when they reach the "reclassification board" that the registration of workers is looked up, if they haven't been checked

With that kind of a system, Pittsburgh "went Democratic" Monday. It day. It went Democratic under protest, but the protests weren't very loud. They weren't loud enough to reach the ears of the political bosses who rule W. P. A.

ADDRESS BY SIR WILMOTT LEWIS AT ANNUAL LUNCHEON OF ASSOCIATED PRESS

Mr. MINTON. Mr. President, on yesterday in the city of New York, at the annual luncheon of the Associated Press, Sir Wilmott Lewis, the American correspondent of the London Times, delivered a brilliant and penetrating address on the press. I ask unanimous consent that the address may be inserted in the RECORD.

Mr. JOHNSON. Mr. President, I inquire if the address referred to comes within the rule which has been suggested

Mr. MINTON. I will say to the Senator that it does. It will take less than two pages of the RECORD. I have consulted the Printing Office about it.

Mr. JOHNSON. I do not mean that rule. I mean the rule-unless I am in error, and I hope the Senator will correct me if I am—that nothing shall be placed in the RECORD except that which is said by our own citizens. Is there any such rule? If there is not, I make no objection.

Mr. MINTON. I know of no such rule. If there is, the request is clearly out of order.

Mr. JOHNSON. I am not clear about it. I make no objection particularly because of the gentleman who delivered the address, although I do not think it is a very good practice to regale ourselves in the RECORD with the remarks of those from other countries.

The VICE PRESIDENT. Is there objection to the request of the Senator from Indiana?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the Washington Post of Apr. 21, 1936]

Text of Address by Sir Willmott Lewis, American Correspondent for the London Times, at the Annual Luncheon of the Asso-

This year the Associated Press has chosen to draw two men from the writing craft to be its speakers on this occasion, and I am honored to be one of them. In the presence of so large and distinguished a group of publishers and editors it might be fitting that I adopt what Sydney Smith said bishops desired of their curates—a "dropping-down deadness of manner"—but I make no pretense to assume it. We know that our press is free, and this afternoon let us believe that every writer such as I am is also free to give his testimony "without fear or favor, affection or ill will", as the English oath demands of a witness. I shall not burden you with praise of yourselves as individuals, or with eulogy of the great organization (the greatest of its kind known to me) which you collectively represent. The cat has looked at the king, and his

majesty long since found favor in the sight of the cat.

We have been told that the duty of the newspaper is to comfort the afflicted, and to afflict the comfortable. I heartily agree. Today, when economic science, so-called, seems unable to grapple

with the problems of the poor, when the comfortable among us are tempted to consider their own security as the first and indispensable element of general progress, when the question of all questions—within nations and between nations—is whether the remedies for the ills we suffer may not be as unbearable as the ills themselves—today, if ever, the injunction of Finley Peter Dunne should be remembered.

TRILOBITES TREATED NEW IDEAS HARSHLY

Let me offer you an apologue borrowed from an English scholar. Once upon a time, much longer than 6,000 years ago, the trilobites—small marine organisms now extinct—were the only people that had eyes, and they were only just beginning to use them, and some even of the trilobites had as yet no signs of coming sight. So that the utmost they could know was that they were living in darkness and that perhaps there was such a thing as light. But at last one of them, more advanced than his fellows, happened to come to the surface of the water in the davfellows, happened to come to the surface of the water in the day-time, and he saw the sun.

So he went down and told the others that in general the world was light, but that there was one great light which caused it all. Then they killed him for disturbing the commonwealth, but later they came to consider it implous to doubt that in general the world was light and that there was one great light which caused world was light and that there was one great light which caused it all. And they had great disputes about the manner in which they had come to know this. Afterward another of them, advanced beyond his fellows, happened to come to the top of the water in the nighttime and saw the stars. So he went down and told the others that in general the world was dark, but that, nevertheless, there was a great number of little lights in it. Then they slew him also for maintaining false doctrines. But from that they they was division amount them. that time there was division among them, some maintaining one thing and some the other.

When all could see, there was perhaps an end of the matter, though I do not know whether at any time all trilobites could see. Nor do I know whether the peoples of the English-speaking nations, who are lifted to a level incredibly above that of the trilobites—and with whom I am exclusively concerned this afternoon—can yet see with that sight which is better than bodily vision.

TOLERATION TODAY FOUND A HARD DISCIPLINE

It is true that no longer, as once, do we kill the bearers of contradictory or unwelcome tidings, but the toleration we now practice is a hard discipline, a lesson to be learned anew with each generation. This brings me to the press, which is the life of all of us, and it is of the press as the servant of toleration, and thus as the servant of democracy, that I would speak here. We must put the servant of democracy, that I would speak here. We must put toleration and democracy together, for without the one the other would be unworkable. And we must put toleration first, for until it had been learned, and institutions had been made (as were yours) or adapted (as in my country) to its uses and enlargement, democracy could not live. We know that absolutism and intolerance or together but do we allowed or encountry to the country. democracy could not live. We know that absolutism and intolerance go together, but do we always or enough remember that power, even though it be short of absolutism, is the enemy of toleration? Having asked the question, let me turn to a wise and understanding student of the minds and conduct of men, Graham Wallas, who described the poston of the press as "now the most inschible replication of the press as "now

the most insoluble problem of democracy."

Why? Because, said Wallas, as long as his newspapers pay, and the telephone from his house to the editorial offices is in working order, the owner of a group of papers has more absolute irresponsibility in the use of great power than any other living man. If he is to use his power in a way helpful to the community he must aim at the two virtues, veracity and seriousness—that is to say, the more obvious virtue of taking trouble to secure that his belief is well founded. But nothing in his position, says Wallas, or in the qualities necessary to reach that position, encourages either of these virtues; and the anonymous writers whom he hires to carry out his orders have neither the personal independence of artists nor the public responsibility of experts.

I am speaking as an Englishman of England, and I say to you in all seriousness that Graham Wallas was guilty of no exaggeration. There are in the conditions of English life the elements which make this concentration of power possible—a little island, thickly populated, provided with all the modern agencies of distribution, where circulation can be, and is, national rather than regional.

NEWSPAPER OWNERSHIP "PLUTOCRACY" SUGGESTED

This has brought into existence a sort of plutocracy of newspaper ownership, metropolitan and provincial, such as I do not believe to exist anywhere else. And it leads me gravely to doubt whether the freedom of the press, in that sense of the phrase which makes it precious to us, can without serious adjustment be long allowed to cover such a condition. Remember that the day on which Macaulay pointed to the reporters' gallery and declared that there would be found a fourth estate is infinitely remote from us. The press is no longer fourth in the hierarchy of national powers—it is hardly less than the first in the sweep and continuity of its influence. It is "affected with a public interest" to a degree greater even than a common carrier, for it does not transport the bodies or the goods of men; it plays ceaselessly on the minds of men. "Few episodes in recent history are more poignant", said Walter Lippmann in a little book he published in 1920, "than that of the British Prime Minister, sitting at the breakfast table with that morning's paper before him, protesting that he cannot do the sensible thing in regard to Russia because a powerful newspaper publisher has drugged the public." And

Mr. Lippmann has my heartfelt, my passionate agreement when he adds that the incident is a photograph of the supreme danger which confronts popular government, because the news is the chief source of opinion by which government in democratic coun-

tries must proceed.

tries must proceed.

I feel it to be peculiarly fitting that I should speak of these things here, because I am addressing the members of a great organization whose purpose is not private profit but the provision of a service of news, foreign and domestic, which shall be not only full but utterly impartial, and whose record is a source of justifiable pride. I have spoken of my own country, and have no desire or intent to invite comparison with yours. But this I can say—I hope without indiscretion—that both in England and the United States the danger which confronts what we call freedom of the press is not chiefly from without, for that we can meet, but from within. It is, as I see it, a danger which grows with the growth and with the increasing integration of the newspaper system—the danger that the freedom which makes us great and useful may make some among us too great, that individuals may acquire a power which, if the freedom we demand is to be ours, they cannot be prevented from harnessing in the service of personal ambition power which, if the freedom we demand is to be ours, they cannot be prevented from harnessing in the service of personal ambition rather than of the community from which their strength flows. We are all of us, each in his place and degree, among the guardians of freedom, but "quid custodiet ipsos custodes?" asked the stern old Roman—who shall guard your own guards? I beg you earnestly to believe that these doubts are not mine alone, but that they preoccupy the minds of innumerable men within my own craft, which is that of writer, not publisher.

FEARS EXERCISE OF WILL INSTEAD OF JUDGMENT

Something of what I and my colleagues mean is to be found in one of Alexander Hamilton's Federalist papers, on the subject of the judicature, where he dwelt upon the possibility that judges might "exercise will instead of judgment."

He could not see what the press was to become, but he was speaking prophetically to the most powerful among us. Nor, when he wrote, was there anything to show him that, in a country chiefly agricultural and whose industries he was anxious to advance there would arise a corporate structure so vast and so potent as one day to demand no less than a reexamination of the ultimate problem of political economy—the problem of the relation of private property to public welfare. There has never lived, and there will never be born, a man wise and good enough to be entrusted with the irresponsible power over human thought, and the action that follows thought, which ownership of many newspapers conveys in the modern world, and the freedom to exercise it in the service of his own interests. To say that his interests might also be those of the community is to say something which might be episodically true, but cannot be generally true, it is to forget human pride and human weakness and to break with history. break with history.

RESPONSIBILITY OF PRESS IN INTERNATIONAL RELATIONS

To speak as I have spoken is, I frankly admit, to raise more argumentative hares than can be run down in a year of discussion, but so it has always been when such questions as the rights of property or the uses of freedom have been raised. Even if there were no such problem as I have suggested, there would be others as compelling, chief among which I should put the part played, or rightly to be played, by the press in the relationship of nations.

tionship of nations.

There was a time when peoples did not like each other because they were strangers. How is it that today they do not like each There was a time when peoples and not like each other because they were strangers. How is it that today they do not like each other when there is so amazing a daily diffusion of international consciousness? Is that that they know too much, or that they do not yet know enough, of each other? Here, to a degree which would make a man humble, responsibility falls on the foreign correspondent. If I may be pardoned a personal reference, I should like to say that after living in many lands, and for many years in this, I have come to see that a man's vision of a country not his own is like the reverse side of a brocade—all the threads are there, but not the sublety of color and design. When this is so of men trained by travel and experience, how should it not be so of the myriad readers whose minds are daily divided between a hundred imperfect images, none of which can be even approximately realized? It does not appear that the thinking capacity of the job is enlarging, but it is obvious that the demands upon it multiply indefinitely; and a witty friend of mine has said that mental culture reverses the process of agriculture and passes from the intensive to the extensive, going to seed over a wider and wider area, regardless of the fertility or infertility of the soil.

All this leads nowhere, or only to one point—that man may be

area, regardless of the fertility or infertility of the soil.

All this leads nowhere, or only to one point—that man may be smaller than his own aspirations, but should not be allowed to forget them. The press may be a daily reminder of all or some that is best in the world, and will be if it is true to a great tradition of toleration, which is not the smallest part of its heritage. The newspapers of today are not in all hands free but where they still have liberty and defend it—against enemies without and within—where they stand for discussion and agreement, setting themselves unbreakely against the regimentation of custom and of obedience unbreakably against the regimentation of custom and of obedience by goose-step, even the cynic may find a place for hope.

PRINCIPLES OF JEFFERSON-ADDRESS BY GOVERNOR EARLE, OF PENNSYLVANIA

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Hon. George H. Earle, Governor of Pennsylvania, at the Jefferson

The principle of human rights laid down by Thomas Jefferson are felt and feared in every branch of our national life today. They are felt through the medium of Jefferson's great Democratic successor, Franklin Delano Roosevelt, and they are feared by the rich and powerful enemies our President has made. Fortunately for America, the principles of Jefferson are in the ascendancy today.

for America, the principles of Jefferson are in the ascendancy today. Thomas Jefferson believed in a government of the people, dedicated to their welfare and responsive to their needs. He was oposed by the powerful financial interests of the Federalist Party, led by Alexander Hamilton, a man who considered the people too stupid to rule themselves. We have seen Jefferson's theory of government triumph, but, unfortunately for America, we have not seen the end of the Hamiltonians. They still exist in the present leadership of the Republican Party—a menace to Democrats and Republicans alike; above all, a menace to the future of the American system of representative government. And I believe their greatest menace lies in their control of 80 percent of the American greatest menace lies in their control of 80 percent of the American

press.

Jefferson believed in the freedom of the press. But even with his broad vision he did not foresee that a time would come when the press, as a frankly money-making institution, would sell its constitutional birthright for financial support and a few dollars' worth of advertising. He had his difficulties with the publishers of his day, because the Tories then held the money bags, just as they do now, but to his mind any such wholesale betrayal of public trust for private gain as we find in the press today would have been unthinkable. unthinkable.

I think it would be well for us to refresh our minds with Thomas Jefferson's own comment on attempts of the press to hamstring his administration's efforts to provide real democratic government in the new Nation. I quote from his second inaugural

"During this course of administration, and in order to disturb Thring this course of administration, and in order to disturb it, the artillery of the press has been leveled against us, charged with whatsoever its licentiousness could devise or dare. These abuses of an institution so important to freedom and science are deeply to be regretted, inasmuch as they tend to lessen its useful-ness, and to sap its safety; they might, indeed, have been cor-rected by the wholesome punishments reserved and provided by the laws of the several States against falsehood and defamation; but public duties more urgent press on the time of public servants, and the offenders have, therefore, been left to find their punish-

but public duties more urgent press on the time of public servants, and the offenders have, therefore, been left to find their punishment in the public indignation."

I speak particularly of this phase of Jeffersonian democracy because of a recent exchange of letters which I had, as Governor of the Commonwealth, with the editor of the Saturday Evening Post. I had read with interest a series of articles upon relief in Pennsylvania, signed by my former relief director, Robert L. Johnson. Since these articles had omitted certain pertinent facts, which Mr. Johnson hardly could have been expected to include, I asked Mr. George Horace Lorimer, in the interest of fair play, to allow me sufficient space to reply to Mr. Johnson.

I had noted, for instance, that Mr. Johnson's articles spoke of a loss of \$7,000,000, resulting from the abandoning of the local works division of the relief administration. It occurred to me that the readers of the Saturday Evening Post should be informed that Mr. Johnson, in a fit of pique because he had not been appointed Works Progress administrator, deliberately abandoned the L. W. D. without consulting the relief board, myself, or the new W. P. A. administrator. Mr. Johnson said this "wasted" \$7,000,000 just as surely as if he had used the money "to light a cigar." I thought it should be pointed out that Mr. Johnson's act, rash and childish as it was, had hardly resulted in a "loss" of \$7,000,000, but rather had merely provided a few dollars more per person for the thousands of unfortunates who were being transferred from relief to W. P. A.

I had also observed with some surprise that the articles signed. to W. P. A.

I had also observed with some surprise that the articles signed

by Mr. Johnson spoke bitterly of political interference, but at the same time admitted that Harry Hopkins and I, the only two persons having any authority over him, had backed him 100 percent in keeping politics out of relief. It seemed that Mr. Johnson was simply complaining about the suggestions made to him by persons simply complaining about the suggestions made to him by persons not in authority—and as I remember the last legislative session that advice came from Republican as well as Democratic legislators and political leaders. I was even more surprised by Mr. Johnson's complaints because at a farewell dinner given by Mr. Johnson to me and the members of my cabinet he had publicly commended David L. Lawrence, Democratic State chairman, and all my cabinet members for their policy of noninterference with relief.

I speak at some length of Mr. Johnson's articles because I consider relief for too important a problem to be confused and distorted

I speak at some length of Mr. Johnson's articles because I consider relief far too important a problem to be confused and distorted for partisan purposes, and also because I was frankly shocked to find that the editor of the Saturday Evening Post, with his pretensions to impartiality, was unwilling to give the Governor of his own State an opportunity to clarify a situation affecting not only Pennsylvania but the country as a whole. I had not believed he would dare to make such a public confession of partisan bias. Apart from that, I had not dreamed that he would be afraid to have his articles on relief subjected to the test of comparison with the facts as I proposed to present them.

Let no one misunderstand me. I have no bitterness against Mr.

Lorimer for his hit-and-run policies. Rather I am grateful to

Day dinner at the William Penn Hotel, Pittsburgh, on Tuesday, April 14, 1936.

There being no objection, the address was ordered to be printed in the Record, as follows:

The principle of human rights laid down by Thomas Jefferson are felt and feared in every branch of our national life today. not been for President Roosevelt's recovery measures Mr. Lorimer would have no magazine at all today.

not been for President Roosevelt's recovery measures Mr. Lorimer would have no magazine at all today.

One-way journalism, whether in the Saturday Evening Post or anywhere else, is not going to solve our relief problem. Our State emergency relief administrator estimates that Pennsylvania will need \$70,500,000 to carry us to the end of the year. Some of our Republican friends are already complaining that the figure is too high. They made the same complaint last year, giving the State only \$60,000,000, instead of the \$120,000,000 I recommended; and as a result of their short-sighted political manipulation of relief, we are now compelled to have a special session do the work the Republican senate refused to do last year.

Reactionary interests and their spokesmen have been complaining bitterly against Federal relief expenditures. Let me give you this picture: We are now spending \$8,000,000 a month in Pennsylvania for direct relief. The Federal Government is spending \$20,000,000 a month on W. P. A. If the Federal Government disbanded W. P. A. and threw those workers back on direct State relief, we would have to pay \$14,000,000 a month more to keep them, or a total of \$22,000,000 a month. You can get some idea of what a colossal amount that is by considering that the pet Republican 2-percent flat income tax, which would be a tax on the income of every worker in Pennsylvania, would yield only \$10,000,000 a year every worker in Pennsylvania, would yield only \$10,000,000 a year-enough to pay relief costs for about 2 weeks.

The Saturday Evening Post and the other bitter enemies of The Saturday Evening Post and the other bitter enemies of President Roosevelt are not going to help themselves or anyone else by peevish attacks upon the relief system. They may as well make up their minds that we are going to have relief with us forever unless we solve the problem of unemployment in our machine age. They can talk about Budget balancing until the cows come home, but until that problem is solved the choice is going to be between unbalanced budgets and revolution.

Our relief problem is bound up with the entire problem of the machine age. I recall that we had hard times in the winters of 1912 and 1913, because I stood on a Chicago street every night of

1912 and 1913, because I stood on a Chicago street every night of that winter from October to May, in charge of a bread line. We served food to 800 men a night—men who had no work and no means of support. They were the advance guard of what has grown to be America's vast army of men "replaced by machines."

We escaped a showdown with the machine age back in 1912 and 1913 because the European war was beginning and orders were pouring in for war materials. Then we entered the war and there was work for everybody. Afterward there was inflation caused by our newly acquired European gold, seeking safe investment. That expanded our investment markets and gave us a boom and carried us right up to 1929. Then the bubble of inflation burst.

Before 1912 we had already explored and exploited our resources.

Before 1912 we had already explored and exploited our resources. Our frontier days were over. There was no more room for expansion. The machine had helped tremendously in building up our country, but when its pioneer work was ended it became a Frankenstein monster that turned to destroy us.

Frankenstein monster that turned to destroy us.

If we had been forced to a show-down with the machine age in 1912, the problem would have been simpler, because at that time we did not have the tremendous development of the machine that we have today.

When the Roosevelt administration came into office, facing the greatest economic collapse in American history, the President developed a double-barreled program, one part to provide for the immediate emergency and the other to meet the problem of the machine.

The most important measure in the President's long-term program, and to my mind the greatest law ever written, was the N. R. A. Regulation of codes and trade practices to a great extent obscured the fundamental principle of that law—the principle of Federal control necessary to establish higher wages and shorter working hours. That principle was and is, in my opinion, our only salvation.

The Supreme Court on purely legalistic grounds destroyed the N. R. A. and gave us nothing to replace it. As a result we see all about us one of the most ominous developments of our modern times. You may have read how the Bell Telephone Co., while its profits and business were steadily increasing, was able to dismiss profits and business were steadily increasing, was able to dismiss more than 120,000 people because of the automatic dial system. You may have heard, too, of the new cotton-picking machine, which enables 2 men to do the work of 50. With such developments in mind, can you wonder that our present cycle of recovery has not brought with it a corresponding increase in employment? The machine has definitely retired millions of our workers, who will remain retired and on relief until we shorten hours and raise

I warn you that if we shut off relief and fail to meet the challenge

I warn you that if we shut off relief and fail to meet the challenge of the machine we face revolution, because empty stomachs do not reason. President Roosevelt provided a solution in the N. R. A. and saw that solution destroyed by the Supreme Court.

I admit honestly that except for raising wages and shortening hours I know no answer. On the one hand, if we continue to spend colossal sums for relief we drift toward bankruptcy. On the other, if we shut off relief and let our people starve we return to barbarism and plunge our country into revolution. The only certain thing is that we must control the machine before it de-

stroys us all; and to do that I believe we must continue to look to the wisdom and the courage of the man who has brought us this far along the road to recovery. He has given us one solution which the Supreme Court has taken away. Were it not for this great American I would fear for the future of our country. But under the leadership of Franklin Delano Roosevelt our country will find a way.

ISSUES OF THE IMPENDING CAMPAIGN-ADDRESS BY HON. JAMES A. FARLEY AT PITTSFIELD, MASS.

Mr. COOLIDGE. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Hon. James A. Farley, chairman of the Democratic National Committee, at a meeting of the Democratic organizations of four western Massachusetts counties, at Pittsfield, Mass., on Thursday evening, April 16, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

printed in the Record, as Iollows:

It's always a pleasure to talk to such an audience as this. I know of no city where I could expect a more intelligent response to a plain talk on the issues of the impending campaign which vitally affect the prosperity of the country. Yours is a manufacturing city and as such depends to a great degree on the demands of other sections of the country, particularly the great West and Southwest and Northwest, for the goods made in New England mills. If the farmers of this country are in a position to buy, their purchasing capacity is reflected in the pay rolls and balance sheets of your industrial establishments. If, on the contrary, the farm section is bankrupt, or nearly bankrupt, its misfortune is echoed by your own statistics of unemployment and general business paralysis.

ness paralysis.

We have had during the past few years an actual demonstration of this mutual dependence. Suppose we go back 4 years. I do not like to stir up unhappy memories, but you must all recall the period when a tornado of foreclosing mortgages was sweeping the agrarian belt and the producing establishments of this part of the world either were closing entirely or running on part time; when you did not know whether the strongest bank in your community would be able to keep its doors open; when taking a check was a gamble and mailing a check was a hazard. For you could not tell from day to day whether on the morrow those checks could be cashed or not.

I only ask you to contrast that time of gloom with the present.

could be cashed or not.

I only ask you to contrast that time of gloom with the present. The Yankee mills and shops, stores and hotels, may not be making as much money as they would wish, but compare their balance sheets of today with that other time, and I think you will conceive a reason to be grateful, not only for your own but for the Nation's advance in the progress toward general prosperity.

We all know that the change was not due to chance. We are all aware that had there not been a change in the policies of Government when Franklin D. Roosevelt came to the White House this country would have reached a situation in comparison with which the distress and economic disorder of the years from the fall of 1929 to 1933 would have seemed trivial.

You will perhaps remember that an eminent spokesman for the old order prophesied in a campaign speech in 1932 that if the

old order prophesied in a campaign speech in 1932 that if the policies of his administration were interrupted by the election of the Governor of New York to the Presidency grass would grow in the streets of our great cities and that ruin would rule over our

the streets of our great cities and that ruin would rule over our whole great country.

Now we are being told by the same high Republican authority, by spokesmen of the Du Pont Liberty League and others of the same fraternity, that if the policies that have brought business back to a prosperous scale are not abandoned that again our industrial sections will become cow pastures, and so forth.

We read every day or hear over the radio these political Jeremiahs explaining that business recovery has not come because of the New Deal but in spite of it. We hear from the same sources

mans explaining that business recovery has not come because of the New Deal but in spite of it. We hear from the same sources that the President of the United States is bent on changing this democratic form of government to a Russian Soviet system or to a dictatorship. They also tell us that he is bent on abolishing the Supreme Court, throwing the Constitution out of the window, regimenting every form of industry and agriculture, and, in short, doing everything in his power to destroy the prosperity which he brought about

doing everything in his power to destroy the prosperity which he brought about.

I need not take your time in discussing the wildness and absurdity of such campaign arguments. Actually they are of no more consequence than when Washington was accused of trying to set up a kingdom with himself as monarch, when Jefferson was blackguarded as a Communist, when Lincoln was charged with usurping power that did not belong to the Presidency, when Cleveland was abused, and when Theodore Roosevelt was pilloried as an enemy to business and an advocate of socialistic philosophy.

You can hardly pick up a newspaper nowadays without being startled by the conflict between its opinion columns and its business columns and the inconsistency of those who are assailing the administration at Washington. Just for example, I noted the other day in the New York Times the story of the annual report of Alfred P. Sloan, Jr., president of General Motors Corporation, directed to his stockholders. I noticed a large headline, "Sloan finds trade hurt by New Deal", and just below it on the very same page was printed the financial statement of General Motors. That financial statement recited that in 1935 its net sales amounted to \$1,155,000,000, as against \$872,675,000 the year before. It was also set forth in this cold-nosed balance sheet that its net income

amounted to nearly \$197,000,000 in the year of 1935, as against \$110,000,000 for the year 1934. The report shows assets of about \$150,000,000 more than in the previous year. If you want a more dramatic exposition of what the New Deal has meant to General Motors, compare its \$197,000,000 net income for 1935 with its net

Motors, compare its \$197,000,000 net income for 1935 with its net income of \$165,000 reported in 1932.

I do not pick out this particular business incident because Mr. Sloan is a large contributor to the Liberty League or because General Motors is to a large extent a Du Pont corporation, but simply because it is a shining example of how little relationship there exists between the political expression of those who would abolish the New Deal and the plain facts as they are told on the financial

exists between the political expression of those who would abolish the New Deal and the plain facts as they are told on the financial pages of the newspapers.

I think that no better comment could be made as to this than that voiced by one of your home newspapers. The Berkshire Eagle put it in this language:

"To be perfectly frank, it is not easy to see what the term 'abolishing the New Deal' means. Everything that is going on now is a part of it—the whole vast system under which we are living, the camps, the banks, the loans, the municipal expenditures, the new modes of law enforcement, the advice from Washington—everything. To attack the New Deal may be justified on political grounds, of course, but what is there to be done about it? What particular part of the system ought to be abolished? Should we throw it out the window and start all over again? That would involve the repeal of endless laws and the work of years in readjustment. Has someone something better to offer? Disraeli gave excellent advice when he said, 'Let us define our terms.' A great many of the politicians, using the name loosely, do not seem to know exactly what it means." (Oct. 26, 1935.)

I would like to ask our political opponents, when they speak of abolishing the New Deal, just what particular element of the governmental policies they would like to do away with? I can find no answer to this in the various speeches emanating from candidates for the Republican Presidential nomination, from the Liberty Leaguers or from the heads of the Republican national organization, voluminous and violent as all these have been.

Would the Republican administration, in the event of the success of the enterprise to discredit and unseat President Roosevelt, abolish, for example, the law providing for the insurance of bank deposits?

abolish, for example, the law providing for the insurance of bank

abolish, for example, the law providing for the insurance of bank deposits?

This is, of course, really a rhetorical question, because there is no more chance of the election of a Republican President next November than there is that your Berkshire Hills should move into some adjoining State. I speak advisedly when I tell you that President Roosevelt will be supported this year as vigorously and completely as he was in 1932, and this is as good a place as any to remark that it makes no difference whether the "old dealers" take the logical course of naming Herbert Hoover as the standard-bearer, who best represents their principles, or Governor Landon, of Kansas, who has not yet taken the country into his confidence as to what his policies would be if he were translated to Washington, or mournful Colonel Knox, the Chicago publisher, or anybody else who has been suggested as the candidate to contest with President Roosevelt this year.

Now, let me get back to the questions I would ask—with no hope of their being answered—of our political adversaries.

Now, let me get back to the questions I would ask—with no hope of their being answered—of our political adversaries.

Would they abolish the public-works program, or the emergency employment program, which they are fond of describing as the "boondoggling" bureau, or the emergency relief? Incidentally, what they call "boondoggling" saved the homes and farms of a good many of your neighbors during the recent floods, for it was the dams erected under the Works Progress Administration that kept the torrents from ravaging the fields to the northeast of this community. Given a continuance of its effort, and the fulfillment community. Given a continuance of its effort, and the fulfillment of the general plan to check soil erosion and control our rivers, even such a flood as afflicted this country a month ago will be rendered harmless

even such a flood as afflicted this country a month ago will be rendered harmless.

The work of the C. C. C. boys and the W. P. A. people in helping the flood sufferers clear up the debris and minimize the damage has been so prompt and efficient that the whole of the flood areas testify to the value of that performance. Incidentally, the way your neighbors faced the disaster is just another example of Yankee courage. They wasted no time in whining, but buckled to the work of rehabilitation and restoration. That evidence of fortitude so characteristic of your people is one more reason for my confidence of your faith in President Roosevelt. Brave men appreciate brave men, and I think you will agree with me that it was the courage of our President that enabled him to tackle perhaps the toughest situation that has ever confronted a Chief Executive of our country boldly and firmly. I wonder if any of you have ever thought what the consequence to the United States would have been if 1932 had ushered in a President weak, vacillating, or hesitating, instead of one who recognized the magnitude of the job and dared do the things necessary to stem the flood of disaster and put this country again on the upward path.

The enemy spokesmen are fond of quoting a paragraph in the Democratic platform of 1932 which promised a stable currency. Well, will our assailants kindly tell us what money unit throughout the whole world is more stable than the American dollar today?

Would they restore the gold content of the dollar to the old.

Would they restore the gold content of the dollar to the old

Now, I do not pretend to be a monetary expert. I confess that I must take the arguments of the men who have studied this question and merely apply what common sense I may possess to their conclusions. I do know that when Great Britain went off

the gold standard it had a hideous effect on business in this counthe gold standard it had a hideous effect on business in this country for 2 years before we made a corresponding change in our currency. The new price of gold made possible the adjustment of American foreign trade to the prevailing international conditions; it facilitated the striking recovery in agricultural prices. Because of it, American foreign trade has been enabled to stage an increase of 42 percent in exports and 57 percent in imports between 1932 and 1935.

and 1935.

Now, what would happen if we went back to the old standard? The experts tell me that it would mean first that the Treasury would suffer a loss of more than \$4,000,000,000 on its present gold holdings, thereby adding this sum to the Federal deficit. A vast amount of foreign capital has been invested in American securities since the dollar was revalued in 1934. If we turned a back somersault with our monetary system, we would be making these foreign investments a free gift of 69 percent. And this sort of thing could not go on very long before the question might again be raised of the ability of the United States regaining the gold standard. standard.

Here's another question I would like to ask the critics of the administration. Would they abolish the Home Owners' Loan Corporation, which has saved more than a million homes from

Corporation, which has saved more than a million homes from foreclosure of mortgages, or the farm credit arrangements which have enabled more than half a million farmers to retain their property, and this without any considerable cost to the Government as the properties involved are the security for the loans?

Would they abolish the policy of insisting that promoters of security sales must state just what the values are, what the prospects are behind the stocks and bonds they offer in the markets? And the other insurance that this measure gives to the investing public? It might be worthwhile in this connection to recite that there has not been a wildcat scandal in the stock market since the Roosevelt administration came in, and as part of the same thesis we might recite that, whereas in the 4 years of the Hoover administration there were thousands of national bank failures, under the Roosevelt administration only five national banks have closed their doors, and practically all of the depositors in those five were reimbursed under the bank-deposit insurance provisions.

tional banks have closed their doors, and practically all of the depositors in those five were reimbursed under the bank-deposit insurance provisions.

I have not noted that anybody on the other side has come out definitely for a repeal of any of these laws. All we have had from the other side is a deluge of generalities. They talk about waste and extravagance; they talk about undermining the Constitution, and baldly declare that the relief expenditures are being manipulated for political purposes.

It is most probable that in distributing billions of dollars in relief there have been some instances of people getting as a donation a side of bacon or a few pounds of flour which they might have been able to pay for. It is not beyond belief that in the millions of jobs provided to give people employment and so save them from humiliation and from incurring the habit of charity, an occasional shirker has not given a full day's work for his relief pay. I think most of us will agree that while such instances are deplorable there is nothing about them either in number or intent that seriously blemishes the record of having kept a multitude from starvation, assuming that several million people would have starved calmly and peacefully—which is a pretty violent assumption.

Anybody who has listened to the passionate oratory of those who would detract from the shining record of courage, ability, and efficiency made by this administration, might suppose that the money spent in relief had been burned in bales or cast into the ocean. Instead of that, it has gone through purchase of supplies and wages paid into the regular channels of trade. It has been turned over and over and most, if not all of it, continues to figure in the record of prosperity which the newspapers constantly publish. It is to be found in the increased deposits in the banks, and these deposits go out in the ordinary course of business to finance industrial enterprises.

As to the political side of it, I know of no instance where any man

As to the political side of it, I know of no instance where any man or woman was asked whether he was Republican or Democrat when he was placed on the relief rolls. It so happens that people get just as hungry in a campaign year as in any other year, and consequently the relief is going on now as it went on last year and the year before. The only difference lies in such modifications as result from the constant effort to find useful jobs for the unemployed and to get off the relief rolls everybody who is able to support himself and his

constant effort to find useful jobs for the characteristic off the relief rolls everybody who is able to support himself and his family.

They talk of politics in connection with the relief funds. The State administrations have in nearly every instance done their own distributing. Governor Landon's State of Kansas participated in the direct relief money given or loaned by the Federal Government to the extent of \$43,326,367. Herbert Hoover's State of California was aided to the extent of \$163,793,363. Senator Vandenberg's State of Michigan shared to the amount of \$116,236,999. Senator Dickinson's Iowa has had \$25,952,836 as its share. Colonel Knox's Illinois gratefully accepted \$211,286,471, and Senator Borahi Knox's Illinois gratefully accepted \$211,286,471, and Senator Vangement Borahi Knox's

Among the generalities of criticism constantly being charged against the administration is that the Government is in business, to the detriment of private industry. The Government is in busi-

ness just to the extent that the inability of business to take care of itself compels. Every time the R. F. C. makes a loan to a bank or railroad or corporation or a private enterprise the Government goes into business. It might be well to record here that the R. F. C.'s activities have been anything but detrimental to the national finances. The loans are being paid back more rapidly than they were issued. The last figures I heard were that the R. F. C., on such a balance sheet as would be prepared for any going concern, showed a hundred million dollars in assets over its liabilities. Would, I ask my Republican friends, they be in favor of taking the Government out of business to the extent of refusing to make any more loans?

Your Massachusetts banks have participated in the R. F. C. loans.

out of business to the extent of refusing to make any more loans? Your Massachusetts banks have participated in the R. F. C. loans to the extent of something over \$15,000,000, about nine and a half millions of this went to 39 national banks, \$3,366,000 to 8 State banks' members of the Federal Reserve System, and \$2,500,000 to 16 nonmember banks. Recently Joseph A. Maynard told the Boston Chamber of Commerce that "prosperity is riding back to New England in vehicles of ocean commerce, in increasing deposits in national banks, and in the widespread improvement in business." Exports from New England, in this same connection, were given as jumping from \$15,500,000 in 1934 to \$24,500,000 in 1935.

Exports from New England, in this same connection, were given as jumping from \$15,500,000 in 1934 to \$24,500,000 in 1935.

I think I have given you enough financial and industrial statistics. I do not expect that you will remember the figures, but I do anticipate that you will keep track of the circumstance that our economic life is a whole lot better than it was, and the reason for the improvement is that we have a national administration that was bright enough to conceive a program to lift us out of the swamp and brave enough to carry it into effect. Perhaps the job might have been done better. Perhaps mistakes were made—if such enterprises as the N. R. A. and the A. A. A., which were invalidated by the Supreme Court decisions, are to be counted as mistakes. However, I do not think that anybody can say that the country is any the worse off because of these two measures. On the contrary, we see about us every day evidences that these two agencies contributed considerably during their lifetime to the restoration of prosperity. The higher wages and shorter hours for labor, though there has been some back-sliding, have set a new and better standard of employment. The benefits to the farmers served to start your mills and factories going again. It is regrettable that these laws were declared by the Supreme Court to be unconstitutional, just as scores of other laws met similar fates in other administrations. These two acts were conceived in the spirit of public welfare. Not in them or in any other act of the administration is there the slightest hint of self-interest or of special privilege.

The country realizes this. That is the secret—if there is any secret—of the novularity of Franklin D. Rosevelt, to his place in

self-interest or of special privilege.

The country realizes this. That is the secret—if there is any secret—of the popularity of Franklin D. Roosevelt, to his place in the esteem and affection of the whole people. That is the reason that when the people have their opportunity to pronounce their verdict on his performance, as they will have next November, you will find the roster of States overwhelmingly recording their faith and gratitude for what he has done. And you will find that your own good State of Massachusetts and your neighboring States will have a conspicuous share in the reelection of President Roosevelt by a greater majority than has characterized any election in our history.

our history

PROCEEDINGS OF AMERICAN GROUP OF INTERPARLIAMENTARY UNION

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD the minutes and proceedings of the American group of the Interparliamentary Union on January 20, 1936.

There being no objection, the minutes and proceedings were ordered to be printed in the RECORD, as follows:

MINUTES OF THE THIRTY-THIRD ANNUAL MEETING OF THE UNITED STATES OF AMERICA GROUP OF THE INTERPARLIAMENTARY UNION

The Thirty-third Annual Meeting of the United States of America Group of the Interparliamentary Union was held in the Senate Committee on the Library room, Monday, January 20, 1936, at 10:30 a. m., Senator Alben W. Barkley, president, presiding. The following members were present: Representatives Charles J. Colden, California; Albert E. Carter, California; Virginia E. Jenckes, Indiana; Fritz G. Lanham, Texas; Fred Biermann, Iowa; Sam D. McReynolds, Tennessee; Luther A. Johnson, Texas; Sol Bloom, New York; William W. Blackney, Michigan; J. J. McSwain, South Carolina; Ralph E. Church, Illinois; William E. Richardson, Pennsylvania; and Senators Francis T. Maloney, Connecticut; E. W. Gibson, Vermont; Wallace H. White, Jr., Maine; Alben W. Barkley, Kentucky.

The minutes of the thirty-second annual meeting having appeared in the Congressional Record of January 17, 1936, it was voted that the minutes should be approved without reading.

President Barkley outlined the history of the Interparliamentary The Thirty-third Annual Meeting of the United States of America

President BARKLEY outlined the history of the Interparliamentary Union, and the relation of the American group to that organization, as follows:

"Ladies and gentlemen of the American group, I wish at the outset to congratulate the American group upon the large and representative attendance at this annual meeting today and to thank you for giving us the benefit of your presence for the consideration of such matters as may come forward for our attention. "I realize how busy all of you are with committee work and with work in your offices, but I know of no activity toward which you can make a greater contribution for so small an expenditure of time as the organization known as the Interparliamentary Union.

Those of you who have not been identified with the union over

a long period may be interested in knowing some of its history.

"It is purely a voluntary organization in which the members of all the national parliaments of the world are eligible. It was first organized in 1888 and claims a large part of the credit for the establishment of the First and Second Hague Conferences designed to bring about the settlement of international disputes by peaceful

"The Interparliamentary Union holds an annual conference in the capital of some nation to be selected by the members of the council of the union. The American group has been represented, I believe, at practically all of these conferences, with the exception of six.

"The Congress of the United States has been associated with the Interparliamentary Union over so long a period that it has come to be regarded as a permanent participator in its activities. We entertained the Interparliamentary Union in St. Louis in 1904, at which time I believe the Honorable Richard Barthold, of Missouri, was the president; and again in Washington in the summer of 1925, appropriating on each occasion the sum of \$50,000 to help defray the expenses of the conference.

the expenses of the conference.

"Congress has appropriated for the expenses of the Bureau of the Interparliamentary Union since 1911. For many years we appropriated the sum of \$10,000 per annum for the support of the Union itself and for a number of years prior to 1932, Congress appropriated \$10,000 to help defray the expenses of the delegates from the American group to the annual conferences of the union. From 1932 to 1935 Congress declined to make an appropriation to help defray the expenses of the American delegates to the conferences on the ground of economy. This made it necessary for the American group to seek assistance elsewhere, or have no representation at the annual conferences of the Union. I have since my identification with the union, felt that its active or have no representation at the annual conferences of the Union. I have, since my identification with the union, felt that its activities and its possibilities were of such importance and dignity to justify the American Congress in appropriating the insignificant sum of \$10,000 per annum in order to insure the attendance of a suitable delegation representing it at these international conferences. There are many members who are interested in international peace and arbitration and in the adjustment of international problems, who could add luster to such conferences, but who ought not be expected to defray their own expenses in order to engage in this worthy public service.

"For that reason, I, together with other members of the group, became interested in securing the enactment of a permanent law authorizing an annual appropriation of \$20,000; \$10,000 for the support of the Interparliamentary Union, and \$10,000 to help defray the expenses of our delegates. Congressman Lanham, of Texas, introduced such a measure in the House, and I introduced it in the Senate. Due to the more liberal rules of the Senate, with reference to securing consideration of measures, the Senate bill was passed and concurred in by the House; and I wish to

with reference to securing consideration of measures, the Senate bill was passed and concurred in by the House; and I wish to express my appreciation to Congressman Lanham, Congressman McReynolds, chairman of the House Committee on Foreign Affairs, and other Members of the House and the Senate who assisted in the enactment of this legislation.

"As a result of this permanent authorization, we secured the appropriation called for, both for the support of the union and for the expenses of the delegates. It will be recalled that Congress had reduced the appropriation in support of the union for a number of years previous from \$10,000 to \$7,500, which was reduced to about \$6,500 because of the unfavorable exchange situation. I am glad to believe that Congress will not hereafter hesitate to make the necessary appropriation called for in this hesitate to make the necessary appropriation called for in this

permanent law. permanent law.

"Because of the lengthy session of Congress in 1935, which ran well through the month of August, we were unable to send a delegation to the conference at Brussels, which met July 26-31, 1935, and, therefore, the amount appropriated for the expenses of the delegates was not used. It will be necessary either to reappropriate this sum for 1936 or provide for a new appropriation. The result will be the same in either case.

"The nations represented at the Brussels Conference last year were: Austria Belgium, Canada, Czechoslovakia, Denmark, France,

"The nations represented at the Brussels Conference last year were: Austria, Belgium, Canada, Czechoslovakia, Denmark, France, Great Britain, Hungary, Ireland, Italy, Japan, Netherlands, Norway, Poland, Rumania, Spain, Sweden, Switzerland, Turkey, and Yugoslavia. The conference discussed four specific phases of international relations, as follows:

"1. Juridical problems, relating particularly to the codification of world law and to neutrality.

"2. The manufacture of and trade in arms.

"3. Economic and monetary problems affecting world economic solidarity and stabilization of currencies.

"4. The evolution of the representative system, especially as to the legislative function, the work of parliamentary committees, and legislative documentation.

"The resolutions adopted at the Brussels conference were printed

and legislative documentation.

"The resolutions adopted at the Brussels conference were printed in World Affairs of September 1935.

"It was a source of regret to me and other members of the group that we were unable to have a delegation at this conference. It has been my pleasure to attend a number of these conferences in the past, particularly that at Stockholm in 1921, Washington in 1925, and London in 1930.

"Some of the ablest statesmen in the parliaments of the world have attended these conferences, and it has been a source of great pleasure and inspiration to come in contact with them. I note only the names of Dr. Schücking and Dr. Lobe, of Germany, Dr. Lange, of Norway, and men of similar outstanding accomplishments in

statesmanship from the other nations of the world, to show the type of public-spirited legislators who attend these annual confer-

"These interchanges of opinion from those who participate in legislation in the important nations of the world are extremely valuable. They enable the participants to obtain and carry home with them something of the viewpoint and the problems of other nations and thus contribute to a better understanding among the nations of the world, which in turn contribute to their peaceful and friendly solution. I wish also to mention the friendly interest and friendly solution. I wish also to mention the friendly interest and the cooperation which has been accorded to the Interparliamentary Union by the State Department of the United States. The State Department expressed a friendly attitude toward the authorization and ment expressed a friendly attitude toward the authorization and appropriation acts to which I have already referred. It follows closely the activities of the Union, and from time to time calls upon the American group, through its executive secretary, for information and also imparts information concerning events in the interparliamentary field.

"At the last annual meeting of the American group, Gov. A. J. Montague, of Virginia, tendered his resignation as president because of the condition of his health. As a result of this vacancy, I was chosen as his successor, and I wish to express my deep appreciation for the honor conferred upon me, which I was unable to do

was chosen as his successor, and I wish to express my deep appreciation for the honor conferred upon me, which I was unable to do because of my absence from the meeting. I appreciate the cooperation and assistance of all the Members of the House and Senate who are interested in international affairs and in the success of efforts to bring about a closer understanding among the nations of the world regarding their problems. There has not been a time in the last two decades when friendly relations and sympathetic understanding among the nations was in greater need. All about us we hear of wars and rumors of wars and causes of international friction are constantly arising to bring overhanging clouds to the friction are constantly arising to bring overhanging clouds to the peaceful skies of international relationships. If by our activities, our association, and our education in the field of international

friction are constantly arising to bring overhanging clouds to the peaceful skies of international relationships. If by our activities, our association, and our education in the field of international affairs we can make any contribution to the preservation of peace and good will among the nations of the world, it will be worth a thousand times more than it cost us to participate.

"The approaching conference of the Interparliamentary Union will convene in Budapest, Hungary. It has been suggested that this meeting be held in September, because of the intense heat in Budapest during the month of August, but the date has not been definitely set. It is my opinion that if the conference is held as late as September it will be difficult for members of the American group to attend. All of the Members of the House and a third of the Members of the Senate will be campaigning for reelection, and many who are not in contests or have no contests will be engaged in the national contest. It is my hope, therefore, that an earlier date may be fixed so that we may send a representative group from the American Congress to participate in the conference at Budapest during the coming summer.

"I shall from time to time confer with members of the American group with respect to the Budapest meeting, and I shall deeply appreciate any suggestions you may feel at liberty to make concerning the work during the coming year.

"I have felt it my duty to make these preliminary remarks in order that we may all have something of the picture of the background and present possibilities of the Interparliamentary Union and of our participation in it. I shall now be glad to proceed to the regular order of business."

Upon motion of Mr. Bloom, it was voted that President Barkley be requested and directed to ask the Congress to continue for the next fiscal year the appropriation of \$20,000 under the terms of the authorization as set forth in Senate bill 2276 passed by the first session of the Seventy-fourth Congress.

Communications received from Ge

fiftieth anniversary of the signing of the Constitution of the United States of America.

The following officers for the ensuing year were unanimously elected: President, Senator Alben W. Barkley, Kentucky. Vice presidents, Representative Andrew J. Montague, Virginia; Representative Sam D. McReynolds, Tennessee; Senator Wallace H. White, Maine. Treasurer, Representative Sol Bloom, New York. Secretary, Representative Charles A. Eaton, New Jersey. Permanent executive secretary, Arthur Deerin Call.

Upon motion of Mr. Carter, seconded by Mr. Lanham, it was voted that the president of the group appoint a nominating committee of three, of which he should be one, charged with the nomination of nine members of the executive committee. For this purpose the president appointed Senator Wallace H. White and Representative Sam D. McReynolds.

It was voted that the meeting recess, subject to the call of the president.

president.

ARTHUR DEERIN CALL. Permanent Executive Secretary.

RETIREMENT OF EMPLOYEES OF LEGISLATIVE BRANCH

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I just received from Mr. Victor Russell, secretary to the Senator from Texas [Mr. Sheppard], and from Chesley W. Jurney, Sergeant at Arms of the United States Senate, relative to Senate bill | 3205, providing retirement for employees of the legislative branch of the Government.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

United States Senate, Washington, D. C., April 20, 1936.

Senator Matthew M. Neely,
Chairman, Senate Rules Committee,
Washington, D. C. Chairman, Senate Rules Committee,

Washington, D. C.

Dear Senator Neely: With reference to the misunderstanding that seems to have arisen in some quarters with reference to your bill (S. 3205) providing retirement for employees of the legislative branch of the Government, and which was recently reported by the Rules Committee as a substitute for H. R. 3044, a bill designed to accomplish the retirement of legislative employees through the provisions of the Civil Service Retirement Act, we desire to present a few facts which we believe will clear up this misunderstanding and dispel whatever doubts may still exist as to the appropriateness of your bill and the desirability of its passage.

So far as we have heard, there is no opposition to the principal purpose of the bill—that of granting retirement pay to employees of the legislative branch of the Government who by age and length of service have become entitled to it. The principal criticisms that have been made of your bill are (1) that it is less desirable than the House bill, H. R. 3044, for which it was substituted; and (2) that it is discriminatory, because it allegedly provides benefits for employees of the legislative branch of the Government that are not provided for employees of the executive branch of the Government by the Civil Service Retirement Act.

In answer to the first one of these criticisms it is only necessary to read carefully the Civil Service Retirement Act under which the House bill would attempt to retire employees of Congress to become convinced how wholly unsuited and inapplicable that act would be to the situation that exists here at the Capitol, where methods of appointment, conditions of employment, and certainty of tenure are distinctly different than they are in the departments and bureaus of the executive branch of the Government, for which the Civil Service Retirement Act was especially and specifically designed. The Senate Rules Committee therefore did the logical

of tenure are distinctly different than they are in the departments and bureaus of the executive branch of the Government, for which the Civil Service Retirement Act was especially and specifically designed. The Senate Rules Committee therefore did the logical and proper thing in striking out the House bill, H. R. 3044, and substituting therefor your bill, S. 3205, which was prepared especially to meet the retirement problems of congressional employees, and which had the approval of all the Senate officials and employees with whom we have discussed the matter.

The charge that your bill confers greater benefits upon legislative employees than the Civil Service Retirement Act does upon employees of the executive departments is wholly false and misleading. In fact, just the opposite is the case. This particular criticism is undoubtedly the outgrowth of the erroneous but somewhat prevalent belief that the monthly deposits which civil-service employees place with the retirement and disability fund are applied to offset or lessen the amount which Congress appropriates for their retired pay. A reference to section 4 of the Civil Service Retirement Act will correct that impression, however, for it is there made clear that each civil-service employee who retires receives from the Government through appropriation by Congress, retired pay, or pension, at the rate of \$30 per year for each year of his active service. In addition, however, he receives from the civil-service retirement and disability fund the returns from an annuity which has been purchased with the savings he has deposited therein and which have been compounded annually at 4 percent during the period of his active service.

The deposits which the civil-service employee makes from his monthly salary, therefore, are simply a savings and investment

deposited therein and which have been compounded annually at 4 percent during the period of his active service.

The deposits which the civil-service employee makes from his monthly salary, therefore, are simply a savings and investment account from which he draws a good return. The deposits, however, have no relation to, and do not affect in any way the straight retirement pay or pension which is appropriated for him by Congress. The additional benefits which he receives from the retirement and disability fund are made possible by the fact that Congress originally appropriated that fund and continues to make substantial contributions to it. Hence, if there is any discrimination in your bill it is against the legislative employees instead of in their favor in that it does not appropriate any retirement and disability fund in which they may invest their savings and purchase annuities.

In answer to the query that has been raised by a few, as to why your bill does not include such a savings and annuity system, you will recall that when your committee was considering the matter it was brought out that to set up such a system it would be necessary to employ various actuaries, accountants, stenographers, and clerks to handle the accounts and financial transactions of the thousands of employees who every few years pass over the rolls of the disbursing offices of Congress. Hence when it was shown that scarcely a handful of those thousands of employees ever remain here long enough to become eligible for retirement, it became apparent that the inclusion of such a system in your bill would be both unwarranted and unwise, for it would make the administrative cost of providing retirement to the few who eventually become eligible for it, as great or greater than in your bill would be both unwarranted and unwise, for it would make the administrative cost of providing retirement to the few who eventually become eligible for it, as great or greater than the retirement pay granted them. Your committee, therefore, very logically confined the retirement benefits to be accorded those employees of Congress, who by age and length of service become entitled to them, to the straight retirement pay of \$30 per year for each year of service—the same sum that is granted all retired

civil-service employees, with a slight increase for that extremely small group who have had over 25 years of service.

The simple, logical, and inexpensive plan for retirement of legislative employees embodied in your bill is without doubt the most suitable and acceptable arrangement that has been offered on the subject. All of the employees with whom we have talked feel indebted to you and the other members of the Rules Committee for reporting it out, and since some feasible plan for the retirement of congressional employees has been in contemplation for the past 16 years we are naturally hopeful that your bill may pass before the close of the present session.

It was hardly to be hoped that the bill would escape criticism, Fortunately, the criticisms that have been offered are not serious as they reflect quite clearly a lack of understanding of the various facts and the background on which your bill is premised. They also indicate a lack of familiarity with the nature and purpose of retirement systems in general. We believe, however, that with these matters clarified your bill should commend itself to the favorable action of the Senate and House alike.

Yours very sincerely,

Yours very sincerely, VICTOR RUSSELL Secretary, Senator Sheppard.
CHESLEY W. JURNEY,
Sergeant at Arms, United States Senate.

FLORIDA ATLANTIC-GULF CANAL

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to me from John L. Bogert, editor, Memorial Society of Naval Architects and Marine Engineers, under date of April 18, 1936, relative to the Florida canal.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> THE MARINE NEWS, New York, April 18, 1936.

Hon, DUNCAN U. FLETCHER,

Senate Office Building, Washington, D. C.

Re the Florida canal.

My Dear Siz: The failure of Congress to make adequate appropriation of funds to continue the construction of the Florida canal would be a serious mistake.

The statement that if built it would injure Florida agriculture The statement that if built it would injure Florida agriculture and never be used by steamships is an absurd piece of propaganda in the interest of the railroads. The history of Holland gives the lie to the first part of that statement. The absurdity of the second part is evident from the fact that its use will reduce the time of the voyage by I whole day in sailing from Atlantic to Gulf ports. Buenos Aires is 7,178 statute miles from Liverpool. If the Florida canal is dug, its use will place United States farms 2,292 miles up the river from New Orleans, no farther away from Liverpool than Buenos Aires. In my opinion, it is a most important link in the intracoastal waterways of the Atlantic and Gulf coasts.

Respectfully yours,

JOHN L. BOGERT, Editor, Memorial Society of Naval Architects and Marine Engineers.

RURAL ELECTRIFICATION-ADDRESS BY HON. JOHN E. RANKIN

Mr. NORRIS. Mr. President, I have a copy of a radio address delivered by Hon. John E. Rankin, Member of the House of Representatives from Mississippi, on the subject of The New Frontier—Rural Electrification. I ask unanimous consent that the address may be published in the Congres-SIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE NEW FRONTIER—RURAL ELECTRIFICATION

Mr. RANKIN was introduced as follows:

"One of the most earnest and best informed men in Washington on the subject of rural electrification is Hon. JOHN E. RANKIN, who represents the first district of Mississippi in the House of Representatives.

"Mr. RANKIN has been one of the leaders in the House for the

administration's power policies.

"More recently he assisted in the fight in the House for the bill which makes permanent the Rural Electrification Administration and authorizes Federal loans of approximately \$400,000,000 over a period of 10 years, to bring electricity to the farm homes of the Nation.

"He is known as the father of rural electrification in the South.

"He is known as the father of rural electrification in the South. "Mr. Rankin will now address you on the subject I have indicated.
Congressman Rankin."

Mr. RANKIN. My friends of the radio audience, I want to thank the National Grange for inviting me to address you at this time on one of the most vital questions that ever confronted the American farmers—that of rural electrification.

We are now engaged in the conquest of a new frontier, clearing away the underbrush of drudgery and privation, exterminating the wolves of loneliness and poverty, driving out the ruthless savages of greed and extortion, and laying the foundation for the future development of what is to us the most sacred of all earthly habitudes—American homes.

Through our program of rural electrification we are making it possible for the farmers and their wives and children to enjoy the blessings of this modern electric civilization in which we live. We are taking to the people in the rural districts all the advantages of city life, but leaving behind those demoralizing influences from which it seems that city dwellers cannot escape.

We can never have national prosperity until we restore the prosperity and improve the living conditions of the people in the rural districts, the farmers who produce the raw materials to feed and clothe the world—who fight the Nation's battles in times of war and sustain its institutions in times of peace.

This can be done by appreciation with cheen electric energy

war and sustain its institutions in times of peace.

This can be done by providing them with cheap electric energy with which to light their homes, their barns and outhouses, pump their water, operate their radios, washing machines, vacuum cleaners, electric stoves, feed grinders, and other electrical appliances necessary to lift the burdens from the shoulders of the farmer and relieve his wife and children of the nerve-racking, back-breaking, health-wrecking, and youth-destroying drudgery that has so long been the lot of country women in the average farm home.

farm home.

Although the use of electricity for the purpose of lights and power originated in America, yet we are far behind practically every other country in the world in rural electrification. While less than 10 percent of our farms in the United States have electricity, and most of them are charged three or four times what it is worth, foreign countries have electrified their rural homes at reasonable rates. For instance, France has 90 percent of her farms electrified, Germany 90 percent, Norway 90 percent, New Zealand 65 percent, Japan 90 percent, Holland and Switzerland 100 percent. They have all their farms electrified.

What we are trying to do is to electrify every farm home in

100 percent. They have all their farms electrified.

What we are trying to do is to electrify every farm home in America at rates the farmers can afford to pay.

We have just passed through Congress a bill providing \$410,000,000 to be loaned to the farmers of this country through the Rural Electrification Administration during the next 10 years for the purpose of building rural power lines, etc., and supplying the farmers with cheap electric lights and power. These loans are to be made, as a rule, to States, counties, municipalities, or cooperative nonprofit associations operating for the purpose of supplying electricity to the farmers at the lowest possible rates. These loans are to extend over a period of 25 years and bear interest at the rate of about 3 percent.

of about 3 percent.

I started this movement in my home district in Mississippi a I started this movement in my home district in Mississippi a few years ago by organizing county electric-power associations. In some instances we put two or more counties together. We buy our power at wholesale from the T. V. A. at about 6 mills a kilowatt-hour. You can do the same thing. If you are not within the distribution radius of the T. V. A., Boulder Dam, Grand Coulee, or some other public power project, you can buy your power at wholesale or generate it yourselves through a local plant for anywhere from 5 to 8 mills a kilowatt-hour. Then you can sell it at retail at practically the same rates our farmers in the T. V. A. area are paying, which are as follows: First 50 kilowatt-hours per month, 3 cents a kilowatt-hour; next 100 kilowatt-hours per month, 2 cents a kilowatt-hour; next 200 kilowatt-hours per month, 1 cent a kilowatt-hour; next 1,000 kilowatt-hours per month, 4 mills a kilowatt-hour. kilowatt-hour.

kilowatt-hour.

This not only pays for the electricity but also amortizes these rural lines in less than 20 years. This is all these farmers will ever have to pay, and we hope to get these rates reduced.

I have before me a large stack of letters from farmers who are now being served through our rural electrification program. One of them says, "It is the most wonderful thing that has ever happened to the farm homes." Another one says, "It is better than a gold mine or an oil field." Another says, "It means the difference between drudgery and luxury."

I have just tabulated reports made by 159 of these farmers, and I find that 156 of them have radios, 144 have electric irons, 80 have electric fans, 28 have washing machines, 24 have vacuum cleaners, 24 have water pumps, 34 have electric ranges, and 80 have electric refrigerators.

refrigerators.

refrigerators.

Here is one who has lights in his home and garage, a radio, electric refrigerator, electric iron, percolator, vacuum cleaner, electric fans, toaster, and waffle iron, washing machine, and water pump. Last month he used 95 kilowatt-hours of electricity, for which he paid \$3.40, including \$1 payment on his line. This serves a family of five people.

Here is one who has lights in his home and his barn, a radio, electric refrigerator, electric iron, electric range, fans, washing machine, water pump that supplies water for his family and 60 head of stock. Last month he used 111 kilowatt-hours of electric energy, which cost him \$3.72, including \$1 payment on his line.

Another one uses lights, radio, refrigerator, electric range, and water pump. Last month he used 146 kilowatt-hours of electricity, which cost him \$4.42, including \$1 on his line.

Here is one who has lights in his home, barn, and garage, a radio, electric refrigerator, electric iron and vacuum cleaner, electric fans and water pump. Last month he used 45 kilowatt-hours of electricity, which cost him \$1.80, including 45 cents to pay for his line.

pay for his line.

I could quote hundreds of these messages, but this will give you some idea of what can be done through rural electrification to make the farmer's home brighter and to relieve it of drudgery and make farm life so attractive that your children will not want

to leave the farm and crowd into the congested tenements of our

already overcrowded cities.

This is the greatest farm-relief movement of all time. It will take people back to the farm and will double the values of farm

take people back to the farm and will double the values of farm homes. It is like the dawning of a new civilization.

I wish you could all read the mail I get from farm women, expressing their gratitude for what this cheap power is doing to relieve their burdens and to brighten their lives.

If every farmer in America realized exactly what this means they would join in this movement with the enthusiasm of a crusade—wake up their public officials and demand that they represent them openly and aboveboard in this great struggle for human fustice.

If every farmer and every official will join us in this fight, we will electrify every farm home in America at the T. V. A. rates and make this the most prosperous, the most powerful and most contented agricultural country the world has ever known.

NORRIS DAM-ARTICLE BY R. L. DUFFUS

Mr. NORRIS. Mr. President, I have here an article published in the New York Times of last Sunday, entitled "A Dream Takes Form", written by Mr. R. L. Duffus, having to do with Norris Dam in the T. V. A. I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be

printed in the RECORD, as follows:

[From the New York Times of Apr. 19, 1936]

A DREAM TAKES FORM IN T. V. A.'S DOMAIN—THE VISITOR DISCOVERS IN THE VALLEY A LABORATORY DESIGNED TO CHALLENGE THE LIFE OF MILLIONS

By R. L. Duffus

By R. L. Duffus

Norris, Tenn.—The storms which have whirled and whistled through the New Deal agencies during the past year have left one—the one of which the President is probably proudest—intact. Despite hurricanes, whether political and figurative or shockingly real, the T. V. A.'s banners still wave over the ramparts of great dams from Norris, on the Clinch, above Knoxville, to Pickwick Landing, in southwestern Tennessee. Where armies marched and fought in the War between the States, T. V. A. linemen are stringing wires. Where the flatboats of the pioneers slid down muddy, swollen streams, where two or three generations later the Union gunboats crawled, cranes and steam shovels are at work. The thunder of the cement mixers would drown out all but the heaviest artillery.

thunder of the cement mixers would drown out all but the heaviest artillery.

The T. V. A. is a dream taking tangible form, of surpassingly more importance than any bickering between Government and private enterprise as to which shall furnish electricity. It is the first organized attempt in American history to manipulate the destinies of an entire watershed and its people.

Whether this attempt is wise or unwise, a menace or a rainbow, depends entirely on one's point of view. The facts are visible for friends and opponents alike to see. There can be little dispute as to what the Tennessee Valley has been or as to what is now happening to it. If the power issue is for the moment laid aside, there can be no question that the essential thing that is happenent. happening to it. If the power issue is for the moment laid aside, there can be no question that the essential thing that is happening in the valley now is not coercion but education. The famous power "yardstick" does exist and will certainly compel power companies in the valley to lower their rates and scratch gravel for new customers. But the stick that the observer on the spot is likely to think about, whether the spot is a gigantic dam or an electrified village, is the school teacher's pointer.

Nor was there ever a class or a laboratory quite like this, over which preside Dr. Arthur E. Morgan, president of Antioch College; Dr. Harcourt A. Morgan, former president of the University of Tennessee; and David E. Lilienthal, lawyer and rate expert.

The classroom includes parts of seven States, or a total area of more than 40,000 square miles—about the size of Kentucky. It looks out on a much wider area over which T. V. A. electricity and T. V. A. gospel will be distributed. The class is 2,000,000 strong, with 4,000,000 more outside the valley but within T. V. A. influ-

with 4,000,000 more outside the valley but within T. V. A. influence

ence.

The laboratory demonstrations set up for the edification of the T. V. A.'s pupils are tremendous in magnitude. Six great dams are completed or being built. Power plants in operation before the year is out will yield 205,000 kilowatts 24 hours a day and 365 days in the year. Future installations may raise this total, on existing and proposed dams, to 660,000 kilowatt-hours.

In its recent report the T. V. A. suggested five new dams—at Fowler Bend, on the Hiwassee, in North Carolina; the Fontana Dam, on the Little Tennessee; and dams at Watts Bar, Gilberts-ville, and Coulter Shoals, all to be completed by 1944.

Dams and dredges will deepen the river until a boat drawing 9 feet of water can safely steam from Paducah to Knoxville. Mighty reservoirs will hold back the floodwaters and maintain the channel depth at slack seasons. Behind the reservoirs, on mountain farms, on fertile or once fertile lower slopes, the processes of erosion are

on fertile or once fertile lower slopes, the processes of erosion are being arrested by proved methods. From the old nitrate plant no. 2 at Muscle Shoals phosphate fertilizer is going out to demonstration farms to bring moribund acres back to life. Near dam sites new model villages have sprung up, some of them destined to be permanent.

But these physical things are tools, not ends, in themselves. When the Tennessee Valley Act was passed 3 years ago most people,

even in Washington, were thinking of the valley in terms of electric power. Those terms are still valid, but the objective has broad-ened until it has become the revivification of the life of a people. Whatever the validity of the means adopted, the conception has elements of splendor.

Large areas of this region have been blighted by wrong uses of the land, by the wash of a myriad of little streams carrying away the fertile topsoil, by the long after effects of an old war, by that war's destruction of an old social and economic system which was never adequately replaced. Traveling through it one comes was never adequately replaced. Traveling through it one comes again and again on the traces and monuments of 70-year-old battles—at Nashville, Franklin, Chickamauga, Chattanooga, and many other less familiar fields. From bloody Shiloh, near the new Pickwick Dam; from Corinth, in Mississippi, where old trenches can still be seen, eastward to the heights of Lookout Mountain, the armies reeled and flowed, leaving their debris of dead and dying men, trampling down crops that, in one sense, never grew again. Then silence fell, and not until recently, over large areas, was it broken. broken.

The valley is one of tremendous contrasts, in the shape and The valley is one of tremendous contrasts, in the shape and nature of the land, in climate, in the education and general welfare of the people. It has modern cities, like Knoxville and Chattanooga. It has bleak cabins on dreary upland acres, where life has changed but little since some pioneer wagon broke down, some horse or mule went lame, and a family's migration was halted, a century or a century and a half ago.

Corn holds sway in the mountains of the northeast—sometimes as grain, sometimes as illicit liquor; in the center and in the west the land of cotton thrusts into Tennessee out of Georgia, Alabama, and Mississippi. In the east streams tumble down wildly out of the hills, the Tennessee hurries past Chattanooga and Shiloh, but at Paducah it moves quietly enough, broad and muddy, into the Obio.

Ohio.

Some symbols run clear across the valley, from east to west, from north to south. One is the mule, descendant, perhaps, of a stock that used to be bred in old Mexico and brought eastward and northward over the Santa Fe Trail. The number of mules in the Tennessee Valley is prodigious. Over almost every road, from the muddy byway, where motor cars venture at their peril, to the concrete highways ambles the mule, sometimes ridden, sometimes attached to a rickety cart. Too often he is an emblem of poverty and of slow, heavy time, to which no value is attached.

Another symbol of the "breeze way" or "dogtrot" cabin. Long ago a pioneer whose family was expanding built a second log cabin end-on to the first, connected the two with a floor and roof but no walls, and produced the first "breeze way." The idea was good, for its day. But the "breeze-way" has come to stand for a poor way of living, on poor land, with little or no stock, on a limited diet, without sufficient schooling or adequate medical care, without plumbing, without electric lights, without telephone, with a narrow and constricted social life.

Good land, well cultivated, grows better houses than this, as one

with a narrow and constricted social life.

Good land, well cultivated, grows better houses than this, as one sees readily enough when one goes north from Florence, in Alabama near Muscle Shoals, through the Tennessee blue-grass country toward Nashville. Here the fields look as rich and the common farmhouses as neat and comfortable as those of Iowa, and many a gracious and dignified old plantation house with lofty porticoes and well-kept grounds still stands. Is this part of the valley inhabited by a more intelligent and industrious race than other parts? No; it is underlaid by phosphate deposits which elsewhere are lacking and which here enrich the soil.

The valley is a pageant, sometimes sad, sometimes smilling, nearly always beautiful. Often, following down along the bottom lands of some yellow river one is amazed at the loveliness of hills and plains. Here one would look for happy farms, for fat herds of cattle, for orchards bursting with spring into blossom, even for vineyards ascending the sun-soaked slopes. And more often than not these blessings are not there.

The smoky vistas are sweet in the soft spring light; but in rickety

The smoky vistas are sweet in the soft spring light; but in rickety and unpainted dwellings, in the absence of cattle, in the deadening sense of discouragement, one finds proof that something is wrong. At dusk many a cabin is dark or lighted only by the flicker of open fires. The roads—even those marked red on the automobile maps—vary amazingly from concrete to macadam, from macadam to dust or mind.

or mud.

The trouble is not that people in the valley prefer mules to automobiles, wells and springs to plumbing, darkness to light, mud to concrete. They want these good things, but they do not grow in a depleted soil. They do not grow on cruelly gullied hillsides, on slopes where red and gray patches show that the topsoil has washed away, on land that has lost its nitrates and phosphates. They cannot be grown by a discouraged people, no matter how good the human stock from which those people are bred. And good stock it is—90 or 95 percent of the T. V. A.'s labor force has been recruited from the neighborhoods in which it is employed and no cruited from the neighborhoods in which it is employed, and no one who sees it in action or sees what it has accomplished will

sneer at it.

The traveler must not yet look for miracles—and yet he will find a few. He will find the practically completed Norris Dam, 25 miles above Knoxville, set as precisely as a jewel between two high banks that were virgin 3 years ago. At Joe Wheeler, a few miles above Muscle Shoals, he will see another new dam, also practically completed, stretching like a white causeway across the wide stream; at the old Wilson Dam at Muscle Shoals he will hear the whir of generators and see smoke rising and drifting in the misty air from the tall chimney of the fertilizer plant.

Fertilizer is not a poetic subject, but there is poetry of a modern sort in the grinding and mixing of rock, in furnaces where flames surge to temperatures of 2,850° F., in yellow dust going out to give life to dying soil. There is poetry in a sack of phosphate that

will make rich crops grow where scrawny ones grew before.

The traveler will see three dams in the making—at Chickamauga, just above Chattanooga; at Guntersville, in Alabama; at Pickwick Landing, in Tennessee. He will see that the making of a dam is a miracle. North Chickamauga Creek is in the way; the engineers will give it a new channel and bring it out below their dam. They want to know what there is under the water to hold up their earth and concrete bulwarks; they drill fanatically, bringing up many thousands of feet of rock cross sections. They draw roads, culverts, switches buildings locks embankments on a man and in time switches, buildings, locks, embankments, on a map, and in time those things are there on the surface of the earth.

At Pickwick this spring one could see a dam-building bee in

full career. Dam building is a man's job. The huge concrete mixer towers perilously. The machines are stopped. Men sluice them out, then crawl inside. They merge. The thunder begins

again.

Down below the engineers have constructed a cofferdam of steel sheet piles driven in 60-foot circles, filled in with sand. Inside this dam a massive lock is being built—the highest single-lift lock in the world. The cement comes out into huge buckets, a crane lifts them as a farm boy would swing a milk pail, flits them just above the heads of men working in the lock. A Negro jumps to a lever at the bottom of the bucket, throws his full weight on it, the bucket disgorges and men settle its contents into place with vibrators driven by compressed air.

The April high water topped the cofferdam. Warned 36 hours in advance the engineers took out all equipment that water could damage and let the river in. The flood crest, 2 feet above the walls, did no harm, and as the river dropped the engineers were ready to pump out and resume work.

did no harm, and as the river in. The flood crest, 2 feet above the walls, did no harm, and as the river dropped the engineers were ready to pump out and resume work.

Over the hills, straddling down from Norris, comes a line of tall towers. They will carry Norris power down the valley. Three important cities—Knoxville, Chattanooga, and Memphis—have voted to use T. V. A. power. Dayton, where the famous "monkey trial" took place and William Jennings Bryan died, is a T. V. A. patron; Florence, Sheffield, and Tuscumbia, near Muscle Shoals, will take T. V. A. power when some legal difficulties have been smoothed out; Corinth and its county of Alcorn already have it; Tupelo, in Mississippi, a tragic storm center in the recent hurricane, has it and uses it in amazing quantities.

In or near Corinth you can see some demonstrations of what electricity on the farm can do: a poultry raiser enlists it to keep even temperature in his brooders and incubators; a gardener heats his seedbeds with it and makes sweetpotatoes, tomatoes, and eggplant grow at a season when Nature never intended them to do so; a farmer uses it to kill harmful bacteria in his soil. This is a beginning, a mere inkling of what electricity can do on a farm. It can pump, grind, refrigerate, saw, milk. It has scores and scores of uses.

Agricultural colleges, experiment stations, and county agents in

Agricultural colleges, experiment stations, and county agents in parts of the seven States are studying furiously to see what can be done in the valley with new supplies of electricity, fertilizer, and hope. Six thousand farmers' clubs are conducting experiments under expert direction.

be done in the valley with new supplies of electricity, fertilizer, and hope. Six thousand farmers' clubs are conducting experiments under expert direction.

Three years ago critics of the T. V. A. had a standing argument. Electricity, they conceded, would be a fine thing on the farm. But could the Tennessee Valley farmer pay for it? One had only to look at the farmer and his home to realize that he had little cash. How could he take on a new luxury?

The T. V. A.'s answer to this argument, which is here offered for whatever it may be worth, is that electricity on the farm is not a luxury but an economy. First, says the T. V. A., you fill up your gullies, terrace your land, strip plow your slopes, and let the water flow down as slowly as possible. You collect the water behind dams and produce power. You use part of this power to make phosphate fertilizer, and with the fertilizer you grow legumes which enrich and hold your soil. You use some of the rest of the power on the farm itself. You diversify your farming, especially if you have been depending on the soil-murdering cotton as your one crop. You raise vegetables, herries, fruits; you raise fodder crops and feed them to dairy cows and meat cattle.

Electricity makes your labor more productive; the one-mule farm becomes an electric farm. You build a big walk-in electric refrigerator, either alone or in cooperation with your neighbors, and in it you store your meat and other perishable products until the market will absorb them at a good price.

As your cash income increases you can spend more on your land and on yourself and your family. You will be able to pay your taxes, and your community can support better roads, schools, and other public services. The vicious cycle of crop failures, defaulted taxes, poverty, and community decay will be reversed. In time industries can be brought in. At the beginning, at least, they will process the valley's own agricultural and mineral products, furnishing more employment and keeping more money at home.

To carry out thi

This isn't the sort of education the T. V. A. has in mind. The T. V. A. rests its case on giving advice as to the best ways of doing things and leaving it to individuals and communities to decide for themselves how the advice works out.

The T. V. A. doesn't even pretend to have arrived at final truths. It is trying to bring to the valley a new technique of running farms and using electricity in towns and cities. Such a technique

cannot possibly be final.

Mainly the T. V. A. believes in learning by doing. It is convinced that demonstrations of better farming, of wiser and more ample use of fertilizers, and of the services of electricity will prove irresistible. It looks to see the leaven spread naturally

through the valley.

If this leaven does spread in the valley of the Tennessee, it can-If this leaven does spread in the valley of the Tennessee, it cannot help affecting other American valleys. Consider the basic reasoning behind the T. V. A.: A river valley is the most perfect geographical unit. Its people are interested, as a whole, in the control and use of the river. Piecemeal planning will not provide for such control and use. A river as large as the Tennessee cannot be developed by private enterprise—the job is too big and there are too many uncertainties in it. Therefore Government must do the developing and private enterprise can step in where Government leaves off. Between Government and purely private enterprise there will be a natural growth of cooperative associations, particularly in the rural regions.

enterprise there will be a natural growth of cooperative associations, particularly in the rural regions.

Other river valleys would furnish other problems. The Ohio, already practically canalized by its chain of locks and heavily industrialized, would require an altogether different treatment; the Missouri and the Arkansas, flowing for long distances through dry and sparsely settled country, would be still another sort of picture puzzle to put together.

But the principle of dealing with rivers and river valleys as wholes is undoubtedly involved in the Tennessee experiment. If that experiment succeeds, it will certainly be tried elsewhere.

VAN A. BITTNER

Mr. HOLT. Mr. President, I ask to have printed in the RECORD a statement by me about Van A. Bittner.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I want to call to the attention of those interested in unionism in

West Virginia the record of Mr. Van A. Bittner.

Mr. Bittner called at my office not once but on five different occasions, and each time requested me not to fight Walter Thurmond, internal-revenue collector for the State of West Virginia. I asked Mr. Bittner how he could do that, since Thurmond had been one of the bitterest foes of unionism in the State and had been president of the Lorentz Could Control of the Lorentz Could Country Country Could Country Country Could Country Country Could Country Count dent of the Logan County Coal Operators Association during one of the worst industrial strifes in the history of the United States. Miners were beaten, clubbed, and gagged. His reply was that we could forget those things because of the coming election. I read to Mr. Bittner the letter Walter Thurmond sent to Presi-

dent Harding in 1921, in which he said:

"Our information is, and we believe that investigation in Kanawha and Boone Counties will show, that thousands of men went into the recent revolt and attacked citizens of our country, went under coercion and threats of death by their leaders. Our information is these men were drafted for service and were notified by their leaders that if they did not respond they would be either hanged or shot and that the so-called spontaneous uprising by the United Mine Workers was the result of a deliberate, well-laid plot by the officials of that organization, who dominate their members through fear of an invisible government, with power of life and death over its members. This death penalty was inflicted by this organization on some of its members within the past 2 weeks.

"This has prevented the organizers of the United Mine Workers from coercing and intimidating our employees into joining the United Mine Workers; and when they have been prevented from violating the laws of our State, they immediately accused the officers of the law, who prevent them from carrying out their unlawful acts, of being thugs, outlaws, and gunmen, which they themselves are doing, this for the purpose of covering up their own unlawful acts. We submit to you, as a peaceful, law-abiding community, with an industrious, contented industrial population, with no semblance of labor trouble or disturbance, our county has been subjected to greater indignities and outrages at the hands of members of the United Mine Workers of America from Kanawha, Boone, and other countles than has ever been suffered by any community of American citizens in the history of our country, and if our Government permits thousands of men to organize and arm if our Government permits thousands of men to organize and arm themselves and march against the inhabitants of a peaceful county, with threats of arson and murder against the population thereof, without any adequate punishment therefor, we seriously fear that the days of free government in this country are numbered."

That is what Walter Thurmond thought about the United Mine Workers when the field was unorganized. Yet Mr. Bittner asked

Workers when the field was unorganized. Yet Mr. Bittner asked me to accept Thurmond.

I am calling to Mr. Bittner's attention the testimony that he gave before a committee of the United States Senate in 1928 about Walter R. Thurmond and also testimony of Walter Thurmond in the district courts of West Virginia in which he admits that they paid \$61,517 one year and \$46,630 for another year for the employment of deputy sheriffs to patrol the mines, and that he had contributed \$15,000 for the prosecution of the United Mine Work-

ers in the State courts. I need not call to the attention of those in southern West Virginia, in Logan and Mingo Counties, the activities of Walter Thurmond; but it is my desire to call to their attention the recent moves of Van Bittner to join with Mr. Thurmond in his political activities. I need not call to the attention of one who has lived in Logan County how the Baldwin-Felts thugs were used to beat up the miners who were fighting for their just

Yet Mr. Bittner says: "I know Walter is with us now!"

Yet Mr. Bittner says: "I know Walter is with us now!"

If men like Thurmond had control in West Virginia now, there would be no United Mine Workers or any other union labor.

When the local unions of Logan County passed resolutions condemning Walter Thurmond and praising President Roosevelt, Mr. Bittner went to Logan County and prohibited any further resolutions. I requested him, in a letter and wire to him, to explain this action; and he said, "My criticism against local unions passing these resolutions was general. It is necessary for us to have discipline."

"We do this in order to present a solid front in protecting the

ing these resolutions was general. It is necessary for us to have discipline."

"We do this in order to present a solid front in protecting the best interests of our people."

Much the same situation is true in northern West Virginia, where Mr. Bittner endorsed and pushed the candidacy of C. E. Smith, who for years was an outstanding foe to unionism in that section of the State when unions were weak. I have placed in the Record Mr. Bittner's own testimony about Ned Smith, and also can call to your attention the well known "good morning" column written by Ned Smith, where the laboring men were said to be guilty of every crime on the calendar. I do not intend to accept these overnight friends like Smith and Thurmond, who are now claiming to be friends of labor, but when they had the opportunity tried to destroy unionism in every way possible.

Mr. Bittner pleaded and begged with me not to fight either Smith or Thurmond. I did not accept his judgment. Also he overlooked the matter regarding Mr. Thurmond's connection with the Coal Operators Association. The miners in Logan County know about Walter Thurmond's activities in behalf of the yellow-dog injunction; and yet Mr. Bittner says Walter is a fine fellow, and begged me not to call attention to this publicly.

Also, I would like to show Mr. Bittner's attitude on the scrip bill in the legislature.

The miners in West Virginia have for years been trying to get

in the legislature.

The miners in West Virginia have for years been trying to get away from being paid in scrip. A bill known as house bill no. 51 was introduced and passed in the house of delegates. Immediately Van A. Bittner addressed a letter to the house against the bill. This can be found on page 9, February 4, 1935, House of Delegates Journal. He specifically says that the bill which would do away with scrip "is a fantastic proposition that will help no one, and will create considerable trouble in the mining industry in our State." He also says, "If a law is enacted making scrip transferable and payable at face value, then we will be faced with a condition among many men in the mining industry of scrip being made legal tender and no money for wages will be paid at all." Also—

"The only trouble that has ever been reported to me relative to the issuance of scrip since the signing of the wage agreement is that some men draw scrip and have it cashed by pawnbrokers or others at a discount; and if a law was passed making scrip transferable and payable at face value, this condition would become worse, instead of better."

Further, he says:

"We are certainly not going to assume an attitude of heing in

Further, he says:

"We are certainly not going to assume an attitude of being in favor of any bill before the legislature that simply inconveniences the operators and brings no good whatever to the miners and their

The bill was passed, but Mr. Bittner was at work to force reconsideration, and today scrip is being issued in West Virginia because Mr. Bittner helped kill the bill that would do away with scrip. I myself have always felt that the miners should be paid in cash, and they should not be forced to accept scrip.

Is Mr. Bittner the friend of labor when he does these things?

I intend to issue later a statement to labor relative to the autonomy situation, in which I will show that Mr. Bittner has beaten down and forced out every move to allow the miners in district 17, of which he is president, the right to vote on their own officers. The miners themselves cannot oppose Bittner, who rules with an iron hand, with no regard for the miners' wishes.

Mr. Bittner is trying to sacrifice labor to build up his own selfish

and personal career.

MISSISSIPPI RIVER FLOOD CONTROL

The Senate resumed the consideration of the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928.

The VICE PRESIDENT. The question is on agreeing to the first amendment reported by the Committee on Com-

Mr. VANDENBERG. Mr. President, the pending bill is the \$272,000,000 Overton flood-control bill in respect to the lower Mississippi River. I wish to speak only briefly concerning it, and chiefly for the purpose of putting the Senate on notice respecting the size and expense of the challenge in relation to flood control as a whole, which is rapidly accumulating for our attention. It ultimately becomes a staggering

contemplation from a Treasury and taxpayer standpoint. We dare not confront a segment of the problem by itself. We must take the ultimate problem as a whole.

This happens to be only one of numerous flood-control proposals which this Congress will confront. It seems to me worth while, I repeat, to understand generally the nature and extent of the complete problem before we undertake to deal with any of it on a piecemeal basis.

Of course, flood control is very difficult to discuss objectively. It involves a dramatic challenge to the human heart against which no one would wish to seem to stand. None of us would be parsimonious in dealing with a flood problem. As I have frequently told the distinguished Senator from Louisiana [Mr. Overton], the author of the pending bill, I want to go along with him in respect to any realistic and practical answer to the problem insofar as it fits into the general scheme of things.

It is a perfectly natural inclination to move quickly to the rescue whenever this dramatic flood-control situation challenges the attention of the Congress; but this should not blind us to the inevitable fact that "haste makes waste." While I would not measure dollars against human lives in respect to a contemplation of this nature, nevertheless I repeat we must be realists and we cannot safely escape the hard fact that a tax flood—I repeat the phrase, "tax flood"—can be as devastating and deadly often as are the cruel forces of Nature upon occasion. In other words, we must temper the generosity with wisdom. We must be prudent and practical.

Mr. President, against that general statement I want briefly to recite to the Senate what is waiting for its attention in respect to this general problem, because I do not believe we can deal with one sector intelligently and wisely except as we understand the thing as a whole.

I am referring chiefly to the fact that in the Commerce Committee of the Senate there is still pending a so-called omnibus flood-control bill which at one time had reached a total authorization in excess of \$700,000,000, which subsequently has been cut back by the Commerce Committee to the neighborhood of \$400,000,000, but which is now again in a process of rewriting which, in my humble judgment, may carry it literally into the billions of dollars. We are a rich Nation; but there comes a time when even our resources may be exhausted. It is not the habit of the time, in respect to expenditures, to count the cost. I decline to go along with any such prodigal philosophy, whether it deals with floods or anything else.

Heretofore we have contemplated Federal responsibility in connection with floods largely on the basis of major stream problems as in the Mississippi Valley, where there is a definite and specific interstate responsibility. Even in the acceptance of that interstate responsibility in these few larger situations we have always built upon the basis of local contributions. These are our traditional precautions.

Mr. President, the Commerce Committee 1 week ago voted 9 to 4 in favor of an amendment to the omnibus flood-control bill; an amendment which in terms would practically accept Federal responsibility for every flood condition in the United States, whether it be interstate or local. Furthermore, that committee voted 9 to 4 to abandon the one and only check against extravagance and against "pork barrel" flood legislation when it voted to abandon local contributions.

Mr. President, if we are going to abandon local contributions, and if we are going to accept Nation-wide responsibility for every flood condition which exists anywhere in this land, it represents an ultimate equitable responsibility of a minimum of \$8,000,000,000 and probably more. This is the naked reality.

After the committee had thus taken what to me was an amazing step and had voted thus to abandon utterly the traditional safeguards with which Federal responsibility heretofore has been surrounded, it was reported to the committee that a bill of this nature probably would be vetoed by the President. I hope the report is true, because if any bill ever deserved a Presidential veto it would be a bill which would accept Federal responsibility for every flood condition in the

United States and completely abandon the philosophy of local contributions.

When this rumor reached the committee, the chastened committee voted to reconsider its previous action, and it was reconsidered, and the matter now stands in a state of flux. That seems to be a paradox, to be standing in a state of flux, but I think the Senate will understand what I am trying to say. It remains to be seen what the final decision of the Commerce Committee will be, and ultimately, of course, what the final decision of the Senate will be upon this tremendously important thing. I am unwilling to go ahead with the Overton bill without reminding the Senate of these other considerations.

The trouble is that flood control heretofore has been chiefly dramatized upon the Mississippi River, where everybody concedes there is a national responsibility. More recently we have discovered the even more dramatic flood challenge in the upper reaches of tributaries of the Mississippi River and in many unrelated sections of the country. We confront the inevitable problem of assessing and measuring our responsibility in all these other flood situations, because any rule which is announced for one section of the country we must be prepared equitably to apply to every other section of the country.

There is where the general problem rests at the present time. It rests in an undecided question before the Commerce Committee, which may ultimately bring us a flood-control policy involving an ultimate immeasurable responsibility which may run into eight, ten, fifteen, or twenty billions of dollars. So far as I am concerned, I want to put my colleagues upon notice that we must be exceedingly careful lest we establish any piecemeal precedent which will encourage and approve this larger, final net result. In such circumstance precedents become of major importance.

So far as I am concerned, I am not disposed to challenge the Overton bill in its major phases after it shall be amended, as I understand the distinguished senior Senator from Louisiana [Mr. Overton] intends to ask that it be amended. Nevertheless, in the face of all the balance of the flood-control challenge which is waiting to roll in upon us the moment the Commerce Committee releases the flood-gates, I think it is absolutely important that we should go exceedingly slow.

It seems to me that the perfectly obvious policy to be followed by this particular session of the Congress is to do precisely what the President of the United States proposed in a letter to the distinguished senior Senator from Arkansas [Mr. Robinson] when he suggested that we deal only with emergent situations at the present time and await a well-rounded, Nation-wide, substantive survey of the entire flood-control necessity before we undertake to answer any piecemeal phases of it beyond the immediate emergency. In other words, believe it or not, I am speaking for the President.

There is a perfectly obvious reason for this method of consideration, Mr. President. The State of Ohio offers a very excellent example of the reason. There are two flood conservancy districts in the State of Ohio paralleling each other. One of those districts has completely met its own flood problems on the old, traditional basis of local responsibility. It has paid all the expense by taxation upon its own people. That was the established basis of approach to these indirect flood questions as related to Federal responsibility heretofore.

Immediately paralleling that precise conservancy district in Ohio is another district, whose spokesman appeared before the Commerce Committee within the past week and asked—and appropriately, if we are to enlarge the Federal responsibility—that those things which had been done in the neighboring Ohio conservancy district at the expense of the home folks should now be done in this particular Ohio district at the expense of the Federal Government. The point I am making is that the new policy, under which the second Ohio district had a perfectly logical right to come to Washington and ask for aid, is a complete departure from the old policy; and I am making the point that if this

departure is to occur in one instance, we must be prepared equitably to pursue it into every section of the United States.

It is upon that basis, I repeat, that I think the President of the United States is completely wise when he urges us to confine ourselves at the moment to emergency flood situations, and then to commit this new Nation-wide problem in its entirety to appropriate expert authority, which during the recess can at least bring us scientifically a preliminary survey of the whole situation, which will include not only those direct flood-control factors which heretofore have been emphasized but which will also include all the other related factors of flood control to which our attention is now appropriately being directed.

Mr. NORRIS. Mr. President, may I interrupt the Sen-

Mr. VANDENBERG. I yield to the Senator from Nebraska.

Mr. NORRIS. I am interrupting the Senator, not because I am advocating any particular policy or disagreeing with the Senator; in fact, so far as the Senator has stated the national policy, or what ought to be first considered before we decide whether or not it shall be a national policy, I think I am in entire agreement with him; but I should like to call his attention to and get his suggestions as to a proposition of this kind:

The Senator refers to Ohio, where, without any doubt, the local authorities have done a magnificent work and have done it at their own expense. They have done a work that will relieve, to the extent of the waters impounded, the damage from flood waters of the Mississippi River even in the State of Louisiana, because most of the water would go down there; and, as compared with the entire Nation, it is a small amount. If we are going to establish a national policy, however, as I see the matter, we must take up what would ordinarily be called local matters and combine them, and in that way get a national policy.

Suppose, however, we take a case like the recent flood, which was referred to the other day by the Senator from Massachusetts [Mr. Walsh]. Certain damages occurred on the Connecticut River, I believe. When the State authorities investigated, when they consulted engineers and experts to see what could be done to prevent a return of such floods, they found it would be necessary to go away up in the mountains, probably hundreds of miles away from the place where the damage was done, and conserve the waters there. In other words, often they would have to go outside of their own State into another State in order to remedy the difficulty. Even if we were going to do as Ohio did, it would be manifestly impossible for one State to remedy the situation. Its authorities would have to go into another State, perhaps into several different States, and there build the necessary flood-control dams.

We are going to meet such conditions all over the United States; and, although I admit it is a mammoth problem when we put it together, it seems to me the American people are going to solve it, regardless of its size; and they might just as well be confronted with the fact that it is a national problem, and that nobody outside of the Congress of the United States can remedy the situation.

Does the Senator from Michigan agree with that?

Mr. VANDENBERG. Completely. In fact, Mr. President, I think the distinguished Senator from Nebraska has entirely confirmed the conclusion I am undertaking to sustainnamely, that this problem has become exceedingly complex; that it has become interrelated across State lines; and that it is going to be necessary for us to depart in some fashion from the previous traditional rule. That is all the more reason why we should be exceedingly prudent in determining the basic rule that shall be applied in the present instance, meaning in respect to the floods which have recently occurred; because, as the able Senator from Missouri [Mr. CLARK] has repeatedly argued before our committee, whatever precedent is now established in respect to the instant floods in the East must be a precedent for dealing with floods in the Middle West and in the West and everywhere else in the United States.

So it is the precedent which at the moment becomes exceedingly important; and it is because of the importance of the precedent that I repeat my belief that the President of the United States is absolutely correct when he urges that we confine ourselves as closely as possible to emergency situations so far as the present session of Congress is concerned, and commit the new and enlarged challenge to which the Senator from Nebraska has appropriately referred to proper expert authorities for the kind of a survey and report which can produce a comprehensive answer instead of a piecemeal answer.

Mr. SHIPSTEAD. Mr. President, will the Senator yield? Mr. VANDENBERG. I yield.

Mr. SHIPSTEAD. Is the Senator now speaking of this bill, or of the bill that is in the Commerce Committee?

Mr. VANDENBERG. I am now speaking generally. I shall come to this bill in just a moment.

Mr. SHIPSTEAD. Will the Senator tell us if there is any sign that an omnibus bill will come from the Commerce Committee?

Mr. VANDENBERG. I am unable to answer the Senator's question. The committee is sharply divided in respect to the question of policy. It has voted one way within a week, and reconsidered that vote 6 days later, and has left the matter for subsequent umpiring at a meeting next Friday.

Mr. SHIPSTEAD. Mr. President, if the Senator will permit a short observation in line with what he said about the local States and communities contributing to flood control, I believe that when we come to look into the matter of flood control it will be tied up with what will be found to be a very serious question of erosion.

Mr. VANDENBERG. I agree to that.

Mr. SHIPSTEAD. In that case it seems to me it would be unjust to have the Federal Government assume all responsibility for expenditures, because where prevention of erosion is carried out, the lands will be benefited, it will save them from destruction, and the owners ought to pay a part of the expense.

Mr. VANDENBERG. I agree 100 percent with the Senator. Mr. SHIPSTEAD. So I think we shall be in the wrong if we establish a policy whereby the Federal Government is to pay all the expense of whatever program is undertaken.

Mr. VANDENBERG. But, Mr. President, there again is testimony which emphasizes the need for judicial attention to this question. The Senator from Nebraska first rises and, I think, makes an excellent case for the necessity of Federal responsibility in certain situations; whereupon the Senator from Minnesota rises and makes an equally excellent case against Federal responsibility in other situations. The problem is to find the correct formula that can be equitably applied throughout the United States.

Mr. NORRIS. Mr. President-

Mr. VANDENBERG. I yield to the Senator from Nebraska.

Mr. NORRIS. I think any student of the subject will reach the conclusion that wrapped up in the flood-control problem is the problem of erosion. It is a very important item, too; I think probably, in the end, as important as anything in the problem. But if holding back flood waters will assist in the prevention of erosion, as I think it will when the program is carried out, we shall ultimately reach, as we go down the scale, smaller and smaller and smaller and more numerous dams that will be necessary to prevent erosion.

There are persons who, with very great logic, wish to start at the other end of the program, and commence with small dams on individual farms and increase the size until we get to the larger ones. Personally I should like to commence at both ends, so far as that is concerned; but, again, if we are going to demand contribution we cannot, as I understand, say to a man, "We wish to have you build a dam here to prevent erosion on your land." That is something which, under the Constitution and the Liberty League, we cannot compel a man to do. He can either take it or let it alone; so we immediately run into that difficulty.

Mr. VANDENBERG. The Senator is quite correct, and again he is exemplifying the fact that the problem is utterly complex, and that is the thing I am trying to say again and again—that it is entirely too complex for us to attempt to meet it by piecemeal legislation, in which we deal with this particular flood, which suddenly challenges us with its dramatic tragedies, forgetting that the whole thing is integrated in a common Nation-wide problem.

The Senator from Pennsylvania [Mr. GUFFEY] has ably argued to the Committee on Commerce that the proper method of handling floods is not to deal with them primarily at the point of ultimate disaster, as in the alluvial valley of the Mississippi, but that the logical thing to do is to trace the flood menace to its source, no matter if it be a thousand miles away, and deal with it through reservoirs, and so

Very well, Mr. President; if we are ultimately to deal with the flood menace by tracing the flood to its source and impounding the waters in reservoirs-and I confess that appeals to me greatly as a matter of logic—then are we going to need the full extent of the spillway or floodway program of flood control which has been built upon a totally different theory, namely, the theory that the flood shall be taken care of where it finally climaxes its jeopardy?

The whole problem is wrapped up in this complex challenge, and I confess that it is with the greatest reluctance that I concede to the Overton bill a right of passage at the present time in its prospectively amended form. But it does have credentials, to which I shall subsequently allude, which may reasonably indicate that it would be a part of any subsequent plan; and, after all, it is only an authorization; and I assume that in the light of the President's purpose to provide a national answer to this question there will be no conclusive commitments to the works under the Overton bill until the national program is subsequently available.

I noticed a dispatch from Washington in the Associated Press only yesterday. I read as follows:

Starting an exhaustive study of the country's 15 major drainage

Starting an exhaustive study of the country's 15 major drainage basins, Interior Secretary Harold L. Ickes yesterday asked the cooperation of local authorities in preparing a National Resources Committee report on steps needed to prevent floods.

The drainage basin study, to be directed by Frederick H. Fowler, of San Francisco, was ordered by Ickes a day after President Roosevelt signed a bill liberalizing Reconstruction Finance Corporation lending regulations and authorizing loans of \$50,000,000 to repair damages from recent storms and floods.

PART OF NATIONAL PLAN

Ickes, who is Chairman of the Resources Committee, said the study would be part of a national water plan to be submitted to the President as a guide for administration policy. It will embrace:

 The outstanding problems of water use and control.
 The broad outlines of a reasonable and interested plan of development.

3. The specific construction and study project which in the light of available information are consistent with the broad plan.

That is the approach to this flood problem which I approve, and that is the approach which it seems to me the Congress should pursue. If we are to pursue that sort of an approach, I submit that we should not have an omnibus flood-control bill, in which there may be rewritten the basic flood responsibility of the American Government to an extent which may be involved in commitments running literally into billions of dollars in the course of the years. And in the same feeling I repeat my reluctance to approve the Overton bill even in its amended form. But let me speak specifically of the Overton bill, Mr. President, and then I shall be done.

When the Overton bill came from the Committee on Commerce, and in the form in which it now confronts the Senate, from my point of view, it was utterly and absolutely indefensible. So far as I am concerned, in confronting questions of this character, I am bound to rely upon the expert recommendations of the expert branches of the Government in respect to these problems.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. VANDENBERG. In just a moment. So far as I am concerned, I am unwilling to approve a step, either of flood control, or river and harbor project, or any related water-

way project, without the affirmative recommendation of the Board of Rivers and Harbors Engineers and the approval of the War Department.

Now I yield to the Senator from Louisiana.

Mr. OVERTON. Mr. President, the Senator from Michigan states that he is unwilling to approve any project unless it meets with the affirmative recommendation of the Army Engineers, the engineers of the Rivers and Harbors Board, and the Secretary of War. Permit me to call his attention to the statement made by General Markham in the course of the hearings conducted in respect to the pending bill, and also in respect to the omnibus flood-control bill now being considered by the Senate Committee on Commerce. He stated that the problem of the lower Mississippi Valley should be treated as an independent problem. It is in effect a sui generis problem. It is a problem of levees and floodways.

Let me further call the attention of the Senator to the fact that the report of the engineers to which he refers is that, in effect, nothing that can be done by way of reservoirs or other methods of controlling the flood waters of the Mississippi will dispense with the necessity for either the floodways recommended in the Markham plan and the Jadwin plan or the levees recommended in those plans.

Let me further call his attention to the fact that the report made by the Secretary of War on the pending bill declares that, with the amendments which I propose to offer, the bill is in accord with the program of the President. Therefore, it has Executive approval and expert engineering approval, and I think it meets the objections which possibly the Senator from Michigan might make to the bill.

Mr. SHIPSTEAD. Mr. President, will the Senator yield? Mr. VANDENBERG. In just a moment. The Senator from Louisiana has somewhat anticipated my own conclusions in respect to the matter. I have already said to him that I considered that the plan for handling superfloods in the alluvial valley of the Mississippi has very formidable credentials which I am unwilling to ignore, in spite of my reluctance to do anything piecemeal in respect to this legislation. As I continue to trace the chronology of his own bill, I think the Senator will find that I am substantially in agreement with him, with one exception.

I now yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Mr. President, the point of the engineers has always been that levees and dykes should be built on the lower Mississippi, and that all the flood control ought to be taken care of in the lower Mississippi.

While I am not an engineer, I have a great deal of respect for the Army Engineers, but it seems to me that their point of view is contrary to all logic. After all, the water comes from above, and flows down by drainage, and because of lack of forests. There are many factors which enter into the flowage of this water down the Mississippi Valley all at one time. It has always seemed to me that the logical thing to do would be to hold the water back, not to produce floods, but to prolong the flow-off of the water.

What is it that causes a flood? A great deal of water coming in the spring of the year, or during a period of great rains, is forced through drainage systems and ditches and through the creeks and the rivers down the Mississippi.

When your kitchen floor is flooded with water from the kitchen sink, you do not build ditches to carry the water away; you go to the sink and control the water where it starts until you are ready to use it.

There is another matter involved. When water which is rapidly drained from a region of country is treated as a public enemy instead of as an asset, its power for good is destroyed and damage is inflicted upon the country above.

I am not willing to say that levees should not be built; I am not sufficiently familiar with the lower Mississippi to pass judgment upon this bill; but when we come to discuss the question of a real flood-control program, the first thing we must bear in mind is that we have been dealing with floods on the lower Mississippi since the country was settled, and each flood that comes along does more damage than the one which preceded it. So the program we have been following

ever since 1800 has not been effective in preventing floods. However, at some future time I shall go into the matter in detail.

Mr. VANDENBERG. Mr. President, I am interested in the comments of the able Senator from Minnesota [Mr. Shipstead]. He is always an intelligent man to listen to on any subject to which he addresses his attention. So far as I am concerned, however, I confess the limitations of a layman in respect to problems of this nature, and I am prepared to do almost anything which the Board of Engineers for Rivers and Harbors recommends, but I am not prepared to do anything against which they recommend. Then if there shall be any mistake made the mistake will be made in those expert sections of the Government which hold a primary responsibility for such situations.

Mr. COPELAND. Mr. President-

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from New York?

Mr. VANDENBERG. I yield.

Mr. COPELAND. I cannot see any conflict between the purposes of the pending bill and the general study referred to by the Senator from Michigan. As he knows, we in the Commerce Committee have been striving earnestly for weeks to attempt to establish a policy which has to do with a division of costs between the Federal Government and the localities benefited as regards the various localized projects. To speak of the pending bill particularly, there is not a thing in it which conflicts with or makes unnecessary any activity which we have in mind with regard to the omnibus bill.

Is it all right for me to continue to speak?

Mr. VANDENBERG. Oh, yes.

Mr. COPELAND. No matter what may be done in the upper reaches of the great river, the Mississippi, and its various tributaries, taking in the Ohio River and its tributaries; no matter what may be done in connection with projects included in the omnibus bill, there will never come a time, even if those projects shall be completed, when there will be such control of the headwaters as to render unnecessary the provision made in the pending bill. I spoke of that the other day, and I wish to speak of it again today. Even with the completion of the great project which is contemplated in connection with the safety of Pittsburgh, as I said the other day, the people of Pittsburgh are not going to be assured that their feet will not get wet.

The contemplated project, when completed, will at the very most lower the crest of the flood 7 feet when the reservoirs above are empty; and under the normal protection afforded by the reservoirs, the best that can be expected is a lowering of 5 feet. So after the crest of the flood shall have been lowered 5 feet in the Golden Triangle in Pittsburgh, there will still be a great volume of water rushing down the Ohio and rushing to the Mississippi also from tributaries to the west of the Mississippi. Therefore, as I see it, there will always be the menace in the lower Mississippi which will necessitate a run-off such as is contemplated by the gigantic work proposed in the pending bill.

The point I wish to make is that while I am in sympathy with much that the Senator has said, yet I can see no conflict whatever between the President's position, as indicated by what the Senator has said, or the omnibus bill upon which we are now working, and the particular bill under consideration. It is a part of a great plan which ultimately must be carried into effect in the United States in order to give protection to American citizens.

There are other incidental uses of these projects, though, perhaps, I should not say incidental, because they are really important. I refer to forestation, soil-erosion prevention, and power development. All those things will ultimately come in connection with protection against floods, and the national program in connection therewith.

Mr. VANDENBERG. Mr. President, the able Senator from New York is chairman of the Senate Commerce Committee, and during the last few weeks has been struggling as earnestly as a man could struggle to keep the omnibus flood-control bill within rational limitations. I disagree out of the Golden Trian Federal Government is ordinary nature, some upon the persons local money in the long run.

with him when he says that there is not an inherent conflict between the omnibus flood bill and the announced Presidential policy, and the policy to which I subscribe, because I cannot escape the feeling that if we ever write a policy proposal such as is now contemplated in the Commerce Committee, which in general terms accepts complete and unlimited Federal responsibility for all flood conditions in the United States, we will not only have bashed in one end of the Treasury but we will have laid the groundwork for a renewal of the old logrolling legislative methods and the production of the old pork-barrel appropriation bills, which were the curse of Congress and the country until they were curbed. It seems to me that is perfectly inevitable if we announce a fundamental purpose to accept complete Federal responsibility for all flood conditions in the United States without the existing traditional check of the requirement of local contributions.

Mr. COPELAND. Mr. President, will the Senator yield? Mr. VANDENBERG. I yield.

Mr. COPELAND. I am sure the Senator knows my own view regarding this matter too well to let the impression prevail that I should be satisfied to let the Federal Government make all expenditures, regardless of benefits which may come to individual States or communities. I should be quite unwilling to do that.

Mr. VANDENBERG. Let me interrupt the Senator at that point to state for the Record that the Senator was one of our lonesome minority of four that voted against the proposition to which I refer on the first roll call in the Senate Commerce Committee.

Mr. COPELAND. I should say, Mr. President, that I do not feel lonesome when I am with the minority, because I am so rarely with the majority that I feel entirely content. However, I have an ambition to present at this session of Congress a bill which cannot be charged by anybody to be a "pork" bill. I think it is possible to write a formula which will make clear what is the responsibility of the Federal Government and what is the responsibility of the local communities or of the individual States.

In the omnibus bill, for example, there is a provision dealing with the Connecticut River. In order to control floods in Massachusetts and in Connecticut, reservoirs must be built in New Hampshire and in Vermont. They are of no value whatever to New Hampshire and Vermont, but they have an important relationship to safety in Massachusetts and in Connecticut. It would be very difficult—impossible, perhaps—to have any sort of a tri-State pact which would make possible the allocation of costs and the imposition of taxes upon the communities benefited in two other States by reason of building reservoirs in Vermont and New Hampshire. I could speak of a dozen other similar instances.

There are features connected with what I might call scientific flood control which are properly Federal, where the Federal Government must intervene, where the Federal Government must use its funds because of the impossibility of composing differences between States or localities. Of course I agree, however, with the Senator from Michigan that if the entire cost of all flood work is to be borne by the Federal Government we should have to go to every rivulet in the United States and spend Federal money; and I suppose even the tears which we shed might be considered appropriate for Federal regulation, because ultimately they run off into a rivulet, and so into a stream, and ultimately into navigable water.

It must be possible, however, to find some formula by which we may properly place upon the Federal Government the items which appropriately belong there. At the same time, as regards other matters which are local, where the benefits are local—as, for example, in Pittsburgh, where even now some of the property owners are contemplating moving out of the Golden Triangle into safer places—certainly if the Federal Government is going forward to give safety of an ordinary nature, some sort of burden ought to be imposed upon the persons locally benefited, because they will save money in the long run.

So I do not think there is any difference of opinion between the Senator from Michigan and myself; but I do wish to see a plan worked out, both in the pending bill—and I think it has been worked out in that bill—and in the omnibus bill, so that we cannot be charged with putting together a great receptacle known as a "pork barrel", and which I shall resist to the very end, so far as I am concerned.

Mr. VANDENBERG. Mr. President, I think there is no basic difference between the Senator from New York and myself upon the subject. He refers to the fact that the tears we shed ultimately contribute to the waters which accumulate. I am very sure that if we ever embark upon the policy which was voted by the Commerce Committee a week ago—and, fortunately, subsequently reconsidered—if we ever embark upon that policy, the tears which will be shed by the taxpayers of the United States before they get through will cause a flood which will require an entire new survey in order to conserve them.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. NORRIS. On the other hand, if the tears we have shed, and that are still being shed, and if the money represented by the debts we contracted that are still being paid and are going to be chargeable to generations yet unborn, which came about because we went into the World War, had been spent on a program of flood control such as the Senator himself has said would cost upward of \$10,000,000,000, we would have even now the greatest system of internal waterways and transportation in the world, and we would have millions of dollars protected by reason of control of floods which we did not have previously. So, as a matter of fact, we could well spend the large amount referred to, especially over a term of years, that we spent within the period of a few years before and after we entered the World War.

Mr. VANDENBERG. Mr. President, let me go back to the Overton bill and conclude. I promised the distinguished senior Senator from Arkansas that I would intrude upon his program for about 10 minutes this morning. I ask him to acquit me of all the responsibility for exceeding my time.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Louisiana. Mr. OVERTON. I should like to make a contribution on the subject of tears by paraphrasing, if I may, the lines of Lord Alfred Tennyson:

> Tears, idle tears, I know not what they mean, Tears from the depth of some divine despair Rise in the heart and gather to the eyes, When I look upon the happy autumn fields—

Of the lower Mississippi Valley and realize what will happen to them unless this bill shall be passed by the Congress.

Mr. VANDENBERG. Mr. President, in the presence of that moving appeal I hasten to a conclusion.

When the Overton bill was reported from the Commerce Committee, if I may pick up the thread of my argument, I was unqualifiedly opposed to it for the reason that the Secretary of War, under date of February 15, had stated in respect to section 12 of the bill:

It is impossible to estimate the ultimate cost to the United States of these many things. The Department feels that the Government should not be burdened with such an immeasurable responsibility.

Upon the basis of that statement and upon the basis of my opposition to the bill in the committee, I offered a substitute which contained the literal recommendations of the War Department and the Chief of Engineers. I am not calling the substitute up, Mr. President, because it is my understanding that the senior Senator from Louisiana will present a complete substitute for section 12, which, instead of bearing the condemnation of the War Department and General Markham, enjoys their affirmative approval. I understand my substitute no longer will be necessary because my purpose already is achieved.

Mr. OVERTON. May I state that the Senator is correct, and I will offer such an amendment?

Mr. VANDENBERG. Therefore, Mr. President, so far as section 12 is concerned, my opposition is eliminated.

Now, I am forced to refer to a paragraph in the same letter of February 15 in respect to section 5, which chiefly interests the able Senator from Arkansas. I now read from the letter of the Secretary of War in respect to section 5:

Section 5 of the bill authorizes the construction of a system of levees to protect land in the backwater areas of the White River, and provides for payment by the United States of the entire construction cost of the system. This work is not recommended in the report. The requirement that the Government bear the whole construction cost is not in accord with the policy established by Congress in similar cases. Section 6 of the act of May 15, 1928, provides for the construction by the United States of levees protecting lands in areas subject to backwater influences of the Mississippi River on condition, among others, that local interests contribute 33½ percent of the costs of the work. This is a reasonable requirement in all cases of like character, and the Department is unable to recommend that the entire cost of the construction of levees in a backwater area be borne by the United States.

Mr. President, the Overton bill, as a whole, involves the probable expenditure of \$272,000,000 in the States of Arkansas and Mississippi. My understanding is that section 5 involves only \$12,000,000 of the sum total. From my point of view, I think it would be infinitely wiser to withdraw section 5 of the bill at the present time, so that we might cling literally to the formula of having an affirmative approval by the governmental experts in respect to the thing that we do in connection with this complicated contemplation.

The Senator from Arkansas made a very persuasive argument yesterday as to why the judgment of the Secretary of War and of General Markham upon this particular subject is not equitably well founded. He almost persuaded me that he was right; he may be right; but, in view of the fact that we are to have, as I have indicated in the quotation from the Associated Press, a complete, authentic survey of the entire problem within the next few months, and inasmuch as, manifestly, we cannot reach all these projects with our expenditures during the next few months, it seems to me we would be in far finer position, and so would the project described in section 5, if it were eliminated from this bill and were to await inclusion in the general plan. I repeat, however, that, in view of the fact that it is such an inconsequential item as compared with the whole, I am not disposed to stand upon my opinion respecting it. I should like to vote against section 5, but I shall vote for the bill if it shall be amended as proposed by the Senator from Louisiana. I will do so, however, only because it is an authorization—not an actual appropriation—and the actual, ultimate expenditures will be made only after we have the final benefit of a conclusive Nation-wide survey of the floodcontrol problem as a whole.

GREAT LAKES EXPOSITION

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 233) providing for the participation of the United States in the Great Lakes Exposition to be held in the State of Ohio during the year 1936, and authorizing the President to invite the Dominion of Canada to participate therein, and for other purposes, which were, on page 2, line 10, to strike out "Agriculture" and insert "Agriculture and"; and on page 2, line 10, after "Commerce", to strike out all down to and including "add", in line 11.

Mr. BULKLEY. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ADDITIONAL COPIES OF HEARINGS ON THE REVENUE ACT OF 1936

The PRESIDENT pro tempore laid before the Senate a concurrent resolution from the House of Representatives (H. Con. Res. 48), which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, empowered to have printed for its use 2,000 additional copies of the hearings held before the said committee during the current session on the bill entitled "The Revenue Act of 1936."

Mr. HAYDEN. I move the adoption of the resolution.

The PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

CONSTITUTIONALITY OF BITUMINOUS COAL CONSERVATION ACT, 1935 (S. DOC. NO. 197)

Mr. GUFFEY. Mr. President, I ask unanimous consent that the argument of Hon. John Dickinson, Assistant Attorney General of the United States, before the Supreme Court of the United States in behalf of the Government officer defendants in the case of Carter against Carter Coal Co., Helvering, et al., March 12, 1936, in support of the constitutionality of the Bituminous Coal Conservation Act of 1935, be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Pennsylvania is granted and the argument will be printed as a Senate document.

REVISING THE VERSAILLES PEACE TREATY, BY REQUEST OF PRESI-DENT OF UNITED STATES, TO REMOVE HATREDS AND TO APPLY MONEY TO DEBTS DUE THE UNITED STATES INSTEAD OF PAYING FOR ARMAMENTS

Mr. LEWIS. Mr. President, I have in the last few moments enjoyed the discussion as projected by the able Senator from Michigan [Mr. Vandenberg], in which he referred to the necessity of the Government, or whoever shall be behind the pending bill as sponsors, making some provision for an expenditure apparently involving an appropriation of \$272,000,000. Sir, I make note of the amount in order that attention may be called to the great necessity for money on the part of the Federal Government, and to the fact that the money should be from a source which legitimately should be called upon for payment. I will impose on the Senate a few moments while I again allude to one of those sources from which there should have come long since past to this Government the money with which to meet its immediate necessities.

Mr. President, this morning there was introduced for the Record, by the Senator from Indiana [Mr. Minton], supported by the Senator from Alabama, an address delivered by a representative of the press speaking for the London Times, an eminent author of name of Sir Wilmott Lewis. I was attracted by his address and to one feature. Let me add, however, that I am not a stranger to the gentleman, and he is not to me. His eminent qualities as a scholar of literature and of history could well be mentioned in tribute by anyone who knew him; but one of my own experiences with this eminent international writer will not be without some interest to my distinguished colleagues.

Sir Wilmott delights to say that during the war I came in from some period of duty and addressed a gathering of French who were officials mostly, and added that I delivered my address in French to the French gathering, and when I had finished, said Sir Wilmott, "I was compelled to rise and tell them in English what this talk of Lewis was all about." [Laughter.]

In this respect, sir, I again turn to Sir Wilmott Lewis for the moment. I observe that this distinguished representative of the London press—scholar that he is, and now something of an adopted American—in his speech to the Associated Press called attention to the tribute that was due the press for ever presenting those claims of the citizens and those rights of a people which were evident within both their privileges and their just demands. Sir, I wonder why the great paper, the London Times, either from its own expression and its own editorials or from the facile pen of its distinguished representative here, has never a word in behalf of the payment of a debt which is due the United States of America from certain of its renowned debtors, and principally from that to which the distinguished writer alludes as "Great England."

Mr. President, I am moved by the fact—an interesting fact to me, sir—that an eminent statesman representing the English Government alludes to a speech I made on this honorable floor some time past touching the debts, and that the statesman alludes to me as one who "constantly irritates the friendly relations" between England and this country. He

would have me cease, that I might more completely cultivate what he calls "peace."

I am flattered by the notice of my observations; but I also observe that another speaker refers to the debts and says the reason why money could not be advanced in behalf of these obligations, if I quote him literally, is because every country has the right to consider first its necessary defense. In that, I wholly concur; and it is because of that, and looking to my own country and her necessary defense in many forms, and the expenditures involved in all these improvements touching flood control, that debt payments become essential.

I observe that the colleague of the eminent legislator referred to concludes by calling attention to the fact that these demands on the part of America for the payment of debts overlook the fact that there is nothing with which to pay them; and he delights himself in indulging a line of the famous Latin—and if I shall be in error I hope to be corrected by my friend from North Carolina [Mr. Balley], and particularly by my eminent friend the Senator from Utah [Mr. Thomas]—I think the quotation was from the Eclogue of Virgil, where the observation is concluded, "Ex nihilo nihil fit"; "Out of nothing comes nothing", if I translate it literally. I know some eminent speakers to whom that allusion might be correctly made—that "Out of nothing comes nothing"—and some of those are not altogether limited to America. [Laughter.]

Mr. President, I do not wish to exchange classics with the distinguished spokesman of the British Parliament; but my mind, in turn, can but recall that a better reference and a more appropriate one for the representatives of this great Government will be found in a line from Horace—and, if I do not do it an injustice, I think it tells us that—"Vita sine virtu mors est"; in other words, "Life without a virtue is death."

Sir, I turn then to this Government and ask, where is the virtue in professing that there is nothing with which to pay these debts, while in the meantime even to this morning comes to us the official report from this distinguished Government, in a legitimate and let me say commendable report—if the facts be as related—that England has now paid its obligations and has amounts in American money of \$5,450,000 in its treasury, a surplus in excess of its immediate needs? Sir, at this moment it presents in its industrial report a list of 35 of its people, residents and citizens, who have in their income-tax returns disclosed a profit and an increase in the year of more than \$5,000,000.

If these situations exist, as appears as officially reported, who in the public life of these great debtors or elsewhere may correctly say that there is nothing out of which they may pay their money that is due us, or that they are compelled to use their money for what they speak of as "defense"? In other words, sir, in anticipation of conflict somewhere, somehow, and the preparation for it, they shall absorb all the revenues that may be addressed and appropriated for conflict, but none of those revenues are to be paid to discharge the honest debts to this land, this America, which saved them in the very late conflict in which great peril stood immediately before them.

Mr. President, I am in the meantime attracted by the attitude of one of our debtors, France. We find, in declaration from the representatives of France in the last week, first, the expression that it is pledged in honor for an advanced loan to Rumania and to Ethiopia, and in the meantime the assertion and very frank statement that if there were money that could be applied to debts it would have to be reserved as a sustaining fund behind the franc, which has been traveling up and down in a circuitous and whimsical route very like the wheeling flight of some bird in an unascertained atmosphere.

Mr. President, we have from one of the other representatives of that great country that it is something of a shame—if I may use the exact word—that America should be constantly holding up France as being unwilling to pay its debts when we know that France has ever paid every obligation

to the United States ever due, and harking back to the allegation that the United States did not enter the war in behalf of France, nor expend its money in behalf of the debtors, but France "came to the rescue of the United States by sacrificing her people and all her treasure to rescue the United States from being invaded by a common foe" which would have led to our "complete annihilation." For that we express great gratitude, even though it is born in imagination and has its issue from a conception of falsehood.

Mr. President, if it be true that these great nations feel they must exhaust their treasuries for armament, France lately declaring that that which is in process of construction is essential in view of what she says is now the new construction of Germany, let us ask ourselves for the moment, Is there not a way to avoid all this? What is the absolute evil? I make bold on this floor to say that it is the construction and application of what is known as the Treaty of Versailles. It is the penalties of that treaty, the different forms of punishment laid upon the routed or defeated enemy.

Does it not occur to those debtors that some treatment of the United States in a manner respecting its rights that could appeal to its people would have had a very interesting suggestion to the President of the United States upon the theory that we, a signer of the peace treaty though we did not ratify its provisions later, authorize the President in his sense of generosity and Christianity looking for peace and brotherhood to summon the signers of the Versailles Treaty to a new reconsideration, to something of a review of its terms and something of a reconsideration and remolding of its penalties such as is done in this country with decisions of the high courts of the land or with legislation that comes from this honorable congressional body?

The President of the United States may invite this gathering to assemble in the United States, far removed from the political influences, prejudices, and hatreds of their neighboring geography, and afford a completely impartial consideration. By assembling here, sir, the reviewers might reach a conclusion that wounded Germany could accept, that righteous France would adopt, and that just England would approve.

This being so, sir, and then following peace again being restored to these people, the need of these armaments increasing to the amount of millions would cease; the necessity for the payment of all their money for the increase of weapons of offense would end; and the uncertainty of temper that keeps them in constant fever of fear and annihilates their sense of peace and propriety ever, sir, with the agitation of more conflicts would be quelled and ended.

I take the liberty to suggest some consideration of this thought on the part of these eminent debtors, differing, sir, from the mere matter of money and the mere matter of paying from their treasuries. I present this solution looking to the welfare of their future. I suggest that our debtors might well invite the President of the United States to summon such a gathering, with a view to modification of the Versailles Treaty along lines which the people of this country could approve, which would bring again, sir, a revival of friendship to these nations of the earth and bring them back to a new conquest, in the language of the great French savant, Lamartine:

Victoire sans le guerre; conquerants sans l'armies. Victory without war; conquering without arms.

To this object, sir, I take the liberty of bringing to the attention of the Senate what I feel could be now the suggestion to these eminent debtors of one of the methods they could take that would make a strong appeal to this great Government to lend itself to that which finally would produce the results of peace and revive the harmony of distracted mankind among the nations that are now threatened with the annihilation by war of civilization in their own midst. I beseech them to turn to America, and realize that in our bosoms is hope for peace; in our hearts is all of friendship; and in our wisdom we suggest the method of complete restoration both of brotherhood among themselves and the harmony of friendship again with America.

I thank the Senators for allowing me to enter into this debate at this time.

MISSISSIPPI RIVER FLOOD CONTROL

The Senate resumed the consideration of the bill (S. 3531) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928.

The PRESIDENT pro tempore. The amendments reported by the committee will be stated.

The amendments were, in section 13, page 9, line 3, after the word "That", to strike out "\$275,000,000" and insert "\$272,000,000", and at the end of the bill to insert a new section, so as to make the bill read:

Be it enacted, etc., That the project for the control of floods of the Mississippi River and its tributaries, adopted by Public Act No. 391, approved May 15, 1928 (45 Stat. 534), Seventieth Congress, entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", is hereby modified in accordance with the recommendations of section 43 of the report submitted by the Chief of Engineers to the chairman of the Committee on Flood Control, dated February 12, 1935, and printed in House Committee on Flood Control Document No. 1, Seventy-fourth Congress, first session, as hereinafter further modified and amended; and as so modified is hereby adopted and authorized and directed to be prosecuted under the direction of the Secretary of War and the supervision of the Chief of Engineers.

SEC. 2. That the Boeuf floodway, authorized by the provisions adopted in the Flood Control Act of May 15, 1928, shall be abandoned as soon as the Eudora floodway, provided for in Flood Control Committee Document No. 1, Seventy-fourth Congress, first session, is in operative condition and the back-protection levee recommended in said document extending north from the head of the Eudora floodway, shall have been constructed.

SEC. 3. That the levees along the Mississippi Piper from the head

SEC. 3. That the levees along the Mississippi River from the head of the Morganza floodway to the head of the Atchafalaya River and down the east bank of the Atchafalaya River to intersection with the west protection levee of said Morganza floodway shall be raised and enlarged to 1928 grade and section.

and enlarged to 1928 grade and section.

Sec. 4. That neither of the projects for the flood control of the St. Francis River or the Yazoo River, hereby authorized, shall be undertaken until the States or other qualified agencies shall have furnished satisfactory assurances that they will undertake, without cost to the United States, all alterations of highways made necessary because of the construction of the authorized reservoirs, and meet all damages because of such highway alterations, and have agreed also to furnish without cost to the United States all lands and easements necessary to the construction of levees and drainage ditches constructed under this project: Provided, That the reservoirs for control of headwater flow of the Yazoo River system may be located by the Chief of Engineers, in his discretion: And provided further, That the Chief of Engineers may, in his discretion, substitute levees, floodways, or auxiliary channels, or any or all of them, for any or all of the seven detention reservoirs recommended in his report of February 12, 1935, for the control of floods of the Yazoo River: And provided further, That the Chief of Engineers, with the approval of the Secretary of War, may modify the project for the flood control of the St. Francis River as recommended in said report, to include therein the construction of a detention reservoir for the reduction of floods and the acquisition at the cost of the United States of all lands and flowage necessary to the construction of said reservoir except flowage of highways: Provided further, That the estimated cost to the United States of the project is not increased by reservoir except flowage of highways: Provided further, That the estimated cost to the United States of the project is not increased by reservoir except flowage of highways:

is not increased by reason of such detention reservoir.

SEC. 5. The Chief of Engineers, under the supervision of the Secretary of War, shall at the expense of the United States Government construct a system of levees substantially in accordance with general plan shown on map designated as sheet no. 1 entitled "Tributary Levee Location Survey—White River Levee District—Proposed Levee Location" accompanying report dated April 2, 1925, and filed in office of First and Second Mississippi River Commission Districts, Memphis, Tenn. The Chief of Engineers shall have the right to alter, change, or modify said plan as to the grades and levee sections: Provided, however, That no work shall be commenced on the above-mentioned project until the State, levee boards, or other responsible local interests have given assurances satisfactory to the Secretary of War that they will (a) provide without cost to the United States all rights-of-way necessary for the construction of said project; (b) provide drainage facilities made necessary by construction of levees; (c) acquire and provide without cost to the United States all flowage and storage rights and easements over, upon, and across the lands and properties within the protected area in the event it becomes necessary in the judgment and discretion of the Secretary of War or the Chief of Engineers to use said area, or any part thereof, for an emergency reservoir; (d) hold and save the United States free from liability for damages on account of the use of said area for reservoir purposes during said emergency.

poses during said emergency.

SEC. 6. That the United States shall provide the drainage made necessary by the construction of floodway levees included in the modified project.

modified project.

SEC. 7. That the United States shall construct, at its own cost, such railroad and highway crossings over the floodways provided

for in the modified project as are deemed necessary by the Chief of Engineers for the convenience of the public: *Provided*, That the appropriate railroad or highway agencies agree to accept and maintain and operate these crossings without cost to the United

SEC. 8. That, in addition to the construction by the United States of roads in connection with floodways as heretofore provided, the Federal Government may, in the discretion of the Chief of Engineers, and within the limits of available funds, construct additional roads to afford access to those portions of the

levee lines not otherwise accessible.

truct additional roads to afford access to those portions of the levee lines not otherwise accessible.

Sec. 9. The sum of \$15,000,000 is authorized to be appropriated as an emergency fund to be allocated by the Secretary of War on the recommendation of the Chief of Engineers in rescue work or in the repair or maintenance of any flood-control work on any tributary of the Mississippi River threatened or destroyed by flood heretofore or hereafter occurring: Provided, That the unexpended and unallotted balance of said sum, or so much thereof as may be necessary, may be allotted by the Secretary of War, on the recommendation of the Chief of Engineers, in the reimbursement of levee districts or others for expenditures heretofore incurred or made for the construction, repair, or maintenance of any flood-control work on any tributaries or outlets of the Mississippi River that may be threatened, impaired, or destroyed by the flood of 1927 or subsequent flood; and also in the construction, repair, or maintenance, and in the reimbursement of levee districts or others for the construction, repair, or maintenance of any flood-control work on any of the tributaries or outlets of the Mississippi River that may have been impaired, damaged, or destroyed by caving banks or that may be threatened or impaired by caving banks, of such tributaries, whether or not such caving has taken place during a flood stage. Permidde further. That it the Chief of Engineers. such tributaries, whether or not such caving has taken place during a flood stage: Provided further, That if the Chief of Engineers finds that it has been or will be necessary or advisable to change the location of any such flood-control work in order to provide the protection contemplated by this section, such change may be approved and authorized. Sec. 10. After the Eudora floodway shall have been constructed

SEC. 10. After the Eudora floodway shall have been constructed and is ready for operation, the fuse-plug levees now at the head of the Boeuf and Tensas Basins shall be constructed to the 1914 grade and the 1928 section. The fuse-plug levees at the head of the Atchafalaya Basin on the west side shall be constructed to the 1914 grade and the 1928 section. The fuse-plug levees at the head of the Atchafalaya Basin on the east side of the Atchafalaya River shall be constructed to the 1914 grade and 1928 section, and after the Morganza floodway has been completed, shall be raised to the 1928 grade as provided in section 3 of this act. Thereafter said levees shall be reconstructed and maintained as herein provided subject to the provisions of section 3 of this act. Any funds vided, subject to the provisions of section 3 of this act. Any funds appropriated under authority of this act may be expended for this

purpose.
SEC.11. That the back-protection levee north of the Eudora floodway shall be constructed to the same grade and section as the levees opposite on the east side of the Mississippi River: Provided, That this levee extending from the head of the Eudora floodway north to the Arkansas River shall be so located as to afford adequate space for the passage of floodwaters without endangering the levees opposite on the east side of the river and shall be constructed contemporaneously with the construction of the Eudora floodway; except that, until the Eudora floodway is in operative condition, there shall be left in this back levee north of the head of the Eudora floodway openings which shall be sufficient, in the discretion of the Chief of Engineers, to permit the passage of all floodwaters to be reasonably contemplated in the event of any break in the riverside fuse-plug levee prior to the time the Eudora floodway shall be in operative condition.
SEC. 12. The United States shall forthwith acquire flowage rights for all floodwaters that will pass by reason of diversions along the

for all floodwaters that will pass by reason of diversions along the Mississippi River south of the Arkansas and along the Atchafalaya Basin, as contemplated in the modified project herein adopted, and rights-of-way for all guide or protection levees contemplated thereby; and, at the time of acquiring such rights, shall pay to the owner thereof just compensation for such property so taken or damaged; and, thereafter, no liability of any kind shall attach to or rest upon the United States for any further damage by reason of such diversions or floodwaters: Provided, That, in addition, and in order to facilitate the acquisition of such flowage rights and rights-of-way, the Secretary of War is authorized to enter into agreements with local levee districts, boards, commissions, or other agencies for their acquisition and transfer to the United States agencies for their acquisition and transfer to the United States of such flowage rights and levee rights-of-way in conformity with local custom or legal procedure in such matters and to the satisfaction of the Chief of Engineers and for the reimbursement of such local levee districts, boards, commissions, or other agencies, for the purchase price thereof at prices previously agreed upon between the Secretary of War and the governing authority of such agencies. such agencies

SEC. 13. That \$272,000,000 is hereby authorized to be appropriated for the carrying out of the modified adopted project, and all unexpended balances of appropriations heretofore made for the prosecution of said flood-control project are hereby made available

for the purposes of this act.

SEC. 14. If any provision of this act, or the application thereof, to any person or circumstances, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

The amendments were agreed to.

The PRESIDENT pro tempore. Those are all the committee amendments.

Mr. OVERTON. Mr. President, I send to the desk an amendment which the Committee on Commerce has authorized me to propose to the bill. This amendment, and two other amendments which I propose to offer, were agreed upon between the Chief of Engineers and myself, as the author of the bill.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. OVERTON. Gladly.

Mr. VANDENBERG. Will the Senator be good enough to have printed in the RECORD the letter from the Chief of

Mr. OVERTON. It has already been printed in the RECORD.

Mr. VANDENBERG. I thank the Senator.

The PRESIDENT pro tempore. The amendment offered by the Senator from Louisiana on behalf of the committee will be stated.

The CHIEF CLERK. On page 5 it is proposed to strike out lines 6 to 12, inclusive, and in lieu thereof to insert the fol-

SEC. 7. That the United States shall construct, at its own cost, one railroad and one highway crossing over the Eudora floodway and not to exceed three railway and two highway crossings over the Morganza floodway, and not to exceed one railway crossing (together with suitable physical connections therewith) and one highway crossing over the floodway west of the Atchafalaya River provided for in the modified project: Provided, That equitable agreements can be made with the railroad and highway authorities concerned and that the appropriate railroad or highway agencies agree to accept and maintain and operate these crossings without cost to the United States: Provided further, That the railroads crossing the Morganza and West Atchafalaya floodways agree, in consideration for the crossings constructed, to waive all claims consideration for the crossings constructed, to waive all claims against the Government for any damages that may occur by reason of overflows in the Morganza and West Atchafalaya floodways: And provided further, That other railway and highway damages shall be adjusted as provided for in section 12.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. OVERTON. Mr. President, I offer a second amendment which the committee has authorized me to propose to the pending bill.

The PRESIDENT pro tempore. The amendment offered by the Senator from Louisiana, on behalf of the committee. will be stated.

The CHIEF CLERK. On page 7, in section 10, it is proposed to strike out lines 8 to 11, inclusive, and in lieu thereof to insert the following:

Thereafter those stretches of said levees which are left as fuseplug levees shall be reconstructed and maintained as herein provided, subject to the provisions of section 3 of this act. Any funds appropriated under authority of this act may be expended for this

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. OVERTON. Mr. President, I offer the third amendment which the committee has authorized me to propose.

The PRESIDENT pro tempore. The amendment offered by the Senator from Louisiana, on behalf of the committee. will be stated.

The CHIEF CLERK. On page 8, in section 12, beginning with line 4, it is proposed to strike out all down to and including line 2 on page 9, and in lieu thereof to insert the following:

SEC. 12. In order to facilitate the United States in the acquisition of flowage rights and rights-of-way for levee foundations, the Secretary of War is authorized to enter into agreements with the States or with local levee districts, boards, commissions, or other agencies for the acquisition and transfer to the United States of such flowage rights and levee rights-of-way, and for the reimbursement of such States or local levee districts, boards, commissions, or other agencies, for the cost thereof at prices previously agreed upon between the Secretary of War and the governing authority of such agencies, within the maximum limitations hereinafter prescribed: *Provided*, That no money appropriated under the authority of this act shall be expended upon

the construction of the Eudora floodway, the Morganza floodway, the back protection levee extending north from the Eudora floodway, or the levees extending from the head of the Morganza floodway to the head of and down the east bank of the Atchafloodway to the head of and down the east bank of the Atchafalaya River to the intersection of said Morganza floodway until 75 percent of the value of the flowage rights and rights-of-way for levee foundations, as estimated by the Chief of Engineers, shall have been acquired or options or assurances satisfactory to the Chief of Engineers shall have been obtained for the Eudora floodway, the Morganza floodway, and the area lying between said back-protection levee and the present front-line levees: Provided further, That easements required in said areas in connection with roads and other public utilities owned by States or political subdivisions thereof shall be provided without cost to the United States upon the condition that the United States shall provide suitable crossings, including surfacing of like character, over floodway guide-line levees in said areas for all improved roads now constituting a part of the State highway system, and shall repair all damage done to said highways within the said floodways by the actual use of such floodways for diversion: Provided further, That when such portion of said rights as to all of said areas shall have been acquired or obtained and when said easements required in connection with roads and other pub-Provided further, That when such portion of said rights as to all of said areas shall have been acquired or obtained and when said easements required in connection with roads and other public utilities owned by States or political subdivisions thereof have been provided as hereinabove set forth, construction of said flood-control works in said areas shall be undertaken according to the engineering recommendations of the report of the Chief of Engineers dated February 12, 1935 (House Committee on Flood Control Doc. No. 1, 74th Cong., 1st sess.), and the Secretary of War shall cause proceedings to be instituted for the condemnation of the remainder of said rights and easements, as are needed and cannot be secured by agreement, in accordance with section 4 of the Flood Control Act of May 15, 1928: Provided further, That in no event and under no circumstances shall any of the additional money appropriated under the authority of this act be expended for the acquisition of said 75 percent of the flowage rights and rights-of-way hereinabove contemplated in excess of \$20,000,000: Provided further, That the Chief of Engineers is authorized, out of the funds herein authorized to be appropriated, to purchase flowage easements over lands and properties in the floodway west of the Atchafalaya River and lying above the approximate latitude of Krotz Springs: Provided further, That none of such easements in said West Atchafalaya floodway shall be purchased until options covering at least 75 percent of the total value of such easements as estimated by the Chief of Engineers shall have been obtained at prices deemed reasonable by the Chief of Engineers and not exceeding in the the Chief of Engineers shall have been obtained at prices deemed reasonable by the Chief of Engineers and not exceeding in the aggregate \$2,250,000 for said 75 percent of said easements with respect to the floodway west of the Atchafalaya River: Provided further, That easements required in said West Atchafalaya floodway in connection with roads and other public utilities owned by States or other political subdivisions shall be provided without cost to the United States upon condition that the United States shall provide suitable crossings, including surfacing of like character, over floodway guide-line levees for all improved roads in said West Atchafalaya floodway now constituting a part of the State highway system, and shall repair all damage done to said highways within said West Atchafalaya floodway by the actual use of such floodway for diversion: Provided further, Chief of Engineers shall have been obtained at prices deemed the actual use of such floodway for diversion: Provided further, That no flowage easements shall be paid for by the United States over properties subject to frequent overflow in the Atchafalaya Basin below the approximate latitude of Krotz Springs: Provided further. That payment for rights-of-way, easements, and flowage rights acquired under this section, or reimbursement to the States or local interests furnishing them, shall be made as soon as the Chief of Engineers is satisfied that such rights-of-way, easements, or flowage rights have been acquired in conformity easements, or flowage rights have been acquired in conformity with local custom or legal procedure in such matters; and, thereafter, no liability of any kind shall attach to or rest upon the United States for any further damage by reason of diversions or floodwaters: And provided further, That if the Secretary of Agriculture shall determine to acquire any of the properties within the floodways herein referred to, for national forests, wildlife refuges, or other purposes of his Department, the Secretary of War may, upon recommendation by the Chief of Engineers, in lieu of acquiring flowage rights, advance to or reimburse the said Secretary of Agriculture sums equal to those that would otherwise be used for the purchase of easements desired by the War Department and the Secretary of Agriculture is authorized to use these sums for the purpose of acquiring properties in the floodways in question. ways in question.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. KING. Mr. President, there are provisions of the bill which do not meet my approval. I had intended to submit some observations, in which some of my objections to the bill would be stated; and I also had intended briefly to discuss what I conceive to be the unsound and unwise policy which has been pursued in dealing with the broad question of flood control.

However, it is desired by a number of Senators to pass the bill at the earliest possible moment. I shall, therefore, if opportunity is afforded before adjournment this afternoon, discuss the points to which I have just alluded; and if opportunity is not afforded today, I shall seek recognition for this purpose some time tomorrow.

The PRESIDENT pro tempore. The bill having been read three times, the question is, Shall it pass?

The bill was passed.

STATE TOBACCO CONTROL COMPACTS

Mr. BAILEY. Mr. President, in the absence of the chairman of the Committee on Agriculture and Forestry, the Senator from South Carolina [Mr. SMITH], with his consent, I move that the Senate proceed to the consideration of Senate bill 4430, being a bill relating to compacts and agreements among States in which tobacco is produced. I make the motion with notice that I shall offer the House bill as a substitute.

The PRESIDENT pro tempore. The Chair informs the Senator that the House bill is on the table calendar, and the Senator may move to take up the House bill.

Mr. BAILEY. Is the House bill on the calendar?

The PRESIDENT pro tempore. It is on the table calendar. Mr. BAILEY. Then I move that the Senate proceed to the consideration of House bill 12037, relating to compacts and agreements among States in which tobacco is produced, providing for the control of, production of, or commerce in, tobacco in such States, and for other purposes.

Mr. TYDINGS. Mr. President, before action is taken on the motion may I ask the Senator from North Carolina whether it has been called to his attention that Puerto Rico, whose people are large growers of tobacco, has been left out of consideration in the bill, and if he knows whether or not there will be objection to the inclusion of amendments which will give Puerto Rico a standing similar to that accorded the States insofar as agreements or tobacco compacts are concerned?

Mr. BAILEY. Mr. President, I understand that the Senate is now considering the bill.

The PRESIDENT pro tempore. The motion to proceed to the consideration of the bill has not been agreed to.

Mr. BAILEY. I will answer the Senator, pending the motion, in the affirmative, and I intend to make a statement about that which I think will satisfy the Senator from Maryland.

Mr. TYDINGS. My reason for bringing the question before the Senate at this juncture is that the Puerto Rican people and the Bureau of Insular Affairs have just now called this matter to my attention, and I have not had opportunity to digest thoroughly the objections to the bill in its present state which they have presented to me. It is my disposition not to delay this measure, but I want the assurance that Puerto Rico, having no representative in this body, will receive equal treatment with that accorded the States which are specifically mentioned in the bill. If that is the wish and the agreement of those who are interested in furthering the passage of the bill, certainly I have no other objection to it at all; but I wanted that understood.

Mr. BAILEY. Mr. President, the junior Senator from New York [Mr. Wagner], being necessarily absent, left with me the special request that I should consent to an amendment providing with respect to Puerto Rico that the base years, instead of being 1933, 1934, and 1935, should be made any 3 normal years during the last 10 years. The trouble was that in 1933, as the consequence of a hurricane which swept Puerto Rico, their production of tobacco fell from an average of about 25,000,000 pounds to 16,000,000. Of course, it would be inequitable to establish as a base any 3-year period when in one of the years they produced only 16,000,000 pounds. I ask the Senator if that will not meet the objection?

Mr. TYDINGS. I think that will meet one of the principal objections. But may I point out to the Senator from North Carolina a further objection? As I understand the bill, Puerto Rico has no standing in it such as that accorded North Carolina, Maryland, Connecticut, and other States, and what

Puerto Rico desires is to have representation in the vote where the policy is decided. Would the Senator have any objection to including such language as would give Puerto Rico, for the purposes of tobacco control, equal standing with that of a tobacco-growing State?

Mr. BAILEY. Mr. President, I could not possibly have an objection to that. Let me say in fairness, however, that I cannot make such an agreement, but it should be left to the Senators from Wisconsin, Connecticut, Pennsylvania, and Ohio. The Senator from Connecticut is present, and I will leave it to him. That does not affect the bright-tobacco belt in the remotest degree, but so long as the bill contains provisions with respect to States producing other than bright tobacco, I feel that I must refer that matter to the Senators from those States.

Let me go a little further. If it were necessary, in order to get the authorization or the consent of the Congress to the compact in the bright-tobacco belt, embracing Kentucky—we include that State, although it is really in the burley belt-Tennessee, Virginia, North Carolina, South Carolina, and Georgia, I would be perfectly willing to strike out all the bill relating to other States and to Puerto Rico. My concern is wholly with the bright and burley tobacco. But I cannot even do that without a very courteous, considerate regard to the other States.

Mr. TYDINGS. With the indulgence of the Senator from North Carolina, I shall take the liberty of reading a very short memorandum which has just been put into my hands, which explains the position of Puerto Rico:

H. R. 12037, Senate bill 4430, relating to compacts and agreements among States in which tobacco is produced providing for the control of production of, or commerce in, tobacco in such

States, and for other purposes.

Section 1 of the bill authorizes the States in which tobacco is produced to negotiate compacts for the purpose of regulating and controlling production and commerce in tobacco in such States. Puerto Rico is not included in this section.

Later on I will ask that Puerto Rico be included.

Section 9 provides that if any compact entered into among three or more of the States of Pennsylvania, Ohio, Wisconsin, and Connecticut becomes effective, or if any association or associa-tions are formed, the membership of which includes at least two-thirds of the producers of cigar-filler tobacco and cigar-binder tobacco in three or more of said States, commerce in cigar-filler tobacco produced in Puerto Rico shall be regulated during the period in which any such compact remains effective or such associations continue to operate in the manner provided for in the

It is clear that Puerto Rico is refused her right to go along with the States of the Union in negotiating compacts for the production and commerce in tobacco. While it remains optional for one State out of four in section 9 of the bill to stay out of a compact, it is mandatory for Puerto Rico to regulate its production and commerce in tobacco.

The unfairness of that is at once apparent.

The above bill passed the House and is ready for Senate action with the objectionable conditions imposed on Puerto Rico.

What Puerto Rico desires:

1. In the first place, Puerto Rico wishes to reiterate her desire to keep tobacco production under control as carried out by the A. A. A.

2. Secondly, Puerto Rico wants to enter into compacts jointly with other States and on equal terms. To attain these ends it is suggested and requested that the following amendment be made to H. R. 12037:

Insert in section 2 at the end of line 19 on page 2 the following

subparagraph:
"'State' includes Puerto Rico and 'State legislatures' and 'State act', and similar phrases wherever used in this act, include Puerto Rico."

Then they wish to strike out sections 9 and 10 of the bill. My only reason for interrupting at this stage is that Puerto Rico does not have any representation in the Senate, and, the bill having already passed the House, some of these things on first blush seem manifestly unfair, and it appears to me that the request that Puerto Rico be given standing in the bill and treatment such as is accorded to States growing tobacco is just and fair.

I do not desire to delay the passage of the bill, but as chairman of the Committee on Territories and Insular Affairs it seemed to be my particular duty to call this matter

to the attention of the Senate, and I know the Senate will deal fairly with it when the amendments are presented.

Mr. BAILEY. Mr. President, let me say that insofar as Puerto Rico is involved nothing can be done by this measure. or under this measure, which would affect its crops this year. This bill approves a compact by way of a statute of the Commonwealth of Virginia with respect to the flue-cured belt, but it approves nothing with respect to Ohio, or Pennsylvania, or Connecticut, or Puerto Rico. It simply makes provision that in the event the States I have just mentioned should enter into a compact, then a quota should be placed upon Puerto Rico-and Puerto Rico desires a quota.

I am not concerned about that; I simply wish to treat my colleagues in the Senate with the proper consideration. I should be perfectly willing to confine the bill to Tennessee. Kentucky, Virginia, North Carolina, South Carolina, and Georgia, and stop there; but the Department of Agriculture and the Committee on Agriculture and Forestry thought best to present a bill that would embrace the production of all tobacco in this country.

There was no intention on the part of anyone to treat the people of Puerto Rico unjustly, but I do think that when it was undertaken to fix as the base period the years 1933. 1934, and 1935 the fact was overlooked that the hurricane had reduced the output of tobacco in Puerto Rico in 1933 from an average of 25,000,000 pounds to only 16,000,000, and in 1934 from an average of 25,000,000 to a relatively small figure.

After conference with the junior Senator from New York [Mr. Wagner], who is very much interested in the matter, and who was compelled to leave the Chamber, I agreed that I would propose an amendment providing fair treatment to Puerto Rico with respect to the quota.

The Senator from Maryland brings up the proposition as to whether Puerto Rico shall be put upon an equal footing with Ohio, Wisconsin, Pennsylvania, and Connecticut in the matter of agreements or compacts. I am not going to argue against that. Puerto Rico, however, is a Territory or an island possession, and the other political units are States. There is the distinction. Further, the bill before us does not affect the crop in Puerto Rico for the present year, and if there is anything wrong about the bill it can be corrected later.

Having said that, I wish to keep the floor, if possible, while I inquire of the Senator from Connecticut [Mr. Lonergan] if he is agreeable to an amendment affecting the consequences desired by the Senator from Maryland. If other Senators are agreeable to such an amendment, I am agreeable to it; but I cannot foreclose them.

Mr. LONERGAN. Mr. President, I agree with the proposal to fix the quota on the basis of the average normal crop during any 3 years in the past 10 years. I think it would be a mistake at this time to agree that Puerto Rico be included with the sovereignties named to participate in the compact. Is a Territory a sovereignty?

Mr. KING. Mr. President—

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from Utah?

Mr. BAILEY. I yield.

Mr. KING. I inquire of the Senator from Connecticut if he thinks it would be fair, simply because Puerto Rico is not yet a sovereign state, that it and its people should be placed at a disadvantage in a measure so very important, so very vital to the happiness and welfare of the people of Puerto Rico. As the Senator knows, they have practically only two crops—sugar and tobacco. They are in a far less favorable condition for economic security and protection than is the State of Connecticut, where so many industries thrive and where so many revenues are open for the employment of the people.

Mr. LONERGAN. If we should agree on a quota basis fixed on the normal production during any 3-year period, does the Senator believe that Puerto Rico would be protected?

Mr. KING. I confess that I am not sufficiently advised as to all the factors which would form a proper basis upon which to predicate a judgment. It appeals to me simply from a sense of justice that those three or four million people whom we have taken under our control, and who are dependent for their livelihood upon tobacco and sugar, should not in any circumstances be placed under any disadvantage. As a matter of fact, if any advantage is to be given or any discrimination is to be made, it should be given to them, because of the inferior position politically which they occupy.

Mr. LONERGAN. I am in agreement with most of what the Senator has said; and when I obtain the floor I shall read some telegrams which have been sent to me by tobacco growers and dealers in my own State, all friendly to the proposition in behalf of Puerto Rico.

The PRESIDENT pro tempore. The question is on the motion of the Senator from North Carolina that the Senate proceed to the consideration of House bill 12037.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 12037) relating to compacts and agreements among States in which tobacco is produced providing for the control of production of or commerce in tobacco in such States, and for other purposes.

Mr. BARKLEY. Mr. President-

The PRESIDING OFFICER (Mr. NEELY in the chair). Does the Senator from North Carolina yield to the Senator from Kentucky?

Mr. BAILEY. I yield.

Mr. BARKLEY. The object of the pending bill, as has already been stated, is to make it possible for the tobacco States to enter into a compact, with the consent of Congress, under the Constitution, to reduce their production of tobacco. If Puerto Rico is included within the permissive grant of Congress to enter into a compact with the other tobacco States or Territories, the only object would be that by entering into that compact Puerto Rico would bind herself to a reduction of her production. If Puerto Rico under such a compact should reduce her production of tobacco, it seems to me it would be advantageous to the tobacco growers of the United States. If she does not see fit to enter into such a compact she will be no worse off than she now is under the terms of the bill, because she is not included in that part of it. She might still be subject to the quota referred to in section 9, I believe, which it is proposed to amend.

So it seems to me that it is not a very important matter whether Puerto Rico is included within the compact-making section or not, because if she should enter such a compact it would be for the purpose of reducing her own production, which she might not wish to do.

Mr. KING. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. KING. I am not quite certain that I comprehend the position taken by the Senator. As I understand, there are provisions in the bill which will compel Puerto Rico willynilly to submit to reduction in the production of tobacco. If she is to be emancipated from the operations of the pending bill, and may produce as much tobacco as she pleases, without any inhibitions, then I think there is nothing in the contention that we should take cognizance of her appeal in this matter.

Mr. BARKLEY. Of course, the quota provision here applies only in the event four States-Wisconsin, Ohio, Connecticut, and Pennsylvania-enter into a compact. If three of those States do not enter into a compact, which is a different situation from the general compact provided for in section 1, Puerto Rico is not affected. Only in the event that three of those four States enter into a compact does the quota situation apply to Puerto Rico. If no compact were entered into, Puerto Rico would be absolutely free from any restriction, as I understand.

Mr. BAILEY. Mr. President, I understood the Senator from Utah had an amendment. Does he intend to press the amendment?

that amendment, I will say that I intend to offer it at the appropriate time. I do not wish to interfere with the Senator's address.

Mr. BAILEY. I am willing to have the Senator offer the amendment at this time.

Mr. WALSH. Mr. President, what is the present status of the bill? Is it open to amendment?

The PRESIDING OFFICER. The bill is open to amend-

Mr. WALSH. There are no committee amendments, I assume.

Mr. BAILEY. There are no committee amendments. Mr. WALSH. May I, then, present an amendment which will not be contested?

Mr. KING. I shall be through in a moment, Mr. President. I shall now read the amendment which I intend to offer.

On page 2, line 16, after the word "act", I propose to insert a colon and the following:

Provided further, That nothing in this act shall be construed to grant the consent of Congress to negotiate any compact for regulating or controlling the production of, or commerce in, tobacco for the purpose of fixing the price thereof, or to create or perpetutive but the control of the purpose of the pu ate monopoly, or to promote regimentation; but such consent shall be limited to compacts for the regulation and control of production of, or commerce in, tobacco, in order thereby to enable growers to receive a fair price for such tobacco.

I shall offer that amendment at the appropriate time; but I do not wish to take the Senator from North Carolina from

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BAILEY. I yield. Mr. ADAMS. The inquiry I wish to make is of a legal nature, as to whether or not Puerto Rico occupies such a status as a political entity that it may enter into a contract or compact. Does it have the elements of sovereignty? I rather understood that it was a possession of the United States; and I am really asking, for information, whether or not we may place it in the status of a State so that it may independently make contracts.

Mr. BAILEY. I question whether we could recognize it in its capacity as a sovereign; but Puerto Rico does have a government, and it has a Governor representing it. For that reason I should not unduly press the point on the technical ground of law. The Constitution, however, authorizes the consent of Congress to compacts between the States; and if the Senator desires a strict construction of the Constitution, it refers to the States, not the Territories, not the possessions.

I do not desire to press that point too far. I wish the people of Puerto Rico to know that I intend to treat them fairly. I should also like the Senate to know it. I think there can be no question about the matter. For that reason I am putting forward the amendment as requested by the Senator from New York, to give the people of Puerto Rico a fair quota, and I think that is all they need. I think they will be entirely satisfied with it. I think the other matter is technical, and really amounts to nothing of a substantial character.

Mr. BARKLEY. Of course the constitutional inhibition is against the States making any compacts without the consent of Congress. If they were all Territories and not States, I assume they could make any sort of compacts they might see fit to make, subject to the general laws governing them, because they were not States. It is, however, really a technical matter about which I think we need not concern ourselves here because, Puerto Rico being a State, it is very doubtful whether the Constitution prohibits Puerto Rico from entering into a compact with any other political entity.

Mr. BAILEY. Mr. President, when we shall have treated Puerto Rico fairly she will benefit by the control of production just as Wisconsin might benefit or as Pennsylvania might benefit. She will then get just as much benefit as any State. I question whether she should ask for any more than that. We shall give her a perfectly fair deal. Now Mr. KING. Mr. President, I handed an amendment to the Senator some time ago. If the Senator is alluding to sit in and make a treaty. I question whether she has such right; but I would not like to offend the Puerto Rican people. I want them to feel that I am very friendly and that the United States Government is so.

Now I yield to the Senator from New York.

Mr. COPELAND. Mr. President, I am glad my colleague [Mr. WAGNER] has approached the Senator from North Carolina; I have had no conference with him, but somehow or other the people of Puerto Rico regard my colleague and myself as being, in a sense, their Senators. We have a very large Puerto Rican population in New York City.

Mr. BAILEY. I think that is a great tribute to their wis-

dom and their discrimination.

Mr. COPELAND. That is very kind of the Senator; but I wish to make plain, if I can, what I understand the people of Puerto Rico want. Had I been here earlier I should have spoken of the fact that the Governor of Puerto Rico, Governor Winship, is on his way here now about this bill. What they are anxious to do is to have inserted in this bill, following the subparagraph on page 2, after line 19, where the definitions begin, the following:

State includes Puerto Rico; and State legislature and State act and similar phrases wherever used in this act include Puerto Rico.

Then they would be on exactly the same plane in this measure as are the States.

I look upon Puerto Rico as so much ours, and we have so much responsibility for them, that wherever we can and wherever we should it is our obligation to do what we can to protect the few crops which they raise. I was quite resentful some time ago when there was such a quota of sugar provided for Puerto Rico as did not meet their requirements. Under conditions which the Senator from North Carolina in his wisdom has pointed out there has been a great difference in production from year to year.

Mr. BAILEY. We propose to correct that.

Mr. COPELAND. If their request to have included in the definitions a statement that would give Puerto Rico the same status as that of the various States of the Union involved were granted and sections 9 and 10 were omitted from the bill, then they would be exactly on the same basis as the States.

Mr. BAILEY. If we omit from the bill sections 9 and 10, Puerto Rico, Ohio, Wisconsin, and Connecticut are out. The sections up to 9 and 10 relate to the bright-tobacco belt. I would be willing to do that but for the fact that we would run into trouble when the bill goes back to the House, and I want this measure to become a law. If it goes back to the House without the provision for the other tobacco-producing States, I am afraid we will encounter difficulty in conference.

Mr. COPELAND. May I ask the Senator what is his advice? What does he recommend? I know from what he has said that he is eager to have Puerto Rico given sufficient

protection.

Mr. BAILEY. Let me state, in answer to that question, what I propose. If the Senator will turn to page 7 of the bill, lines 8, 9, and 10, he will see that provision is made for the base period on which the quota is calculated, that period being the years 1933, 1934, and 1935. With the junior Senator from New York I have drawn, and am proposing at his request, an amendment that makes a correction there and substitutes a provision under which they can use as a base period any 3 normal years during the last 10 years.

Mr. COPELAND. "Any 3 normal years."

Mr. BAILEY. Any 3 normal years. In place of the figures "1933, 1934, and 1935", in line 10, I propose to insert the words "any 3 normal years."

Mr. COPELAND. I would take it, then, if I may interrupt the Senator-

Mr. BAILEY. The Senator has before him the data and he can pick out the normal years, and see that that will give Puerto Rico about 26,000,000 pounds of tobacco a year.

Mr. COPELAND. I think if the Senator would exclude 1932 with 6,000,000 pounds, 1933 with 16,000,000 pounds, and 1934 with 25,000,000 pounds it would be better.

Mr. BAILEY. The year 1932 is not in the bill, and 1933,

Mr. COPELAND. Pardon me, but will the Sepator be good enough to read once more the proposed amendment?

Mr. BAILEY. It is proposed to amend by striking out. on page 7, line 9, the words "the crop years" and insert in lieu thereof the words "any three normal crop years", making the language read "during any three normal crop years." Does the Senator follow that? Then it is proposed to strike out the figures "1933, 1934, and 1935" in line 10 on the same page and insert in lieu thereof the words "during any three normal crop years during the last 10 years."

That will give the Department of Agriculture absolute freedom to take the normal years in the last decade. Under that Puerto Rico could not possibly suffer any injustice.

Mr. COPELAND. I think probably that statement is correct. If I had my choice-

Mr. BAILEY. I send forward the amendment at this time, in order that it may be before the Senate.

Mr. LOGAN. Mr. President, will the Senator yield?
Mr. BAILEY. I yield to the Senator from Kentucky.
Mr. LOGAN. I am getting more confused the further the

discussion continues. I wish to understand the legal aspects of this question. What is it that it is proposed to have the Congress ratify? Is it the Virginia act which was recently passed proposing a compact, or are we attempting to confer power upon the States which they already have, or are we attempting to ratify a compact that will be made in the

Mr. BAILEY. Mr. President, I can answer the question. We are proposing to give consent to a compact between the bright tobacco States upon the basis of the Virginia act. That answers that question.

Mr. LOGAN. Mr. President-

Mr. BAILEY. Now let me answer the other question. With respect to the other States and Puerto Rico which produce tobacco, we are not giving consent; we are simply providing that in the event there should be compacts between such States, Puerto Rico would be brought in on a basis with such States. I think I have made that perfectly clear.

Mr. LOGAN. The Senator has made it clear; but if that should be done and Wisconsin, Pennsylvania, Connecticut, Ohio, and Puerto Rico should be included in a compact, then it would have to come back to Congress for ratification before it could be effective, would it not?

Mr. BAILEY. I think so.

Mr. TYDINGS. I do not see it that way.

Mr. BARKLEY. Mr. President, if the Senator from North Carolina and my colleague will yield, the history of consents of Congress, from the information I have been able to gather. is that they do not have to come back unless the acts granting consent by their own terms require that they shall come back for ratification. I recall that in the act which granted the consent of Congress to certain States in the Colorado River section to enter into a compact which involved certain Federal activities and rights in that locality, that act required that the compact should be brought back and ratified by Congress; but, unless the act itself stipulates that the agreement shall be brought back, Congress has heretofore on other occasions exercised its right simply to grant consent without requiring that the compact be brought back for ratification.

Mr. LOGAN. I should like to ask another question. I am for the bill which has been presented, but I doubt whether it will be effective. I want to vote for it, however, because the tobacco producers must have some relief, but how can we ratify a compact before it has ever been made. before we have ever seen it, or know what its terms are? Does not the provision of the Constitution that no State shall, without the consent of Congress, enter into any agreement or compact with another State, mean that the States themselves must have agreed on the compact and then, when it comes to Congress, exactly in the nature of a treaty. Congress ratifies the specific thing without delegating an unknown power? So it seems to me that perhaps the compact would have to come back to Congress and be ratified. In view of the fact that it has not been done heretofore, if when the production was 16,000,000 pounds, could be excluded. I it has never been questioned by the Court, we are without any guidepost to follow, but the Constitution would seem to indicate that it must be ratified by Congress after it is made.

Mr. BARKLEY. Mr. President, I do not know just why such an interpretation is necessary because, for instance, we have already by act of Congress consented to the making of compacts between certain States with respect to stream pollution. Those compacts were not required to be brought back for ratification. Congress may consent that two or more States may enter into a compact on a subject which is stipulated in the act granting the consent.

Mr. LOGAN. If the terms of the compact are prescribed, I think that would be valid.

Mr. BARKLEY. Where that is done, it is not necessary, in my judgment, that the compact be brought back for ratification by Congress unless in the act granting consent it is stipulated that it shall be brought back; and in that case, of course, it must be done.

Mr. BAILEY. Mr. President-

Mr. BARKLEY. Let me say further if that were required in this case the act would be wholly ineffective, because before the compacts could be entered into and brought back for ratification, the Congress would, in all likelihood, have adjourned, and they would not be effective until Congress should meet again in 1937.

Mr. LOGAN. I agree that that is the difficulty, but at the same time all our difficulties come about by trying to find short cuts to do something and not taking the necessary time. It would be infinitely worse to have the States enter into a compact and later have it declared invalid, for that would leave a vast amount of confusion. I know that some such legislation should be enacted. If this is the best we can do, then I want to do it, but I am seriously of the view that there should be some provision that the compact shall not be effective until the Congress shall have approved it, unless we ratify the Virginia law, as has been stated by the Senator from North Carolina, and I think we could do that, because then we would have a specific thing before us; but that leaves out the other States and Puerto Rico.

Mr. BAILEY. I think there is some confusion on the subject of ratification. Congress consents; it does not ratify; and it approves the Virginia act as a basis of the compact with respect to bright tobacco.

The Senator from Massachusetts [Mr. Walsh] rose a moment ago and desired to interrupt me. I now yield to him.

Mr. WALSH. Mr. President, a few days ago I asked for a legal opinion from the acting solicitor of the Labor Department in reference to interstate compacts, as one such compact is pending before the Committee on Education and Labor, of which I am chairman. I should like to have that legal opinion inserted in the Record in connection with this debate.

Mr. BAILEY. I shall be delighted.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

MEMORANDUM RELATING TO INTERSTATE COMPACTS

The power to make compacts among the States rests on article 1, section 10, paragraph 3, of the Federal Constitution, which provides that "no State shall, without the consent of Congress * * enter into any agreement or compact with another State, or with a foreign power * * *." Question arises as to the distinction between an "agreement or compact" permitted subject to congressional consent and a treaty or alliance absolutely prohibited by paragraph 1 of the same section of the Constitution. The cases have not explored this distinction. But in referring to the problem the cases have quoted Story's Commentaries with approval to the effect that the prohibition of any "treaty, alliance, or confederation" applies to treaties of a political character such as treaties of alliance for purpose of peace and war. But the terms "compact or agreement" permitted by paragraph 3, refer to agreements which are undertaken for "the mutual comfort and convenience of States bordering on each other", do not compromise the supremacy of the United States or the sovereignty of the several States (Virginia v. Tennessee, 148 U. S. 503, 519 (1894); Wharton v. Wise, 153 U. S. 155, 170 (1893)). There is no record to show that Congress has ever declared a compact invalid on the ground that its political consequences and implication place it within the category of prohibited treaties.

to show that Congress has ever declared a compact invalid on the ground that its political consequences and implication place it within the category of prohibited treaties.

The Constitution does not state when or how congressional consent shall be given. Acquiescence to the terms of a compact may precede or follow the making of the compact or agreement. Moreover, consent may be implied from acts of Congress and need not be expressly given. Thus in Virginia v. Tennessee (supra), con-

sent by Congress to an agreement between these two States fixing the boundary was found in subsequent Federal legislation establishing districts for judicial, revenue, and other purposes which recognized the boundary as established by the compact.

recognized the boundary as established by the compact.

House Joint Resolution 146 seeks to give general consent to interstate compacts for the promotion of uniform labor laws. There is previous legislative precedent for the passage of broad resolutions assenting in advance to compacts relating to a defined subject matter. Thus in 1911 an act was passed authorizing interstate compacts for the conservation of forests and the water supply (36 Stat. 961, 16 U. S. C. A., sec. 552). And in the second session of the Seventy-third Congress legislation was enacted granting States the right to enter into compacts for mutual assistance in the prevention of crime and authorizing the establishment of agencies deemed desirable by the States for the purpose of making the compacts effective (48 Stat. 909, 18 U. S. C. A., sec. 420 (1934)).

While the compact clause implies in terms to all consensual

While the compact clause implies in terms to all consensual transactions between States, dicta in Virginia v. Tennessee (supra) have raised the question whether the consent of Congress is needed for every compact or agreement. In considering the validity of that compact, Mr. Justice Field wrote that "there are many matters upon which different States may agree that can in no respect concern the United States." And, as to these, the assent of Congress, express or implied, is not needed. But the decision in fact rested on the ground that implied consent had been given after the compact was made. However, it is best to obtain such assent in order to allay any doubt as to the possible validity of a particular compact because of lack of congressional approval.

in order to allay any doubt as to the possible validity of a particular compact because of lack of congressional approval.

Originally most interstate compacts were authorized to settle boundary disputes. The case of Virginia v. Tennessee (supra) involved a compact relating to boundaries which had been signed 100 years before the case was finally settled in the Supreme Court in 1903. The control and advantageous use of navigable rivers which form the boundaries between States has furnished the subject matter for other compacts. Thus, in Wharton v. Wise (supra), the agreement which the Court scrutinized concerned the respective rights of Maryland and Virginia on the Potomac River. An important compact between New York and New Jersey set up the New York Port Authority to administer the interests of these two States in New York Harbor. Another compact between the same States signed in 1833 provided that the New York Police should have police authority over the whole width of the Hudson River, although the actual boundary between the two States is in midstream. Further, the interstate-compact device has been utilized to apportion State indebtedness in the case of Virginia v. West Virginia. In the agreement of separation between the two States it was stipulated that the debt of Virginia be apportioned between the two States on a fair basis. Congress approved the agreement in the act of 1862, whereby West Virginia was admitted into the Union. This agreement was the basis of a series of cases before the courts, which did not end until 1919, when West Virginia finally made provision for payment acceptable to Virginia. This case assumes importance because the Supreme Court considered the problem of the enforcement of compacts against a State which failed to fulfill its obligations under an agreement. As a result of the settlement, however, this issue was never finally decided by the Court.

The interstate compact has been commonly used as a device to settle difficulties between the States. Since the adoption of the Federal Constitution Congress has given its consent to 56 compacts. More than 30 of these have received congressional approval since 1918.

In conclusion, it may be noted that the courts have never raised serious question concerning the validity of interstate agreements. If properly negotiated and ratified, such agreements have received legal recognition. Moreover, in several cases the Supreme Court has suggested in its decisions the interstate compact as the proper device for a solution of the difficulties involved in the litigation before the Court. Thus, in New York v. New Jersey (256 U. S. 296, 313), involving question of sewage disposal in New York Bay, the Court said:

"We cannot withhold the suggestion, inspired by the consideration of this case, that the grave problem of sewage disposal presented by the large and growing populations living on the shores of New York Bay is one more likely to be wisely solved by cooperative study and by conference and mutual concession on the part of representatives of the States so vitally interested in it than by proceedings in any court, however constituted."

Also see Washington v. Oregon (214 U. S. 205, 217, 218; 1919). Minnesota v. Wisconsin (252 U. S. 273, 283; 1909).

Mr. WALSH. In some accidental way the State of Massachusetts has been omitted from among the States enumerated on page 6. It is not generally known that in the State of Massachusetts there are a number of producers of filler tobacco and wrapper tobacco for cigars. Accordingly, Massachusetts should be included among the list of States.

Mr. BAILEY. If the Senator will propose the amendment, I shall have no objection.

Mr. WALSH. With the Senator's permission, then, I propose an amendment, on page 6, line 3, after the word "Wisconsin", to insert the word "Massachusetts."

Mr. BAILEY. That is most agreeable, and I hope the amendment will be accepted.

Mr. WALSH. I ask that the amendment be adopted at this time.

The PRESIDING OFFICER. Let the amendment be stated by the clerk.

The CHIEF CLERK. On page 6, line 3, it is proposed, after the word "Wisconsin", to insert the word "Massachusetts", so the sentence would read:

If, pursuant to this act, any compact entered into among three or more of the States of Pennsylvania, Ohio, Wisconsin, Massachusetts, and Connecticut becomes effective—

And so forth.

The amendment was agreed to.

Mr. BAILEY. I yield now to the Senator from Utah [Mr. KING].

Mr. KING. Mr. President, I now desire formally to offer my amendment.

The PRESIDING OFFICER. The amendment will be stated

The CHIEF CLERK. On page 2, line 16, after the word "act", it is proposed to insert a colon and the following:

Provided further, That nothing in this act shall be construed to grant the consent of Congress to negotiate any compact for regulating or controlling the production of, or commerce in, tobacco for the purpose of fixing the price thereof, or to create or perpetuate monopoly, or to promote regimentation, but such consent shall be limited to compacts for the regulation and control of production of, or commerce in, tobacco in order thereby to enable growers to receive a fair price for such tobacco.

Mr. KING. Mr. President, a similar amendment was insisted upon when the Senate had the oil-compact bill under consideration. I think we should not by any act of ours indicate that we approve of any practice, policy, or agreement between the States that would make for monopolistic control of the market.

Mr. BAILEY. Mr. President, there is nothing in the bill that would provide for monopoly; there is nothing in the bill that would provide for price fixing. The whole purpose of the bill is to bring about a situation in which the farmers may get fair prices for their tobacco. I do not see how the amendment is inconsistent with the purposes of the bill, if the Senator insists upon it. My trouble is that we must have this proposed legislation enacted now if it is to be worth anything to the bright-tobacco producers.

Mr. KING. The bill will have to go to conference, and I am sure there will be no objection to any declaration by this body or the other body against any policy that would make for monopolistic control of any commodity. Knowing the predilections—and I do not say this by way of harsh criticism-of some officials of the Department of Agriculture. I am not so sure that efforts might not be made to fix prices and to support policies which might justify monopolistic control of commodities.

Mr. BARKLEY. Mr. President, will the Senator yield. The PRESIDING OFFICER. Will the Senator from North Carolina, who has the floor, yield to the Senator from Kentucky?

Mr. BAILEY. I am glad to yield.

Mr. BARKLEY. I am not going to oppose the amendment of the Senator from Utah; but on its face it seems inconsistent. There is no object to be served in trying to deceive ourselves. What we are trying to do is to bring about a reduction in the crop of tobacco so the price will indirectly be affected to the producer. There would be no objective in simply allowing the States to bring about a compact to reduce production unless it would enable the farmer to obtain a higher price for his tobacco. The amendment of the Senator provides that the bill shall not be construed to authorize monopoly. None of us desires to sanction monopoly, and certainly there has never been and could not be a monopoly among the farmers in the production of tobacco. It is only among the manufacturers and those who frequently farm the farmers that monopolies are found.

does contain the element of inconsistency because what we are trying to do is to make it possible for the farmer to increase the price of his tobacco-not to fix it, because nobody wants to fix it, but to bring about an even keel between production and consumption so there will not be large surpluses such as occurred prior to the enactment of the A. A. A. law.

Mr. KING. I do not desire to occupy any time in argument because I understand the Senator from North Carolina is willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, will the Senator from North Carolina yield to me?

Mr. BAILEY. I am glad to yield to the Senator from Florida.

Mr. FLETCHER. Florida is interested in this measure because a good deal of tobacco is produced in that State. I should like to have Florida included in the list on page 6. following the amendment offered by the Senator from Massachusetts [Mr. Walsh] where "Massachusetts" was inserted. I move an amendment to insert the word "Florida" after the word "Massachusetts" at that point.

Mr. BAILEY. That is most agreeable to me.

The PRESIDING OFFICER. The amendment will be stated

The CHIEF CLERK. On page 6, line 3, after the word "Massachusetts", inserted by the adoption of the amendment of the Senator from Massachusetts [Mr. Walsh], the Senator from Florida proposes to insert the word "Florida", so as to make the sentence read:

If, pursuant to this act, any compact entered into among three or more of the States of Pennsylvania, Ohio, Wisconsin, Massachusetts, Florida, and Connecticut, becomes effective—

Mr. BYRNES. Mr. President, will the Senator from North Carolina yield?

Mr. BAILEY. Certainly.

Mr. BYRNES. I wish to suggest to the Senator from Florida that my information is that Florida is already included under the provisions of the bill because Florida raises the type of tobacco which is provided for under the Virginia act. The section of the bill to which the Senator has offered the amendment provides for a different type of tobacco from that which is grown in Florida. What the Senator seeks to accomplish is really accomplished by the provisions of section 1.

Mr. FLETCHER. If that is true-

Mr. BAILEY. I am not so sure about that.

Mr. TYDINGS. Mr. President-

The PRESIDING OFFICER. The Senator from North Carolina has the floor. Does he yield to the Senator from Maryland?

Mr. BAILEY. I yield.

Mr. TYDINGS. As I understand, the amendment of the Senator from Florida has been adopted and that automatically takes him off the floor. I do not want to take the Senator from Florida from the floor. I am seeking recognition in my own right.

The PRESIDING OFFICER. There has been no vote on the amendment offered by the Senator from Florida.

Mr. BAILEY. Mr. President, I understood I had the floor and had yielded to the Senator from Florida and then to the Senator from Maryland.

The PRESIDING OFFICER. There is so much confusion in the Chamber and Senators are so constantly violating the rule with reference to addressing the Chair and seeking recognition that it is difficult to know just what is taking place. Senators will please be in order.

Mr. BAILEY. Mr. President, I do not believe the Senator from South Carolina [Mr. Byrnes] is correct in his statement. The first portion of the bill relates to States which are mentioned in the act of the Commonwealth of Virginia. It seems to me while the objective desired by the Senator's Florida is not mentioned in that act. I wish the Senator amendment is good as a sort of caution and resolution, it from Florida to be fully protected. Why not let his

amendment be adopted? Then, if it proves to be improper or surplusage, it may be stricken out in conference. I do not wish to leave the Senator from Florida in a doubtful position under the circumstances.

Mr. FLETCHER. I will say to the Senator that that was my own view of the matter.

Mr. TYDINGS and Mr. BYRNES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from North Carolina yield; and if so, to whom?

Mr. BAILEY. I yield first to the Senator from Maryland. Mr. TYDINGS. Mr. President, as I understand, it is in order to offer an amendment.

Mr. FLETCHER. Not until the pending one is disposed of.

Mr. TYDINGS. How are we going to dispose of it?

Mr. BAILEY. I shall yield the floor in one moment. I have been yielding for discussion; but let me say one word and then I shall take my seat.

Mr. TYDINGS. I do not wish to take the Senator off the

Mr. BAILEY. The philosophy of the proposed legislation is fairly in accord with the philosophy of our Republic. I wish to make that clear before the Senate. In the Hoosac Mills case the Supreme Court held that the power to control the production of crops did not rest in the Congress or the Federal Government, and said—I think this was obiter, but

they said it—that that is a power reserved to the States.

Very well. If that is a power that is not in the Congress, but is in the States, then here is the first step in a great movement to do what has been discovered to be necessary in this country, and that is to bring about a reasonable control of the production of crops to prevent the destructive influences of unwieldy surpluses. So we are passing this bill in pursuance of the power of the States; and all the States are asking is that the Congress give a consent which it was specifically provided in the Constitution might be given.

Mr. McKELLAR. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Tennessee?

Mr. BAILEY. I do.

Mr. McKELLAR. Under the terms of the bill, may any State which raises flue-cured tobacco, or dark-fired tobacco, as we commonly call it, take part in effecting this arrange-

Mr. BAILEY. Any State mentioned in the bill may take part in it; and any State that is not mentioned would certainly be welcomed in, because the whole idea is control.

Mr. McKELLAR. That is true of burley tobacco, of course?

Mr. BAILEY. Kentucky and Tennessee are mentioned because they do produce burley tobacco. They are in the bill.

Mr. BARKLEY. In other words, Mr. President, the Senator means they are in the Virginia act, which is made the pattern after which this compact will be framed.

Mr. BAILEY. Yes; I have the Virginia act here.

Mr. President, that is all I have to say.

Mr. McKELLAR. Mr. President, before the Senator yields the floor, all I desire to be assured is that Tennessee may come in if she desires, under the terms of the bill.

Mr. BAILEY. Tennessee is in the bill as it stands. Let me verify that, to be perfectly sure about it.

Mr. BYRNES. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from South Carolina?

Mr. BAILEY. Before I yield let me answer the inquiry of the Senator from Tennessee. He will find that North Carolina, Kentucky, Tennessee, South Carolina, and Georgia are in subsection (b) of section 3 of the Virginia act, and are, therefore, in the proposed legislation.

Mr. McKELLAR. I thank the Senator. Mr. BYRNES. Mr. President, if the Senator now will vield-

Mr. BAILEY. I yield to the Senator from South Carolina

Mr. BYRNES. The only reason why I made the suggestion to the Senator from Florida was that the language of section 1 specifically says:

That any compact, compacts, agreement, or agreements negotiated and agreed upon by the States referred to in the act of the General Assembly of Virginia, approved March 13, 1936 (known as the Tobacco Control Act)—

Which States have been read by the Senator from North Carolina-

or by any other State or States producing any type or types of tobacco referred to in said act, which is in conformity with said act and relating to the type or types of tobacco specifically referred to in said act, shall become effective to the extent and in the manner provided for in said act without further consent or ratification on the part of the Congress of the United States of America.

Mr. FLETCHER. But Florida is not referred to in the act.

Mr. BYRNES. But the bill specifically says-

or by any other State or States producing any type or types of tobacco referred to in said act.

Of course the type of tobacco produced in Florida is similar to the types of tobacco referred to in the Virginia act, so it would come in; and by the language of section 1 the action of the State in entering into the compact is ratified by this bill. Under section 9 there is a great question as to whether there is, or could be, any ratification of a compact entered into, when such compact has not been set forth in the bill.

Mr. BAILEY. Mr. President, at this point I should like to inquire of the Senator from Florida in just what form he has his amendment.

Mr. FLETCHER. It merely adds the word "Florida."

Mr. BAILEY. At what point?

Mr. FLETCHER. Page 6.

Mr. BARKLEY. After "Massachusetts."

Mr. BAILEY. Oh, after "Massachusetts"? Very well. The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

Mr. WALSH. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Massachusetts? Mr. BAILEY. I do.

Mr. WALSH. Is the kind of tobacco mentioned in section 6 a different kind of tobacco from that mentioned in the Virginia act?

Mr. BAILEY. Entirely.

Mr. WALSH. So the Senator from Florida considers the tobacco raised in his State to be of the character and kind raised in Pennsylvania, Connecticut, and Massachusetts?

Mr. BAILEY. It is the cigar type of tobacco, while the North Carolina and Virginia tobacco is for use in the manufacture of smoking tobacco, and especially cigarette tobacco.

Mr. FLETCHER. It will not do any harm to insert the word "Florida."

Mr. BAILEY. Mr. President, I yield the floor.

Mr. KING. Mr. President, before the Senator yields the floor, I desire to ask him a question.

For the first time I have seen the act which seems to be the basis of any compact between the States. I notice that it is really a criminal code. It provides for the punishment of persons for infracting some of its provisions, selling improperly, and what not. I was wondering if, by the measure which is now before us, there will be imported into every State every criminal provision of the Virginia act. In other words, if we pass this bill, will all the States that are parties to the compact endorse or take over the provisions of this bill, and will all the provisions of this bill constitute acts of the several States and be enforceable within those States, including the criminal provisions?

Mr. BAILEY. Mr. President, it is perfectly clear to me that nothing will be imported into North Carolina from Virginia. North Carolina will either adopt an act similar to the Virginia act, or not; and South Carolina, Kentucky, and Tennessee will do precisely the same thing. Congress imposes nothing upon the States. The matter of State sovereignty I am willing to leave to the State of Virginia, one of the most conservative of all the Commonwealths. It has proposed this legislation and is out in front of the other

States. We simply submit the measure to North Carolina, South Carolina, Kentucky, Georgia, and Tennessee. If they do not wish the criminal statute, there is no power on earth that can impose it on them; but the thing I like about the proposal is that if this undertaking to enable the States to execute powers which the Supreme Court says Congress does not have, and the States do have, is a success, then each State is responsible to its own people; and that brings home the great doctrine of local self-government. I am willing to trust it in North Carolina; I take it the Virginians are willing to trust it in Virginia; and the people of Utah would be willing to trust it to their legislature. The members of the legislature have to come back to the people every 2 years and give account of their stewardship. I wish to appeal to the Senator from Utah that this is precisely along the lines of his thinking, as I understand. It is a reference to the States of the power of local crop control in view of the decision of the Supreme Court that Congress does not have that power, and is therefore a recognition of the great doctrine of local self-government. That, I am sure, will appeal to the Senator from Utah.

Mr. KING. Mr. President, I think the Senator is right in interpreting my attitude toward local self-government in contradistinction to this movement for centralization of all power and authority in the Federal Government; but I think the Senator has not answered my question. The point

I had in mind was this: By the ratification by North Carolina, South Carolina, and the other States, of the Virginia act which is the basis of the compact, with all of its criminal provisions, does the more formal act of ratification import into those States all the provisions of that act?

Mr. BAILEY. Oh, no!

Mr. KING. Or must the legislatures of the respective States that become parties to the compact pass acts on the subject; and may they pass acts that will be departures from the provisions of the Virginia statute?

Mr. BAILEY. I thought I made that clear when I said nothing could be imported by way of law from one State to another, but I will answer the question flatly. There is no power under heaven whereby the Congress of the United States can impose upon North Carolina a law of the State of Virginia.

Mr. KING. There is no doubt about that; but I do not think the Senator has yet quite answered my point.

By ratifying the compact, does the State of North Carolina ratify all the provisions of the Virginia act, or may it pass an act excising from the Virginia act, if desired, any of its provisions or adopting them holus bolus?

Mr. BAILEY. We shall have to have an act similar to the Virginia act in order to comply with the terms of the consent; but the word "similar" does not necessarily mean word for word; and the State of North Carolina will pass upon its own pains and penalties, as every State will.

Mr. KING. Undoubtedly.

Mr. BAILEY. I think that answers the question.
Mr. BYRNES. Mr. President, will the Senator yield before he takes his seat?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from South Carolina?

Mr. BAILEY. I do. Mr. BYRNES. The answer to the Senator from Utah [Mr. KING] is contained in the language on the first page, in line 8, where it is provided that the State acts shall be essentially uniform and in no way conflicting. That is the only provision affecting the actual respective State acts.

Mr. BARKLEY. Mr. President, I should like to bring to the attention of the Senator from North Carolina a situation which he and I and others interested have discussed in

As this bill was originally introduced in the House under the designation of H. R. 11928 it contained sections 3 and 4, which are brief, and I will read them:

SEC. 3. The shipment or transportation in interstate or foreign commerce by any person from any State of tobacco produced or marketed in violation of any compact or any State act is hereby prohibited.

Section 4 reads as follows:

All tobacco produced or marketed in any State which is a party to a compact entered into pursuant to the provisions of this act shall, except for the actual transportation of such tobacco in interstate of foreign commerce, be subject to the laws of such State, and the sale or marketing of such tobacco shall be subject to regulation by such State.

As the Senator knows, the House committee struck out those two sections as the bill was reported and as it was passed, they are not in the bill which we are now considering, and the Senate committee which reported the Senate bill likewise left out those two sections.

Many of the tobacco growers in my State, and probably many in the Senator's State, and perhaps in all of the States. feel that the elimination of those two sections very materially weakened the benefits which will be conferred by the enactment of this measure, and many of them were hoping that here in the Senate we might restore those two sections to the bill.

In the House, as I understand, some question was raised as to the constitutionality of those two sections, and other objections were raised on the part of possible noncompact States which might be affected by the legislation. However desirable those two sections might be if it were possible to include them in the bill, what is the Senator's view as to the wisdom of attempting to restore those sections, in view of the lateness of the season and the likelihood of arousing controversy over them in the other body, if not in this one?

Mr. BAILEY. Mr. President, I have made inquiry on that point, and I made the inquiry after conference with the senior Senator from Kentucky. It is my information from very high sources in the House that should the sections which are stricken out be restored in the Senate, it would be fatal to the legislation. That being so, and all of us being under the necessity of moving rapidly—the farmers are planting their tobacco in the rows today-I do not think we can afford to undertake anything of that sort, and I am sure from what I know about the Senate that there would be opposition on the floor of the Senate, and we would have more difficulty and delay. I do not know how it would go in the Senate, but I know there would be opposition.

Mr. BARKLEY. I thank the Senator. My observations from conferences with other Senators lead me to the same conclusion which has been reached by the Senator from North Carolina, and while I myself would prefer, if it were possible, that these sections be included, the legislative situation and the state of the planting season in the States involved are such as to lead me to the conclusion that it is not wise to attempt to restore the sections.

Mr. LONERGAN. Mr. President, I ask unanimous consent to have inserted in the RECORD as a part of the proceedings the telegrams which I send to the desk.

The PRESIDING OFFICER. Is there objection?

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

SUFFIELD, CONN., April 21, 1936.

Senator Augustine Lonergan:

I protest against the quota placed on Puerto Rican tobacco. The Connecticut tobacco growers depend greatly on this tobacco in order to make a good cigar. Won't you use your best effort to make this quota vetoed? Anything you may do to help the Connecticut tobacco growers will be more than appreciated.

FRANK S. BRACKNESKI.

SUFFIELD, CONN., April 21, 1936.

Senator Augustine Lonergan:

Connecticut tobacco industry depends largely on Puerto Rican fillers; therefore, the quota on such tobacco grown in Puerto Rico would prove a detriment to tobacco growers. Please help the tobacco growers by preventing the passage of such a quota HOWARD E. HASTINGS.

WEST SUFFIELD, CONN., April 21, 1936.

Senator Augustine Lonergan:

The Puerto Rico quota will do immense harm to the tobacco industry in Connecticut, as Connecticut growers depend on Puerto Rican fillers to make good cigars. Anything you can do to help the Connecticut grower will be greatly appreciated. CHRISTOPHER MICHAEL

SUFFIELD, CONN., April 21, 1936.

Senator Augustine Lonergan:

To the interest of tobacco, Connecticut growers, every effort should be made to prevent the passage of the quota placed on Puerto Rican tobacco. This tobacco is necessary in conjunction with Connecticut tobacco to make good cigars. Please do everything you can to help the Connecticut tobacco growers.

GEORGE KING.

HARTFORD, CONN., April 21, 1936.

Senator Augustine Lonergan,

Washington, D. C.:

We strongly protest against the Puerto Rico quota for provision of Kerr control bill as detrimental to the interest of the Connecticut Tobacco Growers Association. The wrappers grown in Puerto Rico Connecticut Topacco Growers Association. The wrappers grown in Connecticut depend mainly for the fillers grown in Puerto Rico for the manufacturing of cigars. Puerto Rico does not grow any wrapper tobacco to compete with the State of Connecticut. Anything you can do for us in this matter will be greatly appreciated.

HARTMAN TOBACCO Co.,

ALBERT NEWFIELD.

HARTFORD, CONN., April 21, 1936.

Hon. AUGUSTINE LONERGAN.

Hon. Augustine Lonergan,

Senate Office Building:

Connecticut Havana seed tobacco, of which we are the largest handlers, is used quite largely as a binder in combination with Puerto Rico, as well as with Pennsylvania and other domestic tobaccos. I feel very strongly that any quota imposed on importations of Puerto Rican tobacco, as provided in the Kerr bill, should be very carefully considered as to reasonableness of same.

J. W. ALSOP, INC., J. W. ALSOP, President.

SUFFIELD, CONN., April 21, 1936.

Senator Augustine Lonergan,

Deliver floor of Senate: Connecticut tobacco growers depend greatly on Puerto Rican fillers which are necessary to make a good cigar. Please see what can be done to prevent the quota placed on Puerto Rican fillers. The passage of such quota would greatly affect Connecticut tobacco industry.

Mrs. A. WEISCUICKAS.

HARTFORD, CONN., April 21, 1936.

Benator Augustine Lonergan,

Deliver on floor of Senate:

Ninety-eight percent of all Puerto Rico fillers go into cigars made with a Connecticut broadleaf binder and Connecticut Valley shade-grown wrappers. A pientiful supply of Puerto Rico fillers available at all times essential for the continuance of the present good market for broadleaf and shade grown. New cigars coming on the market in last several years are using this triple combination and finding an ever-increasing favor with the public. Principle of Kerr bill to regulate production and prices of cigar-leaf tobacco through the medium of interstate compacts is admirable and necessary. Principle of established quota for Puerto Rico is vicious and uneconomic in principle and contrary to all established policies. No quota placed on Sumatra tobacco in trade agreement with Holland. Puerto Rico should be controlled as any other part of the United States. Would appreciate using your influence in of the United States. Would appreciate using your influence in changing that part of bill relative to the establishment of quotas on Puerto Rico as the best method of insuring the continued prosperity of the shade and broadleaf farmer of Connecticut.

George E. Gershel.

The PRESIDING OFFICER. Does the Senator from North Carolina desire a vote on the amendments which he has sent to the desk?

Mr. BAILEY. Those are the Puerto Rican amendments. I should like to have action on them.

The PRESIDING OFFICER. The clerk will state the first amendment.

The CHIEF CLERK. It is proposed to amend, on page 7, line 9, before the word "crop", by striking out the word "the" and in lieu thereof inserting the words "any three normal."

Mr. COPELAND. Mr. President, I know exactly what the Senator has in mind, but I want the RECORD to show it. It so happened that in 1932 there was a hurricane in Puerto Rico and the tobacco crop was destroyed, so that the production that year was less than 25 percent of normal. Not only were the plants destroyed, so as to interfere with the production that year, but the crop of 1933 was about half normal. By 1934 the A. A. A. came along, and there was some reduction of crop by reason of that.

What I assume the Senator means by the language of his amendment is that normal years are the years, in reality, which exclude 1932, 1933, and 1934, which were abnormal for the reasons I have mentioned.

Mr. BAILEY. That is my understanding. I would take the normal years as being the years by which we arrive at an average for the decade, leaving out the abnormal years.

Mr. COPELAND. I am in perfect understanding with the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina. The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from North Carolina.

The CHIEF CLERK. It is proposed to amend, on page 7. line 10, by striking out "1933, 1934, and 1935" and inserting in lieu thereof the words "during the last 10 years."

Mr. KING. Mr. President, I desire to ask the Senator from New York and the Senator from North Carolina a question. Is it important to include Puerto Rico in this bill? Would it not be better and fairer for the Puerto Ricans, in view of the calamitous condition to which the Senator from New York referred, as well as other economic and political conditions, not to attempt to bring Puerto Rico within the operations and confines of the measure before us?

Mr. BAILEY. Let me say to the Senator that it is important just in this sense. Over on the House side of the Congress Members from the cigar-tobacco producing States are very much interested, and if we should strike section 9 and the following sections from the bill, it would probably mean the destruction of the bill. That is one reason why we are going so far to treat Puerto Rico with the utmost fairness. I do not think it would be safe to strike from the bill what we may call the cigar-filler sections. I fear it would be fatal to the legislation, and so I am willing to make most any concession concerning Puerto Rico in order to keep them in the bill.

Mr. KING. But it does seem to me, Mr. President, that the provision found in subsection (c) on page 7 is too drastic, too much of an effort toward regimentation. It reads:

The Secretary shall establish for each farm in Puerto Rico for each crop year a tobacco-marketing quota.

It seems to me that to compel the Secretary of Agriculture to establish for each farm in Puerto Rico a quota is going too far.

Mr. BAILEY. I may say to the Senator that that is what is done with regard to the States when they enter into a compact, except that the Secretary of Agriculture does not establish the quota; it is fixed by a commission. The whole idea is the establishment of quotas.

The Senator has offered an amendment which prevents anything like price fixing or regimentation, and I think he ought to feel very well satisfied that he has that stopped.

Mr. KING. Mr. President, I feel such a deep concern for the people of Puerto Rico, and I know so well their fears, their apprehensions, the economical, political, and industrial problems which beset them that I confess I would go a great deal further for their protection than I would as to some other people in other parts of the world; and for the Congress of the United States, superimposing its power upon them, to attempt to control their lives, their thoughts, their actions, their economy, seems to me rather tyrannous and oppressive.

Mr. COPELAND. Mr. President, I very largely share the views expressed by the Senator from Utah. I feel that we did Puerto Rico a great injustice when we fixed the quota on sugar. Puerto Rico is not favored, as are the States of the Union, by diversity of crops and industries, but is limited in her opportunities. I have been much touched during the last 6 months to learn of the distress of Puerto Ricans, of the unemployment in the island, and the importance of finding some sort of industrial activity to engage the attention of the citizens of that Territory.

I must say that I think the Senator from North Carolina and others interested in the pending bill have shown a spirit of generosity. I think they have tried to deal fairly with Puerto Rico. When I came on the floor I had expected to be disagreeably insistent upon the inclusion of Puerto Rico in the list of those who should take part in the compact; but I can see, as pointed out by the constitutional lawyers of the Senate, that there would be some difficulty about the inclusion of Puerto Rico in a group making up such a compact

as the Constitution provides.

It is true, however, I am sure-and if I am not correct, I wish the Senator from North Carolina would correct methat even though Puerto Rico be not included with the States which have a part in the compacts, yet Puerto Rico will have all the advantages which accrue to the States which actually participate in any compact. Therefore, if the quota fixed is a quota representative of the prosperous, productive years in Puerto Rico, then Puerto Rico will share in all the advantages of the compact, and those of us who are interested, as we all are, I am sure, in the welfare of Puerto Rico will have no just cause for complaint. Therefore, so far as I am concerned, I shall interpose no objection to the passage of the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment was agreed to.

The VICE PRESIDENT. The next amendment of the Senator from North Carolina will be stated.

The CHIEF CLERK. On page 7, line 16, before the words "crop years", it is proposed to strike out "the" and to insert in lieu thereof the word "such"; in the same line, to strike out the figures "1933"; in line 17, to strike out "1934, and 1935"; in line 19, to strike out "1933, 1934, and 1935"; and in the same line, to strike out "the", before the words "crop years", and to insert in lieu thereof the word "such."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The VICE PRESIDENT. The House bill having been passed, without objection, Senate bill 4430, of similar tenor and import, will be indefinitely postponed.

DEPORTATION OF ALIEN CRIMINALS

Mr. KING and Mr. McKELLAR addressed the Chair.

The VICE PRESIDENT. The Chair understood that the Senator from Tennessee desired to call up an appropriation

Mr. McKELLAR. That is true.

Mr. KING. Mr. President, an understanding was reached earlier in the day that following the passage of the tobaccocompacts bill which has just been passed the Senate would consider Senate bill 2969, the alien deportation bill, and I rose for the purpose of moving the consideration of that bill.

The VICE PRESIDENT. The question is on the motion of the Senator from Utah that the Senate proceed to the consideration of Senate bill 2969, to authorize the deportation of criminals, and so forth.

Mr. DAVIS. Mr. President, I suggest the absence of a

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Connally King La Follette Lewis Adams Pope Coolidge Copeland Couzens Ashurst Austin Radcliffe Reynolds Robinson Bachman Logan Lonergan Long McAdoo Bailey Davis Dickinson Russell Schwellenbach Barbour Barkley Benson Bilbo Sheppard Shipstead Steiwer Dieterich Donahey McGill McKellar Duffy Fletcher McNary Maloney Metcalf Thomas, Okla. Thomas, Utah Townsend Black Borah Frazier George Brown Bulkley Gibson Minton Truman Tydings Vandenberg Van Nuys Wagner Walsh Moore Bulow Glass Guffey Murphy Murray Hale Harrison Byrd Byrnes Neely Norris Capper Caraway Hastings Nye O'Mahoney White Carey Hayden Holt Johnson

The PRESIDING OFFICER (Mr. CLARK in the chair). Eighty-five Senators having answered to their names, a quorum is present.

RECULATION OF WHALING

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3413) "to give effect to the convention between the United States and certain other countries for the regulation of whaling, concluded at Geneva, September 24, 1931, signed on the part of the United States, March 31, 1932, and for other purposes", which were, on page 2, line 4, after "whale", where it appears the second time, to insert ", excepting dolphins and porpoises"; on page 2, line 23, to strike out "is" and insert "and the Secretary of Commerce are"; on page 3, line 4, after "Convention", to insert "and to make the necessary joint regulations therefor"; on page 3, after line 6, to insert "The Secretary of Commerce is hereby authorized and directed to assemble and collate the statistical and biological data submitted as required by this act or any regulation made pursuant thereto, and is further authorized and directed to conduct such statistical and biological studies as may be necessary to carry out the terms and provisions of said convention and this act"; on page 3, line 21, to strike out "the Treasury" and insert "Commerce for each vessel or other craft engaged in the taking and killing of whales and for each floating reduction ship, shore whaling station, or other plant used in the processing of whales"; on page 3, line 24, to strike out "complete"; on page 3, line 24, to strike out all after "whale" down to and including "fertilizer" . in line 2, page 4, and insert "as provided in section 6 of this act"; on page 4, line 7, to strike out "the Treasury" and insert "Commerce"; on page 4, line 9, after "issue", to insert "for each floating reduction ship, shore whaling station, or other plant used in processing whales, and a fee of \$250 for each vessel or other craft in excess of two engaged in the taking of whales in connection with any one such ship, station, or plant, and all moneys received for licenses shall be covered into the Treasury of the United States"; on page 4, lines 14 and 15, to strike out "it shall be the duty of"; on page 4, line 15, after "Navy", to insert "may"; on page 4, line 15, strike out "to"; on page 4, line 21, after "authority" to insert "in his discretion"; on page 5, line 2, after "act", to insert ": Provided, That within 6 months after payment of forfeiture the person or persons making such payment may institute proceedings in said district court to recover said forfeiture, less costs, on satisfactory proof said vessel did not violate any provision of this act or any regulation made pursuant thereto"; on page 5, line 3, to strike out "shall" and insert "may"; on page 5, line 9, after "act", to insert "or any regulation made pursuant thereto"; on page 5, line 14, after "act", to insert "or any regulation made pursuant thereto"; and on page 7, after line 8, to insert:

Sec. 15. There is hereby authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this act and said convention.

Mr. McNARY. In the absence of the senior Senator from South Dakota [Mr. Norbeck], and at his request, I move that the Senate concur in the House amendments.

The motion was agreed to.

DEPORTATION OF ALIEN CRIMINALS

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah [Mr. King] that the Senate proceed to the consideration of Senate bill 2969.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes.

Mr. REYNOLDS. Mr. President, prior to continuing my argument in opposition to the Kerr-Coolidge bill, I wish to make a statement to the Members of the Senate in order that my position may be made clear not only to them but

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Clark

to my constituents. I ask permission of my colleagues to make this statement, because I think it due my constituents, many of whom are tobacco farmers in North Carolina, and likewise to the people throughout the country, that they should know my attitude on the so-called deportation bill.

The present occupant of the chair will probably recall that several days ago the bill now under consideration was then before the Senate, at which time I discussed it on two consecutive afternoons. At that time I agreed that the then pending question, which was the so-called alien-deportation bill, should be laid aside in order that the Senate might devote itself to the proceeding incident to the impeachment of a Federal judge, but I permitted the deportation bill to be laid aside, so to speak, with the understanding that when the impeachment proceedings had been concluded I would still be in possession of the floor. impeachment case having been concluded, I recognized the fact that there was to come before the Senate emergency legislation of great interest to the people of the country and, not being desirous of placing myself in the position of defeating or delaying any of that proposed legislation, I agreed to give up the floor in order that such emergency legislation might be considered and acted upon.

Mr. VANDENBERG. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Michigan?

Mr. REYNOLDS. I yield.

Mr. VANDENBERG. The Senator from Tennessee has now left the floor. I was anxious to know if it is contemplated that the appropriation bill will be considered by the Senate this afternoon?

Mr. HAYDEN. Mr. President, on behalf of the Appropriations Committee, I can say that it is not expected that the appropriation bill will be considered until tomorrow.

Mr. VANDENBERG. I should like to ask, if I may, the Senator from Tennessee, who has now returned to the Chamber, when it is expected that the next appropriation bill will be brought before the Senate?

Mr. McKELLAR. It was expected that the appropriation bill would be considered today, but it seems that an arrangement has been made whereby the Senator from North Carolina [Mr. Reynolds] will proceed this afternoon, and the appropriation bill will be called up tomorrow.

Mr. VANDENBERG. I thank the Senator.

Mr. REYNOLDS. So, Mr. President, in order that emergency legislation might be considered, I was very happy indeed to have the opportunity of being of what help I could be in securing action upon the measures in question. The flood-control bill came up and was passed, after which I was exceedingly desirous of bringing to the attention of the Senate the bill pertaining to the tobacco compacts, in which I was greatly interested, because my State of North Carolina produces more tobacco than does any other State in the Union. North Carolina has within its borders the largest tobacco warehouse in the world; North Carolina contributes to the Federal Government more money annually than does any other State in the Union, with the exception of the State of New York, and that is attributable very largely to the fact that in North Carolina we are great manufacturers of tobacco in its various and sundry forms for the market throughout the entire world.

I was also interested, Mr. President, in that measure because in North Carolina there are tens upon tens of thousands of toiling, hard-working tobacco farmers who are vitally interested in having action upon the bill which the Senate has passed today.

I now wish to state upon the floor of the Senate for the benefit of my constituents and my friends in North Carolina that I did everything that was humanly possible to bring about the enactment of the tobacco-compact bill, and, Mr. President, I want my constituents in North Carolina, and particularly the growers of tobacco, to know—and I hope the gentlemen of the press who represent the newspapers of North Carolina will so state to the tobacco farmers of North Carolina—that I have made a great sacrifice upon the floor of the Senate in order to serve my constituents in North Carolina—"and how"? [Laughter.]

Mr. President, I know of no question in which I am more deeply interested than in the question of the deportation of habitual alien criminals, and the restriction of immigration under the laws of this country, and in order that I might serve the farmers of North Carolina, who were expecting the tobacco-compact bill to be passed yesterday, as it has passed today, I was forced to limit my argument upon the pending Kerr-Coolidge bill to 3 hours. There is so much to be said about it that I have looked forward with great pleasure to the physical activity involved in speaking upon the floor of the Senate 10 hours a day for 30 days.

Mr. President, I have not as yet launched into my argument in regard to the bill now pending because under an agreement into which I was necessarily forced to enter in order that the tobacco-compact bill might be considered my time on the pending bill was limited to 3 hours, and I therefore felt that I had a perfect right to utilize a portion of my time to explain to the Senate and to my constituents in North Carolina and to the people of America as a whole why my argument upon the pending bill was thus limited.

But I am a man of my word, Mr. President. I consented to limit my argument to 3 hours as a result of an agreement having been made to permit the tobacco-compact bill to come before the Senate and to be considered and passed today in order that the farmers of North Carolina and other tobacco-producing States of the Union might be benefited by the enactment of such legislation. I shall endeavor to keep within the time agreed. I made an agreement to speak only 3 hours upon the bill. I shall now proceed with my argument on the pending bill.

Mr. President, I am exceedingly regretful that every Member of this distinguished body is not present today, but that is impossible because, unfortunately, some of our Members are confined to hospitals, and others, as a result of overwork, have been forced to remain in their homes in order that they may regain their former good health.

I desire to preface my remarks by stating that there is no more important question before the American people today than the question involved in the bill now before the Senate, for it will not only affect those who at present reside within the confines of this great country, but it will affect generations upon generations to follow. If ever we are to begin checking immigration into this country in order that America may be retained for Americans, if ever we are to begin the ejection and deportation of habitual alien criminals from this country, we must begin now.

Mr. President, for the benefit of the members of the Senate, I wish to restate that the Kerr-Coolidge bill has been misnamed. It is said that it is a deportation bill. I say that it is quite the contrary. I say that, on the contrary, it is an importation bill, because instead of ejecting from the shores of this fair land the habitual alien criminals, it will import them into this country. I believe I shall be able to prove that statement, for when we legalize the presence of those who entered here illegally and who have remained here illegally in violation of our laws, we are breaking down and opening up the floodgates of immigration. Why is that so? It is because every alien whose presence we legalize will remain here and we will be compelled to permit the members of his family from shores beyond the seas to enter this country outside of and beyond the quota of 153,000 a year.

Mr. President, we have arrived at a time when the Members of this body and the Members of the other branch of the United States Congress will soon reach the forks of the road. There they will have to go either to the right or to the left. There they will have to stand for America for Americans or vote for America for the aliens. There is but one question here to be decided. Are we for America for Americans, or are we for America for the aliens? That is the question to be decided by this body and later to be decided by the other House of our National Congress.

Mr. President, I am not the only person who stands within the shadow of the dome of this magnificent Capitol of the greatest country upon the face of the earth opposing this bill. I am not the only person who stands within the shadow of yonder flag opposing the bill. However, I want

Members of this National Legislature and the American people generally to know who stands in opposition to the passage of the Kerr-Coolidge bill, and I am now delighted and feel honored to call the roll of honor.

Those organizations which stand flat-footedly and 100 percent against this bill are the American Federation of Labor, the American Legion—

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McGill in the chair). Does the Senator from North Carolina yield to the Senator from Washington?

Mr. REYNOLDS. I yield only for a question, because every moment is going to count with me. I do not want to be discourteous to my friend, for whom I have a deep affection, but he will appreciate the fact that I am limited to a 3-hour address, and I must make utilization of all that time.

Mr. SCHWELLENBACH. I should like to know by what authority the Senator states the American Federation of Labor is opposed flat-footedly to this bill?

Mr. REYNOLDS. I shall be very glad indeed in a few moments to read communications from the principal organizations I shall mention.

I repeat, I am backed 100 percent and flat-footedly and unhestitatingly and enthusiastically in opposition to this bill by the American Federation of Labor, by the American Legion, by the Veterans of Foreign Wars, by the Disabled Veterans of the World War, by the Military Order of the World War, by the Daughters of the American Revolution—who are in our great Capital now in annual convention—by the Sons of the American Revolution, by the Patriotic Order of Sons of America, by the Association of Firemen and Engineers of the United States with their 500,000 members, by the Junior Order of United American Mechanics with their 500,000 members throughout the length and breadth of this country, and in addition thereto by 110 other patriotic societies in America whose endorsements I have for the enlightenment and benefit of the Members of this body.

Mr. President, I propose to prove every statement I make. In my last argument here I recall that in discussing the question with my friend the Senator from Massachusetts [Mr. Coolings] a question arose as to where the first shot was fired during the Revolutionary War.

My good friend the Senator from Massachusetts the other day said some contention had been made that the first shot of the Revolutionary War was fired in New Hampshire. I wish to say, in passing, that, regardless of where the first shot was fired, or where the shot was fired that was "heard around the world", I hope that when this matter shall have been finally determined upon the floor of the Senate, the defeat of this bill will be a shot that will be heard around the world by every single alien who proposes to enter this country in violation of our immigration law. If the shot that sounds from the Senate Chamber around the world when this bill is defeated is heard by every alien who intends to enter our country in violation of our laws, I say it will be the second best thing that has been done in America since we freed ourselves from the power of those who live beyond the blue waters of the Atlantic.

The first shot of the Revolutionary War may have been fired in Massachusetts or New Hampshire, Mr. President; but I desire to say that the shots that were fired during the Revolutionary War that ended the war, that turned the tide of the war, that brought about victory for the patriots of the Revolutionary War, were fired in my State of North Carolina, at Kings Mountain, not far from which place the first Constitution of the United States was drafted.

Mr. President, North Carolina having decided the Revolutionary War, I shall proceed with an argument of this question and endeavor to substantiate the statements I made a moment ago as to the organizations that are with me in opposition to the un-American Kerr-Coolidge bill which has been brought here, and which will do what? Which will bring about the legalized entry into this country within the next 3 years or more of millions of immigrants, all of whom will be able to come into this country legally outside the quota of 153,000 persons annually.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. REYNOLDS. Only for a question.

Mr. SCHWELLENBACH. In view of the fact that section 3 of the bill, which refers to permitting certain classes of aliens to remain in this country, relates only to 2,862 persons, I should like to ask the Senator to explain how large are the families of these aliens, since he comes to the conclusion that the bill will permit millions of their relatives to come in.

Mr. REYNOLDS. Mr. President, I am deeply grateful to my friend from Washington for that inquiry. The only figures mentioned in connection with the bill are the figures 2,862. The number which is now 2,862 was only about 1,500 1 year ago, when Mrs. O'Day, Representative from the State of New York, secured the passage of what was known as the O'Day resolution, which for a period of 1 year, ending on March 1, 1936, prevented the deportation of about 1,500 or 2,000 aliens. But since the O'Day resolution was introduced in the House of Representatives, the number of 1,500 or 2,000 aliens who were caught has been increased to 2,862. The 2,862, Mr. President, represents only a very small fraction of the aliens in America who entered the country illegally. and who have remained here since then in violation of the law. In other words, the number 2,862 represents only the aliens who entered illegally who have been caught by the Immigration Service of the Department of Labor. In furtherance of the statement I made a moment ago to the effect that the number of 2.862 represents only a fraction of the total number involved, I venture the assertion that there are in this country as a minimum no less than 1,000,000 aliens who have come in illegally, in violation of our immigration laws.

I am glad to find sitting here with open ears and watching with anxious eyes none other than my distinguished colleague Hon. James J. Davis, of the State of Pennsylvania, who, I feel assured, will verify my statements. If any man in the United States knows and is familiar with the immigration and deportation laws of our country, my colleague from the State of Pennsylvania is that man, because under two Presidents he served as a Cabinet member in charge of the Department of Labor, during which many years of service to his Government and to his country he made a special study of immigration and deportation, and of the measures that have been enacted and that should be enacted for the protection of the American people who desire to preserve America for Americans.

Sections 2, 3, and 4 of the bill if passed will make legal that which now is and for some time has been legal. Under sections 2, 3, and 4 the entry will be legalized of millions of aliens who are not now entitled to remain here because they slipped into our country in violation of its laws and remained here ever afterward.

Mr. DAVIS. Mr. President-

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. REYNOLDS. I gladly yield to the Senator from Pennsylvania.

Mr. DAVIS. The query of the distinguished junior Senator from Washington [Mr. Schwellenbach] has prompted me to seek information regarding one particular section of the bill, because I am sure the Senator from North Carolina has studied it. I refer to the admission of a large number of aliens by the so-called interdepartmental committee. I should like to read a portion of the section to the Senator and ask him for his opinion regarding it. I am just an ordinary, every-day sort of a person; and the Senator from North Carolina, being one of the leading lawyers of his State, can best answer this question:

Sec. 4. (a) An alien who was or hereafter may be admitted to the United States—

Hereafter-

An alien who was or hereafter may be admitted to the United States as a nonimmigrant under section 3 of the Immigration Act of 1924 (43 Stat. 154; U. S. C., title 8, sec. 203), or as a student under subdivision (e) of section 4 of that act (43 Stat. 155; U. S. C., title 8, sec. 204), and who is of a class admissible to the United

States in a nonquota or preference-quota status, may make applistates in a nonquota or preference-quota status, may make application to the Commissioner of Immigration and Naturalization for a change to the status of a person admitted as a nonquota immigrant under subdivision (a) of section 4 of that act (43 Stat. 155), as amended (U. S. C., title 8, sec. 204 (a)), or as a person admitted by virtue of a preference in the quota under clause (A), paragraph (1), of section 6 of that act (43 Stat. 155), as amended (U. S. C., title 8, sec. 206 (a)) title 8, sec. 206 (a)).

(b) If the Commissioner of Immigration and Naturalization finds

that said alien-

(1) At the time of his application would be entitled to a non-quota visa or to such preference in the quota if he were outside the United States;

(2) Did not enter the United States as a nonimmigrant or student to evade the quota provisions of the immigration laws-

In other words, if the alien came in here intentionally as a student, and then decided that he wished to remain here. would the interdepartmental committee have the right to admit him; or, if he came into this country as a visitor-and I think the ships of the various ports clear about 1,000,000 visitors every year-if any of them came here and remained here, and then decided to make application for admission, would the interdepartmental committee under this bill have power to admit them?

Mr. REYNOLDS. They would have that power, Mr.

In substantiation of what I said a moment ago in regard to those who oppose the bill, I wish to give the Members of this body some idea as to the great interest that is being displayed by these organizations and even by State legislatures throughout the country.

Yesterday I sent to the desk a resolution which had been forwarded to me by the House of Representatives of the Legislature of the State of South Carolina and it was printed in the RECORD. I particularly call this resolution to the attention of the Senators from South Carolina in order that they may know what their constituents think about the matter. It was a resolution approving the action of United States Senator Reynolds and Representative Starnes in introducing their alien-deportation bill.

I mention at this time a bill drafted by Representative STARNES and myself because, before the completion of my argument, I shall make a motion to return the pending bill to the Committee on Immigration for further consideration. I shall make two other motions, one of which will involve the Reynolds-Starnes bill; and, in view of the fact that a large number of the resolutions I shall read, and a large number of the telegrams I have received, and a large number of the letters I have received from time to time from the organizations I have mentioned, take into consideration the Reynolds-Starnes bill, it will be necessary for me from time to time to mention both bills.

I proceed with the reading of the resolution from the Legislature of the State of South Carolina:

Whereas it has come to our attention that United States Senator Reynolds and Representative Starnes have introduced in the Congress of the United States a bill to the effect that aliens convicted of crime in the United States, aliens belonging to any organization having as its object the destruction of the American Government, and aliens afflicted with certain diseases be deported and returned to the country from which they came; and Whereas it is the thought of this house that the enactment of such a bill into law would be of great benefit to the United States and its citizens: Now, therefore, be it Resolved by the house of representatives. That it heartly en-Whereas it has come to our attention that United States Sen-

Resolved by the house of representatives, That it heartly endorses the action of Senator Reynolds and Representative STARNES in proposing such a law and earnestly urges all Members of Congress to vote for said bill; and be it further

Resolved, That copies of this resolution be forwarded to the said authors of the bill and to each Member of Congress from South

Mr. President, I read a telegram, under date of March 31, 1936, addressed to me at Washington, D. C.:

Revision of Kerr-Coolidge bill does not meet with the approval of Veterans of Foreign Wars.

Right here I wish to advise the Members of the Senate that this bill made its appearance upon the floor of the Senate once before, and that there was such an uproar, there was so much opposition by the patriotic orders of America,

Committee on Immigration, where more hearings were had, and where a revision was made, but I allege the changes were not in keeping with the desires of the American people and were not in conformity with the wishes of those who desire to protect and maintain America for Americans.

In speaking of America for Americans I wish to remind the Presiding Officer of this body that for several days past I have heard statements upon the floor of the Senate about unemployment increasing, about the millions upon millions of people being out of employment in this country, and I wish to ask a question of the Members of this body. It is well that I ask it now, so that they will not be embarrassed when they reach home after the adjournment of the present session of the Congress and set about to ask votes of their respective constituencies to return them here. I wish to ask the question, What have we, as a body of legislators, done to relieve the great unemployment situation? Have we stopped the thousands upon thousands who are coming annually to our shores and prevented them taking jobs from Americans? We have not. Have we ejected from this country millions of aliens who have come across our borders illegally from Canada and from the countries to the south of us? Have we ejected them from this country in order that our American boys and our American men might have the jobs they fill? We have not.

The very thing we could have done to reduce unemployment we have been afraid to do, evidently, because we have not done it. Again I say, are we for the American laboring man, or do we prefer those who come from shores beyond, who have come into this country and taken jobs which rightly belong to the American laboring man? I say we have not done a thing. Insofar as I am concerned, I stand upon the floor of the Senate unhesitatingly declaring that I am for the American laboring man against the people of any other country upon God's earth; and I want the world to

We hear talk about unemployment. It has been estimated that there are as many as 7,000,000 aliens in this country. They are living, are they not? If they are living, they either have to be working and earning money or they have to be on the Federal dole, one of the two. They have to have clothing to cover their bodies, they have to have food to fill their stomachs, they have to have roofs under which to live, and they have to have fire with which to warm themselves, and those things can come in only one of three ways, either through work by the sweat of their brows, or by the charity of the American people, or the dole of the American Government, which means money of the taxpayers of the United States. I say that it has been estimated that there are as many as 7,000,000 of these aliens.

Mr. President, it must be remembered that our situation in this country is different from the situation in any other country upon the face of the earth. We are a mechanized country. We are users of machinery to save labor, and every time there have been patented and manufactured and put into operation labor-saving devices, work has been eliminated for the toilers of the United States in numbers estimated at from 5 to 5,000. We do not find that to be the case in other lands.

Senators who have traveled extensively, whether in the Eastern Hemisphere or in the Western Hemisphere, know that one may motor through Italy, and there he will see a farmer with a one-furrow plow, drawn by a donkey or a milk cow, or perhaps a couple of milk cows, breaking the ground in some beautiful valley. If that beautiful valley, stretching for miles and miles, which is clothed in the shadows from the towering peaks and kissed by the brilliant sun of Italy, were transplanted to America, what would happen? Within 24 hours after that great area had been transplanted to America, mechanized America, with its labor-saving machinery, that old milk cow or the old mule with which the Italian was plowing the valley-and there are thousands of them-would be displaced by labor-saving machinery in the form of tremendous engines pulling plows making 40 furrows at a time.

Go, if you will, into the East, to Bombay or Calcutta, India. and by labor organizations, that the bill went back to the Proceed, if you will, anywhere along the northern coast of Africa. Visit, if you will, any of the countries of continental Europe. Go to Turin, in Italy, and there, in a massive building as large as the Senate Office Building what do we find? A mere handful of stenographers transacting the business of their government under the operation of their superiors? No: we find thousands upon thousands of Italian girls and Italian boys making out the records with pen and ink. But if that building were transplanted to Washington today, that one building, with its 3,000 clerks, Italian boys and girls, making out the records with pen and ink, it would not be here more than 24 hours before those 3,000 boys and girls would be dismissed and there would be instead perhaps a few hundred expert stenographers with their labor-saving machines typing the records for future reference.

Mr. President, that is the condition which exists throughout the world; and yet we in the United States, with our labor-saving devices, with 12,625,000 men out of employment, and with 750,000 girls and boys annually reaching the age of 18 in this country, we have not seen fit to stop the yearly flow of thousands upon thousands of aliens who are coming into this country to take the places and positions which the sons and daughters of this land should have. We have not seen fit to deport the millions of alien criminals now in this country, who have illegally entered, who are here living upon the taxpayers of our land, or taking the jobs which belong to American citizens. I cannot understand it. I cannot fathom it in my mind.

Mr. President, the telegram which I started to read is from Francis H. Kinnicutt, president, Allied Patriotic Socie-

ties. Inc.:

On behalf of the Allied Patriotic Societies, Inc., I desire to state that the changes reported on Saturday in the Senate deportation bill, S. 2969, are, in our opinion, entirely inadequate and insufficient to cure fundamental defects in the bill. The bill seems primarily designed to make it possible to keep in the country over 100,000 illegally entered aliens who are now mandatorily deportable.

In other words, Mr. President, every one of those 2,862 aliens, 98 percent of whom entered this country illegally, according to Colonel MacCormack, and a great percentage of whom have violated the laws of our country since they have been here, is under our present law mandatorily deportable. But the Immigration and Naturalization Service has the gall and the nerve to say, "No; we will not deport them! We wish to break down the immigration law", the law that the patriots of this country, through the body at this end of the Capitol and the body at the other end of the Capitol, enacted years ago for the protection of America. The Department of Labor, through the Immigration and Naturalization Service, has the gall, has the brass, has the nerve to say to the American people and to this body, "We wish you to change the laws which you have made. We wish you to amend the law so that we may let these criminal aliens stay in this country."

Mr. President, why such a position should be taken is beyond my comprehension. I cannot understand why anyone should desire to break down the immigration laws which have been built up. I cannot understand why anybody should wish to keep in this country, to allow to mix with our blood strain, habitual alien criminals, many of whom have dishonored their own flags, some of whom have deserted the armies of their country, many of whom have debauched American womanhood, many of whom had the gall to bring into this country alien women for immoral purposes, many of whom are jailbirds, and many of whom are admitted thieves, which I shall prove, and I defy any man in this body to prove the contrary.

Mr. President, the point I am making is that the passage of the pending bill will result in breaking down the immigration law we have built up. The passage of the bill will result in opening the flood gates. It is a bill which will prevent our Government from sending alien criminals out of the country. Why do we wish to enact a law which will result in retaining such people in this country?

Before I refer to some of the individual cases I desire to read some telegrams.

A telegram from the Patriotic Societies, Inc., of New York City, says:

The bill seems primarily designed to make it possible to keep in the country over 100,000 illegally entered aliens who are now mandatorily deportable.

I assert there are now more than a million such aliens in this country.

The Allied Patriotic Societies, Inc., have already, at their February conference, and later by vote of the board of directors, specifically approved and voted their hearty support to the bill introduced by you and Mr. Starnes, S. 4011.

FRANCIS H. KINNICHTT President, Allied Patriotic Societies, Inc.

Mr. President, that is one endorsement. Those persons are interested. They are from the State of New York. Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I gladly yield to the Senator from Pennsylvania.

Mr. DAVIS. Sometime earlier in the afternoon a query was addressed to the Senator from North Carolina with reference to the stand of the American Federation of Labor. I have just talked to a representative of the American Federation of Labor, who told me that they were bitterly opposed to three sections of the pending immigration bill.

Mr. REYNOLDS. May I inquire whether or not those are sections 3, 4, and 5?

Mr. DAVIS. That is correct.

Mr. REYNOLDS. Then, as I understand it, Mr. President. I did not overstate the facts. I spoke correctly and with authority when I stated that the American Federation of Labor is opposed to the passage of the pending bill. Of course the American Federation of Labor is opposed to the bill because the members of the American Federation of Labor know that there are today in this country 12,625,000 persons out of employment. Of course they are opposed to the bill because the members of the American Federation of Labor know that between fifteen and twenty million other persons are on Federal relief by way of governmental jobs, by way of actual emergency relief, by way of public works developments.

The great American Federation of Labor, being interested in the American laboring man who earns his bread and his meat by the sweat of his brow, bitterly oppose the bill; and why? They oppose the bill because it will result in permitting to stay in this country several hundred thousand aliens to compete with our American men, to compete with our American women. How much longer are we going to be the laughingstock of every country upon the face of the earth because of letting persons from foreign lands come to this country illegally and take jobs which should belong to our own citizens?

Mr. DAVIS. Mr. President, will the Senator further yield? Mr. REYNOLDS. I yield.

Mr. DAVIS. Inasmuch as the Senator has investigated the twenty-eight-hundred-odd cases of persons who illegally entered this country, and whom the measure now pending proposes to cover, will the Senator inform me whether he has ascertained from the Commissioner of Immigration and Naturalization how many of those 2,800 persons have work; and, if they were not here, how many citizens of this country, or those who are aliens but who have been legally admitted, would have the jobs?

Mr. REYNOLDS. In answer to the Senator's inquiry, I will state that I have made inquiry in regard to that matter. but I have been unable to obtain from anyone any definite information on the subject. Why? Because, Mr. President, we have not the slightest idea as to how many aliens there are in this country; because we have been lax in the administration of our immigration laws; because we have been lax in everything pertaining to aliens. Our sympathies have been going to them and not to the American people. I think it is high time that our sympathies should turn to our own firesides, to our own thresholds, to our own homes, to our own people. The American people deserve sympathy before aliens from abroad, who have sneaked into this country, deserve sympathy. We have no idea—it is only a guessas to how many aliens there are in this country, because, unlike every other country on the face of the earth, we do not require registration of aliens when they come into this

country. When they come here, do we ask them whether they are aliens? We do not. When they go on relief rolls, do we ask them whether or not they are aliens? We certainly do not. When they apply for jobs in restaurants, or hotels, or anywhere else, do we ask them whether or not they are American citizens, whether they came in here legally or illegally? We do not. Our laws are shamefully lax; and, as lax as they are, some would undertake to tear down and destroy the work which has already been done to protect America and Americans.

A man said to me the other day, "I do not understand this situation. I have hundreds of friends who are out of work. They go here and there to look for a job, and they find some foreigner, some alien, holding down the job. They go elsewhere and still they cannot find work. Our forefathers years ago came to this country and ran the Indians off the continent, and now the aliens are going to run us off. We shall have to emigrate somewhere if we do not stop this business."

Mr. President, why should we not stop it? How much chance of obtaining a position does anyone think any of us would have if we landed in Italy, or in France, or in Germany, or in Great Britain, or in any other country of continental Europe, or in any other country in the world, for that matter? The moment we got there we should be registered and we should be watched every minute we were there; and if a job were vacant, does anyone think that an American would get it? No, Mr. President, he would not. They would see to it that one of their own citizens got it. But we, bighearted oafs, shed tears over those who do not care anything about us, saying, "Come in, you poor fellows. Come on in; we are so sorry for you. You take this job." Meanwhile, the poor American, with the soles of his shoes worn off, and holes in the seat of his pants, and not even a hat to cover his head, cannot get a job anywhere! What do we mean, Mr. President? The American people know what we mean. I am glad that I understand it; and I am glad that I am availed the opportunity of letting the American people know that I am standing on this floor and voting for them. I want first to take care of our home folk; then we can go into foreign fields if we so desire.

Mr. DAVIS. Mr. President-

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Pennsylvania?

Mr. REYNOLDS. I gladly yield to the Senator from

Mr. DAVIS. Does the Senator know the number of immigrants who came to this country from 1820 to 1923?

Mr. REYNOLDS. I have a rough idea, but I know the Senator from Pennsylvania is thoroughly familiar with the figures, having been Secretary of Labor in a previous administration. I should be very happy for him to provide me with the exact number, if that is what he has in mind.

Mr. DAVIS. Immigrants came into this country from 1820 to 1923 to the number of 35,202,506. We have been very generous in allowing foreigners to come to our shores.

Mr. REYNOLDS. I thank the Senator for providing me with that information.

Now, Mr. President, I wish to make myself plain; I want in my simple and humble way, if I can, I want to make myself understood to this effect: We have no objection at the present time to the entrance of aliens who will make good citizens, men and women of fine character from the shores beyond, recognizing freely and generously, as we do, that the development of this country in commerce and science has been due, to some degree and extent, to those who have come from foreign shores; but I raise my voice against permitting habitual criminals, who have come here in violation of our law, to remain here. I do not have to call upon the American people to back up the position or stand I am taking, because the backing of the American people is today here with us.

Mr. President, I should like to read another communication. Here is a letter—

Mr. DAVIS. Mr. President-

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from North Carolina yield further to the Senator from Pennsylvania?

Mr. REYNOLDS. I am glad to yield.

Mr. DAVIS. Before the Senator proceeds further with the reading of the protests, I should like to ask him if he has made a thorough investigation of the 2,800 cases and whether he finds that some of the aliens in that list have been criminals or are now criminals or, having been criminals, have been pardoned?

Mr. REYNOLDS. I certainly have. I have two or three books full of facts here regarding many of the cases. The other day I talked about a fellow by the name of Georges Gaston Grenier, from "Paree." According to the report sent here by Colonel MacCormack, of the Immigration Bureau, one would think that fellow descended from heaven with wings, clothed in raiment of white, and had found footing upon a pedestal of ivory; but I began to look into the record of that gentleman and I found that I was not far wrong. The report stated that he was O. K. I read the report: and I have it here; but I investigated the case for myself, and my investigation disclosed that he was a rather angelic fellow, because that report showed that he stole an airplane. and that he slipped into this country in violation of the law. I am talking about one of these men whom they want to leave in this country to mingle with the citizens of your State, Mr. President, and my State. I am talking about a man they want to leave in this country to build up Americanism, to contribute to the glory and the honor of America.

Mr. President, why do we permit immigrants to come into this country at all? Why should we permit any of them to come in here? The only theory upon which they are permitted to come is that they may be of help to America. The theory is that when we let immigrants into this country they will contribute something to the country and will help America. Yet we are trying to keep in this country such men as Georges Gaston Grenier, who stole an airplane; and not only did Georges do that but he was indicted on some other charge involving immorality and was convicted. Georges came here for immoral purposes, the record shows. What did Georges, this man of good character, this "lily white" man so gloriously painted by the adroit brush of Colonel MacCormack, do? He had deserted from the army, deserted the flag of his country. What was the reason the Department gave for keeping him here, stating that it was a hardship case, and that it would be terrible to send him back? They said, "If you send him back, he might be courtmartialed." That goes to prove, to my mind, that it is not desired to send him back, because he may be punished by the country that wants to punish him.

Mr. KING. Mr. President, will the Senator yield?

Mr. REYNOLDS. I am delighted to yield to my colleague from Utah.

Mr. KING. I do not want to interrupt my friend, but I am sure he would like to know the facts.

Mr. REYNOLDS. Yes, sir.

Mr. KING. Let me state the facts with respect to Grenier. I just came into the room and heard the Senator mention his name.

The allegation was made by the Senator that Grenier deserted from the French Army, stole a French military airplane which he flew into Italy, and that after coming to the United States he perjured himself in his declaration of intention to become a citizen.

In these allegations the fact that each of them was completely refuted in the record was entirely ignored.

A report in the file proves that the French Government investigated the case and found no record of the alleged service in the French Army or of birth in France.

The board of review in 1932 found that Grenier was not born in France but in Greece, and that his correct name was not Grenier but probably George Zolotas, which is the name under which he entered the country and under which he applied for citizenship.

Grenier, therefore, according to the record, is not a French citizen, did not serve in the French Army, did not desert from it, did not steal an airplane, and did not perjure himself in his application for citizenship.

The statement that Grenier twice entered the country illegally is not correct except in the most technical sense.

As a matter of fact, he would have a legal status in the country were it not for a highly technical construction of the law. He came here as a seaman before June 3, 1921, and would be eligible for registration were it not for the fact that he subsequently paid a visit of less than an hour in Canada. His return from that visit is held to constitute a new entry and to enable his deportation.

The statements as to Grenier's having formerly been married and divorced and as to an illicit relationship during the period of his former marriage and the birth of his illegitimate child are correct.

On the other side of the picture there is the fact that he legally adopted the child and has cared for her, and that he has since been happily married, has settled down, provides for his wife and family, and is respected and esteemed by his neighbors and employers.

The able Senator from North Carolina called this a "lily white" case. The facts will determine its character. I am not extenuating—

Mr. REYNOLDS. Mr. President, if the Senator will excuse me a minute, my time is limited.

Mr. KING. I beg the Senator's pardon.

Mr. REYNOLDS. I will give the Senator time. I have given the Senator 5 minutes, and I should like to have 5 minutes added to my time.

Mr. KING. The Senator may have 10 minutes more if he wants them. I have finished.

Mr. REYNOLDS. I went over to the Bureau and looked at the record in the case of Grenier. I am not disputing what my good friend says, but there is just a difference of opinion. I want to read what my record shows. The files of the Immigration Bureau show that Grenier entered the country illegally in 1926; that he was a deserter from the French Army; that he stole an airplane; that he gave false testimony in applying for United States citizenship; that he was convicted of a bastardy charge; that he admits certain relations with other women than his wife while married to his first wife.

The record shows that he was divorced by his first wife and has since remarried, had a child, settled down, and is now considered qualified to be rated under the classification of a hardship case.

The decision in the case of Grenier, judging by the files of the Department, rests to a great extent upon a report submitted by the Immigrants Protective League, which says in

Mr. Grenier has a record in the past which is anything but enviable. Since his second marriage, however, he has settled down and assumed his responsibility toward his home and toward his community. Like many young men, he went through a period of seeing how wild he could be. We do not believe this indicates he is thoroughly immoral or dishonest, especially in view of the more recent years. Separation now would mean great hardship for his present wife and son

present wife and son.

Grenier, according to the records, made two illegal entries into this country, his first arrival being dated back in 1919, and at that time he came into the country under false papers which he had purchased. He was ordered deported to France in 1932, but managed to stay the deportation order, and it eventually was canceled at the suggestion of the board of review, which gave considerable weight to the report of the welfare agency that examined into his history. One of the moving considerations which led the welfare agency in its report to recommend leniency in the case of Grenier was that if he should be returned to France he would face court martial.

That is the record I have. If I am in error I want to be advised. I do not want to do something that is not proper. I do not want to lay the blame upon anyone who is not deserving of blame.

Let me refer to another case, so my eminent friend from Utah will be availed an opportunity to talk with Colonel MacCormack tomorrow and ask the colonel what he has to say about this case. I do not want to take advantage of anyone. I hope the Senator from Utah will remain in the Chamber to listen to this next case.

Mr. KING. Mr. President, I hope the Senator will pardon me for not remaining, because I have a committee meeting which I must attend immediately.

Mr. REYNOLDS. The next case is that of Marie or Mary Kolachek. This case is particularly interesting in that it

discloses the possibilities that have arisen through the Department of Labor's failure to enforce the immigration laws. Marie Kolacheck and her sister Frances were known and notorious as prostitutes in Galveston, Tex. Marie was proven to be the proprietress of a house of prostitution in which her sister was an inmate. There was Frances, who was an inmate of this bawdyhouse, and she was employed by the proprietress of the bawdyhouse, her sister Marie. They were aliens.

By the exercise of influence and the expenditure of considerable money for legal services, the two women fought deportation for years. Marie married an American, thereby losing her citizenship in Czechoslovakia, from which she had originally come illegally. She came into this country illegally, ran a bawdyhouse for years, made a lot of money, employed good lawyers, brought influence to bear, fought deportation, and found the only way in God's world she could stay in this country was to marry some American, and so she married one.

The Government's hands were tied in her case, as her native land refused a passport. But this condition did not apply to Frances, the sister, whom she had kept in her bawdyhouse for gain, because Czechoslovakia furnished the passport on March 23, 1933, for Frances. There was a woman who had entered the country illegally in violation of our law, had remained here in violation of our law, had been an inmate of a bawdyhouse, helping her sister who ran it, remaining here illegally all the time, and the Department of Labor got a passport for her back to Czechoslovakia. Did she go? She did not go. Let us see what happened.

That passport continued in the files of the Department of Labor as a part of the records to the present time. In the face of the evidence supplied by court proceedings, law enforcement officers, and the Immigration Bureau's own representative in Galveston, coupled with the fact that on July 29, 1933, the board of review of the Department of Labor definitely turned down the application made in the alien's behalf for a stay of deportation, she was permitted to remain in the country through the direct intervention of Commissioner MacCormack.

The board of review in the Department of Labor said, "No; we are going to send her away", but she was permitted to remain in the country through the direct intervention of Commissioner MacCormack.

That is the statement I am making. There she was, having illegally entered the country, spent days upon days in a bawdyhouse helping her sister violate the law every day. The board of review said she must go out. I am now charging she was permitted to remain in the country through the direct intervention of Commissioner MacCormack.

Note the dates: On July 29, 1933, the board of review stated:

It is therefore recommended that deportation be proceeded with and request for stay of deportation be denied.

Get that date squarely in your mind. On July 29, 1933, the board of review said she must be deported. Mind you, just 2 days later, August 1, 1933, Commissioner MacCormack wrote over his own signature:

I am now directing a further investigation to be made. In the meantime, of course, the girls will not be deported.

On October 4, 1933, upsetting all previous recommendations and records, the Department records disclose a new finding which says, referring to the case of Marie:

Deportation will work a great hardship on her.

There is one of the so-called hardship cases, a woman here for years in a bawdyhouse, who came here illegally and entered the bawdyhouse run by her sister, and yet Colonel MacCormack says it would "work a hardship" for her to have to leave. I expect it would. Of all the things ever said upon the face of the earth, listen to this that he said:

Her education and social behavior have been acquired in the United States.

[Laughter.]

Her education and social behavior have been acquired in the United States! It would work a hardship on that precious little rose to have to be returned to the land of her birth. He said further-I hate to read this next sentence because I am getting so sick of Americans who are trying to throw off the responsibility of America for Americans and who are fighting and talking for aliens who get in here illegally. Why not keep America for Americans instead of fighting for aliens who have illegally entered our country?

Let me read what Commissioner MacCormack said further. It is my opinion that the masses of the American people are

getting tired of this kind of thing.

Here is what the Department of Labor says through the Immigration Service:

This country has greater responsibility toward her than her native

Did this country have anything to do with putting her in a bawdyhouse? Did this country have anything to do with getting her into this country illegally? It did not; but we ought to keep her here because she will contribute to the moral uplift of the country, so says this Department of the Government! We ought to keep her here—this poor, lovely little flower-because to deport her would work a hardship upon Marie!

Why, according to this description you would think she is as pure as the newly fallen snow. So the colonel said, "Poor little Marie! We ought to keep her here. She got her education and her social standing in America."

I have quoted that from the record. Let us see what else they say:

This country has greater responsibility toward her than her native country.

And so on December 11, 1933, the board of review of the Immigration Service, again considering the case of Marie, ordered that her deportation be delayed until such time as Congress could enact legislation covering her situation.

Colonel MacCormack says, "No; it will be a hardship on you, Marie, to go back. We will keep you here, Marie. We do not want to do you an injustice, Marie. You will contribute to the morale of our great America. We want you to stay with us. We appreciate all that you have done"; and so she remains here.

I ask, are we going to permit the Department of Labor and the interdepartmental committee to make the laws, or are we going to make the laws? In the Kerr-Coolidge bill they are asking us to break down all that has been built up for the protection of America for Americans.

Let me pick out here, at random, another case, that of a man whom it is desired to keep in this country. Let us

see about Mr. Emil Henry Carstens.

Those who are sponsoring the passage of this bill would have you believe that the persons who are now being considered are all persons of good character, and that they should not be sent back to their respective homes because to do so would work a hardship upon them. Let us see whether or not it will work a hardship on us for them to remain here. Let us find out about that. We are going first to consider whether or not permitting these persons to remain here will work a hardship upon the American people. If it will not work a hardship upon us, let them stay; but let us see about this case.

Pass this bill and leave a million aliens in this country, taking American jobs, disrupting and destroying the morals of the people, if you wish. If you can stand it, I can stand it; but I will say that the American people will not stand it.

I am going to bring to the attention of the Senate another one of the cases of men who ought to have been deported, but whom the Department is holding here. It is holding this man Carstens here—why? God knows. I do not know. Included in the list of hardship cases submitted by the

Department is the record of Emil Henry Carstens, who, when the record was prepared in 1935, was, and still is—now, listen—was, and still is, serving a sentence in Sing Sing Prison!

Here is a fellow who has been in the penitentiary at Sing Sing. He is now in Sing Sing prison, New York State, following his conviction for grand larceny. Do we need any more thieves in this country? I do not think so. The De-

partment, moved by the fact-here is what moved the Department; the Department was moved to tears, I presume-moved by the fact that the man has an American wife, contemplates applying the rules of the hardship classification to him after his release from prison!

Here is an alien who came into this country, committed theft, was convicted and sent to Sing Sing Prison, and is still there; and Mr. MacCormack, of the Immigration Service in the Department of Labor, says we should leave that criminal, that jailbird, here in America, to associate with your constituents and my constituents-why? Because, Mr. Mac-Cormack says, to deport the alien would work a hardship on

Let us see what the record says. The Department, moved by the fact that the man has an American wife, contemplates applying the rules of the hardship classification to him after his release from prison.

If that fellow has been in the penitentiary for years, how is it going to be a hardship on his wife to deport him? She has become accustomed now to being without him. He is subject to deportation. Here is a fellow coming out of Sing Sing prison, an alien, and Colonel MacCormack says he ought to be permitted to remain in this country.

Well, let us see: I will pick out another one just at random. Let me show you how they work some of these things. There are tricks in all trades.

Francisco Chavez: This alien came into the country illegally. He was arrested at Galveston, Tex. There is only one point in this case that is interesting. The records of the Department show that at the time of his arrest for deportation he was separated from his wife. After the warrant of deportation was issued-he is one of those smart guys-he effected a reconciliation with his wife and automatically won classification as a hardship case.

Mr. President, I wish to state that I propose to make a motion to recommit the pending bill to the Senate Committee on Immigration for further consideration, but out of consideration for my colleagues, all of whom are not in the Chamber at the present time, I shall not ask for a quorum.

Mr. President, I hope I may have credit for the 15 minutes I lost in yielding to other Senators.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. DAVIS. I wish to ask the Senator why he speaks about the time. There is no rule which would prevent him from taking as much time as he may desire to take.

Mr. REYNOLDS. In order to get consideration of and action on the tobacco compact bill, I agreed to limit my discussion of the pending bill to 3 hours. Of course, that has nothing to do with anyone else who desires to discuss the bill at great length, and I hope that my colleagues will find sufficient interest in this un-American bill to discuss it to the fullest extent.

Mr. President, I have dozens upon dozens of cases I might cite, but I shall now read some communications from those who are opposed to the bill. I hold in my hand a telegram from Mr. Devereaux, of the Veterans of Foreign Wars. The telegram is dated March 31, 1936, and reads:

WASHINGTON D. C., March 31, 1936.

Senator Robert R. Reynolds, Senate Office Building, Washington, D. C.:
Revision of Kerr-Coolidge bill does not meet with approval of Veterans of Foreign Wars. It is not satisfactory and we are opposed to the bill. In general, we object to time limitation and unlimited discretionary powers conferred. Bill leaves opening for assembling of political power, which will defeat ends of justice and permits legalizing entry of unknown numbers of illegal entrants. We endorse unqualifiedly Reynolds-Starnes bill and urge its enactment. Kerr-Coolidge bill should be defeated.

VICTOR E. DEVEREAUX, Director, Department of Americanism, Veterans of Foreign Wars of United States.

On April 6, 1936, the commander in chief of the Veterans of Foreign Wars wrote me as follows:

VETERANS OF FOREIGN WARS OF THE UNITED STATES, Washington, D. C., April 6, 1936.

Hon. ROBERT REYNOLDS.

United States Senate, Washington, D. C.

MY DEAR SENATOR REYNOLDS: We have been noticing your splendid fight against the adoption of the Kerr-Coolidge bill in the

Senate recently, and we want you to know that we are 100 percent behind you on that fight.

The Reynolds-Starnes bill, which would provide mandatory de-portation of criminal aliens and alien Communists, registration and fingerprinting of all resident aliens, and preliminary impartial ex-aminations and tests by our consuls in foreign countries before aminations and tests by our consuls in foreign countries before visas are granted to applying immigrants and, would cut down the present immigration quotas to 10 percent of what they are now at the same time making provision for preferred treatment of immigrants with relatives in this country is much preferable than the Kerr-Coolidge bill, and we sincerely hope that you will be successful in your efforts to have such more mandatory legislation enacted at this session of Congress.

With best wishes for your success and the success of your asso-

ciates in this fight, I am,

Very sincerely yours,

JAMES E. VAN ZANDT, Commander in Chief.

Mr. President, I have a telegram dated Baltimore, Md., March 30, 1936, addressed to me, which reads as follows:

State Council of Maryland Junior Order United American Mechanics heartily endorses the Starnes-Reynolds bill and sincerely urges its prompt and favorable consideration.

H. L. MENNERICK State Secretary, Junior Order United American Mechanics, Baltimore, Md.

So the Juniors, with their 500,000 members in every State of the Union are with us.

I have here a telegram dated New York City, April 1, 1936, addressed to me, which reads as follows:

NEW YORK, N. Y., April 1, 1936.

Hon. ROBERT R. REYNOLDS, Senate Office Building:

Chamber of Commerce of the State of New York has long supported legislative proposals for mandatory restriction of immigration, the deportation of alien criminals, and the registration of all aliens in United States, which your bill embodies.

CHARLES T. GWYNNE, Executive Vice President, Chamber of Commerce of State of New York.

So we have with us the chamber of commerce of the great Empire State, the only State in the Union which contributes more every year to the Federal Treasury than does my State of North Carolina.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. CLARK. Is the Senator referring to the tobacco tax? Mr. REYNOLDS. I refer to all the taxes that come out of North Carolina.

Mr. CLARK. The tobacco tax is paid by residents of Missouri, Illinois, Ohio—by everyone who buys a cigarette.

Mr. REYNOLDS. That is quite true, and I am happy to know that, because the gentlemen who reside in the State of Missouri, the State of Illinois, and all the other States recognize the superiority of North Carolina tobaccos-cigarettes, cigars, chewing tobacco, snuff, and pipe tobacco. [Laughter.] I thank the Senator from Missouri.

Mr. President, I have here a letter from the president general of the National Society of the Sons of the American Revolution, and I shall read all of this letter, because, although of great length, it discusses each and every section of the Kerr-Coolidge bill. The letter is dated April 1, 1936, is addressed to me, and reads as follows:

The Coolidge bill, S. 2969, having been reported to the Senate with certain amendments, we wish to take this opportunity to inform you that as representatives of the National Society of the Sons of the American Revolution we feel that this bill with the amendments thereto does not meet the objections heretofore made by our representatives before the Immigration Committee, both in the Senate and in the House, on the so-called Kerr bill.

The chief objection that was raised at the time of the hearing before the Senate and the House committees was to the discretionary power granted to the interdepartmental committee in deporting criminal aliens.

There are a number of other features in this bill that do not meet with the policy of this organization which have been stated

in resolutions heretofore passed by the national body.

Accordingly we as representatives of the National Society of the Sons of the American Revolution urge you to oppose to the utmost of your ability the so-called Coolidge bill, and hope that it will not be passed at this session of Congress.

We are familiar with the Reynolds-Starnes alien deportation and registration bill, and we wish to heartily endorse this without reservation or qualification. We believe that this represents what

the patriotic Americans have striven for for many years, and is for the best interests of the American people.

Very truly yours,

HENRY F. BAKER,
President General. FRANK B. STEELE, Secretary General.

Mr. President, I ask that a letter addressed to me under date of April 1, 1936, by Amos A. Fries, National Society Sons of the American Revolution, and the enclosure, be printed in the RECORD as a part of my remarks, following the letter I have just read from the president general of the National Society of the Sons of the American Revolution.

The PRESIDING OFFICER. Without objection, it is so

ordered.

The letter and enclosure are as follows:

WASHINGTON, D. C., April 1, 1936.

Senator ROBERT R. REYNOLDS,

United States Senate, Washington, D. C.

MY DEAR SENATOR: Replying to your letter of March 31, I am giving reasons why the Sons of the American Revolution are opposed to Senate bill S. 2969, Seventy-fourth Congress, second session, as amended by Senator King March 30, 1936.

Very sincerely yours.

Very sincerely yours,

AMOS A. FRIES National Society Sons of the American Revolution.

SUMMARY

P. S.—The amended bill is bad for four fundamental reasons: (1) The bill would largely increase the number of aliens coming into the United States for permanent residence, and who could become citizens, over the numbers now coming into the United States.
(2) The bill provides for a commission with power to set aside

mandatory immigration laws or the decisions of our courts.

(3) It provides for legalizing illegal entries into the United States, and thus encourages aliens to break our immigration laws, thereby tending to make worse our already bad alien situation.

(4) The bill fails to provide for registration, which alone will enable us to solve the criminal and unlawful alien problem in the United States.

United States.

OBJECTIONS OF THE NATIONAL SOCIETY OF SONS OF THE AMERICAN REVOLUTION TO SENATE BILL 2969, AS AMENDED BY SENATOR KING ON MARCH 30, 1936

Senate bill 2969, as amended by Senator King on March 30, 1936, is different in a few minor details only from the original S. 2969 as

submitted by Senator Coolings February 24, 1936.

The amended bill is therefore subject to most of the objections made by the Sons of the American Revolution to the original

S. 2969.

The amended bill is objectionable in four important provisions or omissions, viz:

Section 3:

(1) It will increase many times in the next few years the ten to fifteen thousand aliens that have been coming legally into the United States under the present strict enforcement of the clause United States under the present strict enforcement of the clause against permitting aliens who might become public charges to enter the United States. This would be brought about through section 3 (a), paragraphs (1) and (2), which for 3 years beyond the passage of the act would allow the proposed interdepartmental committee to legalize the illegal entry of persons who had been in the United States 10 years or who had been in the United States at least 1 year and has a father or mother, husband or wife, or a child, stepchild, adopted child, or an illegitimate child if legally recognized as such, or an older brother or sister, if the alien who sneaked in is a minor.

The chairman of the House Immigration Committee in ques-

The chairman of the House Immigration Committee in questioning the representative of the Sons of the American Revolution suggested there might be a hundred thousand or more aliens in the United States with the various family relations referred to above. It has been estimated that the number which might come in or remain here, having already sneaked in, might amount to as many as 1,250,000. If the suggestion of the chairman of the Immigration Committee of the House be correct, the number thus coming in or to be allowed to remain though now illegally here would be at least 100,000—or more than the total number of immigrants coming into the United States since President Hoover began the strict enforcement of the law against admitting aliens liable to become public charges.

Section 4 (a) and (b), paragraphs (1), (2), and (3), will increase immigration through changing aliens who are in the United States temporarily as families of merchants, students, travelers, alien seamen, etc., to permanent immigrants if the "Commissioner of Immigration" so decides.

(2) The second great objection to this bill is the proposal to legalize the illegal entry of aliens as under section 5 (a), para-

Sections 6 (b), (1), and (2) simply prescribe reports of numbers of aliens illegally or temporarily in the United States that have been changed to legal immigrants, a procedure the S. A. R. believes fundamentally and wholly unsound.

Section 6 (c) provides for deduction of aliens, whose illegal or temporary status was changed to a permanent and/or legal status, from the total quota allowance of the countries of their origin.

But this is in addition to aliens legally admitted to the United States and may far exceed those so legally admitted, and thus raise our present low immigration by regular methods to several times the number now so admitted legally each year.

Section 7 is just an increase of \$8 in fees to be collected from aliens illegally or temporarily herein return for being granted, what ought to be a priceless privilege, that of having an opportunity to become a citizen of the United States.

Sections 8 and 9, we believe O. K., as it should facilitate the apprehending and decreasing of illegal entries of aliens into the United States.

United States.

Section 10, just the usual clause for making rules and regula-

Section 10, just the usual clause for making rules and regulations to carry out the law. This clause is superfluous.

Section 11: This section is opposed absolutely by the S. A. R. They don't believe any commission, individual, or department should be clothed with authority to set aside laws of the United States or decisions of our courts in behalf of aliens, many of whom would be lawbreakers if not actual criminals.

Section 12 would be O. K. if the bill were O. K., but the bill is

Section 13 is not important one way or the other.

Reynolds-Starnes provision

Reynolds-Starnes provision

(3) Finally, the National Society, Sons of the American Revolution, believes any law a joke and a farce that does not provide for registering all aliens by finger printing, photographs, and other marks of identification, and for check-ups, at least annually, of the residence of all aliens. None of the evils of our immigration laws concerning criminal aliens, or aliens illegally in the United States, can ever become better, or really avoid becoming worse, without registration of all aliens and at least a yearly check-up of the residence of all aliens in the United States.

P.S.—As regards the first section of the proposed bill (pp. 1 and 2) subparagraph (1), page 2, is approved; subparagraph (2), page 2, is approved in principle, but the limiting to 5 years seems too short a period, and, most important, the S. A. R. objects to the clause that makes any deportation under this paragraph subject to the approval of the Commissioner of Immigration and Naturalization.

uralization.

Subparagraph (3), page 2, by using the words "knowingly and for gain", and "or on more than one occasion", is seriously faulty, in that it allows relatives, or friends, or even paid agents of societies to knowingly aid the breaking of our immigration laws at least once, because they do not violate the law for gain.

Subparagraph (4), page 2, has the same objectionable feature as subparagraph (2), page 2; that is, making any deportation under that paragraph subject to approval of the Commissioner of Immigration and Naturalization.

Section 2, page 3, requires the same approval of the Commissioner of Immigration and Naturalization, and that is opposed. Also we believe the 30-day period now allowed by law is long enough. The wisdom of permitting a pardoned criminal alien to remain in the United States is strongly questioned (as Bruno Hauptmann a possibility). remain in the Chica.
Hauptmann a possibility).
Sons of the American Revolution,

By Amos A. Fries, Chairman, Immigration Committee.

Mr. REYNOLDS. Mr. President, the National Society of the Sons of the American Revolution is a great patriotic order of America which believes in protecting America for Americans, an organization which believes in giving sympathy to America before we waste sympathy on aliens who have come to this country illegally and have remained here

I have before me a letter from the Crusaders, the headquarters of which are located in the city of New York. This letter is addressed to me under date of March 30, 1936, and reads as follows:

> THE CRUSADERS, New York, N. Y., March 30, 1936.

The Honorable ROBERT REYNOLDS,

Senate Office Building, Washington, D. C.

Dear Bob: I am enclosing copy of a broadcast I made in support of your bill known as the Reynolds-Starnes bill. I meant to

port of your bill known as the Reynolds-Starnes bill. I meant to advise you that I was going to make it, thinking you might like to listen in, but due to the rush here I neglected it.

I am glad to advise you that the response we received from all over the country was practically unanimously in favor of this bill. Of course, we got some mail from reds and pinks opposing it, as we expected, but I am certain that these would not amount to a small fraction of 1 percent of the total. On the other hand, those that favored the bill were most emphatic in their support.

I want to congratulate you on your excellent work in this connection, and if there is anything you can think of that we can do to beln just call on us.

do to help, just call on us.

With kindest personal regards, I remain,
Sincerely yours,

FRED G. CLARK.

Mr. Clark is the head of the national organization known as the Crusaders, situated in the State of New York.

On April 1, 1936, I received a telegram from Mr. Clark. reading as follows:

The returns from radio address of Voice of the Crusaders Monday evening, March 23, reveal an overwhelming sentiment in favor of Reynolds-Starnes bill and strong opposition to Kerr-Coolidge bill. Actually more than 99 percent strongly favor immediate legislation which will accomplish the purpose for which Reynolds-Starnes bill is designed.

That will inform Senators of the overwhelming sentiment of the American people for the deportation of alien criminals, and for restricted immigration.

The telegram continues:

The Crusaders, whose membership includes men and women in I walks of life from every State in the Union, heartily endorse the Reynolds-Starnes bill, and urge its immediate passage.

FRED G. CLARK

National Commander.

I have here, Mr. President, a brief radio address delivered by Mr. Clark over a Nation-wide hook-up in favor of the Reynolds-Starnes bill, which is as much unlike the Kerr-Coolidge bill as night differs from day, because the Kerr-Coolidge bill will have the effect of letting in criminal aliens, while the Reynolds-Starnes bill will have the opposite effect of deporting them. The Kerr-Coolidge bill invites them in; the Reynolds-Starnes bill keeps them out.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I gladly yield to my distinguished colleague from Pennsylvania.

Mr. DAVIS. I have spent some time reading the Reynolds-Starnes deportation bill. If I understand the Coolidge bill correctly, if it were passed, it would be necessary to employ a great many persons to go out and look for aliens, whereas the Reynolds-Starnes bill makes it compulsory on their part to come to a central place designated by the Immigration and Naturalization Service for the purpose of enrolling themselves, so that the Service may ascertain whether or not they are legally here. Is that correct?

Mr. REYNOLDS. The Senator is eminently correct, and

I thank him for his contribution.

Mr. DAVIS. The result of the passage of the Kerr-Coolidge bill would be to build up a tremendous bureaucracy at the expense of the American taxpayer, while with the passage of the Reynolds-Starnes bill the regular bureau would be able to take care of the work.

Mr. REYNOLDS. Quite so.

I now have before me a brief radio address, which I mentioned a moment ago as having been delivered by Mr. Fred G. Clark, national commander of the Crusaders, who advised me by telegram that 99 percent of those who wrote him favored the passage of the Reynolds-Starnes bill. Ninety-nine percent of all the responses he received as a result of his radio address were in support of the passage of the Reynolds-Starnes bill. I ask that the radio address be published in the RECORD at this point as a part of my remarks, in order that Senators who are not here may have the opportunity of reading what the national commander of the Crusaders had to say, and particularly what he had to say in reference to the responses he received, all of which goes to show that with 12,625,000 persons out of work, with sixteen to twenty million persons on relief, living on the Government, our people are demanding that the Congress give consideration to the American people and stop giving money and sympathy and consideration to those from beyond the seas who have illegally entered this land and who have remained here illegally.

I ask that the radio address be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so

The address is as follows:

Senator Reynolds, of North Carolina, recently demanded the deportation of hundreds of thousands of aliens on relief who have received hundreds of millions of dollars from the taxpayers of the United States. There has been much heated argument recently in Congress over the alien problem in general and the proposed Reynold-Starnes and Kerr-Coolidge bills in particular. On the

surface this battle may look innocent. Down deep, one of the most important issues before the country is being fought out between those who thoroughly believe in maintaining fundamental American principles and those who lean toward red internationalism. Perhaps these are strong words, but there are times in the lives of men and nations when strong words are necessary.

Cut the alien controversy into two sections, bring them both out in the open, and we can understand them better. The facts are these: Estimates on the number of aliens in this country vary. The minimum is placed at about 5,000,000. There are, however, competent students on the subject who contend that there are more than 7,000,000. The number of aliens on relief is estimated by statistical experts at from 600,000 to 1,500,000. Yet, again, there are students of this situation who believe the number on relief will run well over 2,000,000. But if we accept the minimum figures, the picture is gloomy enough.

Most countries are very strict about their alien population. Whenever an American citizen becomes an object of charity in any European country, his apprehension and deportation becomes automatic and immediate. There is never any argument about it. Bu here, faced with such a serious emergency in our own affairs that millions of our own flesh and blood are walking the streets, we pay out hundreds of millions of dollars to aliens on relief. And we take

one more puzzling step! We give profitable employment to several million aliens while legions of our citizens are numbered in the ranks of the idle. That's something to think about!

Most of the aliens in this country have been here many years.
Why don't they become citizens? The answer in most cases is simple. However, these aliens are the third that they are the second citizens? ple. Hordes of these aliens came to this country to escape the military duties of citizenship in their native land. By refusing to become citizens here they escape the obligation of defending this country in times of emergency. But every citizen here is under direct obligation and, in an emergency, the Government can and does call on him to defend his home, his community, and his country with his life if necessary. There are many other obligations that are placed on the shoulders of citizens that these aliens escape.

But the main reason why radical aliens refuse to accept citizenship is the cardinal principle of all these men and women throughout the world who believe in communism that it is not only a crime but absolute sacrilege to admit allegiance to any government that in any way opposes "red" theories. A Hindu, because of his religious belief, would rather die than eat beef. A Communist will estually go to all hefore he will estually acceptable. cause of his religious belief, would rather die than eat beef. A Communist will actually go to jail before he will incriminate himself in the eyes of his followers by doing anything that would signify his allegiance to our Government. Many Communists—allens and otherwise—fool our Government officials when called in for investigation during strikes by declaring that they do not carry a "red" card and therefore cannot be considered members of carry a "red" card and therefore cannot be considered members of the Communist Party. Very few Communists ever register and take out a "red" card. Not one "red" agitator or speaker in a hundred ever takes out a card which forces him to admit to Government investigators or to the police that he is a member of the Communist Party. They take this precaution to escape deportation or other difficulties with the law.

No; we are not pulling tail feathers from the American eagle in making these statements. We are not putting patriotism on our sleeves. We are quoting simple facts. The Communist Party is not—in any sense of the word—an American institution. It does not profess to be such. Its leaders not only frankly admit

does not profess to be such. Its leaders not only frankly admit but are proud to declare that they take orders from Moscow, and that the Communist branch in the United States of the Russian Communist Party must live up to all the rules laid down in

Moscow.

Secondly, the Communists not only want to overthrow our Government—they are not even willing to leave us the flag that has flown over this free Nation for 159 years. They want to remove the blue and white from our flag and leave just the "red" of international communism. And somehow the idea of hauling down the Stars and Stripes does not appeal very much to the genuine citizen of either birth or choice. Now, before we shed any tears over this alien who refuses to accept any responsibility in this country and who has no respect for our Government, let's calmly look into the justice of this whole controversy.

What right has this Government to pay out hundreds of millions of taxpayers' dollars to aliens who would be instantly deported if they were living in any other country on the face of the globe? Why should we—who are having such a hard time caring

ported if they were living in any other country on the face of the globe? Why should we—who are having such a hard time caring for ourselves—take money out of the pockets of millions of our hard-working citizens, who actually need this money for bread for their own families, and give it to aliens who are either plotting the overthrow of our Government or at least are so opposed to our Government that they refuse to assume the obligations of citizenship? What right have we to penalize American citizens and give preferential benefits to the alien who refuses to become American?

Now don't misunderstand us. This country was largely de-

Now, don't misunderstand us. This country was largely developed by foreign-born who were proud of the opportunity of coming here * * * proud of the flag that some of them helped create. Yes; they honored the flag that guaranteed them liberty which they did not enjoy in the country they left. They were proud of the Government that guaranteed them rights they had never dreamed of in their fatherland. And they were more were proud of the Government that guaranteed them rights they had never dreamed of in their fatherland. And they were more proud of their citizenship papers here than of all the possessions with which they were endowed. But there is a vast difference between the aliens who came here and immediately accepted all obligations in this country and were loyal under all circumstances and the legions of aliens now troubling us who despise our Gov-

ernment and all it stands for and are working night and day to bring about its downfall.

bring about its downfall.

Can anyone justify the steady employment of 3,500,000 aliens, who refuse to accept the obligations of citizenship, when 8,000,000 American citizens, gladly accepting all the responsibility of citizenship, are in the ranks of the unemployed? We should like to hear from everyone listening in on this program as to his or her honest opinion in this matter. This country has long been the haven of the oppressed. We sincerely hope that we can—when economic conditions change—admit into this country selected haven of the oppressed. We sincerely hope that we can—when economic conditions change—admit into this country selected people, willing and eager to work, from foreign countries—men who have the right attitude toward our Government and our people; men and women who recognize the vast difference between the onerous restrictions of other countries and the freedom that can be enjoyed under this constitutional democracy that recognizes all men as equal before the law.

But the time has come—and we can ignore it no longer—when we should stop pampering alien responsibility dodgers, especially at a time when our own genuine citizens are in such urgent need

of work and sustenance

Now, a word regarding the two important immigration and deportation bills before Congress. The Reynolds-Starnes bill, which is a desirable bill dealing with alien immigration and deportation, and the Kerr-Coolidge bill, an undesirable piece of legislation that, in our opinion, should be defeated. The Reynolds-Starnes bill should have the support of every American. It is enthusiastically endorsed by all of the patriotic organizations of the country and the American Federation of Labor. The Reynolds-Starnes bill makes it mandatory on our authorities to deport all aliens convicted of crime in this country and those aliens afflicted with diseases constituting a menace to the community. This bill also makes it mandatory to deport aliens belonging to organizations whose objective is the overthrow of the Government by violence. Now, a word regarding the two important immigration and deviolence.

Now we come to the Kerr-Coolidge bill. This proposed piece of legislation, endorsed by the Department of Labor, has a suspicious similarity to the Dickstein bill, introduced in the House in 1934. The Dickstein bill, opposed by the American Federation of Labor and all patriotic organizations, was then overwhelmingly voted

and all patriotic organizations, was then overwhelmingly voted down in the House of Representatives. The Kerr-Coolidge bill is not an act clarifying our present immigration legislation. The apparent objective of this bill is to make it possible to prevent the deportation of thousands of aliens who should be deported, because it leaves the authority to deport in the hands of the Secretary of Labor, whose word is both final and autocratic.

There are more than 2,000 aliens in this country whose deportation should have been carried out long ago—who have either been convicted of crime or are afflicted with diseases dangerous to the community or are members of organizations dedicated to the purpose of overthrowing our Government, by force if necessary. These undesirable aliens are being allowed to stay in this country by some mysterious force, and it appears to us that the Kerr-Coolidge bill has been largely framed to keep those 2,000 people in this country with other legions of aliens who should be deported.

deported.

deported.

This is a country of laws—not dictators—and the deportation of undesirable aliens should be mandatory and not left to the whims or fancies of a single individual bureaucrat! The American Federation of Labor is throwing its entire strength against the Kerr-Coolidge bill. Every patriotic organization is up in arms against this proposed act, fighting desperately with all the power at its command.

at its command

Whether this country is to remain American with American ideals and American principles adopted by and administered by people who believe in constitutional democracy or whether we are to be permeated with alien ideas and destructive alien activities, depends largely on what we do with these two all-important measures before Congress. The Crusaders appeal—without prejudice—to all American citizens to demand that aliens in this country either get American or get out! And make it mandatory, when allens flout our fundamental laws of justice, that they get out whether they want to or not. It's time to take care of American citizens first! Let's drown out the Third Internationale with the strains of Wake Up America!

Mr. REYNOLDS. Mr. President, there is in this country an organization known as the Brotherhood of Locomotive Firemen and Enginemen, with a membership of over 500,000 persons. There is no more honorable body anywhere in our whole land. The vice president and legislative representative of that organization is Mr. Arthur J. Lovell. In his letter he takes up the Kerr-Coolidge bill section by section. I am going to read the letter now, because I desire Senators who are present to hear what Mr. Lovell, the vice president of that great organization, with a membership of 500,000 persons from coast to coast, from Canada to Mexico, has to say about the bill. That organization is against the Kerr-Coolidge bill, as is every other patriotic organization in the United States. Mr. Lovell directed this letter to me on April

Mr. DAVIS. Mr. President, does that organization include in its membership practically all the firemen and engineers in this country?

Mr. REYNOLDS. Yes; railroad firemen and engineers all over the United States.

Mr. DAVIS. And does it also include conductors?

Mr. REYNOLDS. Yes, sir.

The letter reads as follows:

BROTHERHOOD OF LOCOMOTIVE FIREMEN AND ENGINEMEN, Washington, D. C., April 1, 1936.

Hon. ROBERT R. REYNOLDS,

My Dear Senator. We have just received copy of amendment (in the nature of a substitute) submitted by Senator King to the Coolidge bill, S. 2969, and we are availing ourselves of the first opportunity to advise you of our views with respect to this proposed legislation.

So far as we can determine, none of the serious objections to S. 2969 have been overcome in the substitute bill. The bill is essentially for the relief of aliens illegally and unlawfully in the United States and would put a premium on evasion and violation of our existing immigration restriction laws.

Section 1 provides that an alien who entered the United States, either from a foreign country or an insular possession, either bestimated.

Section 1 provides that an alien who entered the United States, either from a foreign country or an insular possession, either before or after the passage of the act, shall be deported in the manner provided in sections 19 and 20 of the Immigration Act of February 5, 1917, etc., followed by some highly important qualifications and subject to the discretion of the Commissioner of Immigration and Naturalization. As a matter of fact, in practically all of the instances cited in the bill the alien could be proceeded against and deported under existing Federal law.

Section 2 would weaken the provisions of existing immigration laws and would open the possibilities for the exercise of political influence to defeat a meritorious deportation. Under this section if an alien is convicted of a crime and later pardoned he may escape deportation. The approval of the Commissioner of Immigration and Naturalization would be no safeguard.

Section 3 provides that after an alien who has illegally entered the United States and successfully evaded detection for a period of 10 years, or who has successfully evaded detection for a period of 1 year, if he has a relative legally resident in the United States, he may not be deported if the so-called interdepartmental committee can be induced to permit him to remain, and when so permitted to remain automatically becomes eligible for citizenship. Section 4 provides that nonimmigrants, upon application to the Commissioner of Immigration and Naturalization, may have their status changed to that of a nonquota immigrant or preference-coucta immigrant. It seems to us that instead of this section hold-

Commissioner of Immigration and Naturalization, may have their status changed to that of a nonquota immigrant or preference-quota immigrant. It seems to us that instead of this section holding out the reward of permanent quota admission to aliens who break their promise and breach the condition-precedent agreement by which they obtained temporary admission, this section should provide for the immediate deportation of temporary admitted non-immigrants and nonquota aliens who break their word and violate their agreements and should make such deportation a bar to reentry.

reentry.

Section 5 provides that the registry of aliens at ports of entry may be made as to any alien not ineligible to citizenship in whose case there is no record of admission for permanent residence, if such alien shall make a satisfactory showing to the Commissioner of Immigration and Naturalization that he entered the United States prior to July 1, 1924, has resided in the United States continuously since such entry, is a person of good moral character, and is not subject to deportation. Fortunately section 6 provides that the burden of proof shall be upon the alien to establish every requisite fact.

Section 6 further provides for a tabulation or compilation of records of aliens permitted to remain in the United States under the provisions of this bill and the opening of a "charge account"

records of airling perimited to the records of a "charge account" against quotas of this bill and the opening of a "charge account" against quotas of future years.

Section 7 applies to the collection of entrance fees and is necessary if the bill should be enacted into law.

Section 8 empowers the Secretary of Labor to designate persons holding supervisory positions to issue warrants for the arrest of aliens. It is our understanding that for years the Secretary has delegated the power to assistants and arrests are made and warrants are issued with little delay. If this provision of law is necessary, it would appear that there is no good reason why it should not be enacted without being connected with other legislative matter which we believe is wholly against the public interest.

Section 9—we have previously stated our objections to this section, which is similar to the original bill. Any such authority as contained in this section should be restricted to competent, experienced officers and not delegated to "any employee."

Section 10 is the usual provision for the issuance of rules and regulations.

regulations.

regulations.

Section 11 provides for the composition of the interdepartmental committee. We are opposed to the delegation of power to any such committee. The Secretary of Labor is charged generally with the enforcement of the immigration laws and it is very unlikely that the interdepartmental committee would deviate from the policy of the Secretary of Labor. We are opposed to the proposed substitution of persons for laws.

We see no objection to section 12 and if the bill is enacted this

We see no objection to section 12, and if the bill is enacted this

provision would seem desirable.

Section 13 provides for the repeal of the provision of law granting quota preference to immigrants skilled in agriculture, and we have no objection to that provision.

SUMMARY

While the amendment in the nature of substitute for S. 2969 contains certain modifications and improvements over the original bill, it still confers very broad discretionary powers on the Commissioner of Immigration and Naturalization and the interdepartmental committee. The bill is claimed to strengthen the deportation laws, when, as a matter of fact, with one inconsequential exception, the bill, if enacted, would not add a single mandatorially deposits the property would expert. exception, the bin, it enacted, would not add a single mandatorially deportable alien to existing law but, on the contrary, would substitute for the mandatory provisions of law the discretion of the Commissioner of Immigration and Naturalization and the interdepartmental committee. The chief object of the bill is to "permit to remain in the United States" aliens who are illegally and unlaw-Assuring you of my cooperation and assistance and with best wishes, I am,
Yours very truly,

ARTHUR J. LOVELL, Vice President, National Legislative Representative.

Mr. BARKLEY. Mr. President, I believe the Senator will not be able to conclude his remarks today.

Mr. REYNOLDS. No; I shall not.

Mr. BARKLEY. Will the Senator yield at this time so that an executive session may be held?

Mr. REYNOLDS. Certainly.

APPROPRIATIONS FOR TREASURY AND POST OFFICE DEPARTMENTS-CONFERENCE REPORT

Mr. GLASS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10919) "making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1937, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as

That the Senate recede from its amendments numbered 2, 4, 7, 8, 9, 16, 19, 21, 23, 35, 37, 46, 55, 56, 57, and 58.

That the House recede from its disagreement to the amendments

of the Senate numbered 6, 10, 12, 15, 18, 20, 24, 31, 33, 39, 40, 41, 47, 50, 51, 53, 54, 62, and 64, and agree to the same.

Amendment numbered 1: That the House recede from its dis-

agreement to the amendment of the Senate numbered 1 and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$1,050,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree

to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$155,000"; and the Senate agree to the same. Amendment numbered 5: That the House recede from its dis-

agreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$1,373,210"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its dis-

agreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$475,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree

agreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$17,566,458"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "or for the permanent enlargement of the capacity of any existing aviation shore station"; and the Senate agree to the same

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$23,690,788"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$1,320,000"; and the Senate agree to the

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "not exceeding \$1,000 for expenses of educational exhibits, specifically approved by the Secretary of the Treasury,"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$366,135"; and the Senate agree to the

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and

agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$569,810"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$769,150"; and the Senate agree to the

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$447,500"; and the Senate agree to the

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$206,240"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$104,930"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "Salaries of inspectors: For salaries of fifteen inspectors in charge of divisions and five hundred and seventy-five inspectors \$2,219,500.";

and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$586,500"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$6,775,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree

to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$186,900,000"; and the Senate agree to the same. Amendment numbered 44: That the House recede from its dis-

agreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$134,900,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its dis-

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$7,125,000"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$12,875,000"; and the Senate agree to the

Amendment numbered 60: That the House recede from its dis agreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$14,900,000"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$4,675,000"; and the Senate agree to the

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "\$625,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 26, 48, 49, and 52. CARTER GLASS

KENNETH MCKELLAR, CARL HAYDEN, FREDERICK STEIWER Managers on the part of the Senate. Louis Lupiow.

JOHN J. BOYLAN, EMMET O'NEAL, JOHN TABER. CLARENCE J. McLEOD, Managers on the part of the House.

Mr. GLASS. Mr. President, I will state to the Senate that there is only one item in controversy. The House conferees felt compelled to take that item back to the House.

I ask for the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

PAYMENTS TO EASTERN CHEROKEES

Mr. THOMAS of Oklahoma. Mr. President, I submit a Senate resolution which simply asks for information from the Comptroller General.

Some years ago the Congress passed a jurisdictional bill enabling the Cherokee Indians to go into the Court of Claims. The case was prosecuted; but, for some reason, the Court of Claims did not take into consideration or assume jurisdiction of some facts which the Indians thought they were entitled to have considered.

There is now pending before the Committee on Indian Affairs an amendment to the original jurisdictional bill; but before the Committee on Indian Affairs can adopt the amendment with any degree of satisfaction it is necessary to have some information, and I submit this resolution asking for the information from the Comptroller General. If there be no objection, I ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution submitted by the Senator from Oklahoma, which will be read?

The resolution (S. Res. 285) was read, as follows:

Resolved, That the Comptroller General of the United States, for the information of the Senate, is hereby requested to advise the Senate of the amounts appropriated by Congress in payment of the lands and improvements of the Eastern Cherokees ceded by them by treaty of December 29, 1835 (7 Stat. 478); what charges against such funds were found justly due and payable by the Supreme Court of the United States; after deducting such just charges, whether or not the balance bore interest, and if so, from what date and at what rate. He is further requested to advise the Senate what amount or amounts of payments were made thereon to the Eastern Cherokees per capita since the dates of appropriation; and the balance due the Eastern Cherokees per capita, if any after applying such payments made in accordance Resolved. That the Comptroller General of the United States, capita, if any, after applying such payments made in accordance with the established law governing partial payments. Also what gratuities, if any, have been paid to the Eastern Cherokees per

Mr. AUSTIN. Mr. President, in view of the lateness of the hour and the conditions in the Senate, and my understanding that there would be no legislative business transacted, I shall feel obliged to call for a quorum if any business is to be transacted. I should not object, but I should have to ask for a quorum.

Mr. THOMAS of Oklahoma. In order to obviate the necessity of calling a quorum, I ask that the resolution be printed and lie on the table, so that I may call it up at a later date.

The PRESIDING OFFICER. The resolution will be printed and lie on the table.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the Committee on Appropriations, reported favorably the nomination of John L. M. Irby, of South Carolina, to be State director of the Public Works Administration in South Carolina.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of R. Henry Norweb, of Ohio, now a Foreign Service officer of class 1 and counselor of embassy at Mexico City, Mexico, to be Envoy Extraordinary and Plenipotentiary to Bolivia.

He also, from the same committee, reported favorably the nomination of Fay A. Des Portes, of South Carolina, now Envoy Extraordinary and Minister Plenipotentiary to Bolivia, to be Envoy Extraordinary and Minister Plenipotentiary to Guatemala.

He also, from the same committee, reported favorably the nominations of sundry officers in the Diplomatic and Foreign Service.

The PRESIDING OFFICER (Mr. Schwellenbach in the chair). The reports will be placed on the Executive Calendar.

POSTMASTER AT KNOXVILLE, TENN.

Mr. McKELLAR. Mr. President, from the Committee on Post Offices and Post Roads I report favorably the nomination of H. Woodruff Booth to be postmaster at Knoxville, Tenn. I ask unanimous consent for the immediate consideration of the nomination.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. AUSTIN. Mr. President, what is the nature of the report?

Mr. McKELLAR. It is a favorable report on the nomination of a postmaster at Knoxville, Tenn. I should like to have the nomination considered at this time.

Mr. AUSTIN. Very well.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McKELLAR. I ask unanimous consent that the President may be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters on the calendar be confirmed en bloc. The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc. That completes the calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 56 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, April 22, 1936, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 21 (legislative day of Feb. 24), 1936

POSTMASTERS

ARIZONA

Paul D. Snyder, Ajo.
John R. Livingston, Chloride.
James A. Metzger, Grand Canyon.
Francis K. Pomeroy, Mesa.
Martin Layton, Safford.
Charles G. Montgomery, Whiteriver.

ARKANSAS

Albert L. White, Lepanto. Kenneth W. Crook, Pangburn.

COLORADO

Roscoe D. Mutz, Fowler.
Joseph B. Perkins, Fruita.
George W. Snider, Granby.
Clyde D. Moslander, Grand Junction.
Charles M. Burrell, New Castle.
Anna L. Grabow, Ouray.
Meryl D. Haynes, Seibert.
Floyd E. Cooper, Silverton.
Mark S. Cole, Yampa.

ILLINOIS

Clarence D. Lawson, Aledo. John M. Vandaveer, Greenfield. Helen C. Mowen, Macon. Clare A. Ruffner, Mason. Herman J. Hemann, New Baden. INDIANA

Nathan P. Lewis, Campbellsburg. William H. Ashba, Delphia. Robert C. Mayhall, Edinburg. Matthew Halbig, Haubstadt. John Nichols, Odon. Fonzo Martin, Shelburn. Elijah A. Gebhart, Warren.

IOWA

Rose M. Fischbach, Granville.
Vern U. Waters, Havelock.
Louis A. Hasselbrink, Kellogg.
Joseph L. Lichty, Luverne.
George M. Smith, North English.
Clifford P. Shane, New Virginia.
Viola F. McCartan, Pocohontas.
Hattie Bandy, Redfield.
Lyman L. DeFreece, Sidney.
Peter T. Belgard, Tipton.

KENTUCKY

Elizabeth R. Smith, Irvine. John A. Gross, Vine Grove.

LOUISIANA

Moise Bellard, Church Point. Mary K. Roark, Marion.

MASSACHUSETTS

Aloysius B. Kennedy, Rochdale. Susan F. Twiss, Three Rivers. Edward J. O'Day, West Brockfield.

MICHIGAN

Theodore M. Lampert, Ada. Nora Donovan, Bangor. Roy W. Maddock, Benzonia. John L. Burkart, Big Rapids. Mildred C. Lesh, Blanchard. Cecil Plum, Bloomingdale. Margaret Ackerson Rush, Clarksville. Edward Nelson, Coleman. Irving L. Dixon, Concord. Laura J. Diver, Deerfield. Charles A. Bigelow, East Tawas. Leo J. Navarre, Essexville. Judson E. Richardson, Evart. Earl Hudson, Gobles. Homer Fisher, Grand Haven. Michael E. Mussatto, Gwinn. Frank L. Friend, Harbor Springs. William C. Radue, Hermansville. Alfred H. Pfau, Howell. Stephen F. Jakobowski, Inkster. Hazel B. Erickson, Le Roy. Bert Lowery, Manchester. Walter R. Mason, Milan. Bartlett E. O'Grady, Paw Paw. Karl E. H. Beyer, Remus. Adelbert L. Stebbins, Sheridan. Lewis L. Peterson, Springport. Lydia T. Bing, Tawas City. Franc S. Gillespie, Tecumseh. Adam Przybylski, Wyandotte.

MISSOURI

Joseph H. Hardgrove, Atlanta.
Harry O. Travis, Belle.
Roy Clodfelter, Essex.
George Petrus, Hermann.
Ruby M. Farr, Kingston.
Newton E. Young, Sr., La Plata.
John Y. Glasscock, Maysville.
George E. Scott, New Hampton.
Mary S. McMahill, Osborn.
Edgar E. Smith, Owensville.
G. Emmett Moore, Parkville.

Floyd E. Birkhead, Winfield. Charles H. Oney, Wright City.

NEW JERSEY

William J. Dugan, Greystone Park. Thomas E. Downs, Jr., South Amboy. Robert Freeman Kearse, Vauxhall.

OKLAHOMA

George J. Martin, Guthrie.

TENNESSEE

William Davis Dulaney, Blountville. H. Woodruff Booth, Knoxville. William L. Moore, Selmer.

Oliver A. Hale, Abilene. Annie K. Turney, Alpine. Pearl Knox, Anson. Angus G. Vick, Belton. Wilson Bradley, Bryan. Eunice C. Burroughs, Buffalo. Erin M. McAskill, Edinburg. Daisy E. Billingsley, Eliasville. Robert B. Truett, Franklin. Kirby J. Preston, Gladewater. Crown Dickson, Kilgore, Roger S. Guyton, McCamey. William E. Thomason, Nacogdoches. Elbert L. Tubb, Oakwood. John E. Cooke, Rockdale. Nora B. Starnes, Winona. Brett Hargrove, Woodsboro.

UTAH

Robert H. Barton, Layton.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 21, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father which art in heaven, hallowed by Thy name. Thy kingdom come. Thy will be done in earth, as it is in heaven. Give us this day our daily bread. And forgive us our trespasses, as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil: for thine is the kingdom, and the power, and the glory, forever. Amen.

THE JOURNAL

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent that the reading of the Journal of yesterday's proceedings be dispensed with and the Journal stand approved.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

By unanimous consent, the Journal of the proceedings of yesterday was approved.

ORDER OF BUSINESS

Mr. BANKHEAD. Mr. Speaker, before proceeding with the memorial services, a change in the parliamentary situation makes it necessary for me to submit a unanimousconsent request on account of the indisposition of the chairman of the subcommittee in charge of the Interior Department appropriation bill.

Mr. Speaker, I ask unanimous consent that on tomorrow it may be in order to consider omnibus bills on the Private Calendar under the rule.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. Pursuant to House Resolution 467 the

holding memorial services as arranged by the Committee on Memorials.

Accordingly, the House stood in recess to meet at the call of the Chair.

MEMORAL SERVICE PROGRAM

Prelude, Sacred Selections (11:30 to 12) __United States Army Band Presiding Officer....The Speaker of the House of Representatives Invocation....The Chaplain, Dr. James Shera Montgomery There Is No Death

Dorothy Reddish

Scripture Reading and Prayer. The Chaplain Roll of Deceased Members. The Clerk of the House of Representatives Devotional silence. Hon. ULYSSES S. GUYER

Address Representative from the State of Kansas

Out of the Night a Bugle Blows______ Dorothy Reddish Constance

Hon, John J. O'CONNOR Address Representative from the State of New York

Cornet solo—Nearer My God to Thee______ From the United States Army Band Ralph Ostrom

The Chaplain Benediction_

IN MEMORIAM

Senate

Hon. Huev Pierce Long, a Senator from the State of Louisiana. Died September 10, 1935.

Hon. Thomas David Schall, a Senator from the State of Minne-

sota. Died December 22, 1935.

House of Representatives

Hon. Cap R. Carden, Fourth Congressional District of Kentucky.

Died June 13, 1935.

Hon. Charles Vilas Truax, at large, Ohio. Died August 9, 1935. Hon. Henry Mahlon Kimball, Third Congressional District of Michigan. Died October 19, 1935. Hon. Wesley Lloyd, Sixth Congressional District of Washington.

Died January 10, 1936.

Hon. Stephen A. Rudd, Ninth Congressional District of New York. Died March 31, 1936.

MEMORIAL SERVICES

The Speaker of the House of Representatives presided. The Chaplain, Dr. Montgomery:

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit, that we may perfectly love Thee and worthily magnify Thy holy name. Through Jesus Christ our Lord. Amen.

Dorothy Reddish sang There Is No Death, by O'Hara. The Chaplain, Dr. Montgomery:

The Lord is my shepherd; I shall not want. He maketh me to lie down in green pastures; He leadeth me beside the still waters. He restoreth my soul: He leadeth me in the paths of righteousness for His name's sake. Yea, though I walk through the valley of the shadow of death, I will fear no evil; for Thou are with me; Thy rod and Thy staff they comfort me. Thou preparest a table before me in the presence of mine enemies; Thou anointest my head with oil; my cup runneth over. Surely goodness and mercy shall follow me all the days of my life; and I will dwell in the house of the Lord forever. Amen.

Though I speak with the tongues of men and of angels, and have not love, I am become as sounding brass, or a tinkling cymbal. And though I have the gift of prophecy, and understand all mysteries, and all knowledge; and though I have all faith, so that I could remove mountains, and have not love, I am nothing. And though I bestow all my goods to feed the poor, and though I give my body to be burned, and have not love, it profiteth me nothing. Love suffereth long, and is kind; love envieth not; love vaunteth not its self, is not puffed up. Doth not behave itself unseemly, seeketh not her own, is not easily provoked, thinketh no evil; rejoiceth not in iniquity, but rejoiceth in the truth. Beareth all things, believeth all things, hopeth all things, endureth all things. Love never faileth: but whether there be prophecies, they shall fail; whether there be tongues, they shall cease; whether there be knowledge, it shall vanish away. For we know in part, and we prophesy in part. But when that which is perfect is come, then that which is in part Chair declares the House to be in recess for the purpose of | shall be done away. When I was a child, I spake as a child,

I understood as a child, I thought as a child: but when I became a man, I put away childish things. For now we see through a glass, darkly; but then face to face: now I know in part; but then shall I know even as also I am known. And now abideth faith, hope, love, these three; but the greatest of these is love. (I Cor. xiii.)

Lead, kindly Light, amid the encircling gloom, Lead thou me on!

The night is dark, and I am far from home— Lead thou me on!

Keep thou my feet; I do not ask to see The distant scene—one step enough for me,

I was not ever thus, nor prayed that thou Shouldst lead me on;

I loved to choose and see my path; but now Lead thou me on!

I loved the garish day, and spite of fears, Pride ruled my will. Remember not past years,

So long Thy power hath blest me, sure it still Will lead me on

O'er moor and fen, o'er crag and torrent, till The night is gone,

And with the morn those angel faces smile, Which I have loved long since, and lost awhile.

Hear us, Infinite Spirit, while we breathe the chant of the ages: Holy, holy, holy, Lord God Almighty; heaven and earth are filled with Thy goodness; glory be unto Thy holy name. Hear us and lead us to repose our confidence in Thee. We thank Thee for the blessed gift of life; inspire us to live wisely, labor industriously, and at the last hand it back to Thee without a blemish. Guide us by Thy law, rule us by Thy love, and lead us in the pathway of a just and honorable service for our country.

We praise Thee for the words that fell from the lips of our Master:

Let not your heart be troubled; ye believe in God, believe also in me. In my Father's house are many mansions; if it were not so I would have told you.

Heavenly Father, the sands of life run swiftly; we know not when the silver cord shall be loosed, the golden bowl be broken, but so long as faith and hope and love shall live, so long is the immortality of the soul assured. Be this the comfort, the hope of the sorrowing ones of our deceased Members in whose memory we have assembled. May we go forward with patience and fortitude and at the last may we be able to look back without regret in the closing hours of this earthly life and pass serenely to our eternal home. In the name of our Savior. Amen.

ROLL OF DECEASED MEMBERS

Mr. Patrick J. Haltigan, reading clerk of the House, read the following roll:

HUEY PIERCE LONG, SENATOR FROM THE STATE OF LOUISIANA

Lawyer; railroad commissioner; member of the public service commission, State of Louisiana; Governor; elected to the United States Senate, November 4, 1930. Died September 10, 1935.

THOMAS DAVID SCHALL, SENATOR FROM THE STATE OF MINNESOTA

Lawyer; elected a Representative to the Sixty-fourth, Sixty-fifth, Sixty-sixth, Sixty-seventh, and Sixty-eighth Congresses; twice elected to the United States Senate. Died December 22, 1935.

CAP R. CARDEN, FOURTH CONGRESSIONAL DISTRICT OF STATE OF KENTUCKY

Lawyer; farmer; banker; elected a Representative to the Seventy-second, Seventy-third, and Seventy-fourth Congresses. Died June 13, 1935.

CHARLES VILAS TRUAX, REPRESENTATIVE AT LARGE, STATE OF OHIO

Farmer; editor; director of agriculture, Ohio, 1923-29; vice chairman, Democratic State Central Committee; delegate Democratic National Convention, 1924; nominated for United States Senate, 1928; elected a Representative to the Seventy-third and Seventy-fourth Congresses. Died August 9, 1935.

HENRY MAHLON KIMBALL, THIRD CONGRESSIONAL DISTRICT OF THE STATE OF MICHIGAN

Graduate of the literary and law departments of the University of Michigan; practicing attorney for 27 years; elected a Representative to the Seventy-fourth Congress. Died October 19, 1935.

WESLEY LLOYD, SIXTH CONGRESSIONAL DISTRICT OF THE STATE OF WASHINGTON

Lawyer; elected a Representative to the Seventy-third and Seventy-fourth Congresses; assistant Democratic whip of the House; member of the Committee on the Judiciary. Died January 10, 1936.

STEPHEN ANDREW RUDD, NINTH CONGRESSIONAL DISTRICT OF THE STATE OF NEW YORK

Lawyer; alderman, city of New York; elected a Representative to the Seventy-second, Seventy-third, and Seventy-fourth Congresses, Died March 31, 1936.

Then followed 1 minute of devotional silence.

Hon. ULYSSES S. GUYER, a Representative from the State of Kansas, delivered the following address:

ADDRESS OF HON, ULYSSES S. GUYER

Mr. Speaker:

Leaves have their time to fall, And flowers to wither at the north wind's breath And stars to set, but all, Thou hast all seasons for thine own, O Death!

Veneration for the sepulcher and reverence for the dead belong to the most ancient instincts of the human race. To respect and to honor the memory and dust of our ancestors is common alike to the savage and the civilized. This inclination to consecrate the grave and to enshrine the memory of our departed ancestors may have been and doubtless was the beginning of the worship of Deity, for in that black night of prehistoric darkness the human soul reached out toward the only symbol of Deity it possessed—its earthly parentage.

Thus today, both in harmony with the precedents of the House and the customs of mankind, we meet to honor those who have gone to that "undiscovered country" and who for a brief time were associated with us in this forum fashioned by our fathers in the Constitution. This day the discord of party passion divides us not. Individual interests and personal ambitions are forgotten. The battle for supremacy and the struggle for precedence sleep for the moment like those we mourn. All that is sordid, all that is ignoble in this game of politics retreats in silence from the presence of death.

There are no minority views in this committee's report. It is accepted by unanimous consent without debate. That report constitutes the epitaph of the seven strong men who are the objects of this memorial. Their work in this forum is finished. Their record is completed. Their roll calls have all been answered. Their speeches have all been uttered. Their offices have been vacated by the decree of fate. Soon others will occupy their places and the current of life will resume its accustomed course.

It is one of the inexplicable mysteries of life in which one surrenders his peace of mind, his tranquillity of soul and life under his own vine and fig tree for a disappointing, disillusioning ignis fatuus in the morass of public life. Yet, arduous as the duties are, we are loathe to leave its unrivaled associations, and every Member may refer with pride to his membership in this forum of the people. The duties and growing exactions upon its Members increasingly draw upon their powers of endurance and resistance, which constantly increases their mortality. I have been a Member of this House for 10 years under five Speakers, three of whom have gone to that undiscovered land where there is always a quorum present.

In my humble opinion, the Presiding Officer of this House holds in his credentials of election as Speaker the supreme testimonial of exalted character, unimpeachable integrity, and superlative ability. He is no accident. He must prove his fitness for this great office through a long series of years in the fierce furnace of political debate, the fisticuli of parliamentary strategy and maneuver, and by his ability to manage strong and intelligent men under the most trying and difficult circumstances. That, in my opinion, was what led the late Nicholas Longworth to twice declare upon this floor, "I would rather occupy that chair than any other office in the world."

While in the roster of public offices a Member of this House is not the most exalted, membership in the House

holds the opportunity for the highest type of public service. The principal difference between the higher and lower offices is that the higher are the more exacting and the more disappointing and disillusioning. Men speak of the Presidency as the greatest office in the world, and we do not dispute that estimate. But what a tragic and disappointing illusion!

With more or less familiarity I have known the last seven Presidents; knew each before his elevation to the high office, met each while serving his term, saw all of them after the expiration of their terms, except one, who escaped in the embrace of death, and every one of them withered under the devastating experience like the grass withered under the furnace breath of the drought of 1934. The Presidency saps the life like a vampire and like a vampire mocks.

I saw Woodrow Wilson stumble down into the valley and the shadow amid the wreck of his shattered dream of peace, disappointed, disillusioned and heartbroken beyond the dream of despair. I saw that world-famous smile of William Howard Taft, which they said would never wear off, fade forever among the things that were. Warren G. Harding, as Senator, might still be in the land of the living. We were all so sure that the cold, calculating, imperturbable equanimity, the impenetrable stoicism of Calvin Coolidge would be proof against the lethal draught, but now we know that a happy decade or mayhap a tranquil score of years were shorn from his span of life. One of the seven by reason of his superlative strength and his indomitable will survived a decade in the generous hope of again sacrificing himself upon that alluring altar, but before his dream came true he expired like a steed plunging back into his burning barn. I saw Herbert Hoover, too sensitive for such an office, grow old while I looked at him.

There are living six widows of former Presidents and the wife of the only ex-President, eloquent tribute to the eternal feminine and tragic evidence of Presidential mortality. Let no one deceive himself into believing that the present incumbent, in spite of all his playful laughter and gallant front, is not corroding under the acid of this enervating ordeal. We sigh, "Uneasy lies the head that wears a crown", but no more uneasy than the head that is pillowed in that snowy palace at the other end of the Avenue. We speak of "the white light that beats upon a throne", but it is no white and not nearly so hot as that which flames about the Presidential chair. But this office confers immortality upon one's name, so scores of patriots surge to immolate themselves upon this alluring but fatal altar.

During the last holiday season I drove past that gleaming palace, with its noble portico aflame with a rainbow of Christmas lights, and I thought as I mused upon the somber shadows that lurked among its stately columns and hid in its classic corridors that we should write above those iron gates what is etched on the lintels of Dante's Inferno:

Lasciate ogni speranza voi ch'entrate.

Shakespeare, in his tragedy of greatness, puts upon the lips of Marc Antony the naked truth concerning human greatness. Antonius was standing above the body of his assassinated friend and comrade, that "piece of bleeding earth", that pathetic clay that but yesterday was Julius Caesar, "whose word might have stood against the world." As he gazed upon this prostrate form he exclaimed:

O Mighty Caesar! dost thou lie so low? Are all thy conquests, glories, triumphs, spoils, Shrunk to this little measure?

Massillon, delivering the funeral oration of Louis XIV in the Cathedral of Notre Dame, exclaimed, "Dieu, seul, est grand"—God, alone, is great! Such is the tragedy of human grandeur! The old Romans had a lucid saying: "Sic transit gloria mundi"—so passes the glory of the world.

This service reminds us of the swift mutations of life. Nothing in life is permanent or static. Nature abhors both a vacuum and dull monotony. Life is a stream on whose bosom is etched everlasting change. The earth is full of life,

music, beauty, and loveliness. But its beauty and loveliness do not last. It changes as swiftly as the wings of light.

Beauty comes and beauty goes, Like the petals of a rose. Song is but a moment's bliss, Fleeting as a lover's kiss. Dawn's bright promise of a day, Quickly crumbles in decay. Spring is but an eerie, banshee light, Vanishing in a burst of flight. And in all this translency, Only God and hope remain to me.

The passing of these colleagues of ours brings into sharp relief not only the eternal change of all things but the mystery of death. Life too, is quite as much a mystery. What is life with all its wondrous, mighty energies? Its definition and its source have escaped all our sages and philosophers. What is death? Only the poet can approach a definition. Nancy Byrd Turner has recently given her version and vision of death under the title, Death is a Door:

Death is only an old door Set in a garden wall. On gentle hinges it gives, at dusk, When the thrushes call.

Along the lintel are green leaves, Beyond, the light lies still; Very willing and weary feet Go over that sill.

There is nothing to trouble any heart, Nothing to hurt at all. Death is only a quiet door In an old wall.

But what a pitiable little span is human life. When viewed only from its troubled surface, what a strange and pathetic tragedy. Yesterday the warm, sweet current of life; today still in the chill of death. Yesterday the thrill and exhilaration of superiority and preeminence; today the democratic equality of the dust. Death, like love, "levels all rank." There is no caste in the dominion of the sepulcher. Death is the universal decree. The earth itself is but one vast mausoleum. We touch it not without desecrating a myriad sepulcher. The very rocks that wall us in are but the dusty archives of life that throbbed in dead and forgotten ages. All that lives must die.

The hand of the king that the scepter hath borne, The brow of the priest that the mitre hath worn, The eye of the sage and the heart of the brave, Are hidden and lost in the depth of the grave.

But it has been said that there is no life without death. That death is the prophecy of life.

Plato, thou reasonest well! Else whence this pleasing hope, this fond desire, This longing after immortality.

Bryant teaches us a beautiful lesson relative to the migratory bird:

There is a Power whose care
Teaches thy way along that pathless coast—
The desert and illimitable air—
Lone wandering but not lost,

He who from zone to zone,
Guides through the boundless sky thy certain flight,
In the long way that I shall tread alone,
Will guide my feet aright.

The bird that sunward guides its flight does not know that eternal summer laughs beneath the tropic sun. He has never seen the leaves that never fade nor felt the heat that never cools. His native home was where arctic ice drove summer from the earth he knew. But in his little fluttering heart the Almighty had planted this cosmic urge to seek a land of everlasting summer; and when the bird arrives, there the summer is. Neither nature nor nature's God ever deceived his children.

I used to have a friend who was a great lawyer and a greater poet and philosopher, though he wrote all of his

poetry in the form of prose. In an essay discussing the conservation of energy and the well-known fact that always and everywhere in nature nonextinction is her most imperious command; that matter and energy were indestructible and eternal. He tells it so much better than anyone else ever did, so I will quote briefly:

Each meanest mote of matter's dust doth hide a king, divinity doth hedge. He may his vesture's fashion change, or may put on the Gyges ring: he ne'er shall abdicate.

Though worlds may crash and matter wreck, or seethe in flame

Though worlds may crash and matter wreck, or seethe in flame with fervent heat, and seeming chaos come again, without a tremor, still enthroned, his royal plumage all unscathed, his power nor jot nor tittle 'bates.

When comes the time, and come it shall, when seemingly this solid earth, you fiaming sun, and all that his wide eye beholds, in sheer vacuity dissolves, * * his crown serene he still shall wear, shall still his royal scepter wield.

If this mote of matter, Judge Keplinger's humble but regal grain of dust, shall survive the wreck of worlds, what shall we say of mind and soul and energy? Mind and energy are eternal. I am mind, I am energy! I am immortal!

I know of no better manner of concluding this faltering memorial to those of our number who have gone to the land of their dreams than by quoting a little poem by the great dramatic critic, William Winter. About a quarter of a century ago Mr. Winter was very ill and close to the gates of eternity. He recovered, however, and afterward wrote this poem, and, in my humble opinion, no sweeter honey of its kind has dripped from the hive of genius since Tennyson wrote The Crossing of the Bar. In the gentle faith of Him who walked by the tideless sea and in the calm philosophy of William Winter, as expressed in this poem, we can look toward the sunset trail with confidence and hope:

One other bitter drop to drink,
And then—no more!
One little pause upon the brink,
And then—go o'er!
One sigh—and then the lib'rant morn
Of perfect day,
When my free spirit, newly born,
Shall soar away.

One pang—and I shall rend the thrall
Where grief abides,
And generous Death shall show me all
That now he hides;
And, lucid in that second birth,
I shall discern,
What all the sages of the earth
Have died to learn.

One motion and the stream is crost, So dark, so deep!
And I shall triumph, or be lost, In endless sleep.
Then onward, whatsoe'er my fate, I shall not care!
Nor sin nor sorrow, love nor hate Can touch me there.

Dorothy Reddish sang Out of the Night a Bugle Blows, by Constance.

Hon. John J. O'Connor, a Representative from the State of New York, delivered the following address:

ADDRESS OF HON. JOHN J. O'CONNOR

Mr. Speaker, once again the House of Representatives stands in recess, in tribute to those Members of Congress whom we have lost, by death, since we last met on such occasion.

In his oration in memory of the first Athenians who fell in the Peloponnesian War, Pericles commended the fitness of the Athenian public funeral, but doubted the wisdom of any speech, declaring that where men's deeds have been great, they should be honored in deed only, and that the reputation of many should never depend upon the judgment, or want of it, of one, and their virtue exalted or not, as he spoke, well or ill.

Most of us believe "they shall not pass this way again." But America was aware of their "passing." They had the distinctive honor, not always appreciated, to be singled out from among our 127,000,000 of the Nation's people to be included within the small group of 531 men and women who form the legislative branch of the Government.

Each and every one of them was conscious of that honor and its obligations and responsibilities. No one of them was a "backyard" Congressman, concerned only with his own State or his own district. They all appreciated that their correct title under the Constitution was Representative or Senator "from" the State of their residence, and not merely "of" that Commonwealth. Their ideas and the conception of their obligations were not provincial. They were "nationally minded", an example well worth emulation.

It has not been given to all men to have lived in the days through which they, our deceased colleagues passed. To have lived during the last generation is a privilege never before afforded in history, and unlikely to be repeated or surpassed.

These colleagues of ours who sat shoulder to shoulder with us, who agreed with us, or contended with us, passed through the most momentous three decades of civilization. That they were aware of it we are sure. Their participation in it youches for that.

They left us when they had reached perhaps the peak of their ambitions. In measure greater or less they had satisfied what Arnold called:

The highest earthly desire of the ripened mind, the desire of taking an active part in the great work of government.

It was their privilege to see man conquer distance on land through the development of the automobile. Above their heads they saw coursing through the air giant man-made birds, propelled by humans—their ears were startled to hear voices carried through illimitable space without wires-what they had toiled at with their hands they saw performed a hundredfold by "Frankenstein" machines, terrifyingly human in operation, though soulless and ruthless in their consequences. All this was called by some of their contemporaries "progress", the economic going forward of civilization, the scientific conquering of the universe, emancipation from the slavery of labor. The economic and social readjustment necessary from these innovations concerned these colleagues of ours, as their records well prove. Reared in the school of individualism they, like their constituents, looked askance at times at this irresistible march of the forces of nature and invention. To meet the changed conditions they gave the best that was in them to solve the economic and social problems of the Nation they represented. Their predecessors had no such problems. Until the turn of the twentieth century progress was comparatively even in its tenor. It was a great privilege to play an important part in an unparalleled period of dynamic change.

While our colleagues, whom we honor today, were afforded the opportunity to live through, and take leading parts in, such an economic and social readjustment, at the same time they were to witness and participate in the greatest armed conflict in all history, among practically all the leading civilized nations of the world. None of their forbears ever lived through such days and, please God, may their descendants never pass through such an experience, the effect of which even time may never eradicate. At first hand, and through their own eyes, our beloved colleagues saw countless millions of educated men, in arms, bent on destroying their fellow men with new implements of war which their fathers had never envisioned.

With airplane, with centaurlike tanks, with death-dealing gas, civilization brawled. None knew the terrifying results more than our departed colleagues—they lived it. They saw millions slaughtered and maimed, thousands upon thousands of their own boys, out of the four million in arms, killed or incapacitated. That experience was theirs, and it was their solemn duty to reconstruct and to salvage. We, who knew them well, know what a prominent part they played in this post-war rehabilitation. It is rarely that we could commemorate the service of any one group of men whose outstanding services in behalf of the veterans of the World War would stand out so pronounced.

In their time, these colleagues of ours saw nearly every old established government of Europe fall, and a new order instituted. Monarchies and kingdoms gave way to democracies, social states, or dictatorships. Never in history, in

a space of so few years, was the change so rapid. All this they saw occurring in the outside world. They gave attention to all this change, because their vision was not nationally self-contained. They did not believe in erecting a barbwire enclosure around their own country, either to keep their own people in, or their blood relations out. They realized that America was an integral part of the world, born of it and, to an extent, dependent on it. They wore no dark glasses to blur out the Atlantic or the Pacific.

While all these chimerical changes were going on abroad, in their own land these beloved colleagues of our experienced new and unprecedented changes. They saw a Nation struggling under a tremendous war debt, principally consisting of billions loaned to those nations called our allies. They saw the post-war cost of war—a billion dollars a year to take care of our soldiers who defended their country and other nations.

In 1921 they saw our country plunged into a depression, from which our farmers have never emerged, only to be followed by those delusive boom years, until that unparalleled and unprecedented crash of 1929.

It is disputable which years were more interesting and awe inspiring, or worth while, in which to live—those dreadful war days of 1914 to 1918, or those stressful years of depression from 1929 until recently. Either were much worth while—the experience—not only for the individual who lived through them but for the morale of our people. The immediate cost is apparent, but the ultimate gain will be worth all the cost and all the suffering entailed. Aristotle said:

The powers of evil and horror must be granted their full scope; it is only thus that we triumph over them. Only when they have worked their uttermost will, do we realize that there remains something in man's soul which is forever beyond their grasp and has power in its own right to make life beautiful.

Our colleagues knew, ere they passed from this mortal sphere, that never again would our country be dragged into a foreign martial conflict. They also knew, and gave their all to the end, that, out of the great economic depression, a new order would arise making it impossible that there be a recurrence of such suffering. Oh, they were called "socialists" and other terms of alleged opprobrium when they joined in working out the remedies suggested and put them into effect. They were compelled to withstand all the jibes and shafts of ridicule shot at them by the diehard conservatives, and the "rugged individualists." But they stood their ground, and before they passed on, they enjoyed the satisfaction of having had a part in helping to pull this Nation out of the greatest economic abyss into which it had ever sunk.

They lived through these recent years of government consciousness on the part of the people. They saw the growth of untoward criticism of men in public life, by press, through radio, by individuals who had no conception of the subject about which they carped and who would not dare offer themselves before the electorate.

They lived through the recent years of all the "isms", from parlor, from soap box, and from pulpit. They, our colleagues, were the targets of the venom of blatant tongues in press and via radio. They learned that what were here-tofore considered sacred personalities were no longer revered by the raucous, snarling broadcaster or the irresponsible columnist.

They went all through that—patriots as they were, confident of the justice of the cause they advocated. They were not swerved by the threats of selfish minorities or blocs or groups or deterred by abuse from their inferiors.

To have carried on through those days, not yet quite over, is no small compliment, especially when they beheld the rise of the demagogue, the official who caters to any minority, however small, provided it is sufficiently leather-lunged. Democracy which they knew when they entered public life had deteriorated within their time to the "bloc", the "drive", the "march", and the "lobby." "League" this and "union" that came into being in the closing years of their life to attempt to dictate by threats the orderly process of a democracy. While they saw other public officials succumb,

they, may it always be said to their credit, stood steadfast, obedient to the oath to which they subscribed and to their obligation to represent their people.

Read the list. Who among that number, of those we now hold immortal, would today succumb to the "points" of this one or the "platform" of that self-appointed dictator of our Nation's destinies?

We shall miss them because we have need right now of more of their stalwart type, ready to submerge their own interests to serve.

It was such men as these, our colleagues, Mark Twain had in mind when he gave his advice on how to take life.

Take it-

He said-

as though it were—as it is—an earnest, vital, and important affair. Take it as though you were born to the task of performing a merry part in it—as though the world had awaited your coming. Take it as though it were a great opportunity to do and achieve, to carry on great and good chances to help and cheer a suffering, weary, heartbroken brother. Now and then a man stands out from the crowd, labors earnestly, steadfastly, confidently, and straightway becomes famous. The world wonders, admires, idolizes. The secret of the power that elevates the few is to be found in their industry, application, and perseverance under the promptings of a determined spirit.

These men of ours did "stand out from the crowd." It is only those who do so stand out who are the targets for the arrows of the supercilious critics—yea, even the assassin's bullet.

It is not only wars which produce heroes. Most of our revered and still honored national characters did not achieve their everlasting fame on the battlefield. Contrary to many temporary indications, God has really endowed his people to be eventually appreciative of service well performed. Such appreciation is rarely expressed during life. Nor is it always adequately expressed in a contemporary eulogy. Time, however, is the recorder, in whose indelible, permanent record is written the only true biography. "The good men do" is not "interred with their bones."

President Alderman, formerly of the University of Virginia, once said:

In the case of a statesman, all experience warns us not to attempt to fix his final place in history until the generation that knew him and loved him or hated him shall have passed away and a new generation, to whom he was not a familiar figure, shall have come upon the stage, capable of beholding him with eyes undimmed by emotion and judging him with minds unclouded by prejudice or by passion. Loyalty and duty and reverence none-theless urge us to set down, while memory is clear and events are fresh, what we know of men upon whom their fellow men placed great burdens of power.

A prince once said of a king struck down: "Taller he seems in death."
And the word holds good, for now, as then, It is after death that we measure men.

We have not foregathered today, however, Mr. Speaker, to measure, but rather to express our deep-seated feelings at their passing from us. They were our daily companions and our friends. We like to assuage somewhat the irreparable loss to their families and our own grief by feeling that they have just "lay down to pleasant dreams."

A cornet solo, Nearer My God to Thee, was played by Ralph Ostrom, of the United States Army Band.

The Chaplain, Rev. James Shera Montgomery, D. D., pronounced the benediction:

The grace of our Lord Jesus Christ and the love of God, the Father, and the communion of the Holy Spirit be with you all.

HON. HUEY PIERCE LONG

Mr. MALONEY. Mr. Speaker, it is with somber reflections that we speak on this occasion, because this is memorial exercise day. It is the day that has been set aside in order to pay tribute to those illustrious citizens—our colleagues—who have been called from their daily labors by the Father of all time. These sad events come to us daily, but somehow we cannot accustom ourselves to them, and although we accept them we never become reconciled and are filled with much sorrow and grief.

Mr. Speaker, one of our most eminent citizens was called | which the RECORD will corroborate, and for continuous from his daily labors last September. That citizen was in the full bloom of manhood and health and had dedicated his life's work for the public good. That illustrious citizen was Senator Huey Pierce Long who was cut down by a cruel bullet directed by the aim of an assassin on September 8, 1935, in the hours of work and in the vigor of health and unlimited energy. With a strong constitution he battled for his life for 30 hours. While he was battling, the prayers of thousands of his fellow citizens were offered that his life would be spared so he could carry on as the protector of his wife and children and complete his services to his country; however, the wound proved fatal, and our beloved Senator passed into a quiet eternal sleep closing his earthly work on September 10, 1935.

This tragedy shocked the Nation, and the people in all walks of life in the State of Louisiana were visibly affected. One of the greatest outpourings of State citizenry visited Baton Rouge, La., on the day that his body was placed in a burial spot in a sunken garden on the grounds of the beautiful State capitol. That a virile and young man was taken from his people in the midst of health was indeed sad, but it was more pathetic to see him taken from a wife and three fine children, who needed his love, care, and protection. The heart of the Nation went out to them with fullest

Senator Long had been honored by the State of Louisiana many times. He had served as public service commissioner, as Governor, and when he was taken from us he was the senior United States Senator and chairman of the State central committee and national committeeman of the Democratic Party of Louisiana.

Senator Long has left many monuments in his State that generations yet to come will see and know of him by his work. His life's efforts were devoted to the uplifting of the underprivileged. He was a great friend for the encouragement of education. He devised ways and means whereby all school children in the State of Louisiana would have free schoolbooks. He also inaugurated night schools for adults. He added facilities to the State University that permitted the tripling of the enrollment and made it easier to obtain a higher education for those who were desirous. He devised ways and means by which a new mansion, a new statehouse, an airport, and a bridge across the Mississippi River were constructed. These are all major improvements that will serve the people for generations with much convenience. He inaugurated the first complete paving program for the State. These and many other improvements are left as marks of his effort and foresight.

Senator Long was held in the highest affection by the people of his State, and there was nothing in their gift that he could not have had for the asking. While the Senator had many titles, his closest friends always called him "Huey", and I think that he preferred this salutation to any title that he had earned. I always called him "Huey." met him during his first term as public service commissioner on public business. From that time on I was thrown in constant contact with him, which occasioned me to know him intimately. He was always anxious to do something for the general good. He was of a very generous disposition. He was determined in his convictions and asserted his views in an aggressive and open manner. But with all this he was reasonable. When you could show him logically that he was in error, he would make acknowledgment and change his views. He was tireless in his labors, and those who joined with him on any undertaking were never surprised when he would call them up in the wee hours of the morning for some information or assistance, because when he undertook a task he labored both day and night-hours meant nothing to him. His signal and continuous victories attested beyond any doubt to his competency as a political leader, and I am convinced that you gentlemen of the House and Senate recognized his ability many times in his debates upon the floor of the Senate. I think he demonstrated to the world at large his skill as a debater on many subjects,

speaking you recall how he held the Senate floor for the near record time of 15 hours. I have heard many statements made, with which I agree, that it was a great loss to the Nation when Huey Long passed away.

I knew him to be a devoted son, a loving husband, and an affectionate father. He was a tried and true friend-to know him was to love him.

> Whatever vales we yet may wander, What sorrow come, what tempest blow, We have a friend, a friend out yonder, To greet us when we have to go Out yonder someone that we know.

Mr. FERNANDEZ. Mr. Speaker, Louisiana has already eulogized a great soul that has passed away into what many of us believe the realm of immortality. Little would the brief biography that my late beloved friend inserted in the Congressional Directory reveal such startling achievements and such an amazing and brilliant career during his entire period of public service for the people of Louisiana, who were so endeared to him.

HUEY PIERCE LONG, Democrat, of New Orleans, born in Winnfield, La., on August 30, 1893; became a practicing attorney in 1915; held offices of railroad commissioner, publicservice commissioner, and Governor; was elected in November 1930 a Member of the United States Senate without opposition, and his term was due to expire in 1937. Such is in the Congressional Directory.

O Mr. Speaker, this summary does not commence to tell of the uphill and courageous fight this man, as a young man, had to wage in order to study law; it does not tell, even infinitesimally, the love and ambition that inspired this then young man to achievement of his goals. He rose to master the art of law; he succeeded in elevating himself, through the grace of his people, to high public office. From the very first office he ever held he was a benefactor of the people, who honored him, and to even those outside of the district in his State, at the time he was member of the Louisiana Public Service Commission, of which he later became chairman. In that capacity he lowered rates of telephones and carriage and of utilities. Even yet as a young man he accepted the office of Governor of Louisiana in 1928. Adversity stalked this genius in the first 2 years of his reign as Governor, but, alas! my beloved friend triumphed over his adversaries, submitted his gigantic public-improvement program to the people of Louisiana, and received approval of the vast majority of Louisiana's electorate.

HUEY PIERCE Long's achievements are perpetual monuments to his genius, perseverance, and determination. These are the monuments of our beloved late leader's contribution to Louisiana: Thousands of miles of paved roads and graveled roads-3,160 miles of paved roads and 4,858 miles of graveled roads constructed in Louisiana from 1928 to 1935; 23 of the finest bridges, all toll free, crowned by the Huey P. Long Bridge over the Mississippi River at New Orleans, all constructed from 1928 to 1935; a State capitol of unexcelled design, architecture, and beauty to house the entire State administration; New Orleans' million-dollar lake-shore development, including sea wall and bathing beaches; Shushan Airport, one of the finest in the world, with A-1 rating; hospitals and enlargements thereof and other vital State institutions; gradual amelioration of taxation so as to saddle taxes on those best able to pay, thus retaining Louisiana's finances in above-par status; schoolbooks to all school children of all schools and free transportation to all rural school children, thereby elevating the literate standing of the State of Louisiana to a high-ranking position in the Nation.

Time and again this man who dared champion the cause of the masses went before the people of his beloved State, and he triumphed each successive time with greater majorities. Yet the narrower his opposition the seemingly more prejudiced it became—yes, so prejudiced until one night in the massive corridor of the State capitol he founded and built the assassin's bullet struck Louisiana's leader.

Oh! the ways of the world. Consider the anguish of his family and his friends and the people of Louisiana, whom he loved and who loved him, when that great mortal succumbed to the assasin's bullet on September 10, 1935. The tragedy of Baton Rouge! What in reality was the monument of HUEY PIERCE LONG—his beloved State capitol—turned out to be a Mount Calvary, where he was to shed his blood for the cause of Louisiana.

But HUEY PIERCE Long did not die without religion. His work seemed to be guided by Divine Providence. The love in his mind uppermost was his God. His heart was one of real prayer and contrition—a prayer to be spared to continue the great work he was executing, a contrition to join his Master, where most of us believe that life just begins.

Alas, Mr. Speaker, we of Louisiana mourn the loss of Huey Pierce Long. We are grieved by his passing, touched by the sorrow of his beloved family. He who gave all he had for Louisiana. He who entrenched himself within the heart of every Louisiana-loving person. He who entrenched himself within the hearts of his fellow men by a service and spirit that became so centrifugal in force and powerful in effect that friendship became cemented. He who underwent the mental tortures of Gethsemane, subservient to his own great mind that subjected him to the one principle, to be a great benefactor for the people he loved; such great devotion that he could not run away from the mental anguish. He who followed the noblest of pursuits courageously and resigned himself to martyrdom. Oh, may his martyrdom only spur us on to continue our beloved late leader's ideals.

For as ye would do unto those, so would you do unto Me.

O Mr. Speaker, Louisiana is grieved for her lost leader, but she is not torn asunder. She is united stronger than ever in a shining, brilliant memory of an uncrowned king who believed in "every man a king", who has answered the call.

His love for God, his love for mankind, his logic, his principles, all blend into one giant hue of brilliant splendor to shine on and on in glamorous memory, in solemn perpetuation, in supreme prestige within the hearts of all who loved him, all who have admired him, throughout Louisiana, the Nation, and the world.

Mr. Derouen. Mr. Speaker, it is a sad and solemn occasion whenever we are gathered here to pay tribute of respect and regard to the memory of one of our departed comrades. Yet our meeting here speaks the fact that great men, great in merit of mind, in character of life, in virtue of public integrity, have died. Truly, sir—

The boast of heraldry, the pomp of power, And all that beauty, all that wealth e'er gave, Awaits alike the inevitable hour. The paths of glory lead but to the grave.

The late Senator HUEY P. Long was not cradled in luxury, nor were the muscles of his early boyhood softened in indulgent ease. He did not have the advantage of a liberal education; but during the years he worked on the farm and kenned his lessons in the village school, he girded himself for his life's work, with vision of advancement and place and achievement that stirred within him. He quickly prepared himself for the profession of law. His rise at the bar was rapid, continuous in its progress, and certain and conspicuous in its achievements. While still a very young man, he was one of the recognized leaders in a bar of exceptional ability. His success not only brought him prominence but also material reward. His imagination was fired with the echoes of political struggle, in which he was only too eager to take a part; and his pulse quickened as out of the mists of the years that stretched before him phantom arms seemed to beckon on to the public arena. He had not long to await his opportunity.

Courage is not a very rare thing; ability is not a very rare thing; superabundant energy is not a very rare thing; vision is not a very rare thing; a quick master mind is not a very rare thing; but it is very, very seldom that we find all these admirable qualities combined in one man as they were

in Senator Huey P. Long. He had unlimited courage, wonderful ability, great energy, and a far-reaching vision enrapt in a master mind, and for it the country will ever be grateful.

It was my good fortune to know Senator Long as Public Service Commissioner, as Governor, and as United States Senator. Owing to our strenuous lives in different parts of the country, we were not thrown together in his earlier political life so as to become bosom friends. But we were always on best of terms, although at times we differed on certain policies. When he came to Washington, we began to exchange ideas, and I learned to admire him for his many noble qualities.

From the very beginning of his political history until its close by death. Senator Long was constantly and conspicuously in the public eye, owing to his ambition, his aggressiveness, his unique personality, and his unparalleled popularity. He was often misjudged, frequently villified and abused by the press; but he towered above all criticism. He was the greatest champion of the masses of the people of our great State of Louisiana. He unshackled them from the old traditional, blue-blood, "ring" politics. He opened their eyes to material progress and development and new forms of legislation. He preached his doctrine of a new day in a better way to great crowds that he held spellbound from the beautiful hills and streams of north Louisiana to the Gulf-kist prairies and marshes of south Louisiana. Thus, with the consciousness of his power and of his predominating influence with the voters, who recognized in him an aggressive exponent of the principles in which they inherently believed, he was content to trust his political fate and fortune to their keeping. And they elected him and his coworkers by unprecedented majorities to the greatest offices of the State.

Although he had his own peculiar way of handling national issues, I soon discovered that he was thoroughly sincere in his convictions and that his every impulse was in sympathy with struggling humanity—the poor laborer, the farmer, the children—as boundless as the fathomless depth of space. He was passionately imbued in his advocacy of better charitable institutions, free schoolbooks, night schools for adults, free public education, including college work, better highways and bridges, mortgage moratorium, share the wealth by a more even distribution of wealth. He was not so much against the rich as he was hungry for means of making everyone happier, healthier, and wealthier—every man a king!

His ideas on national issues, whether we agreed with him or not, gave food for thought. They opened the eyes of many who had not seen the light. He contributed original ideas and ideals in the consideration of national problems that will influence national legislation long after we are gone and forgotten. He planted the seed in younger minds which will replace us in every important office of this land. Through the mediums of the mail, the press, the radio, and on the floor of the United States Senate, he marshaled his ideas and plans and ambition with his whole force and power and logic that made an impression, for or against, on every man, woman, and child of this country.

Senator Long had one quality which I often thought made his way more difficult for him. He was constantly seeking not the path of the least but that of the most resistance. Pertinacity, persistency, fidelity, and ceaseless activity were the qualities of our departed friend. He was by nature aggressive rather than defensive; communicative rather than receptive. His virtues were positive, not negative virtues. There was nothing passive about the man. His was a nervous, restless, active, inquiring, and doing mind, sometimes belligerent, always forceful; the kind of mind that always presses home the attack and scorns to feint or parry. And how he did love a good fight!

He was one of the most epideictic and panegyric orators of his time. He knew the Bible, and he unsparingly quoted from the Holy Scriptures as his base for almost every issue. He knew human nature and knew how to appeal to their inner feelings and desires. On the political hustlings he could arouse the enthusiasm of his audiences as no other

man. He would speak several times a day to crowds that would invariably overflow the largest halls in every parish of our State. The day or night was never too disagreeable, the journey never too long or difficult, and nothing caused him to weaken in presenting his cause, as he saw it, to his people. It was the continuous outpouring of himself, the giving of all that was in him, that contributed so largely to his unparalleled popularity with the voters of Louisiana.

Before he came to the United States Senate he was a national figure. Louisiana made more progress in 4 years than it had in 50 years previous, and Governor Long had been the unquestioned leader in guiding every step of progress. Very characteristic of him, as soon as he took his oath of office as United States Senator he began filling the Chamber and galleries every time he took the floor to thunder his ideas on national legislation. He was an indefatigable worker and surrounded himself with the best posted and most efficient personnel. He had voluminous data at his finger ends. He was a strong debater and participated in many hot verbal contests on the floor of the Senate. He was quick with these apropos bits of repartee so indispensable in a debater. He was neither timid nor half-hearted. There was no trouble to discover how he stood on any major issue. He was either wholly for a proposition or wholly against it, ever alert at his post, unwearying in labor, strong and frank in debate, seeking out and challenging every wrong.

Throughout the South and the Nation there was universal sorrow when he died. His national popularity had not been tested, but he was one of the best known statesmen and had a great following. He was in the full vigor of life. His achievements were merely in their infancy. A great future was ahead of him. Having made himself not only a national figure but an international figure, he would have been a great influence on our national destiny had he lived a few more

Sad to realize, Senator Lone's voice will never again be heard, but his influence, written in memory's halls, will be felt not only in this generation but for generations to come.

He was a good friend of mine. We often had our little chats in which he would reveal his plans with such vivid determination. I can see him in the last political battle of his career unfurling his battle flag to Louisiana's breezes. I can see him bright and clear of eye, robust in health, and exuberant in spirits. I can see him as he stood in the historic Chamber of the mightiest legislative body on earth, the United States Senate, battling with all the courage of an olden knight for the cause of the poor and oppressed. I can see him when he was the very embodiment of life, intensely human, a man with a host of devoted friends, with strong beliefs, with earnest convictions, with unfaltering purpose; and I can see him as he lay cold in death, a victim of an unfortunate circumstance, in the beautiful State capitol building which he erected, surrounded by his loved ones, mourned by his legions of devoted friends, lamented by his thousands of true supporters, with his earthly work donea remarkable man gone home to meet his God and to receive his reward.

His like we will never see again. His great spirit is at rest. He sleeps in the soil of his native State, snugged closely to her heart. Sweet be his sleep, glorious his awakening. With peace to his ashes and honor to his memory, permit me to conclude by quoting Theodore O'Hara:

Rest on, embalmed and sainted dead!

Dear as the blood ye gave!

No impious footsteps here shall tread

The herbage of your grave;

Nor shall your glory be forgot

While Fame her record keeps,

Or Honor points the hallowed spot

Where Valor proudly sleeps.

Yon marble minstrel's volceless stone
In deathless song shall tell,
When many a vanished year hath flown,
The story how ye fell.
Nor wreck, nor change, nor Winter's blight,
Nor Time's remorseless doom,
Can dim one ray of holy light
That gilds your glorious tomb.

Mr. LUNDEEN. Mr. Speaker, ladies and gentlemen of the House-

In the Valley of Decision,

Down the Road of Things-that-are,
You gave to us a vision,
You appointed us a star,
And through Cities of Derision
We followed you from far.

On the Hills beyond Tomorrow,
On the Road of Things-to-do,
With what strength of hand we borrow,
As we borrow soul from you,
We know not sloth nor sorrow,
And we build your vision true.

Senator Long battled forces unconquered by others and insurmountable to the average man, but he was a warrior bold, with unlimited courage and political genius. He held the State of Louisiana in the palm of his hand. He wrote its legislation; he built its hundred-million-dollar roads and its huge bridges; he lifted the State out of the mud; he breathed life and vigor into the university and built a capitol to the heavens; he furnished education to thousands of young men who never before even dreamed of school and college. The people of Louisiana, especially in the rural areas, fairly worshiped the ground he walked on. His enemies found much fault with him; they were bitter in their criticism; they cursed him; they damned him; they threatened to kill him; and finally they did assassinate him.

I cannot help believing the world is better because of Huey Long. He came out of an environment of suppression and poverty, from a land of meager opportunities. He burst through the chains that held him and forged ahead to national leadership. When he spoke the Senate galleries and halls were crowded. No other man now in the Senate could do that. The people who drifted into our offices always inquired, "Where is Huey Long?" "When can we see Long?" "When will Long speak?" This was so true that it became monotonous. He fascinated the young and he roused the old.

A storm that blows through a neighborhood does damage, and perhaps Long did some damage; but he cleared the way, and he swept the skies clear of the poisonous breath of old-time controlled Louisiana politics. He fought corporate dictatorship. He substituted his own strong control. This he proclaimed as liberty and liberation for the masses.

He aimed at national power. He thundered "Share the wealth" until the Money Trust shuddered in retreat. With poisoned fang Wall Street struck back. He incurred the most deadly hostile opposition, until groups of men met in secret and plotted his death. Strangely enough, on the floor of the Senate he predicted his own assassination. He knew he was a marked man, and that in all probability he would fall on the political battlefield of America.

For when the one Great Scorer comes
To write against your name,
He writes not that you won or lost—
But how you played the game.

Certainly the band of conspirators who were responsible for HUEY LONG'S death played a bloody game, and the chapter which tells of their evil deed reads like the dark pages of the Medieval Ages. I am glad to know that the Legislature of Louisiana recently passed a resolution to investigate the death of HUEY LONG, and I ask that the Congress of the United States pass a resolution of investigation. We are slow to act, it seems. Certainly we are not safe in our political liberties when assassins stalk through the land to strike men down because of their political views and opinions.

Out of the night that covers me,
Black as the pit from pole to pole,
I thank whatever gods may be
For my unconquerable soul.

In the fell clutch of circumstance,
I have not winced nor cried aloud;
Beneath the bludgeoning of chance
My head is bloody but unbowed.

It matters not how strait the gate,
How charged with punishments the scroll,
I am the master of my fate:
I am the captain of my soul.

HON. THOMAS D. SCHALL

Mr. ANDRESEN. Mr. Speaker, the sudden and tragic passing of Hon. Thomas D. Schall, a Senator from my home State of Minnesota, terminated the career of one of the most colorful figures in our national public life. His friends loved him for his sterling qualities, and his enemies feared him for his uncompromising and fighting spirit.

The handicap of blindness gave him a second sight, and with the aid of his loving wife he was able to muster facts and information far beyond the capacity of others.

TOM SCHALL, as he loved to be called by his friends, was one of the leading orators of his day. For many years he represented the Tenth Congressional District of Minnesota in this House. The people of Minnesota honored him by electing him as one of its Senators. The rank and file of our citizens had confidence in his ability and integrity and the humble loved him because he was one of them.

Senator Schall was a family man. He loved his home and dear ones. Though misfortune came to him and several members of his family, he was always cheerful and carried on his public fight as a crusader of old.

The public service rendered by Senator Schall will be written into the pages of the history of Minnesota and the Nation. His untiring efforts and accomplishments will be an inspiration to the youth of America. Blindness did not stop him from reaching his goal. Work and perseverance were rewarded by the people of Minnesota.

I had the privilege of serving in Congress with Senator SCHALL for nearly 10 years, and during these many years I always found him courteous, helpful, and sincere in his effort to properly represent the people of Minnesota in the United States Senate.

A higher power has taken away one of Minnesota's distinguished sons. May this Divine power continue to guide the destiny of our great country in the path of truth and justice.

Mr. KNUTSON. Mr. Speaker, the life and career of THOMAS D. SCHALL, late a Senator from Minnesota, should be an inspiration to every American youth. From early boyhood he was obliged to contend with obstacles that would have discouraged one with a less indomitable will to go forward. Everything that Tom Schall got out of life he had to fight for and in doing so formed a character that was unbending and unyielding. His education was attained by burning midnight oil. At the age of 29 he lost his eyesight. He was then a successful lawyer in Minneapolis.

Undaunted by this tragedy, he continued in his chosen field, and with the able assistance of a fine and loyal wife he in a large measure overcame this greatest of all physical handicaps. His ability to memorize what had been read to him was one of his outstanding gifts. His knowledge and grasp of pending legislation was a matter of constant surprise to his friends and coworkers; and this information he sometimes used with telling effect and in such a way as to discomfit his opponents. Tom Schall did not know the meaning of the word "fear." Indeed, fearlessness was one of his outstanding characteristics. Senator Schall was an orator of exceptional ability and as a campaigner had few equals in our part of the country. Certainly none excelled him. His departure was a severe loss to his party, especially at this particular time when there is such a tragic dearth of those who dare to speak their mind on current events and happenings. The loss is national rather than sectional, and in the coming contest he will be greatly missed.

May his soul know that peace that was denied it here on

Mr. MAAS. Mr. Speaker, the death of Thomas D. Schall, late Senator, State of Minnesota, has taken from the national arena one of its most colorful and forceful figures. Tom SCHALL, as he preferred to be called, was always on the firing line. He served for a number of terms in the House of Representatives and then the people of Minnesota promoted him to the United States Senate. In both Houses he was always energetic, active, and effective. To him, obsta-

cles were stepping stones, and though much tragedy visited his life, his indomitable spirit carried him on with unfailing cheerfulness. Although blind he saw much that many of us with our normal eyesight failed to see. He had one of the most remarkable memories of his time and one that often produced awe in those around him. He was blessed with a devoted and loving wife, who was in fact his eyes for him. She was constantly at his side, reading to him the written words which he committed to memory with great fidelity.

TOM SCHALL was always a crusader. His life and career were indeed colorful and can be the inspiration to the youth of America as an example of a man who fought his way from humble origin to the highest places. Though gone, Tom will not soon be forgotten.

Mr. PITTENGER. Mr. Speaker, I was present at the funeral of the Honorable Thomas D. Schall, Senator from Minnesota, on December 26, 1935. No finer tribute has ever been given to the memory of a public servant than the tribute paid the late Senator SCHALL by Rev. Charles Fox Davis, who delivered the funeral sermon.

The services were held in the beautiful Lakewood Chapel. Lakewood Cemetery, Minneapolis, Minn.

Reverend Davis, a life-long friend of the Senator, spoke as follows:

My friends, after having listened to the sweet songs of the soul which were sung, and after having repeated the words of the gentle Nazarene who lifted the veil of the future as none other ever has or will, and having offered our prayer to our Heavenly Father whose love broods over men at all times and everywhere, and having felt the soft appeal of the organ notes which sometimes moves the soul within us more profoundly than articulate words, it would be a simple thing for us to take a last look at the quiet face of our friend who lies so still beneath the national emblem—the American flag—and the flowers, and then watch loving hands carry his broken body to its earthly resting place beneath the snows of winter in the bosom of mother earth in this silent city of the dead. But, because it is the custom of the day, after our loved ones slip away from us, to pay gentle tribute to their memories, this we do in our friend's memory at this time.

"IF LIFE WERE ALL

"If life were all, Where were the recompense For all our tears? The troubled toil Of all the long drawn years, The struggle to survive, The passing show, Were scarce worth while If life were all.

"If life were all, What were it worth to live? To build in pain, So soon to learn Our building were but vain,
And then to pass to some vain nothingness,
Were scarce worth while,
If life were all.

"If life were all, How might we bear Our poor heart's grief, Our poor heart's grier,
Our partings frequent,
And our pleasures brief?
The cup pressed to the lips,
Then snatched away,
Were scarce worth looking on,
If life were all.

"Life is not all, We build eternally, And what is ours today To make existence such, Is ours always. We stand on solid ground
That lasts from aye to aye,
And makes earth's sojourn worth the while,
Life is not all, I say.

"Life is not all. I do not understand the plans; only know that God is good, And that his strength sustains. I only know that God is just; So in the starless, songless night, I lift my heart to Him and trust; And God my spirit witness gives, Life is not all."

-Anonumous.

Firmly we believe with the poet, as did our friend gone, that life is not all; that beyond that bank of shadows which men call death there is another life where we take up the higher, eternal tasks prepared for those who leave their earthly trestle boards upon which they have done so well with their earthly problems.

"Death is another Life. We bow our heads And, going out, we think, And enter straight Another golden chamber of the King's, Larger than this we leave, and lovelier." Anonymous.

The entire State of Minnesota, as well as the Nation, was shocked and saddened when it was flashed from Washington through radio, telegraph, and newspaper that Minnesota's junior through radio, telegraph, and newspaper that Minnesota's junior Senator, Thomas D. Schall, had been stricken down in an automobile accident; that the doctors in charge gave but slight hope of recovery, and each bulletin issued by them from the Senator's couch of pain was eagerly awaited, while prayers went up to God that his useful career to his State and the Nation might not be broken, for men and women of all political faiths joined in the prayer that his busy and useful life might be spared. For all leaders were in demand in the council chambers of the Nation, and not one could be spared until order was brought out of chaos, and a happy, contented America return once again.

It was last Sunday at noon that I sat listening to the radio, being stirred in my soul by the Christmas music with which the ether was charged and surcharged. Coming from the great choir of some cathedral was the Gloria in Excelsis, rendered with much feeling and beauty, when suddenly and abruptly the anthem stopped and a voice tremulous with emotion announced the sad fact that Senator Schall had passed; that suddenly the silver chord had been loosened, life's golden bowl broken, and that he had come to the end of life's trail and had crossed the Great Divide and had entered that nightless, painless, deathless land. That his soul

entered that nightless, painless, deathless land. That his soul had-

"Climbed the great world's altar stairs, Which slope through darkness up to God."

Which slope through darkness up to God."

My thoughts, made cheerful and meditative by the sweet music to which I had been listening, had been along the line of how Christmas was such a magician to humanity each year; how Father Time had turned Christmas into a beautiful golden drawbridge for the transit of the old year and the advent of a new one, thus relieving the old year of much of its regret and giving added courage to all to commence with faith and hope the new one approaching. I am used to the immediate and sudden in my work as a minister, but I tell you that the announcement coming in the midst of a beautiful anthem made me stop the music, arise, and enter into another room, making me deeply meditative. I began to try to reconcile the providence of Him of whom it is written, "He is too wise to err and too good to be unkind", with the tragic, swift death of our friend. I became perplexed in my trying to reason the problem out, for life at times seems so chaotic, purposeless, disconnected, and strange, as though the good Father above were not keeping house and we seem to be living in an orphaned world; that there is no kindly Providence arching our lives. Then there came into my memory the words of the poet:

"Leaves have their time to fall,

"Leaves have their time to fall, And flowers to wither at the north wind's breath, And stars to set—but all, Thou hast all seasons for thine own, O Death!"

Then quiet came to me, and another voice more beautiful than an earthly poet's whispered, "What I do now thou knowest not; but thou shalt know hereafter. Let not your heart be troubled, neither let it be afraid." After that I understood. To understand our

let it be afraid." After that I understood. To understand our friend's sudden home going called for faith, and that reason could not solve it—but "some day we'll understand."

Our friend was cut down in the morning of life's afternoon. Had he but have reached 80 golden summers, while there would have been sorrow at his going, we would have said that it was a warrior who had fought his fight, run his race, and, after having served his day and generation, had fallen upon sleep. For just as the farmer, when the summer sun has done its ripening work upon the fields, goes in and reaps the golden grain, even so does that reaper, Death, gather the aged from our firesides—love them as we may. However we may love the aged about us, when they leave us we feel that they have rounded out their lives and leave us for that country where the inhabitants never grow old and the gates of that city are never shut. of that city are never shut.

of that city are never shut.

Yes; taken away from us in the morning of life's afternoon. From the many physical activities and exercises he was taking daily; from his practice of walking, horseback riding, shooting, and other vigorous things he was doing to keep both body and mind alert; with his versatility of nature's gifts and those acquired, it is no wonder that we learned that his gifts were clicking as never before and that he was fully preparing himself for the impending political battle and congressional debate which were so close at hand, for he was always getting a good start, so as to be ready for the great and trying tasks which are plainly visible on the national horizon.

Further, within his active personality there were ideals he had never reached; programs he was planning to carry out, and loved ones to care and plan for. Tom Schall, with his fighting heart, had already scented the battle from afar, and never was better pre-

pared, so I have learned from his friends, to enter into discussion with his colleagues of various political faiths in Washington, to try to solve the great socio-politico-economic problems which are awaiting a solution at the hands of the American people, and must be solved, and that rightly, if America is to reach her ultimate destiny. He stood ready with pen, on platform, and in debate, to do his part at this most critical juncture of the Nation's life. Yet suddenly, "in the twinkling of an eye", the "last clear call came", and he has changed worlds

suddenly, "in the twinkling of an eye", the "last clear call came", and he has changed worlds.

There is a text in the Old Book which seemingly symbolizes his swift passing. It reads: "His sun is gone down while it is yet day." You have watched the sun in the early morning come through the gates of the east with a fiaming sunrise. Suddenly you have seen the whole earth illuminated with light, the golden beams of the rising sun shining through the interstices of the foliage, and within yourself you have said: "Today will be glorious with golden sun and blue sky above." But at noon, looking toward the south, no sun was to be seen. During the morning the drab, slaty clouds sprang up in the west and covered the blue dome and sun, and when you looked toward the west at eventide there was no sun sinking amid a sea of purple glory. Practically the sun went down while it was a sea of purple glory. Practically the sun went down while it was

sea of purple glory. Fractically the sun went down while it was yet day.

Senator Schall's eventful life was a sun, and from it radiated hope, courage, light, truth, justice, and a real patriot's love for his own America. He possessed qualities of heart and mind which make a man a man wherever you might meet him. There is no need, though I knew him closely for many years, of my summing up those qualities here this hour. Let me quote to you a few excerpts from others, selected from the newspapers of the land in which there were columns in his favor. Let me also add that these eulogies were written in the calm of editorial rooms, whose papers, many of them, were strongly partisan and not alined with the political party or faith of our friend gone. They were written by men who had worked side by side with him in the interests of the Nation for two decades and more, and they speak of intimacy with him. Here are a few of them:

"A man of character, ability, and brilliancy, self-made and well made. A graduate of the University of Minnesota and also a college of law, with degrees from both, with a postgraduate course in the school of hard knocks and adversity."

"A vigorous and striking personality in the political life of the Nation."

"He had a fighting heart and asked no quarter."

"He had a fighting heart and asked no quarter."

"Schall's work and influence in the council chambers of the Nation was of the highest order."

"He was a careful, painstaking, conscientious representative of the people. Had he two eyes he could not have been more efficient than he was."

efficient than he was."

"Tom Schall's struggle to State and National recognition is one of the most stirring stories of the State of Minnesota, or any State in the Union, for that matter."

"An outstanding example of ability and ambition transcending physical handicap that triumphed over affliction."

"He impressed his personality and opinions upon the Nation and also his colleagues. His forceful personality will be very much missed."

Further it was the late outstanding Theodor.

Further, it was the late outstanding Theodore Roosevelt who said of Senator Schall: "I believe in Tom Schall with all my heart."

I have been reading to you the exact words taken but yesterday from the press of this Nation, by outstanding men, some of whom were his political opponents throughout his career, which prove conclusively of his place, standing, and value as a man and statesman. May I not add the words of the Book of Books, "He being dead, yet speaketh."

dead, yet speaketh."

I knew our friend close-up for many years, in his home life, professional life, and with my visits with him at Washington when engrossed with national problems. Many years ago I was invited to attend an oratorical contest at the State university. Being interested as a young man in that phase of university life, I attended it with one of the professors of the institution. I did not know any of the contestants personally at the time. I listened in an impartial way to the different youthful orators, but there was one in that gathering that gripped me tremendously, by his voice, delivery, and subject matter. I had observed the fact that he was not as well dressed or groomed as the others, but I felt that nature had given to him in excess of the others on the program one of her unpurchasable gifts—the power of impartation. My friend with me predicted good things in the coming years for the young man, and I was of the same opinion. Further, I have on record what President Northrop and also what Dr. Richard Burton predicted concerning him, both of whose predictions came true.

predicted concerning him, both of whose predictions came true. Yes; his power of speech, courage, force of character, rugged individualism gave him an individuality all his own.

My friends, our friend's struggle with poverty as a lad, his career from the first hour he came to Minnesota, commencing with the task of caring for horses and cattle on the hills and in the valleys of Ortenville, that town that is on the horier line heaven South task of caring for horses and cattle on the hills and in the valleys of Ortonville, that town that is on the border line between South Dakota and Minnesota—"out where the West begins"—on up through the years, through graded school, high school, the higher seats of learning, soon after graduating from the University of Minnesota and a college of law; having his natural eyes forever darkened through total blindness; still onward until he reached one of the few highest seats in the Nation's Capitol, is as courageous, as challenging, and inspiring a biography as I know anything about in the annals of American history. Thousands upon thousands who struggle for the honors which came to our friend, with every comfort and protection of parents, home life, affluence. with every comfort and protection of parents, home life, affluence,

and other struggle-saving means, fall in the attempt, but Tom Schall, overcoming almost insurmountable difficulties, arrived. It is a living illustration of the quatrain:

"The heights of great men, reached and kept Were not attained by sudden flight; But they, while their companions slept, Were toiling onward thru the night."

THE SOUL OF TOM SCHALL

I knew the soul of Tom Schall. Far on into the night in the quiet of his own home we have discussed such profundities as God, the great Teacher of the soul, the gentle Nazarene, immortality, religion, and other kindred things. Sometimes political and also national problems were the topic of conversation, but I never talked with him but that religion was injected into the conversation. Tom Schall lived in a large universe and gave the Creator plenty of room to work His sovereign will. I never heard him criticize a man's religion in all the years I knew him. He permitted his fellow citizens to worship God according to the dictates of their own conscience. I found him well versed in comparative religion, particularly the religions now extant. He knew both the modern and the conservative interpretation of the great beatitudes of the Christ; but the fundamentals, love to God and to one's neighbor, were the great principles which actuated his life. He always endeavored to "live by the side of the road and be a friend to man." Lastly, time and again he has told me, as friend to friend, that from a youth up through the years he had always been inspired with the thought that God had called him to do a special work, and that was the secret of his success. Others to whom he had whispered the secret of his own soul have always told me that this thought of God being with him, he had admitted, was the secret of his success. Let us not wonder, then, that he fought like a crusader and died with his armor on. But he has gone from us! Gone—did I say?

"No; I cannot and I will not say

That he is deed

"No; I cannot and I will not say That he is dead.

He is just away!

With a cheery smile and a wave of the hand,

He has entered into that unknown land, He has entered into that unknown land, And left us dreaming, how very fair it Needs must be, since he lingers there. And you, O you, who the wildest yearn, For the old-time step and the glad return; Think of him, passing on as fair in the love Of there, as the love of here. Think of him still as the same, I say. He is not dead. He's just away."

-Riley.

To his beloved family, whom he loved so fondly that no language spoken could fathom its depths of meanings, if your loved one could but speak to you audibly here and now, in the language of another, I am sure that this is what he would say:

"Let there be no funeral gloom, my dears, Now that I am gone. No black raiment or graveyard grimness. Think of me as having withdrawn into the dimness, Think of me as having withdrawn into the dimness, Yours still, and you mine.

Think and remember only the sweetest of our love together, And, forgetting the rest,
Where I wait, come thou gently on."

And now, in a very little while, after his own brethren of the Masonic fraternity have uttered their beautiful funeral ritual over their sacred dead, loving hands will take his silent form and bear it away to a sacred spot in this silent city where lie the wasted forms of so many of our kith and kin, and gently they will lay it down beneath the white drifted snow, forever out of human sight. Of that quiet moment and place, let me offer this prayer:

'Warm summer sun, shine brightly there,
Warm summer wind, blow gently there;
Green sward above, lie light, lie light,
Good night, my friend! Good night! Good night!"

Mr. BUCKLER of Minnesota. Mr. Speaker, it is my privilege to speak in memory of the late Senator of my State of Minnesota, Senator Thomas David Schall. Senator Schall, having been born in Michigan, was not a native of Minnesota. but much of what he came to be was a product of that State and a symbol of a rugged period in its history.

Life to Senator Schall was a fight. He fought deprivation and obstacles as a boy. He fought for and won the opportunity of an education. He stuck to his course when others around him were dropping out for the then greater attractions of that young man's country, and at the age of 27 was admitted to practice law before the courts of his State. And later, at the age of 30, with all of the major obstacles safely hurdled-or so he thought-he suddenly confronted an even greater hurdle-blindness. Then began his greatest fight, a fight that led him to the highest political gift to be had in the State; a fight that continued unceasingly through a stormy political career and that did not end until life itself had ended.

Senator SCHALL, during those early years of struggle, had seen sights and dreamed dreams that were to his liking. This vision he continued to see. It was a vision of a golden age of opportunity. Minnesota was growing up and was enjoying the advantages of realistic maturity with the still keen enthusiasm of youth. Truly was it a golden age-golden grain moving in mile-long trainload after mile-long trainload into his Mill City of Minneapolis, millions of tubs of golden butter rolling through to the far centers of civilization, and in return for all of this a golden stream of financial aid for the building of a western empire. What matter that much of this was due to be changed? Senator Schall had seen it; he foresaw it as returning in the good old way; he continued to keep and to nurse and to fight for his vision.

It was not easy for Senator Schall to accept the changes of this changing age. In fact, acceptance of some of them was to him impossible. But to disapprove was not to be disinterested. Few men on either side of the Congress ever took keener interest in the proceedings, and no Member was ever more alert to the individual requests of his constituents. He fought for his friends and against those who opposed him. He fought with utmost courage and with utter disregard for the consequences of the bitterness of his attack.

Senator SCHALL has passed on, and with him has gone much that was symbolic of a picturesque period in the political progress of his State.

Minnesota and the Nation have lost a colorful and vigorous

Mr. LUNDEEN. Mr. Speaker, ladies and gentlemen of the House, Thomas David Schall, a Representative and Senator from Minnesota, was born in Reed City, Osceola County, Mich., June 4, 1878; moved with his mother to Campbell, Minn., in 1884; attended the common schools of Wheaton, Ortonville High School, and Hamline University, St. Paul; was graduated from the University of Minnesota at Minneapolis in 1902 and from the St. Paul College of Law in 1904; was admitted to the bar in 1904 and commenced practice in Minneapolis. He lost his sight in 1907, but continued the practice of his profession. He was elected as a Republican to the Sixty-fourth and to the succeeding four Congresses, March 4, 1915, to March 4, 1925. He was not a candidate for renomination, having become a candidate for election to the United States Senate. He was elected as a Republican to the United States Senate in 1924 and 1930 for two terms, commencing March 4, 1925, and ending January 3, 1937.

This is an impressive list of political victories won by a man who began as a youth without wealth or position. The road was not always easy. He met defeat in the primaries in 1910, when he ran as a Republican for the legislature, and was defeated for Congress in the Fifth District when he ran as a Progressive in 1912. He also met defeat in the primary of the special election for United States Senate in 1923. These defeats did not stop him. He filed again for the United States Senate in the regular election in 1924. This time he won the Republican nomination by a close vote and won the election by another close vote in the fall.

I first remember Tom Schall as a student at Hamline University. I was then at Carleton College, Northfield, Minn. The first time I ever saw him was when he stepped on the platform of the Congregational Church at Northfield in the State oratorical contest in 1897. Tom was then a freshman at Hamline University, and he won the State oratorical contest hands down, a feat which to my knowledge has never been duplicated by any other student in the State of Minnesota. Most winners are glad to make that high position in oratory as juniors or seniors.

He later won great renown in debate and oratory at the University of Minnesota, where he won the Pillsbury prize and competed in the Northern Oratorical League contests. This gift of speech served him well during his political campaigns. Generally he battled against the forces in power. Through campaign speeches and meeting the people in every town and crossroad, once elected he proved invincible in Minnesota.

Let it be said for SCHALL that he usually had the opposition of the great press of the State. Very few papers supported him. He announced his creed, "the Thomas Schall creed", and based his campaign upon this program. His campaigns were always hard fought; his enemies struck at him viciously, and he quadrupled the blows in return.

Not Heaven itself upon the past has power, But what has been, has been, and I have had my hour.

A sight that will long linger in the minds of Minnesotans is of a street corner near the center of some village with Tom Schall talking from the back of an automobile or out in the country talking from some picnic platform. There he was thoroughly at home and delivered long political speeches which dealt with the situation from the Schall viewpoint.

I did not belong to his political party. I often differed with his views on some very important questions, but I must say for Schall that he was never afraid of any man, anywhere, at any time. He fought for his rights, according to the political education of the group with which he associated. He inspired sincere loyalty on the part of his closest followers, who were generally poor and without means of political contribution. This is especially true of the primary campaigns. In the fall election, with a few notable exceptions, he had the support of the regular Republican organization.

A man who served more than 20 years in the American Congress—10 in the House of Representatives and more than 10 in the Senate—leaves his mark upon the history of his time. Serving upon important committees, and occasionally blazing forth in strong and vivid language, he captured the imagination of his State. He was a commanding figure and became the center of every group into which he entered. His untimely death, in the very prime of life, when he was girding himself for a new battle, leaves the State of Minnesota stunned with the sorrow that one of its leaders has passed on.

Envy and calumny and hate and pain, And that unrest which men miscall delight, Can touch him not and torture not again.

A large group of friends and fellow citizens of Tom Schall attended services at Lakewood, December 26, 1935. It was a bitterly cold day. The large chapel was too small for those who wished to attend and many waited in the cold outside. The Reverend Charles Fox Davis delivered the address, one of the most touching and eloquent I have ever heard, and I ask you to read his remarks as reprinted in the permanent Record of Congress, by Congressman William A. Pittenger, on April 21, 1936.

It may be claimed for and said of him;
He was a large figure in the life of the Nation;
He occupied commanding positions in the Congress;
He left a deep and lasting impress on his day and generation.

Tom Schall selected his ladder and he climbed to the very top.

HON. CAP R. CARDEN

Mr. SPENCE. Mr. Speaker, in the death of Hon. CAP R. CARDEN the Nation has lost an honest, faithful, and capable public servant; his family a loving and devoted husband and father; and his colleagues a loyal, companionable friend.

Mr. Carden was born in Hart County, Ky., on December 17, 1866, the son of William P. and Frances M. Carden. He began the practice of law at Munfordville, in Hart County, Ky., in 1895. He served a term as sheriff and a term as county attorney of his county, and also served as master commissioner of the circuit court of Hart County for many years. He organized the Munfordville Bridge Co., which constructed a bridge over the Green River at that place. The bridge has since been taken over by the State of Kentucky and is now part of a national highway. He was an active promoter of the Mammoth Cave National Park and took great interest in that project. He was elected to the Seventy-second Congress from the Fourth District, to the Seventy-third Congress from the State at large, and to the Seventy-fourth Congress again from the Fourth District.

Throughout his congressional career he served upon the Committee on Agriculture. His district was almost entirely an agricultural district and he was deeply interested in the subject which meant so much for the happiness and prosperity of his people. He knew from experience the hardships and the ceaseless toil of the farmer. His constant desire was to help him to make his lot more pleasant.

During the first session of the Seventy-fourth Congress Mr. Carden was taken ill while in Washington. He was removed to his home in Kentucky, where he departed this life on June 13, 1935.

The fine qualities of Mr. Carden's mind and heart were recognized by the many friends he made among his colleagues. Cap Carden was a plain man of the people. He knew their hopes and their aspirations. He thought as they did. His love for his people and his home was not vocal but was deep-seated and constant. While he had a sincere and enthusiastic desire to serve his people, and the consciousness of the service he was rendering them gave him a deep sense of satisfaction and pleasure, the glamour of Congress appealed to him very little, for his heart was always in the hills of Kentucky among the people he loved and who loved him.

CAP CARDEN was a sincere and genuine man. Hypocrisy and false pretense had no place in his character. He was a keen and farseeing businessman, as his success in the little town which was his home during his entire life of almost threescore years and ten well attests. To his intimate acquaintances CAP CARDEN never appeared as one who had almost lived his allotted span or who had arrived at the place in life where the shadows are cast to the eastward. His cheery disposition, his enjoyment of life, his kindliness made one regard him as still among the young.

It was my good fortune to take a trip to Hawaii with Mr. Carden a few years ago. While he never intruded or forced himself on others or apparently sought new acquaintances, it was not long before many of his fellow voyagers were calling him by his given name, and his companionship and presence were always sought in the jolly parties on the boat.

He had a deep-seated and abiding love for his home and his family, and his ambition was to enjoy his declining years in the quiet of his country home among his family and friends. He had announced he would not again be a candidate for Congress. His service here will be missed; others may take his place, the work he performed will go on, but the void this kindly, gentle, faithful man left in the hearts of those who knew him cannot be filled.

CAP CARDEN exemplified by his life the soundness of the philosophy that before you can receive you must give; that you can only get out of life what you put into it. Mr. Carden gave to the country his self-sacrificing service and his absolute loyalty; to his family, his unbounded devotion; and to his friends, his sincere friendship; and he received from his family and friends what he gave. The qualities of loyalty, friendship, and kindliness which he possessed can never die. CAP CARDEN made the world happier and better for having been here. I am sure that somewhere over yonder where the ties of friendship are never broken we shall meet him again.

The works of divine Providence are hard to fathom. God moves in a mysterious way his wonders to perform. Why Cap Carden should have been stricken while in robust health and taken from his field of usefulness, his devoted family, and his many friends when he apparently had many years of useful, happy life before him, we do not know, but we must bow in submission to the Divine will.

The moving finger writes; and, having writ, Moves on: nor all your piety nor wit Shall lure it back to cancel half a line, Nor all your tears wash out a word of it.

It may truthfully be said of Mr. CARDEN-

His life was gentle, and the elements So mix'd in him that Nature might stand up, And say to all the world "This was a man!"

Mr. MAY. Mr. Speaker, I rise for the purpose of paying | appropriate tribute to the life and character of my late colleague, a Representative from the State of Kentucky, the Honorable Cap R. Carden, with whom I have had the honor to serve in this august body. He, with others of our colleagues, has answered the final call of the roll and has shuffled off the mortal coil and laid down to pleasant dreams. To know him was to love and respect him. He was born and grew up on a farm and at an early period in his young manhood showed such aptitude in the study of his chosen profession of the law that he was early admitted to practice in the courts of his native State.

By habits of diligence, industry, and close application to the study of his profession he soon became a leader of the bar of his State, and as such accumulated a comfortable estate, which by shrewd methods of investment and habits of thrift and frugality at the time of his untimely death amounted to a confortable fortune. He was not only a successful lawyer and businessman of ability, but was likewise a profound student of the science of government and a faithful and fearless defender of the faith of the founders of the Republic. He was steadfast and unfailing in his loyalty and devotion to principle. Politically he was a Democrat, but never a partisan and ever a friend to all. From the early spring of youth through the ripening years of mature manhood he struggled and toiled for the things in which he believed and yet never rejoiced in the fall of even the most bitter antagonist. He was a man of deep and abiding conviction, of undaunted courage, and had uniform respect for the rights of others. He was a friend to man and loved to respect and recognize the liberty of the individual citizen. To disagree with his colleagues in their views upon public questions, which he often did, never carried in his heart and mind any lack of regard or respect for the views of others.

I believe it was Voltaire who, upon a historic occasion, once said of an opponent, "I wholly disapprove of what you say, but will defend to the death your right to say it", and to me, that, in a few words, symbolizes the whole career of the late CAP R. CARDEN, when dealing with those who opposed him in debate anywhere, everywhere, and all the time. He first came to this House in 1930, when dark clouds of depression hung heavily over the land, and yet he never, in all the dark days and distressing months and years that followed, lost faith in the virtue and ultimate triumph of his country. The years of his service here were times that demanded leadership of brave men, and he was at all times equal to the occasion and always measured up to the full stature of noble manhood. He was an optimist whose vision enabled him to see through the darkest clouds and behold the sunshine beyond. Finally, destiny decreed that he should pass, and wrapping the drapery of his couch around him, he laid down to pleasant dreams.

Mr. CREAL. Mr. Speaker, on the 13th day of June, 1935, death took from this House Cap R. Carden, who was serving his fifth year in Congress from the Fourth District of Kentucky, the district of Abraham Lincoln and Gen. Simon Bolivar Buckner. I had known him since I was a boy.

His life was one of broad and varied experience. A lawyer, banker, farmer, and public official—he was successful in all. He was retiring, modest, and never sought publicity or display of his talents; but he was a sound thinker, a safe, conservative businessman, and a man with the kind of well-balanced judgment which made him a valuable member of this body.

He voted at all times in accordance with his judgment and never catered to fads or wild schemes often proposed in this body. He was democratic in the extreme and met all men on terms of equality.

He had purchased the beautiful old homestead and farm of the former Governor of Kentucky and Confederate General, Simon Bolivar Buckner, a short distance away from the town of Munfordville, near the beautiful Green River, with its quiet, picturesque hills, such as abound only in Kentucky. He often expressed himself as intending to retire in that ideal retreat where nature smiles benevolently and broadly on the Glen Lily Farm in the Green River Valley.

So long a familiar figure in the business life of his community and at the courthouse in his home town, it is difficult to imagine that there has departed from their midst this substantial, quiet, able, genial, typical Kentuckian, CAP R.

HON. CHARLES VILAS TRUAX

Mr. ASHBROOK. Mr. Speaker, ladies and gentlemen of the House, we are gathered here today in this historic Chamber to pay brief tribute to the memory of our colleagues who have fallen by the way during the past year. This is indeed a beautiful custom which I trust will never be abandoned. When I first came to Congress 30 years ago these memorial services were held at frequent intervals on the Sabbath day. Just why and when that custom was changed I do not know, but it occurs to me that there was more solemnity, more sacredness, more heart and feeling in the service in the old days in the old way, but possibly since I am no longer young it is not easy for me to tune myself to present-day ways and customs. I am happy, however, to be living in this modernistic age even though my love for the little red schoolhouse and the horse-and-buggy days will never quite disappear or be supplanted.

To serve as a Member of Congress is an honor and distinction which relatively few are permitted to enjoy. Those of us who are thus honored owe it to ourselves, to our constituents, and to our great Nation not only to live circumspectly but to discharge our duties honestly, faithfully, and intelligently; supporting the Constitution upon which our great Government rests to the best of our ability and understanding so that when on an occasion like the one which brings us together this afternoon-and it will come to allfinal tribute may be truthfully and henestly paid to our memory, which will bring pride to the hearts of our friends and loved ones. An untarnished escutcheon, a well-spent and useful life, and an honorable name are the best heritage we can leave to our loved ones and friends who have so signally honored us.

And may I here pay what I consider a deserving and honest tribute not only to the ones whose memories are freshest in our minds today but to all who have served or now serve in both House and Senate during the past 30 years, which includes the period of my acquaintance and service in Congress. During the span of three decades I have known possibly 2,000 Members who have come and gone; many men of many minds, but all actuated, I am sure, by high and patriotic purpose. I have not known all intimately and well, but sufficiently so that I feel warranted in making this broad, blanket statement, that nowhere can a higher type of citizenship be found in this or any other Nation than the chosen Representatives of the people who have here served and yet serve here.

I will grant, regrettably, a few instances have been manifest where the weakness of the flesh and possibly the intellect predominated. But easily 99 percent of that large number reflected only honor and credit upon themselves and their constituencies. And so my colleagues I repeat that it is an honor and distinction to serve as a representative of the 130,000,000 people of our great Nation. And may I here say that I sincerely believe nothing that I may pass on to those nearest and dearest to me will equal the knowledge that I was a humble Representative of the American people for many years, and that I strived as best I knew to honestly and faithfully discharge my duties here.

Mr. Speaker, I had some acquaintance with the two Senators and the five Representatives in whose honor we are assembled. They were all human, but I am sure had honest intent to discharge their duties as best they could with the light given them. I wish, however, to briefly pay especial tribute to my colleague, the Hon. CHARLES V. TRUAX, Representative at Large, from my State, Ohio. I had known him and of him casually for several years, but not until the campaign of 2 years ago, when our contacts were frequent, did there after his term expired and spend his remaining days I my acquaintance become intimate and personal, which with

and good will.

Congressman Truax served as director of agriculture of Ohio for 6 years, during the three terms of Gov. Vic Dona-HEY. He was active and prominent in all farm organizations. He was a friend and champion of the farmer and agricultural interests, as well as of the soldier and the common people, whom God must have loved best else he would not have made so many of them. He was nominated for United States Senator in 1928, and while he received more than 300,000 more votes than the head of the State ticket he was defeated in the Hoover landslide. He was nominated for Congressman at Large in 1932, defeating a field of 11 candidates, and elected to the Seventy-third Congress. He was reelected to the present Congress in 1934, and doubtless had he more carefully conserved his health and physical resources-the failure of which brought the untimely close of his brilliant career-he would have continued here indefinitely without much doubt as the exponent and defender of equal justice and the rights of all the people.

We have all seen his striking and stalwart figure on many occasions pace back and forth in this Well like an infuriated animal at bay, denouncing in loud stentorian tones the things he believed vicious and bad. No more outspoken and courageous Representative ever served here than Charles V. TRUAX. He was a valiant warrior for the rights of the common people as he saw them, and an unconquered and unsubdued foe of corporate and corrupt interests. Ofttimes, perhaps, you could not agree, but I know you gave him credit for honesty and sincerity. He was an advocate to be courted, a foe to fear, but when the storm passed, the battle fought, he was as gentle, as kind, and as gracious as a sweet and lovely woman. No one doubted his courage, his honesty, his sincerity. He was gifted by nature as an orator. His fluent tongue, his strong, resounding voice, his fertile brain, each is stilled; but the memory of his many fine traits of character, his battle for the rights of the people, and his achievements will not soon be forgotten by those who knew and admired him. After life's fitful fever I am sure Charles V. TRUAX sleeps well.

Mr. FLETCHER. Mr. Speaker, on this memorial-day occasion I desire to pay tribute to Hon. CHARLES V. TRUAX, late Representative at Large from my State of Ohio. He was my distinguished colleague, neighbor, and friend.

Mr. TRUAX was a resident of Wyandot County in the congressional district which I have the honor to represent. We were closely associated in Congress. In many respects our interests in legislation paralleled through the years we served in this body.

CHARLES V. TRUAX championed the cause of the common people. In this he was earnest, sincere, and courageous.

He was one of the most picturesque and striking figures in the House of Representatives, where he often gave expression to his pride in being a son of the soil and a true dirt farmer.

Few men knew the needs of the farmers of our State as did Mr. Truax and few worked so earnestly and determinedly in sponsoring their welfare. Born and reared on an Ohio farm near Sycamore and educated in the rural schools, Mr. TRUAX rose to his place of distinction in State and National politics through ability and hard work.

He served our State as director of agriculture for a period of 7 years, beginning in 1923; chairman of his county committee; delegate to the national convention in 1924; nominated for United States Senator in 1928; and twice elected Congressman at Large from Ohio.

Mr. TRUAX always truly represented the masses of the people as director of agriculture in the State of Ohio and as a Member of Congress.

He is credited with being one of the best State-fair managers Ohio has ever known. One of his greatest achievements as director of agriculture was his successful management of big Ohio State fairs for a period of 6 years.

It was my privilege to know him for many years. I am

service in this body with him ripened into friendship, respect, | of the underprivileged, in whose behalf he gave unstintingly of his time, energy, and ability.

He was an indefatigable worker both in and out of Congress. His courageous service in the House and his honesty and sincerity of purpose are well and favorably known.

Citizens of Ohio have suffered the loss of one of their most useful legislators. The passing of my colleague takes from the State of Ohio and the Nation one of its outstanding political leaders and most distinguished citizens. His record of public service and his efforts to serve humanity, according to his understanding and convictions, will ever serve as an inspiration for those who follow.

CHARLES V. TRUAX was one of the most useful Members of the United States Congress. It is a tragedy that a man so young, so brilliant, and so much needed in the Halls of Congress should be taken away at the height of his usefulness and power.

Mr. LUNDEEN. Mr. Speaker, one of the finest and most progressive Congressmen I have ever known was Charles V. TRUAX, of Bucyrus, Ohio. Whenever the people needed a champion on the floor of the House of Representatives his voice came ringing through the Halls of Congress. He invariably voted with the people on issues between human rights and property rights.

The day Congressman Truax passed from this life we had a meeting of the Labor Committee in room 429 of the Old House Office Building. When we left the committee room TRUAX and I walked down the fourth floor lobby, took the elevator down to the street floor, walked across the street, and into the New House Office Building, to our office room, 1022. He stepped into our office, greeted the people there, looked out upon the courtyard and fountain, exchanged some friendly remarks, and left our office and the building forever. Within a few hours from that moment he went to meet his Maker.

I remember distinctly the debate on social-security legislation when the Lundeen bill (H. R. 2827) was before the House after being reported favorably by the Committee on Labor. The able chairman of that committee, the Honorable WIL-LIAM P. CONNERY, had just spoken in favor of the bill, and others had championed social-security legislation along these lines, when up rose CHARLIE TRUAX, thundering:

There is only one thing that I see wrong with this bill. The gentleman from Minnesota in his bill proposes to tax inheritances, gifts, and all annual incomes of individuals and corporations in excess of \$5,000 per year. This provision of the bill, in my judgment, does not go far enough. We ought to tap right now, once and for all time, every fortune in this country of ours of \$1,000,000

And so it was, in battle after battle, whether it was the soldiers' bonus, the Frazier-Lemke bill, or farmers' or labor legislation, Charles Truax was always to the front fighting for the people, girded in the armor of righteousness, and a host in himself in every battle. I have never known a man since the days of James R. Mann, minority leader of the House during the war days, who had intimate knowledge of so many individual bills. He was an incessant worker. Long hours, insufficient exercise, and intensive application to congressional duties contributed to his death. He literally died for the people of Ohio and America in the battle for human rights against property rights.

CHARLES V. TRUAX was born on a farm and educated in country and public schools. He was a farmer, specializing in purebred Duroc Jersey hogs. He sold hogs to breeders in every State in the Union, in Canada, South America, Australia, and Japan. He was editor of the Swine World, published in Chicago, 1916 to 1921. He visited all hog-raising States as field representative and auctioneer.

He was coorganizer of the first National Swine Show at Omaha, Nebr., in 1917. He was director of agriculture for the State of Ohio 1923 to 1929. He was a delegate and the personal representative of the Governor of Ohio to the National Wheat Conference in Chicago in 1923 and to the National Agricultural Conference in Des Moines, Iowa, in 1926. familiar with the outstanding record he made for the cause | He was coorganizer with George N. Peek and vice chairman

of the Committee of Twenty-two which sponsored the Mc-Nary-Haugen bills of 1926 and 1927.

He was chairman of the Democratic executive and central committees of Wyandot County 1920 to 1924. He was elected member and vice chairman of the Democratic State central committee in 1922, and was a delegate and secretary of the Ohio delegation to the Democratic national convention in New York in 1924. He acted as reading clerk in that convention. He called the roll on the one hundred and third ballot that nominated John W. Davis for President.

In the Democratic primaries of 1928 Truax was nominated for United States Senator, defeating a field of four opponents, including Gov. George White. He received 300,000 more votes than the head of the ticket in the general election. He was defeated by Dr. Simeon D. Fess, Republican, in the fall of

In 1932 he was nominated for Congressman at Large, receiving the highest vote in a field of 11 candidates. He was elected at large to the Seventy-third and Seventy-fourth

CHARLES TRUAX was a member of the Knights Templar Consistory, the Shriners, Elks, and the Farmers' National Union. He was married and had three children-Dorothea, John, and Charles, Jr.

Those who are left to mourn him, the members of his family, his children, and friends, have every right to be proud of the memory of Charlie Truax, fighting Congressman from the great State of Ohio. Congressman Truax was elected at large in 1932 by 1,206,631 votes, having a majority of 98,070 over his nearest opponent. He was reelected in 1934. I cite these figures to show that his position was overwhelmingly approved by the great State of Ohio, which he so ably represented on the floor of Congress. He was a warrior for the right. Like Saul of old, he could hang his shield upon the wall and truly say, "I have fought a good fight; I have kept the faith." The last words he spoke on the floor of the House of Representatives, August 9, 1935, were a plea for the farmer of Ohio and America:

Does not the gentleman believe that it does not make any difference how high the price of hogs or how high the price of cattle, when a particular farmer loses his farm he is out for the balance of his life? There are a half million going to lose their farms because of the failure of this Congress to enact the Frazier-Lemke law. (Congressional Record, p. 12819, Aug. 9, 1935.)

He was a man of the soil, born on a farm, and loyal to that great element of American population—the American farmer and the American farm family. Always he had the best interests of the Ohio and American farmer in mind.

Sometimes when TRUAX spoke the House roared its disapproval. His were minority views. He spoke his mind unafraid, braving the ridicule that often fell upon his head. Those who disagreed with his political views pay high tribute to his zealous battle for justice as he saw it. In my mind he was always on the right side, whether or not to be right was easy or popular at the time. To the last he was undaunted by jeers and jest of friend or foe.

Once to every man and nation comes the moment to decide, In the strife of truth, with falsehood, for the good or evil side: Some great cause, God's new Messiah, offering each the bloom or blight, Parts the goats upon the left hand, and the sheep upon the right,

And the choice goes by forever 'twixt that darkness and that light.

Then to side with truth is noble when we share her wretched crust, Ere her cause bring fame and profit, and 't is prosperous to be just; Then it is the brave man chooses, while the coward stands aside, Doubting in his abject spirit, till his Lord is crucified. And the multitude make virtue of the faith they had denied. Count me o'er earth's chosen heroes—they were souls that stood

While the men they agonized for hurled the contumelious stone, Stood serene, and down the future saw the golden beam incline To the side of perfect justice, mastered by their faith divine, By one man's plain truth to manhood and to God's supreme design.

For humanity sweeps onward: where today the martyr stands, On the morrow crouches Judas with the silver in his hands; Far in front the cross stands ready and the crackling fagots burn, While the hooting mob of yesterday in silent awe return To glean up the scattered ashes into history's golden urn.

HON, HENRY M. KIMBALL

Mr. MICHENER. Mr. Speaker, I arise on this occasion to pay my tribute of love, honor, and respect to the life, character, and memory of our late colleague HENRY M. KIMBALL.

My acquaintance with Mr. KIMBALL was coextensive with his entering this body. When he came to Washington in the beginning of the Seventy-fourth Congress we lived at the same hotel; and our contacts, therefore, were more intimate than the professional contacts necessitated by our congressional work.

Mr. Kimball was a retiring man, modest to a degree, but behind this apparent reticence there was a most friendly personality. He was in no sense a showman. He was genuine and real in every way. He abhorred the superficial, and judged people for their true worth and not for what they feigned to be.

He was mindful of the responsibilities which membership in this body carries with it. His service was of too short a duration to make it possible for all of us to measure his true value as a legislator. He took his duties in this body seriously. He was a tireless worker, and familiarized himself with each piece of legislation coming before the Congress. His votes were always based upon logic, common sense, and an understanding of what he was doing. While his chief concern was for the common people, as we are want to call them in these days, yet he had little tolerance for those who would agitate class hatred. He believed in the honesty, sincerity, and patriotism of all of our people, and proof alone was necessary before he would condemn.

He often told me, that in his view, a new Member of Congress could best serve his people by doing all things well and by his conduct meriting the confidence and respect of his colleagues. Those who have been in this body for any length of time will well understand that this course of conduct would have made him a power in the days that were to come.

To know HENRY M. KIMBALL was to respect him. He was well prepared for public service; a Christian gentleman with a fine education, a splendid lawyer, with a realization of the obligations of a member of the bar to the public and especially to our Government. Careful reading of good literature made him an entertaining and an interesting conversationalist. He stood well with his fellow men, and in his passing we lose a true friend, a distinguished colleague, and his place will be hard to fill. The memory of this splendid man will linger with us long.

Mr. SADOWSKI. Mr. Speaker, last fall we were all shocked to hear of the sudden and untimely passing of one of our colleagues, the Honorable Henry M. Kimball, of Kalamazoo, Mich. I take this opportunity to pay tribute to his memory.

Although his death came much too soon, Mr. KIMBALL enjoyed a full and active life. He possessed in his fine character and good sense of humor, those qualities which go to make friends everywhere.

A graduate of the University of Michigan, Mr. KIMBALL was actively engaged in the practice of law for 27 years, 17 of these years having been spent in active practice in Kalamazoo. When he was elected to the Seventy-fourth Congress it was the first time he had ever held a public office. However, he was well known and highly regarded in his home city and district, and the people never hesitated to place their trust in him.

Although I had the pleasure of serving with Mr. Kimball but one session of the Congress, I had come to know and respect him as a man of high principles and ideals, one who always followed what he considered to be the path of truth and wisdom. He served his State and his district loyally and with distinction. When the welfare of his people was at stake, partisanship was unknown to him. His primary purpose was to serve his country and his people.

Mr. Kimball, in the short time he served, had won for himself a place of distinction with his colleagues. State of Michigan has lost a splendid citizen and the Nation an able counselor and legislator.

Mr. McLEOD. Mr. Speaker, I wish to pay tribute to the memory of my late colleague and fellow member from Michigan the Honorable HENRY M. KIMBALL. His untimely death at the beginning of his service to the public is deplorable.

HENRY M. KIMBALL was born at Orland, Ind., on August 27, 1878. He received his education at Orland, Ind., High School, Hillsdale College, and the University of Michigan Literary and Law Departments. He practiced law for 27 years, the last 17 of which were spent in Kalamazoo, Mich.

I had no personal acquaintance with Mr. KIMBALL until he came to Washington as the Representative of the Third District of Michigan, and am therefore unable to speak of his early life or his accomplishments in business. However, his reputation as an able and capable lawyer extended throughout the State of Michigan.

My association with Mr. KIMBALL here in Congress, although all too brief, was long enough to develop a strong and affectionate friendship for him. He was a man of char-

acter, integrity, and ability and he inspired confidence and esteem. I was always deeply impressed by his exceptional devotion to duty and his apparent independence of thought and action. While a loyal partisan member of his party, he followed its leadership only when it was his conviction that to so do was the right and just thing for the best interests of

his district, his State, and his country.

Mr. MAIN. Mr. Speaker, a few years ago the Honorable R. A. Nestos, then Governor of the State of North Dakota, was a guest at the Battle Creek Sanitarium. A splendid speaker, generous with his time and talent, he addressed a number of Battle Creek audiences. On one occasion he told a story which has remained embedded in my memory.

Norway, the native home of ex-Governor Nestos, is a land of rugged hills and valleys. The story is that of a young Norwegian who was minded to go out into the mountains to hunt for wild game. As he proceeded into the recesses of the mountains along one of the many valleys, a heavy mist enshrouded him, but he went forward. Presently, confused by the fog and deprived of his normal sense of proportion, he thought he discovered the outlines of a wild beast coming toward him down the mountain side. He raised his gun and was about to fire at this strange figure when the mist suddenly lifted and the young Norwegian discovered that the object which he had taken for a beast of the mountains was, in fact, the figure of one of his brothers carrying on his back another brother who had met with an accident on the hillside.

Prior to the advent of Mr. KIMBALL into the realm of national politics I had known him only as one attorney knows another in a neighboring county seat. We had enjoyed some professional contacts, but I had not had the opportunity of forming a real estimate of the worth and temper of the late Congressman. My viewpoint was obscured in the fog of legal precedent and the formality of the court-

In the primary campaign preceding the nomination of Mr. KIMBALL for the office of Representative of the Third Congressional District I was affiliated with the campaign of his leading opponent. I am glad to say that in the usual smoke screen of political maneuvering I did not aim any barrage of unkind language or personal criticism at Mr. KIMBALL. After his nomination and the smoke of the primary contest had cleared away, I was surprised and delighted to discover that Mr. Kimball was in a very real sense a brother of mine, a member of the same national fraternity and of the same chapter of Delta Tau Delta. He had preceded me some years in attendance at Hillsdale College, and prior to his nomination I had not learned of our mutual fraternal relations. This discovery naturally served to deepen the esteem and regard in which I held the late Congressman from the Third District of Michigan.

He was a genial gentleman, with mind and temperament well adapted to intellectual refinements and legal distinctions. He was an ardent and able advocate in defense of our Federal Constitution. To know Mr. KIMBALL was to admire him, and to associate with him, even though on the

opposite side of a lawsuit, was to respect him. The Third Congressional District lost an able Representative in the passing of Mr. Kimball. The Nation has lost an unselfish public servant. Mrs. Kimball has lost a most estimable, husband. The daughter has lost a splendid father. His many friends have lost a genial comrade. It will be long before the substantial qualities in the character of HENRY M. KIMBALL grow dim in the memory of those who remain to mourn his loss. And never will his unique place in society and public esteem be filled in the same full measure that was so admirably achieved by this gentleman of sterling worth and charming personality.

My hat is off, and I bow in respect and tribute to the name and memory of my distinguished predecessor, my brother in Delta Tau Delta, the Honorable HENRY M. KIMBALL, late of Kalamazoo and the Third Congressional District of Michigan. May his untimely initiation into that greater fraternity, existing beyond the grave, serve to fix more clearly in our minds the ideals and sympathies of a brotherhood-universal in its scope, wide in its charity and affection.

Mr. BROWN of Michigan. Mr. Speaker, under leave to extend my remarks, I include the following address of Marvin J. Schaberg, president of the Kalamazoo (Mich.) Bar Association, at the funeral of the late Representative HENRY M. KIMBALL at Kalamazoo, Mich.:

It has been wisely said, "There are certain fundamental truths which are the crystallized wisdom of the ages founded on centuries of experience with what is good and bad for the human race." These truths form the foundation and groundwork for those rules of action and human conduct which constitute that great social institution which we call "the law", and the application of these principles to the benefit of society depends in no small degree on the extent to which these virtues are exemplified in the lives of those who practice law as a profession.

The life whose memory we honor here today was dedicated to the law a little over a third of a century ago when he began his studies in a class in our great university, of which it was my own good fortune to be a member. From that association and fellowship of years together at the same bar there developed a real appreciation of his manly character and a friendship which has been very dear. It has been wisely said, "There are certain fundamental truths

en very dear.

HENRY KIMBALL embodied all that is fine and good in a lawyer. He did not consider his admission to the bar a mere license to obtain a livelihood nor as a means of selfish attainment. He chose his profession, in response to an innermost desire, because he saw and found in it a means of expression of those deeper and noble aspirations of the human soul—a craving to give to his fellow man freely and fully of that which he felt in his own heart he was best freely and fully of that which he felt in his own heart he was best able to give and the law was the vehicle by which he sought to convey those desires. In his dealings with the courts, with his fellow lawyers, and his clients there was always noticeable that deep regard for justice in its full and complete meaning and that pervasive touch of deep responsibility. There was nothing feigned about his purpose. He possessed the confidence of careful preparation and a knowledge of the law and the facts, powerful weapons which he handled with an artful dignity which commanded the highest respect. highest respect.

In all of his professional contacts there was always noticeable a In all of his professional contacts there was always noticeable a beauty of kindliness, a fragrance of graciousness, the sunlight of gentility and courtesy, yet withal a subtle strength of purpose and determination that won for him an abiding friendship deep in the hearts of his brothers at the bar; and we all join in the sentiment that to him can well and justly be applied—that noble tribute paid long, long ago by one noble soldier to another as the final decree had been rendered, from which there is no appeal: "His life was gentle, and the elements so mixed in him that Nature might stand up, and say to all the world, "This was a man!"

Mr. BLACKNEY. Mr. Speaker, it was my privilege at the beginning of the Seventy-fourth Congress to make the acquaintance of our departed colleague, HENRY M. KIMBALL, of the Third District of Michigan.

This acquaintance quickly deepened into a sincere friendship, based upon his splendid qualities and abilities.

Congressman Kimball was a man ideally fitted for the duties and responsibilities of congressional life. He had a splendid educational background, was a fine lawyer, highly respected by both bench and bar, with an especially high concept of the duties of a legal practitioner.

He was a firm believer in the principles of America, a lover of her Constitution, and would have sacrificed his life, if need be, for his country's welfare.

In the short time that Representative KIMBALL served in Congress he made many friendships, and both sides of the House were impressed by his lofty concepts of citizenship, his pleasing personality, and his friendly smile.

Tennyson, in a beautiful poem, said:

And the stately ships go on To their haven under the hill; But O for the touch of a vanished hand, And the sound of a voice that is still!

While our departed colleague has gone to his eternal reward, yet his memory will live on in the minds and hearts of the many men and women whom he loved and served.

Mr. MAPES. Mr. Speaker, under leave to extend my remarks, I include the following address delivered by me at the memorial services held for the late Representative HENRY M. KIMBALL at his home in Kalamazoo, Mich .:

HENRY M. KIMBALL took his seat as a Member of the House of Representatives in the Congress of the United States from the Third Congressional District of Michigan on the 3d day of January last with the hope and confidence on the part of his friends for a long and distinguished career for him in that body and with for a long and distinguished career for him in that body and with every reason on his part to look forward to many years of service there. He was stricken early in July after a service of only 6 months, and passed away at his home in Kalamazoo Saturday morning, October 19. His fidelity to his trust and to the commission with which the people of the Third Congressional District had entrusted him, causing him to ignore the warnings of his physician to take a rest from the active and exacting work of his office, undoubtedly becamed his death. hastened his death.

a rest from the active and exacting work of his office, undoubtedly hastened his death.

His service in the House of Representatives was short, but long enough to enable him to win the confidence and respect of all with whom he came in contact, and the deep and abiding friendship and affection of those who came to know him well. Quiet and unassuming in his manner, he possessed those qualities of heart and mind which give their possessor eventually a place of influence and leadership in the House of Representatives, as in other walks of life—ability, industry, and integrity.

The Third Congressional District of Michigan has had a long line of able and distinguished men represent it in the House of Representatives. My personal recollection of them goes back to the time when, as a boy in Olivet, I heard the Honorable Julius Caesar Burrows, who then represented the district, deliver one of those eloquent campaign speeches for which he was famous. Since I have been a Member of the House I have been more intimately acquainted with those who have represented the district. As a boy I knew John M. C. Smith. I was in college with Arthur B. Williams, and Joe Hooper and I were close friends. I first met Mr. Kimball after the election last year, when he came to Grand Rapids to talk with me about the work and life in Washington, but I soon found that he held the same high standards of public service and possessed the same high character and ability as his predecessors in office had possessed. He was a worthy successor of a worthy line of Representatives.

Mr. Kimball entered the House of Representatives well equipped by training and experience for public service. He was a student of

a worthy line of Representatives.

Mr. Kimball entered the House of Representatives well equipped by training and experience for public service. He was a student of public questions and had a good grasp and understanding of them. He was a man of mature judgment, of high character and ability. As a Member of the House he was faithful in his attendance, followed legislation and the debates carefully, and was active and alert in the performance of his duties generally. He was attentive and sympathetic to the requests of his constituents, and active and energetic in looking after their interests individually and the interests of his district as a whole. He was a member of the standing legislative committees of the House on the Census, on the Civil Service, and on Flood Control. He performed all the duties of his office faithfully and well. In his death the Third Congressional District, the State, and the Nation have lost the services of an able, efficient, honest, patriotic, and loyal public servant. His usefulness and influence, if it had been his lot to continue in the House, would unquestionably have increased with the passing of the years.

the years.

In the language of a friend on a similar occasion:

"At the meridian of his powers our colleague and friend took his departure from fireside and forum. Why a thing like this should be we do not know; it belongs to the endless mysteries of life. But somehow we know that in the economy of the universe and the endless years it must be well. The voice of Christian faith must speak and give meaning to these fleeting days of life and take from death its blighting tragedy. Somewhere there must be a kingdom where life's deeper meanings are revealed, life's injustices corrected, life's inequalities leveled, life's incompleteness made whole. It must be so in a land of far horizons and cloudles" skies. Now we see through a glass darkly, but then face to face."

skies. Now we see through a glass darkly; but then, face to face."

As far as I am able to do so, I express the profound admiration and respect and the greatest affection of every member of the Michigan delegation in Congress, irrespective of party, as well as that of my own, for our departed friend and colleague, and extend to the members of his family, his devoted wife and daughter, our deepest expression. deepest sympathy.

HON, WESLEY LLOYD

Mr. SMITH of Washington, Mr. Speaker, when Wesley LLOYD was suddenly summoned away he left a real void in this House and I lost "for a while" a personal friend whom I had known intimately over 20 years. Our first contacts, which ripened into a lasting friendship, were made in the course of our careers as practicing lawyers in the State of Washington.

In more recent years, in 1932, we both came to Congress together and serve districts which adjoin each other, the district which he represented embracing Tacoma and Pierce County having formerly been a part of the Third District, which I now have the honor to represent in this body. Consequently, Wesley Lloyd and I had much in common, and each one of us was more or less familiar with the people, conditions, and problems of the district of the other and there existed between us a fine spirit of cooperation and unity of action in regard to many legislative matters vitally affecting the interests and citizens of our respective districts. I frequently sought his suggestions, counsel, and advice, which I valued highly and which he freely bestowed, and he often consulted me. I therefore miss his genial, thoughtful, kindly presence and companionship more than I can find words to express on this occasion.

Mr. Speaker, our departed colleague was an able, industrious, and conscientious Member of Congress who gained the respect and esteem of all those who came to know him. He served with distinction on the great Committee of the Judiciary, which is one of the truly important committees of this House, and the distinguished lawyers who sat with him there came to admire him for the fine analytical qualities of his keen legal mind and his marvelous gift of expression.

I desire to quote from an address delivered by Wesley LLOYD at the annual Lincoln's Day banquet of the Pierce County Bar Association at Tacoma on February 12, 1931. which will preserve for posterity in the permanent records of this Congress his exalted and noble concept of the profession of the law which he loved and which he served so faithfully and honorably and which lawyers here and everywhere would do wisely to heed and emulate.

The layman, uninitiated in the mysteries of the law, is apt to conclude that the lawyer is the slave and disciple of precedent. He is visualized as some strange and almost forgotten character from the stories of Dickens, who spends his time in dungeonlike libraries, searching among the musty archives for ancient writs that may enable him to rob the grave, or desecrate the tomb, to enrich the wicked payers of fees to the detriment of society and the righteous.

wicked payers of fees to the detriment of society and the righteous.

Time may have been when precedent was the book of books for the legal searcher after knowledge, but the busy lawyer of today must, indeed, be prepared to blaze new trails and chart unknown seas, and his reckoning must be compassed by the pole star of truth, else he will be lost in a wilderness where there is no lamp of human experience to guide him.

If, in the practice of law, you try to follow precedent, to seek some recorded case from out the past to define with a nicety the conduct of men and women of today and tomorrow, in an age when imagination is foreshadowed by reality come true, when fact has fallen swift upon the feet of fancy which wander into an unreal world of dreams, you are doomed to failure, penury, and woe.

If our conception of the law is founded upon no more sacred altar than on statutes that may be repealed tomorrow, or the edict or decree of a judge that may be swept aside by his successor; if we have not charted our course by the pole star of truth, then our craft is but a priesthood of pretense and our association but a convention of pettifoggers and bill collectors.

The real law that is and forever must be our guide—the star

The real law that is and forever must be our guide—the star that hangs immovable in the heavens; that ever flashes its cold and frosty gleam to beckon us on over the dreary wastes of an unexplored world—is justice. It is exemplified as right triumphant over wrong. Statutes may be enacted and repealed; majorities may over wrong. Statutes may be enacted and repealed; majorities may rule by right or might; kings may decree, and judges may interpret; but no rule, or law, or edict, or decree can long endure unless it be founded upon the sense of justice that lives eternal in every human heart—the same yesterday, today, tomorrow, and forever.

If I have the right concept of the true function of the lawyer in his relation to his fellow man, I would dub him the doctor of human conduct. His idea is right; his nurroses justice. From

human conduct. His idea is right; his purpose justice. Even though legislators and chancellors may temporarily sweep away the superstructure of the law, the foundation upon which it stands remains secure.

Precedents are not the law, but only evidence of the law. The law is eternal. It reposes as securely in the unspoiled heart of the

son of toil as in the breast of the chancellor in ermine. It is decreed as surely by the beggar at the gate as by the king on the throne. It lies as serenely in the mind of a little child as in the fertile brain of the mightiest conqueror whose footsteps ever shook the earth. It is justice, infallible and eternal. It was written in letters of fiame upon the tablets of Moses, amid the fiash of lightning and the crash of thunder upon Mount Sinai, and it is written in living fire in the hearts of men.

In living fire in the hearts of men.

But I would not argue that books of precedent are without value.

One cannot judge men unless he be able to know men. To know and weigh them in their relationships with each other, be able to understand their passions and longings, their weaknesses and follies, he must call upon not only his observations but the experiences of the past to guide him. He must know the stories of all men of all times, and when he calls to his aid the light that shines from out the past, no richer lore of human experience has ever existed than that contained in the recorded cases of the law.

When I look upon the rows and rows of leather-bound volumes.

When I look upon the rows and rows of leather-bound volumes, to me they are not of the dead past, but they breathe of life—as it was, as it is, and as it ever will be. They are not as the books of science. They are not mere compendia of information, of rule of thumb and calculation; nor even announcements of guiding rules, except insofar as every story of men and women is a guide to those who may come after them. Yellow and seared with age; musty and dusty and withered by decay and decrepitude; some badly printed, with the edges of the pages brittled by the passage of many years and the thumbings of many hands that are long since folded, they still sing stories of the living, throbbing world in which we live. As I read them, I look beyond the terse encomiums of the great jurists of the silent past—great in their day, but whose very names have been forgotten, save by the plodding scrivener who digested their wisdom and in his turn passed on to such reward as might await him, solaced that he had not reaped more than his share thus far.

more than his share thus far.

I prefer to read the stories told of human beings like you and me; men and women, princes and paupers, the bully, and the cripple who crawled on broken limbs; the successful masters of their day, and the eternal misfits of life; of those who gave generously and received little in return; and of those who prospered in their wickedness, even as the green bay tree; of those who loved in the rosy sunlight of their dreams, and of those whose hatreds were as the poison from which men flee; master and man, haughty dame and scullery maid, the proud and the penitent, noble and haughty, boastful and begging, worthy and wanton, forceful and foolish, daring and devious, victorious and victimized; rich man, poor man, beggarman, thief; doctor, lawyer, merchant, chief; for one and all they have come or been brought into the temples of justice, told their stories, and been accorded their penalties or their rewards, good or bad, just or unjust, as human justice is fallible. In any event, their stories have been told, and a more or less complete record thereof speaks a history of the pulse beat of the average man and woman of all stations and conditions from the days of Blackstone to the present day. Those stories, quivering with life and human understanding, are written in those documents stored away in the vaults of Old Bailey and a thousand county courthouses—stories stranger than Arabian Nights, more wonderful than Gulliver's Travels, more veracious than the Bible upon which they are all attested, and thrilling as only the hopes and fears, and struggles and loves and hatreds, and joys and sorrows, and the anguished cries of human terror and distress and woe, can be thrilling.

anguished cries of human terror and control thrilling.

But if I can bring you a message that may serve in some small measure to make you better lawyers as well as better men, I would say that, valuable as may be the books of the law, they must never be defied or allowed to become a fetish. They are, as I have said, not the law, but only the inconclusive evidence of the law. No man may become truly a great lawyer until, in addition to his knowledge of books, he has learned to commune with nature, to know himself, and to know men.

Go out, if you will, where the thunders roar, and the lightnings rend the heaven; hear the wind moan among the cliffs at night; see the awful might of old ocean in her angry moods; or gaze into a starlit heaven on a summer evening and contemplate the infinite; or hear the gentle breezes whispering secrets to the treetops; or nodding, sleepy daisies in fields where children play; go out upon the hillside where laughing waters come tumbling down to hide themselves in blue-green pools among the rocks, and cast a fly and watch it skim along the surface to trick the wary trout; or stand among the tules in the early morning of a wintry day and watch the wild ducks racing from the north on singing wings of flight; learn to know the mind, and understand the loyalty of a wet and tired dog that caresses you with muddy paws—and, having chosen such surroundings, learn to know yourself and the promptings of your own purified heart, which will unerringly point the way to justice and the law.

Upon such fabric was written the law of Moses: from such a

Upon such fabric was written the law of Moses; from such a school came He who walked on Calvary and declared the law that finds its living roots in human conscience. From the school of human experience came the great teacher, Blackstone, and the mighty jurist, Marshall; and from the forest and stream and field, and from the hearts of men, and from the exalted wisdom of his own purified and sanctified heart, came the law that was taught to the saddened and immortal Lincoln—the law of justice, upon which he builded for himself a tomb, eternal in the hearts of men.

My colleagues, what was Wesley Lloyd's philosophy of life? I think it is beautifully set forth in a prayer poem which he composed about 15 years ago and which he often recited at lodge meetings and sometimes included in his public addresses. It reads as follows:

My sins are grievous, Lord, let penance bring Some slight atonement for my wandering; For mistakes that I have made, for talents gamed away, For precious years misspent in idle boast and play, Oh, let me feel the lash and let me know the sting That breaks the proudest heart with bitter sorrowing.

But let me not, O Lord, my sorrows bear in vain, But let some good be born for every sting of pain. Strength give my heart and hand, added luster to my brain, And let my saddened lot bring unto earth some gain. Though hollowed-eyed with care, for every sin I'll pay But let me burdens bear for others on the way.

Oh, let me bring to childhood some laughter and some mirth And let me give to youth the loves and hopes of earth, To age bring pleasant memories and, too, surcease from care And let me banish sorrow and sadness everywhere.

Then my soul shall find atonement, and the wings of thought shall

And a voice from somewhere whisper that somehow I've done my best.

My friend, Wesley, I last saw you on that memorable afternoon in Tacoma, as you slept amidst a wilderness of roses and gardenias, lilies of the valley, chrysanthemums and heather, the loving tributes of legions of friends. To me you somehow appeared younger and I noted an expression of contentment upon your brow. You are now enjoying the eternal reward for all your labors and a state of bliss and happiness is your final lot, and until we meet again, old friend, hail and farewell.

Mr. EKWALL. Mr. Speaker, the passing of our friends from the stage of life affects us in various ways and produces in us conflicting emotions. Some we may know for many years, and while the knowledge of their passing may cause a certain feeling of regret, yet they are rather soon forgotten in the swirling maelstrom of human affairs. Others, however, are so possessed of character and personality and the indefinable attributes of nature that the memory of their friendship will continue on to the end of our days. The passing of such friends affects us as does the giant tree which, viewed for years upon the mountaintop, in the midst of a storm is struck by lightning, and, falling with a resounding crash, leaves a lonely space against the sky.

Mr. Speaker, such a man was our late friend and colleague, Wesley Lloyd, of Washington. On the floor of this forum he was quiet and unobtrusive. He was content to let others occupy the Well of the House. A splendid lawyer, and a philosopher, he had a keen sense of humor, which enabled him to pass over the rough places of life with the minimum of damage to his friendships and ideals. He loved the members of his family with a consuming love. Many years ago Wesley Lloyd and his wife had the great misfortune to suffer the loss of a young son. From this blow, our colleague never recovered, but, akin to the great tragedian on the stage, he carried on quietly and played his part, while bearing a hurt in his heart which could not be assuaged.

Mr. Speaker, if I would appraise a man's worth—if I would measure his stature—I would go to those who have known him most intimately, those who have associated with him in good times and in bad, those who have been with him when he was standing on the mountaintops of happiness and in the deep valleys of despair. Measured by this yardstick, and by every other method known to man, Wesley Lloyd was a true American, a faithful public servant, a splendid citizen, an upright lawyer, a loving husband and father, and a loyal friend.

Mr. Speaker, I had the honor of being one of the Members appointed by you to accompany the body of our beloved colleague to its last resting place at Tacoma, Wash. On the train, returning from that sad mission, I penned a few lines

in memory of my friend and the friend of every Member of , this splendid House of Representatives. I quote them with the hope that they may, even in the slightest degree, be of some comfort to his loved ones who survive:

"Wes', old friend, you've realized your hope
That when at last this earthly life was o'er,
They'd take you to the home you loved so well,
Out West upon the old Pacific shore.

Out where the sun dips slowly o'er the sea And greets the stars of evening one by one, To keep a rendezvous of mystery, Until the East beholds it once again.

You've labored long and well—the victory's won;
You rest today in peaceful, friendly earth.
And as Tacoma's own—a favored son,
Her love will never wane—she knows your worth.

Your countless kindly thoughts and words and deeds An everlasting monument will be. Enthroned in the hearts of living men, You'll live a million years—eternally.

Your shroud will be the western sky you love, The giant firs will gently guard your sleep, And, standing by 'till you are called above, Majestic Rainier will her vigil keep.

And so we say farewell to you, good friend; Some day, all in good time, at eventide, We'll launch our bark, and sailing 'round the bend, Greet you once more upon the other side.

Mr. SAMUEL B. HILL. Mr. Speaker, all hearts were saddened by the passing of Hon. Wesley Lloyd on January 10, 1936. He was a Representative in Congress from the Sixth District of the State of Washington. He was first elected to the Seventy-third Congress in November 1932, and was reelected to the Seventy-fourth Congress in November 1934. He passed away just 1 week after the convening of the second session of the Seventy-fourth Congress. Notwithstanding his comparatively short service in the National Congress, Mr. LLOYD had attained a prominence in the House that distinguished him as a man of great ability and an outstanding legislator.

At the very outset of his service he was assigned to the Committee on Military Affairs, where he served with credit to himself and the Congress. In his second term in Congress. as a recognition of his fine legal ability, he was placed on the Committee on the Judiciary. The Committee on Military Affairs and the Committee on the Judiciary are both exclusive committees and rank among the outstanding committees of

It is seldom that a newly elected Member of Congress has such recognition as to be assigned to these great committees. Mr. Lloyd more than justified this recognition by the character of the high service he gave.

Additional evidence of the appreciation of his character and ability is the fact that he was made assistant whip of the House in both the Seventy-third and Seventy-fourth Congresses. He served in this capacity through the entire period of his membership in the House.

It seems an untimely event that took Wesley Lloyd from the walks of men at a time in his life when he was just getting into the full stride of the larger accomplishments of his career. It is not for us to question the dispensations of Providence, but we are forced to wonder why some things have to be. The only answer is that His ways are beyond our understanding. However, the term of human life is not measured alone by years but by things done and distance traveled in the progress of human accomplishment. Measured by this standard, WESLEY LLOYD had a span of life far beyond that of most men his seniors in years. His was a full life, crowded with deeds done and to be done. He met his responsibilities in a big way as a big man can. He had a mental capacity and moral courage that made work a pleasure rather than a burden.

It is said that "a life that is lived is a tale that is told." WESLEY LLOYD'S life would require volumes to tell of its preparation and fullness. He was born and reared on a

John Q. Lloyd. He had three brothers and two sisters. He spent his boyhood on this farm. Life on the farm was not easy. He worked early and late, as farm boys in those days were required to do. It was a far cry from those days and that work to the enviable position he attained later as a lawyer and as a Member of Congress. His early education was had in a country school, some miles from his farm home. He rode through the cold winter months to this school, frequently chilled to the bone, when a mere child. It was a oneroom wooden building, not a comfortable, modernly heated brick building as most rural school buildings now are.

It was here that he got the rudiments of the education that equipped him for his career of after years. From work on the farm, from this country school, and from his early experiences in the associations and spirit of this farm community, Wesley Lloyd laid the solid foundation upon which he builded a brilliantly successful career. His ambition to succeed was indomitable. He wanted to enter college but lacked the necessary funds to do so. But, nothing daunted. he got odd jobs to pay his way. He chopped wood at 10 cents an hour and did other work at a low wage. As a final educational equipment for the profession to which ne aspired, Wesley Lloyd entered the Washburn Law School in Kansas. After receiving his law degree from this school, he went to Spokane, Wash., to establish himself in that new State and there to enter upon the profession of law.

He remained at Spokane for only a short time, but while there he met Miss Ida W. Reed, whom he married, and then moved to Tacoma, Wash., where they have since resided.

Mr. LLOYD had not yet been admitted to the bar. He secured employment in Tacoma with a newspaper, and from this employment supported himself and wife, while studying for 6 months preparatory to taking the supreme-court bar examination. He was admitted to the bar in 1906 and began the practice of law in Tacoma. His office equipment consisted of a desk, a typewriter, and a few law books. Like those of most young lawyers, his clients, at the beginning, were few and of the class that had little money. From this modest beginning in the practice of law, Wesley Lloyd rapidly advanced in his profession, and through the years reached a position of prominence among the lawyers of his State. He participated in a large number of the most important court cases, both criminal and civil, in western Washington. His reputation and standing as one of the outstanding lawyers of the State were long established before he became a candidate for Congress in 1932.

In addition to his professional standing as a lawyer, Mr. LLOYD had established himself as a leader in the civic affairs of his home city of Tacoma.

He was a public-spirited man and was a useful citizen through his participation in the fraternal, social, and civic activities of his community. He was a home builder, a good husband, a good father, and a good friend. He has left to his family the heritage of a good name, the character of a great lawyer, and the record of a Congressman upon which the whole State of Washington looks with pride. The life of Wesley Lloyd was full of useful deeds. He was prompted and guided by the inspiration that comes from an abiding faith in the directing hand of an all-wise, all-loving, and all-powerful Providence. Peace to his ashes and rest to his soul.

Mr. WALLGREN. Mr. Speaker, during this past session death has thinned the ranks of the Washington State delegation to the House of Representatives. A man of courage and conviction, the late Hon. Wesley Lloyd served well his district and his Nation. His passing means a loss not only to those of us who valued him so highly as a colleague here. but it brings to an end his keen insight into judicial and legal questions.

As a member of the Judiciary Committee his enlightened views as to the purpose and function of the law and of the judiciary were admired and respected. But I need say no farm at Argonia, Kans. His parents were Mr. and Mrs. more of his work here. We who were his colleagues know

tion of his ability.

I should rather here devote my words to his work in his chosen field, the law. His attitude was far-sighted and refreshing. My words can only brush the surface, but his, delivered in a 1931 address, plumb the depths, so prophetic have they proven to be in view of the events of the last 5 years.

Therefore, may I quote briefly from this address of Mr. LLOYD'S delivered before the Pierce County Bar Association:

The layman, uninitiated in the mysteries of the law, is apt to conclude that the lawyer is the slave and disciple of precedent.

* * Time may have been when precedent was the book of books for the legal searcher after knowledge, but the busy lawyer of today must, indeed, be prepared to blaze new trails and chart unknown seas, and his reckoning must be compassed by the pole star of truth.

* * *

If in the practice of law you try to follow precedent, to seek some recorded case from out the past to define with a nicety the conduct of men and women of today and tomorrow, in an age when imagination is foreshadowed by reality come true, you are doomed to failure, penury, and woe.

The real law that is and forever must be our guide is justice.

* * Precedents are not the law, but only the evidence of the

law. The law is eternal.

This was the philosophy of Wesley Lloyd. He was my friend, and I was one of those chosen to accompany his remains to the State of Washington. There in the city of Tacoma, his home, he was given a funeral tribute that will long be remembered by the residents of that State. It was possibly as great a tribute as has ever been given anyone in the State of Washington, pointing to the esteem in which our colleague, WESLEY LLOYD, was held.

HON. STEPHEN A. RUDD

Mr. MEAD. Mr. Speaker, the Honorable Stephen A. Rudd was born on December 11, 1874, in the city of Brooklyn, where he spent his entire life, and where his legal and political careers developed to their fulfillment. He married Miss Martha Lindsay, whose father, the Honorable George H. Lindsay, served in the House with marked success from the Fifty-seventh to the Sixty-third Congress. Mrs. Rudd's brother, the Honorable George W. Lindsay, likewise saw service in the House of Representatives, coming to the Sixtyeighth Congress and remaining to serve well his constituents and the country until the Seventy-fourth Congress.

Succeeding the Honorable David J. O'Connell, whose sudden death occurred on December 29, 1930, as a Representative in Congress from his home district, Mr. Rupp also succeeded his predecessor as a member of the House Committee on Foreign Affairs, where he served with outstanding distinction until illness prevented his attendance at committee meetings.

It was one of the greatest pleasures of my congressional experience to have learned to know the Honorable Stephen A. Rudd, who represented the Ninth District of New York in the House of Representatives for a portion of the Seventysecond and for the entire Seventy-third and Seventy-fourth Congresses.

To know Stephen A. Rudd was to respect and love the man. He was sincere in his efforts, devoted to his friends, and eager and willing at all times to cooperate in the problems that troubled his associates.

A quiet, unassuming, humble personality, Mr. Rudd was always thoughtful of those who served with him, loyal to a fault to all his friends, and devoted to an unusual degree to his home and his family. A sterling character, a generous man, a splendid representative of the people, he has gone to that eternal reward which comes as the fulfillment of a life crowded with good deeds accomplished for all those he loved and served.

Mr. CELLER. Mr. Speaker, the passing of Stephen A. Rudd leaves a void difficult to fill. I served with him for a long period and learned to love him for his integrity, affability, and charm. He was ever kindly disposed toward all. I never heard a harsh word pass his lips. The Psalmist said, "Better is the fragrance of a good name than the perfume of

it well, and his constituents had twice shown their admira- | precious oils." His good name is emblazoned on the hearts of those with whom he came in daily contact. He will be remembered in New York City, whence we both come, for many decades. Long will live the memory of his deeds of kindness and charity and his ever-willingness to lend a helping hand to the "halt, the lame, and the feeble."

> Mr. DICKSTEIN. Mr. Speaker, again death, the merciless reaper, has struck down in the prime of his life a Member of this House from the city of New York, who in his lifetime has given the best that was in him to the services of this body and to our Nation.

> STEPHEN A. RUDD, whose death we are mourning today, was born in Brooklyn on December 11, 1874. He studied law at the Brooklyn Law School and was admitted to the bar of the State of New York, after which he was engaged in general practice for many years.

> His first political office was as a member of the Board of Aldermen of the City of New York, on which he served with distinction from 1922 to 1931, being very active in the many committees of the board and its sessions which are held every week in the city hall.

> Mr. Rupp was elected to the Seventy-second Congress at a special election held February 17, 1931, to fill the vacancy caused by the death of Congressman O'Connell, and he was reelected to the Seventy-third and the present Congress.

> It was in Congress that I came into close contact with his sterling character, and where I was able to establish a friendship which continued until his death.

> One of the great opportunities in Congress is the possibility of establishing long friendships. It is Members like STEPHEN A. RUDD who endear themselves to us by their untiring and unselfish devotion to duty, their ever-cheerful personality, their ever-obliging attitude toward life, and their inexhaustible fund of good will and good nature.

> RUDD was one of the men whom to know was to love, and hearing of his untimely death it was impossible to recover from the sad reflections upon the fate of so many, who like the deceased Congressman were an ornament to society and a shining example worthy of emulation in life.

Mr. SHANLEY. Mr. Speaker, many Members of this honorable body will pay their strong personal tributes to their long-time friendship and appreciation of the sterling character of our deceased colleague, Stephen A. Rudd, of the Ninth District of the State of New York, but probably few will parallel an acquaintance seemingly so short yet so memorable as mine, now in death's reverie.

As a member of the Foreign Affairs Committee he was the fifth ranking member on our side of the House. I was the junior. We were associated on that committee and found much in common that interested us, but in nothing else did our thoughts so center and unite as in the neutrality legislation of this session. Despite an illness that daily made its inroads all the more evident, he attended to his congressional duty on this momentous subject, followed it in and out of committee, and left an indelible imprint of integrity and energy on the final bill.

Unswervingly he held to views which ultimately in the minds of everyone resulted in the final cast of that important legislative pronouncement. Shoulder to shoulder with us he stood, culminating his efforts and strong principles in an entreaty and plea that reached the heights in eloquent cogency of thought and conviction.

He was unusually kind to me, the junior of juniors, and I cherish those acts of camaraderie. May they ever be with me as a reminder of one who pushed on in his courageous devotion to duty, despite unending pain and an all-too-convincing knowledge of approaching death.

A revered poet of my own district, Fitz-Greene Halleck, once penned these words for another, which I add now to the memory of a great friend:

Green be the turf above thee, Friend of my better days; None knew thee but to love thee, Nor named thee but to praise.

Mr. BEITER. Mr. Speaker, I am glad to be afforded this opportunity to speak a few words regarding the service rendered by my colleague the late Honorable Stephen Rudd. I consider it an honor and privilege to have known him and my acquaintance with him developed into a friendship which I cherished.

I have never known a more loyal man and it is with a feeling of pleasure that I recall his reception of me when I came to the House of Representatives as a new Member. He was deeply interested in the business of the Congress and was always willing to be of service to those who were not familiar with the procedure to be followed.

STEPHEN RUDD was activated by two desires at all times—to serve his constituency to the best of his ability and to cooperate with his colleagues in every worthy cause. I never knew him to hesitate to lend his aid to the accomplishment of any act which would be for the betterment of our great Nation. He was conscientious and sincere in all his endeavors, and I know that all who knew him in the House learned of his passing with a deep sense of personal loss.

Mr. CURLEY. Mr. Speaker, in this brief space it is impossible to do justice in featuring the high lights of the picture in the history of the strenuous life of such a deserving type of public citizen as the deceased, Stephen A. Rudd.

It is with profound reverence that I speak of a life filled with such a human record of useful years. For 15 years it was my proud privilege to possess his friendship. From January 1, 1922, to March 3, 1931, we served together as members of the Board of Aldermen of the City of New York, when his constituents honored him by sending him as their Representative in Congress from the Ninth District, New York. His philosophy of life was of that higher type of humanism so replete with such refreshing wholesomeness seldom observed in our selfish world. Steve's life was in fact dedicated to complete fulfillment of self-sacrificing devotion to public service. It was the compelling secret and prominent feature of his unqualified success in all his activities. His intrinsic value as a public-spirited citizen cannot be measured in mere words, for our distinguished colleague had a keen conception of practical human conduct which he always applied in his treatment in making others happy and contented.

FOR HE WALKED WITH MEN AND UNDERSTOOD

Here was a man whose heart was good, Who walked with men and understood. His was a voice that spoke to cheer, And fell like music on the ear. His was a smile men loved to see, His was a hand that asked no fee For friendliness or kindness done. And now that he has journeyed on, His is a fame that never ends And leaves behind uncounted friends.

STEPHEN A. RUDD was a real champion of the people, a he-man with a spotless reputation and strong character, tempered with a kindly disposition.

In the drama of life of his Nation, State, and city of New York he played a conspicuous role as a public-spirited citizen. He was a pioneer and leader in human endeavors. And loved, honored, respected, and admired by all, he passed on to—

A beautiful land of faith we see,
A land of rest from sorrow free,
The home of the ransomed, bright and fair,
And beautiful angels, too, are there.
That beautiful land, the City of Light,
It ne'er has known the shades of night;
The glory of God, the light of day,
Hath driven the darkness far away.

Through the death of Stephen A. Rudd the city of New York, the State of New York, as well as the Nation, suffered a distinct and irreparable loss. His bereaved family lost a good provider, a loving husband and father; the Democratic Party, a valuable asset; and we, his colleagues, lost a true pal and friend—

For he loved the right with courage strong, Always ready and willing to battle against the wrong.

However, we will meet again:

Yes; we will meet again in the morning, In the dawn of a fairer day, When the night of watching and waiting With its darkness has passed away; Where no shadows veil the sunshine, Over there in the heavenly land; And the crystal waves of the river, Ever flow o'er the golden sand.

Where our precious ones now are dwelling,
Free from toil and every care,
With their garments spotless and shining,
Like the robes that angels wear.
When our pilgrimage is completed,
And our footsteps no longer roam,
By the pearly gates gladly waiting,
They will give us a welcome home.

Mr. PEYSER. Mr. Speaker, the grim reaper, Death, touches every one of us at various times, and yet, at each and every occurrence, whether it be of family, friend, or associate, is a distinct shock, bringing sorrow and grief in its wake, and, although I did not know Stephen A. Rudd intimately, his passing away brought a sense of loss that will not easily be replaced.

A kindly, genial gentleman, and one with a keen sense of his duties to mankind and country; always pleasant and willing to lend a helping hand to a newcomer in Congress, exemplifies my impression of the late Member from New York. An ardent, conscientious worker, yet generally standing in the background, his force and personality, nevertheless, had a lasting influence on those with whom he came in contact, and years will go by before his memory starts to fade in the minds of those who knew and loved him.

He was always among the first to welcome a new Member to Congress and offer assistance with the procedure of that great body, which, to a newcomer, is confusing and disconcerting in its many intricacies. His was a nature of service, and his many kind deeds will long be remembered by his colleagues. I, for one, shall cherish the thought of his many kindnesses to me and, with all my heart, I shall ever mourn the loss of his daily contact.

One too seldom meets men endowed with the graciousness and good will toward their fellow men in public life, and it is a privilege to so speak of my former colleague from New York, Stephen A. Rudd.

Mr. KENNEY. Mr. Speaker, out of the fullness of my heart, I bespeak the sorrow that is mine in the loss by death of our colleague, Hon. Stephen A. Rudd. A sympathetic friend, he was ever ready to bestow the benefit of his advice and counsel upon any problem which confronted fellow Members of the House of Representatives. In his own congressional district he was loved and esteemed by his people, to whom he was loyal, faithful, and devoted to the day of his death.

Congressman Rudd was an amiable character, learned, practical, and sound. His sincerity was marked, as was his high ideal of statesmanship. He had a keen sense of humor, but never applied it to the stern questions arising in the lives of our people. His heart and soul felt for them earnestly and fervently. The masses of our people had no better friend in public life than Stephen A. Rudd, who throughout gave his undivided allegiance and support to President Roosevelt, in whom he recognized a real friend of the American people.

Whenever a colleague unwittingly or in all seriousness indicated that he intended to do otherwise than follow the paths that had been blazed by the President, Steve Rudd never failed to remind him that the President was leading the way for our people and the people were behind the President. It was his method of suggesting kindly but firmly that a Congressman must always be with and abide by his people. Thus did he serve faithfully. And not only did he keep the faith but he inculcated it in the minds and hearts of others.

A distinguished citizen of the city of New York, where he held public office in the city government, Congressman Rupp entered the Congress of the United States in 1931 and served

in the Seventy-second, Seventy-third, and Seventy-fourth Congresses. Although in ill health toward the last, he remained at his post, and hardly had he been missed from the floor of the House when his death occurred.

As a member of the Committee on Foreign Affairs he was a keen student of events of the world. A lawyer of ability, he had a peculiar faculty of analyzing and simplifying any given problem, however complex. Ardently advocating world peace, he rendered yeoman service in his insistence upon a policy of strict neutrality and the development of friendly relationships with all nations.

Congressman Rupp died leaving an enviable record of service unostentatiously but ably performed. The Congress and his people will always remember him appreciatively, pleasantly, affectionately.

Our profound sympathy goes out to his beloved widow, Martha Lindsay, whose brother, George Lindsay, also served with distinction as a Member of Congress during our incumbency, and to his children, Martha, Stephen, Lindsay, and Roy. We grieve with them.

Mr. BOYLAN. Mr. Speaker, in the death of Stephen A. Rudd the delegation from the city of New York in the Congress has lost one of its outstanding and most valued members.

Born in the district in Brooklyn Borough that he so ably represented in Congress, he attended the local elementary school and high school and St. Lawrence University. He was known as a diligent scholar and attained high honors in scholastic studies. Upon his graduation from the university, he took up the study of law at the Brooklyn Law School and was admitted to the bar immediately upon the completion of his studies.

As a young man he was interested in the welfare of the people of his city. This interest was the incentive for his entering political life. He was always a sterling and uncompromising Democrat of the old school and soon became known as a speaker and lecturer upon the important public questions that were presented for the consideration of the electorate.

Appreciating the splendid service he had rendered, the people of his district elected him as their representative to the board of aldermen of the city. Here, on account of his native ability and special training he rose rapidly and soon became chairman of some of the board's most important committees. Under his initiative many measures were introduced and passed, benefiting, building up, and beautifying his native city of Brooklyn. These splendid works in unison with his indefatigable zeal for the welfare of his people will indeed be the monuments by which he will be best remembered.

As an additional honor, the people of his district elected him to fill a vacancy in the House of Representatives in the Seventy-second Congress; he was reelected to the Seventy-third and Seventy-fourth Congresses. In the Congress he was elected to membership on the very important Committee on Foreign Affairs. He took an active and conscientious interest in the work of his committee and became so proficient in the discharge of his duties that his advice and counsel were sought in the disposition of many important matters.

STEPHEN RUDD was a devoted husband and father. His wife was Martha Lindsay, sister of former Representative George W. Lindsay. He had four children, Martha L., Stephen J., Lindsay H., and Roy H. Rudd. His sons were lawyers and members of his firm.

His untimely death brought sadness not only to his beloved wife and family but also to his colleagues in the Congress. The esteem in which he was held by the people of his district was manifested by the streets crowded with men, women, and children standing in silent sorrow on the day of his funeral as a mute testimony of the love and esteem in which he was held by all classes.

CROSSING THE BAR

Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar,
When I put out to sea,

But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.

Twilight and evening bell,
And after that the dark!
And may there be no sadness of farewell,
When I embark;

For tho't from out our bourne of Time and Place The flood may bear me far, I hope to see my Pilot face to face When I have crossed the bar.

Mr. KENNEDY of New York. Mr. Speaker, today we meet to pay tribute to a modest but great man. We, who knew his capacity, ability, and real worth, realize he was not a spectacular man but one who had the real qualification for holding public office.

STEPHEN A. RUDD came to this House as a man well equipped for public service. On December 11, 1874, he was born in Brooklyn, N. Y. He pursued the study of law at Brooklyn Law School and St. Lawrence University. He was admitted to the bar and became one of Brooklyn's prominent lawyers, known for his honesty, integrity, and ability.

Entering public service in the city of New York, he served in the board of aldermen from 1922 to 1931. These years of the city administration were years of readjustment and reorganization. The World War had ended 4 years previously, but the traces of the long struggle were to be still found in the economic, social, and educational phases of our great city government. Labor problems, adequate but not oppressive taxation, educational and health bureaus were serious questions brought before the board of aldermen.

On February 17, 1931, at a special election held to fill the vacancy caused by the death of Hon. David J. O'Connell, Mr. Rudd was elected to Congress to represent the Ninth District in Kings and Queens Counties.

Both in the board of aldermen and in the House of Representatives he quickly took a commanding position. During his service in the House of Representatives he was a member of the Committee on Foreign Affairs, a committee of power and influence and requiring comprehensive knowledge and sound discretion.

During the period in which Mr. Rudd served in the Congress of the United States there was particular need of men of intellect, ability, and commanding force. The problems confronting our Nation demanded men of natural force, learning, industry, and will power, to enact legislation according to their convictions. When he entered the House he came after a service in the city of New York that well fitted him for the arduous duties incident to service in the Congress of the United States.

As a member of the Committee on Foreign Affairs, he accumulated wide information on almost every question concerning this public service. He was respected for his sound and cautious judgment. It is a committee which needs the services of men of wide information, great equipment.

The confused European situation during these years placed great importance and responsibility on the Committee on Foreign Affairs. Mussolini was conducting the war between Italy and Ethiopia; Hitler startled the world with his Nazi rule in Germany; France underwent a political readjustment; revolution and unrest swept through Spain and Mexico; warfare continued between the Japanese and Chinese; and Lenin was still working out his 5-year plan in Russia.

As alderman he was recognized as one of the foremost and strongest minds. His counsel and advice were sought. When again the field of opportunity widened and he was elected to a place in the Congress of the United States, with regret he left his associates in the Board of Aldermen of the City of New York, left his friends and the place where he had worked so long and was known so well.

Those who are familiar with the history of New York City and State during the period in which Mr. Rupp served as alderman will recall the names of some of the giants in intellect, ability, and commanding force with whom he served, such men as Gov. Alfred E. Smith, Gov. Franklin D. Roosevelt, Mayor John P. O'Brien, and Alderman Timothy J. Sullivan, the

present president of the board of aldermen. All of them rank high in the opinion of persons who appreciate great natural force, learning, and industry. When Mr. Rudd entered the House of Representatives, he was soon to serve again with Franklin D. Roosevelt, no longer the Governor but now the President.

The life of Stephen A. Rudd should be an inspiration, particularly to the young men of Brooklyn. A typical American boy, born in the greatest city in the world, rising above obstacles, winning friends and honors. The country is richer for his carrer, for his life. His life was marked with ability, energy, and devotion to his public services, with charity and humility. He was never conscious of his position in life.

Nothing dies but something mourns. When a man who has been in our midst, has stood in the blazing limelight of publicity, has been known to all the Nation, when such a man dies, the City of New York, the State of New York, and the Nation mourn. Friends whom he has loved will cherish his memory with greater tenderness year after year. In his life he accomplished much and won the high regard of his colleagues by his stanchness and courage. It is not given to every man to put himself into the innermost love of a people, a community, and make them all mourners when he departs.

Let us remember our dear friend as a Congressman, as a Democrat, but above all as a devoted and faithful husband and father. With this sorrowing family we, too, sorrow. Let us tell them that while earth is poorer, heaven is richer, the one losing and the other gaining Stephen A. Rudd.

Mr. PFEIFER. Mr. Speaker, at this particular moment I want to pay a tribute of respect to my personal friend and our late lamented colleague, the Honorable Stephen Andrew Rudd, of Brooklyn, N. Y.

I have been a Member of Congress for only a year and a half, but during that time it was my great privilege to be rather closely associated with him. Owing to the fact that his congressional district borders mine, I had the pleasure on many occasions of discussing matters with him which were of vital interest to both of us. I admired the sincere and modest manner in which he conducted himself at all times, and I feel that this House and the district he represented have lost not only a good legislator but a true and loyal friend.

Steve Rudd as we knew him was a gentleman, sympathetic, with a big heart and a conscience that dictated his every action; always ready to defend and stand firm for what was just and right; intensely patriotic. Added to this he had that adroit diplomatic disposition which made him an able member of the Foreign Affairs Committee, to which he was elected by the House when he became a Member of the Seventy-second Congress. Although ill, he took an active part in the committee during the consideration of the neutrality legislation this session.

Postal and other Federal employees, veterans, their widows and dependents were never forsaken by Steve, as he was always in the first-line trenches for them, voting against the economy acts and overriding Presidential vetoes.

In the multitude of details that engross every legislator's life, our friend Steve gave care and attention to the slightest request of the humblest of his constituents as well as to the larger problems of government.

Let us weep in our darkness—but weep not for him! Not for him—who, departing, leaves millions in tears! Not for him—who has died full of honor and years! Not for him—who ascended fame's ladder so high, From the round at the top he has stepped to the sky.

Mr. MERRITT of New York. Mr. Speaker, the Seventy-fourth Congress lost one of its most outstanding Members in the death of Stephen A. Rudd, of Brooklyn, N. Y. It was for me, a new Member of the House, a very great honor to have bestowed upon me the friendship manifested toward me by this noble gentleman from the very first day I set foot on the floor of this Chamber. My acquaintance with him was, indeed, a short one, but it led quickly to a friendship which I am confident was as enthusiastic a pleasure for Steve as for myself.

It has been said that "we are born to die, and we die that we may live", and it is my fervent prayer that in the celestial life into which he has entered our beloved friend may find everlasting happiness. His untimely death brought sadness to his beloved ones, to his friends, and to his colleagues here. But with this deep sense of bereavement there is also consolation in the revelation of how large is the number of those who have been touched by his departure. In this busy, absorbing life we go our several ways and pass each other like "ships that pass in the night", without realizing the wealth of friendship that may be ours for the taking until one of these rare friends steps aside and we must go on without him. Then realization comes.

Had Stephen Rudd lived the full span of his life, the record thereof would undoubtedly have been one of exceptional accomplishment. His fine personality, the nobleness of his spirit, and his ability would have carried him far in the Halls of Congress and the service of his country. While he never said so, one felt that the philosophy of his life was to serve sympathetically, generously, sincerely. As one who enjoyed the blessing of his friendship, I should indeed be remiss if I failed to express something of the debt of gratitude and loyalty I owe him, and I offer this brief tribute gladly and proudly.

Mrs. O'DAY. Mr. Speaker, in paying my tribute to the memory of my late colleague Stephen A. Rudd, I speak not only as a New Yorker but as an American citizen. Those of you who are familiar with Mr. Rudd's record in the House know how truly devoted he was to his country's good. His services went beyond the boundaries of his district and State. He was a real American. He was a true champion of those things that have gone to make our country great. In his own life he illustrated the best that America can offer in manhood, statesmanship, and good fellowship.

Those of us who remember him for his kindly disposition mourn him as a friend, but every citizen of his State and country will share our grief for a champion lost; for he was truly a friend of the people. As a husband and father he was familiar with those small but important trivialities that go to make up the life of the average man. Nothing to my late colleague was unimportant if it affected the lives of his fellow countrymen.

He was born, as you know, in the district he so ably represented here in Congress. As a young man he became interested in the welfare of his neighbors. It was that interest that sent him to Washington; and it was that interest, broadened to include each and every one of his fellow countrymen, that made him so valuable a Member of the House.

Those of us who are new in Congress know how generous STEPHEN A. RUDD was in giving of his knowledge based on his wider experience; and how important that help is only those of us who are serving our first term can realize.

As a friend, statesman, and kindly fellow man we of New York and the Nation mourn him.

Mr. PATMAN. Mr. Speaker, our late lamented colleague, the Honorable Stephen Andrew Rudd, of Brooklyn, N. Y., was one of the best and ablest Members of Congress. He was respected and admired by his colleagues by reason of his exemplary life, his courage, and his ability. He was a friend of the poor people, the downtrodden, the oppressed, and the wage earner. He was an especially good friend of veterans of all wars. They, their loved ones and dependents, would never suffer by reason of any act of his.

His colleagues in the House of Representatives regret exceedingly that he is no longer with us. He is missed very much.

Mr. FITZPATRICK. Mr. Speaker, the death of Stephen A. Rudd removed from this House a man who served his people, his State, and his Nation well and faithfully for many years.

My personal relations with him were of an intimate and friendly nature. Not alone as a colleague in the House of Representatives but also on the Board of Aldermen of the City of New York.

The people of his district will miss his loyal, able, and unselfish service; his colleagues will miss his mature and reliable counsel and advice; his personal friends will miss the warm and wholesome influence of his gentle nature.

STEPHEN RUDD has left a record behind him that should bring happiness, not only to his family but also to his many friends, to whom he endeared himself as a great public servant and a sincere friend.

Mrs. ROGERS of Massachusetts. Mr. Speaker, all of us who knew and worked with the late Stephen A. Rudd feel a distinct and deep sense of personal loss at his passing. He was a true and helpful friend to all who knew him. It was my particular advantage to have served with him on the Committee on Foreign Affairs. He had an exceptionally fine and sympathetic understanding of the important problems that came before that committee, and he was so gracious in his manner of helpfulness. Even when his illness made his work so difficult he carried on, faithful in his devotion to duty and firm in his conviction of what was best for the country he loved and served so well.

Mr. DELANEY. Mr. Speaker, "Till tired he sleeps, and life's poor play is o'er." So wrote the poet Alexander Pope two centuries ago, and never was the line more applicable than when quoted about the late Stephen A. Rudd.

Coming from the same city, Brooklyn, I knew Steve before we both entered Congress, but it was not until we came to Washington that I knew him so well and discovered his real character. As much as any man, he put his work first, as is evidenced by his activities and attendance in Congress.

Day after day his colleagues saw him at work when he should have been taking a much-needed rest. Often he mentioned to me how ill he felt, but he would not give up, because he was sent to Washington by his people, and he was bound to labor for them. Truly, he was a martyr, this Stephen A. Rudd, and such loyalty to his friends and his country must not go unrecognized.

I shall miss Steve Rudd very much. His colleagues, I know, all mourn his passing. The Nation and the city and State of New York have suffered an irreparable loss in his death. His place will be hard to fill.

Mr. McREYNOLDS. Mr. Speaker, under the right given me to extend my remarks I desire in a most simple way to pay my respects to our colleague the Honorable Stephen A. Rudd, of New York, who passed away not long ago.

I take this opportunity to comment on Mr. Rudd's service, more especially because he has been a member of the Foreign Affairs Committee of the House, of which I am at present the chairman, ever since he has been in Congress. I served with him on this Committee, before I became its chairman and also since that time. This has given me an unusual opportunity to know the man about whom I am speaking, and his qualifications. He attended his committee meetings regularly and took a great deal of interest in the proceedings. He was quiet and unassuming, but a man of his own convictions. He was intelligent and honest and a loyal Democrat, and especially loyal to the administration. He had been sick for some time before his death, and yet during that time oftentimes he would meet with the committee when I felt he was not able to do so.

I feel that I speak the sentiment of the Foreign Affairs Committee when I say that he was highly respected by them and they all appreciated his worth. Personally, he is a loss to me in my official capacity, and also as a stanch friend. His record here in Congress is such as anyone should have been proud of and his place will not be easily filled. His going away is a loss not only to his constituents but to the people at large of this great country.

I am glad to make these few remarks in reference to my colleague and friend.

Mr. SIROVICH. Mr. Speaker, a valiant and a gentle soul passed to his splendid reward when the spirit of the Honor-

able Stephen A. Rudd, Member of Congress from the Ninth Congressional District of New York, on March 31, 1936, left its earthly tenement and left this temporary world for the glories of a heavenly eternity.

None knew him who did not love him for his splendid capacity allied with a modesty and self-effacement rare in this time and this generation. He served his native city of Brooklyn handsomely and competently and when he became secretary to the police commissioner of New York he activated a difficult position with ableness and dignity.

When he came to Congress to assume the duties of a Representative he speedily gained not only the affection but the admiration and respect of his colleagues. These attitudes of his fellow Members of Congress grew as the years passed by until he came to be regarded as a most valuable member of the New York delegation in Congress.

Patient, yet persevering, our brother Rudd devoted his time and talents to the work of the Seventy-second, Seventy-third, and Seventy-fourth Congresses to the betterment of proposed legislation and to the interests of his constituents. With him duty came first, at any cost of time or labor. The poorest citizen of his congressional district was always accorded the same courtesy as was given its leading residents.

One of nature's noblemen has gone to his well-earned reward and we who are left behind mourn him as we would our own brother.

Mr. SULLIVAN. Mr. Speaker, "Death does not take a holiday", and once again we find its inexorable hand laid upon another of New York's Representatives in the Halls of Congress, beckoning this time the distinguished Representative from the Ninth Congressional District, representing a portion of the city of Brooklyn, the Honorable Stephen A. Rudd, and calling him to his Heavenly Master to give an account of his stewardship.

Mr. Rudd was my personal friend for a number of years past and his death stirs me deeply and profoundly. His was a lovable personality, ever thoughtful of his friends and tolerant of his enemies.

A lawyer of distinction, Mr. Rudd was elected to the Board of Aldermen of the City of New York and served in that body from 1922 to 1931. He was then elected to Congress to fill the vacancy caused by the death of the late David J. O'Connell and was reelected to the Seventy-third and Seventy-fourth Congresses.

His public life has been an open book. He served the city of New York as an alderman with ability and credit and he served his district, his State, and his Nation in Congress with distinction and honor.

When summoned to appear before his Master we know that His judgment was: "Well done, thou good and faithful servant; enter thou into everlasting glory."

To his family we extend our heartfelt sympathy and our prayers.

Mr. BOLAND. Mr. Speaker, the death of Hon. Stephen A. Rudd, Representative from the Ninth District of New York, on March 31, 1936, brought sadness to all those who knew him.

It was not my privilege to know Mr. Rupp until after I was elected a Member of Congress. The people of his district elected him to fill a vacancy in the House of Representatives in the Seventy-second Congress, and from then until the time of his death every contact with him increased my affectionate regard for him personally and officially.

Born in the district which he so ably served during his long political career, first as an alderman of the city of New York, where his proficient and splendid work leaves a heritage not only to his family but that same district which later elected him to serve them in Congress, as majority whip of the House, I wish to say further that Mr. Rupp impressed me by his faithfulness and loyalty to our administration and his desire to serve the people of his district and State. He was during the time which I knew him an inspiration to me and a fine example of a patriotic statesman.

Through the untimely passing of Stephen A. Rudd the city of New York and the State and Nation suffered an irreparable loss, but may his family be consoled by the consciousness of the splendid and loyal service he accomplished and ever strove for.

His life was gentle, and the elements So mix'd in him that Nature might stand up, And say to all the world "This was a man!"

Mr. MARTIN of Massachusetts. Mr. Speaker, when Stephen A. Rudd passed away there was sincere regret among his legion of friends. His loss was particularly felt by the many warm friends he had made during his service as a Member of the National Congress.

It was my privilege to meet Mr. Rupp when he first came here and to serve with him on the great Committee on Foreign Affairs. He was a hard, conscientious worker, actuated with but the one desire to be of service to his country. He was loyal to the best traditions of America and courageously fought, without regard to partisanship, for real Americanism.

The country suffered a great loss through his untimely death. He is gone, but his fine work and kindly character will ever be cherished by his district and his multitude of friends and admirers.

A good life, like a good deed, lives on forever.

Mr. O'LEARY. Mr. Speaker, at this particular moment I want to pay tribute of respect to our late lamented colleague the Honorable Stephen A. Rudd, of Brooklyn, N. Y.

Three times his own people sent him to be their Representative in Congress. He did not fail them.

During his public career of over 28 years it can be said of him that he walked with the great of the country, but never, for one moment, forgot the common touch. His sympathies were of that broad and generous character which kept him during his career closely in touch with the people of the State of New York he represented here and the great common people of this Nation. During the later part of his service here he was a member of the great Foreign Affairs Committee of the House, and during the long hours of every workday on that committee, which engaged in preparation of the most intricate neutrality legislation, although sick at the time, he sat at the table performing his full share of the labor honestly and conscientiously, at all times living up to his high ideals. Steve Rudd, as we knew him, has passed on, but he will not be forgotten by those of us who knew him best.

Mr. EVANS. Mr. Speaker, while it was not my lot to have known our late colleague, Stephen A. Rudd, for as long a period and as intimately as many of the other Members, still I was not unacquainted with his record and reputation, and for the comparatively short time it was my privilege to be associated with him, I am more than glad to add my voice in regret at the passing of a most considerate and courteous colleague and friend.

He was extremely well known throughout the Borough of Brooklyn, where he was a lifelong resident. His interest in his neighborhood was manifested throughout his life by the time and attention he devoted to all matters involving the local welfare. In addition, his outlook was broad and charitable, and in the practice of his profession as a lawyer his services without stint were always at the command of the needy, without regard to the sacrifice of time, convenience, or compensation, so that it is not possible to estimate the great contributions which he so generously made when the extent of his services in this respect are known only to the recipients and by those who knew and loved him for the assistance he thus rendered.

As a practical civic worker and an extremely busy lawyer his worth was recognized in his appointment to the office of the Kings County district attorney and his subsequent election to the Board of Aldermen of the City of New York and the United States House of Representatives. Each office he held was marked by conscientious and painstaking efforts to serve to the utmost of his strength and ability, so that his administration of each office was an admirable success.

His decease is a distinct loss to the Nation, State, and city, of which he was an exemplary citizen and public servant.

To Mrs. Rudd and his immediate family my heartfelt condolences are extended.

Mr. TONRY. Mr. Speaker, I rise in my seat to say just a word at the passing of our beloved colleague, the late Stephen A. Rudd.

Mr. Speaker, I have had the honor of serving with him in two legislative halls, both here in this House and in the Board of Aldermen of the City of New York. I learned early the wisdom and justice with which his judgment was tempered. In this, my first term in this House, I profited to an extent, which his untimely death only has made me realize, by his wise, calm judgment and his superior experience.

Mr. Speaker, I have known Steve Rudd for over 20 years as an intimate and trustworthy friend, as an honest and upright citizen, and as a competent and prudent legislator. The personal loss which is mine can never be recompensed. The influence which he wielded on me will always remain, though death has taken him from me. The memory of him will be a model after which I shall always strive.

Mr. Speaker, this House has lost a beloved colleague; his family, a devoted husband and father; the citizens of the country and his own congressional district, an able legislator; and I, a sincere friend and wise counselor. I pray that God in His justice and wisdom may grant to his soul the peace and happiness for which he always strove for others.

Mr. BARRY. Mr. Speaker, although I have been a Member of this House only since last November, I wish to join with my many colleagues in paying tribute to the memory of our late colleague, STEPHEN A. RUDD.

My short and pleasant acquaintance with him proved to me that he was a man of fine intelligence and upright character, who had a comprehensive grasp of the problems now confronting our Nation.

He worked conscientiously and well, and his record of achievement as a legislator is one that brought credit to himself and his party. His gentleness of manner and kindness of heart endeared him to all those with whom he came in contact.

As a new Member of the House, I sought his advice and guidance on several occasions, and his friendliness and help-fulness at those times will always be remembered by me.

By his death the State of New York and this great Nation of ours have lost the service of a truly great man.

Mr. O'CONNOR. Mr. Speaker, Hon. Stephen A. Rudd, Representative in Congress from the Ninth Congressional District of the State of New York, was respected by every Member of the House.

He was my friend and his passing is a real loss to me. His lovely wife bore a distinction unique and never enjoyed by any other woman in this country. Her father, her brother, and her husband were all Members of the House of Representatives. To add to that distinction, her son is a candidate this coming November for election to the same body. Her family has indeed made a remarkable and worth-while contribution to our Government.

Steve Rudd was a quiet, conservative, sensible Representative. He was the antithesis of a demagogue. He was never swayed by groups or blocs or movements. He kept his feet on the ground at all times, intensely interested in the welfare of his constituents, his party, and his country.

He needed to take no poll as to how his district felt on any question. Brought up in it, he intuitively knew what his people felt and wanted. No curbstone politicians swayed his judgment. No threats of political reprisal caused him to swerve from his honest convictions. Would that there were more like him,

We Members from New York shall miss him. The important Committee of the House of Representatives on Foreign Affairs, on which he served with distinction, will miss his keen judgment and counsel. The Bushwick section of Brooklyn, which he so ably represented, has lost a statesman and I have lost a friend.

AFTER RECESS

At the conclusion of the recess the Speaker called the House to order, and then, pursuant to House Resolution 467, as a further mark of respect to the memory of the deceased, declared the House adjourned.

ADJOURNMENT

Accordingly (at 1 o'clock and 8 minutes p. m.), in accordance with its previous order, the House adjourned until tomorrow, Wednesday, April 22, 1936, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, Old House Office Building, at 10:30 a. m., on Wednesday, April 22, 1936, for hearing on H. R. 12222 and H. R. 11172 (continued).

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on April 23, 24, and 25, 1936, at 10:30 a.m., in room 328, House Office Building, to consider H. R. 7086, by Mr. Wallgren, the Mount Olympus National Park bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

799. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Commissioners of the District of Columbia to pay claims and suits which have been settled by them (H. Doc. No. 468); to the Committee on Appropriations and ordered to be printed.

800. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment for the fiscal year 1936, amounting to \$75,700 (H. Doc. No. 469); to the Committee on Appropriations and ordered to be printed.

801. A letter from the Secretary of War, transmitting a draft of a bill to authorize the sale, under the provisions of the act of March 12, 1926 (Public, No. 45), of surplus War Department real property; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DOUGHTON: Committee on Ways and Means. H. R. 12395. A bill to provide revenue, equalize taxation, and for other purposes; without amendment (Rept. No. 2475). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 9270) granting a pension to Addie B. Hawkins, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON: A bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes; to the Committee on Ways and Means.

By Mr. CANNON of Wisconsin: A bill (H. R. 12396) amending title 29, sections 101 and 113 (c), of the United States Code; to the Committee on the Judiciary.

By Mr. CARTER: A bill (H. R. 12397) to authorize the coinage of 50-cent pieces in commemoration of the completion of the bridges in the San Francisco Bay area; to the Committee on Coinage, Weights, and Measures.

By Mr. GOLDSBOROUGH: A bill (H. R. 12398) to authorize the Comptroller of the Currency to make such rules

and regulations as he may deem necessary to enable him effectively to perform the duties, functions, or services imposed upon him under the provisions of laws relating to national banks; to the Committee on Banking and Currency.

Also, a bill (H. R. 12399) to amend section 3 of the act of June 30, 1876 (title 12, U. S. C., sec. 197), as amended; to the Committee on Banking and Currency.

Also, a bill (H. R. 12400) to amend sections 5204 and 5199 of the Revised Statutes, as amended, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 12401) to amend section 5154 of the Revised Statutes, as amended; to the Committee on Banking and Currency.

Also, a bill (H. R. 12402) to amend section 325 of the Revised Statutes of the United States, as amended (U. S. C., title 12, sec. 2); to the Committee on Banking and Currency.

Also, a bill (H. R. 12403) to amend section 641 of the act of March 3, 1901, entitled "An act to establish a Code of Laws for the District of Columbia" (D. C., title 5, sec. 342); to the Committee on the District of Columbia.

Also, a bill (H. R. 12404) to amend section 386 of chapter 12A of title 5, supplement 1, District of Columbia Code of 1929 (sec. 6 of an act entitled "An act to provide for the incorporation of credit unions within the District of Columbia", approved June 23, 1932); to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOEHNE: A bill (H. R. 12405) granting an increase of pension to Ernest Killian; to the Committee on Pensions.

By Mr. KRAMER: A bill (H. R. 12406) granting a pension to Mack McNeil; to the Committee on Pensions.

By Mr. PETERSON of Georgia: A bill (H. R. 12407) granting a pension to Harry J. Simpson; to the Committee on Pensions.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 12408) for the relief of Robert D. Baldwin; to the Committee on Indian Affairs.

By Mr. UTTERBACK: A bill (H. R. 12409) for the relief of Ray McMillen; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10760. By Mr. JOHNSON of Texas: Petition of Mrs. R. C. Jackson, A. W. Griffen, A. D. McKinney, N. W. Byrd, J. E. Skinner, Francis L. Goode, Houston Frederick, C. D. George, and Imogene Carr, Ruby Thomason, Inez Blackwell, Louise Hobbs, Omega Yielding, Louise Steeley, Gertrude Little, and Gwendolyn Reeder, all of Corsicana, Tex., favoring tax survey of farm and ranch land and survey of farm mortgages, land values, and land transfers; to the Committee on Appropriations.

10761. Also, petition of A. A. Allison, of Corsicana, Tex., favoring survey of farm and ranch land and survey of farm mortgages, etc.; to the Committee on Appropriations.

10762. Also, petition of Hon. J. S. Callicutt, district judge; Hon. C. E. McWilliams, county judge; Jack Megarity, M. W. Roberts, A. W. McClung, and J. W. Harris, members of the Navarro County commissioner's court; and R. L. Harris, tax collector and assessor, all of Corsicana, Tex., favoring retention of tax survey of farm and ranch lands, farm mortgages, land values, and land transfers; to the Committee on Appropriations.

10763. Also, petition of Brad Robinson, C. R. Lacey, W. H. Hill, C. G. Haley, county judge of Leon County; Joe H. Seale, and Sam Bain, all of Centerville, Tex., favoring Works Progress Administration tax survey; to the Committee on Appropriations.

10764. By Mr. ENGEL: Petition of C. R. Bell and others, of Mesick, Mich., endorsing the objectives of the Tydings-McCormack bill; to the Committee on the Judiciary.